



## Board Minutes

Thursday, January 15, 2015 Board of Directors Meeting, 4:00 PM  
Hamilton County Administration Building, 138 E. Court St., Room 610

### 1. **CALL TO ORDER**

Greg Hartmann called the Hamilton County Land Reutilization Corporation (HCLRC) Board of Directors meeting to order at 4:05 p.m.

#### **Board Members Present:**

Cranley, John  
Goering, Rob  
Hartmann, Greg  
Honerlaw, Joe  
Monzel, Chris  
Portune, Todd  
Quarry, Mark  
Weidman, Tom

#### **PGCDA, as Management Company of the HCLRC:**

Basil, Will  
Brunner, Laura  
Hall, Darin  
Hudson, Rick  
Laird, Tiffany  
Recht, Chris  
Robb, Deborah  
Sampson, Alison  
Thomas, Susan  
Weber, Billy

#### **Guests:**

Schulte, Skip – Bellevue, KY citizen  
Wise, Kelly – Hamilton County

### 2. **WELCOME AND INTRODUCTIONS**

Mr. Hartmann acknowledged and welcomed guests.

### 3. **APPROVAL OF MINUTES**

Mr. Hartmann asked Board members if there were any additions or modifications to the October 21, 2014 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

**Motion:** Mr. Portune moved to adopt the minutes of the October 21, 2014 Board of Directors meeting. The motion was seconded by Mr. Honerlaw and was approved unanimously.

**4. APPOINT HCLRC OFFICERS FOR 2015**

Mr. Hartmann reviewed the motion placed before the Board for its consideration for the following slate of officers: Mr. Greg Hartmann as Chairperson; Mr. Joe Honerlaw as Vice Chairperson; and Ms. Laura Brunner as Secretary of the Hamilton County Land Reutilization Corporation for the one-year term commencing January 15, 2015. Mr. Hartmann asked Board members if there were any comments or additional nominations. Hearing none, he asked for a motion to appoint HCLRC officers.

**Motion:** Mr. Portune moved to appoint the aforementioned officers. The motion was seconded by Mr. Honerlaw and was approved unanimously.

**5. ADOPT 2015 MEETING SCHEDULE**

Mr. Hartmann reviewed the motion placed before the Board for its consideration, discussion, and approval for the 2015 schedule for regular meeting dates, in addition to today's meeting, as follows: Tuesday April 14; Tuesday July 21; and Tuesday October 20. These dates have previously been circulated to all board members.

**Motion:** Mr. Goering moved to approve the aforementioned dates. The motion was seconded by Mr. Portune and was approved unanimously.

**6. PRESIDENT'S REPORT**

Organizational Report

Ms. Brunner noted that Paula Boggs Muething took the position of City of Cincinnati Solicitor. After an analysis of operations in conjunction with the mission of the organization, the Port Authority staff saw an opportunity to more clearly integrate the work teams are doing in community revitalization, real estate, and public finance. It is in the best interest of all parties for everyone within the organization to know all the tools available to help in both the private sector and governmental jurisdictions throughout the county.

Ms. Brunner reviewed the organizational structural changes. Billy Weber and Chris Recht will now report to Susan Thomas, Vice President of Public Finance. The policy work and program administration, utilizing all of the tools available, will report through Ms. Thomas. Properties under ownership that will require demolition or redevelopment will be managed by Darin Hall and the real estate development team, which include Deborah Robb and Will Basil. Biographies for Ms. Thomas and Mr. Hall were provided.

Mr. Goering questioned how the staff time was split between Port Authority and Landbank duties. Ms. Brunner discussed the overlapping nature of the two entities, as well as the advantages of having several people on staff with knowledge, expertise, and dedication to the organization as opposed to one dedicated individual.

Ms. Brunner will reach out to each Board member individually to get feedback and ideas as the strategy of the Landbank continues to develop.

Port Authority staff has proactively reached out to all community partners upon Ms. Muething's departure, and received positive feedback.

