



DETROIT LAND BANK AUTHORITY

Minutes of Board of Directors Meeting
February 25, 2014
65 Cadillac Square, Suite 3200

Authority Board Members Present

Richard Hosey
Erica Ward Gerson
Larry Lipa
Marsha Bruhn
Patricia Pernel-Shelton

Authority Members Absent

None

Non Authority Members Present

See attached sign-in sheet

Roll Call

Meeting Called to order at 2:05 pm by the Chair, and a quorum was present.

Public Comment

Ms. Darrah had some questions and comments regarding different properties that are not included in the DLBA portfolio as well as questions about different government departments. Ms. Ward Gerson indicated input into the city's Master Plan was the appropriate place to address the issues being raised and someone on staff would contact her re: the issues being raised.

Adoption of the Agenda

Ms. Ward Gerson indicated the addition to New Business of item G, and then asked for a motion to adopt the agenda. Ms. Bruhn made the motion to approve the agenda and Mr. Hosey seconded the motion. The motion passed.

Approval of the Minutes

Ms. Bruhn indicated she wanted to have some minor edits made to the minutes and she will provide them to staff. She then made a motion to approve the minutes as modified. Mr. Hosey seconded the motion. The motion passed.

Executive Director's Report

Mr. Wiener indicated he provided the Board with copies of his report and indicated others will make brief remarks during this portion of the agenda. He then thanked the Board for their support during the last 29 days. Mr. Wiener went on to indicate the building of capacity through the addition of new staff. Next, he mentioned the close working relationship with the Department of Neighborhoods and Administration (DONA) headed by Chas. Beckham who is present and would like to address the Board.

Mr. Beckham passed out copies of the DONA org chart and described its functions: Buildings and Safety Engineering; Administrative Hearings; 311 call center; a team of District Managers and Recreation and Community Programming, Health and Wellness and a dotted line relationship with the Housing Commission. He then went on to list which District Manager worked in which District:

- District 1 Stephanie Young – Crowell Rec Ctr.
- District 2 Kim Tandy – Northwest Activities Ctr.
- District 3 Gary Bullock – Farewell Rec Ctr.
- District 4 Odell Tate – Butzell Family Ctr.
- District 5 Vince Keenon – Butzel family Ctr.
- District 6 Enrico Rozeau – Patton Rec Ctr.
- District 7 Marshall Bullock – Adams Butzel rec Ctr.

Mr. Beckham also emphasized the DONA linkage with the Jobs and Economy Group as well as the DLBA. Ms. Ward Gerson then mentioned the role the newly formed Community Engagement Comm. would play with the neighborhoods and how important that is to DLBA.

Mr. Wiener then resumed his report and asked Ms. Jones to report on the HHF program. She indicated the number of properties that have come into the Program:

- MLB – 197
- WCT (Demo Bundle) – 278
- WCT – 205
- PDD – 701

Ms. Jones then indicated the number of additional parcels that will be coming to the DLBA:

- PDD – 544 (Need City Council Approval)
- MLB – 97 (Need Quiet Title)

All together this represents 2,022 parcels for the HHF program. Next, Ms. Jones indicated the first group of properties that have been inspected and are ready to move to the next phase. Demo is expected to begin by April 1st. Three hundred properties per month are expected to be demolished. She also indicated that at some point it may be necessary to expand the HHF boundaries to pick up additional properties.

