Leelanau County Government Center

Leelanau County Land Bank Authority (LC-LBA)

Website: http://www.leelanau.cc/landbank.asp

8527 E. Government Center Dr.
Suttons Bay MI 49682 231-256-9838

NOTICE OF MEETING

The Leelanau County Land Bank Authority (LC-LBA) will meet

On Monday, June 20th, 2016 at 9:00 am

The

Leelanau County Government Center

DRAFT AGENDA

Members
Treasurer John A. Gallagher III – Chair
Trudy Galla, Secretary
Chet Janik
Peachy Rentenbach
Mark Walter
Karen Zemaitis
Bud Welch

PLEASE TURN OFF ALL CELL PHONES

PLEDGE OF ALLEGIANCE

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES: May 17th, 2016 – (pgs 2-11)

PUBLIC COMMENT

- **UNFINISHED BUSINESS**
  1. **Review of Financials (pg 12)**
  2. **2% Application Submitted** *(copy on file with Treasurer)*

- **DISCUSSION/ ACTION ITEMS**
  1. **Recommendation to pay Leelanau County liability (see handouts pgs 13-14)**
  2. **Update on 2016 Foreclosures/Right of Refusal, 1st auction**

CLAIMS & ACCOUNTS (pg 15)

POST AUDIT

CORRESPONDENCE/COMMUNICATION ITEMS

PUBLIC COMMENT

MEMBER COMMENTS

CHAIRPERSON COMMENTS

ADJOURN

A regular meeting of the Leelanau County Land Bank Authority (LC-LBA) was held on Tuesday May 17, 2016 at the Government Center.

Call to Order:

The Meeting was called to order at 9:00 am by Chairman Gallagher who led the Pledge of Allegiance.

ROLL CALL

Members Present: J. Gallagher, T. Galla, C. Rentenbach, C. Janik, B. Welch, K. Zemaitis

Members Absent: M. Walter

Public Present: J. Hawkins, Bob Brick, M. Witkowski

APPROVAL OF AGENDA

It was moved by Janik, seconded by Zemaitis to approve the agenda as presented. Motion carried 6-0.

APPROVAL OF MINUTES: March 15, 2016

It was moved by Zemaitis, seconded by Janik to approve the minutes as presented. Motion carried 6-0.

APPROVAL OF MINUTES: April 19, 2016

It was moved by Janik, seconded by Zemaitis to approve the minutes as presented. Motion carried 6-0.

PUBLIC COMMENT – None

UNFINISHED BUSINESS

1. Timberlee Property proposals

Gallagher noted last month we had 2 different proposals in front of us. We had Mr. Ford present to us, and the auction broker present to us on selling Timberlee properties. Opening up discussion today on that, and in addition, Mr. Brick, realtor, is here.

Janik commented that he couldn't speak for everyone but he was underwhelmed by both presentations last month. Mr. Ford was not prepared, his overview and letter showed that he was not accustomed to this property and Janik felt his expectations were overambitious. Backing up, Gallagher and Janik placed ads on the website and in the newspaper around Feb. or so and only got these 2 proposals. Personally, Janik didn't feel comfortable with either proposal. In the meantime, he spoke with Mr. Brick, his firm handled the sale of the old log home on M-22, and that went smoothly. He asked Mr. Brick to come forward. We did follow bid policy for going out for bids, we could go out for bids again, I did not feel comfortable with either of the firms and don't want to wait month after month after month. If it's okay with everyone, Mr. Brick could give us an overview today. He emailed a document yesterday, Janik had made copies for everyone.

Gallagher welcomed Mr. Brick.

