

Minutes of the Fairfield County Land Reutilization Corporation

Meeting Date: January 12, 2016 at 2:00 PM

Location: Fairfield County Commissioners' Hearing Room

Members of the Board:

James Bahnsen, Fairfield County Treasurer, Statutory Director/Chair
Mike Kiger, Fairfield County Commissioner, Statutory Director
David Levacy, Fairfield County Commissioner, Statutory Director
Steve Davis, Fairfield County Commissioner, Selected Director
David Smith, City of Lancaster, Municipal Director/Vice Chair/Designee
Harry Myers, Jr, Violet Township, Township Director
Zack DeLeon, Secretary/Selected Director

Board Members Present: Bahnsen, Levacy, DeLeon, Myers, and Paul Martin
(representing Lancaster Mayor Brian Kuhn)

Individuals Present: Michael Kaper, Carri Brown, Donna Fox-Moore, RPC Intern, Sean Fowler, Josh Horacek

Quorum: Five of seven Board Members were present. Quorum was attained.

A. Call to Order and Welcome: Jim Bahnsen at 2:04 PM

B. The December 15, 2015 Meeting Minutes were reviewed. Motion to approve by Levacy. Second by Myers. Minutes approved by unanimous vote.

C. Treasurer's Report

- a. The Year End and Monthly Activity Report was presented by Mr. Bahnsen, who reported a current balance of \$13,667.65 (Attachment B). The report included income of ~\$252,000, which was comprised mostly of DTAC transfers. The majority of reported expenses (~\$239,000) was for asbestos abatement (\$136K) and a contract services agreement between the Land Bank and Commissioners for \$42,900. A full reimbursement for the NIP for \$126,694 was received on 1/6/16. Mr. Bahnsen also noted that the lawn care line item in the profit and loss detail is for tree removal. Motion to approve the Treasurer's Report was made by DeLeon. Second by Myers. Motion passed by unanimous vote.
- b. Audit: The Land Bank will be a component of the Fairfield County audit, although Mr. Bahnsen intends to evaluate the costs and advantages of using the same consultant versus a separate consultant. \$32,625 is for contracted services with the County for 2016 for the Land Bank contribution to the Director's salary. The Land Bank contribution is 35%, the Treasurer's contribution is 30%, and the remaining 30% is

from the DTAC. A motion to approve the amended salary distribution was made by Martin. Second by Myers. Motion passed by unanimous vote.

D. Reorganization of Officers: Mr. Bahnsen noted that the Mayor of Lancaster is no longer David Smith, and the newly elected mayor, Brian Kuhn, is automatically appointed to the board as a statutory procedure. Mr. DeLeon agreed to serve as Secretary for another year. A motion to approve these positions was made by Myers. Second by Martin. Motion passed by unanimous vote.

E. Old Business

- a. NIP Update: Mr. Kaper reported on NIP properties in process. We have completed seven more demolitions since December 2015. Feedback from neighbors of demolished properties has been very positive, and Ricketts has promptly and proactively addressed any damage to neighboring properties. An asbestos review for the next round is being scheduled at this time. The Land Bank will be billing for the seven demolitions and we will have eight more to bill in the next round in three to four weeks. Mr. Kaper noted that Carly Booz has said the Land Bank handled the first round of billing very well. We are averaging \$16,500 per property in reimbursements.
- b. Additional Non-NIP Properties: Mr. Kaper reported a few foreclosures are coming... mostly in the Fairfield Beach area. Mr. Levacy suggested we should be looking at the current property owner to make sure they are not a delinquent tax payer on other properties. Mr. Kaper indicated he is receiving approximately one inquiry per week from neighbors of delinquent or blighted properties. Mr. Kaper also suggested a formalization of the process to investigate and acquire properties.
- c. Clarence Miller Building: A memorandum of understanding (MOU) between the Land Bank and the County (Attachment C) pertaining to the Miller Building was presented by Mr. Kaper. Under the stipulations of this MOU, the property reverts back to the County if the potential buyer is unable to secure financing. Land Bank control of the property is advantageous because the Land Bank is not required to collect RFP's for this project. Per the MOU, the County will maintain the grounds, and the Land Bank will be responsible for utility and insurance costs. Chris Clark of Clark Insurance has suggested insuring the property for its market value of \$130K and is looking into that cost. Clark may also require endorsements to exclude coverage for vandalism. The utility expense (electric, gas, water) for January 2015 through September 2015 was roughly \$15K. The expense over this time period was considered because the potential buyer will likely know in September 2016 whether they will be able to purchase the property based on the results of their funding application.

An ongoing issue with this property is the existing cemetery on the site. The cemetery will be transferred to the City of Lancaster, but that process is not yet complete. The MOU will not be signed until a general warranty deed for the cemetery site is executed. (Legal descriptions of the cemetery parcels are included

with Attachment C.) A suggestion was made to give Mr. Bahnson authority to sign the MOU once the transfer is complete.

The buyer, Fairfield Homes Inc. (FHI), needs funding and an historic designation for the property to complete this project, and it was noted that historic designation applications should be supported by the County since the Land Bank will not have control of the property by the 1/15/16 application deadline, although Donna Fox-Moore noted that the deadline could possibly be extended to 1/19/16. FHI is willing to work out a non-refundable deposit to secure an option on the property plus an additional amount to purchase. FHI receives additional credit on their funding application if the property is donated or sold for less than 50% of its appraised value. Mr. Kaper proposed a purchase price of \$60,000 and a \$15,000 deposit to cover utility expense during the application process. Mr. Levacy suggested the utility cost could be reimbursed as an alternative to a deposit, and a discussion ensued regarding flexibility on this matter if it affects the application process. Mr. Kaper also noted the Land Bank will have liability insurance on the property during this process, and a supplemental binder could be requested from FHI. The discussion concluded with a discussion about voting on the selection of FHI as the buyer at the next Land Bank meeting on 2/9/16.

Mrs. Brown thanked Mr. Horacek for completing the MOU draft in such a timely manner.

- F. Around The Horn
 - a. Mr. Kaper proposed forming a committee to address the future direction of the Land Bank and property acquisition.
- G. Summary of Action Steps (Brown)
 - 1. Contract for shared services (complete).
 - 2. Email the Land Bank bylaws for review of D&O terms.
 - 3. MOU and title transfer for Clarence E. Miller Building.
 - 4. Research letter pertaining to Department of Interior.
- H. Upcoming Calendar: The next meeting of the Fairfield County Land Reutilization Corporation was set for February 9, 2016 at 2:00 PM.

A motion to adjourn the meeting was made by Myers. Second by Martin. Motion passed by unanimous vote and the meeting adjourned at 2:55 PM.