Ms. Brunner highlighted that the Landbank has managed the Moving Ohio Forward demolition program, spending over \$12 million on 725 demolitions throughout the last two and a half years. Not only was the money spent effectively, the Landbank was able to do it with a significant strategy behind it. The Landbank demolished high density buildings that had high crime, and used the demolition money to concentrate on some key large projects. The Attorney General's office noted that we were one of the few funded agencies in the state that has had a redevelopment plan for its properties. Mr. Honerlaw commended the staff for successfully spending all allocated Moving Ohio Forward funds.

Ms. Brunner noted that as we look to 2015 there are a few key goals. The first being that we complete Phase 1 homes in Evanston, including their sale. The Landbank will then do an evaluation of that first phase and review with the Board to make sure that all agree this program has been successful. The Landbank will continue to partner with the City of Cincinnati, the Evanston Working Group, and the Walnut Hills Redevelopment Foundation in the commercial districts in Evanston and Walnut Hills. Additionally, we will successfully manage \$2.5 million in demolition funding from the Neighborhood Initiative Program (NIP), while continuing to expand the use of our tools. Ms. Thomas will be working with Mr. Weber to proactively identify commercial/industrial redevelopment sites throughout the county, in addition to the 14 Focus Neighborhoods. The Landbank will continue to educate and collaborate throughout Hamilton County, sharing our stories, successes and how we can help to better impact these communities.

Ms. Brunner updated that the Landbank worked with Talbert Services over the past 9 months in relocating all of the tenants at Lincoln Terrace in Walnut Hills, and there is one remaining tenant. Ms. Brunner gave credit to Mr. Recht and Ms. Robb for responsibly managing the property and relocation of the tenants. Once the property is vacant the Landbank will use NIP funding for demolition, and then consider options for redevelopment.

Ms. Brunner updated, the litigation previously discussed on Mitchell Avenue has been settled. The developer was successful in remediating the nuisance conditions, applying for the No Further Action letter, and has identified an end user.

## **7. PROGRAM REVIEW**

### Demolition Grant Oversight

Ms. Thomas noted the Landbank is ramping up efforts on the Neighborhood Initiative Program. This program is more challenging than the aforementioned Moving Ohio Forward Program for a number of reasons. The largest of which is, in order to qualify for reimbursement under the program, each property must be owned by the Landbank at the time of demolition. Because there is a lien placed upon the properties, in most cases for three years, the Landbank has an acquisition strategy to determine which properties are acquired. The first reporting requirement to the State, regarding our pipeline, is due in March. All Landbank NIP funds must be expended or committed by October 28, 2016.

### Historic Stabilization

Ms. Thomas updated that stabilization of the former theater located at 7428 - 7432 Hamilton Avenue, in Mt. Healthy, is now in process.

### Partner Programs

The Local Government Development Program (LGDP) uses the tools of the Landbank to assist and support local governments within Hamilton County in their own economic development projects and efforts. The

activities of the Landbank include acquisition and disposition of property through donation, foreclosures in front of the board of revision, and forfeited land. Additionally, the Landbank leverages available grant programs and provides advice and information to local governments regarding solutions to abandoned and distressed properties.

Under the Community Partner Program, Landbank activities consist primarily of acquisition and disposition of property, and general advice and information regarding solutions to abandoned and distressed properties. Acquisitions are a mix of forfeited land, donations, and other tax-delinquent parcels through the board of revisions foreclosure process. For neighborhood-based, nonprofit development entities, such as select community development corporations (CDCs), dispositions are either directly to the applicable Community Partner to be redeveloped by the Community Partner, or to a third-party that has submitted an application to the Community Partner. These applications, which include the proposed redevelopment activities, are vetted and approved by the Community Partner and the Landbank.

Under the Forfeited Land program, the Landbank acquires and disposes of properties that have been forfeited to the State of Ohio after failing to sell at two Sheriff's sales following a tax foreclosure. The Landbank maintains a list of forfeited properties on its website and accepts applications for interested end-users.