Mr. Brick reviewed the handout. The first sentence is a little off, 25-30% discount should be "of" their original asking prices. Brick went out and walked every property and trying to take it from platted subdivision, putting roads in, putting electricity in, the infrastructure is just not there. Without those improvements, the lots will not sell. Putting them up for auction would be difficult. Someone needs to make an investment. He looked at the lots and took 3 of his associates with him so they could get varying opinions of sales. Thought they would sell for $18,000- $20,000 finished. There are some unknowns about water. What is present status of water system? If we look at $200K for developing with roads, paving, some water, and electrical…water could be built into the sale of the lots somehow. Using that and then backing it down as to what lots would be worth in present state, there are some lots on slopes that are going to be difficult to build on. Additional fill will need to be put into property to make them function. Using that average of $18,000-$20,000 and backing out $8,700 for development costs, you are down to about $10,000 in potential profit for someone to sell those lots. If they pay $5,000 per lot they make $5,000 per lot and not a lot of return. But the builder could control all of the subdivision and build it all out which could create some economic benefits. There could also be some advantages in having control of price point and design. Some developers may prefer that it is not a big, expensive project. Gave comp information on 3 subdivisions, one didn't quite make it because didn't go through sale. They were already improved, some had natural gas, some may have had houses in subdivision already and developer lost sub. 4-5 years trying to get them sold. Banks had them, discounted deeply. Last one was Inland Oaks, in Lake Ann near the grade school, 1 acre lot, paved roads, they sold for $10,000 a lot. There were 11 lots left in the subdivision. Thought property would be worth about $5,000 a lot in present state.

Gallagher mentioned the deed restriction was removed so we have ability to go ahead and put wells in on each individual lot. Jeff Hawkins can give more specifics. We have gone through that and that is what has taken us so long, went through DEQ and health department to straighten it all out.

Janik asked if we were to sell as one large piece of property, what would you recommend listing price be. Brick replied $110,000 -120,000.

Rentenbach asked if there is any value to splitting off more valuable lots and selling to individuals. Brick answered there is a paved road in part so those lots may be sold off separately. You might be selling some of the more 'liquid' lots for a developer so you would be selling off the premium. Janik stated on the flip side, other lots may be worth less.

Gallagher stated that 23 units have road special assessment on them. If we reduce the number of lots by changing PUD or only changing a piece, that special assessment will not change, it will only apply to those sold lots. Brick asked how much that was. Gallagher said the outstanding balance is $50,000 we are going to do a charge back, and that is going to put it at roughly $90,000-$95,000. Brick asked if that is just for these 23 lots. Gallagher responded yes.

Gallagher said we are looking at break-even price point. Janik responded the flip side is putting these back on the tax rolls. Brick stated the timing is probably better now that it has ever been. Interest rates are great.

Janik asked if a potential developer could configure this into 14 lots with no restrictions. Gallagher answered it would be up to a developer and township. Members agreed it would be up to township for approval of PUD. Janik said some parcels could be bundled into larger pieces. Brick stated Lincoln Meadows did not go back to the bank, but that subdivision struggled for 15 years, and finally sold at $15,900 a lot with acre lots and paved county road. That could saturate that construction price point. That's within 2 miles of subject property. Janik thought that was the reason it sat vacant for so many years and that is why we acquired it.

Gallagher added it was unimproved, with no access to back lots. We are not in business to hold property. Brick said normally you would turn around and sell it and get back on tax rolls. In this case, you have to put money into it. Banks aren't keen on doing that.

Gallagher asked about the proposal and asked what the commission would be and Brick stated it would be 7%, and they want 12 months listing.

Galla asked Gallagher about the charge back he mentioned and what exactly would be getting charged back? Gallagher replied right now, Leelanau County with the tax revolving fund holds $26,000 in special assessments that is owed from Elmwood township 4/20/13 tax. Janik asked about what is owed and Gallagher replied that is what is billed back to the township. Galla commented that seems to be the amount the Land Bank paid when we acquired these. She asked what we paid for and Gallagher replied this is in addition. Galla asked if we paid for taxes and Gallagher clarified yes, they were ad valorem taxes. Galla then asked if there is roughly another $26,000 due, plus the stuff you handed out last month for the roads, etc. was approximately another $50,000 on top of that. Gallagher replied that is correct. Galla summarized, we are going to try and sell for highest price we can, and you're (Gallagher) going to have to bill back to the townships and other jurisdictions for other amounts. Gallagher replied, yes. We only have $26,400 dollars that has been expended in base tax, plus $20,000 in contractual services that we have expended on this property. That is our cost in the project so whatever we sell would be proceeds back into the Land Bank. Janik said if we sell for $120,000 and pay 7% that's about $8,000 of the $120,000. In his mind it makes sense to get this back on tax rolls. He asked how long we have had the property and Gallagher said since 2013. The County Treasurer foreclosed on it in 2013.

