



*Rachel Nelson, Chair
Gary Buren, Vice-Chair
Eric Gustad, Secretary/Treasurer
Mitch Deisch
Duane Jones*

415 3rd Street, Manistee, MI 49660
www.manisteecountymi.gov/421/Land-Bank-Authority

SPECIAL MEETING MINUTES

Tuesday, February 2, 2026
1:00 P.M.

Manistee County Planning Department
Conference Room

Members Present: Rachel Nelson, Chair; Gary Buren, Vice Chair; Mitch Deisch; Duane Jones

Members Absent: Eric Gustad, Secretary/Treasurer

Others Present: Jessica Sorensen, Recording Secretary; Katie Gruenberg, Project Manager; Scott Fraley, Planning Department Staff

Zoom: Ken Mlcek, Fleis & Vandenbrink; Shelly Lynnes, Village of Bear Lake President; Susan Wenzlick, Fishbeck

Rachel Nelson, Chair, called the meeting to order at 1:00 P.M. Roll call was taken by the Recording Secretary.

No public comment.

The Authority's sole item of business was to review information and determine next steps regarding the Blight Elimination Grant project at 7780 Lake Street (former Bear Lake DPW building).

Ms. Gruenberg, Project Manager, summarized the status of the project. She reported the Village of Bear Lake (The Village) recently held a special meeting and indicated that if the project must proceed as demolition, the Village would withdraw from the grant, with rehabilitation remaining the preferred option if feasible.

Ms. Lynnes, Village President, stated the Village found additional costs to be prohibitive, noted a revised scope of work that slightly reduced projected expenses, and advised the Village could contribute up to an additional \$50,000 from the parks fund if needed.

The Authority discussed the significant funding gap and tight grant deadlines. Ms. Gruenberg advised only about \$150,000 would remain for construction activities after incurred costs, which would not be sufficient to complete rehabilitation. Ms. Gruenberg also reviewed the grant timeline, noting the project must be completed and reimbursement documentation submitted by September 1, 2026, with the grant closing September 30, 2026.

Members expressed concern that contractor availability and normal project delays make the schedule high-risk. Stabilization options were discussed but determined unlikely to meet program requirements or project goals. The Authority also discussed the possibility of redirecting unused funds to other projects, pending approval by the State Land Bank.

There was a motion by Mr. Deisch, supported by Mr. Jones, for the Manistee County Land Bank to withdraw from the Michigan State Land Bank Blight Elimination Program grant funds requested and associated with the 7780 Lake Street project in the Village of Bear Lake.

A roll call was taken:

Yeas: 4 (Nelson, Buren, Deisch, Jones)

Nays: 0

Absent: 1 (Gustad)

Motion carried

The Authority discussed costs already incurred on the project, including administrative and engineering expenses. It was noted that the Phase 1 planning and engineering study completed by Fleis & Vandenbrink would remain beneficial to the Village for future planning.

There was a motion by Mr. Deisch, supported by Mr. Buren, to request the Village of Bear Lake reimburse the Manistee County Land Bank for the costs associated with the Phase 1 planning and engineering (\$19,000.00) at 7780 Lake Street.

A roll call was taken:

Yeas: 4 (Nelson, Buren, Deisch, Jones)

Nays: 0

Absent: 1 (Gustad)

Motion carried

Ms. Lynnes stated she would bring the reimbursement request to the upcoming February 26, 2026 Village Council meeting, following up with the Manistee County Land Bank Authority (LBA) afterward.

Members expressed appreciation for the Village's efforts and reiterated the Land Bank's desire to continue supporting the Village of Bear Lake through future projects and grant opportunities.

Mr. Deisch requested an update at the next meeting regarding the 141 Washington St., Hotel Northern, project, which includes timelines and payment status. Ms. Gruenberg indicated she could provide an update.

There being no further business to come before the Authority, the meeting was adjourned at 1:46 P.M.

Respectfully Submitted,



Eric Gustad, Land Bank Authority Secretary/Treasurer