

JACKSON COUNTY LAND BANK AUTHORITY
MEETING MINUTES
NOVEMBER 15, 2012

PRESENT: COFFMAN, RICE, DUCKHAM, TAYLOR, ALEXANDER, MARTIN, JESTER,
CUNNINGHAM, FROUNFELKER
VISITORS: TOBY BERRY, MIKE OVERTON
ABSENT: BUTLER, KRUSE

Meeting called to order by Coffman at 7:31 a.m.

Public Comment:

- None.

Approval of Minutes The minutes from October 18, 2012 were emailed and presented. **Motion by Jester**, to approve and accept the minutes from October 18, 2012, as presented, **seconded by Rice, PASSED.**

Financials

- No financials presented. Refer to property subcommittee updates on agenda for more details.

Board Appointments – Julie Alexander, Kip Cunningham, & Andrew Frounfelker (pending)

- Coffman introduced new land bank board member Commissioner Julie Alexander. Alexander replaces outgoing Commissioner Williams. Her term begins 10/23/2012 and expires 10/31/2016.
- Coffman advised that Kip Cunningham was approved to serve another term as a Member at Large. His term began 02/20/2007 and expires 10/31/2016.
- Coffman advised that Andrew Frounfelker has been presented to the Board of Commissioners to be reappointed as a City of Jackson representative. This has not yet been finalized since the Board of Commissioners has not yet met and made the final approval.

Property Inventory Sub Committee updates

- We met on Wednesday, **October 24, 2012** to review the list of 83 remaining county owned properties to determine whether or not to recommend the land bank to acquire any parcels.
- There were approximately 44 parcels out of the 83 with structures on them; all but FOUR (4) have condemnation orders on them.
- **After review and discussion we are recommending that the land bank does NOT acquire any of these properties/parcels at this time.**
- The Treasurer will be sending notification to the City and to Summit township asking if they wish to take the remaining parcels from the foreclosure cycle or if they wish to deny/reject the properties (as per state statute).
- After such time that the City and or Summit either accept or reject these parcels, there may be an opportunity to review the listing once again before year end.
- Duckham asked the question, “What is the mission of the land bank now?” – discussion.

- Discussion about the three West Biddle properties (106 W Biddle; 201 W Biddle and 107 W Biddle- vacant lot) and donating to Habitat for Humanity per board discussion and direction.
- Coffman will contact Copp & Co to withdraw the MLS listing and cancel our contract with them on 106 W Biddle and 201 W Biddle.

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- Coffman signed documents 11-02-2012
- **Invoice from Copp & Co for services \$400 for each parcel – need board approval to pay**

Motion by Jester, to approve and pay the invoice for Copp & Co., in the amount of \$800.00 for services rendered, **support by Cunningham. PASSED.**

- Taylor spoke with the building inspector at the city about these properties. He was told that if Habitat were to acquire them they will have 2 months to do the exterior work needed to bring them up to city code.
- Habitat for Humanity – Chris Kilmer – Karen contacted Chris about the status of their interest in acquiring the house on 106 W Biddle. Chris advised that because of the amount of work that the city is requiring bringing up to code and the strict timeline to do this, Habitat is no longer interested in this parcel.
- Chris stated that they may still be interested in the vacant lot on 107 W Biddle. He does not have a final answer as of this date. He is waiting for the city to determine if the setbacks for them to build on the lot on 800 S Mechanic are sufficient. If not, then acquiring the lot on 107 W Biddle would make sense for them so that they can build their house.
- Karen mentioned the house on 201 W Biddle that the land bank has and asked if Habitat may also be interested in this to acquire. He has not provided a final decision / answer on this parcel yet.
- Chris Kilmer – Habitat for Humanity – stepping down as Executive Director per the Citizen Pat on 11-12-2012.
- **Subcommittee recommends to give 106 W Biddle and 201 W Biddle to the City.**

Motion by Cunningham, to inquire if the City of Jackson would accept the donation of 106 W. Biddle and 201 W. Biddle from the land bank authority, contingent upon whether or not Habitat for Humanity is interested in acquiring through donation, **support by Jester. DISCUSSION of motion.**

- Jester stated that he has some discussions with Habitat for Humanity and what new direction their mission is taking. Jester shared that Habitat is now looking to take their mission and work outside of the city. Jester believes that the city is going to end up with a shortage of affordable housing.
- Rice inquired if the land bank has quieted title on these two properties.
- Frounfelker wants to divide the question or motion and address the two properties separately.

