

**DETROIT LAND BANK AUTHORITY**  

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**BOARD OF DIRECTORS MEETING**  
**GUARDIAN BUILDING**  
**500 Griswold St, Suite 1200 • Detroit, Michigan**  
**(Belle Isle Conference Room)**

**Tuesday, January 17, 2017**  
**2:00 PM**

**MINUTES**

**Present:** Erica Ward Gerson  
Richard Hosey  
Larry Lipa  
Patricia Pernell-Shelton  
Rasul Raheem

**Others Present:** Detroit Land Bank Authority (DLBA) staff; General Public

**CALL TO ORDER**

Chairperson Ward Gerson called the January 17, 2017 meeting to order at 2:02 P.M.

**ROLL CALL**

All members were present and a quorum was met.

**ADOPTION OF THE AGENDA**

Chairperson Ward Gerson called for the adoption of the agenda. **Motion by Member Hosey to adopt the agenda. Supported by Member Lipa. MOTION APPROVED.**

**REVIEW AND APPROVAL OF MINUTES**

Member Pernell-Shelton requested that the Community Engagement Committee report be revised to read "Customer inquiries" instead of "customer complaints". **Motion by Member Hosey to approve the November 15, 2016 Board meeting minutes as amended. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**PUBLIC COMMENT**

Chairperson Ward Gerson opened the floor to public comment. Ms. Joanne Warwick, Detroit resident, raised concerns about whom she should address to receive adequate responses to inquiries regarding the Real-Estate Committee, Community Partnership program and the confirmation of the status of properties prior to being demolished. Ms. Cindy Darrah, Detroit Resident, inquired about the DLBA forming a Committee to discuss water and sewage problems in the City of Detroit. Mrs. Darrah also referenced a Storm Water Conference scheduled in March at Cobo Hall. Mr. Tyson Gersh, Detroit resident, commented about the Community Partnership program and establishing a clear criteria and guidelines for acceptance into the program.

**EXECUTIVE DIRECTOR'S REPORT**

Carrie Lewand-Monroe, Executive Director, provided an update to the Board. Mrs. Lewand-Monroe announced the departure of Mrs. Pura Bascos, Demolition Director who will be moving back to New

Orleans to be with family. Mrs. Lewand-Monroe welcomed Rebecca Camargo as new Demolition Director and thanked Ms. Bascos for her assistance with the transition.

### *Operations*

Mrs. Lewand-Monroe reported that Rocket Fiber connect is fully up and running and we are experiencing less internet crashes. Mrs. Lewand-Monroe reported that the Operations Team is targeting the implementation of the phone system, Evolve IP in late February. The system will provide the same extension service that Comcast provided and the monitoring capability of Five9 in one package. Mrs. Lewand-Monroe reported that space planning is beginning for expansion to the 15<sup>th</sup> floor and a resolution for the expansion will be forthcoming during this meeting.

### *Demolition*

Mrs. Lewand-Monroe reported that the new Demolition procedures are in place and fully operational and the Demolition Team is working diligently with contractors to ensure the proper submission of invoices. Mrs. Lewand-Monroe reported that the HHF Round 2 deadline has been extended to June 30, 2017 and as of January 4, 2017, \$44,674,850.63 has been reimbursed by MSHDA with an additional \$5.512M waiting for State review and approval.

Mrs. Lewand-Monroe reported that in December there were a total of 99 properties needing to go under contract in order to finish obligating all of HHF Round 3 funding. Those properties were released through 8 RFP's in packages ranging in size of 8 to 20 properties each. The contracts for these "bid packs" will be issued in mid-January. Mrs. Lewand-Monroe welcomed Daphyene Hatcher, new Demolition Compliance Manager to the team and announced that she is scheduled to begin on February 6, 2017.

### *Inventory*

Mrs. Lewand-Monroe reported that as of January 6, 2017, the DLBA hold title to 93,195 parcels. Mrs. Lewand-Monroe reported that the Inventory department is anticipating the transfer of approximately 6,689 properties to the land bank from the Wayne County Treasurer recent tax foreclosure auctions. These unsold 2016 foreclosures will include approximately 5,563 residential structures and 1,153 vacant lots. Mrs. Lewand-Monroe reported that we are expecting all properties to be reviewed and placed into one of the DLBA property pipelines by the end of the month. Mrs. Lewand-Monroe reported that once the transfer is complete, the staff anticipate offering an additional round of new Side Lots in February, 2017 and are planning for a new round of Side Lot Fairs. Details are forthcoming.

### *Disposition*

Mrs. Lewand-Monroe reported that the 2016 calendar year was successful for the Dispositions Department and shared the metrics highlights for the year. Mrs. Lewand-Monroe reported that in December 2016, the Community Partners program sold a total of 10 structures and as of December 31<sup>st</sup> 127 structures and 501 lots totaling 628 properties since the inception of the program. The Buy Back Pilot program pre-closing event on November 16<sup>th</sup> at the Northwest Activity Center was a success and enrolled 38 additional residents at the event. Mrs. Lewand-Monroe noted in December 2016 the department closed on 79 properties; 34 auction; 35 Own it Now; and 10 Community Partner structures. Mrs. Lewand-Monroe reported the following program metrics as of 12/31/16: Side Lots sales, 5,792; Auction sales, 506; Auction closings, 389; Community Partner participants, 294; Community Partner sales, 365; Own It Now sales, 529; Rehabbed & Ready closings, 23; Rehabbed & Ready sales, 22. Mrs. Lewand-Monroe reported that the media coverage of Rehabbed and Ready increased as it was reported

on in the Wall Street Journal and being highlighted in the next season of "This Old House". Airing is scheduled to begin in March and the crew will be in town for the first open house on January 24<sup>th</sup>.

