



Leelanau County Government Center

Leelanau County Land Bank Authority (LC-LBA)

Website: <http://www.leelanau.gov/landbank.asp>

8527 E. Government Center Dr.
Suttons Bay MI 49682 231-256-9838

NOTICE OF MEETING

The Leelanau County Land Bank Authority (LC-LBA)
will meet **On Tuesday, September 17, 2024 at 9:00 am**
at the
Leelanau County Government Center

DRAFT AGENDA

PLEASE TURN OFF ALL CELL PHONES

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES: August 20, 2024 Meeting Minutes and August 28, 2024 Special Meeting minutes.

PUBLIC COMMENT

UNFINISHED BUSINESS

DISCUSSION/ ACTION ITEMS

1. Homestretch Update
2. Brewery Creek Update
3. Northport High Street Update
4. New Waves and Habitat for Humanity Discussion
5. New Business

CLAIMS & ACCOUNTS

1. Fishbeck – High Street and Brewery Creek \$2,662.40

POST AUDIT

CORRESPONDENCE/COMMUNICATION ITEMS

PUBLIC COMMENT

MEMBER COMMENTS

CHAIRPERSON COMMENTS

ADJOURN

Members

John A. Gallagher III – Chair
Dan Heinz – Vice Chair
Gail Myer-- Secretary
Rick Foster -- Treasurer
Gwenne Allgaier
Richard Lewis
David King

A regular meeting of the Leelanau County Land Bank Authority (LCLBA) was held on Tuesday, August 20, 2024 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, R. Foster, J. Gallagher, D. Heinz, D. King, R. Lewis, G. Myer

Members Absent: None.

Public Present: C. Hartesvelt, L. Mawby, T. Searles

Staff Present: J. Herman, Senior Planner

PUBLIC COMMENT- None.

APPROVAL OF AGENDA

Gallagher added the May 21, 2024 meeting minutes for approval.

Motion by Heinz, seconded by Allgaier, to approve the agenda as amended. Motion carried 7-0.

APPROVAL OF MAY 21, 2024 & JUNE 18 MEETING MINUTES & JULY 23 SPECIAL MEETING MINUTES.

Motion by Heinz, seconded by Allgaier, to approve the May 21, 2024 & June 18, 2024 Meeting minutes & the July 23, 2024 Special Meeting minutes as presented. Motion carried 7-0.

UNFINISHED BUSINESS-None.

DISCUSSION/ ACTION ITEMS

Approval of Bridge Loan between Leelanau County and Land Bank Authority

Gallagher said one of the handouts he provided was a request for reimbursement from Bay Area Demolition for the Northport Hospital project. He said the state would help the LBA if they came into a financial position that they were not able to meet the obligation because they are a small county Land Bank. The state requires Gallagher to go to the Board of Commissioners (BOC) for said loan to cover in an amount not to exceed \$400,000.00 between Leelanau County and the LBA for a period of not more than six months with no interest. Gallagher continued, saying that this is one of the solutions to fund the Northport Hospital demolition. As these payables come due, draw funds from the county and get the reimbursement from the State Land Bank Authority.

Motion by Lewis, seconded by Heinz, to approve the Bridge Loan between Leelanau County and Land Bank Authority contingent upon the Board of Commissioners approval.

Discussion ensued on clarification and accounts.

Motion on the table carried 7-0.

Projected TIF Revenue

Gallagher explained the spreadsheet and expressed that it was simply an estimate since he did not have data on the unbuilt New Waves Development. He hopes this illustrates the different projects they have throughout 2029, and repaying the county back for the investment in these endeavors.

Heinz said he requested to see this spreadsheet so that the LBA can see what type of cashflow they will have that they can use to acquire more properties or put money into a project. This will also help determine if they need to apply for Blight Elimination funds, etc. Heinz pointed out that the spreadsheet should only list seven projects for New Waves Development, not fourteen, because they are not going to get 5/50 on the parcels that Habitat for Humanity owns. Heinz continued to explain his calculations and findings based on the information provided, Gallagher stated that this was an estimated projection.

Discussion ensued on the parcels.

Gallagher will look into some of the parcels/information and bring back for next the meeting.

Budget Amendment 24-001

Hartesvelt said this was to set up the budget for the LBA to have expenditure to pay vendors, contractors and for demolition. This also amends the revenue so the LBA can receive reimbursement from the state. Hartesvelt said this also sets up Brewery Creek and asked who has the grant? Gallagher said the LBA was awarded the grant and Elmwood township prepaid the contractor. He is looking to see if the state will do a pass through or will want a reimbursement from the LBA. Hartesvelt continued with the budget amendment and said it also recognizes the revenue from non-program income.

Hartesvelt brought up the Quit Claim Deed where Habitat for Humanity conveys 50% of their interest to the LBA for \$1.00. Gallagher said fundamentally that is what the auditors recommended. He said the LBA will be partners through the development of this project and then relinquish their interest at the sale of the property to a private citizen. Hartesvelt asked in order to qualify for 5/50 does the LBA have to own the property for a period of time? Gallagher replied, one day but the clock starts the day it is transferred out.

