

A regular meeting of the Leelanau County Land Bank Authority (LCLBA) was held on Tuesday, April 18, 2023 at the Leelanau County Government Center.

CALL TO ORDER

Meeting was called to order at 9:00 am by Chair Gallagher who led the Pledge of Allegiance.

ROLL CALL

Members Present: G. Allgaier, D. Allen, T. Galla, J. Gallagher, D. Heinz, R. Isphording
R. Foster

Members Absent: None
(prior notice)

Public Present: T. Searles, S. Telgard, C. Telgard

Staff Present: G. Myer, Senior Planner

APPROVAL OF AGENDA

Motion by Allen, seconded by Foster, to approve the agenda as presented. Motion carried 7-0.

APPROVAL OF MARCH 218, 2023 MINUTES

Heinz pointed out corrections he would like made.

Motion by Foster, seconded by Allgaier, to approve the minutes as amended. Motion carried 7-0.

PUBLIC COMMENT – None.

UNFINISHED BUSINESS- None.

DISCUSSION/ ACTION ITEMS

Review Land Bank vacant parcels RFP

Gallagher briefly reviewed the RFP (request for proposal) in the agenda packet and said that he received it from another county and sent it to corporate counsel for initial review. Their response was that this is a sound document that they could modify and use for their purposes of seeking a developer or purchaser for vacant property.

Heinz said that in the past, they have provided the land and the other side of the transaction does all of the work. They didn't go through all of this paperwork asking for blueprints, etc. Gallagher stated the RFP would address his concerns. The question is if they want to get into blueprints, do they want to take on a management role, etc.

Allgaier said the RFP was a good idea, and they will find out as they use it what they may need to revise. Allen questioned who would serve as project manager, and what would the LBA's responsibilities be? How often would we utilize an agreement like this? Gallagher said if we were to use this, it could be used every year with acquisitions and foreclosures.

Galla said they might get someone interested in four builds instead of just one, because it would help keep their workers busy. They need to include pertinent information on each of these lots, and #4 says to see a draft contract included, but she doesn't see one included. Can corporate counsel get this for us, because a bidder will want to see that. Galla would like to see the land developed and then the LBA would deed the property. Gallagher agrees with bundling the four together because he has heard some interest in that.

Isphording questioned if a designated person would be the project manager, and if so, what are the qualities of that individual to be knowledgeable about the project itself. Gallagher said they don't want to be overlapping and redundant. In his mind, the project manager is going to oversee things and work in compliance with the RFP and their contract, however they determine that to be. Gallagher continued, saying they could frame the RFP to require a performance bond to ensure the construction is completed and they are not left with a half-built development. Galla would be just as much a project manager as he is. Allen mentioned that a facilities manager for the county has been discussed by the County Board and will be on their agenda in the near future. This has been one of their goals for the last several years. Possibly this is something that could be dovetailed into their job description or contractual agreement with a firm. Gallagher liked the idea of dovetailing this. Allgaier suggested someone from Building Safety. Galla said the difficulty there is that they are also going to be approving permits and doing inspections. Maybe someone who is retired from there would be a good choice.

Galla said the RFP needs a little more work before they release it. Heinz said he still had some reservations. Why can't they do another project similar to what they are working on with Habitat for Humanity? He questioned if they were still trying to get affordable housing built?

Isphording questioned if the LBA or the county had any liability exposure working with Habitat for Humanity or something like that, when a problem occurs?

Gallagher said this needs to come back for review again once the things mentioned have been added. Galla questioned if they are sending this out to just nonprofits, or to anyone? Are we interested in partnering in hopes of getting affordable housing? Allgaier stated that if they commit to affordable housing, she doesn't care who it is. Galla said they don't want to just transfer the property to them and nothing gets built. This has happened in the past and she is hoping by taking a different approach this time, this will not happen. Heinz mentioned funding the gap and that Habitat for Humanity and others know how to fill in that gap, they know where the resources are. Gallagher stated they need to determine who their audience is first. Non-profits first and then move to everybody? Isphording suggested they open it up to everybody, who knows what opportunities might develop that would contribute to the goals. Allen suggested a phased approach. Releasing it first to potential partners that can assist with affordable housing and then move forward with any opportunity for housing in the community.

Motion by Allen, supported by Galla, to table this discussion until next month.

Discussion continued.

Allgaier said with the understanding that you bring back what? Gallagher said he would like to know who the "audience" is and a time frame. He needs more details as to how they want this distributed. He would like to work with those who have similar goals in mind. Galla said she is in support of tabling it because it is not ready yet. Bring it back next month for review and they can decide who they are releasing it to. There is a benefit in releasing it to everyone, however, these housing organizations are the ones who are going to be able to find other funds to lower the cost to buyers and make it more affordable.

Motion on the table carried 7-0.

Heinz mentioned checking with HomeStretch and Habitat for Humanity so see if they would be interested. He knows that Leelanau Housing is interested in one of the parcels.

2023 Foreclosure Review

Gallagher said they have one property in Elmwood Township on S. Cottonwood Dr. The next step for the Treasurer's Office is to offer this through the first right of refusal to the state's local units. The owner has until June to file a claim on the property. If that happens, they would have to pay fair market value, which is two times the SEV (State Equalized Value) which is \$25,800.00. No action is needed today, possibly in the upcoming June meeting. He will know by then if there has been a claim filed. Allgaier questioned if they would then sell it with the other four parcels? Gallagher said it would be included with the other four parcels.

Habitat/HomeStretch /REMAX updates

Gallagher updated members on the Maple City Crossings project, saying that he is working to draft individual deeds instead of joint deeds. Joint deeds seem to be clouding up the closing with the purchase agreement and sales proceeds so it has been requested that they do individual deeds. They will deed from the LBA to Habitat for Humanity, who will then deed to the purchasers. Unit 4 will be closing within the next 30 days.

Gallagher continued, saying there is an issue with HomeStretch. They found discrepancies in the legal description when they were trying to release the deed. The legal was modified from the time it was placed on the roll and closed on. Also, an easement to the south was dropped off the legal description. He is working to file a Quiet Title.

With regard to REMAX, he was asked to reject the offer presented last month. They came back with a full price offer and he is moving forward with the closing.

CLAIMS & ACCOUNTS -None.

POST AUDIT- None.

CORRESPONDENCE/COMMUNICATION ITEMS - None.

PUBLIC COMMENT – None.

MEMBER COMMENTS – None.

CHAIRPERSON COMMENTS – None.

ADJOURNMENT

Meeting adjourned at 9:45 a.m.