

JACKSON COUNTY LAND BANK AUTHORITY
MEETING MINUTES
AUGUST 20, 2009

PRESENT: COFFMAN, MAHONEY, KRUSE, SMITH, DUCKHAM, GUMBERT, MARTIN,
CUNNINGHAM, FROUNFELKER, FORTRESS

VISITORS: None

ABSENT: TAYLOR

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

Public Comment: None.

Welcome new board member Marston Fortress, Spring Arbor Township Supervisor

- Fortress shared with the board his background and desire to serve on this board.

1407 Cooper

- Coffman updated the board of the pending court date set for Friday, September 18th before Judge Wilson to quiet the title on 23 properties including this property.
- We have a pending sale to a homeowner that wishes to take occupancy prior to the court date.
- The monies for the sale will be placed in escrow pending the quiet title court date.
- Coffman inquired if there were any necessary documents that needed to be prepared for this to occur.
- Gumbert stated that Ron Ellison at American Title will be taking care of this.
- Gumbert expressed disappointment that the quiet title process for this parcel was not yet complete.
- Discussion about the quiet title process to date.
- Duckham stated that we should allow them to take occupancy.
- Discussion about insurance coverage.

Motion by Gumbert, to close on 1407 Cooper to hold the funds in escrow with American Title until after the court hearing quieting title, **support by Duckham. PASSED.**

Quiet Title Process

- Coffman updated the board about the current filing of 23 land bank owned parcels.
- There are several properties that deeds need to be filed reflecting the change in ownership from the Jackson County Treasurer to the Jackson County Land Bank before they can go through the quiet title process.
- Coffman explained the current law of PA 123 that governs the County Treasurers that states that properties are transferred using a quit claim deed. This historically has made the transfer of properties from the Treasurers office through auction challenging as our local title company believes that the title is clouded and won't provide title insurance to the new buyer. This now is affecting transfer of properties from the land bank.
- Gumbert stated that we have an avenue utilizing Lamont Title to clear our title.
- Discussion about whether or not it was standard procedure to put all the properties in the land bank through the quiet title process.
- Duckham stated that he thought all properties put on the market should go through the quiet title process.
- Coffman informed the board that the fee for clearing title costs \$750 for each parcel. Gumbert stated that we could pass the cost on to the buyer. Coffman inquired about the vacant lots and those potential

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parcels that will go through the side lot transfer program. The land bank stands to lose money with no way to recoup the costs for the quiet title.

- Coffman stated that these decisions were made prior to her being chair of the board. Coffman stated that there have been issues that she inherited and is trying to straighten them out and do what is right.

Staffing for Land Bank

- Since the inception of the land bank, the ‘staff’ consisted of the chief deputy treasurer. Coffman stated that she was responsible for doing all of the work of the land bank as directed by the previous treasurer and chair.
- Coffman stated that approximately 40 hours a month or more were allocated to land bank functions.
- Coffman expressed concern about using staff from the treasurers office to continue to staff the land bank. Coffman stated that her statutory and constitutional obligations as the county treasurer must be a priority. Coffman stated her concern, as expressed by other board members, about the timeliness of work output of the land bank may continue in the future. Workload in the treasurers office has not decreased, in fact, it has increased with a rise in forfeitures and foreclosures.
- The issue of staffing the land bank has been raised by other board members in the past. The issues are the cost to the land bank for hiring staff given the current county budgetary concerns.
- The subcommittees that have been created have been successful and fruitful.
- Coffman suggested that we look into bringing on a casual employee or contract employee to help with land bank functions.
- Coffman stated that she talked with Randy Treacher about this issue and the land bank.
- Cunningham inquired as to the amount of hours and a cost associated with the time investment for staff.

Motion by Cunningham, to develop costs involved in staffing the land bank, and to develop a budget on as needed basis, **supported by Duckham. YEAHS -- COFFMAN, MAHONEY, KRUSE, SMITH, DUCKHAM, MARTIN, CUNNINGHAM, FROUNFELKER, FORTRESS; NAYS – GUMBERT. PASSED.**

- Discussion about the quiet title process and the costs. Duckham asked if we have to do the quiet title on the parcels in order to sell them. Coffman stated that the land bank has sold properties in the past without going through the quiet title process. For example, Rita’s restaurant; Concord; and several vacant lots.
- Martin inquired about any court cases verifying that title process is sufficient.
- Martin stated that we probably shouldn’t be taking vacant lots through the quiet title process.
- Fortress suggested that we should inform the board of commissioners as to what has changed in the treasurers office in relation to staffing the land bank.
- Coffman stated that the authority is a separate entity.
- Duckham stated that we shouldn’t ask the board of commissioners if that is the case.
- Coffman stated that we need buy in, support and to improve communication with the county board as we move forward and that it shouldn’t be an adversarial relationship.
- Duckham agreed that we present our case and need the support.
- Duckham asked if there is another department in the county that can take this on.

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- Coffman is looking to developing and establishing collaborative relationships with Community Action Agency, and Habitat for Humanity that may possibly assist with and or have funding to help the land bank.
- Duckham believes that the logical place for this should be with the treasurers office.
- Martin suggested that we look to other land banks for the funding of staff, how many staff they have, the costs, the number of properties they have in the inventory.
- Cunningham suggested contacting the area colleges to inquire as to possible interns for the land bank.
- Martin asked about the status of title insurance pool among the treasurers.

Meeting with Neeta Delaney, Director of Community Foreclosure Coalition

- Coffman reported that she is meeting with Ms. Delaney to inform her of the land bank.
- Martin updated the board on the role of this newly created position and how this is related to the American Recovery Act.
- Martin stated that land banks will be playing a crucial role in dealing with the ongoing foreclosure crisis.
- State wide task force - CEDAM – Martin informed that they had 20 AmeriCorp volunteers. CAA applied for these volunteers.

Property Inventory Subcommittee

- Kruse expressed that this committee is crucial in bringing forth suggestions for the properties in inventory. This committee needs to be ongoing.
- Subcommittee consists of Mahoney, Gumbert, Kruse, Coffman, Cunningham, Taylor to meet on Wednesday, August 26th @ 8:00 am.
- Get a listing of properties and visit each of them.

Other Business

- Coffman reported the letter from the City regarding an intergovernmental agreement for the demolition of land bank properties.
- Frounfelker reported that there was an agenda item as to 126 W Wilkins.
- The paperwork is not correct and Coffman will check with Community Development
- Coffman will confirm and notify the board prior to signing the agreement.
- Frounfelker inquired about 904 Orchard Place and using City NSP dollars (\$40,000) for rehabilitation.
- The majority of the board agreed to move forward with this process.
- Coffman has not signed a document from the city using NSP regarding 904 Orchard Place.
- Duckham inquired if we could put this on the market for \$500 with the stipulation that it be finished and rehabbed or it reverts back.
- Lead abatement discussion and guidelines.

Adjournment

Next scheduled meeting is Thursday, September 17th @ 7:30 am.