Galla asked a procedural question regarding the two other firms that made proposals and if we should get a motion in the minutes, that we are not accepting either one of those, before moving on, and also notify them as well. Janik said we have the right to accept or reject any offers.

It was moved by Janik, seconded by Rentenbach to refuse both previous proposals – Mr. Ford and Higgenbotham Auctioneer.

Members were disappointed with previous presentations. Rentenbach thought the auctioneer would be too big for our project. Gallagher agreed. Janik admitted they seemed kind of large.

Galla asked if Gallagher would send notice to both firms and he replied, yes he would have correspondence back to both.

On a voice vote, the motion carried 6-0.

It was moved by Janik, seconded by Galla to list with Remax for terms presented, with 12 month listing for a price of $120,000 and 7% commission.

Janik said he thinks we were all pleased with transaction of the M-22 property. Brick has 30 some years experience and is a respected agent.

Zemaitis asked Brick if you put in your best efforts and a year passes and we have had no nibbles for the various reasons you have mentioned, what would be our next step. Brick replied he knows the dynamics of the language and next steps would be to do a full personal website on the property, develop a marketing program like you do with everything. We do videos, drones, we market on the internet, we do an awful lot of things that are in my standard program including signage, personal contacts, and things like that. He would probably bring in another associate to jointly do it because there is a lot of follow up that takes place and may need further attention. He'll put together amenities, facts, and be ready to market it in a couple weeks.

Gallagher asked if we should do any improvements to the site i.e. mowing, cleaning, etc. to make it ready. Gallagher said he had not driven by it yet this spring. Brick said it is raw land; you should possibly mow the road as it is overgrown and we'll want to get people down there. If the road is washed out, we want to be sure people can get down there and not get stuck. Brick is assuming the roads are private. Janik confirmed yes, they are private, that's why road assessment is there. Brick stated there has been so much talk about affordable housing; this might not be a bad spot to look at some of that, and build smaller homes for work force development. That can only be done when the price of your lots is smaller.

On a voice vote, the motion carried 6-0.

Gallagher asked about the cost of mowing, putting up private road signs and if we need to bring in some gravel. Some discussion was held on private road signs.

It was moved by Galla, seconded by Janik to approve Gallagher to expend up to $1,000 for mowing, grading, and bringing gravel to the site. Motion carried 6-0.

Gallagher will take a look at the site and get back to Land Bank.

2. Review of Financials

Gallagher provided Year to Date (YTD) financials in the packet, giving brief overview of our cash on hand and what we have on books. He noted what Galla had pointed out, we paid for Timberlee properties – the $26,203.28. That is land held for resale. The $50,684.20 is the seed money that is due back to the county. It is a loan that started back in 2008/2009 and is due back to county for establishment of the Land Bank. $866.17 is the tax increment financing received year to date, $24.53 is interest that we've received on the $196,000 we have in the bank, $17 for recording fees, $1,801.25 is contractual services and $104 was printing and publishing for proposals that we did earlier this year.

Janik asked about the terms for the $50,684.20 to be paid back. Gallagher said there are no terms on it, and felt we should be making annual payment. In 2014, we made $5,000 payment. Last year we omitted a payment. We either did not have it on agenda or omitted it. Janik requested Gallagher come back next month with a recommendation. It would be nice to take care of it. Gallagher said we have the funds there.

Galla asked if that figure includes the parcels which we had purchased in the back, but did not pay back to the delinquent funds. Gallagher answered yes; there is seed money and the parcels that were

transferred. Galla asked if Gallagher could provide a spreadsheet on that showing our progress with payments and Gallagher replied, yes.

