



Leelanau County Government Center

Leelanau County Land Bank Authority (LC-LBA)

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

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

NOTICE OF MEETING

The Leelanau County Land Bank Authority (LC-LBA) will
meet **On Tuesday January 21st, 2020 at 9:00 am**
at the
Leelanau County Government Center

DRAFT AGENDA

PLEASE TURN OFF ALL CELL PHONES

PLEDGE OF ALLEGIANCE

CALL TO ORDER

Welcome new member Dan Heinz

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES: December 17, 2019 **pgs 2-8**

PUBLIC COMMENT

➤ UNFINISHED BUSINESS

➤ DISCUSSION/ ACTION ITEMS

1. Appointment of 2020 Treasurer and Secretary for LBA
2. Recommendation to County Board for member **pgs 9-18**
3. Review and Adopt 2020 Meeting Schedule **pg 19**
4. Review of bids for Marek property **pgs 20-27**
5. Review working agreement and schedule closing on Flaska property **pgs 28-31**
6. Authorization to remove Mark Walter from Chemical Bank Signature Card
7. Any other business

CLAIMS & ACCOUNTS

POST AUDIT **pg 32**

CORRESPONDENCE/COMMUNICATION ITEMS

PUBLIC COMMENT

MEMBER COMMENTS

CHAIRPERSON COMMENTS

ADJOURN

Members

Treasurer John A. Gallagher III – Chair
Trudy Galla - Secretary
Randy Harmson - Treasurer
Rick Foster
Dan Heinz
Chet Janik
Patricia Soutas-Little

A regular meeting of the Leelanau County Land Bank Authority was held on Tuesday, December 17, 2019 at the Government Center.

CALL TO ORDER

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

ROLL CALL

Members Present: J. Gallagher, T. Galla, R. Harmson, C. Janik, P. Soutas-Little, M. Walter
Members Absent: R. Foster (prior notice)
Public Present: Robert Reamer, Chris Frey, Jeff Hawkins, Wendy Irvin, Nate Kalchik, Eric DePetro, Dennis Bushey

Approval of Agenda

Gallagher requested the following late agenda items to be added: #7 under Action items – Resolution 2019-01, honoring Mark Walter; #8 TC Whiskey engagement; #9 – Other Business; and one item for post audit.

Motion by Janik, seconded by Harmson to approve the agenda as modified. Motion carried 6-0.

Approval of November 19, 2019 Minutes

Harmson said bottom of page two should state ‘\$85,000’ and there are some spelling corrections on pages 4 and 5.

Motion by Soutas-Little, seconded by Janik to approve the minutes as corrected. Motion carried 6-0.

Public Comment

Frey stated the Land Bank deserved an update on the Leelanau REACH four-home project in Northport that you made an investment in. You disbursed the money to REACH several months ago. All infrastructure is in now except sewer system. Homes are underway, siding is going on, roofs and windows are completed. There is a purchase offer on 1 home, with 3 more to sell. They are looking at occupancy in early spring of 2020. We (REACH) have all permits finally in place including from EGLE for the community sewer system. They are closing on our large construction loan this Thursday. Gallagher requested members to direct potential buyers to him.

Soutas-Little asked why there are problems selling the homes? Frey said we may be caught in national trend for 1st time buyer and acquisition that is at an all-time low for decades. Debt is another reason especially college debt. We know of at least one applicant that could not pass for a mortgage because of student loan debt. There is a lower demand than what we might have anticipated. We will get them all sold.

Unfinished Business

Appraisal of Maple City property - presentation and Q&A with Robert Reamer

Gallagher started the conversation by reminding everyone Mr. Reamer was asked by the Land Bank Authority to come here today because there is a discrepancy between the 2 appraisals received on the property in Maple City.

Reamer said he could not comment on the other appraisal, and he has also not seen it. (Gallagher handed him a copy). Reamer said he wrote his appraisal based on request from Deb Brown at Home Port Network. He has completed over 75,000 appraisals in seven counties around Traverse City. That process follows multiple things including looking at property and at zoning. The next process is to look at any transfer of ownership or sales within first 3 years. As appraiser he is obligated to report the market, not make the market. Driving factor is first thing is you look for same comparable sales in same municipality. For this property, there were none. Then you look at highest and best use. He looked at zoning and felt 1-4 residential category of zoning was highest and best use and would derive the highest value. Then you find most comparable sales you can. He found one in empire that was most similar in Leelanau County and sold for \$85,000. There is a difference between Empire and Maple City but

this was the best he could find. Then, you look at how do you value the fact that that it could be used for more than single family residential. Then he looked to Traverse City and Grand Traverse County. He adjusted for locations and had some different values. He arrived at the value.

Gallagher summarized what Reamer stated. Gallagher said we received another appraisal of \$44,000 and that is a significant discrepancy between the two. This body is trying to understand those different discrepancies on those lots. Reamer explained surplus land versus excess land and how those can be valued. This property can be split and sold separately so falls in the category of excess land, not surplus land. Appraisers can differ in opinion of whether excess land should be discounted or not. Surplus land is always discounted. Excess land can or cannot be. In his case, he did not discount it. He said demand is shown for additional homes. With regard to the other appraisal, he said it would be unprofessional of him to analyze it.

Gallagher asked if it was possible there was consideration of the location that discounted the other appraisal, because Maple City is smaller with less amenities and in the middle of the county vs. Empire which is a more developed tourist area. Reamer said that thought went through his mind. As an appraiser, he offers unbiased opinion. Empire has beach, it is driven more by tourism and more year-round residents. That's why he thought it was important to find a similar property for comparison. The \$60,000 offer you've mentioned is a fair amount. Janik thanked Reamer for the nice overview.

Harmson said he had a problem reconciling economics and the value in Long Lake area. It is closer to Traverse City and probably pricier than what you find in Maple City. How far does the circle around property you are appraising getting drawn? Perhaps there is something in Benzie County that might correlate closer to this Maple City property. Reamer replied that location is always the most important thing. Empire was the closest in Leelanau County for comparable. You go as far as you need to go. Most residential does not allow 2 units. Then you have a small pool that allows 2 family use. He believed the Long Lake property was a superior location to Maple City so he adjusted by 10%. Should it be adjusted by 20 or 30%? Appraising is not exact science like accounting. Discount could have been higher.

Soutas-Little noted Reamer has been in this field for 41 years and asked if he had developed an algorithm to use for analyzing differences in buyer location, geography, etc. Reamer replied, no. He has taken a lot of different courses. You are constantly logging in your mind how buyers react. He does log everything he appraises and he goes back and looks at what it actually sold for. His number one work is non-mortgage work. He is constantly analyzing his analyses before and after and how long it was on the market. He tracks that and when he misses it, he looks back at his accuracy. His accuracy is 98% so he is within 2% of what the properties sell for. Could this appraisal be off 10 or 20%? Sure, because we don't have the data. It comes down to a lot of subjective opinion based on experience.

Walter thanked Reamer for his explanation. When you draw the circle, Long lake and Maple City are in that circle. It's buyer's decision what they are willing to spend. He appreciated Reamer coming in and taking the time as Walter now understands it more. Reamer replied that it is not an easy process – it is confusing.

