



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

BOARD MEETING MINUTES
Thursday – February 14, 2008 – 2:00 P.M.

Michigan Economic Development
Corporation Office Bldg.
300 N. Washington Square – Lake Michigan Room
Lansing, Michigan 48913

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

VIDEO CONFERENCING AT BOTH LOCATIONS

- Board Members Present:** **In Detroit:** Stacey Fox
- In Lansing:** Hon. Dan Kildee, Peter Anastor (MEDC),
 James Paquet (MSHDA), Susan Corbin (DLEG)
- DLEG/Atty. General Staff:** **In Detroit:** Fred Durhal, Jr.
- In Lansing:** Carrie Lewand-Monroe, Executive Director,
 (MLBFTA), Jeffrey Huntington (MLBFTA),
 Patricia Quinn - Assistant Attorney General
- Public Attendees:** **Lansing:** Coffiann Hawthorne, Governor’s Office
- Detroit:** None

Call To Order / Attendance Call

Chairman Hon. Daniel Kildee called the Authority Board to order at 2:35 P.M. Board Staff Secretary Fred Durhal, Jr. presented the roll call. Five members were present. A quorum was declared.

Chairman Kildee welcomed new Executive Director Carrie Lewand-Monroe. Ms. Monroe stated that she was happy to be on staff that it has been a productive exciting month. Director Lewand-Monroe said that she is excited about what the state land bank can accomplish.

Approval of Agenda

Chairman Kildee presented the agenda for approval:

Motion: Member Paquet / Supported by Member Corbin: *“To approve the agenda.”*
MOTION APPROVED UNANIMOUSLY.

Approval of Meeting Minutes:

Approval of the minutes of the October 11, 2007 Regular Board and December 18, 2007 Special Board Meetings.

Motion: Member Paquet / Supported by Member Fox: *“To approve the minutes of October 11, 2007 and December 18, 2007 Authority Board meetings.”*
MOTION APPROVED UNANIMOUSLY.

Public Comment #1:

Chairman Kildee asked for public comments. The results:

Detroit: None
Lansing: None

Proposed 2008 Meeting Schedule

Chairman Kildee held a brief discussion regarding the 2008 Official Meeting Schedule of the Authority Board which is as follows: February 14th, April 10th, June 12th, August 14th, October 9th, and December 11th. All meetings will be held at 2:00 pm. Special Meetings may be called by the Chairman of the Authority as needed. After discussion, the Chairman asked for a motion to approve the schedule:

Motion: Member Paquet / Supported by Member Anastor: *“To approve the Official 2008 Schedule of the Michigan Land Bank Fast Track Authority.”*
MOTION APPROVED UNANIMOUSLY.

Nomination and Election of Officer for the Authority Board for 2008

Nominations for Chairman

Chairman Kildee stated that the floor was open for nominations for Chairman. After brief discussion Member Paquet offered the following motion:

Motion: Member Paquet / Supported by Member Anastor: *“I nominate Daniel Kildee for another term as Chairman.”* Member Corbin then offered:

Motion: Member Corbin / Supported by Member Paquet: *“Move to close nominations.”*

Member Fox expressed concerns about absent board members being allowed a chance to vote. Chairman Kildee indicated that he has had extensive conversations with board members Lamb-Hale and Jackson and they are in support of his continuing as Chairman. Chairman Kildee called for the vote on the motion to close nominations:

MOTION APPROVED UNANIMOUSLY.

Chairman Kildee then asked for the vote:

MOTION APPROVED UNANIMOUSLY.

Chairman Kildee then opened nominations for the office of Vice-Chair of the Authority Board.

Motion: Member Paquet / Supported by Member Anastor: *“To nominate Nicole Lamb-Hale as Vice-Chairperson of the Michigan Land Bank Fast Track Authority by Acclimation.”*

MOTION APPROVED UNANIMOUSLY.

