



Board Minutes

Thursday, January 16, 2014 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 4:01 p.m.

Board Members Present:

Goering, Robert
Hartmann, Greg
Monzel, Chris
Quarry, Mark
Honerlaw, Joe
Rolfes, Carolyn

PGCDA, as Management Company of the HCLRC:

Basil, Will
Boggs Muething, Paula
Brunner, Laura
Givens, Brad
Laird, Tiffany
Recht, Chris
Robb, Deborah
Sampson, Alison
Thomas, Susan
Weber, Billy

Guests:

Anderson, Lisa – Hamilton County
Barrett, Maria – Port Financial Consultant
Wise, Kellie – 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 23, 2013 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Mr. Goering moved to adopt the minutes of the October 23, 2013 Board of Directors meeting. The motion was seconded by Mr. Hartmann and was approved unanimously.

4. **APPOINT HCLRC OFFICERS FOR 2014**

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 16, 2014. 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. Goering moved to appoint the aforementioned officers. The motion was seconded by Ms. Rolfes and was approved unanimously.

5. *ADOPT 2014 MEETING SCHEDULE*

Mr. Hartmann reviewed the motion placed before the Board for its consideration, discussion, and approval for the 2014 schedule for regular meeting dates, in addition to today's meeting, as follows: Tuesday April 22; Tuesday July 22; and Tuesday October 21. 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. Honerlaw and was approved unanimously.

6. *PROPERTY ACQUISITION PIPELINE AND BOARD OF REVISIONS FORECLOSURES*

Mr. Goering explained that an important goal for the HCLRC is to take blighted properties and a procedure has now been put in place that allows for faster foreclosures. He commended Greg Hartmann, Chris Monzel, the Prosecutor's Office, and Dusty Rhodes for the work that was done in order to get this procedure in place. Because of everyone's hard work it was approved unanimously by the Board of Revision and the HCLRC now has another tool for acquiring properties.

Ms. Muething noted her appreciation to Mr. Goering for his efforts. She added that the HCLRC is excited and hoping this will compress their foreclosure timeframe from 12 to 18 months to 4 to 6 months. This will make a big difference in terms of the HCLRC's ability to get vacant properties offline, stabilized and returned to productive use. It was clarified that this procedure is for tax foreclosures only.

7. *FINANCIAL REPORT*

Ms. Brunner reviewed the financial summary.

2014 Budget

The Landbank is poised to begin implementing the neighborhood strategy based on recommendations by the Community Building Institute (CBI), and the proposed 2014 budget reflects that. Of the \$7.6 million budgeted for expenditures, \$3,175,000 is for neighborhood stabilization and housing strategy. This figure includes the \$2.5 million allocated to assist the communities of Evanston, Walnut Hills and St. Bernard (Resolution No. 2013-7). Costs to complete the Moving Ohio Forward demolition program are \$1,120,500 for the Landbank and \$2,657,940 for reimbursements to Colerain Township and City of Cincinnati as sub-recipients. The budget for administrative costs and professional services represents about 13% of budgeted revenues and 10% of budgeted expenses.

Ms. Brunner noted on the income statement there is a surplus of approximately \$500,000. The HCLRC had a significant surplus in 2012, a smaller surplus in 2013, and in the 2014 budget that starts to reverse. There has been a lot of planning over the last two years as well as management of the demolition program which has had money flowing through in and out, and it's within the next year that money will be spent on programming.

Ms. Brunner referenced the \$2 million deficit 2014 budget and gave explanation as to what made up that number.

Formal Action Requested – Before the board today is proposed resolution 2013-1 entitled:

RESOLUTION APPROVING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2014

After some discussion of the matter, Greg Hartmann asked for a motion to approve Resolution No. 2014-1.

Motion: Mr. Goering moved to approve Resolution No. 2014-1. The motion was seconded by Mr. Hartmann, and was approved unanimously.

Ms. Brunner added her appreciation to Ms. Barrett, Financial Consultant to the Port Authority, as the finances for this small organization are quite complex.

Additionally, Rick Hudson will be joining the Port Authority on January 21 as Director of Accounting and Financial Management. Rick is a CPA and MBA currently working for Cincinnati Bell. He previously worked for Student Loan Funding (non-profit).

We are meeting with audit firm BKD on January 29 for planning and risk assessment. The audit will take place in the April/May timeframe, with the audit report due by the end of June.

8. FOCUS NEIGHBORHOOD STRATEGY

Ms. Muething updated the Board on the Landbank's Focus Neighborhood Strategy.

