

MINUTES

KALAMAZOO COUNTY BOARD OF COMMISSIONERS COMMITTEE OF THE WHOLE

July 7, 2009

PLACE: Room 207A, County Administration Building

TIME: 4:00 p.m. – 6:13 p.m.

MEMBERS PRESENT: Commissioners Carolyn Alford, Nasim Ansari, Jeff Balkema, Robert Barnard, Deb Buchholtz, Dave Buskirk, Jeff Heppler, Brian Johnson, Dave Maturen, Ann Nieuwenhuis, John Nieuwenhuis, Mike Quinn, John Taylor, Jack Urban

MEMBERS ABSENT: Commissioners Grady Biby, Frank Thompson and John Zull

OTHERS PRESENT: Peter Battani, John Faul, Thom Canny, Dina Sutton, Tina Becker, Michelle Tombro Tracy, Tracie Moored, Lisa Bradshaw, Jimyo Ferworn, Dave Artley, Lotta Jarnefelt, Mary Balkema, Dave Rachowicz, Linda Buzas, Mike Rodriguez, Undersheriff Paul Matyas, Jo Woods, Anne Conn, Pat Crowley, Griff Herriman, Susan Siegfried-Wilson

Chairperson Buskirk convened the Committee of the Whole at 4:00 p.m.

1. Land Bank Authority Presentation

Ms. Mary Balkema requested approval for the formation of the County Land Bank. She stated once approved by the Board, the Michigan Land Bank Fast Track Authority would vote to approve the creation of Kalamazoo County Land Bank, and stated she would then form the authority board which she would chair. She gave a PowerPoint presentation of the Kalamazoo County Land Bank Authority. She stated the Land Bank Authority would have the power to manage and sell houses and businesses that have fallen into foreclosure on property taxes. She stated once approved the Authority Board would have control to demolish condemned houses and renovate homes to combat blight. She stated the empty lots could be sold to neighbors for gardens, while contaminated land could be cleaned up and redeveloped for commercial and industrial uses. She also stated the Land Bank's intent wasn't to make a profit, but to get the properties back on the local tax rolls.

Mr. Daniel Kildee, Chairman of Genesee County Land stated the tools used to achieve the Land Bank are based on the capacity of local organization, the interest of local government and agenda for the purpose of this Land Bank to achieve. He stated land could be placed into productive use if an investment approach was used as opposed to a liquidation approach. Mr. Kildee stated the County could achieve two goals simultaneously; by effectively using the government's authority to achieve the best use of the land and at the same time present land to the real estate market in the way a real investor market can absorb.

Commissioner Johnson stated he was impressed with the idea. He stated he was curious about the critics and the obstacles of this type of thing being done.

Mr. Kildee stated there would be critics, typically that this is an intrusion of government into the private sector. He stated if we're going to own the problem, we might as well own the property to have a chance to do something about it.

Commissioner Thompson arrived at 4:46 p.m.

Discussion ensued.

Commissioner Urban had concerns that Kalamazoo County may not have the urgency and willingness to seek outside the box as there was in Genesee County. Mr. Kildee stated the new land bank would be a pro-active tool so the problem would not grow further and get out of hand.

Commissioner Ann Nieuwenhuis wanted to recognize Treasurer Balkema and stated that this was a proactive piece of recognizing the beginning stages of where we're at.

Discussion ensued.

Vice Chair Buchholtz had concerns about liability for the County. She also had concerns about fulfilling the County's obligation for public comment.

Corporate Counsel Thom Canny stated as the Land bank acquired properties, the County would notify its general liability and property insurer, the Michigan Municipal Risk Management Authority (MMRMA) of the acquisition and include the new properties on the County's insurance policy. He stated the County would explore the possibility of securing a separate insurance policy for the Land Bank. Concerns regarding whether the Land bank could put County funds at risk if the land bank borrowed money from lending institutions, Corporate Counsel stated that the County would not be obligated by such loans unless the County was a signatory on the loans and if the Board of Commissioners agreed to be bound.

Discussion ensued.