### *Legal*

Mrs. Lewand-Monroe reported that the retooling continues with the processing of 414 quiet title lawsuits. So far, a total of 176 quiet title lawsuits have been filed under the new process which includes attempts at personal service. The Legal department has procured 3 different vendors to conduct service of process, to test the market and keep costs to a minimum. The team hopes to file 25 lawsuits in a week and eventually 100 per month. Mrs. Lewand-Monroe reported that in December 2016 the DLBA finalized an arrangement with the Detroit Housing Commission (DHC) to facilitate the sale of DHC's surplus residential properties through the DLBA's on line sales platform. The DHC will also transfer its vacant residential lots (no structures) to the DLBA for sale first through the side lot program. Mrs. Lewand-Monroe reported that in response to a December 13, 2016 court hearing before Judge David Allen of the Wayne County Circuit Court, the DLBA posted on its website the administrative subpoenas issued by SIGTARP in May 2016. The DLBA was then responsible for paying the plaintiff's Attorney's fees, which were ultimately settled at \$12,500. Mrs. Lewand-Monroe reported the Legal department is continuing to work on the Nuisance Abatement program and provided program numbers to date: NAP Complaints filed, 3,708; NAP Agreements, 1,571; Default Judgements, 1,582; Quiet Title Judgements, 1,453; resulting occupied homes, 1,344.

### *Public Affairs*

Mrs. Lewand-Monroe reported that the DLBA advertising campaign continues with very favorable results. Web traffic: 70,287 sessions or the month – 41% increase over the same period in December 2015 (49,616). 36,365 users – 49% increase over December 2015. Mrs. Lewand-Monroe reported that the entire Public Affairs team and Client Services Representatives have worked to reduce and improve customer wait times and is pleased to report that the average wait time for callers is now down to 49 seconds. The number of abandoned calls for the month was 339. In comparison to September, 2016 the average wait time was 6 minutes and abandoned calls were over 3,000. Mrs. Lewand-Monroe reported that the Public Affairs team is developing a new Customer inquiry system to better track responsiveness to customer issues. Every complaint received a complaint number and is assigned to an appropriate staff member. Managers receive a weekly report on any outstanding complaints that have not been resolved. We hope to have it fully operational in the coming month.

## **STANDING COMMITTEE REPORTS**

### **Finance and Audit.**

Member Hosey provided the Finance and Audit Committee update to the Board. Member Hosey reported that the Committee met last week and reviewed HHF and current projects.

### **Project Review.**

Member Lipa provided an update to the Board. Mr. Lipa reported that the Committee met last week and reviewed all upcoming projects.

### **Community Engagement**

Member Pernell-Shelton reported that she was excited about the changes made in the Client Services department and the development of the Client Issue Resolution system to address customer inquiries. Mrs. Pernell-Shelton provided kudos to the Public Affairs Team for finding a timely solution.

## **TREASURER'S REPORT**

Irene Tucker, Chief Financial Officer provided an update to the Board and reviewed the metrics report. Discussion ensued.

## **OLD BUSINESS**

Chairperson Ward Gerson opened the floor for any Old Business, there was none.

## **NEW BUSINESS**

### **Election of Officers**

Chairperson Ward Gerson noted that it is our Annual meeting and proposed the election of Officers.

**Motion by Member Raheem** for all Officers to remain in their current positions. **Supported by Member Hosey. MOTION APPROVED.**

### **Resolutions**

**01-01-2017** Resolution Approving Executive Director to enter into the amendment No. 1 To Lease Agreement with Recovery Park and The City of Detroit. Jano Hanna, Assistant Director, Economic Development, provided information regarding the resolution. **Motion by Member Hosey** to approve resolution. **Supported by Member Raheem. MOTION APPROVED.**

**01-02-2017** Resolution approving Executive Director to enter into Purchase Agreement with Kirco Ventures, LLC. Jano Hanna, Assistant Director, Economic Development, provided information regarding the resolution. **Motion by Member Hosey** to approve resolution. **Supported by Member Raheem. MOTION APPROVED.**

**01-03-2017** Resolution authorizing the Executive Director to execute a change order to effectuate a settlement. **Motion by Member Hosey** to approve resolution. **Supported by Member Raheem. MOTION APPROVED.**

**01-04-2017** Resolution authorizing the Executive Director to sign an amended lease for office space on behalf of The Detroit Land Bank Authority. **Motion by Member Hosey** to approve resolution. **Supported by Member Raheem. MOTION APPROVED.**

**Motion by Member Hosey** to enter into closed session. **Supported by Member Raheem. MOTION APPROVED.** Member Raheem called roll for each Board Member to go into Closed Session. **Unanimously approved.** Chairperson Ward Gerson dismissed for Closed session at 2:58 p.m.

## **CLOSED SESSION**

*In accordance with the State of Michigan's Open Meetings Act, Section 8, Closed Sessions are permitted. The conditions of such a Closed Session includes the following: 1) The Session must be for a "limited purpose," 2) the Session must be conducted during the course of an open meeting and 3) per Section 9(1) of the OMA, the minutes of the open meeting must include the purpose for which a closed session is held.*

*It is noted that the purpose of the Closed Session was called for a permitted purpose as described within OMA, Section 8(e): "to consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation," as well as a permitted purpose as described within OMA, Section 8(h): "to consider material exempt from discussion or disclosure by state or federal statute," specifically, Section 13(1)(g) of Michigan's Freedom of Information Act, which protects the attorney-client privilege.*

Chairperson Ward Gerson adjourned Closed Session and re-opened the public meeting at 4:20 p.m.

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#### **ADJOURNMENT**

There being no further business, Chairperson Ward Gerson adjourned the meeting at 4:20 p.m.