

## **Tri-COG Land Bank Board of Directors Meeting Minutes**

August 7, 2017 6:30 PM

Steel Rivers COG 1705 Maple Street, Homestead PA 15120

### **Call Meeting to Order: 6:31 PM**

#### **1. Agenda**

##### **Roll Call and Introductions**

##### **Board**

Chuck Arthrell: Present

Mike Belmonte: Absent

Jim Fisher: Present, arrived on phone during discussion of Information System/Website Update

Deborah Grass: Present

Tom Hardy: Absent

Maureen McKeeever: Present

Dave Pasternak: Present

Maureen Quinn: Present

Robert Wratcher: Present

##### **Others Present**

An Lewis

Liz Kozub

Irene Clark

Natalie Boydston

##### **Pledge of Allegiance**

##### **Public Comments**

No public comments, no members of board wished to say anything under public comments

#### **2. Financial Report/ Minutes**

##### **Motion**

Motion to approve the Minutes dated July 10, 2017

Motion Moved: Chuck Arthrell

Seconded: Maureen McKeeever

All in favor, no opposed

Motion Passed

##### **Motion**

Motion to approve the List of Bills dated July 2017

Motion: Chuck Arthrell

Seconded: Robert Wratcher

All in favor, no opposed

Motion Passed

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### **3. Information System/Website Update**

#### **Website Design Update**

The basic sitemap that Imagebox built as an outline for the TCLB website was shared with the Board. Once Imagebox creates the website, TCLB staff will then work with Imagebox to fill in the content. There was a discussion about the integration of ePropertyPlus to the website, once TCLB acquires properties the portion of the site that connects visitors to ePropertyPlus from the TCLB website will be activated so visitors can view TCLB inventory.

#### **Logo Selection**

An introduced the new logo designed by Imagebox to the Board.

### **4. Property Acquisition Submissions**

#### **Weighted Criteria Discussion**

The Board was updated on the status of the exterior property structure assessments. The code enforcement officers have visited all the properties with structures (except one, due to difficulty locating), completed an exterior assessment, and estimated the cost of exterior rehab for each property. Working with this data, Liz developed a scoring system based on the exterior property assessment that will contribute to the score and category determination of the property.

TCLB staff is developing a way to assess market strength using raster maps to assess county assessed property value and sales data from RealStats. This is being developed in lieu of the counties MVA, until the county releases the information and also in the event that the county chooses not to repeat the MVA. This data will be used to help determine the category of each property. There was a discussion if the counties property assessment data accurately conveyed the strength of a market. An discussed how after comparing the sales data and assessed value, the patterns of the data were very similar. However, at a granular level this would most likely not be the best data to use, for instance when the TCLB needs to set prices for properties. There was also a discussion of the TCLB possibly contracting an MVA for its members in the event the county does not repeat their MVA.

The scoring discussed at the meeting was only for residential properties with structures; vacant lots and commercial properties would be scored differently. The TCLB staff created weights for each category and requested the Board's input. Staff weighted the exterior property assessment at 55%, market value at 45% and 5% for a combination of acquisition and disposition ease, and community importance.

The Board expressed their thoughts that market value should be higher weighted than property assessment. In some member's experience, houses in great condition still had the potential of not being able to be sold for a long period of time due to where they were located. The Board discussed the need to make sure each member gains value from being part of the land bank and that the TCLB needs to ensure investment in those communities with weak housing markets. The Board discussed that acquisition and disposition should be

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separate categories and weighted higher, because the ease of the two processes should make the property a higher category. The Board also discussed increasing community importance score, include the amount of blight in the neighborhood, and adding market trend to the market value score. The weight and scoring can be adjusted in the future as the TCLB learns from the process. TCLB staff will reevaluate and adjust the scoring per the Board recommendation and present the scoring at the Board meeting on August 30<sup>th</sup>. In the future, TCLB should have a discussion on possible ways to work with local lending institutes to assist potential homeowners in financing.

### **Number/Type of Acquisitions**

There was a discussion on how many properties the Land Bank should start acquiring by December 2017. In 2017, the original budget states that the TCLB will start the procedure for four (4) vacant lots and ten (10) properties with structures; four (4) A categories, three (3) B categories, and three (3) C categories. The criteria were laid out based on analysis of major and minor renovations and was altered to reflect conversations with redevelopment and HUD expertise. After running some numbers An proposed a budget that would allow for six (6) vacant lots, twenty (20) residential properties with structure, and one (1) commercial (Swissvale dry cleaner that is awaiting environmental determinations), with a focus on A and B category properties. There were enough A and B category properties submitted in the first round that would allow a fairly even number of potential acquisition candidates throughout the members that submitted. The goal of staff is to make a preliminary acquisition suggestion at the September advisory committee meeting to then be presented to the Board at the October meeting. The second set of acquisition properties are due September 30<sup>th</sup> and the vetting should not take as long , because the TCLB will have a process already established. An noted that for members that did not submit properties in the first round she did contact them about submitting in September. The Board discussed the need to discuss and include the acquisition of C Properties, because one of the purposes of the land bank is to assist with this type of property.