Janik asked if we are paying interest on that loan. Gallagher replied no. Janik said it is just a straight loan. Gallagher said it was established with Vicki Kilway, Treasurer, and has been on the books. Janik asked for original loan amount and Galla thought it was $10,000 and the rest would have to be the properties we acquired but did not end up paying for the back taxes. Gallagher said before 2013 there wasn't a policy to go before the Board to ask for the parcels to be transferred, and in addition, the Treasurer didn't take precedence to do charge back to local units, so they were expending the taxes out of the foreclosure fund, rather than having the Land Bank pay for them, and were accruing this liability back to the county that the Land Bank didn't have the funds to pay back. Now that we have the funds we just need to pay it back. Galla corrected we did have a policy but were not following it correctly. Galla also recalled the Treasurer was going to charge back to units of government, although she was not speaking for them. She knew the Treasurers reported to us they were going to charge back on those properties in the past. She can't say if they did or did not, but they reported to us that they were going to. Janik said at this time, it is a moot point. Gallagher said it was not a moot point because if they did charge back, he has no record. He would have to follow through. Galla added that it may be that it was the tax foreclosed properties the Land Bank did not get yet, and that may be what she was thinking of that they were going to charge back. Not the ones the Land Bank got. So, it could be prior to us actually acquiring them.

Janik requested Gallagher come back next month with recommendation for us.

Gallagher noted there was no need for approval of the financials, it was an update for Land Bank.

DISCUSSION/ACTION ITEMS

1. Approval of Treasurer to order new checks

Gallagher is looking for approval for new checks. We have enough, but they still have North West bank and they are Chemical Bank and we are beyond 1 year so they are asking us to reissue checks for both Land Bank and Brownfield to order checks. Not to exceed $150.

It was moved by Janik, seconded by Zemaitis to approve Chair to order checks not to exceed $150.

Zemaitis added you are usually given 1 year after change in bank name to change check, after that check could be rejected so it is important to get new checks.

On a voice vote, the motion carried 6—0.

2. Flowchart & Excerpt from Policies & Procedures 2016

Gallagher gave credit to Galla for modifying the flowchart. Galla made it more applicable to our Policies & Procedures and he thought it was very helpful as to how a Land Bank Authority looks at taking action on a foreclosed piece of property. This may be good to look at today when looking at recommendations on the 2016 foreclosed properties. He thanked Galla for the chart. Zemaitis also felt it was very helpful. Galla said she and Gallagher had talked about this and she felt a flowchart would be easier so when we

look at properties we can decide if we should try and acquire them at the right of first refusal rather than go through auction and see what is left. This is up for any modifications you want, this is just 1st attempt. Janik pointed out the date on the bottom of pages. Galla noted it was the last date the Policies & Procedures were approved. This is only a part of it and she pulled out this part for reference for the Lank Bank.

Zemaitis asked about the final option which is to attach a performance bond to property and send the property to auction. Would performance bond be that they have to demo it? Gallagher said that is function of the Treasurer. He attached performance bond to the Suttons Pointe properties. Last year he attached performance bond that development must be established and completed in 3 years in accordance with PUD and homeowners association guidelines, etc. etc. It protects not only homeowner association but also the village, from a potential investor to acquire the property and sit on it in perpetuity and use it as speculation. So it does not revert back to County Treasurer in foreclosure situation. It's common to do so. In addition, we use performance bonds where demolition needs to occur but outside scope or means of Land Bank to do so. Or we have interested landowner that wants to do it themselves.

Janik asked if it goes to County Board. Galla answered no, this is a document for helping decide what to do with these properties. Janik noted the title on the document. Rentenbach said it is just an update to our Policies & Procedures. Galla agreed and said these Policies & Procedures are for the Leelanau County Brownfield Authority and the Land Bank and we look at them every year. She only pulled out a part of them and they don't go to County Board. Janik was concerned because of the title saying "Leelanau County". Galla said we can change the title of the original Policies & Procedures document. This part in the packet only applies to the Land Bank, not the Brownfield Authority. The attempt was to give you the flowchart and excerpt to assist with looking at the next set of documents which is the 2016 foreclosures, to determine if Land Bank wanted to try and acquire things early, or not, and Gallagher had some options he wanted to discuss, as well.