Discussion/Action Items

Flaska Counter Offer and Review of Appraisals

Gallagher said the Delaplante appraisal was for \$44,000. That is what we offered to Flaska's and they rejected it. The 2nd appraisal was \$85,000. The Flaska's countered with \$60,000 plus a letter of donation between the selling price and the total appraisal. If we can put 6 units on this property at \$10,000 per unit for land cost that would be our investment. Habitat for Humanity can do a letter of contribution for the difference between \$60,000 and \$85,000.

Janik asked for clarification and stated we could go into closed session on property purchase if the Land Bank wishes. There was no indication by members to go into closed session.

Wendy Irvin from Habitat remarked that they have an interest in partnering on this project. Gallagher said the funds would come from Fund 001, closing would be in February and we have a trusted partner in Habitat for Humanity.

Members questioned the dates and due diligence on the offer and suggested those be updated, if necessary.

It was moved by Walter, seconded by Janik, to present the offer to Flaska's in the amount of \$60,000 with the letter of donation from habitat for Humanity and changes as noted with regard to dates and due diligence.

Janik asked for clarification on ownership and Gallagher replied it would be a joint purchase. Land Bank funds \$60,000 contingent on Habitat for Humanity board approval and letter of contribution for the difference in price. We will establish a contractual agreement drafted by Corporate Counsel, and Habitat for Humanity will have to agree to it. Janik asked about due diligence and requested that be clarified in our offer.

It was moved by Janik, seconded by Soutas-Little to amend the motion to add 'pending legal review and approval' and adding #4 to the counteroffer (page 12 of agenda packet) 'and subject to buyer's due diligence period'.

Soutas-Little appreciated the offer of \$60,000 from Flaska's and Reamer's explanation of the appraisal. When Reamer said he could be off some, it means that price could be brought down below the \$85,000 and we are looking at \$60,000. She wanted to see this project move forward. Walter noted our skin in the game is \$60,000.

Gallagher noted zoning administrator Tim Cypher has said multiple units are allowed on this piece. Janik asked Irvin if Habitat for Humanity could meet the February 7 date for a closing and she replied, yes.

Amendment to the Motion carried on a voice vote of 6-0.

It was moved by Janik, seconded by Harmson, to amend the motion to add 'our counteroffer must be accepted by January 14'.

Amendment to the Motion carried on a voice vote of 6-0.

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

Gallagher asked representatives from Habitat for Humanity for an update on the Madison St. property.

Nate Kalchik from Habitat for Humanity said they had struggles with the planning commission in Suttons Bay which stalled their proposed duplex development in the Village. They are still trying to get the building demolished and just received a quote for demolition work. They are worried that only a single home on the site would put the cost higher than what they were considering for affordable housing. They are trying to be creative but so far, nothing has happened.

Soutas-Little asked if this body could help any with the zoning and Kalchik replied they were caught off guard the Village was not going to support a duplex. It is on the edge of residential and commercial and along an alley. They said it didn't fit their zoning and they were not willing to amend the zoning. Gallagher remarked there was a petition solicited around the community that was signed that they did not want the duplex to go forward. Kalchik replied the petition was also misleading as it said there would be rentals and this was for 2 homes. How much more effort and resources do we put into this?

Members discussed income levels to qualify for affordable housing and zoning issues.

Gallagher responded to Soutas-Little and said if you go back 12-18 months, Gallagher approached the village and there was deed restriction on the property for single family. Additionally, Galla, Egan and Gallagher were present

at those meetings to try and acquire the property because village had acquired it with the plan for a parking lot. We said we could put housing on it to help community. Gallagher asked with demolition would occur and Kalchik replied they would like to do it by spring and get the lot ready.

Empire home sale completion

Gallagher noted Galla should have all the accolades for getting this done. She stepped forward and took control and made this sale occur after many delays and problems with others being involved. We have sold the property and received the funds. Galla said the final kicker in all this was when she received the email after the sale that the bank mailed our check to the wrong title company and there would be a delay in the Land Bank getting its sale proceeds.

Marek Road Discussion

Gallagher reported he went through quiet title on this property. Previous owners were challenging foreclosure on the site. He took it to court, presented evidence and we were granted quiet title of the property. He would like to release a request for proposals for this 2.67 acres 1 mile east of 204. There is a mini-home 10'x15' on it with a deck. No known contamination or other use.

Walter asked about zoning and Gallagher said it is zoned for single family home but there are options to present to the local planning commission to get 2 duplexes on the property through special land use permit. It will be up to the developer to pursue. Currently, 1 single family home is allowed under the ag/residential zoning. He received clarification from zoning administrator Steve Patmore that a special use permit could be applied for to modify use of the property. He asked if the Land Bank wanted to engage Habitat for Humanity on this project, or go out for proposals to local housing organizations?

Motion by Janik, seconded by Walter, to direct Chairman Gallagher to enter into discussions with all non-profits involved in housing in this area with regard to this property, and bring back proposals in January.

Harmson asked if we are required to do an RFP (Request for Proposals) and Gallagher replied, no – the Land Bank has authority to dispose of property in any way it chooses.

Motion Carried 6-0.

Budget Amendment approval

Gallagher requested approval for Leelanau County Treasurer and Chair of the Land Bank to make any and all necessary amendments for 2019 budget.

Motion by Janik, seconded by Walter to direct John Gallagher as Chairman to work with the Treasurer's office and make any and all necessary amendments for the 2019 budget. Motion Carried 6-0.

Review of Financials - Cornerstone Project

Gallagher spoke on the Cornerstone project that was brought to this board last month. In his opinion, the proposal does not meet our true objectives with hitting the area income for housing. They were asking for \$50,000 partnership contribution for 1 single family home with comparison to \$60K for 6 that we are planning in Maple City. Our money and resources are better suited with working with non-profits, as compared to for profits. They are building market rate housing. Habitat for Humanity goes in with focus for affordable housing which we are helping subsidize. Gallagher would like to send a letter to Mr. Send of Cornerstone acknowledging his presentation, and a thank you for consideration, however the Land Bank will not pursue a partnership at this time.

Soutas-Little felt that have to find the ability to work with for profit builders, some way, somehow. She was wondering if there was some counter offer we could make to Cornerstone. They do affordable housing in the Traverse City area and she liked having affordable housing mixed in with the neighborhood instead of sitting off in an isolated area. She felt there were a lot of pluses in the package and rather than dismissing it altogether, we could

look at other options. Let's explore it so we can make initial foray into some kind of partnership with a private contractor who has inclination to move in that direction, rather than cutting it off at this time.

Janik questioned if it was a partnership as they want \$50,000 toward 1 home but he did not hear that the real estate agent or the developer were lowering any of their costs. If it is partnership to lower the cost of one of the homes, the realtor could give in some of their costs, developer could lower some cost and give tax donation. It has happened before. Soutas-Little suggested a response back to the develop with some of those suggestions. Janik suggested Gallagher inform them we are interested in other suggestions, for a true partnership and ask them to come back with options.

Galla felt this was a token offer for one home to be considered affordable in the development but the cost was not coming down that much.

Walter stated he had to leave the meeting for another commitment.

Gallagher announced that the Land Bank wanted to recognize Walter's hard work on this board, the Brownfield and all other boards throughout the years. Gallagher read Resolution 2019-01.

It was moved by Janik, seconded by Galla, to adopt Resolution 2019-01.

