

## PUBLIC NOTICE

Chair  
ERIC SCHERTZING

Vice-Chair  
DEB NOLAN

Appointed Members  
**REBECCA BAHAR-COOK, Treasurer**  
**BRIAN MCGRAIN, Secretary**  
**DEBBIE DE LEON**

### **Ingham County Land Bank Fast Track Authority**

422 Adams Street, Lansing Michigan 48906 517.267.5221 Fax 517.267.5224

**THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY WILL MEET ON MONDAY, DECEMBER 5, 2011 AT 5:00 P.M., IN THE PERSONNEL CONFERENCE ROOM (D&E), HUMAN SERVICES BUILDING, 5303 S. CEDAR, LANSING**

#### Agenda

Call to Order

Approval of Minutes – November 7, 2011

Additions to the Agenda

Limited Public Comment – 3 minutes per person

1. Resolution to Authorize Chairman to Negotiate and Execute Purchase Agreement on 122 W. Grand River, Williamston
2. Resolution to Approve the Employee Paid Time Off/Leave Policy
3. Priorities, Policies and Procedures
  - a. Residential Land Transfers
  - b. Attorney General Cox Opinion #7255
4. The ReBuilding Exchange, Chicago
  - a. Other Deconstruction Opportunities
5. Property maintenance, renovation & development
  - a. Property Update
  - b. 1621 E. Michigan Avenue
  - c. CHDO Update
  - d. General legal update- Counsel
6. Community Development
  - a. Community Outreach-Lunch-N-Learn
  - b. Tri-County Regional Planning Sustainable Communities Planning Grant
  - c. Fund 202 -Dollar Home Program-2012 Projections
  - d. Capital Community Bike Share Program-Martinez Consulting Group Contract
  - e. December 8<sup>th</sup>, Holiday Event- 934 Clark Street
7. Accounts Payable & Monthly Statement
  - a. Accounts Payable Approval – November 2011
  - b. Monthly Statement – October 2011

Announcements

Public Comment – 3 minutes per person

Adjournment

**PLEASE TURN OFF CELL PHONES OR OTHER ELECTRONIC  
DEVICES OR SET TO MUTE OR VIBRATE TO AVOID  
DISRUPTION DURING THE MEETING**

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

November 7, 2011  
Minutes

Members Present: Eric Schertzing, Comm. Bahar-Cook, Comm. Nolan and Comm. McGrain; Comm. DeLeon

Members Absent: None

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall, Dawn Van Halst, Bruce Johnston, Dorothy Boone, Jeff Padden, Tom Edmiston

The meeting was called to order by Chairperson Schertzing at 5:00 p.m. Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the October 3, 2011 Minutes

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. BAHAR-COOK, TO APPROVE THE OCTOBER 3, 2011 MINUTES. MOTION CARRIED UNANIMOUSLY.  
Absent: Comm. DeLeon

Additions to the Agenda: None

Limited Public Comment: None

1. 2012 Meeting Schedule

Comm. DeLeon arrived at 5:04 p.m.

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. BAHAR-COOK TO APPROVE THE 2012 MEETING SCHEDULE.

Comm. Bahar-Cook suggested the April meeting be moved to the ninth, to avoid conflicting with spring break.

MOTION, AS AMENDED, CARRIED UNANIMOUSLY.

5b. Commercial Property update – School for the Blind

Chairperson Schertzing requested item 5b: Commercial Property Update – School for the Blind be moved up in the agenda. He introduced Tom Edmiston from Great Lakes

Capital Fund. Comm. Bahar-Cook disclosed that Great Lakes Capital Fund is a client of her business. Comm. McGrain disclosed that Mr. Edmiston sits on the board of CEDAM, his employer. Mr. Edmiston presented a letter he had sent to the City of Lansing requesting they allocate \$600,000.00 of their NSP funds to the Land Bank for the acquisition of the three remaining unsold parcels at the School for the Blind site. Mr. Edmiston presented several redevelopment concepts that had been previously designed for the site. Comm. Bahar-Cook stated she thought NSP2 funds were only for shovel-ready projects. Executive Director Ruttan stated MSHDA intends to grant future funds only for Shovel-ready projects, but the requirement is part of the necessity to expend the funds prior to February of 2013. She also stated the Land Bank intends to ask for additional funds to from MSHDA to demolish the dormitories on the 10.56 acres we already own. Comm. Nolan stated a concern that the new housing shown in the site concept plans would make it more difficult to sell the housing we already have in the area. Chairperson Schertzing stated the Land Bank have a vested interest in what happens to these three parcels because we already own so much of the adjacent property. Comm. Bahar-Cook stated she would prefer for the Land Bank to control the parcels, especially if NSP funds could be used for acquisition. Chairperson Schertzing stated NSP funds can only be used for residential projects. Comm. McGrain voiced concern that the Land Bank might limit its future options for the area if it is limited to solely residential development.

## 2. Motion to Approve Contract with Public Policy Associates

Chairperson Schertzing introduced Jeff Padden from Public Policy Associates. Mr. Padden presented an overview of their proposal to provide strategic planning consulting. Comm. Nolan stated she wanted to make sure the Land Bank has a vision and plan for what will happen after NSP. Comm. Bahar-Cook stated she did not believe the board lacked vision, but believes there is a need for everyone to share the same common vision. Chairperson Schertzing asked if these sessions would come under the Open Meetings Act. Tim Perrone stated the Open Meetings Act would only apply if the board was deliberating action items. Comm. McGrain inquired about the price of approximately \$20,000. Mr. Padden stated the Land Bank could probably find a less expensive firm but that, in his opinion, his firm was the best. He also noted a full breakout of anticipated expenses was included in the proposal. Comm. Bahar-Cook noted that a portion of the price was for Public Policy Associates expertise and that she felt they were worth the expense. Comm. Nolan and Comm. DeLeon each expressed favorable opinions of Public Policy Associates and its reputation. Executive Director Ruttan suggested asking the Ingham County Treasurer to pay a portion of the fee given the role the Land Bank plays in the tax foreclosure process. Chairperson Schertzing stated it would be beneficial to further explore what it means to be a county treasurer with an active land bank.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. DELEON TO APPROVE THE CONTRACT WITH PUBLIC POLICY ASSOCIATES. MOTION CARRIED UNANIMOUSLY.

After discussion, it was decided to hold a first strategic planning session on January 25, 2012 from 12:00 p.m. to 4:00 p.m. at a location chosen by Public Policy Associates. Chairperson Schertzing inquired about public involvement in the process. Mr. Prudden said public involvement should be part of the on-going planning process, but that initial sessions should involve only the board.

3. Priorities, Policies and Procedures  
3a. Side Lot Disposition Program

Executive Director Ruttan stated the documents were presented for review and discussion. Comm. Nolan asked if Chris Kolbe was the person who would be handling side lot disposition. Executive Director Ruttan stated he would. Comm. McGrain stated density should be kept in mind when deciding how to handle vacant lots. Comm. Bahar-Cook expressed her desire to insure we include the City of Lansing's new Master Plan in the process.

4. Community Housing Development Organization (CHDO)

Executive Director Ruttan stated this discussion was intended to be informational only. This is one option to explore additional funding after NSP to continue building Land Bank capacity. Dorothy Boone explained CHDOs and the advantages of the CHDO designation. Specifically, allowing for favored treatment under the federal HOME program and state matching funds. Comm. Nolan inquired about existing CHDOs in Ingham County. Ms. Boone stated the Greater Lansing Housing Coalition and Franklin Street Community Housing Corporation are CHDOs. Ingham County Housing Commission Executive Director Bruce Johnston stated this would be a way to avoid allowing the capacity the Land Bank has been building over the years from slipping away. He also stated public housing programs are becoming more regional and that having a CHDO under the umbrella of the Land Bank would be very attractive to HUD and MSHDA. Comm. McGrain noted lack of capacity in the existing CHDOs is a key concern for Ingham County, but expressed a concern the Land Bank would be giving up a good deal of control. Executive Director Ruttan stated it would provide an avenue for disposing of some of our properties.

5. Property Maintenance, Renovation & Development  
5a. Property Update

Chairperson Schertzing stated 105 new tax foreclosed parcels had been rejected by the City of Lansing and would be coming to the Land Bank. He stated two closings had taken place in the previous week. This brings are total sales for 2011 to 33, up from 21 in 2010.

5c. PROP Program

Chairpersons Schertzing stated 2 individuals have signed purchase agreements for PROP houses, one of which should close in November. He also stated a number of new properties will come into the program through the rejection process.

5d. General Legal Update – Counsel

Mr. Perrone informed the board two land contract forfeitures were in process, with hearings scheduled for November 1. He stated one land contract purchaser has filed for bankruptcy. The Land Bank has filed a claim and they intend to continue with the land contract through their bankruptcy. The investigator for the Maiz Civil Rights case has indicated a desire to resolve and close the case by the end of the year. We are currently exploring options for dealing with the failure of two demolition contractors to adhere to certain specifications regarding fill materials.

6. Community Development

6a. Community Outreach

Chairperson Schertzing stated Chris Kolbe, Melissa Lott, and Kimberly Whitfield are expanding our community outreach efforts. Ms. Lott has already signed up 3 new community gardens for next year.

6b. The Bright Side – CEDAM's TV Show

Comm. McGrain disclosed he is employed by CEDAM. He stated an upcoming episode would be covering land banks around the state. Chairperson Schertzing stated the Land Bank would be featured on the upcoming episode as part of our marketing and outreach. The cost will be \$1,000.00.

6c. December 8<sup>th</sup>, Holiday Event – Clark Street

Chairperson Schertzing informed the board the Land Bank's holiday open house will be at 934 Clark Street on December 8<sup>th</sup> from 4-7 p.m. This event is in conjunction with Kincaid Henry's formal opening of the renovated building.

7. Accounts Payable & Monthly Statement

7a. Accounts Payable Approval – September 2011

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. MCGRAIN TO APPROVE THE ACCOUNTS PAYABLE FOR SEPTEMBER 2011. MOTION CARRIED UNANIMOUSLY.

7b. Accounts Payable Approval – October 2011

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. MCGRAIN TO APPROVE THE ACCOUNTS PAYABLE FOR OCTOBER 2011. MOTION CARRIED UNANIMOUSLY.

Comm. DeLeon inquired about the status of projects with Cristo Rey Community Center. Chairperson Schertzing stated the Land Bank did not currently have any projects in partnership with Cristo Rey.

7c. Monthly Statement – September 2011

The September 2011 monthly financial statement was received and placed on file.

8. Old Business

8a. Perez – 904 Pacific Avenue

Chairperson Schertzing stated we are waiting to obtain control of the property through the rejection process.

8b. Fund 202 Budget – Dollar Home Program – December Meeting

Executive Director Ruttan stated this information will be presented at the December meeting.

Announcements:

Chairperson Schertzing stated the groundbreaking at 1621 E Michigan Avenue will be happening later this week. The building will house thirteen apartments, a Subway and one additional commercial space.

Comm. McGrain stated Tri-County Regional Planning is coordinating an EPA Brownfields Assessment Grant and may ask the Land Bank for a letter of support.

HUD Secretary Donovan is scheduled to hold a press event at our NSP renovation at 516 W Grand River Ave, Lansing on Wednesday at 12:15 p.m. All board members are encouraged to attend.

Comm. Nolan stated an opening was scheduled for 1-4 p.m on Saturday for Hawk Snow Park.

Limited Public Comment: None

The meeting adjourned at 6:35 p.m.

Respectfully submitted,

Joseph Bonsall

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO AUTHORIZE THE CHAIRMAN TO NEGOTIATE AND EXECUTE AN OFFER TO PURCHASE FROM PAUL T. JOSEPH AND DAWN-MARIE JOSEPH FOR THE PROPERTY LOCATED AT 122 W. GRAND RIVER AVENUE, WILLIAMSTON, MICHIGAN FOR THE SUM NOT LESS THAN \$ 50,000.**

**RESOLUTION #11-014**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the "Authority") to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority received title to the property located at 122 W. Grand River, Williamston, consisting of a one story 1,424 sq.ft commercial building in July of 2011 through tax foreclosure; and

**WHEREAS**, this building is a focal point in downtown Williamston; and

**WHEREAS**, the intended redevelopment is for a local tavern; and

**WHEREAS**, the City of Williamston has expressed support for the proposed project; and

**WHEREAS**, the property had an appraised value in 2011 of \$71,000, and

**WHEREAS**, the sale of this property will create several new employment opportunities and return the property to the tax roll; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority has policies, procedures and administrative rules regarding the disposition of commercial property and all transfer for non-residential property must have board approval;

**THEREFORE BE IT RESOLVED**, that the Authority authorizes the Land Bank Chairman to negotiate and execute an offer to purchase from Paul T. Joseph and Dawn-Marie Joseph for the property located at 122 W. Grand River, Williamston, Michigan for the sum not less than \$50,000 pending attorney approval as to form.

