



Board Minutes

Tuesday, July 17, 2018 Board of Directors Meeting, 4:00 p.m.

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

1. **CALL TO ORDER**

Rob Goering called the Hamilton County Land Reutilization Corporation (Landbank) Board of Directors meeting to order at 4:05 p.m.

Board Members Present:

Driehaus, Denise	Muething, Paula Boggs - Cranley Designee
Goering, Rob	North, Molly
Honerlaw, Joe	Portune, Todd
Monzel, Chris	Weidman, Tom

GCRA, as Management Company of the Landbank:

Basil, Will	Laird, Tiffany
Brunner, Laura	Meyer, Megan
Eddy, Liz	Powell, Jessica
Golden, Michael	Recht, Chris
Heldman, Matthew	Robb, Deborah
Hudson, Rick	Sanders, Robert
Johnson, Matthew	

Guests:

Boyko, Judi – Hamilton County
Parks, Victoria – Hamilton County
Schulte, Skip – Bellevue, KY Citizen

2. **WELCOME AND INTRODUCTIONS**

Mr. Goering acknowledged and welcomed the board members and the guests.

3. **APPROVAL OF MINUTES**

Mr. Goering asked Board members if there were any additions or modifications to the April 24, 2018 Board of Directors meetings minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Mr. Monzel moved to adopt the minutes of the April 24, 2018 Board of Directors meetings. The motion was seconded by Ms. Driehaus and was approved unanimously.

4. **MANAGEMENT REPORT**

Ms. Powell noted the real estate market has picked up in Hamilton County over the last year. What that means for the Landbank is that the Landbank has seen an increase in applications and inquiries about its properties. Also, CDC and other community partners have ramped up their requests to acquire Landbank properties. Relatedly, there has been an increase in interest to rehab Landbank properties that were otherwise slated for demolition under the Neighborhood Initiative Program (NIP). In the last three months,

over a dozen properties that were identified for demolition this quarter have been placed on hold for likely rehab. Although the Landbank still expects to meet its NIP goals, the renewed interest in rehabbing vacant, blighted housing stock has resulted in challenges identifying viable demolition candidates.

Ms. Powell provided an update on the Landbank's and City's expenditure of funds for historic stabilization. The Landbank recently stabilized six rowhouses on Baymiller in the West End, as well as the Flatiron building at 1833 Sycamore. Once stabilized and in Landbank possession, these types of properties are being marketed for full rehab. We have recently applied for a loan fund through IFF (a CDFI out of Chicago) to do more historic stabilization of housing stock in the West End. 18 Mulberry is another significant and prominent historic property that the Landbank stabilized. Known as "the Moerlein House," this property has generated a lot of interest and excitement.

Ms. Powell explained how, in Cincinnati's West End neighborhood, the Port's early involvement has been focused on property acquisition and historic stabilization through the tools afforded to the Landbank. In April, the Port entered into a community benefits agreement with FC Cincinnati related to its soccer stadium investment in the West End. The Landbank has been meeting with a number of community organizations in the West End throughout 2018, including SHNH, the West End Community Council, LISC Greater Cincinnati, to inform Landbank work with the community and build community capacity. The Landbank is in the process of finalizing a Memorandum of Understanding (MOU) with SHNH to outline a process for engagement with the neighborhood.

5. INVENTORY REVIEW

Ms. Meyer called the Board's attention to the Inventory summary page in the packet and highlighted the decrease in owned residential land as well as the increase in owned residential buildings compared the prior quarter, as result of the NIP program.

6. PROGRAM REVIEW

Demolition Grant Oversight

Ms. Powell highlighted that OHFA requires 100% of the Pipeline to be acquired by 12/31/18, and 75% of the allocated \$10.5M funds spent to be submitted by 10/31/18. Ms. Powell reviewed the demolitions currently in process. The Board asked questions related to making properties available that may not be suited for demolition, but for which the Landbank does not have funds to take rehab. Such questions were answered to satisfaction. Ms. Powell commended Ms. Meyer and the legal team for implementing an expedited tax foreclosure practice in house, which would otherwise be done by the prosecutor. This has been instrumental in acquiring the properties needed for the pipeline. Ms. Brunner noted the expansion of the associate team to support the application process.

Disposition Programs

Ms. Meyer reviewed the number of dispositions through the second quarter of 2018. Using slides, Ms. Meyer highlighted properties located at 732, 734, and 752 Wayne; 4240 Fergus; 3720 Cass; and 2944, 2948, and 2952 Hackberry. Ms. Meyer stated the programs related to the properties and gave details about each.

Historic Structure Stabilization

Ms. Meyer called the Board's attention to the Board packet and reported in the second quarter, the Landbank began aggressively marketing Christian Moerlein's historic home at 18 Mulberry in Over-the-Rhine, and has received significant interest in the property at a weekend open house and in the press. The Landbank was awarded a \$150,000 grant in the City of Cincinnati budget in June to continue the stabilization and asbestos abatement of 1201 Linn Street.