Gallagher discussed the foreclosed properties and they are now vested in the Treasurer's name. He sent out 1st right of refusal to local governments listing their options to acquire properties prior to auction. In addition, he listed properties to state of Michigan and now we are waiting to hear back from those entities as to their first rights. Janik asked if it was the same policy for every county. Gallagher replied yes. Leelanau County government is actually 3rd right. So we exercise the 3rd right. Janik asked what the deadline is for them and Gallagher said around June 30. Gallagher continued once we hear back from them, we can then exercise our rights and bring to county commissioners, note no action was taken, the state has taken no action, and ask to acquire the properties. These properties would be subject to a minimum bid which is for back taxes, interest and fees. This would remove them from the 1st auction and we would be able to take control of the properties, remove them from the rolls. They would not be subject to summer tax roll, and we could move forward with any action throughout the summer. If we did not wish to take action prior to auction, we would have the opportunity. What I tend to do is bundle properties, properties for example that have little to no value to the private sector such as roads, or odd lot pieces that aren't going to sell. I'll bundle those together and we'll end up with those at the end of year, we'll do charge back, and it will revert back to Land Bank authority and we have those at no cost because the taxes will get charged back to local government. There is a small but mitigated risk that somebody will buy them, but the likelihood is very, very, very small. We have a very good auction

service that does full disclosure and we present these parcels not only with legal description but photos and everything, so people know what they are buying. When I bundle these properties it is for obvious reasons. So when we get to December, I have this group of parcels that we get to move to Land Bank, and we get to charge back, so we don't have the issue of paying minimum bid. The only time we should take action is if there is a concern of contamination or having someone from the private sector buy at auction and not have the public safety concerns addressed thoroughly.

Welch said if I'm interpreting this flowchart, it looks like if any of these conditions exist on top of the chart, Land Bank can proceed to acquire without going to auction? Gallagher said that is a decision tool and is up to this board to make an educated decision parcel by parcel. We look at each parcel in its entirety and how it will affect whether it's the community or the price itself. For instance, in 2015, we had a group of parcels that were $900,000 for all parcels. Even it if had met the requirements on the chart, we would not have had funds to facilitate it. We need to look at each parcel under its own circumstances.

Gallagher suggested looking at the foreclosure list and the handout. He started with Parcel A, on Bow Rd. This is a property with a trailer on it. County Treasurer does not foreclose on trailers as that is considered personal property. They are not fixed, they are moveable assets. If Land Bank wished to take action on this property, it is requirement that I, or Land Bank, send a legal certified letter to previous owner giving them 30 days option to remove all personal belongings, including said property. They have 30 day notice, might need to get legal counsel to help us with that. Personal property includes trailer. Janik felt the trailer was not in good shape and Galla noted she walked around there and it is not in good shape. There are animals there and the whole property is a mess.

Gallagher said it is $3,299.48 in total back taxes. We would have to pay that to the county in order to acquire that property.

Galla commented on this property and others that had structures and if sold through Treasurer, he would be able to put a performance bond on this. This property has home directly to the south and if this is going to be sold, it would be beneficial to adjacent owners for it to be cleaned up; whether sold through the Treasurer or through the Land Bank. Gallagher confirmed the performance bond could be done through Treasurer. Galla noted the smaller piece to the north (B) appears to have had something on the cement foundation and there are tires and junk around it but whatever was on the foundation has been removed. Gallagher asked if the parcels are buildable and Galla said she thought so but would probably have to double check on the smaller piece. Gallagher said there could be argument to take parcel A to County Board and have this property cleaned up, and parcel B could be sellable but just needs to be cleaned up. Galla thought there was more benefit to take the 2 of them and put back into 1 lot, if you look at other pieces around there most of them are rectangular, not sure why that was split out like that. Zoning would have to be checked to see if this was buildable (parcel B). Welch asked if these numbers are assessment numbers and Galla said yes, she pulled them from the website as current assessment. Janik felt there was substantial work to be done on these.

