

Minutes of the Fairfield County Land Reutilization Corporation

Meeting Date: June 23, 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, Donna Fox-Moore, Bob Clark

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

A. Call to Order and Welcome: Jim Bahnsen at 2:00 PM

B. The May 26, 2015 Meeting Minutes were reviewed. An addendum to the minutes was presented by Mr. Kaper. Motion to approve by Kiger. Second by Smith. Minutes approved by unanimous vote.

C. Treasurer's Report was presented by Mr. Bahnsen, who reported a current balance of \$117,640.32. Clark County will have an official letter from the IRS regarding Section 115.1 status instead of 501c3 status. Total fees for this will be approximately \$4,300 to the Land Bank. Mr. Levacy asked whether a tax write off could apply if there is a tax delinquency on a property, and Mr. Kaper replied that he is not sure and will need a legal opinion regarding the amount of allowable deduction. Mr. Bahnsen discussed expenditures for the next 12 properties to be acquired through the Sheriff's office. A motion was made by Myers to approve the Treasurer's Report. Second by Smith. Motion passed by unanimous vote.

D. Old Business

a. An update on the NIP Grant was provided by Mr. Kaper. Deeds have been submitted for transfer of 12 properties to the Land Bank. We are prepared to secure the properties. Donna Fox-Moore is working on asbestos abatement review for 10 properties. 10 of the 12 properties are demolition projects, and two could possibly be rehabbed. Mr. Levacy asked whether it is worth talking with Habitat For Humanity about the rehab projects, and Mr. Kaper replied that it would be better for Habitat

For Humanity to be involved than for a buyer who is strictly for profit. The minimal threshold for improvement is not what the Land Bank seeks to accomplish.

- i. **Property Acquisitions:** We have incurred \$19K in acquisition costs to date. Mr. Levacy asked if we will pursue individual or group pricing for demolition of the properties, and Mr. Kaper indicated that will be evaluated in the bid process. There are 4 properties in the Board of Revision (BOR) process, 5 properties which are occupied and in the standard tax foreclosure process, and 8-9 properties slated to start the BOR process. In total, there are 30-35 properties in the pipeline. Mr. Bahnsen discussed an improvement in communication with neighboring property owners.
 - ii. **Insurance:** Mr. Kaper reported that Clark Insurance has provided a quote through Cincinnati Insurance for 14 properties for ~\$2,400 per year plus \$300 per year per additional property. This rate will not be prorated based on holding time of the property. The rate will be reevaluated annually based on our holdings. This will be written on a surplus line because they could be demolished. The policy includes \$1,000,000 in liability coverage for the Land Bank and is only for properties in the NIP program.
- b. An update on the Lancaster Hardware Building was presented by Mr. Kaper. Mr. Kaper prepared and David Scheffler signed a purchase agreement in the amount of \$1. The buyer agrees to hold the property as a food market for 3 years. If it is sold earlier than years from acquisition, 25% of the profit is to be paid to the Land Bank. The goal is to close, take possession, and pass possession along to the buyer as soon as possible.
 - c. **Millersport Properties:** Two parcels with delinquent taxes have been identified. Mr. Kaper participated in a phone conference with Millersport officials and their council. These are not foreclosures and will only be listed as acquisitions, and the Land Bank will not be responsible for the tax debt. There will be memorandum of understanding as to how the properties will be maintained in the interim. Mr. Kaper and Mr. Levacy provided a history of these properties with regard to Moving Ohio Forward. Mr. Myers asked whether the Land Bank will sell the property. Mr. Kaper replied that the property will be sold with a Realtor and at fair market value. Mr. Levacy added that Mr. DeLeon should be involved in the valuation process. All debts and delinquencies are to be paid, and the remaining proceeds will be split between the Village of Millersport and the Land Bank. A resolution was presented to proceed now with a memorandum of understanding to follow in the near future. A motion to approve Resolution No. 2015-05 was made by Smith. Second by DeLeon. Motion passed with Levacy and Bahnsen abstaining.
 - d. **Land Bank Quarterly Meeting:** Mr. Bahnsen and Mr. Kaper discussed what was learned at the meeting. Securing properties and networking were the biggest benefits of attendance.

- E. New Business: Mr. Kaper reported there was an article in the Lancaster Eagle-Gazette regarding available funds for gas station cleanup and remediation. There are two local properties which could be candidates for this, one of which is the Workingman's Friend property. This property has tax delinquency and cleanup issues, and Land Bank ownership would qualify the property for funds for tank removal and cleanup. There is another possible opportunity at Fairfield Beach. Mr. Kaper intends to keep this program on the radar.
- F. Around The Horn: Mr. Levacy suggested that Mr. Kaper try to attend public meetings in Millersport and various townships to educate officials and the public about the Land Bank. Mr. Smith added that the City of Lancaster has had positive news over the past several months and the Land Bank has been receiving complimentary press as a result.
- G. Summary of Action Steps: The following summary was provided by Mrs. Brown
- a. Michael K. will conduct ongoing research on the procedures for how to properly accept donations of property and provide documentation for the tax deductible nature of the donations to the political subdivision of the Land Bank
 - b. Michael and Donna will continue to progress on the NIP projects with a goal of 25 properties in the Land Bank by the end of September
 - c. Michael will conduct research on potential grant funds relating to gas stations that are abandoned and delinquent on taxes
 - d. Michael will follow up with Clark Insurance about property insurance
 - e. Michael and Joshua will follow up on the elements of the MOU with Millersport
 - f. Michael will work on a schedule of attending village and township meetings to educate groups on what the Land Bank does
 - g. The next meeting is July 28 at 2 in the Board of Commissioners Hearing Room

The next meeting of the Fairfield County Land Reutilization Corporation was set for July 28, 2015 at 2:00 PM. Mr. Bahnsen noted that the Western Reserve Conference for land banks will be held in September 2015 if there are board members who may have an interest in attending/representing.

A motion to adjourn the meeting was made by Smith. Second by Levacy. Motion passed by unanimous vote and the meeting adjourned at 2:50 PM.