

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

December 13, 2017 6:30 PM

Steel Rivers COG 1705 Maple Street, Homestead PA 15120

**Call Meeting to Order: 6:32 PM**

### **1. Agenda**

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

##### **Board**

Chuck Arthrell: Present

Mike Belmonte: Present

Jim Fisher: Present

Deborah Grass: Present

Tom Hardy: Present by phone after Financial Report Motion

Maureen McKeever: Present

Dave Pasternak: Present

Maureen Quinn: Present

Robert Wratcher: Present

##### **Others Present**

An Lewis

Irene Clark

Liz Kozub

Natalie Boydston

Nick McClure

#### **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 November 1, 2017

Motion Moved: Chuck Arthrell

Seconded: Robert Wratcher

All in favor, no opposed

Motion Passed

There were no deposits in the finance report. Bills were to pay GRB legal fees, ordered letterhead and business cards for TCLB, and staff costs.

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### **Motion**

Motion to approve the Financial Report dated November 30, 2017

Motion: Robert Wratcher

Seconded: Maureen McKeever

All in favor, no opposed

Motion Passed

### **TCLB funds to be consolidated into the FCB Bank Accounts on December 31, 2017**

### **3. Annual Contribution Summary**

Tri-COG Land Bank has received all payments from Twenty-Eight (28) members, totaling \$177,928.13

### **4. 2018 Budget**

The 2018 budget was built from the structure of the 2017 budget. Some expenses were expanded, acquisition costs are budgeted higher than what TCLB staff believes they actually will be, but since TCLB hasn't gone through the acquisition cycle this was left high on purpose to ensure it was not under budgeted. There is a fixed budget on some sheriff sale acquisitions but some unknowns on how much donation will cost. There has been multiple discussion on the most efficient and effective vehicle to acquire property.

TCLB anticipates in 2018 they will own some property so maintenance and renovation costs are included this year. Hopefully, before the close of 2018, TCLB will not only own properties, but sell some as well. TCLB will also receive some addition funding from donors.

There is less of a budget for administration. However, TCLB is anticipating on bringing on staff, so the budget includes existing staff, the TCVCOG code enforcement officers, and to hire more staff.

The Board was interested in what Operations meant in the budget. This is for sending a consultant out to develop a rehab punch list for a property.

### **Motion**

Motion: Maureen McKeever

Seconded: Mike Belmonte

All in favor, no opposed

Motion Passed

### **5. Property Acquisition Update**

TCLB staff had a planning call with GRB, and each one of the potential acquisition properties were examined as

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to what would be the best strategy and legal vehicle to acquire the property.

Staff asked the Board what their thoughts were on either assigning the property liens to the TCLB vs. reaching out to the individual school district and municipality to have their solicitor help move the process forward. The general consensus among the Board was to have the TCLB be assigned the liens.

In some instances, there has been legal action already started on a property that TCLB can work from. GRB has relationship with the County and Woodland Hills School District, so a number of legal actions that have occurred on some of these properties were initiated by GRB. TCLB hopes to create a relationship where GRB and the local jurisdictions council can work together so TCLB can start where the legal action was left off. Right now, the only Sheriff Sale not brought on by GRB was the municipality of Edgewood on the vacant lot. GRB plans on reaching out to their solicitor for a discussion. The Board asked if TCLB would reimburse the costs that had already incurred to the taxing body during the Sheriff Sale Process, and staff said they would be.

In regards to grass cutting, maintenance, and other liens TCLB is still working out the process to address these liens. There are liens with Hampton Shaler Water Authority, Etna Borough has reached out to them, based on initial conversation, they appear amendable to waiving the liens. Monroeville has water liens, TCLB plans on reaching out and having a conversation with them, and then follow up with written letter.

There are two old GLS liens that Allegheny County bought back and are assigned to RAAC. GRB had a conversation with the County and is trying to determine the best way to address the current liens and future liens like these.

There was a discussion about when the TCLB will own properties. Staff reported that no formal actions for acquisition can be taken until after the 60-day period which occurs on December 20 for 10 properties and on January 5 for one property. Once the acquisition process starts it depends on if TCLB will have to go through the entire tax foreclosure process or can start where a previous process left off. Starting from the beginning GRB said it would take a couple months. TCLB probably won't have an acquisition until May or June.