Mr. Wiener then asked all the new staff to give a brief description of their backgrounds:

- **Carrie Lewand Monroe** – Senior Advisor and former director of the State Land Bank. Her position is funded in part from a Kresge grant.
- **Dekonti Mends-Cole** – Deputy Director for Administration. Ms. Mends-Cole mentioned she is an attorney and has a Master's Degree from the London School of Economics and worked with the Strong Cities Strong Communities program. She also worked in London and Zambia on different urban development projects. Her position is also funded in part by the German Marshall Fund.
- **Michelle Story Stewart** – Chief Financial Officer. She mentioned she has a Master's Degree in Economics and a Ph.D in Urban Planning. Her background has been with LISC and she was responsible for finance and operations.
- **Mike Brady** – An attorney who is on leave from his position at the Center for Community Progress where he is the Vice-President of Policy and will be responsible for regulatory and legislative review re: land banks. Prior to that he was the Legal Director of the Detroit Vacant Property Campaign and also provided staff support to the Detroit Land Bank as it was forming.
- **Kevin Somowski** – General Counsel and an attorney heading up the Nuisance Abatement Section. Mr. Somowski is a former Wayne County prosecutor and worked in the Wayne County Nuisance Abatement program where they filed approx. 3,000 lawsuits. He also worked at DMC and spent time in private practice.
- **Kim Homan** – Dpty. General Counsel and former Director of the Michigan State Land Bank.
- **Marcell Hurt** – an attorney working in the Nuisance abatement section. He was the former Chief of Staff for Councilman Brown and was an advisor to Councilwoman Jenkins.
- **Tanya LaMar** – Paralegal assisting with the HHf program and the nuisance abatement program.

Mr. Wiener then resumed his report and gave a note of special thanks to Burney Johnson, an executive on loan from the Mich. State Housing Authority, to assist with the Land Bank during the transition.

He also described the funding \$250,000 arrangement with Kresge regarding staff support and described pending funds from other sources including \$112,000 in accounts receivable for NSP activities, and \$3mm in administrative funding from the city. Finally, Mr. Wiener spoke about the projected \$6mm in Line of Credit funds that Mr. Hosey and Mr. Mehreteab are working on. These funds will be used to bridge payment requests for the HHF program.

Next, Mr. Wiener spoke of the space needs for the staff now housed on two floors; the proposed contract to create an upcoming website for the auction of properties; and the weekly meetings with both Chas. Beckham and Tom Lewand to ensure coordination of activities amongst these different agencies.

Standing Committee Reports

Community Engagement: Ms. Pernel-Shelton and Ms. Bruhn reported on the meeting with East English Village. There are key themes that came up during these sessions: importance of owner occupancy; responsible landlords; open communication between the Land Bank and the community with transparent processes and having a presence in the community; giving first preference to community organizations and owner occupants in purchase of auctioned properties.

Finance: Mr. Hosey reported on the review of a vendor responding to various DLBA RFP's for services affecting: title work, deconstruction, and ecological projects. He also spoke in favor of the new process of involving each committee early on to elicit responses and thoughts. He also reported on the progress toward securing the various lines of credit and expects to see the funds within the next 30 days.

Project Review: Mr. Lipa reported on the review and preapproval of various vendors the DLBA will use in the future for title, deconstruction and ecological projects. He also spoke about the review of public health impacts the demolition will have concerning airborne debris, and lead based paint.

At this point the Chair indicated the need to assist the committees with their work and assigned staff to assist. Dekonti will assist Project Review as will Juanita re: HHF; Michelle will assist Finance and Carrie will assist community Engagement. Ms. Ward Gerson also reminded the committees that the charters allowed for the inclusion of outside members.

Treasurer's Report

Ms. Bush reviewed the report in the packet and indicated the cash flow report shows approx. \$880,000 in cash at the end of January. Receivables total approx. \$700,000. Ms. Bush also walked through the P&L statement. She also said a better system is needed to track property expenditures for accounting purposes.

Ms. Ward Gerson asked about the relevance of the current budget given all the changes that have occurred since its adoption and Ms. Bush agreed it was no longer a useful document. Ms. Bush suggested approving a new budget for the rest of the year. Ms. Story Stewart and Ms. Bush will work with Mr. Wiener to do a new budget.

