

**Kent County Land Bank Authority**  
**Board Meeting Minutes**  
**September 18, 2014**  
**8:00 a.m.**  
**347 S. Division**

1. Call to Order Board Chair Parrish called the meeting to order at 8:00 a.m.
2. Roll Call Board members present Parrish, Brinks, Bliss, Ponstein. Board members absent Kaminiski. Staff members present –David Allen, David deVelder, Vince Lambert, LouAnn Bryant.
3. Approval of Agenda Motion by Brinks to approve agenda, support by Bliss. Motion passed.
4. Approval of Minutes, 8/21/2014 Meeting Motion by Bliss to approve the minutes as written, support by Brinks. Motion passed
5. Public Comment-None
6. Advisory Council – Greg Conway-Co-Chair Conway reported the meeting was well attended, 10 agenda items were discussed. The advisory council reviewed the August Financials and were pleased to see the projections. The council discussed Advisory Council replacements feeling it would be healthy for the organization to have new members who will represent the KCLBA in the future.

Conway informed Board members the council had reviewed the current inventory and felt positive. Several properties were under contract to be sold.

- a. Procurement Policy Update-The advisory council discussed the process to award contracts and the difficulty in finding vendors. David Allen stated there would be a new “Bid Calendar” added to the KCLBA website to allow interested contractors to bid on any work that is available through the KCLBA.
  - b. Occupied Property Policy Recommendation (First Read) - Conway explained the advisory council had reviewed the first draft of the Occupied Property Policy. The council will review the recommended changes and revised policy at their November meeting then present the final policy recommendation to the KCLBA Board.
  - c. Huntington Bank Land Bank Loan Product-E.D. Allen distributed an Executive Summary and worksheet regarding the Huntington Bank Loan product to members of the Board.. Conway informed the KCLBA of the details regarding the loan product explaining there were 3 circumstances surrounding the consideration of the product which would result in 3 of the KCLBA assets returning back into owner occupied units. Board member Brinks expressed appreciation to Conway and the members for the work that is done by the advisory council.
7. Executive Director Report- David Allen gave the following updates:
    - a. Production Report- Allen informed the Board that pricing has now been set for vacant lots. The 41 available parcels and sales price will be added to the website on Friday, September 19. He stated there has been significant interest by builders.
      - i. Sales-Allen reported there are currently 49 parcels listed and 22 signed sales contracts. Allen noted the KCLBA has been receiving premium prices for properties and sales have been going to a lot of homeowners. There have been good investors and the southwest Grand Rapids area properties are getting cash

buyers. He added the southeast area continues to struggle. The advisory council discussed ways to increase sales in that area. Allen stated by the end of the year there should be very little inventory remaining.

- ii. Occupied Properties – Allen informed the Board some of the properties are still occupied. Once they become vacant they will need to be cleaned out, then they will be listed. There is 1 commercial property with significant environmental issues.

David DeVelder, KCLBA Director of Real Estate Development reported there were 18 occupied 2014 tax foreclosed properties purchased by the KCLBA, 10 have moved out and were given \$1,000 relocation allowance. The remaining 8 have been given a court date but will hopefully accept the \$1000 relocation allowance move out prior to the scheduled court appearance. All units should be vacant by the end of October.

- iii. Demolitions-Vince Lambert, KCLBA accountant reported to date 31 demolitions were completed and KCLBA has been reimbursed by MSHDA, 14 have been submitted to MSHDA for reimbursement and 15 there are 15 remaining waiting to be closed out by the City of Grand Rapids.

Board Chair Parrish inquired about the status of allocated funds. Allen explained the KCLBA needs to hit the \$1.2 million spent by KCLBA and Habitat for Humanity then a request for an additional \$1 million will be requested from MSHDA.

Board members discussed the required timeframe for builders to start building on the lots.

- iv. Current Inventory Assessment-Board members inquired about pricing of properties. Allen stated the offers are evaluated by renovation estimates as well as purchase price offers.

b. Financials –Vince Lambert

- i. August Check Detail-no questions or comments
- ii. August Balance Sheet-no questions or comments
- iii. August P&L- Lambert noted still showing a significant loss until closings start after October 20.
- iv. August Budget vs Actual-Allen stated the KCLBA will not pay rent in September or October, 2014 per the lease agreement with Dwelling Place. He reported the Huntington Bank LOC had been expanded to \$200,000 but has not been used and will not be used.
- v. 12 Month Cash Flow Projection-Lambert stated the projections are updated weekly, noting the PRI is paid down and the KCLBA will only owe GRCF by June 30, 2015.

- 8. Open Discussion-Chair Parrish updated the KCLBA Board on the Court of Appeals Hearing held on September 3, 2014. He felt the questions asked were positive and felt all 3 judges were knowledgeable of land banks and foreclosures. He informed the Board that the ruling should be final within 4-6 weeks.

Board member Bliss reminded the Board that the annual evaluation of the executive director was due. Chair Parrish appointed Board members Bliss & Ponstein to review last years process.

Board members noted the KCLBA Open House has been scheduled during the MML Conference. The Board further discussed the possible need to reschedule the October 2014 KCLBA Board meeting if there were not enough Board members available to have a quorum.

The meeting will remain scheduled for October 16<sup>th</sup> unless Board member Kaminsky is unable to attend.

E.D. Allen announced the luncheon and open house for non-profit partners is scheduled for September 25<sup>th</sup>.

Allen informed the Board that all staff evaluations were complete and would be available for the Board. All staff received high marks.

Allen announced the house on Prairie in Grandville has been demolished and plans are to build 2 houses on the site. Board member Ponstein will excuse himself from the planning meetings when the plans for Prairie are discussed.

Board member Ponstein reminded the Board that his term will expire this year and also Board member Brinks term will expire. He stated the deadline to apply is September 30.

9. Adjournment- Board Chair Parrish adjourned the meeting at 9:00 a.m.

Next Meeting

Thursday October 16, 2014

KCLBA Office 347 S. Division