There was a discussion of the length of time this initial process was taking, to develop a well thought out and through process to be used later. The current view of the Land Bank is to initially not perform many rehabs, but sell as is with contingency that the new owners will rehab to certain standards. The Board discussed that is may be a good idea to start establishing relationship with contractors. There was also a discussion on how long tax sales may take.

### **Motion**

Motion to accept the alternative budget for 2017 to acquire six vacant properties, twenty residential properties and one commercial property with a focus on A and B category properties with the acknowledgement that some C properties may be selected for acquisition.

Motion: Deborah Grass

Second: Chuck Arthrell

All in favor, no opposed

Motion Passed

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### **Nominal Price for Vacant Lots**

The Board discussed how to set a price for side yards to not dissuade residents from purchasing the lots, but also try to recoup the cost of having a property go through the tax sale process. The side lot definition is outlined in the Policy and Procedures and is not a representation of all vacant lots. Staff discussed other Land Bank policies and prices of side lot. The Board agreed to set a minimum and a maximum price, and have an overall set standard for every side lot. After some discussion of how much side lots cost during appraisals the Board made a motion.

### **Motion**

Motion to set a price for side yards as \$0.30 per square foot and closing costs, with a minimum price of \$500.00 and a maximum price of \$2,500.

Motion: Dave Pasternak

Second: Robert Wratcher

All in favor, no opposed

Motion Passed

## **5. Staffing**

### **LGA Intern Update**

Natalie, who is currently working full time, returns to school in late August but she can continue to work for the TCLB for around 20 to 30 hours a week. TCLB would also like permission to hire Nick to stay after summer, averaging between 12 to 16 hours a week. If the TCLB Board approves both Natalie and Nick to remain employed, this will then be brought in front of the SRCOG Board for approval. The TCLB budget can allow for both Nick and Natalie to continue working for the Land Bank and An will prepare a budget to pass around for the next meeting.

### **Motion**

Motion to approve Natalie Boydston and Nick McClure to continue working for the Land Bank, for 20 to 30 hours a week and 12 to 16 hours a week, respectively.

Motion: Chuck Arthrell

Second: Maureen Quinn

All in favor, no opposed

Motion Passed

## **6. Annual Contribution Summary**

Tri-COG Land Bank has received payments from twenty-six (26) members, totaling \$131,149.74. Almost everyone has paid in full, and reminders have been sent out to those two members who have not paid.

## **7. General Liability Insurance - \$4,222 (MRM)**

An followed up with MRM and the TCLB is eligible for dividend.

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### **8. Legal Services Interview Summary**

#### **GRB – Engagement Letter**

An presented the GRB Engagement Letter to the Board, which includes all rates and commits the TCLB to \$500 for a monthly retainer which includes one meeting and five hours of follow up from GRB per month, the engagement is also at will.

Motion to approve the engagement letter from GRB

Motion: Maureen McKeever

Second Chuck Arthrell

All in favor, no opposed

Motion Passed

### **9. Meeting dates/locations**

Board Meeting dates for 2017 are Wednesday, August 30, 2017; Wednesday, September 27, 2017; Wednesday, November 1, 2017; Wednesday, December 13, 2017.

The Advisory Committee meeting for this Thursday, August 10, 2017 will be cancelled.

An also started a discussion with the Board about Senate Bill 667, which would allow redevelopment authorities to have similar powers as Land Banks. The Bill passed in the Senate and will be moving to the house, although there is no Bill number because it has not been introduced. There are concerns from many organizations about the Bill, including from the Center for Community Progress and the Pennsylvania Housing Alliance. An handed out a one page memo summarizing the bill. An wanted to stay involved with the process and wanted to ensure the Board's approval with continued involvement. The Board discussed potential resource organizations to discuss the Bill with.

### **10. Adjourn**

#### **Motion**

Motion to adjourn the meeting

Motion Moved: Deborah Grass

Seconded: Maureen Quinn

All in favor, no opposed

Motion Passed

**Meeting Adjourned: 8:21 PM**