Evanston

The HCLRC is working to acquire properties along the Woodburn image corridor between DeSales corner and Xavier. The HCLRC will focus their housing and redevelopment effort around the Walnut Hills high school area. The City of Cincinnati has committed \$1.15 million to targeted commercial acquisitions around the focus neighborhood the Landbank is working in. The success of the redevelopment and the commercial strategies depends on executing them simultaneously, so the HCLRC is working closely with the City, Community Council, and the Walnut Hills Redevelopment Foundation. Ms. Robb will be managing this.

The HCLRC will continue to work with local financing partners to develop loan products for both rehab work and home improvement work in the targeted areas, for the existing residents.

Ms. Muething introduced Ms. Thomas to explain the proposed resolutions.

Formal Action Requested – Before the board today is proposed resolution 2014-2 entitled:

A RESOLUTION TO BORROW UP TO \$200,000.00 FROM LOCAL INITIATIVES SUPPORT COALITION FOR ACQUISITION AND PRE-DEVELOPMENT COSTS IN THE EVANSTON REHABILITATION PROJECT.

After some discussion of the matter, Greg Hartmann asked for a motion to approve Resolution No. 2014-2.

Motion: Mr. Monzel moved to approve Resolution No. 2014-2. The motion was seconded by Mr. Honerlaw, and was approved unanimously.

Formal Action Requested – Before the board today is proposed resolution 2014-3 entitled:

A RESOLUTION TO BORROW UP TO \$1,500,000.00 FOR DEVELOPMENT COSTS IN THE EVANSTON REHABILITATION PROJECT.

Greg Hartmann asked for a motion to approve Resolution No. 2014-3.

Motion: Mr. Monzel moved to approve Resolution No. 2014-3. The motion was seconded by Mr. Honerlaw, and was approved unanimously.

St. Bernard

The St. Bernard CIC has selected a developer, Brandy Corp., for the City Centre. The preliminary concept is included in the Board packet for review.

St. Bernard is also working on a pedestrian bridge that will carry foot traffic from Vine Street, where their current police station is located, to a second public plaza that they are working on. They are also working with Kirtland Turner Group to do a townhome development.

Norwood/Colerain Township

The HCLRC is working with Norwood to identify the right organization to move forward with in terms of Community Development.

Colerain has established a community improvement corporation. They have started the work identifying priority areas within their larger housing and redevelopment strategies. The HCLRC is connecting Colerain with some partners so they have access to resources to assist with funding for their CIC. The HCLRC will help identify more specific targeting of their image corridors and redevelopment priorities.

9. MOVING OHIO FORWARD UPDATE AND NEIGHBORHOOD INITIATIVE PROGRAM OVERVIEW

Moving Ohio Forward

Ms. Muething stated that for the entire allocation the HCLRC has completed 464 demolitions and 245 are in process. That leaves a remaining \$300,000. The deadline to submit for reimbursement is May 31, 2014.

The Attorney General is considering a reallocation of the unspent money to counties that have successfully spent their allocation.

Neighborhood Initiative Program

The application was received January 2, 2014. The HCLRC expects to receive a portion of several million dollars in additional demolition funding. \$60 million will be split between 16 landbanks.

10. CHASE BANK SETTLEMENT

Ms. Muething updated the Board that JPMorgan Chase & Co. has agreed to a \$13 billion settlement with the U.S. government. \$9 billion is spoken for, \$2 billion will go to mortgage modifications, and \$2 billion will be allocated to consumer relief. The Ohio coalition has been working on getting access to those funds. The HCLRC was advised by the justice department to submit an Ohio plan, asking for a portion of that \$2 billion and indicating what would be done with it if allocation was received. The HCLRC finalized the Ohio

plan to be submitted, requesting \$200 million. Of that money, \$144 million would be used for demolition, \$16 million for foreclosure prevention, \$35 million for rehabbing homes, and \$5 million to repurpose vacant land.

11. RESOLUTION 2014-4

Formal Action Requested – Before the board today is proposed resolution 2014-4 entitled:

APPOINTMENT OF ADDITIONAL DIRECTORS

The resolution will reappoint Tom Weidman, and appoint John Cranley to the Board of Directors. Mr. Hartmann asked for a motion to approve Resolution No. 2014-4.

Motion: Mr. Monzel moved to approve Resolution No. 2014-4. The motion was seconded by Mr. Honerlaw, and was approved unanimously.

12. TOWER PLACE UPDATE

Ms. Muething stated that the City of Cincinnati approached the HCLRC regarding Tower Place Mall, and the redevelopment of it. The Tower Place Mall has approximately \$1 million in delinquent taxes. This has hindered the capability of having the Mall redeveloped.

The City intends to transfer the property to the HCLRC, where the HCLRC would clear the taxes and transfer the property to Warren Brothers for the redevelopment of Tower Place.

13. ADJOURNMENT

Greg Hartmann adjourned the January 16, 2014 Board of Directors meeting at 4:42 p.m.

Respectfully,



Laura N. Brunner
Secretary