

**Calhoun County Land Bank Authority**

**Minutes of a Public Meeting**

Date.....August 20, 2013  
Time.....12:00 p.m.  
Place.....Calhoun County Bld.  
Law Library  
315 W. Green Street  
Marshall, MI 49068

**1. Call to Order:**

The Calhoun County Land Bank Authority Board convened at 12:08 p.m. at the Calhoun County Building, Law Library, 315 W. Green Street Marshall, MI.

**2. Roll Call:**

Board Members Present: Christine Schauer, Peggy Sindt, Nola Batch, Rob Behnke, Lynn Ward Gray, with Terris Todd and Teresa Durham excused.

Staff Present: Krista Trout-Edwards, Executive Director, Richard Lindsey, Counsel, and Leigh Davis, Property Assistant.

**3. Pledge of Allegiance**

**4. Citizen Comment:**

None

**5. Additions or Deletions to the Agenda:**

Krista Trout –Edwards added an item 7d Reports to the agenda.

**6. Consent Agenda:**

- a. Approval of Agenda.

*Motion by: Peggy Sindt*

*Supported by: Robert Behnke*

*Motion passed unanimously.*

- b. Approval of the May 21<sup>st</sup>, 2013 Minutes.

*Motion by: Peggy Sindt*

*Supported by: Robert Behnke*

*Motion passed unanimously.*

- c. Approval of July 15, 2013 Minutes.  
*Motion by: Robert Behnke*  
*Supported by: Nola Batch*  
*Motion passed unanimously.*

**7. Reports:**

**a. NSP2 Update**

Krista Trout-Edwards provided an update on NSP2 stating that MSHDA has not provided any additional information since the meeting in June, and so we are still waiting to hear if there will be a reallocation.

Christine Schauer said that at a recent session MSHDA stated that there will not be much money for demolitions, but that there might be more for rehabs with an emphasis on multi-family. She said that we will wait and see when they release this information.

Krista Trout-Edwards stated that there will be other little pockets of money for demolition and that we will try to utilize those; MSHDA's thought process is that rehabs generate revenue.

**d. MSHDA Albion Grant**

Krista Trout-Edwards said that the Land Bank and the Treasurer applied for a MSHDA grant for the demolition of 15 blighted properties in Albion and that a million dollars was available for non-entitlement communities. She said that these 15 properties are all located ½ mile from Albion's downtown, and that Calhoun County was the lead grantee and the Land Bank was co-grantee. She said the Treasurer and Land Bank are both contributing to the local match because each owns properties included in the grant.

**b. Land Bank purchase of tax foreclosed properties**

Krista Trout Edwards said that the Land Bank is purchasing a handful of properties including the old Johnson Daycare building in Albion at 615 Dalrymple, the house at 129 Clay Street, and the house at 431 Allen St W in Tekonsha. She said the Land Bank is working with a church interested in running a daycare out of the Johnson building, and has buyers for the other two properties. She said that there are a few other properties that the Land Bank is looking at as investment properties, to cover activities such as blight removal. She added that if acquired, the properties would be listed with a realtor.

**c. Update on the Rehabilitation of 851 Oakwood:**

Krista Trout Edwards said that the Land Bank has been working with Community Action Agency (CA) on 851 Oakwood and that CA has about \$25,000 to do rehabilitation projects. She said that Community Action approached the Land Bank about rehabbing a house to meet HUD standards so that a homebuyer could get a mortgage; the sale proceeds would go toward another rehab. She said that when they asked the Land Bank didn't have a house, and then this fell into our lap, through a bank donation program. She said that the rehab is almost done.

Christine Schauer said that once it is sold Community Action will keep 80 percent of the net proceeds and Land Bank retains 20 percent. She said it is an interesting partnership and pilot program, and that there are probably other organizations out there that could do this. She said that we have to do good PR, and make people aware of this because there has to be other groups out there that are talented with rehab work, or use volunteers, or service groups, such as Habitat. She said we need to start exploring some of these groups. She said that the NSP2 rehab houses are beautiful and high-end, but there are other kinds of rehabs we can do.

## **8. New Business:**

### **a. Review and discuss 2013 Projected Expenditures (Draft) and 2014 Budget (Draft)**

Christine Schauer presented the draft budgets, with a projection of what staff thinks the Land Bank is going to end up with at the end of 2013, and a projection for 2014. She pointed out the high costs of property maintenance and said that we would explore ways to reduce these costs.

Lynn Ward Gray said in regards to mowing, residents in her neighborhood wonder how companies get a contract with the city for mowing, instead of mom and pop companies that want to go around the neighborhood to help.

Krista Tout-Edwards said that we have those types of calls all the time, but that in order to mow with us they have to submit a bid, plus carry insurance.

Christine Schauer asked Richard to speak to this, and said that we don't want to be seen as circumventing that the County procurement process but in helping neighborhoods help themselves and that having a contract with one guy really doesn't work.

Richard Lindsey said that we could explore it.

Christine Schauer returned to the discussion of the budget and finished explaining revenues and expenses. She also mentioned that there is a current fund balance of about \$300,000.00.

Nola Batch asked if there any regulation on how much the Land Bank maintains as a fund balance

Christine Schauer said no, that it is up to the Land Bank Board to dictate a minimum balance, and suggested that a figure of \$100,000 might be appropriate.