There was a discussion about members expectations of TCLB and if they are aware of the length of time for acquisition. TCLB staff said that they have been diligent about being transparent about the length of the tax sale process, but will reiterate at the Advisory Committee meeting. TCLB staff also plans on encapsulating what TCLB did in 2017 and explain the plan for 2018. The Board suggested sending a letter to the members reiterating this as well.

There was a discussion about if TCLB staff needed to gain Board approval over each property acquisition or when the Board voted for the ED to proceed with the property acquisitions, if this was a blanket authority to acquisition all properties. If a lien was assigned to the TCLB by a member, then this would require Board approval. There was a discussion on how this first group of acquisitions would help develop the framework of the acquisition process, on how to ensure Board approval and involvement, yet allow the TCLB to be flexible

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and be able to work efficiently. Some members are starting to wonder what is going on in the process and want to see some results. With having to have every step approved this may slow down the TCLB ability to show their work. GRB could attend a Board meeting to discuss strategy, but GRB is providing their expertise as part of the process. Board and Staff discussed keeping the Board informed while moving the process forward. The Board wanted a better understanding of what they were authorizing when they authorized acquisition of a property. There was a discussion that once TCLB goes through a few acquisitions and gets an idea of what the process is like, then any “unique” situations can be brought to the Board for additional acquisition approval. This would be consistent with policy, because there is a set limit of amount of money staff can authorize without Board approval.

In regards to title searches and information gathering prior to acquisition, TCLB is still trying to determine the best way to go about this to ensure a smooth process, yet also be efficient and cost sensitive.

The Board asked about if the groundwork for the maintenance of the properties had been established. TCLB staff said that TCLB has insurance ready for properties, but have not yet established the details of what will be needed for maintenance of the properties while the TCLB owns them. TCLB has had conversations with some of the members about contracting the work to them to maintain the properties, and TCLB has the software to keep track of the maintenance of TCLB owned properties.

There was also a discussion about what happens if the professionals hired did not do their due diligence on the searches or the process. The response was that is why TCLB has title insurance.

The meeting with the Sheriff Office was encouraging. What Sheriff Office would like to do is what Westmoreland and other land banks do, and perform the Sheriff Sales for the TCLB properties separately and all at once and not intermixed with other properties.

### **– 2105 Noble Street, Swissvale – Title Search**

This property has been discussed before, it is an old dry cleaner. The municipality and TCVCOG have invested grants and funds into the property to establish the environmental concerns so they can be addressed. TCVCOG has been using some of an EPA grant to help address the environmental concerns on the property. A local printing company, Krohmaly’s printing, would like to relocate to this property and has been in serious conversation with borough of Swissvale to see if this is possible. Originally an agreement with MVI had been established, but MVI then chose not to continue with project telling the borough that they did not have enough resources at the time. TCLB staff would like to move forward on a title search on the property.

Borough proposed the property in the Spring Round of acquisitions, but due to environmental concerns the property was held off to gather more information. The TCVCOG did a Phase I with EPA funding and the borough paid for a Phase II and air quality. There were environmental issues found, but those issues do not impede the property from being occupied or used in future. The property now needs to obtain an Act 2

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clearance to remove liability to a later owner. The TCVCOG received more funding from the EPA.

Remediation on the site may be needed. There is a plan on trying to obtain additional funding from state and also match with EPA funding. The plan is that TCLB would acquire the property, (the property owner has been working with borough), TCLB would lease to Krohmaly's printing until the repairs are done. Krohmaly's is aware remediation may need to be completed, willing to accept cost of remediation if can't obtain grant fund to do this.

The Borough of Swissvale is willing to sign an agreement that they would purchase the property from TCLB if the Act 2 doesn't go through. The Act 2 process, uncovers what remediation is needed, but we won't know what exactly needs to be done still, the consultants think replacing or sealing the floor may work at this time. That is what they are anticipating, but could change. If the Act 2 does not happen the borough is willing to take on all liability.

