



## Board Minutes

Tuesday, July 21, 2015 Board of Directors Meeting, 4:00 PM

Hamilton County Administration Building, 138 E. Court St., Room 610

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

Joe Honerlaw called the Hamilton County Land Reutilization Corporation (HCLRC) Board of Directors meeting to order at 4:06 p.m.

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

Bell, Gina – Designee for County Commissioner Chris Monzel  
Binns, Kathy – Designee for County Commissioner Todd Portune  
Goering, Rob  
Honerlaw, Joe  
Muething, Paula Boggs – Designee for Mayor John Cranley  
Quarry, Mark  
Weidman, Tom  
Wise, Kellie – Designee for County Commissioner Greg Hartmann

#### **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:**

Gumm, Brandon - Port Authority Intern  
Hussein-Wetzel, Deqah - Cincinnati Preservation Association Intern  
Linz, Jess – Citizen/student  
Luken, Charlie – Port Authority Board Member  
Muller, Paul – Cincinnati Preservation Association  
Schulte, Skip – Bellevue, KY citizen  
Warminski, Margo – Cincinnati Preservation Association  
Young, Ashley – Port Authority Intern

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

Mr. Honerlaw acknowledged and welcomed guests.

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

Mr. Honerlaw asked Board members if there were any additions or modifications to the April 14, 2015 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 April 14, 2015 Board of Directors meeting. The motion was seconded by Ms. Muething and was approved unanimously.

### 4. **PRESIDENT'S REPORT**

Ms. Brunner encouraged Board members to read the formal President's Report, provided in the meeting's materials, which highlights website updates, the property acquisition application, conferences and speaking engagements, progress on 11 Evanston homes, the expanded statewide landbanking legislation, and community engagement.

Ms. Brunner acknowledged the great service and value of the Port Authority's summer interns, Ashley Young and Brandon Gumm.

Ms. Brunner announced Billy Weber will be leaving the Port Authority to move to New York City as he pursues a degree, Master's of Public Administration with a focus on Nonprofit Management and Policy, at New York University. Mr. Weber has made an extraordinary impact on this organization over the past three and a half years.

Ms. Brunner referenced the Greater Ohio Policy Center's recently published landbank report, *Taking Stock of Ohio County Land Banks: Current Practices and Promising Strategies*. This report is included in the meeting's materials and highlights Hamilton County's efforts in several areas, particularly our strong community partnerships in neighborhood redevelopment efforts. A few key items have been highlighted in the report, and Board Members are encouraged to review them as these comments will fit into future policy discussions.

### 5. **PROGRAM REVIEW**

#### Demolition Grant Oversight

Mr. Recht updated that the Landbank is active in its efforts on the Neighborhood Initiative Program (NIP). Two goals have been set in place for 2015, and are on track to be met; to acquire and demolish 100 properties. This is approximately half of the total that needs to be demolished by October 28, 2016. To-date the Landbank has acquired 122 properties and completed demolition of 7, with 58 more in progress. The biggest challenge to the program is finding properties that fit within the narrow guidelines, and that the Landbank has to own each property at the time of demolition. The easiest method to acquiring properties has been to request properties that have been forfeited to the state pursuant to a tax foreclosure. Additionally, the Landbank has proactively been reaching out to jurisdictions, working with MSD and CMHA as well as municipal partners outside of the City. Mr. Recht referenced the map provided in the meeting materials, laying out the property locations within each target area. The Landbank is on pace and does plan to be able to spend the entire budgeted \$2.5 million. Additional discussion surrounding program parameters took place.

#### Historic Stabilization

Mr. Recht reviewed a report summarizing the costs spent in 2015 within the Historic Structure Stabilization Program. There is approximately \$150,000 remaining in the budget.

The Landbank completed the stabilization of 1706 Lang Street in Over-the-Rhine. This building was set to be an emergency demolition by the City of Cincinnati, but through remarkable support from the community and partnership with the City, the HCLRC was able to preserve this important structure.