Aye:

Nay:

Absent:

Paul T. Joseph

Dawn-Marie Joseph

2833 Linn Rd. P.O. Box 310

Williamston, MI 48895

Mary Ruttan, Executive Director

Ingham County Land Bank

422 Adams Street

Lansing, MI 48906

[mrutan@ingham.org](mailto:mrutan@ingham.org)

September 19, 2011

Dear Ms. Ruttan:

On August 31, 2011 Eric Shertzing left a message on my cell phone about the property at 122 W. Grand River Ave. Williamston, MI 48895, parcel number 33-18-03-35-476-031, knowing that we are interested in this property. In that message he said that the information for the sale was posted on the door of the building. Since then we have received that paperwork and would like to submit an offer to purchase that property.

At this time we would like to purchase the property and renovate the interior to accommodate a (#2) local tavern. This tavern will be a beer and burger establishment. We would like to carry domestic and imported beverages, also Michigan beers. The burgers would be served with the freshest ingredients. There would also be Keno screens and other televisions to support sports fans. Currently we own several other businesses in Williamston and see the need for an establishment like this. For many years Williamston has had a similar business on Grand River but that has been closed for going on a year. The closure of this business was not due to lack of business but rather business management and that is why we feel this business venture can be very successful. Many people still pull up on Grand River with the intent on stopping in to visit and grab a beer maybe watch a game and then get back in their car as this establishment is closed.

Our business will have a bar that will seat about 15-25 people and tables that would line the wall. The building does have gas lines and an opening for a ventilation system. Eric gave us the opportunity to go through the building last week. At this point it looks like there is a crack in the roof so that will need immediate attention and the furnace will need to be replaced. The building will need a complete gut job and over haul. As we have renovated another restaurant in town recently we do have equipment that is in very good condition that we would be using.

The City of Williamston has been involved with a program with liquor control. The program was created to revitalize downtowns in Michigan. The city of Williamston has two of those licenses available. These liquor licenses are sold to the business and have to stay with the business. They were created with the idea of building business and keeping it in town. The licenses are full class C licenses.

(#3-a, b, c, d,) We would be the developers of the project as well as the owners and general contractors. The construction company would be Jim Kennedy or Rod Baum. Mr. Kennedy has completed our last renovation to our satisfaction. Mr. Rod Baum has had many years in the construction business. This renovation will also put more people to work. On a full time basis we believe that we would create at least 10 construction positions. Attached is a rough drawing of what the Tommy's Hornets' Nest will look like.

The opening of this business will create 5 full time positions and 5 part time positions. The work force will come from the Ingham County area.

At this time we believe the construction budget we would need to complete the project would be \$85,000.00. This budget would include all electrical, plumbing and heating/cooling, roof, furnace, a new floor, new lighting system, bar and stools, tables, refrigeration (which would be built in the basement, custom), flat top grill, fryer, sinks and dishwasher.

The (#3-i) marketing budget will be \$10,000.00. (4) We would hire the website and face book pages out as well as email marketing.

The liquor license will be around \$23,000.00.

All together, (#6 & 7) \$85,000.00 will get the construction done, furniture purchased, equipment needed and merchandise purchased to open. Both of us have 30 years of business experience and we are currently running a successful restaurant in downtown Williamston.

(#5 & 8) This project would be self funded and information that you would need can be provided. At this time we do not feel comfortable supplying a financial statement as this letter and documents pass through many hands. We do plan on attending your meeting on December 5th and will supply the financial statement at that time if requested. If there is a problem with this please contact us at the phone numbers below and prior arrangements might be able to be made.

(#9) The building would be occupied by the tavern that we own.

(#1) We hereby offer \$20,000.00 as the purchase price on the building. Your request is to have an offer to purchase form but after three phone calls to the land bank office for that form we have been unable to obtain it. If you would like we can go to the Lansing/Ingham County Realtor Board website and use one of their forms but as your RFP states, Offer to Purchase Form.

**(#10)** In responding to the Land Bank Authority Transfer Policies please read the responses according to your numbered items:

- 1- Neither Paul T. Joseph or Dawn-Marie Joseph have any property in the state of Michigan that has any un-remediated citation of violations, either in violation of any state or local codes or ordinances.
- 2- Neither applicant has any properties that are tax delinquent.
- 3- The transferee has not been the prior owner of any real property in Ingham County that was transferred to the Treasurer or local government as a result of tax foreclosure proceedings.
- 4- As shown in the comment letter from the City Council of the City of Williamston our project has gotten a positive response.
- 5- The comment letter also answers this item.
- 6- We understand that parcels shall be transferred in consideration in the amount not less than the lesser of the fair market value. With the renovation that is required to complete the project there is no question to this statement.
- 7- Once the project and sale have been approved the expected guidelines will be established with the Land Bank. This property is of no value to us or the community unless the project is completed in a timely manner.
- 8- N/A
- 9- As stated above in this letter it is explained what the project will be.
- 10- No such financing is needed.
- 11- The transferee agrees to pay future property taxes from time of transfer.
- 12- So agreed.
- 13- As stated in the comment letter from the City Council of the City of Williamston the use of the new project is consistent with current zoning requirements.
- 14- As agreed and accepted, the property will not be used for any sexually-oriented business, medical marijuana business or dispensary or casino. The purchaser is willing to sign restrictions to these conditions.

We would both appreciate any consideration you have in our project. We can make ourselves available for a meeting with you or any others. If you would like to call, our cell phone numbers are Paul (517) 204-5322 and Dawn-Marie (517) 204-5580. Thank you.

Sincerely,

Paul T. Joseph

Dawn-Marie Joseph



October 27, 2011

Ingham County Land Bank  
c/o Eric Schertzing, Ingham County Treasurer  
P.O. Box 215  
Mason, MI 48854

Dear Mr. Schertzing:

The redevelopment of the former El Indio property at 122 W. Grand River Ave. in downtown Williamston is an exciting and transformative opportunity for the downtown and community in general. Thank you for your efforts to guide this process and oversee this opportunity for redevelopment.

The City has reviewed one proposal for the redevelopment of the subject property, that being a tavern proposed by Mr. Paul Joseph, and is expecting a second proposal, a bakery, by the 11/18/11 newly established deadline. The City Council considered the tavern proposal at the 10/24/11 Council meeting and is supportive of the plan as being beneficial to the community. The proposal is compliant with the current zoning of the property for which a plan has been submitted for the reuse of the property. Further, Mr. Joseph has a track record as a successful small business owner in Williamston lending further credibility to his proposal.

If other proposals are forthcoming by the November 18<sup>th</sup> submission deadline, the City may well comment on the merits of those received. Per our 10/25/11 phone conversation, I appreciate your interest in attending the 11/28/11 Williamston City Council meeting, starting at 7:00 pm, to address the Land Bank objectives and processes. I believe it will prove instructive for the Council and public, alike. As we discussed and as I confirmed yesterday with the Land Bank's executive director, Mary Ruttan, the timing will allow the Council to comment directly to you on all proposals received to be followed by written documentation to the Land Bank the next day, if/as appropriate. You both confirmed this timeline for potential further comment on proposals by the City will be soon enough from your perspective to be considered in the Land Bank Boards deliberation scheduled for December.

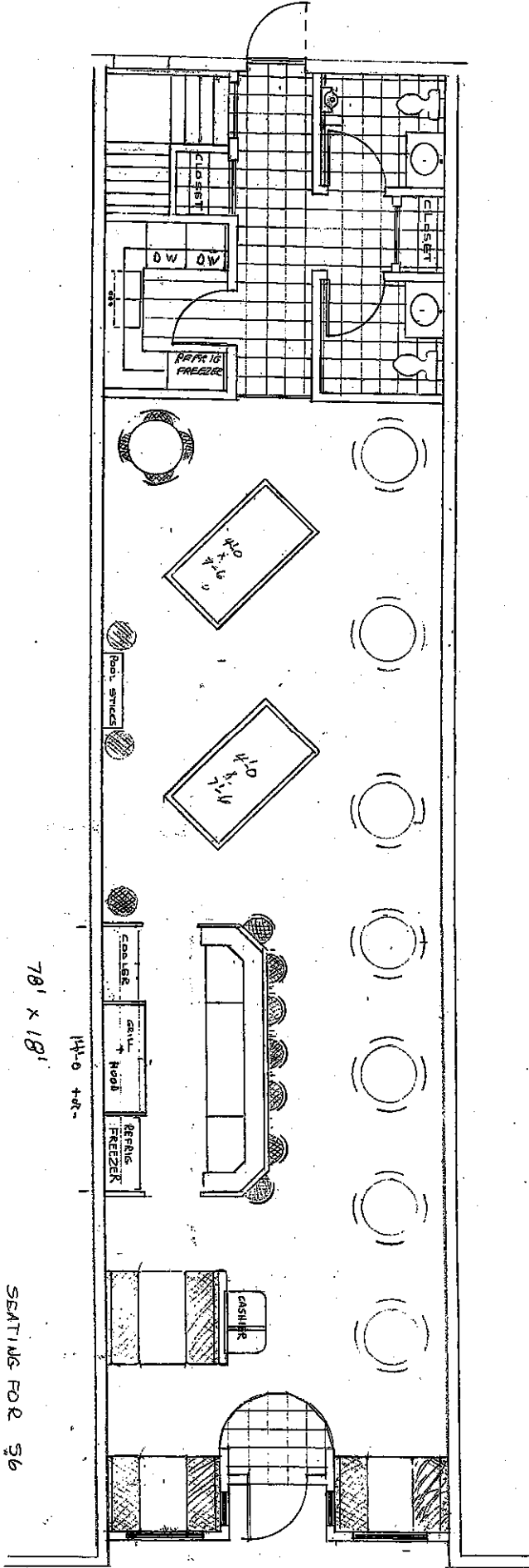
If you have any questions or you need further input or assistance from the City, please do not hesitate to call. We look forward to seeing the results of these efforts as this process continues.

Sincerely,

Tim Allard  
City Manager

cc: Williamston City Council  
Mr. Paul Joseph  
Community Development Department

H:\Allard Correspondence\_2011\Land Bank ltr\_10 27 11.doc



70' x 18'

14'0" + 4'0"

SEATING FOR 56

**SUMMARY APPRAISAL  
REPORT OF:**

**RETAIL BUILDING  
122 W. GRAND RIVER AVENUE  
WILLIAMSTON, MICHIGAN**

INFORMATION CONTAINED IN THIS REPORT IS  
CONFIDENTIAL AND PUBLICATION OR REPRODUCTION  
OF ALL OR ANY PART HEREIN MAY NOT BE MADE  
WITHOUT THE PRIOR WRITTEN APPROVAL  
OF THE OETZEL-HARTMAN GROUP

**THE OETZEL-HARTMAN GROUP**

321 WOODLAND PASS • EAST LANSING, MICHIGAN 48823 • PHONE (517) 336-0001

## PART I - INTRODUCTION

### SUMMARY OF SIGNIFICANT FACTORS



View of subject property.

Taken by: JTH Photo date: 05/27/11

**LOCATION:** 122 W. Grand River Avenue, Williamston, Michigan

**TYPE OF PROPERTY:** Commercial building

**LAND AREA:** Subject property consists of a narrow rectangular parcel of land containing 2,614 sq. ft. All customary utilities are available to the site.

**IMPROVEMENTS:** One story building containing 1,424 square feet over a full basement that was built in 1920.

**HIGHEST AND BEST USE:** Hold for future commercial/retail - as though vacant  
Commercial/retail - as improved

Summary of Significant Factors (continued)

**INTEREST  
APPRAISED:** Fee simple estate

**EXTRAORDINARY  
ASSUMPTIONS:** None

**DATE OF  
INSPECTION:** May 27, 2011

**EFFECTIVE DATE  
OF VALUE:** May 27, 2011

**DATE OF  
REPORT:** June 14, 2011

**ESTIMATED  
MARKET VALUE:** \$71,000.00

**APPRAISER:** **THE OETZEL - HARTMAN GROUP**  
James T. Hartman, MAI, SGA, MRICS  
321 Woodland Pass, Suite 200  
East Lansing, Michigan 48823  
(517) 336-0001

**FILE NO.:** 11-107

This Summary of Significant Factors  
must remain attached to this report and is  
meant only as a summary of this  
appraisal report.