Motion by Heinz, seconded by Allgaier, to approve Fiscal Year 2024 Amendment Number 24-001 as presented. Motion carried 7-0.

Any Other Business

Heinz asked if Gallagher had the copies of signed agreements with Habitat for Humanity? Gallagher said he is still waiting for the signed copies from Wendy Irvin and he will provide those to the LBA once received.

Heinz asked for an update on the four homes that HomeStretch is proposing to build. He said HomeStretch still owes the LBA \$4,000.00 per parcel. Hartesvelt asked on clarification as she does not

see receivables on the books for that, Gallagher will provide her with a copy of the agreement. Gallagher will also ask Jon Stimson for an update for next month.

Heinz asked, since the LBA is part owner of the seven properties in the New Waves Development, will a Phase I and/or Phase II assessment need to be done? He said there is grant funding available through the Leelanau County Brownfield Redevelopment Authority (LCBRA). Lewis suggested the LCBRA should be the board to reach out.

CLAIMS & ACCOUNTS – \$7,481.85

Gallagher added the following items for payment:

- Northport Demolition of \$76,500.00
- Blight Elimination Program RFP 2023-001 \$34,112.00
- Habitat for Humanity- Quit Claim Deed for the full consideration of \$1.00

Motion by Lewis, seconded by Allgaier, to approve Claims & Accounts in the amount of \$118,094.85. Motion carried 7-0.

POST AUDIT- \$88,536.50

Motion by King, seconded by Foster, to approve Post Audit in the amount of \$88,536.50. Motion carried 7-0.

CORRESPONDENCE/COMMUNICATION ITEMS

Gallagher said by surprise, Bay Area Demolition found a tunnel that connects the Highlands to the old facility. The LBA will have to determine whether this is within the demolition scope or if additional services will be covered under the grant and what that would look like for timing of the project completion or remediation.

Searles stated they knew that the tunnels were present but they were not expecting them to connect the two buildings, because they were originally told that the tunnels were blocked off and no longer exist. The pipes are no longer functioning and have since been removed. They want to make sure they are removing what they need to within the scope of demolition to prepare for redevelopment. They also want to make sure they are not compromising the structural integrity of the Highlands building. There is room in the demolition budget if they determine that it is part of the demolition scope. Bay Area Demolition will be able to complete it with a change order. Searles will provide the LBA with an update when there is more information.

PUBLIC COMMENT

Mawby thanked the LBA and stated that Otwell Mawby is a good consulting engineer.

MEMBER COMMENTS- None.

CHAIRPERSON COMMENTS - None.

ADJOURNMENT

Meeting adjourned at 10:01 a.m.

DRAFT

A Special Session meeting of the Leelanau County Land Bank Authority (LCLBA) was held on Wednesday, August 28, 2024 at the Leelanau County Government Center.

CALL TO ORDER

Meeting was called to order at 2:00 pm by Chair Gallagher who led the Pledge of Allegiance.

ROLL CALL

Members Present: J. Gallagher, G. Myer, D. Heinz, R. Lewis, R. Foster

Members Absent: D. King, G. Allgaier
(prior notice)

Public Present: T. Searles (via Zoom)

Staff Present: A. Immel, Planning Secretary

PUBLIC COMMENT- None.

DISCUSSION/POTENTIAL ACTION:

High Street Demolition- Amendment/Extension of Bay Area Demolition Contract

Gallagher explained that the purpose of the meeting was to discuss extending the Bay Area Demolition contract deadline which is August 30. Gallagher stated that there is a tunnel in the project which has caused delays in finishing that section of the demolition and remediation. There has to be some work done to shore up the remaining wall to the Pavilions and disconnect pipes that are no longer in use. This work will not be done by August 30 and Bay Area Demolition is asking for an extension of the agreement. This does still fall within the scope of work and there has not been any discussion of additional cost. If there are additional costs, there is overage in the awarded amount from the grant through the state, and he is hopeful that they would entertain any change orders that are within the scope to be included in the reimbursement. Gallagher continued, saying that the reports for this grant are due September 30 and they are trying to give themselves enough time to complete the project, fill out paperwork and submit it to the state before their fiscal year end of September 30.

Motion by Lewis, seconded by Heinz, that the Bay Area Demolition contract be amended to reflect a completion date of September 30, 2024.

Discussion:

Foster questioned whether the LBA or the contractor had access to the full blueprints before demolition? Gallagher responded allegedly yes, but this section had been partitioned off so it was not known that there was a void behind the wall. When they opened the wall, there was an ingress/egress to the pavilions that was still erected. It was not part of the original building or being used. It is Gallagher's understanding, that this was not part of the blueprints.