Unfinished Business

None

New Business

Auction

Policies to guide the disposition of DLBA properties will be brought before each committee. Additional disposition policies will be developed in two other areas as well: occupied properties and side lots. Ms. Mends-Cole gave a brief description of the principals underpinning the auction policy. She indicated that it will be at a very small scale, at most 7 to 10 properties a week, to be put up on this auction site. It will be very localized and focused on a very specific neighborhood using mapping data, along with data layered with our other initiatives including Hardest Hit Fund demolitions, as well as the Nuisance Abatement Program. The auction will be a portal for land disposition that sits within a wider and much larger land disposition strategy.

*Appointment of DLBA CDC Members - **Resolution 2-01-14***

Ms. Johnson described the item and indicated there need to be new appointments to the DLBA CDC since the second amended IGA revised the nature of the appointments. The Board action will remove Ms. Vierre Adams and Mr. Werdlow and replace them with two new members. Ms. Ward Gerson asked about the nature of the CDC Bylaws and noted they also need to be revised to align them with the new IGA. Mr. Kulick indicated he would follow up on this.

Ms. Ward Gerson nominated Mr. Lipa, herself and Mr. Hosey for the CDC members. Mr. Hosey made a motion to approve the resolution to nominate these Board members to serve. Ms. Pernell-Shelton seconded the motion. The motion passed.

*Committee Charters – **Resolution 2-02-14***

Ms. Ward Gerson presented the item and indicated the Charters make it clear what the broad scope of each of the three committees will be, and also they make it clear that the committees are not final decision making bodies and that everything needs to come back and be voted on here at the Board. Ms. Bruhn made a motion to approve the resolution. Mr. Hosey seconded. The motion passed.

*Fund Advisor Contract – **Resolution 2-03-14***

Ms. Ward Gerson presented the item and indicated the need to match the contract terms with the resolution approving the contract. This housekeeping matter is necessary to avoid any future audit findings. Mr. Hosey made a motion to approve the resolution. Mr. Lipa seconded. Ms. Bruhn noted the contract was for two years when the Board intention was for one year. Ms. Ward Gerson asked why the former Director signed a two year contract. Ms. Bruhn asked that the motion be amended to include periodic reports by the Fund Advisor to the Board. Ms. Ward Gerson indicated that since the Fund Advisor is already working with the Finance Comm. that committee will report on what is happening. The original motion passed.

Qualified Vendor Pool – Resolution 2-04-14

Ms. Jones presented the item. She described that RFP's were sent to solicit the services of vendors for real estate, title deconstruction and ecological design services. Subsequently the real estate services were dropped. The request is to create a pool of qualified vendors to use as the need arises and all future contracts would come to the Board for approval. She indicated this item has been to both the Finance and Project Review Committees. Mr. Lipa made a motion to approve the resolution. Ms. Bruhn seconded. The motion passed.

Contract with the Institution for Population Health – Resolution 2-05-14

Ms. Jones presented the item. She indicated the purpose would be to work with the DLBA in the demolition of structures to create standards to guide the work. Ms. Ward-Gerson asked about the source of the funds for this and Ms. Jones indicated the HHF Program. Ms. Ward Gerson indicated she was supportive of the work but had concerns with the funding source and asked that other funding sources such as the Foundations be located. The item was tabled until the March 11th meeting.

MOU between the City and the DLBA – Resolution 2-06-14

Ms. Ward Gerson presented the item. She indicated conversations with the Mayor, the EM, and DLBA to obtain additional funds to support the agency operations. Ms. Ward Gerson then described the MOU and the supporting resolution. The Plan of Adjustment being considered by the bankruptcy court envisions funding to address blight and that funding would come to the DLBA. In return, the DLBA would agree to stay closely coordinated with the City; conduct monthly meetings to review the progress of all of our programs; and provide an annual summary of what we've accomplished in the course of a year or so. She indicated the Council resolution on nuisance abatement needed to be a part of the additional attachments. Mr. Hosey made a motion to adopt the resolution. Seconded by Ms. Pernell-Shelton. The motion passed.

Ms Bruhn moved to adjourn the meeting. Seconded by Mr. Hosey. The meeting was adjourned at 4:15 pm.