For now, TCLB staff wanted to start the discussion about this property, because this is special case and very complex and it might make sense to have the consultant come to a meeting to talk about specificities. TCLB and GRB would write the agreement with the borough, and Krohmaly's responsibility will be identified in agreement. There is an existing document with document between Swissvale and MVI involving a memorandum of understanding and agreement. Therefore, we would not be starting completely from scratch. TCLB staff would like to start work on those legal documents, so when title search comes through TCLB can be working on the legal documents.

There was a discussion about a conservatorship. Some Board members were uncomfortable about becoming involved with the property, while others felt this was a way for the TCLB to help a member community, which is what the TCLB exists for. There was some concern about the financial commitment involved and if the end user would continue to be interested in the property and that there is a lot of unknowns, especially when it comes to cost and amount of remediation needed.

After discussion Board chose to have a title search completed before starting any legal processes. The TCLB Board requested having the environmental consultant come to next meeting to provide more information about the project.

### **Motion**

Motion to approve a title search for 2105 Noble Street in Swissvale

Motion: Mike Belmonte

Seconded: Deborah Grass

All in favor, no opposed

Motion Passed

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### **6. Property Acquisition Report – September 2017**

56 candidates – 16 municipalities – 37 new, 19 resubmitted

- o 6 commercial
- o 45 residential structures
- o 5 vacant lots

TCLB staff is in the process of going through the properties submitted at the end of September, TCLB has been meeting with communities, and the progress will be discussed at the Advisory Committee Meeting tomorrow. TCLB staff still needs to meet with a few municipalities, and during those meeting provides an opportunity for staff to discuss the process and update the member on what TCLB has been doing.

### **7. Governance Policy Correction**

This was discussed at the last Board meeting. The policy that was approved stated that voting for a new Land Bank member had to take place before the second quarter of the calendar year, although it is believed the intention was for it to say before the third quarter of the calendar year.

Article II: Land Bank Membership

2.1 Approval of New Land Bank Members: A Tax/Municipal Claim Jurisdiction that desires to become a Member of the Land Bank must be approved for membership by the Land Bank Board. Voting for new Land Bank Membership shall take place prior to the ~~second~~ third quarter of the calendar year. If approved, the Land Bank shall provide a template Ordinance or Resolution, which authorizes signing the Tri-COG Land Bank Intergovernmental Cooperation Agreement (ICA). The governing body of the Tax/Municipal Claim Jurisdiction shall adopt the Ordinance or Resolution, and sign the ICA and provide an official copy of its Ordinance or Resolution to the Executive Director of the Land Bank.

#### **Motion**

Motion: to approve the correction to the Governance Policy of changing that voting for new Land Bank Membership shall take place prior to the third quarter of the calendar year.

Motion: Jim Fisher

Seconded: Chuck Arthrell

All in favor, no opposed

Motion Passed

### **8. 2018 Elections**

There are three board seats open and there are currently three candidates running, one for each seat. There have been no other candidates that have expressed interest in running, the candidates will be presented tomorrow at the Advisory Committee Meeting. Elections will take place at the Advisory Committee Meeting

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on January 11, 2018. The newly elected Board members will hold three years term. The Board asked if the Professional Position had been made public, and TCLB staff confirmed that information had been made public.

The meeting in November with the Sheriff's office went well. An also testified on November 14 at the House Urban Affairs Committee and spoke about what the TCLB had accomplished. Also spoke about SB 667 which hasn't moved.

An and Liz presented at the Homes within Reach Conference and Natalie also attended the conference. An and Liz's presentation was well attended. The Board asked if the presentation was available, An was going to email the presentation to the Board and there was a discussion to make the presentation available on the TCLB website.

### **9. 2018 Meeting Schedule**

The 2018 TCLB Board Meetings will be held at 6:30PM on the following dates:

- Monday, January 22
- Monday, February 12
- Thursday, March 29
- Monday, April 16
- Tuesday, May 22
- Tuesday, June 26
- Thursday, July 19
- Monday, August 6
- Wednesday, September 5
- Thursday, October 18
- Wednesday, November 7
- Thursday, December 20

Tomorrow, December 14, 2017 is the Advisory Committee Meeting.

### **10. Adjourn**

#### **Motion**

Motion to adjourn the meeting

Motion Moved: Robert Wratcher

Seconded: Mike Belmonte

All in favor, no opposed

Motion Passed

**Meeting Adjourned: 7:57PM**