Gallagher moved to the parcel on Mill St., Maple City parcel C. Galla said this property is a large lot in Maple City, and has higher density than rest of township so it may be possible to put more than 1 unit on this. This is a really messy piece, Galla took photos of fuel tanks on the site, but could not tell if there are issues with contamination or not. There is a lot of junk, it would have to be torn down. She pointed out the garage and the photos of 5 gallon buckets of stuff on back porch and felt it would be a good idea

to consider assessment dollars on this site, especially since we know the gas station in Maple City had a spill years ago and it is close by. If this is assessed with assessment dollars and cleaned up, could probably put more than 1 unit in there. Lot of discussion on affordable housing, not sure if this is a location for it or not but it could be possible. She pointed out the house to the west and there is a modular on this parcel running east and west, and then parcel one over to the west, that home is also in horrible shape like parcel C. She asked Gallagher if he could check and see if it was going through foreclosure. Gallagher asked if this parcel C was a priority. Galla said it was for her, but she didn't know how the rest of the board felt, and it was priority because of the location being right in Maple City and it would be nice to have it cleaned up whether by us or someone else with performance bond on it so they have to do it. It's a mess.

Gallagher moved to parcel D. This one Gallagher felt was a saleable piece of property and a prime one to take to auction. Unless the County Board wants another park, Gallagher felt this was a good one to let the private sector take back.

Easement piece – Galla said she didn't understand how pieces of these easements get on tax roll like this and then they get lost. Galla felt we should handle it like the Bingham Township easement. She checked the other part of this easement and it is not on the tax rolls. Zemaitis agreed it should be cleared up like the Bingham easement. Gallagher said he had one last year and it was bought at auction. Gallagher will contact the adjacent land owners on this one, and then if they do not take action he will bundle this property with odd lots. He hated to spend $600 in back taxes on a road. Galla asked if you bundled as Treasurer and it does not sell, do we get it in Land Bank? Gallagher said that was his goal, to bundle it and have it come to Land Bank if not sold. Galla asked if this was the same as parcel G. Gallagher said yes, this would be a bundle. If adjacent owners do not take action, he will do charge back and work with assessors to have it added to the parcel to the east or to the west.

Parcel G – Gallagher said he contacted the state of Michigan and we will not access it without a canoe. Really no way to get into it. State will more than likely take this one and they have 1st right of refusal.

Parcel H – Gallagher said this may end up being bundled. He will talk with the owners adjacent (Gregory) since it is in their parcel area, they may be the only interested party. The Grand Traverse Band is adjacent to it. He doubts the Grand Traverse Band will give an easement to parcel H. He has gone back to auditor General in 1900's on this in state of Michigan and this is a tax deed sale. 1899-through the 1960's went back and forth on this property so would need to do title search before that to find the true owner. Gregory's may purchase this at auction since it is right in the middle of their woodlot. Gallagher said he would give Gregory's a call on this parcel. The cost is $3,000 for back taxes for an acre of land.

Parcel I – Gallagher stated it is on Mork Rd and it also has a trailer. Gallagher walked this property and there are fuel tanks. He could not find a well but found where they dug a hole for septic. He did not see where power was dropped to it. Perhaps it was for seasonal workers. Again, it is personal property so the previous owner gets 30 days to remove personal property. It is a very nice lot next to some very nice homes. This may be one that should be considered.

Parcel J – Gallagher said this is an odd lot piece that should probably be bundled. Galla asked if K was one that could be sold; it looks decent from the outside. Gallagher said Parcel K needs some work. There is no interior floor, he cannot get into it. There is no floor in the kitchen or bathrooms and it is

torn down to floor joists. This is a very valuable piece of property in downtown Suttons Bay. Zemaitis noted it is located near VI Grill.

Galla had a suggestion, not a motion, noting that Gallagher has to make decision as Treasurer on these parcels whether you are bundling these or not. She checked with state on Blight Elimination funds as we got them in the past to tear down homes and demolition was not a cost for us then because of the grant. They don't have funds now, may be possible in future, and they pointed her to another source. Also, we could apply for 2% funds to try and get funds for blight elimination. Galla's suggestion to Gallagher, as Treasurer, was to leave out parcels D, G and H to try and sell those, the 40 acres in Solon, the 40 acres on Gilbert Rd the state may take, and the Gregory's may buy the 1 acre near them, then bundle everything else. That would be a decision for Gallagher and Galla was only suggesting that, unless the Land Bank would like to try and acquire anything now. Janik asked for clarification on the 3 properties to be left out. Galla noted it was the 2- 40 acre parcels and the 1 acre piece.

