

DETROIT LAND BANK AUTHORITY

BOARD OF DIRECTORS MEETING
GUARDIAN BUILDING
500 Griswold • Detroit, Michigan 48226
(Executive Board Room – 6th Floor)

Tuesday, October 15, 2019
11:00 AM

MINUTES

PRESENT: Erica Ward Gerson
Richard Hosey
Miranda Morrow-Bartell
Patricia Pernel-Shelton
Carol Walters

OTHERS PRESENT: Public, DLBA Staff,
Jermaine Ruffin, Director of Development, City of Detroit
Michael Nichols, Gloria Zhao, Auditors, George Johnson & Company

CALL TO ORDER

Board Chair, Erica Ward Gerson called the October 15, 2019 meeting to order at **11:12 a.m.**

ROLL CALL

Secretary Walters called roll. Five of five members were present, and a quorum was met.

ADOPTION OF THE AGENDA

Board Chair Erica Ward Gerson called for a Motion to adopt the October 15, 2019 agenda. **Motion by Member Hosey to adopt the agenda. Supported by Member Pernel-Shelton. MOTION APPROVED.**

REVIEW AND APPROVAL OF MINUTES

Board Chair Erica Ward Gerson called for a motion to approve the September 10, 2019 Board of Directors meeting minutes. **Motion by Member Hosey for approval of minutes. Supported by Member Walters. MOTION APPROVED.**

PUBLIC COMMENT

Board Chair Erica Ward Gerson opened the floor to public comment.

- **Rita Ross**, Russell Woods resident, stated that she had attended the Board meeting last month and inquired about 4225 Davison, a property that she bid on and did not win, and the property is still vacant after 2 years. Ms. Ross also stated that she was told by the DLBA the property was to be demolished, but last week she heard the property was given to an organization that sells property for the City of Detroit and would like to speak with someone regarding this matter. Robbie Linn, Director, Inventory assisted Ms. Ross immediately.

- **Joanne Warwick** – Detroit resident, stated that the topics discussed during closed session should be revealed to the public and the new meeting rules are not constitutional and were illegally passed. Ms. Warwick also inquired about 282 and 302 Smith and stated that she had attempted to purchase these 2 properties and was unable to do so.

EXECUTIVE DIRECTOR REPORT

Saskia Thompson, Executive Director reported that the audit is complete, and the report will be shared with members later in the meeting. Saskia also stated that the CFO position has been posted and we are awaiting applications. Saskia provided the following department highlights:

Inventory

Saskia highlighted 89,500 properties in our inventory of which 22,000 are structures.

Administration & Operations

Saskia reported 6,073 phone calls and 1,023 walk ins.

Disposition (Sales)

Saskia highlighted 43 closings and 116 Side lot sales.

Demo

Saskia reported that we are on track with HHF spenddown and have met with contractors to review the pipeline and discuss how to achieve their contract requirements.

City Demo Bond Campaign

Saskia provided an update on the \$250M City Demo Bond Campaign and stated that the DLBA, as one of the key partners has been a part of discussions to create a strategy to eliminate blight through various ways including demo and rehabbed and ready sales and discussion ensued. Member Hosey inquired as to when we could see the plan and the timeline for execution. Saskia replied by July FY2020. Member Ward Gerson commented that the impact on the neighborhoods will be great and it is very exciting for the City.

STANDING COMMITTEE REPORTS

Community Engagement

Member Pernell-Shelton reported that the Community Engagement Committee met last week and provided kudos to the accounting department for a clean audit and great teamwork. Member Pernell-Shelton also stated that she was happy to see the Detroit Land Bank staff out in the community and provided thanks to Reginald, Robbie and the Community Affairs team. Member Morrow-Bartell stated that she appreciated the public comments and thanked the teams for ensuring good work is done for the benefit of the community.

Finance Audit Committee

No quorum met.