2. Review of Transfers and Disbursements State Budget

Finance Director Tracie Moored stated that claims for July 7, 2009 totaled \$6,554,988.88. Ms. Moored reviewed transfers and disbursements on page 2. The Allocated Fund Balance schedule was also presented for approval. The additional items for 2008 were reviewed. Ms. Moored indicated the initial approval was on the consent agenda and the budget transfers would be presented at the next Committee of the Whole meeting.

Discussion ensued.

3. 2009 Budget Recommendations

Ms. Tracie Moored reviewed her memo in the packet. Ms. Moored reviewed the 2009 budget deficit situation. She presented the 2009 Budget Recommendations. She stated the first recommendation was to reduce the current General Fund OPEB obligation by \$750,000. She stated due to self-insurance savings this cost would be assumed by the Employee Benefits Fund at an accelerated rate. The second recommendation she stated was to eliminate the potential for an employee, additional 1 % salary increase. She stated this would reduce General Fund expenditures by \$400,000 and Law Enforcement Fund by \$100,000. Ms. Moored stated these recommendations totaled a budget reduction of \$1.25 Million. She stated budget transfers would be presented at the next Committee of the Whole meeting.

Discussion ensued.

Ms. Moored stated that Administration, Elected Officials and Department Heads met and recommended areas that could be reduced if necessarily. She stated these two initial recommendations would prevent the need to alter departments mid year. She also stated in September, another budget projection would be presented and further recommendations would be implemented if required.

Commissioners Alford and Taylor had concerns about losing the 1% scheduled pay increase.

Administrator Battani stated it was not an implied promise.

Commissioner Taylor had concerns as a Commission, they need to get together and start talking about priorities with the next budget cycle that comes from the state level. He stated the Board would need to know where we are as far as revenue and expenditures. He stated there are going to be a lot of tough decisions to be made by the end of this year.

Administrator Peter Battani stated Administration had been talking with the Chair and Vice Chair about a budget retreat sometime in August.

Discussion ensued.

4. Head Start/Early Childhood Education Update

Ms. Linda Buzas briefly discussed Organizational Updates with the Community Action Agency's Head Start Program. She stated the program is doing quite well and that there had been a number of changes. She stated Ms. Susan Siegfired-Wilson would review the updates.

Ms. Susan Siegfried-Wilson reviewed the memo in the packet and stated the key points was Enrollment, Health Screenings, Indicators from last Head Start federal review and progress, Re-organization, and Head Start ARRA funds.

Several Commissioners commended Ms. Buzas and staff on the great progress made so far.

Commissioner Ann Nieuwenhuis had concerns about looking for benchmarks from a strategic planning stand point.

Discussion ensued.

5. Update on County Events Center Vetting Committee

County Administrator Peter Battani reviewed his memo in the packet. He introduced the members of this committee. He stated he had full confidence in this group to be able to take the feasibility study to vet out numbers, etc. He stated key points to the due diligence subject area were Project Costs, Operating Proformas, Tax Support, Economic Impact and County Liability. He passed out and reviewed the Arcadia Commons West and what it can do for the community. He stated the vetting committees laid out its work plan for October 31 as a target date.

Mr. Blain Lam stated the Economic Development is the driving force for all of this.

Commissioner Urban welcomed the chance to be more comprehensive about this.

6. Executive Session

Commissioner Johnson moved and it was duly seconded that the Board of Commissioners functioning as a Committee of the Whole, go into closed session pursuant to Section 8 (c) and 8 (e) of the Open Meetings Act for the purpose of discussing issues related to the County's labor negotiations and to consult with its attorney regarding trial or settlement strategy in connection with the lawsuit, Debra Canfield vs. Kalamazoo County et al., since an open meeting would have a detrimental effect on the litigation or settlement position of the County.

The roll call vote was as follows:

Ayes:	All members present
Nays:	None
Abstains:	None
Absent:	Commissioners Grady Biby and John Zull

The motion carried and the Board moved into executive session at 5:37 p.m. and returned to regular session at 6:13 p.m.

7. Adjournment

There being no further business to come before the Board, Chair Buskirk adjourned the meeting at 6:13 p.m.

David Buskirk, Chair
Kalamazoo County Board of Commissioners