Galla said unless we feel very strongly on trying to pay taxes on any of these and acquire them now. Gallagher said he could bundle the other parcels. He is waiting to hear back from other units to see if they take action. The state may take action on the 40 acres in Solon. Galla further suggested the performance bond on the pieces bundled to make sure they are cleaned up.

Welch thought we should keep out the home in Suttons Bay Village as it has good value. Galla said she had that on her list to keep out, until Gallagher mentioned there is no flooring. Gallagher said once we get in it we can see how bad it is. Gallagher thought it may be worth more as a lot, will leave that up to the buyer. Family still has some personal affects in there they want to get out. They have couple more months to get stuff out. Locks have not been changed yet.

Gallagher asked if any member wished that we take something to County Board at this time. No comments. Gallagher said he would come back with an update as soon as he gets responses back from local units of government and state and see if any of them take action with regard to 1st right of refusal. Once he gets something drafted for 1st auction and looks at home in Suttons Bay he will give update on that, as well.

Galla said it sounds like if you proceed in that fashion, the ones that look best and will sell will be listed separately and all the rest would be bundled and if they don't sell they move to Land Bank and we have the tools and resources to clean them up and do something with them. Members felt this made sense.

2016 Foreclosure Property Review

Gallagher said he will keep us updated.

Galla asked about 2% funds for blight elimination. She has copies of ones we have used that she could cut and paste if we want to try and get anything for blight elimination. If we were able to get something, then we would have it available for use either now or in the future. Janik asked how much we would ask for and Galla said we spent about $45,000 out of the $58,000 we got from the state. One was for the log home and that was expensive to take down.

It was moved by Janik, seconded by Rentenbach, to authorize Gallagher to submit $30,000 grant for 2% funds. On a voice vote, the motion carried 6-0.

CLAIMS & ACCOUNTS – none

PUBLIC COMMENT - none

MEMBER COMMENTS – none

CHAIRPERSON COMMENTS –

Gallagher gave an update on Mr. MacEachran from Suttons Pointe. In further discussion with regard to the homeowners association, they had expressed interest in the air condos and further discussion with him, he has talked with legal counsel and the homeowners association and they have withdrawn their interest. They understand now they would be only gaining the opportunity to develop, not the land. That is not in the best interest of homeowners association and they have withdrawn their interest at this time. As things develop further, I will keep you informed.

ADJOURN

It was moved by Janik, seconded by Galla to adjourn. Meeting adjourned at 10:23 am.

Trial Balance Report

Leelanau County Land Bank Authority
Summary
YTD Ending 5/31/16

		Debits	Credits
Fund 101 General Fund - Land Bank			
000000-001.000	Cash	196,895.33	
000000-085.000	Land held for resale	26,203.28	
000000-222.000	Due to County		50,684.20
000000-390.000	Fund Balance		173,297.63
000000-402.000	Tax Revenue - TIF		986.26
000000-664.000	Interest		52.77
000000-815.000	Recording Fees	17.00	
100101-801.000	Contractual Services	1,801.25	
100101-900.000	Printing & Publishing	104.00	
	Total Fund General Fund - Land Bank 101	**225,020.86**	**225,020.86**

Transaction History Listing Report

Leelanau County Land Bank Authority

Account Balance Transactions

Date Range: January 1, 2009 Thru December 31, 2015

Fund: 101 General Fund - Land Bank
Department: 000000

Date	SRC	Batch	Operator	Ref #	Description	Debits	Credits
Account:	**000000-207.000**		**Notes Payable**		**Dept:**		
					Beginning Balance :		
8/21/2009	JE	4	CHELLY	1	Rec Loan Proceeds		10,000.00
					Total Notes Payable Transactions for August:	0.00	10,000.00
12/31/2010	JE	44	CHELLY	118	To rec'd pmt due Leelanau Co	4,000.00	
12/31/2013	JE	152	DEB	J/E 33-13	CORRECTION TO J/E 28-13	6,000.00	
					Total Notes Payable Transactions for December:	10,000.00	0.00
					Period Notes Payable Totals	10,000.00	10,000.00
					Year-To-Date Notes Payable Totals	10,000.00	10,000.00