Searles confirmed that there is no request for a change order or additional cost, just an extension of time. Bay Area Demolition is very close to being done, probably within a week. Searles suggested the LBA not extend the contract through September 30 as that is their submission deadline to the state and they

won't have time to get everything done. Searles continued, saying that there is one utility pole connected to an adjacent utility pole off site. This may service the school next door, so Bay Area Demolition did not want to remove it even though it is within the scope of work. If it is servicing the school, and active, they can't handle something that is unsafe to do. They do have a wrecking clearance letter from Consumers Energy so this portion should be turned off, but if it's a matter of dropping those lines so Bay Area Demolition can safely remove the lines on our side, that might be something Consumers Energy needs to handle. Searles said she has reached out to Consumers Energy and is hopeful she will have an answer in the next few days. She suggested only extending the contract two weeks.

Lewis withdrew his motion; Heinz withdrew his support.

Motion by Foster, seconded by Heinz, to extend the Bay Area Demolition contract to September 15, 2024 and give Chairman Gallagher the power to extend the contract up to but not past September 30, 2024, if needed.

Discussion continued on the extension date.

Heinz questioned if the September 15 deadline would allow enough time to submit everything to the state by the September 30 deadline.

Searles stated that Bay Area Demolition is required to submit a lien waiver stating that they have been paid. They will have everything ready to go, so that once they receive that document, they can submit everything to the state.

Motion on the table carried 5-0.

Discussion on the tunnel and utility pole ensued.

PUBLIC COMMENT- None.

MEMBER COMMENTS- None.

CHAIRPERSON COMMENTS- None.

ADJOURNMENT

Meeting adjourned at 2:20pm.



MI NEIGHBORHOOD APPLICATION

MI Neighborhood Reservation Memorandum

Applicant/Subrecipient Agency Name: _____

Total MI Neighborhood Award Amount: \$ _____

Funds Source(s): _____

Total Leveraged Funds Commitment: \$ _____

Leveraged Funds Source(s): _____

Total Project Funds: \$ _____

MI NEIGHBORHOOD FUNDING RESERVED: Component(s) Reserved (enter information for all that apply and complete the applicable attachment(s):

A. New Unit \$ _____

OF TOTAL UNITS BEING CONSTRUCTED: _____ # OF TOTAL UNITS MSHDA FUNDED: _____

For-Sale Homebuyer Units: _____ # Tenant Rental Units: _____ # VISITABLE: _____

Project Description:

B. Rehabilitation \$ _____

OF TOTAL UNITS BEING REHABBED: _____ # OF TOTAL UNITS MSHDA FUNDED: _____

Owner Occupied Units: _____ # Tenant Rental Units: _____ # VISITABLE: _____

Project Description:

C. Public Amenity \$ _____ # MSHDA FUNDED ACTIVITIES _____

Project Description:

TOTAL MSHDA ADMINISTRATION FUNDING RESERVATION: \$ _____

MSHDA Administration funding request maximum amount cannot exceed 18% of the MSHDA Component Funding requested amount. All administration is reimbursed based on documented and itemized program planning and administration costs.

1. All MI Neighborhood assisted activities must occur within the approved site boundaries and all assisted units must assist program income qualified households with a minimum of 20% of the MSHDA assisted units being at or below 60% Area Median Income. In addition, all MI Neighborhood assisted rental units must follow rent limit restrictions for the county being served. Income and rent limits are posted on our website for reference.

2. **Regional Areas Served (refer to map):**

A	D	G	J	M
B	E	H	K	N
C	F	I	L	O

3. **List boundaries within above selected region(s) that will be served, as appropriate:**

4. **Regional Areas are** rural urban

5. **Counties Served:**

6. **MSHDA Funding Source Contingencies:**

The Reservation is contingent upon additional action items being completed if applicable, including For Profit LDHA structure verification, completion of an agency specific Annual Profile Review (APR), an executed grant agreement, and program guidelines approved by MSHDA. All actions are required prior to a final funding determination and issuance of a notice to proceed. No choice limiting actions and/or activities should be undertaken at this time as funding is not officially awarded until an executed grant agreement is in place.

MSHDA – Printed Name	MSHDA – Signature	Date
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As a MSHDA MI Neighborhood Program Applicant, my organization accepts the funding reservation and agrees to the terms outlined in this form and understands that this document will be incorporated into the grant agreement as a project description.

Applicant Authorized Signer – Printed Name	Applicant Authorized Signer – Signature	Date
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LEELANAU COUNTY
LAND BANK AUTHORITY

Claims and Accounts
September 17, 2024

9/11/2024	Fishbeck – Brewery Creek Blight Elimination Grant Administration Services through August 30, 2024 101.000.000.801.001	\$266.50
9/12/2024	Fishbeck – Hight Street Blight Elimination Grant Reporting and Environmental Consultant Services through August 30, 2024 101.000.000.801.002	\$2,395.90

CLAIMS AND ACCOUNTS	\$2,662.40
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AMOUNT RECOMMENDED FOR APPROVAL: _____

AMOUNT REJECTED: _____