

**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, June 21, 2016**

**2:00 PM**

**MINUTES**

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

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

**CALL TO ORDER**

Chairperson Ward-Gerson called the June 21, 2016 meeting to order at 2:02 P.M.

**ROLL CALL**

All Board members were present and a quorum was met.

**ADOPTION OF THE AGENDA**

Chairperson Ward Gerson called for the adoption of the agenda, amended to remove *X. Closed Session*.

**Motion by Member Pernell-Shelton to adopt the agenda as amended. Supported by Member Raheem.**

**MOTION APPROVED.**

**REVIEW AND APPROVAL OF MINUTES**

**Motion by Member Raheem to adopt the May 24, 2016 and June 7, 2016 minutes. Supported by Member Lipa. MOTION APPROVED.**

**PUBLIC COMMENT**

Chairperson Ward Gerson opened the floor to public comment. Mr. Gaston Nash, Detroit resident, inquired about dumping occurring at 16140 Santa Rosa, a DLBA property. Chairperson Ward Gerson asked Darnell Adams, Inventory Director, to assist Mr. Nash. Mr. Nash also inquired about the clean-up process after demolitions occur. Chairperson Ward Gerson requested that Mr. Nash work with Pura Bascos, Demolition Director, to address his concern. Ms. Marquette Sims-McGee, Detroit resident, commented that she was attending the meeting to be informed and learn more about activities happening within the City.

**EXECUTIVE DIRECTOR'S REPORT**

Carrie Lewand-Monroe, Executive Director, provided an update to the Board. Mrs. Lewand-Monroe reported that the focus this month has been on refining and improving Disposition processes, improving

methods to track and clean title on DLBA inventory, planning another round of HHF demolition funding, and tracking call metrics to develop a plan for improved customer service.

### *Disposition*

Mrs. Lewand-Monroe reported that Reginald Scott, Disposition Director, is continuing to work with each Disposition Manager to update procedure manuals for all Disposition programs. Mrs. Lewand-Monroe reported that following improvements to the Community Partners program, 23 parcels were already sold in June and an additional 28 partners have signed up to participate in the program. Mrs. Lewand-Monroe reported that the DLBA Buy Back Pilot Program is currently serving 32 occupants of DLBA properties, with 40 new occupants enrolling into the program at the team's upcoming pre-closing event on June 30. Additionally, the program will receive the assistance of two summer fellows and \$7,500 from Bloomberg Philanthropies to allow students to create, manage and analyze geospatial and tubular datasets relating to the Buy Back Program. Mrs. Lewand-Monroe reported the following program numbers as of 6/17/2016: Side Lot sales; 4,286; Auction sales, 1,062; Auction closings, 720; Community Partners sales, 394; Community Partner closings, 480; Own It Now sales, 223; Rehabbed and Ready, 14 closings, 5 closings in process, and 9 under construction; Buy Back residents served, 32.

### *Legal*

Mrs. Lewand-Monroe provided the updated program numbers as of 6/17/2016: NAP Complaints filed, 3,638; NAP Agreements, 1,317; Default Judgements, 1,354; Quiet Title Judgements, 1,127; resulting occupied homes, 861. Mrs. Lewand-Monroe provided a legislation update; House Bill 4984 was recently signed into law as PA 151 of 2016 which means we can now foreclose on a property with taxes owed. Senate Bill 1009, extending the sunset clause assisting those in delinquent tax payment plans, reported out of committee and is on its way to the Senate for a vote; this would drastically reduce the number of tax foreclosures, therefore reducing the number of properties, both occupied and un-occupied, coming into DLBA inventory in 2017. Mrs. Lewand-Monroe reported that title insurance on tax foreclosed properties remains strong, with a "clear to close" rate of 76%, allowing for immediate sale of the properties without the additional cost and time required for a Quiet Title lawsuit. The Legal team recently welcomed Attorney Andrew Sarazin and Legal Secretary Tiffany Koths to further increase Quiet Title capacity.

### *Demolition*

Mrs. Lewand-Monroe reported that MSHDA announced an additional award of \$88M to the DLBA for HHF Round 5, with a participation agreement to be executed in the coming months. The HHF Round 4 blight participation agreement was executed (\$41.9M) and funding will likely be released by MSHDA in mid-July. All of HHF Round 3 funds, \$21M, have been committed to specific addresses, while the spend-down of HHF Round 2 funds has reached \$38,639,278. The Demolition team is processing \$6M of invoices already received and await invoicing of an additional \$5.3M for demolitions already complete or awaiting final grade. Mrs. Lewand-Monroe reported that the City of Detroit, in partnership with the DLBA, has launched its state of the art demolition tracker and encouraged to visit the site. The tracker reports up-to-date the number of demolitions completed, demolitions contracted, cost of demolition and provides a map interface for all the available data

### *Inventory*

Mrs. Lewand-Monroe reported that the DLBA is still acquiring properties and the Inventory Department is pursuing a final transfer of approximately 3,000 city-owned properties held by the Planning & Development Department. Mrs. Lewand-Monroe reported that Darnell Adams, Inventory Director, along with the Inventory team are working on a universal inventory dashboard that will assist the DLBA in

making strategic decisions related to the disposition of its properties. The draft dashboard was presented to the Projects Committee and will be reviewed by the Finance Committee. Mrs. Lewand-Monroe reported that the Inventory team has increased the number of properties added to the Own It Now pipeline and moved to a weekly website upload. This quarter, the Inventory team listed 1,941 new side lots for sale on BuildingDetroit.org and will send approximately 75,000 postcards by August 1<sup>st</sup> to communicate better with landlords, notify buyers of new lots and remind existing eligible residents of the opportunity to purchase their side lot. DLBA hopes to surpass 5,000 side lots sold by the end of summer. Mrs. Lewand-Monroe gave kudos to Marnette Watkins-Cobb, Title Coordinator, and the Inventory team for developing and improving the Sales preparation page in Salesforce. Mrs. Lewand-Monroe reported that Mr. Adams began working with the City and County in January 2016 to remove delinquent taxes from DLBA parcels that were acquired through the foreclosure process and have made great progress in improving information sharing between the City and the County in the process.