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO APPROVE THE EMPLOYEE PAID TIME OFF/LEAVE POLICY OF THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY**

**RESOLUTION #11-015**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, (“the Act”) establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the “Authority”) to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority currently has three full time and one part- time employees not receiving fringe benefits; and

**WHEREAS**, the purpose of paid time off is to give employee’s a more flexible arrangement of time off that allows the time to be used at the employee’s discretion with approval thus reducing the number of unscheduled absences; and

**WHEREAS**, these employee-friendly benefits allow us to be competitive in attracting and retaining qualified employees;

**THEREFORE BE IT RESOLVED**, the Ingham County Land Bank Fast Track Authority, approves the proposed Paid Time Off/Leave Policies (exhibit 1) subject to review by the Land Bank Attorney

YEAS:

NAYS

ABSENT:

## Exhibit 1

### Paid Time Off/ Leave Policy Effective 12/5/11

#### Vacation Time

Employees who have completed at least six months of continuous service are eligible for compensated annual leave. Effective January 1<sup>st</sup>. of each year, a full time employee is eligible for 80 hours of paid vacation within the calendar year. Part time employees (twenty hours per week) are eligible for 40 hours of paid vacation within the calendar year. Vacation time shall be taken in increments of one (1) hour. Prorated vacation hours will be allocated on the date of hire. Full time proration rate is 3.077 and part time proration rate is 1.54. Unused vacation time at the end of the year will not carry over to the next year. Vacations shall be scheduled and approved by the executive director or chairman in accordance with operating requirements, with the written request of the employee. If an employee, who is otherwise eligible for vacation with pay leaves employment after giving two weeks notice, or retires or dies without having received the vacation, such employee will receive, along with his/her final paycheck, the accumulated vacation pay for which he/she had qualified. If an employee is discharged or leaves employment without giving the employer two weeks notice, the employee shall receive the accumulated vacation pay as of their last anniversary date.

#### Sick Leave

Employees who have completed at least six months of continuous service are eligible for sick leave compensation. Effective January 1<sup>st</sup> of each year, a full time employee is eligible for 40 hours of paid sick leave within the calendar year. Part time employees (twenty hours per week) are eligible for 20 hours of paid sick leave within the calendar year. Prorated sick leave will be allocated on the date of hire. Unused sick leave at the end of the year will not carry over to the next year. Five days of sick leave may be used for illness of a minor dependent of the employee, parent or spouse. Medical verification may be required by the employer. An employee must inform the executive director or chairman of their intention to take sick leave as soon as possible and failure to do so may be cause for denial of pay for the period of absence. All sick leave hours shall be cancelled upon resignation or dismissal from service.

#### Holiday Leave

Holiday pay will be compensated to coincide with Ingham County's scheduled holidays. An employee must work the last scheduled day before, and the first scheduled day after the holiday to be eligible for holiday pay, unless the absence has been previously approved by the executive director or chairman.

#### Funeral Leave

If a death occurs among a member of an employee's immediate family, the employee will be excused from work to attend the funeral and make other necessary arrangements from the date of death until the day after the funeral, up to a maximum of five work days. Immediate family is defined as: Spouse, children, parents, father-in-law, mother-in-law, brother, sister, step-brother, step-sister, grandchildren, and same sex domestic partners. One day, the day of the funeral, is allowed in the case of the death of an uncle, aunt, nephew or niece and two days for a brother-in-law, sister-in-law, daughter-in-law, son-in-law, grandfather or grandmother. The executive director or chairman is to be notified immediately of a death in the family and the extent of the expected absence. The employee may be required to provide appropriate verification to confirm the eligibility of paid funeral leave.

### Jury Duty

The employer will pay an employee called for jury duty his/her regular compensation he/she would earn if working, less an amount equal to the payment received for jury service. An employee excused from jury duty or examination prior to 3:00 pm must return to work for the balance of the day to receive compensation for that day's jury duty. In order to receive payment, an employee must give the Employer prior notice that he/she has been summoned for jury duty, must furnish satisfactory evidence that he/she reported for or performed jury duty on the days for which he/she claims such payment, and must furnish a copy of the payments received for such jury duty.

### Special Leave

The executive director or chairman may authorize an employee to be absent without pay for personal reasons for a period, or periods, not to exceed ten working days in any calendar year. All special leaves must be taken in one or more full day periods

### Absence

Absence from work that exceeds three work days without proper notice to the executive director or chairman shall be considered by the Employer to be a voluntary termination of employment.

## **5. Residential Land Transfers**

### **A. Residential Land Transfer Policies**

These policies pertain to transfers whose future use is residential. At time of transfer the property may be vacant, improved or ready to occupy.

1. The transferee must not own any real property that has any unremediated citation of violation of the state and local codes and ordinances.
2. The transferee must not own any real property that is tax delinquent.
3. The subject property must not have been used by the transferee or a family member of the transferee as his or her personal residence at any time during the twelve (12) months immediately preceding the submission of application (except in rental cases).
4. The transferee must not have been the prior owner of any real property in Ingham County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the LBA approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.
5. The use of transferred property must give consideration to the Community/Neighborhood Plan (if one is in place) and received a letter of comment from the appropriate planning groups.
6. Parcels of property shall be transferred for consideration in an amount not less than the lower of the fair market value or the amount of the costs incurred in acquisition, demolition and maintenance of the lot/building.
7. All development projects should be started and completed within a time frame negotiated with LBA.
8. Options are available for 10% of the parcel price for up to a 12-month period. This fee will be credited to the parcel price at closing. If closing does not occur, the fee is forfeited. All option agreements are subject to all policies and procedures of the LBA pertaining to property transfers.
9. A precise narrative description of future use of the property is required.
10. Transactions shall be structured in a manner that permits the LBA to enforce recorded covenants or conditions upon title pertaining to development and use of the property for a specified period of time. Such restrictions may be enforced, in certain cases, through reliance on subordinate financing held by the LBA.
11. The transferee must agree to pay future property taxes from time of transfer.

12. If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements shall specify a maximum period of time for elimination or correction of such violations, with the period of time be established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
13. The proposed use must be consistent with current zoning requirements or a waiver for non-conforming use is a condition precedent to the transfer.
14. Where part or all of the consideration for the transfer is the prospective affordability of the housing units, affordability requirements may be set forth in the transfer agreement and enforceable through recorded covenants, conditions or limitations upon title.
15. Where rehabilitation of a property by the transferee is a condition of the transfer, the requirement for such rehabilitation shall be in accordance with rehabilitation standards as established by the LBA and adequate completion of such rehabilitation shall be a condition to the release of restrictions or lien securing such performance.

The following additional policies shall apply to properties to be transferred to individual transferees as part of a homeownership program.

16. The owner-occupant must complete renovations and move into the structure within a time frame negotiated by the LBA.
17. The property may not be used as rental property.
18. For properties transferred for cash consideration below full fair market value of the property, the owner-occupant must reside in the property as his or her primary residence for at least a 5-year period. If the property is sold prior to the 5-year period the transferee must sell the property for no more than the purchase price from the LBA plus all cost of property improvements plus a 5% annual inflation rate.

#### **B. Residential Land Transfer Procedures – Individual Transferees**

1. The prospective transferee must submit the following documents to the LBA:
  - (1) List of property address
  - (2) Rehabilitation / Improvement Specifications
  - (3) Time Line for Rehabilitation / Improvement Completion (if applicable)
  - (4) Project Financing (Pre-Qualification Letter for Lender)
  - (5) Development Budget (if applicable)
  - (6) Most Recent Tax Return
  - (7) A Picture Identification
  - (8) Proof of Social Security Number
2. Within a 30-day period of receiving a complete request packet, the staff will complete a basic analysis and present it to the LBA Director/Chairperson for approval.

3. Once the project has been approved, the staff will compile the closing documents for property transfer and complete the transaction with the transferee.

### **C. Residential Land Transfer Procedures – Corporate Transferees**

1. Required Application Documentation. The prospective buyer must submit the following documents to the LBA.
  - (1) List of property address(es)
  - (2) Project Description
  - (3) Development Team Description, including complete information on the following parties:
    - (a) Developer:
    - (b) Co-developer/Partner:
    - (c) Owner:
    - (d) General Contractor:
    - (e) Consultants:
    - (f) Architect:
    - (g) Project Manager (during construction):
    - (h) Lead Construction Lender:
    - (i) Marketing Agent:
    - (j) Project Management (post-construction):
  - (4) Market Information / Plan
  - (5) Project Financing
  - (6) Development Budget
  - (7) All Rental Transactions Must Attach an Operating Budget
  - (8) Most Recent Audited Financial Statement
  - (9) Evidence of compliance with all applicable LBA policies
2. Following receipt of a completed application, the staff will complete a basic analysis and present it the LBA Director or such other persons as designated by the Director/Chairperson for approval.
3. Once the project has been approved the staff will compile the closing documents for property transfer, and complete the transaction with the buyer.

The following opinion is presented on-line for informational use only and does not replace the official version. (Mich. Dept. of Attorney General Web Site - <http://www.ag.state.mi.us>)

## STATE OF MICHIGAN

## MIKE COX, ATTORNEY GENERAL

GENERAL PROPERTY TAX ACT: Acquisition and disposal of real property by county land bank fast track authority

LAND BANK FAST TRACK ACT:

LAND BANK FAST TRACK AUTHORITY:

TAX REVERTED CLEAN TITLE ACT:

A county land bank fast track authority established under the Land Bank Fast Tract Act, 2003 PA 258, MCL 124.751, *et seq*, may acquire title to property from a private owner and reconvey that property to the same owner making that property exempt from ad valorem property taxes during the period that title is held by the county land bank fast track authority, and for the five-year period after it is reconveyed. For those tax consequences to attach, the county land bank fast track authority must obtain and reconvey actual title, with recognized indicia of ownership.

Opinion No. 7255

December 17, 2010

Honorable Chuck Moss  
State Representative  
The Capitol  
Lansing, Michigan

You have asked whether a county land bank fast track authority (county land bank) acting under the Land Bank Fast Track Act, 2003 PA 258, MCL 124.751 *et seq* (Land Bank Act), may acquire property from a private owner, hold that property for a period of time, and then reconvey the property to the same owner, making that property exempt from ad valorem property taxes during the period that title is held by the county land bank, and for a five-year period after it is reconveyed.

The Land Bank Act addressed a "need to strengthen and revitalize the economy of this state and local units of government." MCL 124.752. The Legislature found that it was in the best interests of the State and local units of government to empower local units of government to assemble and dispose of property "in a coordinated manner to foster the development of that property and to promote economic growth." MCL 124.752.

To carry out these purposes, the Legislature created the Michigan Land Bank Fast Track Authority (State Authority) as a public body corporate within the Department of Energy, Labor and Economic Growth, and authorized the State Authority to enter into intergovernmental agreements with local units of government to create local land bank fast track authorities. MCL 124.765, MCL 124.773.<sup>1</sup>

A local county land bank is a public body corporate, MCL 124.773(6)(a), created through an intergovernmental agreement between a county treasurer, acting as a foreclosing governmental unit under section 78(7)(a)(i) and (ii) of the General Property Tax Act, MCL 211.78(7)(a)(i) and (ii), and the State Authority with the approval of the county board of commissioners. If the county has an elected county executive, the concurrence of the county executive is also required. MCL 124.773(4). Subject to the terms of its intergovernmental agreement, a county land bank is authorized to acquire, assemble, dispose of, and quiet title to property in accordance with the Land Bank Act. MCL 124.754, MCL 124.757(1), and MCL 124.773.

Property purchased or acquired by a county land bank, along with its income and operations, "are exempt from all taxation

by this state or any of its political subdivisions." MCL 124.754(5), MCL 124.763, and MCL 211.7gg(1). Because the taxable status of real property is determined on December 31 of the immediately preceding year, MCL 211.2(2), property held by a county land bank on December 31st remains exempt from taxes for the ensuing year,<sup>2</sup> even if the property is conveyed to a private party during that year. However, any property conveyed is still subject to MCL 211.181(1), which provides:

Except as provided in this section, if real property exempt for any reason from ad valorem property taxation is leased, loaned, or otherwise made available to and used by a private individual, association, or corporation in connection with a business conducted for profit, the lessee or user of the real property is subject to taxation in the same amount and to the same extent as though the lessee or user owned the real property.

