

JACKSON COUNTY LAND BANK AUTHORITY

MEETING MINUTES

MARCH 19, 2015

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

Meeting called to order by Coffman at 7:30 a.m.

Public Comment:

- None.

Approval of Minutes: The minutes from December 18, 2014, were emailed and presented. **Motion by Taylor,** to approve and accept the minutes from December 18, 2014, **support by Jester, PASSED.**

Property Inventory Sub Committee updates:

- Two Land Bank board resignations –
 - Jim Spink (January 13, 2015) and Carl Rice (February 18, 2015).
 - Coffman informed County administration on February 17, 2015 of the vacant position for Jim Spink as a township representative. Coffman spoke to John Tallis in February about needing a new recommendation to fill the vacant township representative spot.
 - Overton reported that John Tallis did talk about this vacancy at the most recent supervisors meeting.
 - Rice informed County administration of his resignation from the authority.
 - Waiting to hear from administration when these positions will be appointed and filled.
 - Alexander stated that these appointments will be addressed at the next Affairs and Agencies meeting next month.

Subcommittee met February 13, 2015; March 6, 2015; and March 13, 2015

- Reviewed two proposals from Real Estate agents Gena Foster and George Copp.

Our listing proposal to the Jackson County Land Bank authority is as follows:

- 1- Listing Broker to provide full-service real estate brokerage service.
- 2- Term of Master Listing Contract is for 12 months with option of additional 1-year term renewals.
- 3- Term of Individual Property Listings are for 6 months.
- 4- Sales Commission paid to Listing Broker is 6.0% or \$2,000 minimum, with co-brokerage split of 50/50 between listing and selling brokers.
- 5- Seller to sign Master Listing Contract, Individual Property Addendums, Lead Based Paint Addendums, and Sellers Disclosures.
- 6- Accepted offers contingent on Land Bank Board approval.

Recommendation is to accept the proposal from George Copp for full service real estate brokerage service for one year and two one year options for renewal.

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Motion by Cunningham, to support the recommendation from the property subcommittee to accept the proposal from George Copp of The Copp Real Estate Team and ERA Reardon Realty for full service real estate brokerage service for one year starting April 1, 2015 and two one year options for renewal, **support by Alexander. PASSED.**

- Martin inquired if the bid was appropriate. Jester stated that the bid from Copp was competitive. The verbal information received from Gena Foster had the same dollar amount. Copp is quick to respond and is good about communicating back to the clients.

2521 Overhill in Summit –

- The subcommittee continued discussions with Shelly Kasprzycki at the March 6th meeting and the March 13th meeting.
- We shared with her that we were not agreeable to the proposed budget that she presented to the subcommittee in November.
- We talked about other models for this project.
- We asked if other Habitats were actively doing rehabilitation on houses instead of building brand new houses. She shared that her cohorts throughout the state are definitely being flexible working with partners such as land banks. She would inquire about best practices regarding rehabilitation projects versus new builds.
- Shelly shared that any Habitat project whether it be rehab or new build would have to follow their building standards. Shelly sent these via email to the subcommittee and we had some concerns about the lack of flexibility in these standards.
- We are going to schedule a walkthrough with their main construction person of the house at Overhill so that we all can clearly see and communicate what each entity expectations are for this project. Dave commented that these standards really are geared to new building not rehabilitation of existing structures. Discussion about the building standards. Marv spent a half an hour on the phone talking with Dave Behnke who is the main construction person for Habitat for Humanity.
- Martin suggested bringing in Consumers Energy is to partner for the energy efficiency component in this project. Or maybe Project Access as well.
- Marv suggested that Habitat provides the labor and materials for the rehab, the land bank sells with conditions and deed restrictions to meet certain income guidelines, sell for \$24,900 - \$29,900.
- Shelly shared a program that we might be able to use in our partnership. Affordable Community Mortgage Program through MSHDA. Federal loan program, 2% interest mortgage, 20 year fixed rate, minimum credit score is 620.
- We discussed a three way partnership - Habitat provides labor, materials and potential pool of candidates for placement in the house once finished; Land Bank provides the house, the land, tax exempt, title issues; CAA provides the education and possible financing for potential homeowners for placement.

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- Taylor and Coffman visited this house on Friday, March 13th to ensure it was secured and no issues from the winter. All was good.
- We are still trying to get close to some agreement. No recommendation was discussed to bring forward for board approval.

