

DETROIT LAND BANK AUTHORITY

BOARD OF DIRECTORS MEETING
GUARDIAN BUILDING
500 Griswold St, Suite 1200 • Detroit, Michigan
(Belle Isle Conference Room)
Tuesday, October 16, 2018
11:00 AM
MINUTES

PRESENT: Erica Ward Gerson
Richard Hosey
Patricia Pernell-Shelton
Rasul Raheem
Carol Walters

ABSENT: N/A

OTHERS PRESENT: Public, DLBA Staff
Gloria Zhao, Ben Weeks, George C. Johnson Auditors
Sonya May's, Develop Detroit
Miles Harvey, The Platform Group
Marcus, King, Jefferson East
Jason Friedman, HRD

CALL TO ORDER

Board Chair, Erica Ward Gerson called the October 16, 2018 meeting to order at **11:09 a.m.**

ROLL CALL

Member Raheem called roll. All five members were present, and a quorum was met.

ADOPTION OF THE AGENDA

Board Chair Erica Ward Gerson called for a Motion to approve the agenda. **Motion by Member Walters to approve the agenda. Supported by Member Pernell-Shelton. MOTION APPROVED.**

REVIEW AND APPROVAL OF MINUTES

Board Chair Erica Ward Gerson called for a motion to approve the July 17, 2018 Board of Directors meeting minutes. **Motion by Member Walters for approval of minutes. Supported by Member Pernell-Shelton. MOTION APPROVED.**

PUBLIC COMMENT

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

- **John Lauve** distributed a document titled the Innovation Development plan and suggested ways to improve the process of selling properties.
- **Ronald Cutright**, Detroit resident, inquired about side Lots located on E Grand Blvd and stated that he was awaiting availability. Reginald Scott, Director, Disposition, assisted Mr. Cutright.

- **Vanessa Peak**, Detroit resident, thanked group for the opportunity to speak and stated that she had a very good meeting with Darnell Adams, Director, Inventory. Ms. Peak raised the question to the board of how to revitalize her community and build relationships and partnerships. Board Chair Ward Gerson encouraged partnership and requested that Reginald Scott, Director, Disposition assist Ms. Peak.
- **Quincy Jones**, Detroit resident, spoke in support of the Develop Detroit project and President Sonya Mays.
- **Marcel Ragland** Detroit resident, inquired about a side lot located claimed that he had not been given the opportunity to purchase side lots in his community prior to developers such as Develop Detroit. Mr. Ragland stated that he feels that the treatment is unfair.
- **Jenna Peoples**, Detroit resident, of West Collingwood community inquired about the rules for purchasing side lots and stated that she has been maintaining a lot and thought that it would be made available to her. Ms. Peoples also inquired about the process to secure Detroit Land bank houses that are open and dangerous. Darnell Adams, Director, Inventory offered to assist Ms. Peoples.
- **Joanne Warwick**, Detroit resident, stated that she had attended a community meeting and was happy to see the Detroit Land Bank present and working with the community. Ms. Warwick also commented that Develop Detroit did not do a good job of engaging or informing the community of their project.

GEORGE C. JOHNSON -AUDITOR PRESENTATION

George C. Johnson Auditors, Gloria Zhao and Ben Weeks presented the findings of the audit to the group. Board Chair Ward Gerson provided special thanks to Irene Tucker, CFO, and her team for their hard work.

EXECUTIVE DIRECTOR & STAFF REPORTS

Saskia Thompson, Executive Director, provided a brief update on open enrollment and IT functions and stated that a more detailed report will be presented at the Board meeting next month.

Darnell Adams, Director, Inventory, presented a high-level Inventory report with highlights as of October 12, 2018 and Saskia Thompson, Executive Director, provided additional information of the general land breakdown and discussion ensued.

STANDING COMMITTEE REPORTS

Finance and Audit

Member Hosey reported that the Committee met last week and provided an update. Member Hosey reported that during the committee meeting the group received a presentation of the audit findings from Auditors, George C. Johnson, received Demolition and Inventory updates and reviewed upcoming projects. Member Raheem commented that he is looking forward to the Develop Detroit and Boulevard and Congress projects.

Project Review

Member Pernell-Shelton reported that the Projects committee met last week and provided an update. Member Pernell-Shelton expressed concerns about engaging the community with two of the projects presented.

Community Engagement

Member Pernell-Shelton reported that the Committee met last week and provided a brief update. Member Pernell Shelton stated that we need to see Community Partners get more involved by working

with the Community and informing them of upcoming projects. Member Hosey commented that it was good to hear all sides from partners and community and expressed concern about individuals not understanding that everyone will not always agree on projects. Board Chair Ward Gerson stated that if necessary, the process of presenting upcoming projects could be changed to allow presentations given at Committee meetings to also be presented at Board meetings.