MLBFTA STATUS REPORT–EXECUTIVE DIRECTOR CARRIE LEWAND-MONROE

Property Applications

Director Lewand-Monroe gave an update on property applications. She stated that things are moving forward at a faster pace, a one to two week turn around on applications. Ms. Lewand-Monroe stated that she is trying to cut down the negotiation process for side lots. Formally, these lots were being sold for \$1500 to \$5000. She has established a set price of \$500. As a result, the applications have been processed faster. In future days, the goal will be to reduce the set price even lower for the side lots.

Tax Recapture

The Land Bank has not received its 5/50 tax recapture on properties sold from the various taxing authorities. So far, only four checks have been received for a total of \$400.00. She has now assigned staff to contact each local government to retrieve the funds. Distribution worksheets and letters have been sent to assist in collection of the funds. Many of the taxing authorities were not familiar with the process for the tax recapture but have been cooperative and will be sending checks soon. Director Lewand-Monroe has indicated that she will be meeting separately with the City of Detroit in regard to its tax recapture because the majority of our properties are there.

Members asked questions as to the total amount available for recapture. Director Lewand-Monroe stated that we do not know what the amounts are at present. Chairman Kildee stated that the delay in payments is probably due to a lack of knowledge by the taxing authorities of what forms to use for recapturing the tax and processing payment. Mr. Kildee stated that some conversations have been held with software vendors such as BS&A to help them to educate their local governments as to available software programs that can be integrated into daily usage by assessors. Director Lewand-Monroe stated that she has offered to speak at the Michigan Assessors Association annual conference in August. She stated that she wants property certificates issued as we sell our property. The Property Transfer Affidavit, certificate and contact information for the authority, will be filed with the Register of Deeds Office.

Increased Sales

Staff have been instructed to contact all counties where there are properties of ten or less parcels. The Authority seeks to receive more details about our parcels by having their staff to visit the property; to find out if the government unit is interested in acquiring the parcel for public usage and/or if they are knowledgeable of individuals or non-profit organizations who may be interested in acquiring parcels. The staff is starting in the Upper Peninsula and will proceed

county-by-county, making phone calls that hopefully will result in transfers of property in coming weeks. Information from the various counties has been helpful in terms of referrals and

Partnerships with other Land Banks

Director Lewand-Monroe stated that a key goal is to partner with local governments and other county land banks. She cited an example of the Saginaw County Land Bank working to create a special project that would involve an obsolete neighborhood where about fifteen parcels owned by the Authority would be acquired for demolition and ultimate use as a green space. Saginaw County Land Bank would provide some compensation for the property at a discounted rate. The property would not be going back on the tax rolls so we will not get the 5/50 recapture. She stated that the local governments better know what should be done with the neighborhood properties. The more that the Authority can give our properties to those local governments who want to deal with the properties the better.

Chairman Kildee stated that after today's meeting, there would be ten county land bank authorities with at least a couple more in the process to come. At future meetings, it might be good to hear from these county authorities about what they are doing. He cited Ingham and Grand Traverse projects. He thinks that every month, it would be good to have a different county land bank representative to discuss with our Authority what they are doing.

Update on Fannie Mae Properties

Director Lewand-Monroe stated that the Authority has acquired 182 properties from Fannie Mae. We have received about 25 of the deeds and that they are trickling in. She informed the Authority that we have a need to know what we have taken on. Therefore, she is hiring Property Investigators who will go out door to door and take pictures and give a report on the condition of the properties. Initially, the contractors will start work on the Fannie Mae properties, but will stay on to take photos and make assessments of all of our Wayne County Properties.

Ms. Lewand-Monroe stated that she met with Angie Gobo of CEDAM on February 8th to discuss CDC ability to take on the Fannie Mae properties. After a brain-storming session, it was determined that most CDC are not in a fiscal position to take on the properties. One idea would be to take property where a homeowner occupies the property, transfer the property to the CDC, and the CDC enters into a land contract with the owner. She believes that that places everyone in a 'win' situation. Chairman Kildee said that he thought it was a good idea. He asked Director Lewand-Monroe to contact the Genessee County Land Bank, obtain a copy of their land contract and look at the consideration both money and non-money so that occupants can bring the property up to code.

