

**Kalamazoo County Land Bank Authority**  
**1523 Riverview Dr., Suite A, Kalamazoo, MI 49004**  
**Phone: 269.762.6191 Fax: 269.666.6468**  
**THE KALAMAZOO COUNTY LAND BANK FAST TRACK AUTHORITY WILL MEET ON**  
**Thursday, May 11, 2023 AT 8:30 AM**

Meeting Minutes

**The May 11<sup>th</sup> meeting of the Kalamazoo County Land Bank Authority Board of Directors was called to order by Chair Thomas Whitener at 8:35 a.m.**

Members Present: Thomas Whitener, Qianna Decker, Carl Roberts, Rebekah Kik, Pat Clark, Tami Rey

Members Absent: Shawntel Lindsey, Elizabeth Schlott

County Liaison Present: N/A

Staff Present: Sidney Ellis

Community Members Present:

Approval of April 13th Meeting Minutes

Decker suggested to amend the minutes to elaborate on Gwen Hooker and Margaret Miller discussion that ensued within the meeting minutes. Rey & Whitener noted that the closed session should be moved to the end of the meeting minutes to reflect the order of the session.

Roberts made a motion to approve the minutes as amended.

Kik seconded the motion.

All were in favor and the motion carried.

Approval of Closed Session Meeting Minutes:

Attorney Foster explained the process of closed session minutes as they shall be kept confidential. Time was given to the board members to review the minutes and it was agreed to go into closed session later in the meeting to amend the closed session meeting minutes.

Additions to the Agenda:

Whitener added a Closed Session to review to the agenda to discuss the previous closed session.

Decker made a motion to approve the additions to the agenda.

Kik seconded that motion.

All were in favor and the motion carried.

Citizens Time: N/A

Commissioner Liaison Comments: N/A

Reports and Presentations

Financial Report

Eastside Square:

The executive committee met and Kik and Brian Krol briefed the board on the discussions as they relate to the budget amendments to projects such as Eastside Square. Krol expressed that the pressing matter would be the status of financing the Eastside Square project. \$1.1 million of the Vibrant funds have been dispersed which has left approximately 33,000 left in Vibrant funds as of March. Krol listed the order of preferred order use of funds as follows: Vibrant Funds, ARPA funds, 400,000 funded out from the Land Bank, and the LISC loan. Krol expresses that the importance of the board discussing the status of the project in terms of pausing or halting the project until funding is ironed out. The LISC loan was approved for the requested amount. There is time needed to go through the process as there are areas that need more attention and documentation. The appraisal will take time and Eric Cunningham, Director Ellis, and the National team are meeting to ensure the necessary materials are present. Krol explained the proforma has net sales of 1 million 10 thousand. Kik expressed concern with taking the LISC loan that sales will not cover. Noted it is important for Director Ellis to continue to raising funds and cannot stop fundraising because of the needing to pay back the loan. Kik expressed the hope to utilize the funds to offset the loss due to subsidizing the units to bring the prices down. The development of the project is at 3,331,000. Krol goes on to explain the potential gains, losses, and net sales prices. Ellis submitted the grant for consumers, which requested \$100,000, and the City of Kalamazoo, which is typically maxed out at \$90,000. The status of the Consumers grant should be back in June. Discussion ensued about the LISC loan and county confidence in the project funding. ARPA would like to be the last funding in. With the confirmation of the approval of the LISC loan county confidence was there but does not believe the board would like the entire funds dispersed at once, but on a draw schedule.

Attorney Foster and Brian Krol empathizes the importance of having a timeline for critical decision-making. Foster notes that the contract with Glas states the clause to terminate for convenience and to pause the construction, but the price would change. Discussion ensued concerning the drawing of ARPA funds and receiving the LISC funding to avoid pausing the project. Foster noted that if the loan terms become to a critical point and need board approval there could be a special meeting held or if the decision can be handled at the next board meeting.

Zach Baur with LISC suggested that the County funds expected at 1 million be transferred to the Land Bank to be used during the processing of the LISC loan. Kevin Catlin, County Administrator confirmed that once the counties legal counsel iron out the agreement with LISC, LISC can transfer the funds to the Land Bank to use during the processing of the loan.

#### Homeward Promise Update

The Meet & Greet has been moved to June 8<sup>th</sup> at 5 p.m. at the Edison Neighborhood Association. Decker explained that the contract is working in place and there are edits needed. There will be a presentation with Zach and Director Ellis. It was proposed that there be one-on-ones with the residents at the Land Bank to address questions that they may have. This will allow a relationship to be built and get them connect to what they may need. There will be magnets created that has numbers to organizations like the Land Bank to assist them.

Foster suggested that there be a written report from the property management company between the May meeting and the June meeting for the board to gain an understanding of what is being done, issues have arisen within the month, and general concerns from the residents to gain awareness. The board would like to know the status of inspections, maintenance of requests (open and closed), general maintenance within the properties, financials every month, rental registration and inspections, information from past inspections, renter leasing status and information concerning residents that are past due within a monthly report.

Kik inquired about the 32 unoccupied homes and the plan with those homes and update on the four homes that were going to potentially sold. Additionally, inquired about the funds from the Land Bank that were going to potentially rehab those homes. Foster stated that there need to know what the parameters are and if there is a certain demographic that is being looked at. The filling of the MOU for the property needs to be complete to answer questions further gain an understanding of the project. The representative from LISC explained that they are going through a process with meeting with organizations that will fulfil the items needed to be one. The conversation will occur to discuss the budget and plan to hire three consultants. Those three consultants will focus on evaluating the grant stock of the housing portfolio, getting to the residents of each home, and introducing green infrastructure into the home without

driving up the cost of each home. Ellis is setting a meeting with a state Land Bank representative concerning the 2.5 million in funds for the Land Bank.

