

**Kent County Land Bank Authority**  
**Board Meeting Agenda**  
**June 26, 2013**  
**2<sup>nd</sup> Floor Training Room**

1. Call to Order- Board Chair Parrish called the meeting to order at 3:00 p.m.
2. Roll Call- All Board members present.
3. Approval of Agenda-Motion was made to approve agenda. Motion passed.
4. Approval of Minutes, 5/22/2013 Meeting-Motion was made to approve May, 22, 2013 meeting minutes. Motion passed.
5. Public Comment-Helen Lehman, New Development Corp. thanked the Board stating it was a great opportunity for neighborhoods to work with the City of Grand Rapids and New Development Corp. will work whole heartedly with the Land Bank. Wanda Ezell, Caring Meadows would like to become a partner with the Land Bank. Joel Loftis, Coldwell Bankers Realtors attending meetings to learn more about the KCLBA. He is currently working with the Land Bank on transfers of bank donated properties.
6. Advisory Council Report – Advisory Council Co-Chair Greg Conway presented the Advisory Council report to the Board. New member Julie Rietburg (CEO Grand Rapids Association of Realtors) was introduced.

Members of the advisory council reviewed the tax foreclosure process noting there was a lengthy list of key partners and municipalities participating in 2013. He highlighted the Sparta land development project mentioning the council recommended having a lot of builders working with the KCLBA to build a variety of structures. He stated this would be a good project for the community of Sparta since many of the Sparta businesses have employees who commute to work each day. The project will add homes in a housing development which already has the infrastructure built. Conway informed the KCLBA Board that Ms. Reitburg had presented a housing analysis of the Sparta area indicating a low availability of housing in the area currently which she added is not healthy.

Conway stated the advisory council members discussed the City of Grand Rapids foreclosed properties list. Reitburg noted the KCLBA's development/sale of these properties would have a stabilizing effect on the housing market.

Conway reported the council had reviewed the proforma for the 2013 properties and were pleased with the low estimates made by KCLBA staff. Council members felt the 2013 Budget appeared to be a solid budget.

7. Executive Director Report – David Allen reported the May-June, 2013 Financials will be distributed at the July 2013 KCLBA Board meeting. He informed the Board he had met with Board Chair Parrish and new accounting firm to revise the financials after dismissing Goodlander & Rybicki CPA's. He stated there had been some general journal entries that were not accurately portraying the acquisition and sale of assets. He stated the bottom line was – cash balance was correct but the journal entries were not complete and up to standard. Board Chair Parrish added the new accountant will need to review every journal entry then would be meeting with staff of Rehmann Group who had conducted the

2012 KCLBA audit to discuss how to post the purchase and sale of properties and would revise the books based upon their recommendations.

- a. Financials
  - i. March 2013 Check Detail-Allen presented the May, 2013 check detail to Board members for review. There were no questions or comments.
- b. Sparta Foundry Site Update – Allen announced the closing June 28 with Blue Forest Ventures. Funds will be wired directly to the account.

E.D. Allen announced the partnership with the City of Sparta, Blue Forest Ventures, The Right Place and Sparta area businesses to develop a plan for the vacant property. He added Blue Forest Ventures had produced a You-Tube video which has received rave reviews. Allen noted Blue Forest Ventures was considering building a rail hub to the site. This would be the first of its kind in the Midwest and could be used for local businesses to export apples. It would greatly reduce the costs. West Michigan Alliance of Foundries would be able to ship close to the rail receiving wire from New York.

Blue Forest is working with 4 companies currently.

- c. Update on Tax Foreclosures in Kentwood, Wyoming, and Cedar Springs. Allen informed the Board he had met with City of Kentwood staff. The Kentwood City Commission decided not to work with the Land Bank on 2013 tax foreclosed properties. They will be working with the Land Bank on a donated property. The City of Wyoming is working on a policy currently. Allen said he is working with the City of Cedar Springs and County Treasurer Ken Parrish regarding the Cedar Springs properties. It was determined it made better sense to let the properties go to auction.

Allen stated he met with City of Grandville Commission. He said they were excited to work with the KCLBA on a Prairie Street property.

Allen added the KCLBA is working with many of the local units and the KCLBA is “everybody’s land bank, not just the City of Grand Rapids.”