	Period Balance	Year-to-date Balance
	0.00	0.00
Grand Totals	**10,000.00**	**10,000.00**

*** Indicates Prior Year Transactions**

Operator: JAG

Leelanau County Land Bank Authority
2012 Audit
Assets Held for Resale

Township:	Delq Tax Amount Reported 10-23-2012	Parcel Number	Address:	2006	2007	2008	2009	2010	2011	2012	Total	Sold Y/N	Amount?	NOTES
Bingham	$679.88	001-015-014-10	S. Forthill Dr.	$ -	$ -	$ 321.25	$ 262.80	$ 95.83	$ 13.84	$ -	$ 679.88	Y	$2.00	Easement
Bingham	$10,838.01	001-033-021-10	7665 S. West-Bay Shore Dr.	$ -	$ -	$ 4,178.31	$ 3,728.36	$ 2,931.34	$ 319.14	$ 27.00	$ 10,838.01	Y	$167,839.07	BEG
Centerville	$766.24	002-007-018-00	E. Eitzen Rd.								$ 766.24	Y	$3,100.00	
Centerville	$822.80	002-450-117-00	E. Horn Beam Ct.								$ 822.80	Y	$2,700.00	
Centerville	$983.51	002-500-028-00	S. Green Ct.								$ 983.51	Y	$8,000.00	
Elmwood	$2,083.36	004-004-001-15	8240 S. Southview Ln.	$ -	$ -	$ -	$ 1,019.58	$ 597.52	$ 466.26	$ 24.50	$ 2,083.36	Y	$6,050.00	
Elmwood	$28,143.42	004-113-027-10	E. Timberwoods Dr.								$ 28,143.42	Y	$35,000.00	
Elmwood	$6,369.31	004-124-003-05	E. Timberwoods Dr.								$ 6,369.31	Y	$7,800.00	
Kasson	$2,522.92	007-006-018-00	W. Burdickville Rd.								$ 2,522.92	Y	$3,000.00	
Kasson	$602.82	007-029-007-00	S. Fritz Rd.								$ 602.82	Y	$1,153.08	
Leland	$677.48	009-790-013-01	N. McLeod Dr.								$ 677.48	Y	$10,250.00	
Solon	$963.60	010-005-018-10	S. Schomberg Rd.	$ -	$ -	$ -	$ 506.24	$ 249.16	$ 208.20	$ 141.15	$ 963.60	Y	$3,000.00	
Suttons Bay	$1,804.69	011-010-004-00	N. West-Bay Shore Dr.	$ -	$ -	$ -	$ 953.59	$ 455.95	$ 395.15	$ 38.90	$ 1,804.69	Y	$8,297.00	
Suttons Bay	$3,168.22	011-642-011-30	3145 N. West-Bay Shore Dr.								$ 3,168.22	Y	$5,000.00	BEG
SB Village	$5,301.31	043-821-019-01	N. West-Bay Shore Dr.	$ 2,259.08	$ 1,619.08	$ 1,423.15	$ 237.94	$ -	$ -	$ -	$ 5,301.31	Y	$6,400.00	
	$65,727.57													

BEG: Blight Elimination Grant

Years adjusted as parcels were exempt from taxes.

		101-222	$ 65,727.57
Paid County	Check 1018	1/18/2011	$ (5,226.92)
		Amt to post	$ 60,500.65
Paid County	Check 1097	12/17/2013	$ 4,816.45
			$ 55,684.20
Paid County	Check	12/17/2014	$ (5,000.00)
		Balance	$ 50,684.20

Leelanau County Land Bank Authority

Claims & Accounts

June 20, 2016

Checks Unlimited		
Invoice number 43001742		78.72
Total	**$**	**78.72**