REACH

Ms. Eddy reviewed the target areas and gave an overview of each project. Ms. Eddy reported on the progress of REACH homes in Evanston, stating the Landbank is continuing to market the Unibilt houses. In the second quarter, the Landbank has completed four sales, another under contract, and the remaining three being listed and marketed. Ms. Eddy recapped funding agreements for both Price Hill and Avondale are in the last stages of negotiation and the team hopes to start its work in the third quarter of 2018. Ms. Brunner added funding for Price Hill was put on the City's budget, and Avondale is being funded by Children's Hospital. Ms. Eddy announced in Walnut Hills the Landbank has sold its latest total renovation receiving its full asking price. Using slides, Ms. Eddy highlighted the transformation of 761 Morgan Street in Walnut Hills.

Formal Action Requested – Before the Board today is proposed resolution 2018-04 entitled:

A RESOLUTION TO ASSIST THE COMMUNITIES OF PRICE HILL AND AVONDALE EXECUTE TARGETED NEIGHBORHOOD HOUSING AND REDEVELOPMENT STRATEGIES.

Mr. Recht presented and explained the details of the resolution to assist the Communities of Price Hill and Avondale execute targeted neighborhood housing and redevelopment strategies.

Motion: Mr. Weidman moved to approve Resolution 2018-04. The motion was seconded by Mr. Honerlaw and was approved unanimously.

7. FINANCIAL REPORT

Mr. Hudson called the Board's attention to the Income Statement in the Board Packet. Revenues for the first half of 2018 total \$3.4M versus a plan of \$3.6M. The \$240K or 7% plan variance primarily consist of timing on grant revenue related to a remediation project in Avondale on Burnet Avenue. First half DTAC funds received in June were nearly \$2.0M and mark the highest amount of first half DTAC funds recorded by the Landbank.

Expenditures through June total \$2.3M versus a plan of \$2.9M. The \$590K or 20% plan variance is mainly attributed to the following projects, both due to timing: \$277K NIP demolitions, and \$220K Remediation project of former gas station on Burnet Ave in Avondale. We expect actual expenditures for both of these projects to move closer to their annual budget during the second half of 2018. The net result is revenue in excess of expenditures by \$1.1M, versus a plan of \$754K, creating a \$349K plan variance. Capital additions through June total \$550K versus a plan of \$2.1M. The \$1.5M capital variance is primarily due to REACH/Housing, which is \$1.3M below plan. The first half REACH/Housing capital budget includes cost to rehab five homes, three in Evanston and two in Walnut Hills, which are largely being pushed out to the second half of the year.

The Balance Sheet showed DTAC funds were received in June. As a result, cash at the end of Q2 totals \$904K and the line of credit was paid off. Receivables total nearly \$2.1M and consist of \$1.5M due from OHFA for NIP demo grant reimbursements, and \$0.6M due from the City for Price Hill REACH grant reimbursements. Assets held for sale reduced to \$5.0M and includes \$1.5M in housing construction/rehabs, primarily in Evanston. Cash totals of \$41K due to using the line of credit for cash flow management. Receivables total \$2.1M and consist of \$1.2M due from OHFA for NIP demo reimbursements, and \$0.9M due from the City for stabilizations and REACH commercial funds. Assets held for sale totals \$6.2M and includes \$2.3M in housing construction/rehabs, primarily in Evanston. The line of credit is drawn at \$1.2M of the \$1.5M available line.

The Auditor of State accepted BKD's audit of the Landbank's 2017 financial report without exception, and BKD had no reportable matters to share with the Board. Copies of the 2017 audit report and financials were distributed to Board members.

8. COMMUNICATIONS

Ms. Brunner called the Board's attention to the Board packet and highlighted on several new stories as well as upcoming events.

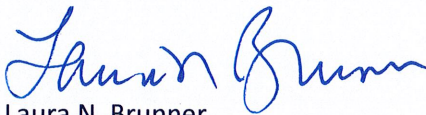
9. POLICY UPDATE

Ms. Powell updated on policy surrounding land sale contract legislation stating the City of Cincinnati recently enacted an ordinance that will require a point of sale inspection and basic inhabitability of properties that are in a land sale contract within the City. On the state level, Ms. Powell has been working with Representative Dever (R) on potential state-wide legislation to reform land sale legislation. Ms. Powell gave a recap on the legacy resident protection discussion, and reported this requires a change to state law. Ms. Powell and Mr. Goering drafted a state law Bill that would create a pilot program in Hamilton County, to freeze property taxes for three years for legacy residents. This will be circulated for review and discussion. Ms. Powell introduced intern, Matthew Heldman and shared his background. He was tasked with analyzing property values surrounding all REACH properties in Evanston. The preliminary data was shared.

10. ADJOURNMENT

Mr. Goering adjourned the July 17, 2018 Board of Directors meeting at 5:01 p.m.

Respectfully,



Laura N. Brunner
Secretary