

**DETROIT LAND BANK AUTHORITY**  

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

**Tuesday, February 24, 2015**  
**2:00 PM**

**MINUTES**

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

**Absent:** Richard Hosey

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

**CALL TO ORDER**

Chairperson Ward Gerson called the January 20, 2015 Board of Directors meeting to order at 2:05 pm.

**ROLL CALL**

Four of five Board members were present and a quorum was met.

**ADOPTION OF AGENDA**

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

**REVIEW AND APPROVAL OF MINUTES**

**Motion by Member Bruhn to adopt January 20, 2015 minutes. Supported by Member Lipa. MOTION APPROVED.**

**PUBLIC COMMENT**

George Etheridge, president of Cody Rouge Neighborhood Association, requested that the Board consider adopting a direct sale policy that permits the sale of non-adjacent vacant residential lots. Mr. Etheridge briefly explained his proposed policy and confirmed the policy was provided to Mike Brady, DLBA's General Counsel, for review. Vanessa Peake, executive director of Urban Development Corporation, requested that her organization receive a written agreement from the DLBA granting the Urban Development Corporation permission to continue engaging in securing properties, some of which are owned by the DLBA. Ms. Peake also requested further information regarding two specific properties, 18805 St. Louis and 6109 E. 7 Mile, which was provided by members of the Executive staff.

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Kevin Simowski discussed the third Side Lot Fair, held on January 24<sup>th</sup>, which had over 700 residents in attendance and resulted in the sale of approximately 270 lots. Mr. Simowski discussed the recent announcement of the Employee Discount auction program and also its approval by Detroit's City Council. Mr. Simowski noted the DLBA's recent discussion in many forums, partially as a result of the Mayor's State of the City speech, which covered many notable Land Bank milestones. Mr. Simowski also noted that the DLBA's Executive Team is continuing to work closely with City Council to agree on a mutually beneficial Land Transfer Agreement, a draft of which is being presented to the Board today.

## **STAFF REPORTS**

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

Carrie Lewand-Monroe, Deputy Director, was not present; however, a breakdown of inventory was distributed in her absence. Chairperson Ward Gerson requested an update at the next month's meeting.

### **Disposition.**

Dekonti Mends-Cole, Deputy Director, distributed the auction, community partners and side lot sales reports. Out of 342 successful auctions, almost 200 auction winners have paid down the full deposit and entered into a purchase agreement to date. She also discussed the decrease in delayed closings and the Employee Discount Program, noting the anticipated launch on March 9 and that the Disposition Department was in the process of enrolling various city agencies for inclusion in the program. Mrs. Mends-Cole stated that the Chase and Liberty banking programs recently expanded into 3 new neighborhoods, which is anticipated to assist auction winners in obtaining mortgages. The Side Lot Program has received 899 applications to date with a total of 693 accepted; deeds from the most recent fair are in the process of being mailed. Mrs. Mends-Cole addressed questions from the Board regarding the scale of Community Partner sales, and Member Bruhn requested that auction homes in the Grandmont Rosedale area be featured at a community open house on May 3<sup>rd</sup>. A discussion ensued.

### **Legal.**

Michael Brady, General Counsel, noted that the Legal team continues to file approximately 70 suits a week and that they continue to be undefeated in these suits. Mr. Brady provided an update regarding the contracted work with eVantage, noting that the teams are working on integrating efforts and that it has been a successful partnership to date. Mr. Brady confirmed that the nuisance abatement suits began on commercial corridors, comprising approximately 25 of the suits filed weekly, and that to date 39 neighborhoods have been posterred. Mr. Brady also noted that the Legal and Disposition Compliance teams are beginning to work together. Mr. Brady answered questions from the Board regarding agreements not in compliance and a discussion ensued.

