

**JACKSON COUNTY LAND BANK AUTHORITY**  
**MEETING MINUTES**  
**MARCH 20, 2014**

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

Meeting called to order by Coffman at 7:33 a.m.

**Public Comment:**

- No public comment.

**Approval of Minutes** The minutes from October 17, 2013 were emailed and presented. **Motion by Kruse**, to approve and accept the minutes from October 17, 2013, as presented, **seconded by Duckham, PASSED.**

**Financials**

- Coffman presented financials as of year ended September 30, 2013.
- Cash on hand as of fiscal year end was \$191,622.
- This has been pretty consistent the entire year.
- Coffman reviewed the balance sheet.
- Jester inquired if the land contract has insurance coverage. He asked if we could get a copy of the coverage.
- Coffman reviewed the income statement.
- Coffman reviewed the budgets from fiscal years ended for 2010, 2011, 2012, 2013.
- Kruse asked if the land contract holder has been timely with the monthly payments. Coffman responded that the land contract holder has paid monthly on time.
- Frounfelker asked if this is something that we should look to do in the future with other properties and other tenants.

**Motion by Martin**, to accept the financials for year ended September 30, 2013, as presented, **support by Cunningham. PASSED.**

- Coffman handed out the revised financials for January 31, 2014.
- Cash on hand as of four months ended was \$192,969.
- Coffman reviewed the income statement.

**Motion by Duckham**, to accept the financials for four months ended January 31, 2014, as presented, **support by Frounfelker. PASSED.**

- Coffman reviewed the proposed budget for fiscal year 2014.
- Coffman reviewed the revenue proposed numbers.
- Coffman reviewed the expense proposed numbers.
- Martin asked about the capital outlay consists of. Coffman stated that this is for property maintenance costs.
- Duckham inquired about the cost of sales. Coffman stated that this is carrying costs of the value of the land that we have in our inventory.

# JACKSON COUNTY LAND BANK AUTHORITY

## MEETING MINUTES

### MARCH 20, 2014

- Cunningham pointed out that according to this budget, we are budgeting approximately 10% for attorney fees or expenses.

**Motion by Frounfelker**, to accept the proposed operating budget for fiscal year 2014, as presented, **support by Rice. PASSED.**

#### Property Inventory Sub Committee updates

Received Real Estate Owned (REO) vacant lot at 513 Fourth Street (3-0208) from Wells Fargo

- County Administrator was contacted in October 2013 by Wells Fargo Bank
- Communication back and forth with Wells Fargo October, November and December 2013
- REO donation of property including \$1,500 cash to the Land Bank
- Finalized all closing paperwork January 6, 2014; payment received January 14, 2014; deed recorded transfer of ownership to land bank
- Added to existing property inventory
- Slow process; lots of people involved on Wells Fargo and National Community Stabilization Trust; hopefully successful transaction with the Jackson County Land Bank so that we are considered in the future for other possible transactions
- Martin inquired if they provided any additional information about what properties that they have in their inventory.
- Coffman stated that as part of the process to work with the National Community Stabilization Trust partnership, they allow access to their website that has a database of available properties.
- Jester asked if we need to approve or ratify this transaction.

**Motion by Jester**, to ratify the decision to accept the real estate owned property located on 513 Fourth Street, from Wells Fargo and the National Community Stabilization Trust, with a cash donation of \$1,500.00, as discussed, **support by Taylor. PASSED.**

Vacant lot S West Ave (3-1896.1)

- Contacted by attorney on January 28, 2014 interested in purchasing the vacant lot on S West Ave; new buyer of 1221 S West Avenue (commercial property otherwise known as the old Heavenly Ham) wants to purchase this lot to eventually combine the two lots together
- Sent the letter of intent to the members of the property inventory subcommittee for review and comment
- Proceeded with the sale of the property for \$750; completed transaction 2-26-2014
- Would recommend board vote to ratify the sale of this property
- Attorney requesting to combine the two lots now; need board approval to waive the 5 year 50% capture on the vacant lot
- Discussion on who the new owner of the building will be.
- Coffman stated that there was interest from a taxpayer to purchase this lot but she did not come in and pay the \$250 for the side lot application.

# JACKSON COUNTY LAND BANK AUTHORITY

## MEETING MINUTES

### MARCH 20, 2014

**Motion by Jester**, to ratify the decision to accept the offer of purchase for the vacant lot located at S West Avenue in the amount of \$750 for purchase, as discussed, **support by Kruse. PASSED.**

- Coffman stated that this new owner would like to combine both parcels.
- The board has to agree to waive the 5 year 50% tax capture of this vacant lot.

**Motion by Taylor**, to waive the 5 year 50% tax capture on the vacant lot located at S West Avenue, so that the new buyer may combine the two parcels into one, as discussed, **support by Duckham. PASSED.**

- Martin inquired about legislative changes about this. Coffman stated that the legislative change was to allow the land bank waive this capture if they so choose to combine parcels, both residential and commercial.

#### Other Business

- Coffman updated on the current status of parcels remaining and possible number of tax foreclosed properties. No final numbers until after March 31, 2014.
- Coffman reported that as of Monday, March 17, there are 574 parcels that still need to be redeemed. Last year at this time there were close to 700 properties.
- Coffman thinks that we should get below 250 properties; we foreclosed on 227 parcels last year.
- Alexander inquired if this number is lower because of the Judge at the Judicial Foreclosure hearing held in February granted so many extensions. She explained that townships are not happy with some of the extensions that were granted.
- Coffman explained the show cause hearing held in January and the panel granted 40 hardship exemptions. The Judge at the February hearing granted over 60 extensions.
- Martin inquired if this is an issue just for Jackson County. Coffman stated that there has been a significant effort on the part of the treasurers in the state to help prevent tax foreclosure this year.
- Frounfelker stated that awareness has seen an increase as well.
- Jester wondered if the land bank could look to this group of people to work with them to help them and prevent foreclosure like creating land contracts with them.
- Duckham inquired about the bundled sales that have been done in the past. He wondered if those properties are going to revert for nonpayment. This would specific to Leoni Township (Sotheby) and the City. Coffman can provide this information after foreclosure on March 31<sup>st</sup>.
- Coffman stated that she sent out copies of the previous resolutions that the land bank has used to acquire property.
- Coffman stated that she will be going out to begin visits to the foreclosed properties on April 14, 2014.
- Rice inquired about the status of the intergovernmental agreement and the meeting that was held on October 28, 2014. Coffman stated that she has no update to provide as she has not been contacted by the city attorney's office.
- Kruse expressed concern about the timeline and meeting deadlines to get the resolutions before the proper committees at the county level prior to the first tax auction.
- Jester inquired about the status of the pending legislation adding the land bank into the chain of 1<sup>st</sup> right of refusal. Coffman stated that the Michigan Association of Treasurers is monitoring this and in support of these changes. Jester thinks that we should lobby to move this forward. Coffman stated that she would provide information on who penned the bill and what committee it currently is in.

**JACKSON COUNTY LAND BANK AUTHORITY**  
**MEETING MINUTES**  
**MARCH 20, 2014**

- Martin stated CEDAM could be holding up this bill because of some issues in Grand Rapids and Kent County.
- Kruse inquired if there are any other county owned properties that the county may want to bank with the land bank. Coffman stated that she would prepare a listing of these vacant lots.

**Adjournment**

**Motion by Duckham, to adjourn the meeting at 8:32 a.m., supported by Taylor. PASSED.**

**Next meeting is scheduled for Thursday, April 17, 2014 @ 7:30 am, room 101 Jackson County Tower Building.**