Additionally, when a county land bank sells or otherwise conveys property, that property becomes exempt from taxation under the General Property Tax Act, "beginning on December 31 in the year in which the property is sold or otherwise conveyed by the land bank fast track authority until December 31 in the year 5 years after the December 31 on which" that exemption commenced. MCL 211.7gg(2). During that five-year time period, however, the property "is subject to the specific tax levied under the tax reverted property clean title act." MCL 211.7gg(4).

Under the Tax Reverted Clean Title Act, MCL 211.1021 *et seq.*, the alternative tax is the same amount of tax that would have been collected under the General Property Tax Act, payable at the same time, in the same installments, and to the same officers as taxes imposed under the General Property Tax Act. MCL 211.1025(2). During that five-year period, fifty percent of that tax is payable to the local taxing units, and fifty percent is payable to the county land bank, as provided in the Tax Reverted Clean Title Act. MCL 211.1025(4)(a) and (b).

Returning to your question, you ask whether a county land bank may acquire property from a private owner, hold that property for a period of time, and then reconvey the property to the same owner, making that property exempt from ad valorem property taxes during the period that title is held by the county land bank, and for a five-year period after it is reconveyed.

As a county agency, a county land bank draws its legal life from the law authorizing its creation. As a creature of the Legislature, it has no power save that which has been conferred by law. *Arrowhead Development Co v Livingston County Rd Comm*, 413 Mich 505, 512; 322 NW2d 702 (1982). In construing the statutory powers of such an agency, the primary goal is to determine and give effect to the intent of the Legislature. If the statute is unambiguous, the plain and ordinary meaning of its words reveals the intent of the Legislature. *Herald Co v Bay City*, 463 Mich 111, 117; 614 NW2d 873 (2000). The Legislature is presumed to have intended the meaning those words plainly express. *DiBenedetto v West Shore Hosp*, 461 Mich 394, 402; 605 NW2d 300 (2000).

The Legislature has given specific direction for interpreting the powers of a county land bank under the Land Bank Act. Thus, section 14(1), MCL 124.764(1), directs that the Act is to be construed liberally to effectuate legislative intent and all powers granted shall be broadly interpreted to effectuate the intent and purposes:

*This act shall be construed liberally to effectuate the legislative intent and the purposes as complete and independent authorization for the performance of each and every act and thing authorized by this act, and all powers granted shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers. In the exercise of its powers and duties under this act and its powers relating to property held by the authority, the authority shall have complete control as fully and completely as if it represented a private property owner and shall not be subject to restrictions imposed on the authority by the charter, ordinances, or resolutions of a local unit of government. [Emphasis added.]<sup>3</sup>*

The Land Bank Act expressly authorizes a county land bank to acquire property on terms and conditions that it considers proper for any purpose the land bank considers necessary<sup>4</sup> to carry out the purposes of the Act:

(1) Except as provided in section 4(8), an authority may acquire by gift, devise, transfer, exchange, foreclosure, purchase, or otherwise on terms and conditions and in a manner the authority considers proper, real or personal property, or rights or interests in real or personal property.

(2) Real property acquired by an authority by purchase may be by purchase contract, lease purchase agreement, installment sales contract, land contract, or otherwise, except as provided in section 4(8). *The*

*authority may acquire real property or rights or interests in real property for any purpose the authority considers necessary to carry out the purposes of this act, including, but not limited to, 1 or more of the following purposes:*

- (a) The use or development of property the authority has otherwise acquired.
- (b) To facilitate the assembly of property for sale or lease to any other public or private person, including, but not limited to, a nonprofit or for profit corporation.
- (c) To protect or prevent the extinguishing of any lien, including a tax lien, held by the authority or imposed upon property held by the authority. [MCL 124.755(1)-(2); emphasis added.]

Property may be acquired or held by a county land bank from the "state, a foreclosing governmental unit, a local unit of government, an intergovernmental entity . . . or any other public or private person . . ." MCL 124.755(4).

A county land bank is similarly authorized to dispose of property it has acquired or holds on terms and conditions it considers proper, except as otherwise restricted or provided for by agreement<sup>5</sup>:

Except as an authority otherwise agrees by intergovernmental agreement or otherwise, on terms and conditions, and in a manner and for an amount of consideration an authority considers proper, fair, and valuable, including for no monetary consideration, the authority may convey, sell, transfer, exchange, lease as lessor, or otherwise dispose of property or rights or interests in property in which the authority holds a legal interest to any public or private person for value determined by the authority. [MCL 124.757(1); emphasis added.]

Under section 4 of the Land Bank Act, a county land bank may do all things necessary or convenient to implement the purposes, objectives, and provisions of this act. MCL 124.754. Numerous express powers are specified, including the following:

- (1) Except as otherwise provided in this act, *an authority may do all things necessary or convenient to implement the purposes, objectives, and provisions of this act, and the purposes, objectives, and powers delegated to the board of directors of an authority by other laws or executive orders, including, but not limited to, all of the following:*

\* \* \*

- (d) *Enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, interlocal agreements under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, for the joint exercise of powers under this act. [Emphasis added.]*

The purposes of the Land Bank Act are stated in its title, in part as, "to facilitate the use and development of certain property; [and] to promote economic growth." Section 2 explains the purpose of creating and empowering a county land bank under the Act, beginning with finding the need to strengthen and revitalize the economy and determining it to be in the public interest to assemble and dispose of property to foster the development of that property and to promote economic growth:

The legislature finds that there exists in this state a continuing need to strengthen and revitalize the economy of this state and local units of government in this state and that *it is in the best interests of this state and local units of government in this state to assemble or dispose of public property, including tax reverted property, in a coordinated manner to foster the development of that property and to promote economic growth* in this state and local units of government in this state. It is declared to be a valid public purpose for a land bank fast track authority created under this act to acquire, assemble, dispose of, and quiet title to property under this act. It is further declared to be a valid public purpose for a land bank fast track authority created under this act to provide for the financing of the acquisition, assembly, disposition, and quieting of title to property, and for a land bank fast track authority to exercise other powers granted to a land bank fast track authority under this act. The legislature finds that a land bank fast track authority created under this act

and powers conferred by this act constitute a necessary program and serve a necessary public purpose.  
[MCL 124.752; emphasis added.]

Under these various and broad statutory provisions, a county land bank is authorized to enter into an agreement to acquire real property from a private owner under terms and conditions the land bank considers necessary or appropriate. Since there are no restrictions regarding to whom a county land bank may dispose of or convey its real property, the property may be conveyed back to the original owner in a manner and for an amount of consideration the land bank considers proper.

The Legislature, however, has provided that if the property is acquired by the land bank before, and reconveyed after, December 31, that property is exempt from ad valorem taxation while title is held by the land bank, and for the year in which it is reconveyed. To secure these tax consequences, it is important to ensure that the transaction between the county land bank and the owner is in fact a conveyance, and not a sham transaction for purposes of avoiding taxation.

MCL 124.763 provides:

Property of an authority is public property devoted to an essential public and governmental function and purpose. Income of the authority is considered to be for a public and governmental purpose. *The property of the authority and its income and operation are exempt from all taxes and special assessments of this state or a local unit of government of this state.* [Emphasis added.]

This section is implemented in the General Property Tax Act by MCL 211.7gg, which states "[p]roperty, the *title* to which is held by a land bank fast track authority under the land bank fast track act, is exempt from the collection of taxes under this act." (Emphasis added.) Reading these sections together, a county land bank must acquire property and hold title to it in order for the property to become tax exempt.

Neither the Land Bank Act nor the General Property Tax Act defines the words "acquire" and "title." Where words are not defined in a statute, they must be construed and understood according to the common and approved usage of the language. MCL 8.3a. To determine that meaning, it is appropriate to consult dictionary definitions. *Title Office, Inc v Van Buren County Treasurer*, 469 Mich 516, 522-523; 676 NW2d 207 (2004). While a lay dictionary may be consulted to define a common word or phrase that lacks a unique legal meaning; "a legal term of art . . . must be construed in accordance with its peculiar and appropriate legal meaning." *Brckett v Focus Hope, Inc*, 482 Mich 269, 276; 753 NW2d 207 (2008).

The word "acquire" has not developed a unique legal meaning, and may be accorded its common meaning: "to get or gain by one's own efforts or actions . . . to come to have as one's own; get possession of." *Webster's New World Dictionary, Third College Edition* (1988). The term "title," however, has a unique legal meaning when used in reference to real property. *Black's Law Dictionary (8th ed)* p 1522, defines "title" generally as:

*The union of all elements (as ownership, possession, and custody) constituting the legal right to control and dispose of property; the legal link between a person who owns property and the property itself . . . Legal evidence of a person's ownership rights in property; an instrument (such as a deed) that constitutes such evidence.* [Emphasis added.]

The concept of "title" is fluid, and there are various permutations of what constitutes "title." See 63C Am Jur 2d, Property, § 25. Whether a county land bank acquires title to property will depend upon the terms of a particular transaction. However, under any transaction, the land bank must acquire the traditional incidents of title such as possession, use, and control. Thus, the terms of the transaction must evidence the intent to actually convey and acquire the property. For example, an agreement that allows the original owner of the property to retain control and responsibility over the property, and prohibits the county land bank from selling or transferring any rights, title, or interest in the property to a third party, would not result in a conveyance of title to the land bank.

The Michigan Supreme Court has recognized that a purported conveyance of property that does not also convey elements of possession and control over the property is insufficient to establish the right to a tax exemption. In *HM Loud & Sons Lumber Co v Elmer Twp*, 123 Mich 61; 81 NW 965 (1900), the original property owner conveyed property to a person to render the property tax exempt, but retained the right to possess and control the property, including the ability to use it for timber production and to control any subsequent sale. The township refused to assess the property taxes to the new owner, which would have resulted in no taxes being owed, and instead assessed the taxes to the original owner. The original owner paid the taxes under protest and filed suit to recover the monies paid. Ruling that the original owner remained liable

for the taxes, the Court held that the deed "was a mere subterfuge, and made for the very purpose of escaping taxation."<sup>6</sup> *H M Loud*, 123 Mich at 66. Also instructive is *Gray v Finn*, 96 Mich 62, 64; 55 NW 615 (1893), where the Court found that, when personal property is transferred but the original owner retained possession of the property and received no consideration, it was a "pretended sale" for the purpose of defeating the collection of the tax.

This is consistent with the law regarding tax exemptions as well. Exemptions must first be conferred by the Legislature before another unit of government may exempt property from taxation. See OAG, 1977-1978, No 5277, p 385 (March 13, 1978), quoting 2 Cooley, *The Law of Taxation* (4th ed), § 670, p 1398. Similarly, a person seeking exemption from taxation under the laws of the State of Michigan must establish that the law unambiguously provides for an exemption, and that the person falls within the provisions affording such an exemption. *In re Smith Estate*, 343 Mich 291, 297; 72 NW2d 287 (1955). And in reviewing particular tax exemptions, the Michigan Courts "narrowly" construe such statutes "because tax exemptions upset the desirable balance achieved by equal taxation." *Wexford Med Group v City of Cadillac*, 474 Mich 192, 204; 713 NW2d 734 (2006) (citations omitted).

Based on these precedents, the terms of any agreement between a county land bank and a property owner must demonstrate that the land bank is acquiring title to the property, and not engaging in a sham transaction. Otherwise the transaction will fail to render the property tax exempt under MCL 124.763 and MCL 211.7gg(1) because title to the property is not actually acquired by the county land bank.

This is significant because if the county land bank does not acquire title to the property at the acquisition stage, the property will not be eligible for the five-year exemption from general taxation upon its disposition by the land bank.

MCL 211.7gg provides, in part:

(1) Property, the *title to which is held* by a land bank fast track authority under the land bank fast track act, is exempt from the collection of taxes under this act.

(2) . . . [*R*]eal property sold or otherwise conveyed by a land bank fast track authority under the land bank fast track act is exempt from the collection of taxes under this act beginning on December 31 in the year in which the property is sold or otherwise conveyed by the land bank fast track authority until December 31 in the year 5 years after the December 31 on which the exemption was initially granted under this subsection.

\* \* \*

(4) Property exempt from the collection of taxes under subsection (2) is subject to the *specific tax levied under the tax reverted property clean title act*. [Emphasis added.]

As noted previously, under the Tax Reverted Clean Title Act, fifty percent of the eligible tax reverted property specific tax is disbursed to the county land bank that sold or otherwise conveyed the property under the Land Bank Act. MCL 211.1025(4)(b). The county land bank may then use those funds for the purposes authorized under the land bank act or to repay a loan. MCL 211.1025(4)(b)(i) and (ii).