### **Public Affairs.**

Craig Fahle, Public Affairs Director, reported that, with the final Side Lot Fair over, the DLBA's marketing would have a renewed focus on auctions, especially the Employee Discount Program. Mr. Fahle confirmed upcoming videos to be released, including spotlights on recently rehabilitated homes. Mr. Fahle noted that the DLBA's media coverage continues to be largely positive, and he anticipates an increase in media attention as the DLBA nears its year-anniversary since being reorganized.

## **STANDING COMMITTEE REPORTS**

### **Finance and Audit.**

As Member Hosey was absent, Mrs. Story-Stewart confirmed she would provide the Finance and Audit report within the Treasurer's report.

### **Project Review.**

Member Lipa provided the Project Review report to the Board, including a brief update on the status of the Salesforce project, noting that the date the project will go live is March 16 and that the project is on par to meet the approximate cost estimate provided at the beginning of the project. Member Lipa answered questions from the Board regarding the project.

### **Community Engagement.**

Member Pernell-Shelton provided the Community Engagement report to the Board. Member Pernell-Shelton confirmed the Public Affairs staff report and additionally discussed the final Side Lot Fair, noting that despite the long wait there was a positive mood from the public and that this was a further indication of the importance of the fairs. Member Pernell-Shelton also discussed the continued, and potential for increased, involvement from community churches in the disposition process. This concluded the Community Engagement committee report.

### **TREASURER'S REPORT**

Michelle Story-Stewart, Chief Financial Officer, provided the Treasurer's report to the Board. She distributed January financials and discussed key balance sheet and profit and loss figures. Chairperson Ward Gerson requested further discussion regarding HHF funding at the next Finance and Audit Committee meeting and a discussion ensued.

### **OLD BUSINESS**

Chairperson Ward Gerson opened the floor for any Old Business. None was outstanding.

### **NEW BUSINESS**

#### **Resolutions.**

**Resolution 02-01-2015**, regarding amending the adopted employee discount policy. Chairperson Ward Gerson provided an overview of the resolution and a discussion ensued. **Motion by Member Bruhn. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**Resolution 02-02-2015**, regarding approving the amended and restated Memorandum of Understanding between the City of Detroit and the Land Bank Authority. Chairperson Ward Gerson provided an overview of the resolution and a discussion ensued. **Motion by Member Bruhn. Supported by Member Lipa. MOTION APPROVED.**

Subsequent to adoption of Resolution 02-02-2015, Board members were made aware that the resolution should be amended to authorize the Executive Director to execute the agreement on behalf of the Land Bank. A second vote occurred based on the proposed amended resolution. Members asked that staff send the revised resolution to the board. **Motion to approve the resolution, as amended, by Member Bruhn. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**Resolution 02-03-2015**, regarding approving the Land Transfer Agreement between the City of Detroit and the Detroit Land Bank Authority. Mr. Brady provided an overview of the resolution and a discussion ensued. During the discussion it was identified that the resolution required an amendment providing the Executive Director authority to enter into the agreement on behalf of the Land Bank. **Motion to approve the resolution, as amended, by Member Lipa. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**Resolution 02-04-2015**, regarding approving a demolition management agreement by and between the City of Detroit Building Authority and Detroit Land Bank Authority. Chairperson Ward Gerson provided an overview of the resolution and a discussion ensued. **Motion by Member Lipa. Supported by Member Bruhn. MOTION APPROVED.**

**Forthcoming Community Garden Policy.**

Mr. Fahle provided an overview to the Board regarding the anticipated Community Garden Policy. Mr. Fahle described the plans for the policy, which currently include terms of: leasing lots at a rate of \$25 per year for up to 3 years, after receiving approval of either the local block club, or neighborhood. Mr. Fahle stated that the DLBA plans to provide signage for lots that are successfully leased. He noted that he intends for this program to be a modification of the “Clean and Green” policy which was previously approved by the Board in May 2014. Mr. Fahle also noted that parcel maps showing available properties and an associated marketing campaign are in process. Mr. Fahle answered questions from the Board regarding liability and timeline.

**ADJOURNMENT**

There being no further business, Chairperson Ward Gerson adjourned the meeting at 3:29 pm.