Director Lewand-Monroe stated that this does not help us with the un-occupied properties. She is hoping that MSHDA can help. More discussion took place about securing possible funding with governmental and private sector entities and mapping software programs that might be available for use in locating and evaluating inventory.

Update on 15721 Lahser

The property at 15721 Lahser, is slated for demolition by the City of Detroit. The city wants the Authority to transfer the property to them and they will transfer the property to the adjacent property owner after the demolition. There was discussion about the MSHDA Demolition Program with regard to Safe School Routes.

Director Lewand-Monroe stated that she was trying to work out a way to take care of property maintenance this summer. She talked to Heidi Washington of the Department of Corrections about a possible way to work out maintenance. It could not be done. Another possibility is to attempt to work with the Wayne County Alternative Work Force. Ms. Lewand-Monroe will get report on this at the next meeting.

Motion: Member Paquet / Supported by Member Corbin : *“To approve the report of the Executive Director.”*

Member Fox asked about the budget, our appropriation, and the land bank fund.. She wanted to know what the legislative intent was regarding the expenditure of funds. Chairman Kildee and staff member Fred Durhal explained the appropriation procedure. After discussion, the motion was called for vote as follows:

MOTION APPROVED UNANIMOUSLY

Action Items For Board Approval

Executive Director Carrie Lewand-Monroe brought the following items for Authority approval. After consideration, the Authority voted as follows:

Resolution 2008-01 - Carson City Conveyance – Public Usage

This transaction involves Land Bank property being conveyed to Carson City for public usage. Director Lewand-Monroe stated that there is highly contaminated parcel that DEQ is working on and therefore originally did not want us to transfer but now they have an easement on the property and is agreeable for a transfer. Mr. Fred Brown, the city administrator of Carson City approached the Land Bank to receive a lease to enter the property and use a portion of it for equipment storage and basic maintenance. This resolution would provide Carson City a lease to perform those actions. The city administrator of Carson City was asked if the city wanted to purchase the property, but they declined. The Land Bank would receive \$300.00 for a period of ten years. There was no discussion on the resolution. Chairman Kildee requested a motion:

Motion: Member Paquet / Supported by Member Anastor :

“To approve resolution 2008-01.”

MOTION APPROVED UNANIMOUSLY

Resolution 2008-02 – City of Dearborn

This is being brought to the Board because this parcel will not be added to the tax rolls once transferred. We own a small unbuildable parcel that is surrounded by an industrial board line that is sandwiched between two city-owned parcels. The City of Dearborn wants to acquire all property in that area in order to bundle it for future development. The city offers the Land Bank the sum of \$7,000.00 for the unbuildable parcel. There was no discussion by the Board.

Chairman requested a motion:

Motion: Member Paquet / Supported by Member Fox :

“To approve resolution 2008-02.”

MOTION APPROVED UNANIMOUSLY

Resolution 2008-03 – Tireman Associates II, LLC

This is a property near the Parts Galore Auto Parts facility on Tireman at Epworth. Soave Enterprises through Tireman Associates have offered the sum of \$250,000.00 for this remediated property. Chairman Kildee inquired as to whether or not there was a lien on the property by the DNR or DEQ. Director Lewand-Monroe stated that she was not aware of any lien on the property. Member Paquet stated that this property is in a very rough neighborhood. He also stated that Parts Galore has been a very good neighbor. Ms. Lewand-Monroe stated that three other parcels have been sold to Tireman Associates as well. Chairman Kildee asked if there were any competing interests for the parcels. Ms. Lewand-Monroe stated that there were none. Chairman Kildee then requested a motion:

Motion: Member Paquet / Supported by Member Anastor :

“To approve resolution 2008-03.”

