

**DETROIT LAND BANK AUTHORITY**  

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**BOARD OF DIRECTORS MEETING**  
**CADILLAC TOWER**  
**65 Cadillac Square, Suite #3200 • Detroit, Michigan**  
**(Conference Room)**

**Tuesday, November 18, 2014**  
**2:00 PM**

**MINUTES**

**Present:** Marsha Bruhn  
Richard Hosey  
Larry Lipa  
Patricia Pernell-Shelton  
Erica Ward Gerson

**Absent:** None

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

**CALL TO ORDER**

Chairperson Ward Gerson called the November 18, 2014 DLBA Board of Directors meeting to order at 2:04 pm.

**ROLL CALL**

All of the board members were present and a quorum was met and the meeting began.

**ADOPTION OF AGENDA**

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

**REVIEW AND APPROVAL OF MINUTES**

Chairperson Ward Gerson asked for adoption of the minutes from the October 21<sup>st</sup> public meeting. **Motion by Member Hosey to adopt November 18, 2014 minutes. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**PUBLIC COMMENT**

Chairperson Ward Gerson opened the meeting to public comment, noting that none was offered.

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director Kevin Simowski provided an update to the Board. Mr. Simowski discussed recent staff updates, including: an updated departmental organization chart, reviews of each department and department head, changes to the frequency of all-staff meetings and the creation of a monthly internal newsletter, focusing on increased staff-wide communications. Mr. Simowski also discussed anticipated funding from the Michigan State Housing Development Authority, the successful delivery of the DLBA's Second Quarter report to City Council and new staff brought on since the prior Board meeting. The Board requested to receive forthcoming internal DLBA newsletters. This concluded the Executive Director report.

## **STAFF REPORTS**

### **Acquisitions and Land Reuse.**

Carrie Lewand-Monroe, Deputy Director, first provided a report on demolition, confirming that all but 500 of the properties identified for demolition have been assigned to a contractor to date. Mrs. Lewand-Monroe stated all demolitions are anticipated to be completed by February, which allows a 2-month “buffer” to finalize all invoicing and payment of federal Hardest Hit Fund dollars. Mrs. Lewand-Monroe provided an update on DLBA acquisitions, stating an agreement was made with the mortgage lender Fannie Mae to donate approximately 40 properties within their inventory due to foreclosure. Mrs. Lewand-Monroe confirmed similar negotiations continue with other mortgage lenders and that the discussions are positive thus far. A discussion ensued where Mrs. Lewand-Monroe addressed questions of the Board regarding the potential volume, location and status of properties to be obtained from various banking institutions. This concluded the Acquisitions and Land Reuse staff report.

### **Disposition.**

Dekonti Mends-Cole, Deputy Director, provided a report on Disposition. Mrs. Mends-Cole stated the DLBA completed its 100<sup>th</sup> closing and received its first Certificate of Occupancy within the past week. Mrs. Mends-Cole noted that the majority of auction closings continue to be cash deals. Mrs. Mends-Cole confirmed the issuance of the RFQ for homebuyer counseling and added that 10 proposals were received to date. A discussion ensued regarding financial incentives and relevant funding initiatives, where Mrs. Mends-Cole answered questions from the Board. Finally, Mrs. Mends-Cole noted that the DLBA has about 40 Community Partners to-date and that approximately 1,100 side lots are available for sale at BuildingDetroit.org. This concluded the Disposition staff report.

### **Legal.**

Michael Brady, General Counsel, provided a report on Legal. Mr. Brady provided reports to the Board, specifically noting that 26 neighborhoods have been posterred to date. Mr. Brady answered questions from the Board regarding the handling of properties that are posterred and subsequently enter into legal agreements. A discussion ensued regarding the Legal department’s compliance efforts. Mr. Brady also discussed the addition of DLBA policy-making being added to the scope of the Legal Department’s responsibilities due to the DLBA reorganization. This concluded the Legal staff report.