1706 Lang marks the fourth stabilization completed under the Program in 2015. 7428 Hamilton Avenue formerly served as the Main Theater for the community of Mt. Healthy, and 644 and 646 Neave Street in Lower Price Hill were acquired by the HCLRC pursuant to tax forfeiture and via donation, respectively, and are being held for future redevelopment.

#### Partner Programs

Mr. Weber updated that the Community Partner Program has been a successful tool for working with community development corporations (CDCs). Located in Avondale, 3573 Bogart is a great example of a creative use of Landbank tools to assist a neighborhood non-profit development entity. The property was a tax-delinquent, blighted multi-family that had been foreclosed on by Wells Fargo and sold to a trust out of Las Vegas. The owner was neglecting the property in an area where the Avondale Comprehensive Community Development Corporation (ACDC) has been working hard to rehabilitate homes. The HCLRC purchased the property's outstanding tax debt from the Hamilton County Treasurer as a tax lien certificate. Using the tax lien certificate as leverage, we negotiated a donation of the property from the trustee. In June we transferred the property to ACDC, and they are underway in renovating the home into a single-family owner-occupied unit. Construction is scheduled to be completed within nine months of the closing. This is a great example of how the HCLRC can operate to lower acquisition costs for neighborhood non-profit developers so that those savings can be invested into redevelopment of the neighborhood.

As to public-private partnerships within the Community Partner Program, the property located at 1740 Jester Avenue is a great example where the HCLRC was able to secure a contract for development and earn a return at the same time. This property is a single family home that was vacant and abandoned. Hamilton County foreclosed on the property in 2011, and it was forfeited to the State of Ohio after failing to sell at the sheriff's sale. The HCLRC acquired the property at the request of one of our neighborhood-based development partners, Cincinnati Northside Community Urban Redevelopment Corporation; however, their development plan did not come to fruition. Two private parties applied for the parcel with the intent to redevelop the property into a single-family, owner-occupied home. We allowed both to make offers, and selected the higher offer of approximately \$34,000. The selected applicant is an experienced developer and Northside resident who have successfully redeveloped the property across the street - which sold earlier this year for \$267,400. Prior to an extensive rehabilitation, that property was valued at \$25,000 by the Hamilton County Auditor; therefore, if she is as successful on this project, the county will see a significant increase in tax revenue following the property's redevelopment. The buyer is very excited about rehabbing the property and plans to have construction completed within 12 months.

#### REACH Evanston

Mr. Hall planned to showcase the *Rebuilding Evanston* video, however, due to technical issues, the video will be shown at the next Landbank Board of Directors meeting. This video was presented at the Greater Ohio Policy Center (GOPC) Summit, and chronicles the work from the beginning stages, where another house that was scheduled for demolition was turned around, and now serves as the model home.

The Rehab Across Cincinnati and Hamilton County (REACH) Program is ahead of schedule with 35 of the budgeted 40 properties acquired, 7 of the budgeted 11 building rehabilitations completed, and 4 others in process. To-date, 4 sales have been completed and 2 others are under contract.

The Landbank continues to ensure that all work is in line with its inclusion goals. For REACH Evanston contracts, 30% went to MBE, 57% to SBE, and 10% to WBE, all above the stated goals of our Economic Inclusion Policy. Additionally, 3% of contractor spend has gone to non-profits to grow their businesses.

Contractors have shown a true commitment to the REACH program as well as to the neighborhood and have repeatedly expressed interest in the pipeline of projects.

Mr. Hall highlighted that the Landbank has been working with a company called Lawn Life, who does all of the property clean-outs as well as some of the landscaping. Lawn Life provides disconnected youth with an opportunity to gain real work experience and transferrable skills. This program allows them to expand their business while hiring people to get them into a productive economy.

An Open House for Xavier University and Walnut Hills High School staff and faculty was held on April 24 by the realty team and was attended by 30 visitors as well as members of the REACH Evanston working group, NorthPointe Group, and the Port Authority.

The reachneighborhoods.com website launched as a sales-oriented site with photos and descriptions of the homes for sale. It is maintained by the CBWS realty team with input and content from the Port Authority communications team.