14086 Curtis Road in Grass Lake --

- Board approved to list the house located at 14086 Curtis Road with a realtor on the MLS and sell the house “AS IS” for the asking price of \$39,900.
- In preparation of listing and selling this house, paperwork has been sent and process has begun with First American Title. The fee for this work will be \$500.
- To date total expenses are \$9,385.00 (includes cost to purchase \$7,700; tree removal; winterization; taxes due; fee for title insurance).

246 Griswold in the City –

- Board approved to list the house located at 246 Griswold with a realtor on the MLS and sell the house “AS IS” (after minor improvements) for the asking price of \$24,900.
- Taylor and Coffman visited this house on Friday, March 13th to ensure it was secured and no issues from the winter. All was good.
- In preparation of listing and selling this house, paperwork has been sent and process has begun with First American Title. The fee for this work will be \$500.
- Obtaining quotes for flooring, have a quote from Bruton’s House of Floors for \$3,380.21.
- Need handyman to finish minimal repairs prior to listing.
- Kip will email some names for handyman and Kate will also email a name for a handyman.
- To date total expenses are \$3,594.82 (includes cost to purchase \$3,000; winterization; taxes due; fee for title insurance).

Motion by Jester, to authorize the subcommittee obtain a second quote for flooring; to let work for flooring for the house not to exceed \$3,500, and to let work for the minor improvements for the house not to exceed \$1,000 as discussed, **support by Alexander. PASSED.**

- Jester stated that George Copp can go to this house and do comps to make sure of the listing price.
- Plumbing needs to be done on this house prior to listing. This was previously approved by the board.
- Martin recommends getting a second bid for the floor coverings.
- Jester recommended talking with Ernie Watola – Griswold and Dalton about another bid for floor coverings.

2529 Norwood in Summit –

- Taylor and Coffman visited this house on Friday, March 13th to ensure it was secured and no issues from the winter. All was good.
- In preparation of listing and selling this house, paperwork has been sent and process has begun with First American Title. The fee for this work will be \$500.

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- Obtaining quotes for flooring; have a quote from Bruton's House of Floors for \$2,199.48.
- Need handyman to finish minimal repairs prior to listing.
- To date total expenses are \$9,854.78 (includes cost to purchase \$5,050; taxes; fee for title insurance; replacement of roof).

Recommendation is to list this property and sell with real estate agent once roof replacement is complete and minimal improvements have been finished.

- Discussion about what to do with this property.
- Jester will meet with George Copp to gather comparables to get a possible listing price for this house.
- Discuss whether or not to expend the cost of windows. Discussion about what we need to do to make

Motion by Martin, to pursue and gather information and quotes for work on the property at 2529 Norwood with the intent to list this on the real estate market in the near future, **support by Kruse. PASSED.**

- Subcommittee will collect information from Copp about the listing of the house, collect quotes regarding flooring for the next meeting, collect information about the costs for windows on this house for next meeting.

400 Fourth St in the City –

- Taylor and Coffman visited this house on Friday, March 13th to ensure it was secured and no issues from the winter. All was good.
- Obtaining quotes for flooring, have a quote from Bruton's House of Floors for \$3,732.49.
- Need handyman to finish minimal repairs prior to listing.
- This property was a donation with cash consideration of \$7,500 from Wells Fargo not a tax foreclosure. We do not need to quiet title for this property.
- To date we have expended \$8,235.26 (includes roof; taxes; heater/furnace). This figure does not take into consideration the \$7,500 cash consideration that we received on this property.

Recommendation is to list this property and sell with real estate agent once flooring is installed and minimal improvements have been finished.

Motion by Jester, to authorize the subcommittee obtain a second quote for flooring; to approve the expenditures of up to \$5,000 for flooring for the house and for the minor improvements as discussed, **support by Taylor. PASSED.**

- Jester will meet with George Copp at this house to prepare this and obtain comparables to determine a list price for the real estate market.

Motion by Martin, to accept the recommendation of the subcommittee to list this property and sell with the real estate agent once the flooring is installed and minimal improvements have been finished, **support by Frounfelker. PASSED.**

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200 W South St in the City –

- Draft agreement with proposed changes from the Land Bank has been sent to the City for review. No new updates to report.
- To date we have expended \$5,356.60 (includes cost to purchase and taxes).

Other Business

- Mike Overton inquired about the potential of the County working with the Land Bank on the three properties (Michner) on Mechanic St and Angling Drive in the City.
- Coffman updated the board as to the status of these properties as of this date.

Adjournment

Adjourn by the call of the chair at 8:31 a.m.

Next meeting is scheduled for Thursday, April 16, 2015 @ 7:30 am, room 101 Jackson County Tower Building.