

KCLBA Real Estate Committee

June 20, 2023

Agenda

Meeting called to order at 1:37 p.m by Thomas Whitener.

A. Committee Chair

- a. Pat Clark was nominated to be the committee chair for the real estate committee. Clark will chair the committee for future meetings.

B. Homeward Promise Update

a. Conversation with Intrepid

Holly from Intrepid came to talk with the committee concerning the board questions and to give updates. Residents will be receiving a magnet and newsletter in the mail that will have communication and contact information for them. Further communication will be sent via email and Intrepid will do that on a quarterly basis. Director Ellis will be receiving the communication that will be sent out quarterly to the residents.

At the Meet & Greet, there were individuals who expressed issues with the 24/7 emergency line. Intrepid has gone through their recorded line and they did not find messages that aligned with the addresses. It can be looked up via phone number to be investigated further. It is important to note that of four people that mentioned the 24/7 emergency line only two had used the line. There were eight maintenance requests and three have been resolved. The remaining five are awaiting parts for the repairs and once parts are received they will be repaired. It was requested that maintenance updates be sent once a month.

Currently, rent is 70-80% for AMI in Kalamazoo County, which is on the higher end. The rent price is causing an issue for some people as they are having to choose. There are four households that have not been in communication with Intrepid and haven't returned communication. There are 9 MSHDA vouchers and there are 5 homes that are not MSHDA vouchers that are 90-day past due. Some residents that are delinquent have noted reasons such as car issues and death in the family. Intrepid has been issuing notices for 90-days and they have not taken legal action. There are 9 section 8 voucher holders and it is caught up with payments. Those are transferred the first business day of each month.

Holly will be sent an invite for the next board meeting with the hope of attending the next meeting.

C. Review MOU

- a. Kurt gave an update and outlined the details of the MOU. The original document was a non-binding agreement, but there needs to be a legal agreement that outlines the mutual responsibilities of the Land Bank and LISC. The term starts as of the closing date, January 31st , 2023 and goes until the final property of the Tustin project is sold.
 - i. Some Obligations of LISC (Obligations in MOU)
 1. Provide Funding and Funding Opportunities

2. Fundraising
 3. Arrange for Financing
 4. \$4 Million for Rehab Properties
 5. Payment of Land Bank Attorney Fees
- b. Committee discusses obligations that should be added. Kurt will add within the MOU that the amount of money placed back into the project at the discretion of the Land Bank. The goal is to have all the obligations and terms to have clear understanding and avoid potential misunderstanding in the future. The obligation of LISC of hiring two individuals for supportive housing services. Whitener suggested adding the obligation to gain an understanding of the plan of the new hires, titles of the supportive housing service individuals, and more.
- i. Some Obligations of the Land Bank (Obligations in MOU)
 1. Property Maintenance
 2. Keep property in compliance with Kalamazoo Registration Rules
 3. Ensuring properties are located within the city
 4. Ensure units are sold to qualified individuals unless approved by LISC.
 5. Bi-annual report for significant milestones
 6. Assist with fundraising
 7. Recognize LISC as a partner
- c. The next step is to take in account the comments from the committee meeting and circulate a draft for further comments. Once that is done, an updated version will be sent over to LISC.

D. Eastside Square Updates

- a. The selling price for the condos and at what AMI needs to be narrowed down. Foster overviewed the process to establish a condominium. For Foster to start the condominium process, the topic needs to be brought to the board. Discussion ensued surrounding selling versus renting terms and what that would mean for the project. The project has been presented to sell the condos and not rent them. The committee overviews funding and cost price scenarios of the residential and commercial space and AMI. Condo fees and property taxes were discussed. The goal is to keep the condo fees affordable.
- b. Sidney will set up a meeting with Qianna, Rebekah, Thomas to discuss getting on this process and have an in depth discussion.

E. Deadline for Real Estate RFP is Thursday, June 22nd

- a. Currently, awaiting RFP applications, but it is anticipated that there will be applications sent on the last day.