

JACKSON COUNTY LAND BANK AUTHORITY

MEETING MINUTES

SEPTEMBER 17, 2009

PRESENT: COFFMAN, MAHONEY, KRUSE, DUCKHAM, MARTIN, TAYLOR, GUMBERT, SMITH
VISITORS: Randy Treacher, Kevin Thomson, Ron Ellison
ABSENT: FROUNFELKER, FORTRESS, CUNNINGHAM

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

Public Comment: None.

Approval of the Minutes The minutes dated July 16, 2009, and August 20, 2009, were emailed and presented. **Motion by Mahoney**, to accept the minutes from July 16, 2009, and August 20, 2009, as presented, **seconded by Gumbert, PASSED.**

Financial Statement and Balance sheet as of 08-31-09

- Coffman emailed statements on 09-02-09

Motion by Mahoney, to accept the financial statements as of 8-31-09 as presented, **supported by Kruse. PASSED.**

Guests Ron Ellison from American Title and Attorney Kevin Thomson

- Attorney Kevin Thomson spoke about the quiet title process
 - Thomson explained the statute for the land bank and expedited quieted title
 - Thomson stated that this statute is good law and there are no pending challenges in court at this time.
 - The statute requires the following: Title Search; Certified mail **and** 1st class regular mail to any and all parties of interest; posting of the properties; and publish notice in the legal news and or newspaper
 - Thomson believes that we can bundle properties for the expedited quiet title process as the statute allows
 - Thomson believes that the title companies can rely on the process of expedited quiet title process if it is strictly adhered and all of the guidelines are followed
 - Thomson recommends that all aspects of the statute is strictly adhered to.
- Ron Ellison from American Title spoke about the issues concerning the foreclosure process and the title insurance industry.
 - Ellison explained that this discussion began many years ago with the previous treasurer and will continue to be ongoing
 - Ellison explained that there are two different laws or statutes that are included in this ongoing dialogue
 - Ellison explained that the statute that governs the Treasurers office to forfeit and foreclose on properties created problems in the title insurance industry. The point of contention revolves around whether or not parties of interest receive good notice.
 - Ellison explained that the statute that allows the Land Bank to quiet title helped deal with the issue of clouded title that the title insurance industry believed to exist after a property was foreclosed upon.
 - Ellison described lawsuits that stemmed from the foreclosure process in Detroit.

JACKSON COUNTY LAND BANK AUTHORITY

MEETING MINUTES

SEPTEMBER 17, 2009

- Ellison has checked with Peter Goodstein in Genesee County as to how they operate in the land bank.
 - Ellison stated that he recommended that we utilize the expert with regard to expedited quiet title, Catherine Lamont of Lamont Title. Since this was a new process and we had to learn how the process of quieting title worked.
 - Ellison recommends that any properties that the land bank acquires should go through the expedited quiet title process to cleanse the title.
 - The expedited quiet title process is a relatively new law. Before this law you could not bundle multiple properties to quiet title. Before this law the process took much longer in the courts.
-
- Discussion about the parking lot / foreclosure issue
 - Coffman reiterated as a point of clarification that the use of expedited quiet title action can **only** be used under the statute specific to land bank properties. The statute that governs foreclosure of properties through the Treasurers office is not allowed.
 - Coffman believes that other counties such as Genesee and Ingham transfers all tax foreclosed properties to their land banks so that they may cleanse the title using the quiet title process.
 - Discussion about differentiating the two distinct roles of the land bank and the treasurer in acquiring properties.
 - Utilizing the quiet title process should be done whenever properties are acquired.
 - Coffman reported that Genesee Institute when asked about quieting title has said that they do not quiet title on all properties. They do not quiet title on vacant lots that are intended for side lot transfers. They assess the properties to determine the intended future use of the property.
 - Coffman stated that this board has decisions to make about how to acquire properties in the future. If we wish to acquire tax foreclosed properties then the county board of commissioners has to be involved in that process.
 - Martin stated that this will require some negotiation with the Board of Commissioners.
 - Gumbert asked if the land bank will have the opportunity to acquire properties from this cycle.
 - Coffman stated that per statute all of the properties have to go to both auctions.
 - Duckham asked if the only way the land bank can acquire property is if it tax foreclosed. Coffman answered that there many ways that the land bank can acquire property. Land can be given to the land bank, the land bank can purchase any property through the real estate market, the land bank can purchase mortgage foreclosed properties. The land bank can also purchase at auction.
 - Martin inquired about bundling of properties at auction.
 - Kruse inquired as to when the land bank would be able to assess the remaining properties to determine if we wish to acquire any before reverting back to the local unit.
 - Coffman stated that the local units need to be notified by December 1st.
 - Kruse suggested that immediately following the second auction of foreclosed properties, the property inventory subcommittee should meet to review any and all remaining properties from the tax foreclosure.
 - Coffman stated that we are in the process of educating ourselves and that we should inquire about these specifics when Genesee Institute comes for the workshop on October 15th.