- d. Action Required:
  - i. A Request from Nelson Township for the KCLBA to partner with them on the acquisition, redevelopment, and resale of their 1 tax foreclosure. After discussion a motion was made to accept the request from Nelson Township. 4 in favor, 1 nay (Brinks). Motion passed.
  - ii. A request from Plainfield Township for the KCLBA to partner with them on the acquisition, redevelopment, and resale of their 1 of their tax foreclosures and help to clear title on two that the Township is acquiring. After discussion a motion was made to accept the request from Plainfield Township. Motion passed with unanimous favor.
  - iii. A Request from the Village of Sparta for the KCLBA to partner with them on the acquisition, redevelopment, and resale of all tax foreclosures in the Village of Sparta (32).
    - Village of Sparta Bedford Falls Development Plan- 32 foreclosures within a traditional housing development. Everything is in place, infrastructure has been paid for. Allen met with Emily Siebert, HBA to discuss development. The estimated value of each lot is \$10,000 - \$15,000. An open house is scheduled on site to invite builders to submit RFP packet. Allen added the homes will be built in Sparta with homeowners being able to walk to work & school. The KCLBA would receive 5/50 taxes. Area businesses & Blue Forest Ventures are discussing down payment assistance programs. 98% of employees working in Sparta do not live in Sparta. There is a housing shortage within the Village of Sparta.

After discussion a motion was made to accept the request from the Village of Sparta. Motion passed with unanimous vote.

- iv. A Request from the City of Grand Rapids for the KCLBA to partner with them on the acquisition, redevelopment, and resale of all tax foreclosures in Grand Rapids (163). David Allen reviewed the following documents that had been distributed to the KCLBA Board members:
- Development Agreement between the City of Grand Rapids and the KCLBA- nonprofits have submitted their requests for City of Grand Rapids properties to Allen. If the Land Bank “fails” the City will take back the properties.
  - GR 2013 Tax Foreclosure Implementation Plan and Timeline
  - Tax Foreclosure Sales Procedure- RFP for agents will be distributed by GRAR and posted on the KCLBA website. Realtors will be required to submit their qualifications to be considered. KCLBA will continue to work with VanEck Law firm & Sun Title for appraisals and clearing titles. Allen hopes to have Quiet Title completed within 60 days. All properties will be offered to the general public. Ratings will be given on each property for interior & exterior conditions. Deeds will be placed in escrow until required work is completed. Allen met with Siebet & Connie Bohatch from the City of Grand Rapids. Bohatch is pleased with the process recommended by Siebert of the HBA to require “minimal housing codes” standards the advisory council recommended to be higher than standard codes.
  - KCLBA Recommended Development Specs- Home Repair Services will do inspections on each property. KCLBA staff trained inspectors from HRS.
  - Occupied Property Policy-Allen stated a committee has been formed to write policy. Committee members are Todd VanEck, attorney and advisory council members Tyler Nickerson, Lee Nelson Weber & Steve Ruis. Allen noted the KCLBA policies are contradictory by “accepting properties from local units” and policy stating “the KCLBA will not take occupied properties.” There are 29 occupied properties. A policy will be presented to the Board for approval at the July Board meeting.

Allen stated the Kent County Land Bank Authority has met with MSHDA regarding demolition funds. He has also met with Fair Housing staff and will be working their office on properties in the 49507 area.

After discussion by members a motion was made to accept the request from the City of Grand Rapids to partner with them. 4 in favor, 1 nay (Brinks). Motion passed.

8. Open Discussion- Allen thanked KCLBA staff for their commitment. He praised the City of Grand Rapids staff for their creative thinking, thanking Connie Bohatch & Kara Woods for their work. He noted the City Commission vote was 6-1 in the morning meeting however after hearing further details, the vote to work with the KCLBA was unanimous in the final Commission meeting vote. Allan stated he believed this is the “right program at the right time.” He added he strongly believes the 2013 annual report can show stark difference from the auction, noting last year there was no process and this year it is clear.
9. Adjournment- Chair Parrish adjourned the meeting at 4:00 p.m.

#### Next Meeting

July 24, 2013 at 3:00 p.m.

Training Room, 2<sup>nd</sup> floor

Kent County Administration Building