Under subsection 7gg(2), the five-year exemption from taxation under the General Property Tax Act only operates if title to the property is first held by the county land bank. MCL 211.7gg(2): The conveyance of title to the county land bank must transfer the recognized indicia of property ownership and must not be a sham transaction for purposes of avoiding taxation.

It is my opinion, therefore, that a county land bank fast track authority established under the Land Bank Fast Track Act, 2003 PA 258, MCL 124.751 et seq, may acquire title to property from a private owner and reconvey that property to the same owner making that property exempt from ad valorem property taxes during the period that title is held by the county land bank fast track authority, and for the five-year period after it is reconveyed. For those tax consequences to attach, the county land bank fast track authority must obtain and reconvey actual title, with recognized indicia of ownership.

MIKE COX  
Attorney General

<sup>1</sup> An intergovernmental agreement is a contract between governmental agencies. It includes interlocal agreements under

the Urban Cooperation Act, MCL 124.501 *et seq.*, to jointly exercise any power, privilege, or authority that the agencies share in common and that each might exercise separately. MCL 124.753(h).

<sup>2</sup> "The taxable status of persons and real and personal property for a tax year shall be determined as of each December 31 of the immediately preceding year . . . ." MCL 211.2(2).

<sup>3</sup> Under the Land Bank Act, the term "authority" means a county land bank fast track authority. MCL 124.753(a).

<sup>4</sup> A county land bank's power to acquire property is not without restriction. It cannot exercise the power of eminent domain. MCL 124.754(8). And it is not authorized to accept "a deed in lieu of foreclosure or sale of the tax lien attributable to taxes levied by a local unit of government or other taxing jurisdiction without the written approval of all taxing jurisdictions and the foreclosing governmental unit that would be affected." MCL 124.756(4). The intergovernmental agreement may further constrain a county land bank's discretion. MCL 124.773(4) and (6).

<sup>5</sup> As with its power to acquire real property, a county land bank's power to dispose of property is not without restriction. For example, it may not assist or expend any funds for the development of a casino. MCL 124.754(6). It may not convey certain contaminated property until the Michigan Department of Natural Resources and Environment (formerly Department of Environmental Quality) has determined that the acute threat to public health, safety, welfare, or environment has been eliminated and that conveyance will not interfere with any response activities by the department. MCL 124.757(1). The disposition of property by a county land bank may also be limited by the terms of its intergovernmental agreement. Consistent with the Land Bank Act, the terms of an intergovernmental agreement shall provide, for example, for the "distribution of proceeds" received by a county land bank and "[a]ny other matters considered advisable by the participating governmental agencies." MCL 124.773(6)(f) and (h).

<sup>6</sup> *HM Loud* is currently cited by the treatise *Michigan Law & Practice*, 30 Michigan Law & Practice 2d, Taxation, § 46, for the principle "[t]he courts will frown on a conveyance designed to evade taxation where it is a mere subterfuge, and in such a case it will be ineffective."

<http://opinion/datafiles/2010s/op10334.htm>

State of Michigan, Department of Attorney General

Last Updated 12/17/2010 14:45:36

**Partnership Proposal**  
**Between The**  
**Ingham County Land Bank**  
**And**  
**The ReBuilding Exchange, Chicago**

**Presented To:**

**Eric Schertzing,**

**Ingham County Treasurer & Chairman at Ingham County Land Bank**

**Submitted By:**

**Gregg Griffin, Director of Operations**

**ReBuilding Exchange**

**Chicago, Illinois 60614**

**November 17, 2011**

Dear Eric,

It is with great pleasure that I submit this proposal regarding the opportunity for the ReBuilding Exchange to partner with the Ingham County Land Bank. As the leading non-profit building material reuse organization in Chicago, we are a growing organization and are uniquely positioned to build upon our current success, and further enhance building material reuse in the Great Lakes Region. We look forward to the opportunity to establishing a relationship with your organization. Our combined resources can create a powerful economic engine and strategically move the Green Economy forward in our respective areas.

### **How We Began:**

In 2008, our parent organization the Delta Institute, a non-profit organization that creates, funds and implements programs that promote a healthy environment, a strong economy and vibrant communities, began taking steps that would ultimately create the ReBuilding Exchange. With a long-range vision to transform the Great Lakes Region into the vital center of the emerging Green Economy by the year 2020, the Delta Institute formally began working on a building material waste diversion initiative. Delta was interested in creating a regional green economy model that would turn the liability of building material waste into a community asset.

Working with a wide range of stakeholders from the public and private sectors to dialogue about this issue, Delta initiated a market research study to evaluate opportunities in building material reuse and the emerging field of sustainable building deconstruction. Based on the data from this study, Delta procured project start-up funding, initiated a partnership with the deconstruction experts, The ReUse People of America, launching Chicago's first 501 (c) (3) building material reuse center in February 2009, the ReBuilding Exchange.

### **What We Are:**

Through a partnership with The ReUse People of America and contractors in the Chicagoland area, the ReBuilding Exchange currently gets most of its building materials through donations from sustainable deconstruction projects. The ReBuilding Exchange also accepts donated materials from renovation projects, area contractors and community partners that would otherwise end up in the landfill. These materials are sold for a fraction of the cost of new, and are available to residents at all income levels, particularly those who can't afford the rising costs of such materials.

We work hands-on with a vast array of customers to maximize reuse opportunities for materials, providing creative ideas and technical know-how on executing a variety of projects. We believe that reclaimed building materials are valuable assets and we are passionate about finding the best, cost-effective way to reuse them. These items include lumber, doors, windows, flooring, kitchen and bathroom cabinetry and fixtures, appliances and flooring. In addition to building material diversion, we also offer broad based job training program for ex-offenders, public education about sustainable building deconstruction practices and reuse.

### **What We Have Done:**

Through our retail sales outlet now located at 2160 N. Ashland, Chicago, Illinois, we've sourced and diverted over 5,000 tons of materials collected from area contractors, homeowners, businesses, deconstruction and renovation projects from the waste stream. We are currently diverting approximately 1,500 tons annually. As an example, the demolition of a typical 2,000 square foot home produces 127 tons of debris. We're able to divert 20 tons on average per home for reuse. Currently we are deconstructing 30 houses per year, for a total of 600 tons. We operate a pick-up service that runs 3-4 days/week and makes roughly 3 pick-ups a day, picking up an average of 2 tons of material a day. In addition, we allow contractor drop-offs once a week, which reflect 1-2 houses per month and amounts to between 360 and 480 tons.

### **Ingham County Land Bank and ReBuilding Exchange Partnership Opportunities:**

In our efforts to increase building material diversion throughout the Great Lakes Region and promote creative material reuse, we are excited about the opportunity to partner with the Ingham County Land Bank.

We share in Ingham County Land Bank's vision in utilizing building material reuse as a strategic economic tool that supports growth and investment within the community. Deconstruction, and ultimately material reuse, can improve the quality of neighborhoods and strengthening communities, and assist the efforts that the Ingham County Land Banks is already doing with tax reverted, purchased, donated and unclaimed land and property.

We understand that one of your stated goals is to, "help protect areas from falling into decline, the Land Bank will buy, renovate and resell multiple properties in a designated area which will allow the properties to become attractive purchases to those who want to become a homeowner. This kind of reinvestment will attract good neighbors, protect

property values, maintain a balance between homeownership and rental properties as well as improve the quality of area neighborhoods". With that understanding, our strategic missions align and present a tremendous opportunity.

**What we've discussed thus far:**

We propose to work with Ingham County Land Bank and its partners to further develop and implement a plan to deconstruct, transport and resell the building materials from land bank properties in Chicago. We have a tremendous demand for these materials in the Chicago area. Our understanding is that there is a strong supply in your pipeline that can service this need. During our initial discussions, we proposed to partner with the Ingham County Land Bank to deconstruct approximately 5 homes per month currently in the Land Bank portfolio and transport those materials to our Chicago location for resale.

In addition to the benefits the various benefits detailed in this proposal, our partnership would create jobs in the communities where the properties exist, revive neighborhoods, measurable diversion rates and provide a key component in promoting growth and increasing revenue.

Our goal is to begin discussions on project specifics to realize this opportunity. We look forward to identifying our resource capabilities and establishing a logistical plan to move this forward in 2012. At your convenience, please give me a call at 773.252.2234.

Best Regards,

Gregg Griffin,

Director of Operations, ReBuilding Exchange

# NSP 2 DEMOLITION STATUS

11/22/2011

Blight Cert.	LMMA	Deed	E.R.	Gen. Prop Info	Notify Bwl of Site	Site Survey for Haz Mat	Before Photos	Remed. Per Survey	Site Stake Survey Analysis	Fence Issue?	Site Stake # Required	Photo of Stakes	Demo Contractor Name	Give Survey	10 Day Notice	Coord with Bwl & Consumers	Gen Liability Ins.	Post Demo Pics	Inspection Report Approval	Complete Date
<b>GROUP 3 (11-001)</b>																				
8.15.10	10.8.10	7.8.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.11.11		SC Environ.		X	X	X			11.10.11
9.7.10	10.8.10	7.8.10	8.16.10	8.29.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.11.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.18.11
9.7.10	10.8.10	11.9.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	DRIVE	2.22.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.11.11
11.4.10	11.2.10	11.16.10	11.2.10	9.10.10	X	ECT - 5.6.11	4.12.11	Demand Industrial	4.12.11	Y	5.17.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.14.11
9.7.10	10.8.10	11.9.10	9.16.10	7.27.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	N	N	n/a	SC Environ.	8.17.11	X	X	X			11.16.11
9.7.10	10.8.10	11.9.10	8.24.10	8.31.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	DRIVE	2.11.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.9.11
10.20.10	9.3.10	11.9.10	9.2.10	9.3.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.8.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.17.11
9.7.10	10.8.10	11.9.10	9.16.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	3.15.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.21.11
9.7.10	10.8.10	7.8.10	7.8.10	8.29.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	1.7.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.22.11
09.07.10	10.8.10	7.8.10	7.2.10	8.29.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.21.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.8.11
9.7.10	10.8.10	7.8.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.24.11	4.12.11	SC Environ.	8.17.11	X	X	X			11.4.11
9.7.10	10.8.10	11.9.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.28.11	4.12.11	SC Environ.	8.17.11	X	X	X			11.3.11
9.7.10	10.8.10	7.8.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.11.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.29.11
9.7.10	10.8.10	7.8.10	9.13.10	8.18.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.11.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.2.11
9.7.10	10.8.10	7.8.10	7.6.10	6.30.10	X	ECT - 5.6.11	X	Demand Industrial	1.7.11	Y	2.9.11	2.16.11	SC Environ.	8.17.11	X	X	X			11.23.11
4.20.11	10.22.10	1.19.11	1.7.10	10.22.10	X	OnTerra	4.12.11	Demand Industrial	4.12.11	N	N		SC Environ.	8.17.11	X	X	X			11.28.11
<b>GROUP 4 (11-002)</b>																				
4.27.11	7.28.10	7.8.10	7.1.10	7.28.10	X	ECT - 5.24.11	4.12.11	SC Environ.	7.1.10	N			Mint City	11.14.11	X		X			12.12.11
4.27.11	11.15.10	12.8.11	2.1.11	2.1.11	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	5.16.11	6.2.11	Mint City	11.14.11	X		X			11.30.11
9.15.10	10.8.10	7.8.10	7.1.10	7.27.10	X	ECT - 5.24.11	X	SC Environ.	4.12.11	Y	5.16.11	6.2.11	Mint City	11.14.11	X		X			11.28.11
11.4.10	10.28.10	10.28.10	9.9.10	9.9.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	6.1.11	6.2.11	Mint City	11.14.11	X		X			12.21.11
4.21.11	12.2.10	7.8.10	12.2.10	12.2.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	5.25.11	6.2.11	Mint City	11.14.11	X		X			12.28.11
8.10.10	10.8.10	7.8.10	8.18.10	8.18.10	X	ECT - 5.24.11	4.12.11	SC Environ.	11.17.10	Y	12.6.10	6.2.11	Mint City	11.14.11	X		X			12.26.11
3.16.11	10.8.10	9.27.10	9.16.10	7.27.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	6.14.11	6.2.11	Mint City	11.14.11	X		X			12.23.11
4.20.11	9.21.10	12.15.10	11.4.10	9.21.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	5.19.11	6.2.11	Mint City	11.14.11	X		X			12.7.11
11.4.10	10.06.10	12.15.10	9.3.10	9.3.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	5.19.11	6.2.11	Mint City	11.14.11	X		X			12.5.11
4.27.11	10.06.10	12.23.10	12.1.11	10.19.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	N	N		Mint City	11.14.11	X		X			12.19.11
3.16.11	11.22.10	2.24.11	11.30.10	11.22.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	6.1.11	6.2.11	Mint City	11.14.11	X		X			12.16.11
4.27.11	12.8.10	2.9.11	2.1.11	12.8.10	X	ECT - 5.24.11	4.12.11	SC Environ.	4.12.11	Y	5.13.11	6.2.11	Mint City	11.14.11	X		X			12.2.11
4.27.11	1.27.11	9.22.11	1.27.11	1.27.11	X	ECT - 5.24.11	5.25.11	SC Environ.	4.12.11	Y	6.3.11	6.2.11	Mint City	11.14.11	X		X			12.9.11
4.27.11	1.27.11	9.22.11	1.27.11	1.27.11	X	ECT - 5.24.11	5.25.11	SC Environ.	4.12.11	Y	6.3.11	6.2.11	Mint City	11.14.11	X		X			12.14.11