### *Public Affairs*

Mrs. Lewand-Monroe reported that the summer marketing and advertising campaign has come to a close and the next campaign is forthcoming. The new campaign will be multi-platform, with television, radio, digital and print advertisements, including the addition of paid content in the Michigan Chronicle. Craig Fahle, Public Affairs Director, is looking to expand geo-fencing in the next campaign and is also exploring other ways to reach “cord cutters”, those that no longer subscribe to cable or satellite television. Over the last three-month campaign, there was a 38% increase in web traffic and an increase in the average number of new registered bidders, from an average of 65 per week in 2015 to 96 registrants per week so far in 2016.

The Community Engagement team continues its outreach efforts to Detroit citizens as well as attending City Council meetings. Rod Liggons, Craig Fahle and Rodney Wilson have an aggressive meeting schedule and continue to refine our presentation to address the questions of the organizations they are meeting with. The Client Services team is continuing to work on improving the DLBA customer experience. Mrs. Lewand-Monroe provided a call report and discussed the recent implementation of the Five9 software that allows DLBA to monitor calls and generate detailed reports on call metrics. Previously, it was thought DLBA received an average of 150 calls per day, however after 5 days of tracking, the average is actually 328 calls per day and in some cases as high as 423 calls. Mrs. Lewand-Monroe reported that the Public Affairs team currently has an intern, plans to hire a bilingual employee to assist with non-English speaking callers and hourly employees will be trained on phones to assist during peak hours. Mrs. Lewand-Monroe confirmed DLBA is still researching its long-term options for holistic internet and phone-service providers, to better assist the Public Affairs team in its effort to best serve the residents of Detroit.

## **STANDING COMMITTEE REPORTS**

### **Finance and Audit.**

Member Hosey provided the Finance and Audit Committee update. Member Hosey reported the committee’s excitement regarding the decision resulting from interviewing prospective auditors.

### **Project Review**

Member Lipa provided the Project Review update. Member Lipa reported the committee met with staff regarding upcoming projects, reviewed RFQ’s for real estate brokerage services and met with Mrs. Bascos regarding demolition. Mrs. Bascos provided a dashboard of projected demolitions and reported on the DLBA’s use of minority contractors. Mrs. Bascos will provide an updated report at the next Board meeting.

## **Community Engagement**

Member Pernell-Shelton confirmed the staff report. Member Pernell-Shelton expressed concern about the abandonment of calls and discussion ensued. Member Hosey inquired about AT&T Fiber service and Heather Zygmuntowicz, Operations Assistant Director, will follow up.

## **TREASURER'S REPORT**

Michelle Story-Stewart, Chief Financial Officer, distributed the May 2016 Financial report, provided an overview to the group and discussion ensued.

## **OLD BUSINESS**

Chairperson Ward Gerson opened the floor for any Old Business. Mrs. Story-Stewart distributed the Experis Service Agreement for review. Chairperson Ward Gerson indicated she would arrange a meeting with the Board Members and Experis to begin the process.

## **NEW BUSINESS**

### **Resolutions.**

**06-02-2016** Resolution authorizing the Executive Director to enter into a purchase agreement with St. Augustine & St. Monica Housing Initiative, LLC. Chairperson Ward Gerson provided background and discussion ensued. **Motion by Member Lipa. Supported by Member Pernell-Shelton. MOTION APPROVED.**

**06-03-2016** Resolution authorizing the Executive Director to enter into a services agreement with Summit Commercial, LLC. Chairperson Ward Gerson provided background and discussion ensued. **Motion by Member Raheem. Supported by Member Lipa. Member Pernell-Shelton abstained. MOTION APPROVED.**

**06-04-2016** Resolution authorizing the Executive Director to enter into a services agreement with O'Connor Realty, LLC. Chairperson Ward Gerson provided background and discussion ensued. **Motion by Member Hosey. Supported by Member Raheem. Member Pernell-Shelton abstained. MOTION APPROVED.**

**06-05-2016** Resolution authorizing the Executive Director to enter into a services agreement with McIntosh Investment Corporation D/B/A Global Property Investment Group. Chairperson Ward Gerson provided background and discussion ensued. Member Lipa requested that the group revisit the fee structure to ensure the lowest fee from vendors. **Motion by Member Hosey. Supported by Member Lipa. Member Pernell-Shelton abstained. MOTION APPROVED.**

**06-06-2016** Resolution authorizing the Executive Director to enter into a Services Agreement on behalf of the Detroit Land Bank Authority with the Financial Audit and Tax Services firm selected through the request for proposals process. Chairperson Ward Gerson provided background and asked the group if they approved the Finance Committee's recommendation of George Johnson & Co. **Motion by Member Raheem. Supported by Member Hosey. MOTION APPROVED.**

## **ADJOURNMENT**

There being no further business, Chairperson Ward Gerson adjourned the meeting at 3:26 p.m.