



**Meeting Minutes**  
**Kalamazoo County Land Bank Fast Track Authority**  
**Board of Directors Meeting Minutes – November 14th 2024**  
**Riverview Launch**

**The Thursday, November 14th meeting of the Kalamazoo County Land Bank Authority Board of Directors was called to order by board chair Thomas Whitener at 8:34 a.m.**

Members Present: Thomas Whitener, Pat Clark, Riley Lukomski, Chelsie Downs-Hubbarth, and Sharon Ferraro

Members Absent: Carl Roberts and Tami Rey

County Liaison Present: John Taylor - arrived 9:04 a..m

Staff Present: Zac Bauer, Derek Mann, Tracy Whaley, and I'yanna Wilson

Community Members: Trisha Kidd, Raphael Wolfe, Austin, Rachel Foster, Kurt Brauer, Jeff Hawkins, Willa DiTaranto, Mark Chilcotl

Approval of October Meeting Minutes:  
**Ferraro made a motion to approve minutes**  
**Clark seconded the motion**

**Motion carried unanimously.**

Additions to the Agenda:

Citizens Time:

Raphael Wolfe inquired about the Hope Through Navigation parcel and environmental studies conducted for that parcel. Wolfe was informed that the parcel was not owned by the Land Bank therefore we would not have any information regarding the parcel.

Austin inquired on connecting with the Land Bank on what is available and how to work with the Land Bank. Austin was directed to check out our website for properties.

Commissioner Liaison Comments:

Taylor made comments in regards to economic development within the Land Bank. Land Banks will be a part of the structure for housing and economic development.

Discussion ensued regarding economic development. Whitener provided insight on proposed legislation for expansion of funding for Land Bank: one is the expansion of tax capture for a longer period and the other idea is applying 5/50 to every property that is sold through the tax foreclosure process.

### Reports and Presentations

#### **Financial Report**

Bauer provided the update on the financial report on behalf of Krol. There will be another budget amendment that will reflect legacy uncollected rent amounting in \$59,000 at a later date. Krol provided a budget amendment that reflected changes in rent income and increase based on partnership with Brownfield.

There was no discussion or question presented from the board.

**Clark made a motion to approve the budget amendment as presented.  
Downs-Hubbarth seconded the motion.**

**Motion carried unanimously**

#### **Executive Director Report**

Bauer provided the Executive Director report. Bauer provided insight on the Blight Elimination funds for demolition. Mann is working with the State Land Bank with Blight Elimination funds to demolish the several land bank properties. Whaley is working to get our rental properties recertified.

One condo unit is under contract for sale at Eastside Square. Bauer informed the board on updates for Riverview Launch. The board will bring estimates for repairs on Riverview Launch as there are some leaks within the building.

Ferraro inquired on the greenhouse space and when it would be available. There are no updates for the greenhouse at this time.

#### **Legal Counsel**

Brauer provided insight on Project Free Bird. The developer is requesting that we include the property under a Brownfield Plan under Act 381. This would allow the parcel to be included in the Brownfield plan, it could be included in the Transformational Brownfield Plan. The Spearflex building is approximately 5,100 sq. ft. and a 22 million dollar investment which would convert office rental space to residential rental space.

Kidd and Chilcotl provided additional insight on the Speareflex. They will be conducting a land split from Shakespeares. The project will include 57 units which will include 49 1-bed units and 1 2-bed unit , and 7 studio units. There will be an affordability restriction for some of these units. 3 units will be at 60-80% average median income and 40-50% of the units will fall at the 80-120% average median income.

Whitener inquired on the duration of the affordability restriction. Kidd provided insight that it would be held for approximately 10 years.

Brauer provided insight on the Land Bank role. The developer is requesting the Land Bank take ownership of the building for a short period of time prior to December 31st. The projected taxable value will not increase significantly. Brauer provided the board with a term sheet. The developer agreed to pay the Land Banks fees.

The developer has proposed a fee of \$90,000 in addition to the out of pocket cost, \$30,000 once approval received from Michigan Strategic Fund, \$30,000 once construction financing is closed, and \$30,000 once the project is completed.

Taylor provides concerns about not having a standard operating policy for developers. Brauer has been working on a policy for developers and assessing the Land Bank fee. Brauer will have a policy of presenting the draft to the Executive Director for review.

Bauer proposed the counter proposal of \$200,000, which would break down to \$20,000 over the period of 10 years. Ferraro expressed agreement in the counter proposal.

Taylor inquired on the 5/50 capture of \$190,000. Taylor inquired if the 5/50 would cut into their budget. The developer is still working on the ratios, but will present them at a later date.

Corp provided feedback on the developer proposal and the project cost and the meeting with Balkema. The county funds are committed this cycle, but may become available at a later date.