# NSP 2 DEMOLITION STATUS

1/22/2011

Group 12 (11-010)	LAND BANK DEMO'S	Blight Cert.	LIMMA	Deed	E.R.	Gen. Prop Info	Notify Bwl of Site	Site Survey for Haz Mat	Before Photos	Remed. Per Survey	Site Stake Survey Analysis	Fence Issue?	Site Stakes if Required	Photo of Stakes	Contractor Name	Give Survey	10 Day Notice	Coord with BWL & Consumers	Gen Liability Ins.	Post Demo Pics	Inspection Report Approval	Complete Date
No Group Assigned																						
33-01-01-22-207-151	4892 1032 McCullough St.	8.10.11	7.25.11		8.16.11	7.26.11			8.22.11		8.22.11	Y										
33-01-01-08-228-101	48925 1530 Lansing Ave.	8.10.11	7.18.11		8.16.11	7.18.11			8.10.11		8.10.11	Y										
SHIPO																						
33-01-01-09-363-011	48906 726 N. Pine Street	9.7.10	10.8.10	7.8.10	8.24.10	10.6.10	10.27.11		9.9.11		9.9.11	Y	7.7.11	9.9.11								
33-01-01-09-377-101	48906 212 W. Oakland	9.7.10	10.8.10	7.8.10	7.8.10	6.29.10	10.27.11		8.22.11		8.22.11	Y	6.7.11	9.9.11								
33-01-01-09-361-211	48906 409 W. Oakland						10.27.11		8.22.11		8.22.11	Y	11.4.11									
33-01-01-15-333-211	48912 1112 Prospect	9.7.10	10.8.10	7.8.10	7.8.10	6.29.10	11.19.10		4.12.11		4.12.11	Y	5.24.11	6.2.11								
33-01-01-21-258-015	48910 1111 S Grand	9.7.10	10.8.10	7.8.10	7.8.10	6.29.10	11.19.10		8.10.11		8.10.11	Y	6.7.11	9.9.11								
33-01-01-21-258-020	48910 1117 S Grand	8.3.11	7.21.11			7.21.11	10.27.11		8.10.11		8.10.11	Y	11.4.11									
33-01-01-09-181-031	48906 326 N. Chestnut			7.29.11			10.27.11		8.10.11		8.10.11	Y										
33-01-01-15-302-221	48912 214 S. Hosmer St.			7.29.11			10.27.11		8.11.11		8.11.11	Y										
33-01-01-16-108-171	48933 521 N. Walnut St.			7.29.11			10.27.11		8.10.11		8.10.11	Y	11.2.11									
33-01-01-09-364-141	48906 705 N. Walnut St.	10.26.11	8.31.11	8.25.11		8.31.11	10.27.11	Red Cedar														
33-01-01-09-303-221	48906 419 W Willow St.																					
	316 W Grand River																					
	722 N. Chestnut																					
	417 W Lapeer																					
	321 W Barnes																					
33-01-01-08-483-201	48915 749 Wisconsin			7.29.11			10.27.11		8.22.11		8.22.11	Y	10.26.11	10.26.11								
33-01-01-09-306-101	48908 612 Brook St.			7.29.11			10.27.11		8.10.11		8.10.11	Y	10.26.11	10.26.11								
33-01-01-16-101-021	48933 623 N. Sycamore St.						10.18.11		10.18.11		10.18.11	Y										
33-01-01-09-356-181	48908 611 Bluff St.	8.3.11	7.21.11	7.29.11		7.21.11	10.27.11		8.10.11		8.10.11	Y										
33-01-01-16-110-071	48933 404 N. Sycamore St. s.a.						10.27.11		8.10.11		8.10.11	Y	8.17.11									

Need SHIPO Clearance

33-01-01-09-306-101







## NSP2 Rehab Project Tracking

Specs Written	11/23/11	# of bed rooms	Spec Assigned To:	Bid Pak \$	Package type	Send Bid Invitations	Date of Contractor Walk Thru	Date Bids Due	Date of Contract	Contract Amount	Contract Awarded To:	Target Completion Date	Actual Completion Date	% Complete	Comments
<b>To be Assigned</b>															
Resale/L	1224 Massachusetts		Mike	150											
Resale/L	1536 Linval	4	MJ	160											Layouts Need bath layouts
Resale/L	1140 McCullough		Mike	150											
Resale/L	728 Princeton		MJ	160											
Resale/L	909 W Oakland		Mike	110											
Resale/L	333 Randolph St		MJ	120											
Resale/L	926 N MLK		Mike	130											
Resale/L	1561 Ballard		City specs	150											
<b>Complete</b>															
Resale	1417 Sheldon	3	Dennis	85	8/22/10	10/1/10	10/8/10	10/18/10	10/25/10	74,730	U Trumble	1/20/11		100%	\$63,000
Resale	1525 Hull Ct	2	Dennis	85	8/9/10	9/1/10	9/14/10	9/21/10	10/8/10	87,418	1st Contracting	1/5/11		100%	re-appraised, \$50,000
Resale	1125 N High	2	MJ	85	9/2/10	10/12/10	10/21/10	10/28/10	10/29/10	107,655	Progressive Remodeling	1/24/11		100%	\$45,000
Resale	812 Everett	3	MJ	85	9/7/10	11/2/10	11/10/10	11/19/10	11/23/10	89,800	Northern Home Imp	2/26/11		100%	\$64,000
Resale	1515 Hull Ct	2	Dennis	85	1/8/11	1/14/11	1/21/11	1/28/11	2/10/11	68,000	Turn Key	5/31/11		100%	\$55,000
Resale	1245 Parkview	2	Dennis	85	9/2/10	10/25/10	11/1/10	11/9/10	11/16/10	120,920	Associated General	2/19/11		100%	\$44,000
Resale	734 Cawood	2	MJ	95	1/20/11	2/28/11	3/4/11	3/11/11	3/29/11	72,482	Homeview	7/5/11		100%	\$50,000
Resale	326 Isbell	3	Dennis	125	1/16/11	2/5/11	2/11/11	2/18/11	2/24/11	96,807	U Trumble	6/9/11		100%	\$80,000
Resale	520 Christianity	3	Mike	125	11/8/10	12/15/10	12/27/10	1/12/10	1/20/11	125,820	U Trumble	4/22/11		100%	\$50,000
Resale	618 Lathrop	2	Dennis	100	11/29/10	12/3/10	12/10/10	12/20/10	1/10/11	102,990	Norshore Building	4/16/11		100%	\$85,000
Resale	810 Cleveland	1	MJ	95	1/7/11	1/19/11	1/27/11	2/3/11	2/18/11	78,639	Norshore Building	5/26/11		100%	\$35,000
Resale	1609 Genesee	3	MJ	145	single	3/25/11	4/1/11	4/8/11	4/27/11	145,712	Townsend	9/29/11		100%	\$100,000
OCCF	1122 Allegan	3	Mike	140	single	5/12/11	5/19/11	5/26/11	6/1/11	119,599	First Contracting	10/21/11		100%	\$60,000
Resale	209 Reo	3	Mike	150	single	4/21/11	4/29/11	5/6/11	5/16/11	132,316	U Trumble	10/20/11		100%	\$50,000
Resale/L	906 Stanley	2	Dennis	100	single	7/28/11	8/4/11	8/11/11	8/18/11	108,018	Grace at Home	11/30/11		100%	\$55,000
<b>Total</b>		<b>15</b>		<b>1585</b>						<b>1,530,906</b>					

DHUD Dollar Home Fund 202  
2012 Projections

<b>Revenue</b>		
Sales		\$300,000
<b>Expenditures</b>		
Renovation		\$291,000
Bike Share Match		20,000
Urban Farm Match		4,000
Comm. Development		50,000
Maint/Lawn/Snow		15,000
Total		\$380,000
Previous Years R/E		\$252,669
Fund Projected Balance		\$172,669

10/21/2011

PROJECT ALLOCATION DETAIL FOR INGHAM COUNTY LAND BANK

202 Fund - Properties

Project	Description	Pct Used
007062	1515 DOWNEY	202
007070	1215 VERMONT	202
007071	1227 DAKIN	202
007072	2028 CLIFTON	202
007073	3325 W. HOLMES ROAD	202
007074	3002 FIELDING	202
008001	726 ORCHARD GLEN	202
008003	4625 CHRISTIANSEN	202
008012	818 N. FAIRVIEW	202
008013	616 SHEPARD	202
008014	1211 E. MAIN	202
008017	115 E. MASON	202
008020	800 VANCE	202
008022	1125 N CHESTNUT	202
008024	5204 S. WASHINGTON	202
008150	839 E SAGINAW	202
008152	1026 S GRAND	202
009120	202 RUSSELL	202
009124	1421 CORBETT	202
007080	5221 HUGHES ROAD	214
008151	1512 E KALAMAZOO	214
008153	1205 E MAIN	214
007069	1536 VERMONT	216
008021	1705 COMFORT	216
008148	1610 N MLK	216
009125	213 E MOUNT HOPE	216
007076	2029 HILLCREST STREET	220
008010	1422 ROSELAWN	220
008149	1429 ROBERTSON	220
008015	540 PARIS	222

U.S. Department of Housing and Urban Development  
Office of Housing

---

Special Attention of:

All Homeownership Center Directors  
All REO Directors  
All Real Estate Owned Branch Chiefs  
All Management and Marketing Contractors

**Notice H 00-7 (HUD)**

Issued: 4/28/00

Expires: 4/30/01

---

Cross References:

---

**Subject: Implementation of "\$1 Home Sales to Local Governments Program"**

The Department is seeking means to expand its partnership with local governments in helping to foster housing opportunities for low to moderate income families and address specific community needs. One area of opportunity is sales of single family real estate owned properties to local governments. The following changes to HUD's policy for the sale of these properties will be in effect on May 1, 2000:

- **Special Offering of Aging Inventory Properties to Local Governments**

Properties which have been offered to the public for sale for six or more months and are not presently under a sales contract will be removed from the market and offered exclusively to local governments for \$1 plus closing costs. To be eligible to participate in this new sales program, local governments may purchase properties within their jurisdiction and must:

1. identify the intended disposition strategy(ies) and clear public purpose goals and objectives it will pursue with properties purchased through this program;
2. affirm that all profits from resales of these \$1 homes will go to support local housing/community development initiatives;
3. identify what specific programs or uses these profits will support; and
4. agree to provide HUD's Homeownership Center (HOC) Program Support Division Director with a report on June 1, 2000 and annually thereafter for all properties purchased under this program. The report must include information on the ultimate property purchaser, the amount of profit realized on the final sale and where the profit was used.

---

**HSIP Distribution:** W-3-1, W-2(OGC)(H)(Z), W-3(A)(H)(ZAOO), W-4(H), R-1, R-2, R-3, R-3-1(H)(RC), R-3-2, R-3-3, R-6, R-6-1, R-6-2, R-7, R-7-1, R-7-2, R-8, R-8-1

As part of its disposition strategy, the local government may indicate that it intends to purchase the property and convey it to a nonprofit organization for rehabilitation and resale to first time homebuyers, low to moderate income buyers or some other public purpose objective. This is an acceptable approach, however, local governments should be reminded that all information pertaining to the purchase and subsequent resale must be included in the annual report provided to HUD's Program Support Division Director. Failure of a local government to comply with any of the above requirements will result in their removal from participation in this program.

Nonprofit organizations and entities such as housing authorities are not permitted to directly purchase properties under this sales program. However, should the local government identify an agency of government such as a housing authority to act as its agent to purchase these properties, this is acceptable and sales contracts may be accepted from them.

