

A regular meeting of the Leelanau County Land Bank Authority (LCLBA) was held on Tuesday, February 21, 2023 at the Leelanau County Government Center.

CALL TO ORDER Meeting was called to order at 9:00 am by ~~Vice-Chair~~ Gallagher~~Foster~~ who led the Pledge of Allegiance.

ROLL CALL

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

Members Absent: D. Heinz, R. Isphording
(prior notice)

Public Present: J. Hawkins, L. Mawby, J. Stimson

Staff Present: G. Myer, Senior Planner

APPROVAL OF AGENDA

Motion by Allgaier, seconded by Allen, to approve the agenda as presented. Motion carried 5-0.

APPROVAL OF JANUARY 17, 2023 MINUTES

Motion by Allgaier, seconded by Foster, to approve the minutes as presented. Motion carried 5-0.

PUBLIC COMMENT

Mawby, from Peninsula Housing, questioned what the situation was with the Tatch Rd. property owned by the Land Bank. If the GTB (Grand Traverse Band of Ottawa and Chippewa Indians) are not interested, Peninsula Housing is interested in the parcel.

UNFINISHED BUSINESS- None.

DISCUSSION/ ACTION ITEMS

Homestretch Update and Possible Deed Approval

Stimson, from Homestretch, stated they had fulfilled the requirements for the purchase of the property and he is present to finalize things and request the deed transfer. They have obtained the building permits.

Galla stated that the deed is being held in escrow and will be released in June if the Land Bank takes no action at this time. Stimson said he is asking for it to be released now because they can't close on the construction loan without the deed. Stimson asked about the cost to record the deed and Galla replied that Homestretch would be responsible for recording the deed.

Stimson gave a brief history of the project for new members.

Motion by Allgaier, seconded by Foster, to release the Warranty Deed being held in escrow for 525 N. Marek Rd. to Homestretch. Motion carried 5-0.

Galla stated she would contact the company holding the deed and inform them of the Land Bank decision to release the deed at this time.

Maple City Habitat Project Discussion

Gallagher said he thought this should be discussed for clarity. The Land Bank currently has properties under contract in Maple City with Habitat for Humanity.

Galla said the properties were purchased in conjunction with Habitat for Humanity, so they are co-owners of the property right now. It consisted of three properties in Maple City that were turned into a site condominium called Maple City Crossing and there are now six units being built.

Gallagher said the question came up regarding the Land Bank's ability to recapture the investment of \$60,000.00 put into this property. Gallagher explained that the houses being built will be put back on the tax roll and the Land Bank will capture that money over a period of five years through TIF (Tax Increment Financing). That is the 5/50 rule. This is currently the only means for the Land Bank to recapture their investment.

Galla said Wendy Irvin, from Habitat for Humanity, asked about releasing two of the units because they want to close on them early this summer and then two more shortly thereafter. Galla continued, saying that when the properties are released, Habitat for Humanity will have to sell them to one of their families that are eligible to purchase. At that time, they will go back on the tax roll and the recapture starts.

Discussion ensued on when the time period to recapture starts. Hawkins said the time period starts when the Land Bank releases the property, the question of when the taxes are paid is when the Land Bank would start to see revenue.

Discussion ensued on how to release the deeds. Galla said perhaps the Land Bank does not want to just release it to Habitat and then they sell; perhaps the Land Bank and Habitat should jointly deed the property to the new buyer as we are co-owners. She thought our attorney may need to be consulted to make sure we have these properties transfer properly so when all units are released, the Land Bank is totally out of this project.

Gallagher suggested transferring before June to get it on the summer tax roll. Hawkins clarified that the 5-year time period starts on December 31st of the year in which the property is sold or conveyed. Galla mentioned that Kasson Township will need to be made aware of how this 5/50 works so everyone is on the same page. Gallagher stated he would work with the township regarding this. Also, Gallagher felt the Land Bank should present the proposal of a joint deed at the time of closing and he will come back next month with more information.

Other

Gallagher reviewed a parcel list handed out to members showing what parcels the Land Bank currently owns and said he and Galla are looking to ask for proposals from various organizations to get some ideas as to what can be done with the properties.

Galla said there are four parcels left to work with and wondered if we could bid out these parcels and get a company to build on them. Maybe four affordable homes with restrictions on them for the future.

Allgaier said she likes the idea of a community land trust so they stay affordable. Galla responded that she is looking to move beyond just putting them in a community land trust. Is there a way to move things

forward and get the homes built? Reusing architectural designs is a way to save time and money if we could have a design that might be duplicated on the different properties. Foster commented that the lots might be somewhat irregular and not have similar dimensions, so a given house plan might not work on each parcel. Galla said they need a little more information on each of these parcels, such as zoning and restrictions before they consider bids or proposals.

Mawby said they looked at these parcels over a year ago. They would be happy to be the perpetual owner. It would be very difficult to do anything affordable with the zoning on those parcels right now. They are irregular, no duplexes are allowed, and the minimum square footage is an issue. The Tatch Rd parcel is surrounded by the GTB and Peninsula Housing would work with them. Gallagher replied the GTB was offered the property in the past with a contingency, and they declined. They did not offer to purchase it outright, either.

Stimson mentioned a MSHDA (Michigan State Housing Development Authority) program. The problem is that these sites are scattered. He could look into this program if the Land Bank wanted. In his experience, it is better to tie the home and land together with a deed restriction. That is why Homestretch got out of the community land trust.

Gallagher will bring overviews, property record cards and maps to the next meeting. Also, if Mawby can show what the gap would be, that would be helpful. Galla said we need the zoning information as well.

CLAIMS & ACCOUNTS

*Motion by Galla, seconded by Allgaier, to approve Claims & Accounts in the amount of \$125.00.
Motion carried 5-0.*

POST AUDIT- None.

CORRESPONDENCE/COMMUNICATION ITEMS - None.

PUBLIC COMMENT

Mawby thanked the board for their work.

MEMBER COMMENTS

Allgaier mentioned a conversation she had with some visitors who said they would love to live here, but they can't find anything they can afford.

CHAIRPERSON COMMENTS – None.

ADJOURNMENT

Meeting adjourned at 9:38 a.m.