

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

February 12, 2018

Steel Rivers COG 1705 Maple Street, Homestead PA 15120

### **Call Meeting to Order: 6:30PM**

#### **1. Agenda**

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

##### **Board**

Chuck Arthrell: Present

Mike Belmonte: Absent

Jim Fisher: Present

Deborah Grass: Present

Tom Hardy: Absent

Maureen McKeever: Present

Dave Pasternak: Absent

Maureen Quinn: Present

Robert Wratcher: Present

##### **Others Present**

An Lewis

Irene Clark

Liz Kozub

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

##### **Public Comments**

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

#### **2. KU Resources**

Mark Patrick, Steve Pesch, Mark Urbassik from KU Resources were present to discuss the environmental conditions of 2105 Noble Street in the Borough of Swissvale. It is the site of the former Hohman's Cleaners and has been proposed for Land Bank acquisition.

Mark talked about how KU first become involved with the project in 2015. The COGs received a grant from the EPA to do a Phase I environmental assessment. Swissvale Borough subsequently hired KU to do a limited Phase II on the site. There was contamination found during the Phase I, and the property had a prospective buyer and they did not know what to do at that point. Within the next year additional funding became available from the Borough to remove all the dry cleaning equipment, and remove the dry cleaning waste. The Borough paid to get rid of all of the contamination. The Borough then paid for two rounds of indoor air sampling. KU conducted two indoor air sampling events. The first was done in August, none of the screening exceeded the allowable limits. During the second testing event, there was samples that exceeded the limits, but it was not egregious. In the meantime the COGs received additional EPA funding to complete a Phase II investigation.

This investigation began in January. KU put a total of 15 soil borings, 8 of which are inside the building.

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The majority of the soil contamination is contained to where the dry cleaning machines were located. There are some areas that are pretty dirty. However it is not the dirtiest site they have ever seen.

The Borough wants to retain an existing business that wants to expand but did not have space to do it. This site was chosen to accommodate the growth of the business. Mark said one of the goals was to determine whether or not the building could be occupied while the Phase II investigation was conducted. That was the reason for the indoor air sampling. There was one sample that was above the limits. There are mitigation standards that are feasible to address the air quality. KU believes there is a 3 pronged remediation: 1. Fill up and seal up the floor drains 2. Put a system to mitigate standing air and 3. Seal the floor with an epoxy coating. They believe the DEP will accept these actions as part of the remediation plan to allow the building to be occupied. With these steps the land bank would be able to lease the building while the investigation continues. Mark U. said that they have not brought these approaches to the DEP, but they have been amendable to these actions in the past.

The next step is working to release to liability from the property. In Act 2 there is a special provision that is called the "Special Industrial Area" the focus is to make the site useful again. The site has to have been for industrial purposes, which it has been. Also, we have to prove there is no viable property owner that is capable of remediation of the site.

KU plans to approach the DEP and ask them to approve the work proposed at the site. This would mean the owner has to deal with any immediate threats, which is the air quality. The DEP will take on any responsibility related to offsite groundwater. The responsibility to identify the contaminants is up to the people who want to use the site. KU has conducted groundwater sampling, and there is contamination. There is 4 orders of magnitude above the statewide allowances. The underwater flow direction is under a parking lot and towards another parking lot. KU believes the best way forward is to work with the DEP on getting the Special Industrial Area designation under Act 2.

If that is accepted by the DEP, the owner would be responsible for the immediate threats (air quality) but not the long term effects of the ground water. DEP would take on that liability.

A question was asked about approximate costs to eliminate the immediate threats. Steve said the indoor system is similar in principle to the radon air exchange system, costing around \$3,000. Filling up and capping the floor drains may cost around \$1,000. The floor sealer would be an epoxy finish which the interested tenant said they planned to do anyways.

There was a question asked about the total costs of all this work. From beginning to end it will cost around \$100,000. This was paid for by the Borough of the COGs through the EPA grant.

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Debbie asked what the next step is going to be to get to a decision by the Land Bank.

An talked about wanting to understand the Land Bank's liability in the chain of title. Irene has been working to determine what, if any, risks there are for the land bank to get involved with this property. Irene suggested reaching out to an environmental attorney who also works very closely with land banks in Pennsylvania. Winnie Branton, Esq. of Branton Strategies, LLC is likely the most knowledgeable in the state about how land bank interface with contaminated properties.

An asked for authorization to sign a very limited engagement (if one is need) with Branton Strategies, LLC. She would like to understand those implications better.

### **Motion**

Motion to sign a very limited engagement for environmental legal counsel

Motion Moved: Bob

Seconded: Maureen Q.

All in favor, no opposed

Motion Passed

### **3. Financial Report/ Minutes**

#### **Motion**

Motion to approve the Minutes dated January 22, 2018

Motion Moved: Maureen McKeever

Seconded: Bob

All in favor, no opposed

Motion Passed

#### **Motion**

Motion to approve the Financial Report dated January 31, 2017

Motion: Jim

Seconded: Bob

All in favor, no opposed

Motion Passed

There was a fund transfer from SRCOG grant management account to the Land Bank. An wanted to do this at the beginning of the year to make it easier to audit. These were the final funds that were in the Steel Rivers account that needed to be transferred to the Land Bank.