Neighborhood Stabilization Program update – City

- Coffman updated the board the status of the demolition of four houses in collaboration with the City using NSP dollars. The four houses are:

JACKSON COUNTY LAND BANK AUTHORITY

MEETING MINUTES

SEPTEMBER 17, 2009

- 1422 Cooper
- 126 West Wilkins
- 704 Page
- 1709 South Milwaukee
- We are reworking the indemnity language in the Intergovernmental agreement. Kevin Thomson is working with the City Attorney to come to an agreement on the language.
- As soon as the agreement is finalized, Coffman will send out for the board to review.

Genesee Institute workshop – Thursday, October 15th, 2009

- Coffman updated the board about the workshop. The time needs to be confirmed as Amy Hovey is traveling from Genesee. We are shooting for 10:00 am and we have scheduled two hours.
- The Board of Commissioners have been invited as well.
- Kruse asked if we going to have our regular scheduled meeting.

Policy Subcommittee update

- Coffman updated board that there were two motions from previous meetings from 09-27-07 and 02-26-09 that we may want to add language to the current policies and procedures.
- Coffman read each of the motions from the meeting minutes
- Two week bid proposal for any RFP and Make every attempt to support local businesses
- Discussion about how to proceed.
- Coffman to add the language regarding the two week notice regarding RFP

Property Inventory Subcommittee update

- Coffman provided a listing of the properties as of September 2009 that the land bank owns.
- The committee met on 8-26-09 to view improved properties
- Coffman updated the board that we did receive an offer to purchase the property located at 904 Orchard Place. This offer was emailed to the board previously. The offer was a cash offer of \$2,500.
- Coffman stated that this property has not been offered to the public as is stated in our policies and procedures.
- Taylor reminded the board that we had previously had discussions with the City to do the rehab on the inside utilizing NSP dollars.
- Discussion about direction to take on this matter.

Motion by Taylor, to give the house to the City to use NSP dollars to do the internal rehabilitation, with the ultimate goal to put back on the tax roll, and to deny the cash offer as presented, **supported by Gumbert**.
After discussion, the motion is withdrawn.

- Coffman will check with the City to see if we transfer ownership of the house or do we stay the owners. More discussion and information needs to be collected.

Motion by Duckham, to not take action on the cash offer in the amount of \$2,500 to purchase the property 904 Orchard Place at this time, until the property has been made available to the general public, **support by Taylor**.
PASSED.

Other Business

JACKSON COUNTY LAND BANK AUTHORITY
MEETING MINUTES
SEPTEMBER 17, 2009

- Kruse inquired about the three bids for the website.
- Coffman updated the board on the three bids.
- Coffman previewed the test website that the County IT department had begun. This was also presented to the Board of Commissioners on September 4th.
- Coffman talked about purchasing the jacksonlandbank.org domain for this new website.

Motion by Taylor, to vote online to approve a final bid, select a vendor for the creation of the land bank website, **support by Gumbert. PASSED.**

Adjournment

Next meeting is scheduled for Thursday, October 15th @ 7:30 am, room 101 Jackson County Tower Building.