Prior to offering properties to local governments, the M&M contractor [and/or HUD staff] must ensure that the property has been listed for sale for at least six months. In order to calculate the length of time a property has been marketed, begin with the original listing date. Do not include any period of time a property has been held off the market. The total marketing time only includes days actually listed for sale. For example, properties temporarily removed from the market when HUD enters into a sales contract which are then relisted for sale due to the purchaser's failure to close, the days the property was temporarily held off the market *are not counted* toward the 180 day threshold. When the property is placed back on the market, the clock will resume ticking towards meeting the six or more months of marketing to qualify for this program.

On May 1, 2000, all M&M contractors must inform the local governments of the start of this new program. A sample letter is attached that must be used by the M&M contractors to complete the notification process. In addition to the letters, the M&M contractors are encouraged to contact all local governments via email. Local governments should be provided with the appropriate website addresses that they can access to obtain the listing of properties that are available for purchase under this new program. As is done with the Officer Next Door and Teacher Next Door listings, the M&M contractor must identify those properties eligible for the "\$1 Home Sales to Local Governments" program on their website. HUD's main website will also provide information on this program with appropriate links to the M&M contractors' websites.

Properties must be made available to local governments on a weekly basis with new properties being added as they reach at least six months of marketing exposure. The properties must remain available exclusively for purchase by local governments for 10 calendar days. A form HUD-9548, Sales Contract, must be received within this period

of time for consideration for the \$1 sale. If sales contracts are received within this time period but contain minor errors requiring correction, the M&M contractors must notify the local governments of the required changes and allow five days for the submission of a corrected sales contract.

An addendum to the sales contract must be completed by the local government purchasing the property and submitted with the sales contract. The attached addendum must identify the intended disposition strategy of the property. As mentioned previously, the local government purchasers will be required, on an annual basis, to identify to the HOC Program Support Division Director the ultimate disposition of the property and any specific benefits accrued to the community.

In those instances where a local government has assessed liens against the properties and fines are assessed, the local government must remove these liens at no cost to HUD in an effort to facilitate the sale. In addition, the local governments will be required to absorb the closing costs involved with each property sale transaction. HUD, however, will continue to pay its closing agent's fee and any wire transfer expenses.

If local governments do not submit a sales contract within 10 calendar days, single unit properties will then be offered exclusively to Officer Next Door/Teacher Next Door participants for an additional 10 calendar day period. If properties remain available for sale after this offering, local governments may submit offers to purchase these aged properties for \$1. *Consideration will only be given to these offers if no other acceptable offers have been received from the public.* M&M contractors are to ensure that their websites are properly maintained to ensure accurate, up to date, information relative to property availability.

- **Outreach efforts by HUD and M&M contractors**

Many local governments are unaware of the opportunities for purchase of HUD-owned single family homes. HOC staff, in conjunction with local Community Builders, and the M&M contractors must immediately begin conducting outreach efforts to all local governments within their jurisdiction. M&M contractors must complete the notification of this new program to the local governments within one week from the date of this Notice. HOC REO staff must ensure that the M&M contractors complete this notification promptly.

- **Demolition consideration.**

It should be noted that the local government may recommend the demolition of any property which is currently available for purchase by that entity. To consider demolition, the following criteria must be met:

1. HUD's last listed price, plus the cost of rehabilitating the property to meet HUD's Minimum Property Standards (MPS) is more than 130 percent of the after rehabilitation value. The determination of rehabilitation cost and the after rehabilitation value may require the M&M contractor to procure the services of a structural engineer, appraiser, and/or special inspectors. The appraisal must include the fair market value of the land. The cost to procure the previously mentioned services will be treated as pass through expenses.
2. The cost of demolition may not exceed the cost of rehabilitating the property to meet MPS.
3. Review the Environmental Compliance Record to determine whether the property is listed on the National Register of Historic Places or located in a Historic District. If the property is classified as "historic", review any conditions on the disposition of the property to determine whether demolition is permitted. If so, follow any conditions imposed in conjunction with the demolition.

In the event that the M&M contractor and HUD are in agreement that the above criteria have been satisfied, demolition of the property should be completed by the M&M contractor. HUD will pay for the demolition and clearing of the debris.

Following demolition, the land should be listed for sale to the general public for 10 calendar days at its fair market value. The M&M contractors are reminded that the sales commission for vacant lots is 10 percent with a minimum of \$200. Should no acceptable offers be received from the general public, the land should be offered to the local governments for \$1 for 10 calendar days. In the event the local governments have no interest in the land, the property would be relisted on the general listing until the property is sold.

- **Offering to Officer Next Door/Teacher Next Door Participants**

If the local governments fail to submit a sales contract within the timeframe identified above, the single unit properties should be relisted for sale exclusively to Officer Next Door/Teacher Next Door participants for a 10 calendar day period. During this time, the property will not be offered to nonprofit organizations and units of state and local governments. With the exception of multiple unit properties, *all* properties will be made available for purchase to these participants. Discount levels previously established for Officer Next Door/Teacher Next Door apply. It is important to note here that the discount received by the Officer Next Door/Teacher Next Door participant will be based on the adjusted list price not the appraised value.

- **Best Offer Approach**

Should properties remain unsold after the offering of aging inventory to Officer Next Door/Teacher Next Door Program participants, the property should be relisted for sale to the general public.

- **Restatement of As Is Policy**

HOC staff and the M&M contractors are reminded that properties are sold "as is." The Department believes that an "as is" sale is the fairest, most straight forward sales method. However, even though HUD sells its properties "as is," it is HUD's policy, as a good neighbor, to keep the properties in a safe, secure, and well-maintained manner. Specifically, HOC staff must ensure that as required by their contract, the M&M contractors:

- Routinely inspect and take all actions necessary to preserve, protect, and maintain each property in a presentable condition at all times.
- Secure the property to prevent unauthorized entry using a locking system determined to be acceptable to the GTR;
- Protect the property from damage from the elements, through such measures as repairing broken windows, patching roof leaks, and replacing functional shutters;
- Correct ANY condition that presents a health or safety hazard to the public or to the property within 24 hours of discovery. This would include repair of broken steps and/or floorboards, removal of hazardous material such as gasoline cans and/or oil-soaked rags, and removal of dead animals and/or feces.
- Remove and properly dispose of all interior and exterior debris immediately after property conveyance and on a continual basis;
- Maintain lawn, shrubbery and trees consistent with neighborhood standards, as well as prompt snow removal from private access and public walkways consistent with local ordinances;
- Winterize all operating systems and equipment, including but not limited to shutting water off to external spigots and filling internal water systems with antifreeze.
- Properly secure swimming pools, spas, etc, including draining the pools, covering pools, and protecting linings, as required by local ordinance;

- Correct factors which may cause deterioration of the property, for example, installing a sump pump to stop water from seeping into a basement.
- Maintain each property in such a way as to prevent any deterioration in condition or value to the property between the time that it is assigned the property and the time it conveys the property to a purchaser.
- Repair all damage due to vandalism.

The Department is excited about these new opportunities for expanding partnerships with local governments. We will continue to expand current programs, such as "Asset Control Area" agreements with state and local governments and nonprofit organizations for the purchase of a pre-defined flow of HUD's property acquisitions.

If you have any question regarding these new approaches, please contact Wanda Sampedro of the Asset Management Division at (202) 708-1672.

---

**William Apgar**  
**Assistant Secretary for Housing-**  
**Federal Housing Commissioner**

**Attachments**

**(M&M contractor's letterhead)**

**Dear**

**SUBJECT: \$1 Home Sales to Local Governments Program**

**I am pleased to announce that effective May 1, 2000, the U.S. Department of Housing and Urban Development (HUD) implemented its "\$1 Home Sales to Local Governments Program". This program allows local governments to purchase properties which have been listed for sale for more than six months for \$1. This will make it possible for communities to rehabilitate homes and put them to good use at a considerable savings.**

**Properties will be made available for sale under this new program on a weekly basis. I invite you to visit our website at \_\_\_\_\_ for a complete listing of properties currently available for purchase under this program. In addition, you may also visit HUD's website at <http://www.hud.gov> for information on this program.**

**If you have any questions, please do not hesitate to contact \_\_\_\_\_ at \_\_\_\_\_ (M&M contractor to insert their phone number here).**

**Sincerely,**

**(M&M Contractor)**

**ADDENDUM TO SALES CONTRACT**

**\$1 Home Sales to Local Governments Program**

PROPERTY ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

FHA CASE NUMBER: \_\_\_\_\_

- *The proposed disposition strategy, goals and objective for purchasing this property are: (Purchaser may list a number of alternative strategies here.)*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- *By signing this addendum, I/We affirm that all profits from sales of HUD homes will go to support local housing/community development initiatives;*
- *The following local government programs will benefit from the proceeds in excess of the cost to rehabilitate the property received from purchasing and subsequently selling the property:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- *By signing this addendum, I/We agree to provide HUD's Homeownership Center (HOC) Program Support Staff Director with an annual report that provides the status and details on all properties purchased under this program. The report must include information on the ultimate purchaser, the amount of profit realized on the final sale and where the profit was put back into local housing/community development.*

\_\_\_\_\_  
*Signature of Purchaser and Date*

Accounts Payable Register  
November 1 - November 30, 2011

Check Date	Bank/Check #	Name	Amount
11/10/2011	GEN 6810	CONSUMERS ENERGY	287.90
11/10/2011	GEN 6811	CONSUMERS ENERGY	266.78
11/10/2011	GEN 6812	CONSUMERS ENERGY	277.13
11/10/2011	GEN 6813	CONSUMERS ENERGY	126.54
11/10/2011	GEN 6814	BOARD OF WATER & LIGHT	543.12
11/10/2011	GEN 6815	BOARD OF WATER & LIGHT	379.47
11/10/2011	GEN 6816	BOARD OF WATER & LIGHT	441.29
11/10/2011	GEN 6817	BOARD OF WATER & LIGHT	577.93
11/10/2011	GEN 6818	BOARD OF WATER & LIGHT	503.95
11/10/2011	GEN 6819	BOARD OF WATER & LIGHT	49.68
11/10/2011	GEN 6820	DELHI TOWNSHIP	13.00
11/10/2011	GEN 6821	DBI BUSINESS INTERIORS	63.92
11/10/2011	GEN 6822	HASSELBRING CLARK CO	155.34
11/10/2011	GEN 6823	RIZZI DESIGNS	4,739.40
11/10/2011	GEN 6824	CITY PULSE	879.30
11/10/2011	GEN 6825	DISCOUNT ONE HOUR SIGNS, INC	1,980.00
11/10/2011	GEN 6826	URBAN LAND INSTITUTE	225.00
11/10/2011	GEN 6827	MICHIGAN ECONOMIC DEVELOPERS AS:	150.00
11/10/2011	GEN 6828	EDEN GLEN CONDO ASSOCIATION	6,960.00
11/10/2011	GEN 6829	MPC CASH-WAY LUMBER	2,176.46
11/10/2011	GEN 6830	STANDARD ELECTRIC COMPANY	1,180.10
11/10/2011	GEN 6831	DISCOUNT CARPET WAREHOUSE	3,204.49
11/10/2011	GEN 6832	THE SHERWIN-WILLIAMS CO.	1,144.08
11/10/2011	GEN 6833	SEARS COMMERCIAL ONE	17.00
11/10/2011	GEN 6834	SUE E BETCHER	100.00
11/10/2011	GEN 6835	FIBERTEC ENVIRONMENTAL SERVICES	232.00
11/10/2011	GEN 6836	HOOPER CONSULTING GROUP, LLC	24,799.85
11/10/2011	GEN 6837	RED CEDAR CONSULTING, LLC	241.50
11/10/2011	GEN 6838	THERMAL INSPECTION SERVICE LLC	900.00
11/10/2011	GEN 6839	LANSING TEEN CHALLENGE	8,885.00
11/10/2011	GEN 6840	LAWN SPRINKLERS SALES,SERVICE & D	833.75
11/10/2011	GEN 6841	J & M HAULING	1,550.00
11/10/2011	GEN 6842	TOM HORVATH	2,970.00
11/10/2011	GEN 6843	GREGORY LEE MCKAY LLC	3,660.00
11/10/2011	GEN 6844	AD'VANTAGE CLEANING	967.92
11/10/2011	GEN 6845	WES STEFFEN PLUMBING	4,534.00
11/10/2011	GEN 6846	HOLT ELECTRIC & SON	2,330.00
11/10/2011	GEN 6847	KEHREN CONSTRUCTION, LLC	8,690.00
11/10/2011	GEN 6848	MERIDIAN PLUMBING	702.00
11/10/2011	GEN 6849	LINDA SCHONBERG	129.29
11/10/2011	GEN 6850	LAWN KINGS DISCOUNT LAWN & SNOW	3,500.00
11/10/2011	GEN 6851	BRENT RACE	98.73
11/10/2011	GEN 6852	INTEGRITY LAWN MAINTENANCE	1,685.00
11/10/2011	GEN 6853	AMO INSPECTIONS & APPRAISALS	2,470.00
11/10/2011	GEN 6854	CHARLES L THERRIAN BUILDER	42,157.00
11/10/2011	GEN 6855	LJ TRUMBLE BUILDERS	87,325.00
11/10/2011	GEN 6856	THOMAS J KRYCINSKI BUILDERS	12,757.00
11/10/2011	GEN 6857	NORSHORE BUILDING INC	34,816.00
11/10/2011	GEN 6858	FIRST CONTRACTING INC	134,881.00
11/10/2011	GEN 6859	METRO DEVELOPMENT CORP.	32,316.70

