

Approved by Board Vote 6/23/2015

Minutes of the Fairfield County Land Reutilization Corporation

Meeting Date: May 26, 2015 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, Kiger, Levacy, Smith, Myers, DeLeon

Individuals Present: Michael Kaper, Jon Slater, Holly Mattei, Donna Fox-Moore, Brian Kuhn, Bob Clark

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

A. Call to Order and Welcome: Jim Bahnsen at 2:03 PM

B. The March 30, 2015 Meeting Minutes (Attachment A) were reviewed. Motion to approve by Kiger. Second by Smith. Minutes approved by unanimous vote.

C. Treasurer's Report (Attachment B) was presented by Bahnsen. A suggestion was made to purchase Land Bank signs for Mr. Kaper's car. Funds from Moving Ohio Forward have been carried over. Motion to approve by Smith. Second by DeLeon. Motion passed by unanimous vote.

D. Old Business

a. An update on the NIP Grant was provided by Mr. Kaper. A hearing was held and no one showed up to object. Mr. Kaper reviewed the property acquisition timeline and potential acquisitions in the coming month. An owner has 28 days to redeem, and that period expires on June 2, 2015. The Land Bank should have all 12 required properties by this date. An asbestos abatement assessment was discussed. There are five additional properties in Board of Revision proceedings, four which are delinquent and occupied, four which are vacant, and nine which are vacant and abandoned. There are a total of 30 to 35 properties which the Land Bank should own within the next month or so. The first 12 are Lancaster properties, and the newer properties are at Buckeye Lake and Fairfield Beach. There is also one property on Waterloo with a barn and house which need to come down.

Revised Award (Attachment C): The award was reduced to \$400,000, which is a 16-property award. This is viewed by Carly Boos as a temporary reduction. She recognizes our work and challenges.

- b. An update on the Lancaster Hardware Building was presented by Mr. Kaper. A sheriff's sale was held on May 16, 2015 and there were no bids. The property can be taken after one sheriff's auction. Mr. Kaper has spoken to David Scheffler about setting up a non-profit and being ready for a transfer. The cost to take the property through a sheriff's sale (\$2,000-2,500) must be shared amongst the tax districts. (Approximately \$100K is already being written off.) We could charge the non-profit for the sheriff's sale cost in the sale price. It could also cost ~\$1,000 to secure the building. A motion was made by Levacy to cover the acquisition cost of \$2,000-2,500 and let the non-profit pay to secure the building. Second by Myers. Motion passed by unanimous vote.
- E. New Business
- a. Resolutions: 2015-03 (NIP Mortgage) was presented. A mortgage is required on each property, and this was discussed with Carly Boos. Attachment D includes a resolution from the Port Authority, a mortgage, and a promissory note. A nominal Loan Agreement was also reviewed to cover all mortgages between the Land Bank and Port Authority. The resolution authorizes Bahnsen and Kaper to sign mortgages. Motion by Levacy. Second by DeLeon. Motion passed by unanimous vote. 2015-04 was presented. There is reportedly a tax exempt status for Land Banks in the IRS Code instead of filing as a 501c3, although this has not been confirmed in writing by the IRS. The filing fee is \$28,800. Through cost sharing amongst land banks - portion is determined by land bank size and we are considered small - our share would be \$628. After the filing fee and legal fees, we would pay \$4,300+, which is a one-time expense. Mr. Bahnsen reported that this is a better deal than 501c3 status and we can legally use excess funding for administrative expenses. Clark County will be the point on this collaboration. 2015-04 authorizes this agreement and the \$628 fee. Myers made a motion to approve the resolution with an expense not to exceed \$5,000. Second by Levacy. Motion passed by unanimous vote.
 - b. Mr. Bahnsen initiated a dialogue regarding the Management Discussion and Analysis, which is required. A history of what the Land Bank has done to date was discussed.
 - c. Equipment Purchase: Mr. Bahnsen requested authority to purchase a separate computer for the Land Bank. A request for a laptop (not to exceed \$4,000) was made. Mr. Clark indicated that QuickBooks may potentially be shared and was recently purchased by the Port Authority. A motion was made by Smith. Second by DeLeon. Motion passed by unanimous vote.
 - d. Millersport Properties: Mr. Kaper reported there are several properties to consider. The Attorney General opinion is that municipal acquisition does not extinguish tax liens. These properties total ~\$60K in tax liens. More information will be available after a May 29, 2015 meeting.

Approved by Board Vote 6/23/2015

- e. Fairfield Beach: Mr. Kaper reported that many calls are coming in about abandoned properties in Fairfield Beach. A suggestion was made to acquire the properties and then pass them along to neighboring owners at our cost.
 - f. Mr. Kaper led a discussion about moving the AMVets building/location for the purpose of County parking and indicated there could be some help from the Land Bank.
 - g. A brief discussion was held regarding filing a motion with the court for the transfer of the Lancaster Hardware building to the Land Bank.
- F. Around The Horn: Mr. Kaper reported that once the Land Bank has properties, the Lancaster Eagle-Gazette would like to write an article about the Land Bank.

The next meeting of the Fairfield County Land Reutilization Corporation was set for June 23, 2015 at 2:00 PM.

A motion to adjourn the meeting was made by Kiger. Second by DeLeon. Motion passed by unanimous vote and the meeting adjourned at 2:45 PM.