Roll Call Vote:

Gallagher – Aye

Galla – Aye

Harmson – Aye

Janik - Aye

Soutas-Little – Aye

Walter – Aye

Motion carried 6-0.

Walter thanked members and exited the meeting.

Frey added a couple of comments and noted he was not hear to represent Cornerstone. He thought what they presented was a mirror back of what they were told, not necessarily these additional comments, all legitimate, of guidance for them regarding public perception on the TIF and the 5/50 (same thing). In other states, in resort communities, it is very common to partner with for profit developers and you carve off a portion of the development and you develop mixed use or town home site. He commented on the Land Bank work with REACH on the 4 homes in Northport as well as working with Habitat for Humanity. He hoped the Land Bank could figure out and crack this nut as the Land Bank can really assist with housing. He happens to believe Empire is the right place for something to happen. You need to figure this out. Hawkins added that Jim Tischler of the MI Land Bank will be here in January and can explore these options. And, consider use the Brownfield and the Land Bank to capture all the TIF on sites.

TC Whiskey

Gallagher updated members that he, Galla and Hawkins have met with representatives of TC Whiskey to discuss their project. They are working on an engagement letter with Hawkins to assist their work. They have done Phase I and Phase II on property and those require an update. The owners are interested in working with the Land Bank and Gallagher said a similar approach with ownership of the property could be done, as we have done with the REACH property in Northport. Intent is to bring this forward and draft a brownfield plan by Envirollogic, present to township and LCBRA and county board for consideration.

Members discussed capture of TIF and ownership.

Gallagher said he wished to engage with Corporate Counsel on a review of a Warranty Deed to get this going, and for the Chair to sign on behalf of the Land Bank to enter an agreement with TC Whiskey for a specified sum, subject to brownfield plan approval.

Janik questioned the urgency and when TC Whiskey was first contacted. Gallagher said they were in discussions about 3 months ago. Janik said they have been working on this for a long time and it has been in the papers for a long time. Galla noted there was no downside if we did not act on this. The downside is for them because the property does not come off the tax rolls this year if we don't enter into some ownership with them.

Hawkins said timing is always important as to when the value comes of the rolls and ability to capture the difference. They are still trying to get all their approvals. Janik said they are asking for our approval and everything on their side is verbal. They have not submitted an application to the Brownfield yet.

Galla asked about liability if we take some ownership. Hawkins said you will need a Phase I to protect yourself. You are not exempt from liability as this is a voluntary acquisition, not an involuntary acquisition.

Gallagher noted the work that has been done already with brownfield plans in the township, and ordinance changes to allow spirits distribution center in the township. This will be a \$15-\$20 million project for Elmwood Township.

Members felt it was prudent to wait until January. We have to treat them the same as everyone else. We need paperwork in place first.

Harmson wanted TC Whiskey to come in and talk about their project, the market, etc.

Hawkins added there may be other incentives to explore on this project, not just Land Bank and Brownfield. There may be MEDC or other incentives that might be a better fit for them. That needs to be explored. We have not seen construction plans. We have had discussions on utilities and there are some significant costs.

Gallagher added that hopefully we will have a better idea of the project by January meeting.

Claims & Accounts

None.

Post Audit

Motion by Soutas-Little, seconded by Janik to approve Post Audit in the amount of \$500 – reimbursement of deposit for the Empire home sale. Carried 5-0.

Public Comment

Frey commented this was all exciting stuff. We have blighted buildings and abandoned commercial in the county. He encouraged the Land Bank to start dialogue for creating framework of what the opportunities are for these sites. Some of these are difficult structures to figure out what to do with them. Have a strategic discussion on how to put the word out and figure out how all these opportunities can work. You need a more consistent message. He added it was wonderful to see the proposed 6 units in Maple City and said we haven't figured out the rentals yet. He suggested a strategic discussion on how the Land Bank can work on that and create rental units. It is a very significant missing demand in this county.

Member Comments

Soutas-Little thanked Gallagher for looking at opportunities for housing.

Galla reminded members of the January 21 session with Jim Tischler and Jeff Hawkins.

Chairman comments

Gallagher commented on PILOT (payment in lieu of taxes) and said the Land Bank can not be the only outlet. Development for rental units needs subsidies. We are competing with local jurisdictions to help subsidize properties and developer is not equipped, educated, or aware of what a PILOT project can do. It is a whole different avenue of education this body can embrace and maybe create a document or a training session. Our local municipalities do not understand these and are afraid of them or afraid of losing tax base and what it will do to community.

Developers that are familiar with them are in bigger areas like Grand Rapids. We can help through PILOT rather than through TIF or Brownfield plans and have local communities put some skin in the game. Right now, we have not had that.

Motion by Janik, seconded by Harmson to adjourn.

Meeting adjourned at 10:48 am.

DRAFT

Leelanau County
Appointment Application to Boards/Commissions/Committees/Authorities

The Leelanau County Board of Commissioners is committed to seeking qualified and interested citizens to participate in public service through appointment to various Boards/Commissions/Committees/Authorities. To be considered for an appointment, a citizen must be a resident of Leelanau County, a registered voter of Leelanau County, and must have an application on file in the Administrator's Office. Applications will expire four (4) years from the issue date.

Please type or print legibly

| | | | |
|--------------------|--|-------|----------|
| Name: | Richard C. Isphording | Date: | 10/14/19 |
| Address: | 8092 NORTH INDIAN CAMP ROAD, NORTHPORT, MI 49690 | | |
| Occupation: | RETIRED | | |
| Daytime Telephone: | | | |
| Email Address: | | | |

- 1. Are you a resident of Leelanau County? Yes No
- 2. Are you a registered voter of Leelanau County? Yes No

Township or Village: Select One NORTHPORT

- 3. Can you regularly attend scheduled meetings? Day: Yes No
Evening: Yes No

4. State your understanding of citizen involvement on Leelanau County Boards, Commissions, Committees, and Authorities (use page 4 if you need additional space).

To protect and improve the quality of life for our fellow citizens.

5. What are your qualifications for appointment?

Please see ATTACHED - cover letter and Resume!

6. Please indicate below with an X any/all Boards/Commissions/Committees/Authorities you are willing to serve on. Please place two Xs on the one(s) you feel strongly about:

