

Kent County Land Bank Authority
Board Meeting Minutes
July 24, 2013

1. Call to Order- Meeting was called to order at 3:00 p.m. by Board Chair Ken Parrish.
2. Roll Call- All Board Members present.
3. Approval of Agenda- Motion was made to approve agenda. Motion passed.
4. Approval of Minutes, 6/26/2013 Meeting: Motion was made to approve June 26, 2013 meeting minutes. Motion passed.
5. Public Comment- no public comment
6. Advisory Council Report – None
7. Executive Director Report –David Allen
 - a. Financials- Executive Director David Allen presented the financial statements to the Board for review. There were no questions regarding the statements. Allen added in the past 12 months the Land Bank had paid down the Founder’s loan, zero paid back to the GR Community Foundation. There have been \$1.6 million in sales, \$176,000 cash in Huntington Bank (operating funds) all lines of credit are paid back and there should be \$243,000 in cash by the end of the month.
 - i. June Check Detail-Board was
 - ii. May & June Balance Sheet
 - iii. May and June P&L
 - iv. January 1-June 30 (6 Month) Balance Sheet
 - v. January 1-June 30 (6 Month) P&L Sheet
 - b. MSHDA \$100 Million Demolition Funds for Grand Rapids-Allen reported there have been several meetings with the Michigan State Housing Development Authority (MSHDA) representative Michelle Wildman and City of Grand Rapids staff Connie Bohatch, Kara Woods and Suzanne Schultz.

Allen explained MSHDA’s formula for demolition funding based upon the dollar amount coming to the cities. Grand Rapids, based on MSHDA’s formula would qualify for \$20 Million. After meeting with City staff it was decided to apply for \$2.5 Million which would fund the demolition of at least 100 homes. More details will be announced as they become available.

- c. Action Required:
 - i. Occupied Property Policy Submitted for Approval-Allen informed the Board that 80% of the residents have been contacted and all homes are in habitable, good shape. He added the occupied housing subcommittee recommended revision of the current policy (copy enclosed). Brinks recommended rather than rewriting the policy that the board pass an exception to the policy for this year. Brinks made a motion to make an exception to the Occupied Property Policy, seconded by Bliss. In discussion Chair Parrish stated that there was no need for an exception to the policy in that the existing policy can stand as written and merely be suspended until we get through this year to see how things work out with the existing properties and then revisit the policy after we have a year’s worth of work to

look back on. Brinks agreed to table her motion. A motion was made by Ponstein to suspend occupied housing policy, seconded by Bliss. Motion was passed unanimously.

- ii. Resolution to Expand the PRI from the Grand Rapids Community Foundation by \$600,000. Allen informed the Board members of the request made by the Grand Rapids Community Foundation (GRCF) for a resolution approved by the KCLBA Board to expand the PRI from the GRCF. He stated the resolution had been drafted by the GRCF on advice from GRCF legal counsel. Brinks mentioned that the language of the Resolution is ambiguous and asked that the minutes reflect her request to ensure that the KCLBA following procedures currently in place with checks and balances and continuing internal controls. Motion was made to pass the resolution by Bliss seconded by Ponstein. Motion passed unanimously. Board Secretary Brinks signed the resolution on behalf of the KCLBA Board.
- iii. Amended Budget August – December 2013: E.D. Allen submitted an amended budget to the Board reflecting increases in staff salaries, the addition of one accounting staff member, health & retirement benefits for staff. Non- personnel increases are for equipment for the new staff member and additional dollars added for marketing. The new budget was based only upon what is known; cash on hand, signed contracts-sales projections of ½ of the properties are sold. Motion was made to approve the amended budget with the recommendation to review 401K match next year to consider increasing from 4% this year to 6% next year by Bliss, seconded by Nevins-Weiss. 4 Yes Votes. Brinks voted no. Brinks expressed several items of concern regarding expansion of the budget, hiring staff versus contracting for services, and increases to staff salaries. Ponstein, Bliss, Nevins-Weiss, and Parrish voted Yes, Brinks voted No.
- iv. Motion to cancel August Board Meeting made by Ponstein, seconded by Bliss-Motion passed unanimously.

8. Open Discussion-Chair Parrish asked for an update on the KCLBA Strategic Plan. Allen informed the Board the draft would be completed by Friday, July26, 2013. The rough plan will be posted on the KCLBA website until Sept. 1 for public comment. The KCLBA Advisory Council will review the final draft on September 18 and recommend final approval for the September 25 Board meeting for KCLBA Board approval.

Board member Commissioner Ponstein thanked the GRCF for their support.

Board member Bliss stated there had been discussion of the Executive Director salary by the personnel subcommittee and the Board Chair. A decision will be made by the next meeting of the KCLBA Board in September.

9. Adjournment-Meeting was adjourned at 4:00 p.m.

Next Meeting

September 25, 2013 at 3:00 p.m.

Training Room, 2nd floor

Kent County Administration Building