

**Kent County Land Bank Authority
Board Meeting Minutes
January 21, 2016**

1. Call to Order- Meeting was called to order at 8:00 a.m. by Board President Ken Parrish.
1. Roll Call-Board members Parrish, Ponstein, Kaminiski, Maas present. Board member Bliss excused absence. KCLBA staff Allen, deVelder, Lambert and Bryant present.
2. Approval of Agenda- Motion to approve Maas, support by Ponstein. Motion carried.
3. Approval of Minutes, 11/19/2015 Meeting- Motion to approve Ponstein, support by Kaminski. Motion carried.
4. Public Comment-none
5. Executive Director Report
 - a. Financials – Vince Lambert, KCLBA staff accountant reviewed financial statements with the Board stating there were \$687,000 in funds at the end of 2015. He noted MSHDA will be pay off soon with funds to be used to pay off the Grand Rapids Community Foundation on schedule and pay off of the Huntington LOC leaving \$347,000 net profit. KCLBA spent 99.31 % of budget closing the year under budget. David Allen added there are sales pending with approximately \$500,000 coming from sales within the next 30 days.
 - i. 2015 Year End Balance Sheet
 - ii. 2015 Year End P&L
 - iii. 2015 Year End Budget Versus Actual
 - b. Production Report- David deVelder, KCLBA Director of Real Estate Development gave the production report.
 - i. 2015 Sales Results – David DV reported 59 properties had been sold, 44 on the MLS, 7 sold in house, 4 sold to non profits, 1 vacant lot sold on the MLS and 3 side lots had been transferred (all of the 2015 tax foreclosed vacant lots) for total of \$1,437,000. DeVelder stated there were 39 remaining pending or unsold properties- 2 pending sales on MLS, 4 sales pending in house, 1 commercial building, 2 under renovation, 7 pending sales to nonprofits (waiting for City of GR grants, 2 demolitions scheduled for Habitat, 2 under renovation currently that will be listed on the MLS, 1 occupied property that will be listed on the MLS, 13 demolition lots (working with neighborhoods & City of Grand Rapids to build affordable housing, 1 buildable lot to become a community garden and 4 buildable lots for sale with an estimate of \$713,000 in projected revenue. Total number of properties 98, with gross income of \$2.1 million. David Allen added the City of Grand Rapids estimates the inventory of vacant lots will be transferred to the KCLBA between mid-February and early March, stating the City will pay the KCLBA to take the lots.
 - ii. 555 Leonard NE– David DV reported the 2014 tax foreclosure is being cleaned up. It took the DEQ almost a year to begin, once the project was approved it took 2 weeks to clean up. Ground soil was excavated 12 feet down, mainly soil contamination, ground water was not impacted, storage tanks were removed.

iii. 1516 Blaine SE– David DV reported the major clean up has begun. Cost estimate nearly \$.5 million with no cost to tax payers. Coast Guard has been on site for training and providing assistance. Several remediation teams are on site monitoring air, water, etc. DeVelder is managing the KCLBA site.

iv. 725 Division Demolition- Allen reported the old Tequila Bar site has been demolished, MSHDA has reimbursed KCLBA.

v. 2016 Demolition Funds-Demo funds are almost depleted (\$2.5 million) Allen noted Michigan was first state to receive TARP funds with Grand Rapids being the first city to complete a demolition project with the funds. KCLBA was the first land bank to be audited. He stated there will be \$2 billion awarded nationally but unsure of how much will be awarded to the KCLBA. Funds will most likely not be received until 2017 so KCLBA will need to use its own funds for 2016 demolitions.

c. 5 Year Report- Allen distributed the draft of the KCLBA 5 year report to board members and guests. The report will be given to the Kent County Board of Commissioners. Allen reviewed several key points within the report stating with an operating budget of \$1.7 million between 2011-2015, the KCLBA generated more than \$45.8 million in direct economic development activity, for an ROI of more than 2,600%. Over the 5 year span KCLBA has generated \$31.6 million in private sector new construction & development, \$5.6 million in nonprofit new construction and redevelopment and \$8.6 million in total sales. Allen also discussed the partnerships with local units of government to complete several projects generating several hundreds of thousands of dollars in redevelopment and construction contracts. Allen further noted the funds received by the KCLBA for demolitions and clean up of contaminated sites throughout the County that would not have been possible if the KCLBA did not exist.

6. Advisory Council – Did not meet
7. Open Discussion-Public comments from representative from a local bank asked if letters of support from corporations would be helpful to present with the 5 year report. A local realtor asked why houses had been sold in house rather than on the MLS. Allen stated Greenridge Realty was acting as a transaction coordinator for the KCLBA and received commissions for in house sales.
8. Adjournment- Board Chair Parrish adjourned the meeting at 8:40 a.m.

Next Meeting
March 17, 2016
KCLBA Office 347 S Division