| | X | Board/Commission/Committee/Authority | Have you served on this board in the past? Give dates. |
|----|-----|--|--|
| 1 | | Area Agency on Aging of Northwest Michigan (AAA) (1 member / 2 year terms) | |
| 2 | | Bay Area Transportation Authority (BATA) (2 members / 3 year terms) | |
| 3 | | Benzie-Leelanau District Health Department Board of Health (3 members / 2 year terms) | |
| 4 | | Benzie-Leelanau Environmental Health Board of Appeals (3 members / 2 year terms) | |
| 5 | X | Brownfield Redevelopment Authority (BRA) (7 members / 3 year terms) | |
| 6 | | Construction Codes Authority Board of Appeals (5 members / 5 year terms) <i>Specify the category(ies) AND list your qualifications under question #5: Select One</i> | |
| 7 | | Michigan Department of Health and Human Services (DHHS) (2 members / 3 year terms) See Agency-specific application. | |
| 8 | X | Land Bank Fast Track Authority (LBA) (7 members / 3 year terms) | |
| 9 | | Northern Lakes Community Mental Health Authority (CMH) (2 members / 3 year terms) | |
| 10 | | Northern MI Regional Entity (NMRE) Substance Use Disorder Services Policy Oversight Board (1 member / 3 year term) | |
| 11 | | Northwest Michigan Community Action Agency (NMCAA) (1 member / 3 year term - COMMISSIONER APPOINTMENT) | |
| 12 | | Northwestern Regional Airport Commission (NRAC) (2 members / 3 year terms) | |
| 13 | XX | Parks & Recreation Commission (P & R) (10 members / 3 year terms) | |
| 14 | XXX | Planning Commission (PC) (11 members / 3 year terms) <i>Specify category(ies) you qualify for AND list your qualifications for each category under question #5: Select One</i> | |
| 15 | X | Soil Erosion, Sedimentation and Stormwater Runoff Control Ordinance Board of Appeals (SESSRC) (5 members / 3 year terms) | |
| 16 | X | Solid Waste Council (SWC) (14 members / 2 year terms) <i>Specify category(ies) you qualify for AND list your qualifications under question #5: Select One</i> | |
| 17 | | Veterans Affairs Administrative Committee (VA) (1 member / 2 year term - must be a Veteran) | |
| 18 | | Workforce Development Board (WDB) (2 members / 2 year terms) <i>Must apply with Agency specific application only.</i> | |

7. List references and contact information (minimum of two):

Reference #1

BRAD JACOBSEN (FORMER MI STATE REP. NOW MI
508 JANVIEW DRIVE LIQUOR CONTROL JUDGE
P.O. BOX 250
OXFORD MI 48391

BRUCE JACOBSEN
1019 WALTON COURT
LAKE ORION, MI 48360

Reference #2

TOM OEHMKE
JOAN BROVINS
11997 CAMP HAVEN ROAD
NORTHPORT, MI 49690

8. Are you available to attend an Open Meetings Act Training Session and a Freedom of Information Act Training Session during your first year of appointment?

Yes No

9. Are you willing to consent to a Background Investigation?

Yes No

10. Signature: Michael C. Jephson

Leelanau County Appointment Application to Boards/Commissions/Committees/Authorities

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Please type or print legibly

| | |
|---|----------------|
| Name: ERIC WINKELMAN | Date: 06/28/17 |
| Address: P.O.BOX 451, GLEN ARBOR MI 49636 | |
| Occupation: BUSINESS AND FINANCIAL CONSULTANT | |
| Daytime Telephone: ----- | |
| Email Address: ----- | |

- 1. Are you a resident of Leelanau County? Yes No
- 2. Are you a registered voter of Leelanau County? Yes No

Township or Village: Glen Arbor Township

- 3. Can you regularly attend scheduled meetings? Day: Yes No
Evening: Yes No

4. State your understanding of citizen involvement on Leelanau County Boards, Commissions, Committees, and Authorities.

We are Leelanau County, citizen appointees to various boards, commissions, committees, and/or Authorities to both aid and help the County Board fulfill its numerous responsibilities to primarily to the citizens of this county, then the State of Michigan, and finally where applicable, the federal government.

5. What are your qualifications for appointment?

Currently serve on the Leelanau County Planning Commission. Also served on same Commission 1996-2005, serving 2005 as its Chair. More recently served on the Brownfield Redevelopment and the Land Bank Fast Track Authorities for the county.

RECEIVED

JUL 13 2017

LEELANAU COUNTY
ADMINISTRATOR

6. Please indicate below with an X any/all Boards/Commissions/Committees/Authorities you are willing to serve on. Please place two Xs on the one(s) you feel strongly about:

| | X | Board/Commission/Committee/Authority | Have you served on this board in the past? Give dates. |
|----|----|--|---|
| 1 | | Area Agency on Aging of Northwest Michigan (AAA) (1 member / 2 year terms) | |
| 2 | | Bay Area Transportation Authority (BATA) (2 members / 3 year terms) | |
| 3 | | Benzie-Leelanau District Health Department Board of Health (3 members / 2 year terms) | |
| 4 | | Benzie-Leelanau Environmental Health Board of Appeals (3 members / 2 year terms) | |
| 5 | X | Brownfield Redevelopment Authority (BRA) (7 members / 3 year terms) | yes, 2008-2014 |
| 6 | | Construction Codes Authority Board of Appeals (5 members / 5 year terms) <i>Specify the category(ies) AND list your qualifications under question #5: Select One</i> | |
| 7 | | Michigan Department of Health and Human Services (DHHS) (2 members / 3 year terms) | |
| 8 | X | Land Bank Fast Track Authority (LBA) (7 members / 3 year terms) | Yes 2011-2014 |
| 9 | | Northern Lakes Community Mental Health Authority (CMH) (2 members / 3 year terms) | |
| 10 | | Northern MI Regional Entity (NMRE) Substance Use Disorder Services Policy Oversight Board (1 member / 3 year term) | |
| 11 | | Northwest Michigan Community Action Agency (NMCAA) (1 member / 3 year term) | |
| 12 | | Northwestern Regional Airport Commission (NRAC) (2 members / 3 year terms) | |
| 13 | | Parks & Recreation Commission (P & R) (10 members / 3 year terms) | |
| 14 | XX | Planning Commission (PC) (11 members / 3 year terms) <i>Specify category(ies) you qualify for AND list your qualifications for each category under question #5: Transportation</i> | Currently serve as the Transportation representative. I could also serve in the tourism category, because Glen Arbor is so tourism dependent. |
| 15 | | Soil Erosion, Sedimentation and Stormwater Runoff Control Ordinance Board of Appeals (SESSRC) (5 members / 3 year terms) | |
| 16 | | Solid Waste Council (SWC) (14 members / 2 year terms) <i>Specify category(ies) you qualify for AND list your qualifications under question #5: Select One</i> | |
| 17 | | Veterans Affairs Administrative Committee (VA) (1 member / 2 year term) | |
| 18 | | Workforce Development Board (WDB) (2 members / 2 year terms) | |

7. List references and contact information (minimum of two):

Reference #1

John Gallagher, County Treasurer
Chet Janik, County Administrator

Reference #2

Skip Telegard Bluebird Restuarant , Leland Mi

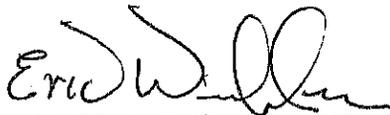
8. Are you available to attend an Open Meetings Act Training Session and a Freedom of Information Act Training Session during your first year of appointment?

Yes No

9. Are you willing to consent to a Background Investigation?

Yes No

10. Signature: _____



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| | |
|---|--------------------|
| Name: T Eftaxiadis | Date: June 4, 2019 |
| Address: 10321 South Endres Hill Court | |
| Occupation: "Semi-retired" Environmental & Redevelopment Consultant | |
| Daytime Telephone: | |
| Email Address: | |

- 1. Are you a resident of Leelanau County? Yes No
- 2. Are you a registered voter of Leelanau County? Yes No

Township or Village: Select One

- 3. Can you regularly attend scheduled meetings? Day: Yes No
Evening: Yes No

- 4. State your understanding of citizen involvement on Leelanau County Boards, Commissions, Committees, and Authorities (use page 4 if you need additional space).

Please see Attachment 1.

- 5. What are your qualifications for appointment?