#### REACH Evanston

Mr. Hall reiterated that the purpose of the Rehab Across Cincinnati and Hamilton County (REACH) Program was to restart the housing market in a holistic way in Evanston. Work has begun on the first four houses, and is scheduled to be completed by the end of March. The next seven houses in Phase 1-B are in the design process with contractor bidding to be completed by the end of January. The goal is to have these homes ready and available for sale by June or July. The REACH Program uses an inclusive approach to development that includes partnering with neighborhood institutions, community leaders, local government, police, building code enforcement, and private developers.

A contract for sale in the amount of \$99,900 has been placed on the first property, and a potential buyer on the second has been identified. NorthPointe Group recommended the Landbank not to engage in any further presales based on an expectation of escalation. The Landbank intends to sell 10 of the 11 properties, retaining the property located at the corner of Blair and Woodburn Avenue as a model home.

## **8. FINANCIAL REPORT**

#### 2014 Financials – Unaudited

Mr. Hudson highlighted some of the more significant budget variances for the 2014 Income Statement and fluctuations from the prior year Balance Sheet. For 2014 year end, the financials are presented in both the approved budget format and the audited financials format.

**Revenues** - Total revenues for the year finished at nearly \$1.1M or 19% favorable to plan.

- Moving Ohio Forward (MOF) grant revenues were \$535K above plan as a result of MOF Rounds 2 & 3 which were reimbursed at 100% and not budgeted.
- Other Grants includes a \$499K grant from the City of Cincinnati to acquire commercial property in Evanston located at 1614 Hewitt Ave. This was the first disbursement from the \$1.1M allocated by the City for redevelopment of the Evanston commercial corridor (Resolution #2014-08).
- Property sales were \$111K or 75% favorable to plan, largely due to the sale of 6900 Reading Rd to the Port Authority (Resolution #2014-05).

**Expenditures** – Total expenditures for the year were \$176K or 2% below plan.



- Program expenditures were \$741K or 23% below plan primarily due to the slower pace of property acquisition in Evanston, which in turn delayed the start date for renovation expenditures.
- MOF demolitions were \$550K above plan due to MOF Rounds 2 & 3 as explained in revenues above.

#### **Balance Sheet**

- Cash and cash equivalents at yearend totals nearly \$1.7M, a slight decrease of \$82K or 5% from the prior year end.
- Receivables declined \$803K or 58% from the prior yearend due to lower MOF receivables.
- Similarly, payables declined \$175K or 52% from 2013 due to lower demolition related payables.

#### **Balance Sheet (Audit Format)**

- Assets held for sale increased \$1.7M from 2013. As of December 31, 2014 the Landbank owned 187 properties totaling \$2.1M.
  - In December, MOF vacant lots were written-down to their land market values.
- 48 properties were sold in 2014. The vast majority of these properties were sold to local government, nonprofit organizations, or neighborhood residents. See the following property listing for further details.

#### 2015 Budget

Mr. Hudson reported that the 2015 budget is being presented to the board using the audited financials format. Total cash outflows for expenditures and capital additions budgeted in 2015 are \$7.3M compared to \$7.7M the prior year. The 2015 expenditures and capital additions are based upon cash inflows of \$7.1M. The charts included highlighted the distribution of inflows by source and outflows by use for the 2015 budget.

Formal Action Requested – Before the board today is proposed resolution 2015-01 entitled:

#### **RESOLUTION APPROVING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2015 AND REVISING THE BUDGET FOR THE FISCAL YEAR 2014.**

After some discussion of the matter, Mr. Hartmann asked for a motion to approve Resolution No. 2015-01.

**Motion:** Mr. Goering moved to approve Resolution No. 2015-01. The motion was seconded by Mr. Weidman and was approved unanimously.

#### **9. ADJOURNMENT**

Mr. Hartmann adjourned the January 15, 2015 Board of Directors meeting at 4:45 p.m.

Respectfully,



Laura N. Brunner  
Secretary