NEW BUSINESS

a. Resolutions

10-01-2019 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT 3 TO PROMISSORY NOTE IN FAVOR OF RHI OPPORTUNITIES, LLC. Board Chair Ward Gerson

provided background on the resolution. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-02-2019 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE & DEVELOPMENT AGREEMENT WITH SEAN DAVIS. Karla Marshall, Manager, Projects & Community Partnership, and Doug Parker, Chief Counsel provided background on the resolution. **Motion by Member Walters to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-03-2019 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE & DEVELOPMENT AGREEMENT WITH CHARLES NOONAN. Karla Marshall, Manager, Projects & Community Partnership provided background. **Motion by Member Walters to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-04-2019 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A SECOND AMENDMENT TO DEVELOPMENT AGREEMENT WITH FITZ FORWARD, LLC. Doug Parker, Chief Counsel and Jano Hanna, Assistant Director, Projects provided background and discussion ensued. Member Hosey stated that he would like for members to be informed of any possible barriers with the project in the future. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-05-2019 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE & DEVELOPMENT AGREEMENT WITH ALI ATOUI & NOOR EL-MOUSSAOUI. Karla Marshall, Manager, Projects and Community Partnership provided background. **Motion by Member Morrow-Bartell to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-06-2019 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE & DEVELOPMENT AGREEMENT WITH PAN AFRICAN ORTHODOX CHRISTIAN CHURCH. Karla Marshall, Manager, Projects and Community Partnership provided background. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-07-2019 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE & DEVELOPMENT AGREEMENT WITH TAI AND ADAM THIBODEAU. Karla Marshall, Manager, Projects & Community Partnership, provided background on the project. **Motion by Member Hosey to approve resolution. Supported by Member Pernell- Shelton. MOTION UNANIMOUSLY APPROVED.**

10-08-2019 RESOLUTION TO ADOPT TAX CAPTURE WAIVER POLICY. Doug Parker, Chief Counsel, provided background. Member Hosey requested that language be revised to clarify that no consideration would be required by the Detroit Land Bank for waiver of the tax capture for side lots and auction properties and discussion ensued. **Motion by Member Walters to approve resolution as revised at the request of Member Hosey. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

Board Chair Ward Gerson called for a Motion to enter Closed Session. **Motion by Member Hosey Supported by Walters.** Member Walters called roll for the vote of each Board Member to go into Closed

Session. 5 of 5 members were present and each member voted yes to move into closed session.
MOTION UNANIMOUSLY APPROVED.

Board Chair Ward Gerson moved to Closed Session at **11:51 a.m.**

CLOSED SESSION

In accordance with the State of Michigan's Open Meetings Act (OMA), 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.

Permitted purposes of closed session were "to consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation" as permitted in MCL 15.268(e); "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, as permitted in MCL 15.268(h); and "to consider ... a periodic personnel evaluation of ... [an] employee ... if the named person requests a closed hearing" as permitted in MCL 15.268(a).

Return to open session at **12:30 p.m.**

DRAFT AUDITED FINANCIAL STATEMENTS

Board Chair Ward Gerson stated that the agenda should be amended to include Resolution 10-09-2019 to accept draft audited financial statements.

10-09-2019 RESOLUTION ACCEPTING DRAFT AUDITED FINANCIAL STATEMENTS. Motion by Member Hosey to approve resolution. Supported by Member Pernell-Shelton. **MOTION UNANIMOUSLY APPROVED.**

TREASURER'S REPORT

Auditors, Michael Nichols and Gloria Zhao from George Johnson and Company, reviewed the audit report with the group and stated that they found no major issues or findings. Members thanked the Auditors and Finance team for a smooth and efficient process. Board Chair Ward Gerson consulted with the Auditors about going into an Executive session and they advised that it is normally standard practice to do so.

CLOSED SESSION

Board Chair Ward Gerson stated that the agenda should be amended to allow for a closed session with George Johnson and Company Auditors.

Board Chair Ward Gerson called for a Motion to enter closed Session. **Motion by Member Hosey Supported by Walters. Member Walters called roll for the vote of each Board Member to go into Executive Session. 5 of 5 members were present and each member voted yes to move into Executive session. MOTION UNANIMOUSLY APPROVED.**

Board Chair Ward Gerson moved to closed Session at **12:47 p.m.**

Return to Open session at **12:58 p.m.**

ADJOURNMENT

There being no further business, Board Chair Ward Gerson called for a **Motion to adjourn. Motion by Member Walters to adjourn the meeting. Supported by Member Pernell-Shelton. MOTION UNANIMOUSLY APPROVED.** The meeting was adjourned at **12:59 p.m.**