**Clark made a motion with respect of the proposed Spareflex Building Project within the City of Kalamazoo, the Kalamazoo County Land Bank hereby resolves:**

- 1. To approve the Term Sheet by and between 19 Props. LLC and the Land Bank, and authorize the Executive Director or the Land Bank Board Chair to execute same; and**
- 2. To authorize the Executive Director and the Chair of the Land Bank Board Chair to negotiate and execute a Definitive Agreement between 19 Props and the Land Bank on terms consistent with the Term Sheet, along with all other documents necessary or appropriate to implement the Definitive Agreement, subject to review and approval by the Land Bank's Legal Counsel.**

**Ferraro seconded the motion.**

#### **Chair's Remarks**

Whitener provided gratitude to the board for their work. Whitener provided insight on the MSHDA Land Bank Regional Summit that he attended. The Kalamazoo County Land Bank is pushing the envelope with its project and it is something that we should be proud of.

Whitener provided a welcome and gratitude to the new Executive Director.

There will be some changes within the state level and funding. The Land Bank in Michigan has done well in Michigan. There may not be any significant changes but Whitener indicated that we have work to do.

#### **Regular Agenda**

##### **MI Neighborhood**

Bauer provided insight on the MI neighborhood. There are Community Housing funds and Entitlement CDGB funds. We would like to move forward as these funds would function with rural areas and building plans with the City of Kalamazoo.

Discussion ensued on the City of Kalamazoo pre-approved plans. Taylor inquired about the savings from using the pre-approved plans. Utilizing the City of Kalamazoo plans allows for permitting to be complete as well as would cut cost.

Clark inquired about the amount that the Land Bank will be applying for. Bauer is looking to apply for the full amount available 2 million for the Entitlement Funds. In region J, there are about 10 million available.

**Lukomski made a motion to approve the creation of the application for the MI Neighborhood grant.  
Clark seconded the motion**

**Motion carried unanimously.**

### **City of Kalamazoo Grant**

\$460,000 dollar grant in ARPA with the City of Kalamazoo. Parsons will be providing the grant agreement at a later time. This grant would be a per unit grant. Bauer is asking to move that forward the grant agreement.

**Clark made a motion to authorize the ED to move forward and execute the City of Kalamazoo grant in amount of \$460,00**

**Ferraro seconded the motion**

**Motion carried unanimously.**

### **LISC Grant**

Bauer provided insight on the LISC grant. The Homeward Promise Grant is a three-year grant which is \$100,000. There is \$10,000 remaining for the funding pool 2024. Bauer is looking to gain support to apply for the remaining amount for operational cost.

**Clark made a motion to approve the seeking a \$10,000 grant from LISC.**

**Downs-Hubbarth seconded the motion.**

**Motion carried unanimously.**

### **County Grant**

An Economic Development Grant from LISC was given to Kalamazoo County . There has been discussion to have funds reallocated to the Land Bank for the support for the commercial space, support phase 2 of the Eastside Square, and Homeward Promise expenses.

Taylor requested to include the Board of Commissioners within this conversation. Those conversations will take place within the coming weeks.

### **Property Maintenance: 1331 Garden, 503 Terrace Ct., and 214 W Maple**

Mann provided insight on 1331 Garden. Staff has been looking through the inspection report and City of Kalamazoo inspection. The quotes provided are to address those issues.

**Downs-Hubbarth made a motion to approve the staff selecting the contractor for the work on 1331 Garden.**

**Clark seconded the motion.**

**Motion carried unanimously.**

Mann provided insight on 503 Terrace Ct. Awaiting a second quote for the heating for 503 Terrace Ct. Staff is looking to replace the system with a ductless system and there would be a rebate with Consumers Energy.

**Clark made a motion to approve staff to obtain the second quote and chose a contractor for the work on 503 Terrace Ct.**

**Downs-Hubbarth seconded the motion**

**Motion carried unanimously.**

Mann provided some insight on 214 W Maple. There will be a new roof and gutters for the property. This will be reimbursed through the rental rehabilitation funds.

**Clark made a motion to approve the work on 214 W Maple  
Lukosmki seconded the motion.**

**Motion carried unanimously.**

Real Estate Committee Update - N/A

DEI Committee Update

Lukosmki provided insight on the DEI module. Modules overviewed neurodiversity and members shared their personal experiences with neurodiversity.

Lukoski and Downs-Hubbarth will serve as co-chairs for the committee. DEI committee will be looking for one more member for DEI committee.

Closed Session (if needed) - N/A

Board Member Comment

Adjournment: Next Meeting- Thursday, December 12<sup>th</sup>, 2024

Clark made motion to adjourn the meeting/

Downs-Hubbarth seconded the motion.

Meeting adjourned at 10:13 a.m.