On May 16, Ms. Robb organized a team of dozens of volunteers to work on painting and landscaping 18 properties in Evanston as part of the Crossroads Church annual "Go Cincinnati" day. Several Port employees participated, and it provided a great opportunity to meet residents in Evanston, including two new REACH homeowners.

Mr. Hall, Ms. Robb, and Mr. Basil have met representatives from District 2 and District 4 to discuss a "Cop on the Block" program, and have held meetings with Walnut Hills High School Foundation to engage alumni and staff interest in the REACH program.

Mr. Hall noted that 9 houses are scheduled for rehabilitation in the next phase. That work is expected to be completed in 2015.

## 6. **POLICY UPDATES**

Formal Action Requested – Before the board today is proposed resolution 2015-03 entitled:

### **RESOLUTION TO DESIGNATE THE SECRETARY OF THE MANAGEMENT COMPANY AS AUTHORIZED SIGNATORY FOR THE HAMILTON COUNTY LAND REUTILIZATION CORPORATION.**

Mr. Recht explained this resolution is to authorize the Secretary of the Management Company, Laura Brunner, to execute deeds, leases, agreements, and all other documents on behalf of the HCLRC. After some discussion of the matter, Joe Honerlaw asked for a motion to approve Resolution No. 2015-03.

**Motion:** Rob Goering moved to approve Resolution No. 2015-03. The motion was seconded by Paula Boggs Muething and was approved unanimously.

Formal Action Requested – Before the board today is proposed resolution 2015-04 entitled:

### **RESOLUTION TO UPDATE THE HCLRC GUIDANCE DOCUMENT CONTAINING ACQUISITION AND DISPOSITION POLICIES AND PROCEDURES OF THE HAMILTON COUNTY LAND REUTILIZATION CORPORATION.**

Ms. Thomas reported that in 2012, shortly after the Landbank was constituted, the Board approved a mission statement and guidelines regarding acquisition and disposition. Upon review of these policies, it

has been determined that other procedures and protocols have been developed within the last three years that are inconsistent with the guidelines and need to be revised. Secondly, it is the intention to de-link the acquisition side from the disposition side. As a result of this, the Landbank website and application has been updated.

Mr. Weber gave an update on the restructured application process, the available programs that are available, and reviewed the changes that were made in this resolution. After some discussion of the matter, Joe Honerlaw asked for a motion to approve Resolution No. 2015-04.

**Motion:** Rob Goering moved to approve Resolution No. 2015-04. The motion was seconded by Tom Weidman and was approved unanimously.

## 7. **FINANCIAL REPORT**

Mr. Hudson provided each Board member with a copy of the clean audit report and highlighted some of the more significant Income Statement budget variances for first half of 2015 and fluctuations on the Balance Sheet versus the prior year end.

### Income Statement

Revenues for first half of 2015 are nearly \$1.3M or 38% below plan.

- NIP demo grants are \$1.1M below plan due to timing. This grant provides \$5M over a 2 year span with half or \$2.5M budgeted in 2015.
- First half DTAC funds came in \$236K or 12% below plan.

Expenditures for first half are \$810K or 42% below plan.

- NIP demo expense is \$1M below plan due to timing as discussed in grant revenue above.
- Program expenditures are \$216K above plan primarily due to stabilization projects and REACH Evanston home sales occurring earlier in 2015 than planned.

### Balance Sheet

- Cash and cash equivalents at the end of first quarter totals \$2.0M, an increase of \$344K or 20% from year end.
- Receivables declined \$270K or 44% from year end due to the collection of MOF receivables.
- Assets held for sale increased \$789K primarily in: \$520K REACH Evanston, \$118K Lower Price Hill stabilization, and \$105K NIP demo properties.
- Capital additions for first half are \$994K or 39% below plan due to timing. REACH capital is \$760K below plan through June, however Evanston rehabs in the second half of 2015 will use the majority of this variance and bring us closer to plan. The land value of NIP properties are \$272K below plan due to the timing issue discussed in NIP grant revenue above.

## 8. **ADJOURNMENT**

Mr. Honerlaw adjourned the July 21, 2015 Board of Directors meeting at 4:54 p.m.

Respectfully,



Laura N. Brunner  
Secretary