#### Legal Counsel time

Foster noted that after looking at the Land Bank policies there are a few recommendations as they refer to the HR policies. Foster expressed that it may best to attend an executive committee meeting to discuss then present them to the board. Foster will meet with the executive committee at the July meeting to present to the board.

#### Chair's Remarks:

Elizabeth Schlott resignation: Schlott sent her resignation due to an increased workload and does not have the capacity to continue within her role. The board of commissioners has appointment Tami Rey as a board member.

#### Executive Director Report

Homeowner Pop Up shop will occur in June. Ellis asked the board to be a sponsor at the event and the logo to be present on the flier. Whitener will be working the table at the event for the Land Bank. Discussion ensued concerning materials and handouts for the public. Decker indicated that once participating in the event the amount information should be increased such as the list of properties that can be sold and handouts are up to date. Roberts suggested there be a laptop brought to the event to show the list of properties that the Land Bank has.

Clark made a motion to host a table at the Homeowner Pop Up shop and include the logo on the flier.

Roberts seconded that motion.

All were in favor. The motion carried.

There has been an inquiry to purchase a property for transitional living housing. 1134 Engleman is zoned for transitional housing. The organization looking to purchase the property is a non-profit therefore they would acquire the property for \$500.

Clark made a motion for the board to approve the sale the property 1134 Engleman to the nonprofit Sober Living for the nonprofit price of \$500 with the signature of Chair Whitener or Director Ellis.

Kik seconded the motion.

Whitener looked into the organization to gain more insight. Whitener expressed that the organization looks like a good organization and is happy to help them reach their vision.

All were in favor. The motion carried.

There has been a change order request and needs board approval. The change order #3 is for \$6,932.

Clark made a motion to approve the change order of \$6,932 as presented by Glas.

Decker seconded the motion.

Discussion ensued concerning the change order and there is a missing change order making the numbers off. Kik indicated it is critical that board be thoughtful and understanding why the changes are happening. Foster suggested a conversation with Glas to indicate the change orders should be avoided, if possible. Conducting the conversation could allow better understanding between entities as there is not a contingency within the budget.

All were in favor. The motion carried.

The grant from Kalamazoo Community Foundation for 25,000 for operational funds. The grant for Consumers Energy was submitted and updates should come in June. The Blight Elimination Grant round 2 is up to \$1 million. Kalamazoo Township is interested in using the grant for 7,500. Parchment is interested in using the grant for sectional demolishing of their paper mill and will provide more information on the 19<sup>th</sup>. The City of Kalamazoo has not presented anything this

round. Ellis would like three board members to assist with the approval process of the grants. Clark and Rey volunteered to assist with the approval process.

Clark made a motion to submit the applications for the grant pending review of the committee created. Rey seconded that motion.

Rey inquired about the hiring process for the Property and Project Coordinator and the Administrative Assistant. There are four applications interested and there are two interviews setup. There are many applicants for the Administrative Assistant position and the committee is filing through application for the next steps.

### Regular Agenda

Change order #3 approval (See Executive Directors Report)

Motion to give Real Estate Committee permission to approve change orders at the Eastside Square project.

- Whitener noted that there needs to be a conversation with Glas & Associates before moving to approve change orders. This has been tabled.

Approval of Second Round of State Land Bank Blight Elimination Grant submission (See Executive Directors Report for details)

Real Estate Committee Update: Decker provided the updated for the committee. The RFP has been updated for the commercial and residential realtors. Attorney Foster and board members are reviewed the RFP will be published to the public. The RFP will be sent out the Realtors Association and on the Land Bank website. Decker suggested the selection process should be a blind process, which would include taking out company name, to ensure that bias is taken out. Discussion ensued concerning the RFP scoring process and language of the selection process. As the current language, is the contract may not be awarded to the individual with the lowest price, but whose proposal review the highest score in accordance with the criteria. Rey suggested there should be scoring added that incentives local realtors (i.e: 5 points for a local realtor). Kik suggested an interview process for the top RFP scores. This would allow for a conversation and gain a better understanding with the realtor their processes and ideas.

**A 5-minute recess was called prior to discussing the financial report.**

### Financial Report

- Budget amendments
  - Krol explains the budget amendments as they relate to Tustin Project, Eastside Square, 20 mills, and the proposed budget. Krol didn't attempt to get the budget down and should expect another budget amendment. Decker inquired about the 40,000 within the Tustin Project as it relates to Attorney Foster's fees and ensuring to keep her on. Discussion ensued surround the Eastside Square project and the LISC loan, the conditions of the LISC loan will be discovered once Ellis meets with LISC. Attorney Foster expressed the issue that may arise is the mortgage aspects but will be able to look further into the situation, which may require conversations with the state land bank. Kik and Decker encourages Director Ellis to continue to fundraise and continue to look into grants.

Decker made a motion to approve the budget.

Roberts seconded that motion.

All were in favor. The motion carried.

- Funding for Eastside Square & Preliminary cost for taxes with Homeward Promise homes discussed with the reports and presentation.
- Audit Draft

- The audit draft is looked to be issued June 3<sup>rd</sup>. There are new leasing standards and that is the biggest change from the previous year. There will be a presentation from the auditor and they will move on it when that presentation happens.

DEI Committee Update: N/A

Board Member Comments: N/A

Roberts made a motion a to table the closed session to discuss the previous closed session to the next meeting.

Decker seconded that motion.

All were in favor. The motion carried.

Adjournment: Next Meeting- Thursday, June 8, 2023

Whitener made a motion to adjourn.

All were in favor.