TREASURER'S REPORT

Irene Tucker, CFO, distributed the September 30, 2018 financials to the group, reviewed metrics summary and discussion ensued.

NEW BUSINESS

a. Resolutions

10-01-2018 RESOLUTION ACCEPTING DRAFT AUDITED FINANCIAL STATEMENTS. Erica Ward Gerson provided background. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-02-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE AGREEMENT WITH BOULEVARD AND CONGRESS LLC. Erica Ward Gerson provided background. Member's Raheem and Pernell-Shelton expressed reservations. Jano Hanna, Assistant Director, Projects, provided additional information for clarity of the project and discussion ensued. **Motion by Member Walters to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-03-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO OPTION AGREEMENT WITH DEVELOP DETROIT, INC. Jano Hanna, Assistant Director Projects, provided background of project to provide clarity to members and public. Member Pernell-Shelton commented that there needs to be more communication in regard to sale of side lots and ownership. Michael Brady, General Counsel, addressed legal questions raised about side lots. **Motion by Member Hosey to approve resolution. Supported by Member Walters. Opposed by Member Pernell-Shelton. MOTION APPROVED.**

10-04-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE AND DEVELOPMENT AGREEMENT AND OPTION AGREEMENT WITH MICHIGAN URBAN FARMING INITIATIVE. Erica Ward Gerson provided background and discussion ensued. Member Pernell-Shelton inquired about tax capture and Jano Hanna, Assistant Director, Projects provided detail. **Motion by Member Walters to approve resolution. Supported by Member Pernell-Shelton. MOTION UNANIMOUSLY APPROVED.**

10-05-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE AGREEMENT WITH WALKER"D" CONSTRUCTION L.L.C. Erica Ward Gerson provided background. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-06-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE AGREEMENT WITH SPERAMUS MELIORA, LLC, MICHIGAN. Jano Hanna, Assistant Director, Projects provided provided background. **Motion by Member Walters to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-07-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO PURCHASE AGREEMENT WITH DMF EQUIPMENT LLC. Jano Hanna, Assistant Director, Projects provided background. Member Walters inquired about Agricultural discount, Jano will research. **Motion by Member Hosey to approve resolution. Supported by Member Pernell-Shelton. MOTION UNANIMOUSLY APPROVED.**

10-08-2018 RESOLUTION APPROVING EXECUTIVE DIRECTOR TO ENTER INTO OPTION AGREEMENT WITH MARC RAGOONAN. Doug Parker, Principal Attorney - Disposition, provided background and discussion ensued. **Motion by Member Pernell-Shelton to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-09-2018 RESOLUTION TO WAIVE THE FIVE-YEAR, FIFTY PERCENT TAX CAPTURE ON PROPERTY SOLD TO NEW BEGINNINGS LAND DEVELOPMENT, LLC. Jano Hanna and Doug Parker provided background. **Motion by Member Hosey to approve resolution. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED.**

10-10-2018 RESOLUTION TO WAIVE THE FIVE-YEAR, FIFTY PERCENT TAX CAPTURE ON PROPERTY OWNED BY THOMAS COX. Jano Hanna provided background. Board Chair Ward Gerson stated that a policy is needed and encouraged staff to work on one for the future. **Motion by Member Raheem to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-11-2018 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT 2 TO PROMISSORY NOTE IN FAVOR OF RHI OPPORTUNITIES, LLC. Erica Ward Gerson provided background. **Motion by Member Pernell-Shelton to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

10-12-2018 RESOLUTION APPROVING SIDE LOT SALES POLICY, THIRD AMENDED. Erica Ward Gerson and Darnell Adams provided background, members reviewed the policy and discussion ensued. Board Chair Ward Gerson requested that next steps for purchasing side lots be placed on the website. **Motion by Member Walters to approve resolution. Supported by Member Hosey. MOTION UNANIMOUSLY APPROVED.**

Board Chair Erica Ward Gerson called for a Motion to enter Closed Session. **Motion by Member Hosey. Supported by Member Walters.** Member Raheem called roll for the vote of each Board Member to go into Closed Session. Each of the five (5) members voted yes to move into closed session. **MOTION UNANIMOUSLY APPROVED.** Board Chair Erica Ward Gerson moved to Closed Session at 1:03 p.m.

CLOSED SESSION

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); and "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).

Return to open session at 1:45 p.m.

ADJOURNMENT

There being no further business, Board Chair Erica Ward Gerson called for a Motion to adjourn. Motion by Member Hosey to adjourn the meeting. Supported by Member Walters. MOTION UNANIMOUSLY APPROVED. The meeting was adjourned at 1:48 p.m.