Motion by Cunningham, to amend the original motion to address the properties separately, **support by Jester.**

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Motion by Cunningham, to inquire if the City of Jackson would accept the donation of 106 W. Biddle from the land bank authority, **support by Jester. PASSED.**

Motion by Cunningham, to inquire if the City of Jackson would accept the donation of 201 W. Biddle from the land bank authority, contingent upon whether or not Habitat for Humanity is interested in acquiring through donation, **support by Jester. YEAS – Taylor, Martin, Cunningham, Jester, Frounfelker, Coffman. NAYS – Duckham, Rice, Alexander. PASSED.**

- Discussion on the motion. Jester inquired about the process of the city accepting or rejecting donations of property. Jester raised the question of liability of our properties and demolition.
- Update on financials, currently we have cash on hand (unaudited) approximately \$180,000. We closed on 6532 Coral Drive on 10-24-12. Proceeds at closing were \$38,523, we had land costs of \$5,825, plus costs of approximately \$1,500, net take approximately \$31,200 as revenue.
- Budget will be presented at December meeting. Need to determine if NSP partnership will impact our budget (land costs for acquiring and holding properties yet to be determined and if land bank will receive funds for maintenance of parcels).
- Quiet Title judgment on 404 East Golf was granted on November 13th.
- Karen was contacted by Wells Fargo Bank regarding a REO donation. The subcommittee needs to review the property prior to accepting this donation.

Neighborhood Stabilization Project III – Guest Speaker – Toby Berry, Community Action Agency Director

- Toby Berry, director for Community Action Agency, talked with the board about NSP3.
- Berry provided a Neighborhood Stabilization Program – Land Bank Fact Sheet.
- The target area has now been expanded, per Board of Commission approval, to include Leoni Township, Summit Township, Blackman Township, and the City of Jackson.
- The City of Jackson is specific to utilizing \$60,000 for demolition only.
- The Land Bank has a set aside as part of the NSP3 plan in the amount \$86,234.00 for acquisition and property maintenance of those acquired parcels.
- The question was raised if the land bank could utilize some of these funds for rehabilitation. These funds were be taken out of different portion of the NSP dollars and would not be taken out of this designated set aside for acquisition and maintenance.
- Coffman inquired about rehabilitation for 404 East Golf in Summit Township.
- Berry believes that this will be an allowable activity but has asked the question of her contacts at HUD to confirm this. Berry has questions about what happens to the resale of the property after the rehabilitation. Once NSP dollars are committed, and the rehabilitation is done, when the property is sold, those dollars are considered “Program Income” and there are stipulations tied to these dollars. Those monies have to be utilized for NSP type uses and gets recycled back into the NSP system.
- Berry has another question for her TA provider regarding whether or not a land bank authority can act as a developer and create a developer contract for this project, instead of a sub-recipient. If this is possible,

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and the land bank can act as a developer, then the issue of Program Income is moot. The other issue could then be, if the land bank can act as a developer for this project and we proceed in this manner, do we have to open a competitive bid process for this property for all interested developers for the rehabilitation.

- Another consideration is to have Community Action Agency purchase the property of 404 East Golf, at the appraised value, minus 1%, per the NSP guidelines, and then utilize NSP dollars to do the rehabilitation.
- Coffman inquired about the status of identifying properties per the NSP guidelines for acquisition. Berry stated that she has submitted the revised action plan and is waiting for HUD approval. Once HUD approves the revised action plan, then she needs to complete the environmental review, then selection of properties can begin. Berry stated that when HUD approves the plan, it could be approximately 60 days minimum.
- Coffman inquired about the timeline for selection of the properties. Berry advised that the deadline for submission of properties to HUD is March 8, 2013 – we need to commit/spend 50% of the NSP3 dollars by this date.
- Berry stated that 50% is \$586,000 that needs to be committed by March 8th. She stated that they have committed approximately \$350,000.
- Community Action Agency taken board action to assist in the acquisition of properties by making discretionary funds accessible.
- Rice asked about what happens when we get closer to the deadline. Discussion.
- Coffman asked the question about how NSP3 could impact the land bank.
- Jester shared information about the HUD program and getting a NADS # to acquire properties through their lottery program. Jester explained the “First Look” program. He recommends that the property inventory subcommittee look into this possibility.
- Martin inquired about the type of volume of houses in this HUD lottery program.
- Coffman asked about the prices of the lottery program houses.

Other Business

- Discussion about the procedure for board member Denise Butler. The board felt a letter of resignation would be sufficient. Need to fill this position as a township representative.

Adjournment

Motion by Rice, to adjourn at 8:34 a.m., support by Taylor. PASSED.

Next meeting is scheduled for Thursday, December 20, 2012 @ 7:30 am, room 101 Jackson County Tower Building.