We sent out the letters to the members asking for delinquent tax information. An talked about the language in the ICA that allows for a quarterly payment option for members. Now that we are in operation we have come to realize that the schedule as determined in the ICA does not work in practice. The members don't typically know the total delinquent amount collected until January or February. There is not enough time for the Land

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Bank to request those amounts and send out an invoice to make a payment in Q1. Bob suggested that maybe the first payment is an estimate – and then you can true up the other payments. We have been allowing for 4 payments, but they do not follow the same schedule as the ICA determines. There was a conversation about membership payments and the effects on cash flow. We do not see any issue with the cash flow and timing of payments at this time.

There was a comment about relying on our members to give us the true tax amount collected so that we can invoice the correct amount. Bob asked if there was a form that someone signs stating that “This reporting is true and correct” etc. An said that there is not that specific language, but they are certifying its true when they submit their amounts. We can add that language moving forward.

### **4. TCLB New Positions**

Our 2018 budget calls for the hiring of two new employees to the Land Bank. We are thinking of the positions will be titled “Program Manager” and “Program Coordinator.” An would like permission to advertise for the positions.

#### **Motion**

Motion to advertise for two open positions

Motion Moved: Chuck

Seconded: Debbie

All in favor, no opposed

Motion Passed

### **5. Braddock Hills Properties/ Rebuilding Together Pittsburgh special project**

We did send out the 60 days notices to the taxing bodies they are set to expire on 3/24. We ordered the title search on 238 Park, 842 Delaware, 518 Park. 1114 Wilkins is going to be one of the properties that Rebuilding Together Pittsburgh rehabs. May 7<sup>th</sup> is the day of the Sherriff sale where the TCLB will make its first bid for a property. 238 Park is the second property that is proposed for the rehabilitation. As long we are successful with 1114 Wilkins on May 7<sup>th</sup> we will probably only move forward with 238 Park.

Maureen asked if we had any written commitment from Rebuilding Together Pittsburgh for incurring those costs. It might be nice to formalize those agreements. Since we on are such a tight timeframe can we formalize that agreement while we are waiting for the acquisition to occur so that we can start work right away? Rebuilding Together Pittsburgh has done similar projects with other organizations, including EDS, so they may have a template agreement we can look at.

Maureen asked if Rebuilding Together Pittsburgh is aware of the risk to redevelop the property in the redemption period. That has come up in in conversations with them. Since their involvement may be another indication that the property is “vacant” that may shorten the redemption period. Irene will start talking with

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Stacy Patterson to have conversation about the redemption period.

Maureen also stated that it would be a good thing to have in writing who will receive the proceeds of the sale.

### **6. Property Recommendations**

Liz talked about the Advisory Committee meeting that was on February 8<sup>th</sup>. We discussed each the assessment of the properties that are being considered for acquisition. The Advisory Committee voted to recommend the following properties be acquired by the Land Bank:

- 224 Highland – Chalfant
- 106 Bettis – Dravosburg
- 102 Bessemer – East Pittsburgh
- 27 Freeport – Etna
- 412 Alpine Village – Monroeville
- 320 Linden – Sharpsburg
- 601 Boden – Turtle Creek
- 1420 Mobile – Turtle Creek
- 2214 Hemlock – White Oak
- 124 Patterson – Wilkins

We would like a motion by the Board to approve getting a title search as the next step in the acquisition process.

#### **Motion**

Motion to get a title search on the 10 properties listed above

Motion Moved: Bob

Seconded: Jim

All in favor, no opposed

Motion Passed

There are a number of other properties that we thought were potential candidates, but we needed to gather additional information related to condition, possible end use, and ownership, before we felt comfortable recommending them for acquisition. There were three lots in White Oak that were proposed for acquisition: Quay Street (461-D-164), 621 Osborne (460-G-064), Dome Street (461-L-365), that the advisory committee tabled for further discussion. They wanted additional information on how side lots are going to be sold, and a better understanding on how the land bank can and should interact with the Vacant Property Recovery Program. A group of delegates agreed to serve on an ad hoc committee to discuss these concerns and propose recommendations to the Advisory Committee for review.

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Jim asked if there is any advantage to the county's VPRP vs. the Land Bank. The Land Bank can decide to subsidize the costs to homeowners next to vacant lots. Debbie said we can always say they need to exhaust the VPRP before submitting an application to the Land Bank.

### **7. 2018 Meeting Schedule**

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

- 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

### **12. Adjourn**

#### **Motion**

Motion to adjourn the meeting

Motion Moved: Maureen

Seconded: Jim

All in favor, no opposed

Motion Passed

**Meeting adjourned at 8:00 pm.**