Have served as Brownfield redevelopment consultant to BRAs and private development entities throughout Michigan for over 20 years. Have served as environmental consultant since 1978 for municipalities, manufacturing, real estate development and construction firms, including employment by MDEQ/MDNR and environmental engineering firms. Currently serve as the environmental and redevelopment team member for the Grant Traverse Commons Brownfield historic restoration project. Have privately redeveloped the historic North Channel building in Manistee. Have served and/or I am currently serving in City and Township Boards of Review (Manistee, Handy and Elmwood Twp.), Planning Commissions (Handy Twp.), County Board of Public Works (Livingston). Current Manistee DDA Executive Board member.

See Attachment #1 Page 4

6. Please indicate below with an X any/all Boards/Commissions/Committees/Authorities you are willing to serve on. Please place two Xs on the one(s) you feel strongly about:

| | X | Board/Commission/Committee/Authority | Have you served on this board in the past? Give dates. |
|----|---|---|--|
| 1 | | Area Agency on Aging of Northwest Michigan (AAA) (1 member / 2 year terms) | |
| 2 | | Bay Area Transportation Authority (BATA) (2 members / 3 year terms) | |
| 3 | | Benzie-Leelanau District Health Department Board of Health (3 members / 2 year terms) | |
| 4 | | Benzie-Leelanau Environmental Health Board of Appeals (3 members / 2 year terms) | |
| 5 | X | Brownfield Redevelopment Authority (BRA) (7 members / 3 year terms) | NO |
| 6 | | Construction Codes Authority Board of Appeals (5 members / 5 year terms) <i>Specify the category(ies) AND list your qualifications under question #5: Select One</i> | |
| 7 | | Michigan Department of Health and Human Services (DHHS) (2 members / 3 year terms) See Agency-specific application | |
| 8 | | Land Bank Fast Track Authority (LBA) (7 members / 3 year terms) | |
| 9 | | Northern Lakes Community Mental Health Authority (CMH) (2 members / 3 year terms) | |
| 10 | | Northern MI Regional Entity (NMRE) Substance Use Disorder Services Policy Oversight Board (1 member / 3 year term) | |
| 11 | | Northwest Michigan Community Action Agency (NMCAA) (1 member / 3 year term - COMMISSIONER APPOINTMENT) | |
| 12 | | Northwestern Regional Airport Commission (NRAC) (2 members / 3 year terms) | |
| 13 | | Parks & Recreation Commission (P & R) (10 members / 3 year terms) | |
| 14 | | Planning Commission (PC) (11 members / 3 year terms) <i>Specify category(ies) you qualify for AND list your qualifications for each category under question #5: Select One</i> | |
| 15 | | Soil Erosion, Sedimentation and Stormwater Runoff Control Ordinance Board of Appeals (SESSRC) (5 members / 3 year terms) | |
| 16 | | Solid Waste Council (SWC) (14 members / 2 year terms) <i>Specify category(ies) you qualify for AND list your qualifications under question #5: Select One</i> | |
| 17 | | Veterans Affairs Administrative Committee (VA) (1 member / 2 year term - must be a Veteran) | |
| 18 | | Workforce Development Board (WDB)(2 members / 2 year terms) <i>Must apply with Agency specific application only</i> | |

7. List references and contact information (minimum of two):

Reference #1

Jean Derenzy, Traverse City DDA Administrator

Reference #2

Ed Bradford, City of Manistee BRA Administrator

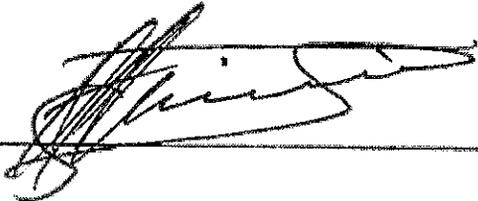
8. Are you available to attend an Open Meetings Act Training Session and a Freedom of Information Act Training Session during your first year of appointment?

Yes No

9. Are you willing to consent to a Background Investigation?

Yes No

10. Signature: _____

A handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to be "T. Eftaxiadis".

Attachment #1:

I am only addressing here the role of a Brownfield Redevelopment Authority (BRA) member. A BRA member reviews applications and/or BRA plans for redevelopment projects, discusses same with BRA Administrator and/or consultants, recommends action on BRA plans to County Board of Commissioners, formulates policies and procedures in consultation with BRA Administrator, acts on Brownfield TIF reimbursement requests, works with Administrator on applying for, and implementing State and/or Federal grants/loans, and deals with other redevelopments issues and programs as necessary and as allowed by statutes.

2020 PROPOSED MEETING SCHEDULE
for the
LEELANAU COUNTY LAND BANK AUTHORITY (LC-LBA)

John Gallagher, III, Chairman

Meetings on the 3rd Tuesday of every month at 9:00 a.m.

PLEASE DOUBLE CHECK MEETING DATES & TIMES ONLINE AT:

<https://www.leelanau.cc/lclbameetings.asp> - by looking at the posted agendas and agenda packets. Occasionally, meeting dates & times are changed.

| | MEETING DATE: |
|-------------------------------|-------------------------|
| Organizational Meeting | January 21, 2020 |
| Regular Meeting | February 18 |
| Regular Meeting | March 17 |
| Regular Meeting | April 21 |
| Regular Meeting | May 19 |
| Regular Meeting | June 16 |
| Regular Meeting | July 21 |
| Regular Meeting | August 18 |
| Regular Meeting | September 15 |
| Regular Meeting | October 20 |
| Regular Meeting | November 17 |
| Regular Meeting | December 15 |
| <i>Organizational Meeting</i> | <i>January 19, 2021</i> |

Meeting Location:

Leelanau County Government Center
Board of Commissioners Meeting Room
8527 E. Government Center Dr.
Suttons Bay MI 49682

Leelanau County Land Bank Authority
Request for Proposals (RFP)

Redevelopment of property owned by the County of Leelanau Land Bank Authority (LBA)

Leelanau County LBA is seeking proposals from Habitat for Humanity, and Traverse City Housing Commission, Homestretch and Leelanau REACH for property located at 525 N Marek Road, Suttons Bay MI 49682.

Background Information

The site is under the ownership of the Leelanau County Land Bank Authority (LCLBA), which is going to sell these properties. The property was foreclosed by the Leelanau County Treasurer and acquired through first right of refusal. The Land Bank Authority is looking for respondents to redevelop or re-utilize this property to create economic opportunity for the County of Leelanau and the region.

The site consists of an improved lot described as: PT NW 1/4 SEC 20 COM N 1/4 COR SD SEC TH S 01 DEG 03' W 1966 FT TO POB TH S 01 DEG 03' W 285 FT TH N 88 DEG 56' W 350 FT TH N 19 DEG 10' W 303.74 FT TH S 88 DEG 56' E 455.05 FT TO POB SEC 20 T30N R11W 2.63 A M/L

Proposal Overview

The following information must accompany your proposal:

- A. Executive Summary – 1 page or less summary of plan
- B. Identify and describe the developer including: corporate or business name, address, phone number, fax number, e-mail address, and name of the primary contact.
- C. Identify each person or entity involved in the project team.
- D. Anticipated type of ownership.
- E. Demolition or rehab. If demolition please identify plan.
- F. Content removal.
- G. Proposed time line for overall project.
- H. Proposed purchase price.

