

DETROIT LAND BANK AUTHORITY

BOARD OF DIRECTORS MEETING
GUARDIAN BUILDING
500 Griswold St, Suite 1200 • Detroit, Michigan
(Belle Isle Conference Room)
Tuesday, November 15, 2016
3:00 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 November 15, 2016 meeting to order at 3:05 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

Motion by Member Hosey to approve the October 25, 2016 Board meeting minutes. Supported by Member Pernell-Shelton. MOTION APPROVED.

PUBLIC COMMENT

Chairperson Ward Gerson opened the floor to public comment. Mr. Kevin Poole inquired about the houses on the demolition list. Mr. Darnell Adams, Inventory Director, will assist Mr. Poole with this matter.

EXECUTIVE DIRECTOR'S REPORT

Carrie Lewand-Monroe, Executive Director, provided an update to the Board. Mrs. Lewand-Monroe reported that pursuant to the updated employee handbook, all DLBA staff evaluations are underway, making for a very busy time for staff and managers.

Operations

Mrs. Lewand-Monroe reported that the IT team has fully implemented the Rocket Fiber internet connection and is beginning the implementation process for a new phone system, Evolve IP. Mrs. Lewand-Monroe reported that Office Management has successfully upgraded DLBA staff's parking to COBO underground effective November 1st. Mrs. Lewand-Monroe reported that the Salesforce team

successfully deployed one of its larger projects, a complete overhaul of the Prospective Buyer Page. This update allows for greater clarity and details on why buyers may not have been eligible to purchase. The team is also actively working toward the creation of a blexting tool to input photos and data directly from the field into Salesforce.

Demolition

Mrs. Lewand-Monroe report that the new Demolition procedures are in place and fully operational. A new round of RFPs was released earlier this month and a bid responses are due back on Monday, November 21st for 111 properties. Mrs. Lewand-Monroe reported that an Approval Committee has been formed with a representative of the DLBA, DBA and the City's Chief Financial Officer. The Committee has met twice and has determined that all properties should be released for bid, in addition to reviewing the first set of cost estimates for demolitions that exceeded the \$35,000 cost cap. The Committee will continue to meet on a weekly basis. Mrs. Lewand-Monroe announced that DLBA will continue to host a MSHDA staff member 3 days a week to assist with process improvements and troubleshoot matters as they arise. Mrs. Lewand-Monroe reported that HHF Round 4 RFPs, representing 600 properties, are being prepared for release the first week of December and these 600 properties will be divided into at least 12 different packages. The Demolition department is working diligently with contractors to ensure the proper submission of invoices. Under HHF Round 2 there are 147 properties totaling \$2,202,003 that have missing documentation or need additional work such as sidewalk replacement and therefore cannot yet be paid. That number is down from 272 last month.

Inventory

Mrs. Lewand-Monroe reported that the Inventory staff are currently working to create a robust intake process for the thousands of unsold properties that the DLBA expects to receive in January 2017 from the Wayne County Treasurer recent tax foreclosure auctions. The DLBA expects it will receive approximately 5,000 unsold properties, of which ninety percent are likely to be structures and ten percent are vacant lots. Mrs. Lewand-Monroe reported that the 3 new Inventory inspectors arrived this month and have already completed the design of the Property Condition Report (PCR). The PCR is expected to begin being listed with auction properties in December 2016.

Disposition

Mrs. Lewand-Monroe reported that as of October 31, 2016 the Community Partners program has sold 101 structures and 490 lots, totaling 616 properties since the inception of the program. Mrs. Lewand-Monroe reported DLBA's Buy Back Pilot program pre-closing event is scheduled for November 16th at the Northwest Activity Center and is expected to add 48 new families to the program, which currently includes 109 families. Mrs. Lewand-Monroe noted in October 2016 the department closed on 84 properties; 43 auction; 40 Own it Now; and 1 Community Partner structure. Mrs. Lewand-Monroe reported the following program metrics as of 11/4/16: Side Lots sales, 5,542; Auction sales, 1,318; Auction closings, 930; Community Partner participants, 414; Community Partner sales, 618; Own It Now sales, 436; Rehabbed & Ready closings, 20; Rehabbed & Ready sales, 22.

Legal

Mrs. Lewand-Monroe reported that the retooling continues with the processing of 414 quiet title lawsuits. So far, a total of 38 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 eventually increase to a pace of filing 50 per week. Mrs. Lewand-Monroe reported that the Legal department is continuing to work on the Nuisance Abatement program and provided program numbers as of 11/4/16: NAP

Complaints filed, 3,708; NAP Agreements, 1,571; Default Judgements, 1,373; Quiet Title Judgements, 1,624; resulting occupied homes, 1,229.

Public Affairs

Mrs. Lewand-Monroe reported that the DLBA hosted 3 open house events that were attended by over 600 people. Outreach efforts are planned to prepare residents for large concentrations of demolition in relatively small target areas. The department has also begun follow up visits to demolition cluster areas to gauge resident satisfaction and encourage property owners to purchase side lots when they become available. Feedback from the community so far has been phenomenal. There are now a total of 16, 572 registered bidders at www.buildingdetroit.org. The traffic to the website continues to be strong and the average time per visit is up slightly, to nearly 9 minutes. The number of pages visited by DLBA users is also up slightly. Mrs. Lewand-Monroe reported that discussions are underway with Detroit Public Television to roll out a series of videos, including instructional “how to” videos to help with home improvement projects, videos of successful DLBA property rehabilitations and more. The project will coincide with the beginning of the next season of *This Old House*. The season will follow the progress of the Polk family, who purchased a DLBA property in Russell Woods. The addition of two more Client Service Representatives helped to reduce customer wait times and vastly improved DLBA’s ability to serve elderly and Spanish speaking clients. The abandoned call rate has dropped significantly, by 54.47 percent. The average queue wait time for September was 6 minutes 9 seconds, decreasing in October to 3 minutes 21 seconds.

STANDING COMMITTEE REPORTS

Finance and Audit.

Member Hosey provided the Finance and Audit Committee update to the Board. Member Hosey reported that they reviewed current projects. Member Hosey reported that auditors expressed interest in scheduling a meeting with the Executive Director, Board Chair, Chief Financial Officer and Legal Counsel to discuss events recently noted in the media.

Project Review.

Member Lipa provided an update to the Board. Mr. Lipa reported that the Committee received department updates and discussed operational and zoning requirements for medical marijuana dispensaries. He noted the interest of the committee to allow neighborhoods to decide.

Community Engagement

Craig Fahle, Public Affairs Director, provided an update on Community Events. Mr. Fahle is working with the Salesforce team to ensure complaints are assigned to staff and are addressed. Mr. Fahle will report back to Ms. Pernell-Shelton to confirm a central place for complaints.

TREASURER’S REPORT

Irene Tucker, Chief Financial Officer, reported that the Committee met with City of Detroit’s Chief Financial Officer regarding funding. Mrs. Tucker also reported that the Finance team is continuing to work on monthly forecasts. Chairperson Ward Gerson requested a format to report out on status of financials to the Board. Mrs. Tucker stated that she would provide a report at the next Board meeting. Member Raheem also suggested a system to track grant compliance.

OLD BUSINESS

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

NEW BUSINESS

Chairperson Ward Gerson inquired about scheduling Board Meetings in 2017. The group agreed to change the time of the meetings to 1:00 p.m.

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 4:01 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 5:38 p.m.

ADJOURNMENT

There being no further business, Chairperson Ward Gerson adjourned the meeting at 5:38 p.m.