11/10/2011	GEN 6860	MICHIGAN BUILDING AND RESTORATION	14,197.00
11/10/2011	GEN 6861	TURN KEY HOME IMPROVEMENT	52,192.59
11/10/2011	GEN 6862	HOMEVIEW IMPROVEMENTS	24,844.00
11/10/2011	GEN 6863	GRACE AT HOME	33,225.00
11/10/2011	GEN 6864	PROGRESSIVE REMODELING	33,175.00
11/10/2011	GEN 6865	AD'VANTAGE CLEANING	302.56
11/10/2011	GEN 6866	LAWN SPRINKLERS SALES,SERVICE & D	750.00
11/10/2011	GEN 6867	MICHAEL L THOMPSON	500.00
11/10/2011	GEN 6868	KEBS, INC.	2,400.00
11/10/2011	GEN 6869	THERMAL INSPECTION SERVICE LLC	200.00
11/10/2011	GEN 6870	ETC	1,960.00
11/10/2011	GEN 6871	RED CEDAR CONSULTING, LLC	724.50
11/10/2011	GEN 6872	MARK'S LOCK SHOP INC	69.00
11/10/2011	GEN 6873	H.C. BERGER COMPANY	181.31
11/10/2011	GEN 6874	DBI BUSINESS INTERIORS	129.92
11/10/2011	GEN 6875	GREATER LANSING HOUSING COALITIOI	4,911.67
11/10/2011	GEN 6876	KIMBERLY WHITFIELD	148.52
11/10/2011	GEN 6877	DENNIS GRAHAM	183.73
11/10/2011	GEN 6878	EARTH TONES LANDSCAPING INC	7,827.00
11/18/2011	GEN 6879	BAKER BUILDERS, INC	56,556.00
11/21/2011	GEN 6880	CONSUMERS ENERGY	423.62
11/21/2011	GEN 6881	CONSUMERS ENERGY	161.02
11/21/2011	GEN 6882	CONSUMERS ENERGY	174.40
11/21/2011	GEN 6883	BOARD OF WATER & LIGHT	698.63
11/21/2011	GEN 6884	BOARD OF WATER & LIGHT	411.62
11/21/2011	GEN 6885	BOARD OF WATER & LIGHT	518.85
11/21/2011	GEN 6886	BOARD OF WATER & LIGHT	416.08
11/21/2011	GEN 6887	BOARD OF WATER & LIGHT	247.52
11/21/2011	GEN 6888	BOARD OF WATER & LIGHT	754.68
11/21/2011	GEN 6889	BOARD OF WATER & LIGHT	509.71
11/21/2011	GEN 6890	MICHGAN MUNICIPAL RISK MANAGEMEN	11,796.00
11/21/2011	GEN 6891	SPRINT	256.21
11/21/2011	GEN 6892	COMCAST	59.95
11/21/2011	GEN 6893	AT & T	226.36
11/21/2011	GEN 6894	PAM BLAIR	120.00
11/21/2011	GEN 6895	OETZEL-HARTMAN GROUP	15,000.00
11/21/2011	GEN 6896	DISCOUNT CARPET WAREHOUSE	4,103.21
11/21/2011	GEN 6897	GREGORY LEE MCKAY LLC	2,100.00
11/21/2011	GEN 6898	COMPLETE MASONRY & CONSTRUCTION	785.00
11/21/2011	GEN 6899	COHL, STOKER & TOSKEY, P.C.	1,982.41
11/21/2011	GEN 6900	CEDAM	1,100.00
11/21/2011	GEN 6901	DBI BUSINESS INTERIORS	84.67
11/21/2011	GEN 6902	TOSHIBA FINANCIAL SERVICES	197.86
11/21/2011	GEN 6903	INGHAM COUNTY TREASURER	13,203.35
11/21/2011	GEN 6904	INGHAM COUNTY HEALTH DEPARTMENT	1,439.25
11/21/2011	GEN 6905	SAM'S CLUB	70.00
11/21/2011	GEN 6906	ETC	245.00
11/21/2011	GEN 6907	AD'VANTAGE CLEANING	101.60
11/21/2011	GEN 6908	WOODWORKS & DESIGN CO.	857.00
11/21/2011	GEN 6909	VET'S ACE HARDWARE	10.26
11/21/2011	GEN 6910	RBK BUILDING MATERIALS	851.48
11/21/2011	GEN 6911	AMERICAN RENTALS INC.	88.00
11/21/2011	GEN 6912	HAZEN LUMBER, INC.	2,516.07
11/21/2011	GEN 6913	GRANGER LANDSCAPE SUPPLY	25.00
11/21/2011	GEN 6914	MARK'S LOCK SHOP INC	255.00
11/21/2011	GEN 6915	MPC CASH-WAY LUMBER	415.50

11/21/2011	GEN 6916	THE SHERWIN-WILLIAMS CO.	185.85
11/21/2011	GEN 6917	STANDARD ELECTRIC COMPANY	277.27
11/21/2011	GEN 6918	J & M HAULING	6,625.00
11/21/2011	GEN 6919	MICHIGAN PLUMBING	292.00
11/21/2011	GEN 6920	DICK CORTRIGHT	908.00
11/21/2011	GEN 6921	SCHUMACHER'S FOUR SEASONS	4,905.00
11/21/2011	GEN 6922	EARTH TONES LANDSCAPING INC	1,118.00
11/21/2011	GEN 6923	RIZZI DESIGNS	4,564.40
11/21/2011	GEN 6924	HOME DEPOT CREDIT SERVICES	480.32
11/21/2011	GEN 6925	AMO INSPECTIONS & APPRAISALS	1,750.00
11/21/2011	GEN 6926	KARL FOFANA	624.70
11/22/2011	GEN 6927	DBI BUSINESS INTERIORS	75.47
11/22/2011	GEN 6928	GREATER LANSING HOUSING COALITIOI	1,978.75
11/22/2011	GEN 6929	AD'VANTAGE CLEANING	151.80
11/22/2011	GEN 6930	KEBS, INC.	2,400.00
11/22/2011	GEN 6931	DENNIS GRAHAM	169.27
11/22/2011	GEN 6932	RED CEDAR CONSULTING, LLC	298.00
11/22/2011	GEN 6933	ROGER L DONALDSON, AIA P.L.C	2,011.00
11/22/2011	GEN 6934	EARTH TONES LANDSCAPING INC	2,522.00
11/22/2011	GEN 6935	ORACLE RESIDENTIAL SERVICES LLC	275.00
11/22/2011	GEN 6936	THERMAL INSPECTION SERVICE LLC	100.00
11/22/2011	GEN 6937	LAWN SPRINKLERS SALES,SERVICE & D	925.00
11/22/2011	GEN 6938	DEMAND INDUSTRIAL, LLC	34,100.00
11/22/2011	GEN 6939	NORTHERN HOME IMPROVEMENT	36,240.00
11/22/2011	GEN 6940	GRACE AT HOME	14,597.50
11/22/2011	GEN 6941	THOMAS J KRYCINSKI BUILDERS	23,577.00
11/22/2011	GEN 6942	METRO DEVELOPMENT CORP.	42,138.17
11/22/2011	GEN 6943	LJ TRUMBLE BUILDERS	96,312.00
11/22/2011	GEN 6944	HOMEVIEW IMPROVEMENTS	36,968.00
11/22/2011	GEN 6945	NORSHORE BUILDING INC	4,488.00
11/22/2011	GEN 6946	TURN KEY HOME IMPROVEMENT	20,450.50
11/22/2011	GEN 6947	CHARLES L THERRIAN BUILDER	8,474.00
11/22/2011	GEN 6948	SC SERVICES ENVIRONMENTAL	43,286.50
11/22/2011	GEN 6949	INGHAM COUNTY TREASURER	271,571.49
11/22/2011	GEN 6950	JOSEPH E ROBIADEK	382.40

TOTAL OF 141 Checks:

1,401,779.12

**INGHAM COUNTY LAND BANK AUTHORITY**  
**STATEMENT OF NET ASSETS**  
**STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS**  
**OCTOBER 31, 2011**

Assets

Cash	\$ 66,401.18
Accounts Receivable	12,398.86
Land Contract Receivable	1,518,889.51
Land Contract Interest Receivable	22,762.12
Land Contract Escrow	16,866.42
Acquisition Account Earnest Deposit	5,000.00
Notes Receivable	361,078.24
Specific Tax Receivable	4,390.41
Specific Tax Receivable-Prior Year	3,414.87
OCOF Nonprofit Receivable	9,127.21
Ingham County Receivable-General	4,073.91
NSP1 Lansing City Receivable	38,294.81
Lansing City Receivable-General	301.00
NSP County Receivable	35,298.32
MSHDA Receivable	57,685.00
Home Receivable	5,402.23
Inventory	<u>3,760,794.99</u>
Total Assets	\$5,922,179.08

Liabilities

Notes Payable	
PNC Bank	3,790,000.00
Due to Ingham County	613,698.61
Rental Deposit	11,726.25
Good Faith Deposits	1,500.00
Land Contract Escrow	<u>10,001.45</u>
Total Liabilities	\$4,426,926.31

Retained Earnings \$1,705,078.08

Total Net Assets \$ (209,825.31)

STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
OCTOBER 31, 2011

Revenues

Property Sales	1,492,410.88
Brownfield Revenue	1,598,437.23
NSP1 Lansing City Revenue	886,078.25
NSP2 Lansing Reinvestment	199,900.39
NSP2 MSHDA Adm. Fee Revenue	54,635.99
NSP2 MSHDA Revenue	3,435,199.00
NSP2 Program Income	89,000.00
NSP County Revenue	4,124.53
Specific Tax Revenue	14,852.77
Garden Project Revenue	40.00
Property Maintenance Revenue	1,500.00
Revenue Transfer	250,000.00
Home Revenue	78,201.36
Donations	20.00
Interest Income	89,089.29
Rental Income	25,950.00
Development Fee Income	179,455.07
Late Fee Revenue	889.64
Miscellaneous Income	405.23
Youth Build Revenue	<u>21,173.95</u>
Total Revenue	\$8,421,363.58

Operating Expenses

Cost of Land Sold	3,031,441.25
Supplies	10,455.84
Audit Fee	8,500.00
Communication	3,841.20
Security	400.52
Memberships	1,238.00
Rent Expense	7,800.00
Equipment-Small Purchase	4,049.00
Postage	1,282.75
Recording Fees	10.00
Seller Concessions	3,369.77
Media	18,195.83
Housing Counseling	300.00
Interior Staging	7,591.92
Renovation	8,468.87

## Operating Expense Continued

Consultants	21,787.45
Bank Fees	260.84
Legal	7,674.20
Contractual Service	68,921.75
Software	1,191.42
Bicycle Share Program	3,181.13
Travel	7,756.23
Professional Training/Conference	1,230.70
Job Creation	375.00
Payroll Reimbursement	87,123.38
Americorp Member	7,270.00
Employer Tax Liability	5,472.74
Payroll Service	461.05
Workers Compensation	3,629.06
Utilities	1,870.63
Building Maintenance	14,022.03
Lawn/Snow	1,275.00
Brownfield Debt Expense	119,068.76
Interest Expense	46,587.35
Land Contract Default	201,871.74
Garden Project	10,825.17
HOME Lansing City	14,383.59
NSP1 Lansing City	1,039,470.98
NSP Ingham County	6,272.01
NSP II	3,763,261.38
NSP2 Program Income Expense	<u>89,000.35</u>

Total Expense \$ 8,631,188.89

Total Net Assets, end of period \$ (209,825.31)