General Instructions

1. The proposal must be submitted in a sealed envelope marked, "Leelanau County LBA RFP" to the County Treasurer's Office, 8527 E. Government Center Drive, Suite 104, Suttons Bay, MI 49682 by 3:00 p.m. on Tuesday, January 14th, 2020 at which time they will be publically opened and read. The proposals will then be forwarded to the Land Bank Authority's Board. The Board will review the proposals and develop a list of finalists to interview. The applicants are responsible for ensuring that their proposal, however submitted, is received on time and at the location specified.
2. The Leelanau County Land Bank Authority Board reserves the right to reject any and all proposals, or any parts thereof, or to waive any informality or defect in any bid if it is in the best interest of the County of Leelanau. All proposals, plans, and other documents submitted shall become the property of Leelanau County. Responses to this RFP are considered public information and are subject to discovery under the Freedom of Information Act.
3. Respondents are responsible for their own expense in preparing, delivering or presenting a proposal, and for subsequent negotiations with the County of Leelanau, if any.
4. All questions may be directed to the County Treasurer, John A Gallagher III, 231-256-9838, or email at jgallagher@co.leelanau.mi.us.

Presentations

Presentations at public meetings may be required. Selected candidates may be asked to present their proposals Tuesday, January 21st, 2020.

Evaluation and Award Process

Issuance of this RFP and receipt of proposals does not commit Leelanau County Land Bank Authority to award a contract. The County reserves the right to postpone receipt date, accepting or rejecting any or all proposals received in response to this RFP, or to negotiate with any of the brokers/firms submitting an RFP, or to cancel all or part of this RFP.

Deadline Date

The proposal must be submitted in a sealed envelope and clearly marked, "Leelanau County LBA RFP" and forwarded to:

**Leelanau County Treasurer's Office
8527 E. Government Center Drive, Suite 104
Suttons Bay, MI 49682**

Due by 3:00 p.m. on Tuesday, January 14th, 2020.

LEELANAU



MAREK ROAD APARTMENTS

525 N. Marek Road Suttons Bay, Michigan, 49640

A 4-Unit Affordable Workforce Housing Project

Brief Project

Narrative: Homestretch Nonprofit Corporation, proposes to purchase a property from the Leelanau County Land Bank for \$5,000 plus the cost of relocating a structure for the development of a multi-family housing complex. We hereby plan to create a 4-unit permanent affordable housing project. This will require a zoning variance to double the allowed density but is not considered a significant change as the land area is just under the required acreage. Marek Road Apartments will serve the work force population with *all* the units at or below HUD published 60% HOME Program Rent Limits. We will require a due diligence period of approximately 270 days to assemble the funding package and to prepare the 2020 Pre-Application submission to the Federal Home Loan Bank and private Foundations Grant funding. The units will be placed in service by September of 2021.

Project: Marek Road Apartments

Developer/Owner: Homestretch Nonprofit Housing Corporation
400 Boardman Avenue, Suite 10, Traverse City, Michigan, 49684

Authorized

Applicant: Jonathan Stimson, Executive Director
Homestretch Nonprofit Corporation
400 Boardman Avenue, Suite 10, Traverse City, Michigan, 49684
231-947-6001
jon@homestretchhousing.org

Current Property

Ownership:

1. Leelanau County Land Bank Authority – John Gallagher
8527 E. Government Center Drive Suite 104
Suttons Bay, MI 49682

**Project
Team**

In addition to the owners, the following are part of the development team:

General Contractor: Homestretch Nonprofit Corporation

Property Manager: Homestretch Nonprofit Housing Corporation

Architectural Services: TBD

Engineering Services: TBD

Local Jurisdiction: Leelanau County Land Bank

Fundraising: Rotary Charities, FHLBI, LCN, Consumers Energy
Foundation, Private Donors and area Business Owners.

**Sources
& Uses:**

As of this application, the following is a true reflection of our Sources and Uses budget.

SOURCES

| | |
|-----------------------------------|---------------------|
| Financial Institution Loan | \$467,366.00 |
| FHLBI AHP | \$50,000.00 |
| Foundation/Grants | \$130000.00 |
| Deferred Developer Fee/Operations | \$48,000.00 |
| Fundraising | \$55,946.00 |
| TOTAL | \$753,549.00 |

USES

| | |
|-----------------------------|---------------------|
| Property Acquisition | \$15,000.00 |
| Pre-Development | \$30,000.00 |
| Construction | \$555,731.00 |
| Construction Interest/Costs | \$16,500.00 |
| Operating/Lease-up Reserve | \$16,257.00 |
| Developer Fee* | \$96,245.00 |
| Tax Escrow | \$23,816.00 |
| TOTAL | \$753,549.00 |

NOTES: Part or all of developer fee may be deferred on this project. This is a preliminary budget and is subject to change based upon availability of funding sources.*

Project

Timeline: The following reflects our estimated timetable to complete this project.

| | |
|----------------|---|
| October 2020 | Due Diligence and feasibility period ends |
| November 2020 | Construction Begins |
| August 2021 | All Construction Completed |
| September 2021 | Final Lease Period Completed |

Rent

Matrix: The following represents the rent determination on a per unit basis. It is important to note that the monthly rents do not included an estimated utility allowance taken from the MSHDA Utility Schedule for Region B.

Actual rents collected will be \$790.00 to \$900.00 per month respectively. We are including the most recent rent and income limits published for your county as a reference.

| UNIT DESCRIPTION | No. of UNITS | UNIT SIZE | UTILITIES | MONTHLY RENT | ANNUAL REVENUE |
|------------------------------|--------------|-----------|-----------|--------------|----------------|
| 2 Bedroom/1.5 Bath - 60% AMI | 2 | 900 | \$ 211 | \$ 790 | \$18,960.00 |
| 3 Bedroom/1.5 Bath - 60% AMI | 2 | 968 | \$ 234 | \$ 900 | \$ 21,600.00 |
| Total | 4 | | | | \$ 40,560.00 |

Other

Notes: We have developed this proposal based on a Residential Target Market Analysis of Annual Market Potential for Leelanau County in the year 2020. That a high demand exists for affordable rental housing in the Village of Suttons Bay, we recognize a portion of the units will be filled by tenants that work outside of the village. Tenant selection will be solely based on income limitations and no further criteria has been stipulated other than those required by Fair Housing Rules. As evidenced by the study, this development will target the two primary markets with income ranging from \$34,560 to \$38,880:

- Senior rental housing
- Workforce rental housing

The lack of Public utilities to the site negate the use of gap funding from Michigan State Housing Development Authority (MSHDA) so alternative grants are being sought through the Federal Home Loan Bank of Indianapolis (FHLBI). This competitive grant seeking process relies on a point scoring basis. Homestretch staff will require 2-3 months to prepare the FHLBI application and

utilize approximately thirty thousand dollars for pre-development activities such as appraisals, environmental reports, Title work, surveys, engineering, architectural plans, PILOT applications, etc.

As the Developer and General Contractor, Homestretch has been able to mitigate some of the impediments to affordable housing. The ability to reduce the cost of development is a critical component. The Marek Apartments will take advantage of our low overhead, zero sales tax for building materials, solid trade relationships, a hybrid of modular construction techniques and all the benefits of a Community Housing Development Organization (CHDO).

Our goal is to provide affordable, workforce housing units to the Village of Honor.