MOTION APPROVED UNANIMOUSLY

Resolution 2008-04 – Grosse Ile Nature and Land Conservancy Association

This transaction is about two parcels owned by the Land Bank. They are adjacent to two parcels owned by the Grosse Ile Land Conservancy. Parcels on the other side are also wooded. Ms. Lewand-Monroe explained the features of the properties. Member Fox questioned why the conservancy has not come to the Land Bank previous to this time. She also expressed some concern about whether the conservancy will one day sell the property for huge sums of money. Chairman Kildee stated that it does raise an interesting question. He asked for Assistant Attorney General Patricia Quinn for some clarification. Ms. Quinn looked at the documents submitted by the conservancy and determined that the parcels were stated to be not buildable. Ms. Quinn stated that the sale could be made with a public use deed.

Ms. Monroe stated that the zoning requirements indicate that the parcels are not buildable.

Chairman Kildee stated that we would make the supporter agree to a modification of paragraph F in the resolution for the conveyance of the properties of the applications for the purposes of conservancy. Ms. Quinn stated that what we could do is to say that it would be conveyed pursuant to a deed that restricted usage to exclusively public use or purpose. The resolution could be revised to reflect that language. Member Paquet, who offered the motion, accepted the amendment changing the language that restricts the land usage to only public use.

Motion: Member Paquet / Supported by Member Anastor :

“To approve resolution 2008-04, as amended.”

MOTION APPROVED UNANIMOUSLY

Director Lewand-Monroe told the Board that the IGAs have been passed by the individual counties. Upon Land Bank receipt of them, they were reviewed by the Attorney General Office

and came back with modifications. Ms. Lewand-Monroe asked the Board to pass the redlined versions that would go back to the counties for their passage of the amendments.

Resolution 2008-05 – Intergovernmental Agreement – County of Ogemaw

Motion: Member Paquet / Supported by Member Anastor :

“Move adoption of the resolution 2008-05, as redlined.”

Member Paquet asked about how Ogemaw County will use their Land Bank Authority. Chairman Kildee stated that they have an active Brownfield Redevelopment Authority and have had a lot of problem properties that without a land bank, those properties may become open for speculators. The county wants to take advantage of potential new recreational opportunities along the I-75 corridor. The county wants to have better control over its abandoned property. After discussion, the Chair asked to call the question:

MOTION APPROVED UNANIMOUSLY

Resolution 2008-06 – Intergovernmental Agreement – County of Berrien

Motion: Member Paquet / Supported by Member Anastor :

“To approve resolution 2008-06, as redlined.”

MOTION APPROVED UNANIMOUSLY

Chairman Kildee asked for Public Comment:

Public Comment #2

Detroit: None

Lansing: None

Member Anastor stated that he presented at the Michigan Association of Counties Legislative Conference on Regionalism and spoke on Brownfield programs and land banks. He wants to spread the word to all counties to take advantage of land banks. He also reported that there has been a change to the Brownfield Act statutes that allows land banks to be reimbursed through PA-381 for the cost to employer's equipment for economic development purposes.

Director Lewand-Monroe announced that a Brownfield Conference was coming to Detroit in May, 2008. She was working with the DEQ to market our properties at the conference. Member Corbin stated that we could use the DLEG Public Relations staff to disseminate information.

Chairman Kildee announced that there will be a Land Bank Conference in June, 2008.

Mr. Durhal informed the Board of his candidacy for State Representative of the Sixth District in the August, 2008 Primary Election. Because of Civil Service rules, he will have to go on leave of absence starting the day he places his name on the ballot for at least until after the election. Durhal stated that if he wins, he would not return until after the General Election in November, 2008 to work until he is sworn into office on January 1, 2009. He stated that if he loses the election, he would be returning on the day after. Chairman Kildee thanked Mr. Durhal for bringing that information to the Board and wished him well.

Mr. Jeffrey Huntington thanked the Board and Chairman Kildee for their assistance during the transitional period. Chairman Kildee thanked Mr. Huntington for a job well done.

Adjournment:

Motion to adjourn was made by Member Paquet.

MOTION APPROVED UNANIMOUSLY

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