

**A regular meeting of the Leelanau County Land Bank Authority (LCLBA) was held on Tuesday, June 18, 2024 at the Leelanau County Government Center.**

**CALL TO ORDER**

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

**ROLL CALL**

**Members Present:** J. Gallagher, G. Myer, D. Heinz, G. Allgaier, D. King, R. Foster

**Members Absent:** R. Lewis  
**(prior notice)**

**Public Present:** T. Galla, W. Irvin, T. Allen, C. Hartesvelt

**Staff Present:** J. Herman, Senior Planner

Gallagher welcomed King onto the LBA, he also serves on the Leelanau County Brownfield Redevelopment Authority (LCBRA).

**PUBLIC COMMENT- None.**

**APPROVAL OF AGENDA**

*Motion by Heinz, seconded by Foster, to approve the agenda as presented. Motion carried 6-0.*

**APPROVAL OF MAY 21, 2024 MEETING MINUTES**

Heinz pointed out that there were six voting members. Staff will double check and make revisions as needed. Gallagher moved the minutes for next months “Unfinished Business”.

**UNFINISHED BUSINESS**

Agreement with Habitat for Humanity – New Waves Development

Gallagher presented a Purchase Agreement drafted by corporate counsel between the LBA and Habitat for Humanity Grand Traverse Region for the purchase of seven units in the New Waves Development. He stated that the purchase price shall not exceed \$175,000.00 and the LBA and Habitat for Humanity shall contribute one-half of the purchase price, not to exceed \$12,500.00 per unit from each party. The terms of the Purchase Agreement may include a restriction on the use of the Subject Property to provide affordable housing opportunities, for a period of up to 25 years.

Gallagher also said, that the reversionary clause that was in the previous master agreement has been removed and is now consistent with their intent of receiving fair marketable title to these units. Habitat for Humanity will be able to transfer titles to the new homeowner without any issues outside of the deed restrictions.

Allgaier asked if there was a 25-year period? Wendy Irvin, Habitat for Humanity Representative, said it is that they must maintain affordable housing for a period of time. She continued saying, that Habitat for Humanity has right of first refusal for the length of the mortgage. Allgaier asked up to a 50-year period. Gallagher said it would tie the land value and the market rate of the house for 50 years, may not be a marketable title for the bank to leverage. It would be different if it were a land trust.

Heinz was glad to see that Habitat for Humanity received a \$50,000.00 grant for the construction of using concrete walls which will reduce build time, enhance home quality and energy efficiency. He said he read an article in the Record Eagle newspaper stating that their will be rentals. Tina Allen, New Waves United Church of Christ, said the original plan was to have seven units that would be purchased between the LBA and Habitat for Humanity be rentals. Irvin will send the Record Eagle a press release with corrected information.

Gallagher said there is a directive for Habitat for Humanity to be the developer of said units and to execute the Purchase Agreement for affordable housing. He explained that the LBA is not a developer but simply a co-owner at the time of closing, this agreement will move forward by this body to be presented to Habitat for Humanity so that they can countersign. Habitat for Humanity will have the authorization and finances to present and offer to New Waves Development.

Gallagher continued, saying that they will not get into the finances or hold/costs because once they take possession, it will come off the tax roll. Any building or construction is not assessed until it has been completed. There will be no hold costs for taxes and insurance will be under the general liability for property held by the LBA. Heinz asked if they are going to receive any money at the time of closing. Gallagher replied, no, there is no proceeds that will be distributed to the LBA.

***Motion by Allgaier, seconded by Foster, to move this agreement for the sale of purchase of real estate of the New Waves Development pursuant to this Purchase Agreement.  
Motion carried 6-0.***

## **DISCUSSION/ ACTION ITEMS**

Land Bank “Fast Track”

Gallagher said the Articles of Incorporation document references this board as “Leelanau County Land Bank Fast Track Authority”. He brought this up as a point of clarification as he did not want to confuse the public that they are not simply just the Land Bank, but they are also by designation, Fast Track Authority and elected to be called the Land Bank Authority. Heinz pointed out that the copy of the Articles of Incorporation was unsigned and undated. Gallagher suggested they leave the name to include “Fast Track” so that all documents are valid. He will also look for the signed copy.

Any Other Business- None.

**CLAIMS & ACCOUNTS – \$3,860.53**

Galla said that there is no update at this time for the Elmwood Township project. Galla gave a brief update on the Northport demolition project and said that the demolition is moving along. The demolition contractor has applied for permits and is waiting on confirmation for utility cut off and capping of water before applying for the demolition permit. They have a schedule for completion by August 31. They currently have been working on cleaning up contents of the building and installed fencing so that there are no trespassers.

***Motion by Heinz, seconded by Allgaier, to approve Claims & Accounts in the amount of \$3,860.53. Motion carried 6-0.***

**POST AUDIT- \$140.00**

***Motion by Heinz, seconded by Foster, to approve Post Audit in the amount of \$140.00. Motion carried 6-0.***

**CORRESPONDENCE/COMMUNICATION ITEMS**

Gallagher brought up the trial balance dated through May 31, 2024. He said the LBA has \$85,000.00 cash and are anticipating funding from the County be dispersed soon. He will come forward with budget amendments and a new presentation for next month after they make the acquisition with Habitat for Humanity.

**PUBLIC COMMENT-** None.

**MEMBER COMMENTS**

Heinz asked if Gallagher will be creating a spreadsheet on what their 5/50 income will be for the next five years combined with their \$110,000.00. Gallagher said they are waiting for the July tax roll first, so they have accurate numbers to work with once the assessor's database has been updated.

**CHAIRPERSON COMMENTS -** None.

**ADJOURNMENT**

Meeting adjourned at 9:31 a.m.