### **Public Affairs.**

Craig Fahle, Public Affairs Director, provided a report to the Board. Mr. Fahle discussed the upcoming Side Lot Fair to be held on December 6th, including the third parties anticipated to join the Fair, such as the Wayne County Treasurer, Wayne County Register of Deeds and various non-profit groups. Mr. Fahle also commented on the increased DLBA community presence and the positive response received thus far when the Side Lot Fair has been presented. A discussion regarding the Side Lot Fair ensued. This concluded the Public Affairs staff report.

## **STANDING COMMITTEE REPORTS**

### **Finance and Audit.**

Member Hosey provided the Finance and Audit report to the Board. Member Hosey discussed the continued focus on organizational efficiencies as departments are beginning to increase the scale of their operations. Member Hosey stated that the cash flow continued to be a point of focus, including that March has been identified as the time when additional funding will need to be secured to ensure uninterrupted operations. Member Hosey commented, however, that the March projection is based on current staffing needs and that increased operations would likely result in the need for additional staff. A discussion on staffing ensued. Finally, Member Hosey discussed how the City of Detroit’s Plan of Adjustment will affect the DLBA’s budget and funding, once approved to exit from bankruptcy. This concluded the Finance and Audit committee report.

### **Project Review.**

Member Lipa provided the Project Review report to the Board. Member Lipa indicated the Acquisitions and Land Reuse and Disposition staff reports covered the majority of items discussed within the Project Review committee. Member Lipa additionally discussed the DLBA's focus on partnering with non-profits in order to address the challenge of DLBA-owned occupied properties. This concluded the Project Review committee report.

### **Community Engagement.**

Member Pernell-Shelton provided the Community Engagement report to the Board. Member Pernell-Shelton discussed the fast action that has been taken by DLBA staff to prepare for the Side Lot Fair. Member Pernell-Shelton commented on the challenge of vacancy within the City that is difficult to identify but continues to need to be accounted for as the DLBA works through each neighborhood. Member Pernell-Shelton stated that media coverage of the DLBA continued to be primarily positive. Member Pernell-Shelton confirmed Mr. Fahle's comments on the DLBA's presence within the community, discussing other community involvement such as at the upcoming Tree Lighting and Noel Night. This concluded the Community Engagement committee report.

### **TREASURER'S REPORT**

Michelle Story-Stewart, Chief Financial Officer, provided the Treasurer's report to the Board. Mrs. Story-Stewart provided reports to the Board, including October financials, and discussed key balance sheet and profit and loss figures. Mrs. Story-Stewart answered questions from the Board regarding interest expense and the anticipated flow of Quality of Life funds. A discussion ensued. This concluded the Treasurer's report to the Board.

### **OLD BUSINESS**

Executive Director Kevin Simowski provided an update to the Board on the Code of Ethics. Mr. Simowski confirmed the DLBA's existing Code of Ethics was provided by Member Bruhn. Mr. Simowski commented the DLBA is awaiting the City of Detroit to finalize its Code of Ethics and confirmed the DLBA's intent to align with the City's Code of Ethics once finalized. This concluded Old Business.

### **NEW BUSINESS**

#### **Resolutions.**

**Resolution 11-01-2014**, regarding the adoption of a disposition policy that addresses occupied properties through the engagement of local non-profit entities. Chairperson Ward Gerson provided an overview of the resolution and a discussion ensued. **Motion by Member Bruhn. Supported by Member Hosey. MOTION APPROVED.**

**Resolution 11-02-2014**, regarding the carryover of unused vacation time for DLBA staff. Mr. Simowski provided an overview of the resolution and a discussion ensued. **Motion by Member Bruhn. Supported by Member Hosey. MOTION APPROVED.**

**Resolution 11-03-2014**, regarding authorizing the Executive Director to sign a contract with Enterprise Community Partners for the implementation of an operations management system, Salesforce. Chairperson Ward Gerson first provided an overview of the resolution and the current situation at the DLBA which resulted in the need for an operations management system. Chairperson Ward Gerson then requested Sean Jackson, Rock Ventures Executive Associate, to provide an overview on Salesforce. A discussion ensued. **Motion by Member Hosey. Supported by Member Lipa. MOTION APPROVED.**

### **EXECUTIVE SESSION**

No Executive Session was scheduled.

### **ADJOURNMENT**

There being no further business, Chairperson Ward Gerson adjourned the meeting at 4:22 p.m.