Date: January 14,2020

Authorized Homestretch Representative:



Jonathan Stinson its Executive Director

ATTACHMENTS: Income & Rent Limits for Leelanau County
Utility Schedule for Region B
Residential Target Market Analysis

NORTHERN GREAT LAKES REALTORS® MULTIPLE LISTING SERVICE LLC
ADDENDUM TO BUY & SELL AGREEMENT FOR REAL PROPERTY
FOR COMPLIANCE WITH PA 1984, NO. 351

THIS ADDENDUM is attached to and made a part of a certain Buy & Sell Agreement dated 12-6-19

between the undersigned parties. The address of the property is commonly known as:

Vacant lots 45-007-003-010-30,40,50 Downtown Maple City, Pt of the SF 1/4 of the NE 1/4 of Section 3. T28N R13W Kasson Twp. Leelanau County - 3 parcels

The following terms are incorporated into the above-referenced Buy & Sell Agreement:

1. To accept price to be \$60,000.00 from the Leelanau County Land Bank Authority.
2. Closing to on or before February 7th, 2020.
3. Seller to be provided a letter of charitable contribution for the difference between the appraised value of \$85,000.00 and the cash paid of \$60,000.00 (\$25,000.00) from Grand Traverse Habitat for Humanity.
4. Contingent on approval of all documents by Leelanau County and Grand Traverse Habitat for Humanity.
5. Seller's acceptance of counter offer by January 14th, 2020.

ELECTRONIC TRANSACTIONS: The parties agree to conduct this transaction by electronic means. This Agreement may be executed by providing an electronic signature under the terms of the Uniform Electronic Transactions Act. It may not be denied legal effect or admissibility as evidence solely because it is in electronic form, permits the completion of the business transaction referenced herein electronically instead of in person, or has been stored electronically. As an alternative to physical delivery, any document, including any signed document or written notice may be delivered in electronic form only by the following indicated methods: Facsimile Email Internet No Electronic Delivery. Documents with original signatures shall be provided upon request of any party.

This is Addendum number 1

Receipt of a copy hereof is acknowledged by the undersigned parties:

Buyer(s)

Dated:

1/14/20

Seller(s)

Dated:

