

Kent County Land Bank Authority
Board Meeting Minutes
August 21, 2014

1. Call to Order- Board Chair Parrish called the meeting to order at 8:00 a.m.
2. Roll Call- Board members present Parrish, Brinks, Bliss, Ponstein, Kaminski
Staff members present –David deVelder, Vince Lambert, LouAnn Bryant. Chair Parrish informed the Board members that KCLBA Executive Director Allen was asked to participate in the Michigan Economic Development Conference in Traverse City and would not be attending today’s board meeting.
3. Approval of Agenda- Motion by Bliss to approve agenda, support by Kaminski. Motion passed.
4. Approval of Minutes, 6/19/2014 Meeting- Motion by Brinks to approve minutes as written. Support by Ponstein. Motion passed.
5. Public Comment-None
6. Advisory Council – None
7. Executive Director Report –Chair Parrish recognized David deVelder who reported in the absence of David Allen. Staff accountant Vince Lambert reported on the Financials that had been distributed to the KCLBA Board prior to the meeting.
 - a. Financials – Lambert reported June budget was at 90%. July was over budget because of 3 payrolls occurring within the month. Board members had no questions or comments on the financial statements.
 - i. June Check Detail
 - ii. July Check Detail
 - iii. June Balance Sheet
 - iv. July Balance Sheet
 - v. June P&L
 - vi. July P&L
 - vii. June Budget vs Actual
 - viii. July Budget vs Actual
 - ix. 12 Month Cash Flow Projection-Lambert reviewed the cash flow projection stating there was a cash balance of \$65,000 as of August 13, 2014. Projection of incoming funds was \$198,000 and cash outflow projection for operating, clean outs, relocation assistance and utilities was \$175,000. Projections were made based on last years proceeds. Cash balance as of August 31, 2014 is projected to be \$88,000.

Projection through June 30, 2015 is \$1.3 million. This will allow pay down of PRI to the GR Community Foundation.

Executive Director David Allen sent Board members the revised budget prior to the meeting. Lambert reviewed the revised budget. The summer intern set up a database for 5/50 from collected taxes from local units. There will be \$110,000 expected revenue. Development costs have been lower than estimated, operating costs have dropped and

the overall budget is reduced by 5%. Motion was made by Brinks to approve the revised budget, support by Bliss. Motion passed. Both Board members noted the budgets are much better than 2 years ago. There is more data to establish better projections.

Office Relocation- Board secretary Brinks presented information on the proposed new office location. Brinks met with Executive Director Allen prior to the Board meeting to discuss details of move noting she had gone through the lease. She considers the new space a good location with available parking where Board meetings can be held. Brinks noted the move does not need Board approval but recommended the Board do so. Support by Bliss. Board approved accepting the lease and office relocation.

Several closings are scheduled in September –Prairie, Pinehurst, Montgomery 1515 Madison and Delaware. Net proceeds are estimated to be \$102,000. Cash outflow projections for September are \$97,000 with a cash balance as of September 31, 2014 of \$94,000.

- b. Hardest Hit Demolition Update-deVelder reported of the \$1.4 million award that had been split with Habitat for Humanity, \$536,000 has been received, \$113,000 additional has been submitted for payment. He stated the Trowbridge project has been set up and there remains a balance of \$426,000 left for 2014 demolitions. deVelder added the average cost per demolition is \$2,000.
 - c. Inventory Update-deVelder reported there was only 1 property remaining from the 2013 tax foreclosures and it is being evaluated for demolition. He stated it has a good foundation but needs a lot of work. Board member Brinks requested updates on all properties that remain on the KCLBA rolls.
 - d. 2014 Tax Foreclosures – Update David deVelder reported the following:
 - i. Grand Rapids- KCLBA has purchased 126 properties from the City of Grand Rapids
 - ii. Kentwood-KCLBA purchased 3 properties from the City of Kentwood.
 - iii. Wyoming-no properties were purchased from the City of Wyoming
 - iv. Remainder of Local Units-no properties purchased from remaining local units.deVelder added 5 properties are commercial, 66 residential will be sold, 12 will be demolished, 17 are being sold to non-profits and there are 26 vacant lots. Properties are now being cleaned out and the KCLBA has started receiving purchase offers. Ten of the occupied properties are now vacant. Closings are expected to start at the beginning of October, two weeks ahead of schedule. Board members requested more information on the plans for distressed properties. DeVelder informed the Board some of the properties are demolitions having issues with mold, roofs, etc. Some will be put on the market with desire to have them renovated.
8. Open Discussion-Chair Parrish informed Board members he will be going to court on September 3 for the appeal hearing. He estimated it would be a month before there was a decision. Chair Parrish also reminded Board members Ponstein & Bliss their terms will end. He informed them of the application process noting the applications are available on line. Chair Parrish announced the next KCLBA Board meeting will be held at the new KCLBA office located at 347 S. Division Avenue.
9. Adjournment- Board Chair Parrish adjourned the meeting at 8:40 a.m.

Next Meeting

Thursday September 18, 2014

347 S. Division

Grand Rapids, MI