

**KENT COUNTY LAND BANK AUTHORITY**  
**Board Meeting Minutes**

Date: February 22, 2012

Board Members Present: Sharon Brinks, George Meek,  
Ken Parrish, Stan Ponstein

Board Members Absent: Rosalynn Bliss (With Notice)

Other Attendees: David Allen, LouAnn Bryant, KCLBA  
Sharyl Dietrich, Rose Heys, Denise Terpstra, Kent County  
Treasurers Office  
Tyler Nickerson, Disability Advocates of Kent County  
Erin Banchoff, City of Grand Rapids  
Laurie Craft, Grand Rapids Community Foundation  
Greg Conway, Founders Bank  
Alan Kitson, Lee Kitson Builders, Inc.  
Ivor Thomas, Habitat for Humanity of Kent County

Call to Order @ 3:00 pm

Roll Call – Rosalynn Bliss (excused)

Approval of Agenda - motion made by Ponstein, second by Brinks to approve agenda. Motion carried.

Approval of Minutes - motion made by Ponstein, second by Brinks to approve minutes of January 25, 2012 Board Meeting. Motion carried.

Public Comment – Ivor Thomas, Habitat for Humanity of Kent County, completes approximately 24 homes per year and their goal is to stay in touch with the KCLBA.

Advisory Council Update – Advisory Council members in attendance, Greg Conway & Tyler Nickerson, were introduced to the Board. The Advisory Council held its first meeting on February 15<sup>th</sup>. David Allen led the Council in a training titled “Land Banks 101,” which overviewed the roles of Land Banks in general and specifically laid out the work done so far along with immediate plans for the KCLBA. Pursuant to the KCLBA Board requirement the Advisory Council approved Lee Weber, Dyer Ives Foundation as Chair and Greg Conway, Founder’s Bank as Vice Chair. The Advisory Committee meets every other month and has chosen the third Wednesday of the month as its regular meeting time. The reason for this meeting date is that it is prior to each KCLBA Board Meeting accommodating for any potential board action recommended. At its next meeting the Advisory Council will begin developing a process for the development of a Strategic Plan for the KCLBA.

Executive Director Report-

- a. Financials- Check Detail Report was added to Financial Report to further outline KCLBA expenditures. Motion by Meek, second by Ponstein, to approve set up of a \$2,000 “Petty Cash” fund for land bank needs. The Petty Cash Fund will be reconciled each month by Board Treasurer Parrish. Motion carried.

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- b. Sparta Foundry- Shared wall with Federal Mogul is being removed today. Appraisal from Genzink Appraisal was higher (\$185,000) than anticipated (\$65,000). Dave received email from Dave Monet, DEQ indicating they have obtained funds to assist with remediation. Over the coming months the DEQ will do further site assessment to ensure that they have enough in the fund to fully cover the required work.
- c. LOC with Huntington Bank-Discussion regarding the terms of the LOC; Funds will be drawn down via submittal of signed contracts, partial or full unconditional lien waivers, approval for draw requests will be made by either by Meek or Parish. This is a Revolving Line of Credit to be used for the development of the Stafford and Gibson properties currently owned by the KCLBA. Motion by Brinks, second by Ponstein to approve the Land Bank LOC with Huntington Bank. Motion carried.
- d. GRCF \$400,000 PRI- Grant application has been submitted to the GRCF. Funds to be used in the upcoming Tax Auction to purchase, develop, and resell properties.
- e. Board Action Needed – Proposed Amendment to Priorities and Policies approved on January 26, 2011 – Eliminate Section 1 bullet point 3. Elimination of this policy would allow the KCLBA to acquire occupied properties. Allen gave the following examples of why this policy will not work:
  - There are several properties in the upcoming tax foreclosure list that are occupied by folks in their mid to late 90's that are admittedly at the end of their life, and have no family interested or willing to help with the property. It does not make sense to give these individuals extensions that simply delay the inevitable while increasing the tax burden. It makes better sense to have the KCLBA purchase the properties prior to auction and manage the property until the occupant passes on.
  - There are several properties in the current tax foreclosure list that are owned by investors that have no intention of redeeming the properties from foreclosure. The KCLBA should consider purchasing these properties to ensure that the tenants are not put out.
  - The KCLBA has been approached by banks to help with the disposition of foreclosed occupied multi-unit rental properties. The scenario currently being proposed is that the KCLBA identify developers interested in the properties and facilitate a purchase and redevelopment of the property in order to ensure that large number of tenants could avoid eviction/homelessness as a result of property owner foreclosure.
  - The KCLBA was approached by Tracie Coffman from HRS to consider purchasing a homeowners' mortgage from Chase Bank for \$10K. The home is worth approximately \$45K. In doing this, the KCLBA would issue the homeowner a new mortgage at lower rate than homeowner is currently paying and that is based on the current value of the home. This would ensure that the family is able to stay in their home and serve as a revenue stream for the KCLBA.
  - Allen made the strong caveat that it is not his intention to own occupied properties for a long period of time.
  - Meeks mentioned that in this role the KCLBA would act as a conduit for occupied properties to ensure that families are able to stay in their homes.

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- Allen pointed out that all occupied properties would be overseen by a management company contracted by the KCLBA.

Parrish suggested Option (1) strike bullet point 3 or Option (2) allow purchase of occupied properties with Board approval, providing general rules & exceptions. The Board agreed to leave the policy as stated at this time with KCLBA presenting individual cases to the Board for final decision.

Open Discussion- Parrish announced 2 upcoming conferences:

- Annual Land Bank Conference, Oct. 14, 15, 16, 2012. Kalamazoo, MI, Radisson Hotel
- Vacant Properties Conference, June, 20 – 22, 2012 will be held in New Orleans, LA.

Adjournment at 3:45 pm.

Next Meeting  
March 28, 2012 @ 3:00 p.m.  
Training Room, 2<sup>nd</sup> Floor  
Kent County Administration Bldg