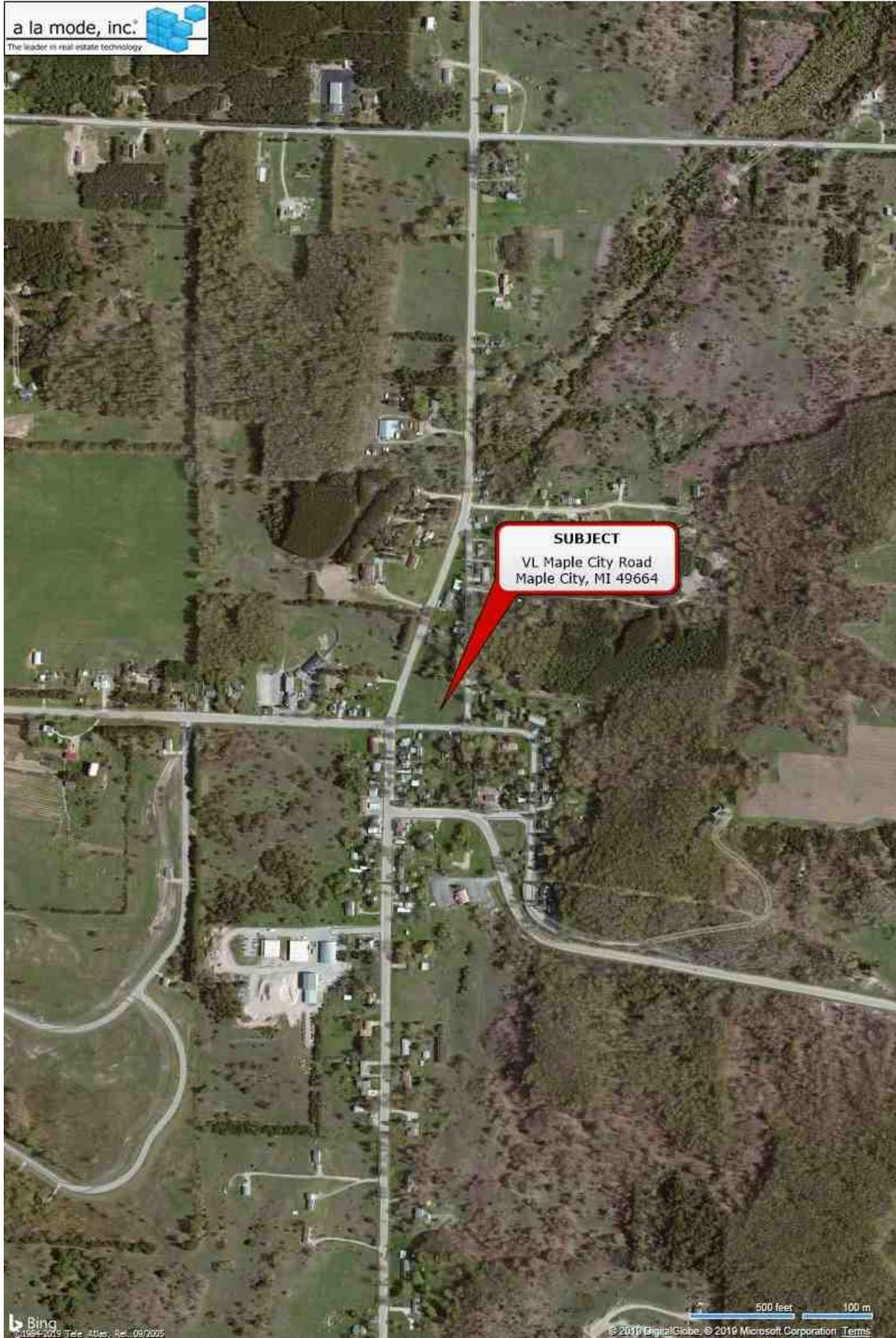
12/20/19

John A. Gallagher for LBA

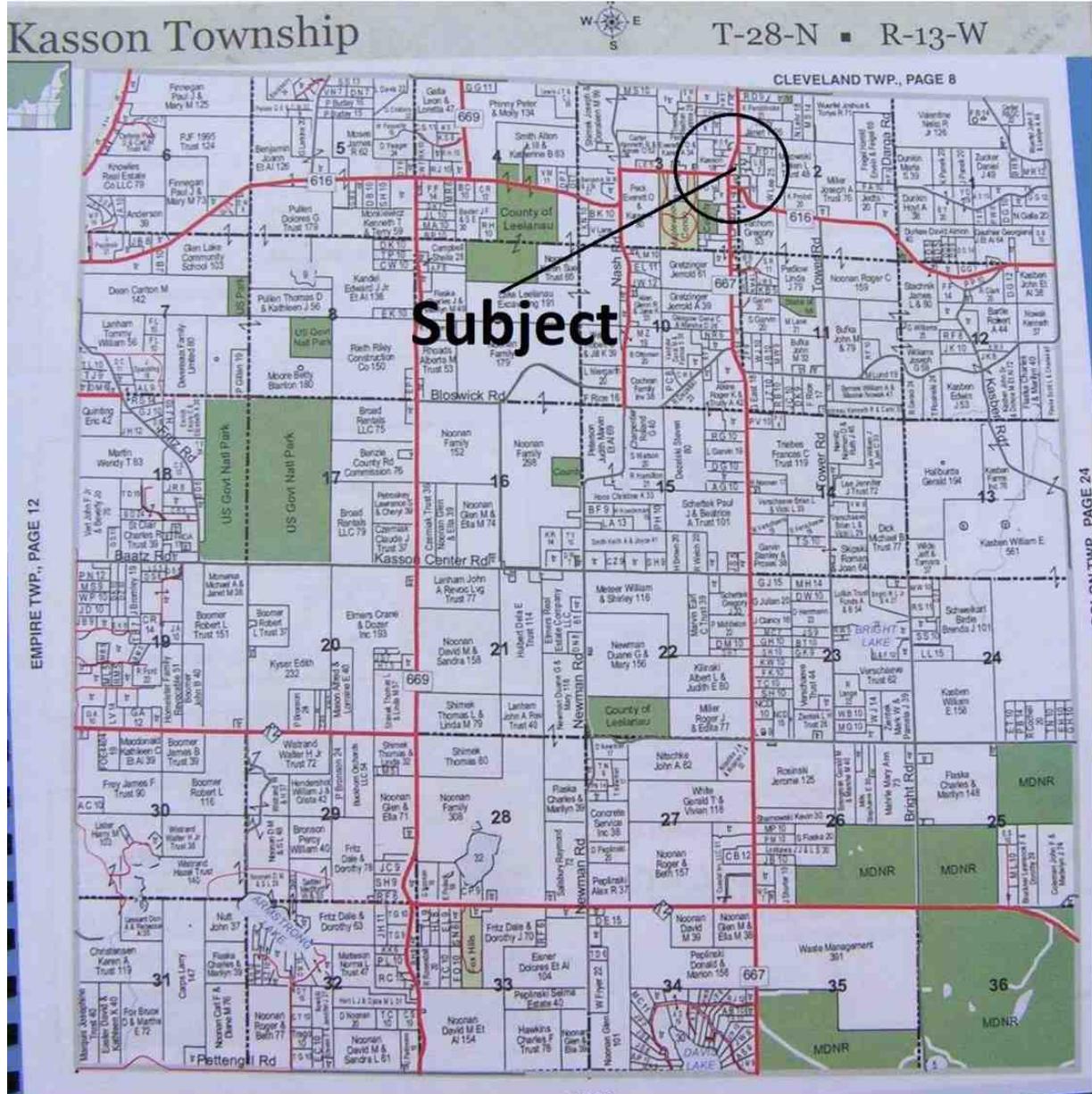
Marilyn M. Flaska

Aerial Map

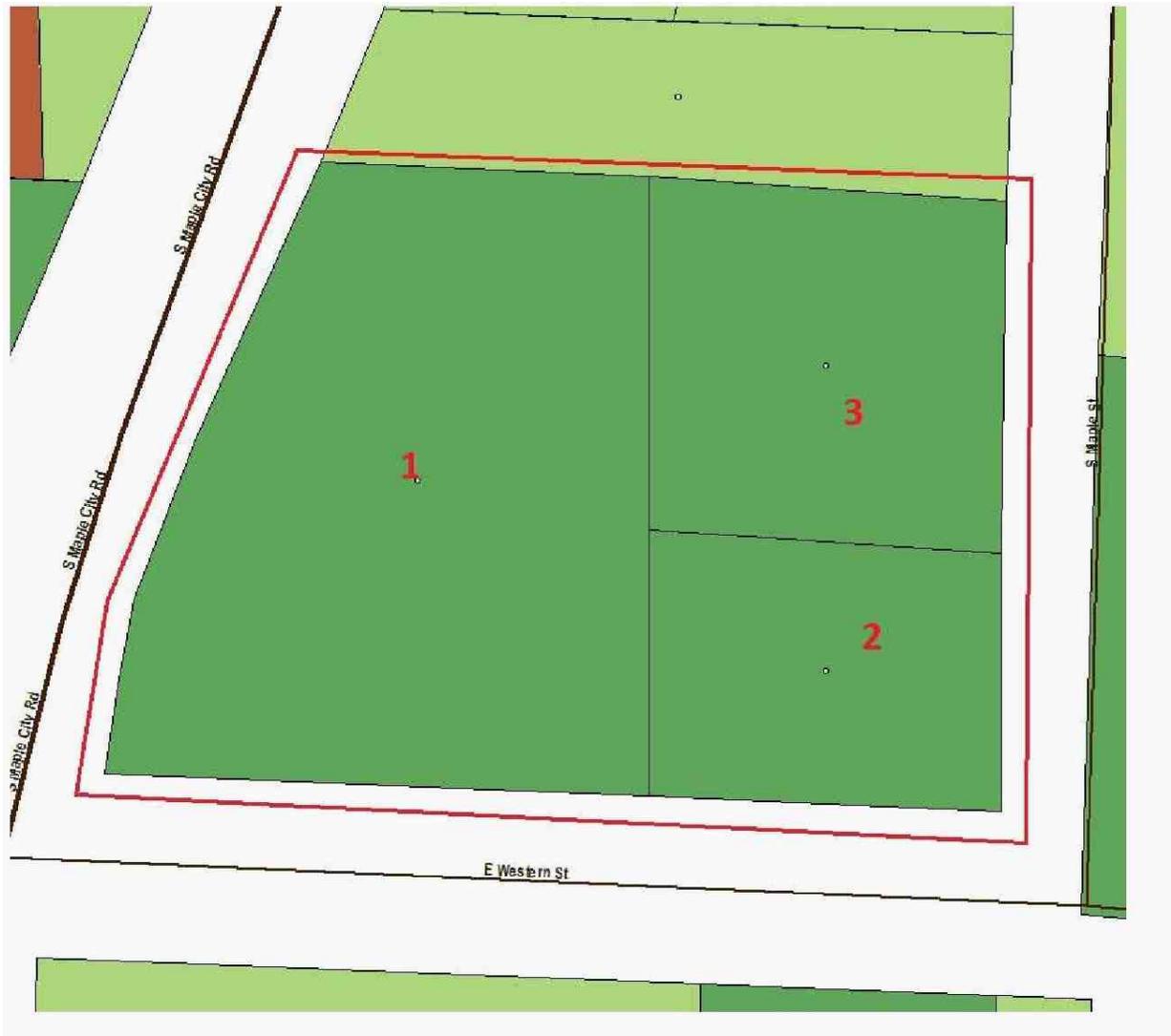
| | | | | | | | |
|------------------|---------------------------|--------|----------|-------|----|----------|-------|
| Borrower | N/A | | | | | | |
| Property Address | VL Maple City Road | | | | | | |
| City | Maple City | County | Leelanau | State | MI | Zip Code | 49664 |
| Lender/Client | Leelanau County Treasurer | | | | | | |



Plat Map



Parcel Boundaries



LEELANAU COUNTY
LAND BANK AUTHORITY

Post Audit
January 21, 2020

12/30/19 Robert Reamer ~ Vacant Land Appraisal Maple City 450.00

| | |
|-------------------|-----------------|
| POST AUDIT | \$450.00 |
|-------------------|-----------------|

AMOUNT RECOMMENDED FOR APPROVAL: _____

AMOUNT REJECTED: _____