Robert Behnke asked how audits were done if we didn't have a Board approved budget.

Christine Schauer said the County maintains a Land Bank fund on its books. It is not part of the County budget, but is audited in a similar way.

Richard Lindsey clarified that the auditors audit the county fund, and that the land bank is a separate entity.

Rob Behnke asked if there would be quarterly reports.

Christine Schauer said budget reports would be presented at each meeting.

**b. Review and Approve proposal for hiring the Center of Community Progress for technical assistance and training (Resolution 2013-5).**

Krista Trout-Edwards said that staff would like to hire The Center of Community Progress for technical assistance training. She said the focus would be how do we want to build the land bank and how efficient do we want it to be. She said one of the things is that the land bank policies haven't been updated in a long time, and we haven't adopted a real mission statement.

She said the Center of Community Progress helped set up Genesee County Land Bank, and have been training land banks for years. She described the training as follows:

1. Phase One would be two five (5) hour meetings over two days, to go over policies, direction, and goals.
2. Phase Two would be a Strategic Planning phase involving stakeholders and inform our work and help us set community based goals.
3. Phase Three would be staff training on best practice in other communities.

Christine Schauer said that The Center of Community Progress is very well respected and well known, and has assisted other land banks. She said that we want to do Phase One this year and that we may be able to negotiate price down. She said staff is looking at doing this in November or December, or maybe pushing it to January. She added that this would inform our work and decision making on a daily basis.

Krista Trout-Edwards said a lot of the early Land bank policies mirrored Genesee County's policies, and that you find those in a lot of Michigan communities. She said we need to look to what will work for us now.

Lynn Ward Gray said her only other question is flexibility and what they charge in pricing. She asked if there was flexibility to negotiate prices in best interest of the land bank.

Christine Schauer explained the pricing and said that we will make an attempt to negotiate a lower price. She clarified that this resolution is approving a three phase process, with the first phase being before the end of the year.

There was no further discussion.

*Motion by: Lynn Ward Gray*

*Second: Rob Behnke*

*Motion passed unanimously.*

**c. Review and Approve Proposal for purchasing eProperty Plus, a property management software (Resolution 2013-6).**

Krista Trout-Edwards said that staff has been talking to eProperty Plus off and on and that they originally came here with The Center Community Progress to ask about how we manage our data. She said the software was originally used after Hurricane Katrina and that by working with Center of Community Progress it is now more user friendly for Michigan land banks. She said that what we found out at the initial visit is that a lot of the land banks are doing it the way same way we are with spreadsheets, and data stored all over, which is a nightmare. She said that current system makes it really hard to be efficient. She added that the system we are currently using isn't working for us because it is hard to manage these properties, and hard to analyze data. She said that this system will allow us to be more efficient, more valuable, and more competitive.

Rob Behnke asked if staff checked with the Kalamazoo County Land Bank.

Krista Trout-Edwards said that she had, and that they're happy with the program. She said that Kalamazoo, Genessee, and Grand Traverse were pilots for the program.

Christine Schauer said that the price includes a couple of weeks training, plus support and with the exception of the user fee, there are no additional fees, plus we receive regular upgrades at no additional cost; customized upgrades would cost extra.

Lynn Ward Gray asked about the transition.

Krista Trout-Edwards said about two weeks, and then staff would have to build the data.

Christine Schauer said that Krista would be the system administrator, and that Leigh Davis, Nina Baranowski and herself would all be users. She clarified that the Land Bank would pay for two users and the Treasurer would pay for two.

There was no further discussion.

*Motion By: Rob Behnke*

*Support: Lynn Ward Gray*

*Motion passed unanimously.*

**9. Approval of Accounts Payable:**

Christine Schauer said that these are invoices that have been paid or are to be paid and that the amount to approve is \$71,940.69 out of the land bank account. She said the Land Bank accounts are separate from the County accounts, and that we plan to keep it that way. She said that otherwise the County would have to approve variances from the budget, and this Board should do that.

Peggy Sindt said she has always been curious about these reports.

Christine Schauer said if the Board does not want to approve these that is ok, but she thinks this is done because a lot of things were adopted to mirror the county board.

Richard Lindsay said that for the county claims have to be presented to the board for approval, and that everything else has to be approved. He said it is the county policy to do it that way.

Christine Schauer said that the auditors would be surprised if we cannot show it in the minutes, and that we'd have to ask the auditors about changing. She said we bring it to the Board because it is more than \$20,000. It is from property maintenance, and the emergency demolitions.

There was no further discussion.

*Motion by: Nola Batch*

*Support: Peggy Sindt*

*Motion Passed Unanimously*

**10. Citizen comments:**

Lynn Ward Gray announced that the annual Battle Creek Community Foundation is holding the Bash in the Park, Health and Wellness program with Geo-catching, disk golf, yoga, and smoothies.

Peggy Sindt said that the Festival of the Forks is coming up in Albion.

**11. Announcements:**

Krista Trout-Edwards gave the date of the next meeting and said that next year we would like to set a schedule quarterly and have them posted on our website.

**12. Adjournment:**

The Calhoun County Land Bank Meeting was adjourned at 1:36 p.m.

*Motion by: Lynn Ward Gray*

*Supported by: Rob Behnke*

*Motion passed unanimously.*