

LCLRC Minutes

May 23, 2019

Executive Director Rick Hatcher called the meeting to order and took roll call.

Directors Present: John Bayliss, Wes Dodds, Rick Hatcher, and Rhonda Stafford.

Directors Absent: Joe Antram

Guests Present: Brad Bodenmiller, Matt Chamberlin, Troy Schultz, Jaime Sisto, Sarah Warren.

Minutes: John Bayliss moved a motion to approve the minutes from the March 26, 2019 meeting and Wes Dodds seconded. All in favor.

Financial Report: Rhonda Stafford provided the Financial Report ending March 2019. There is \$16,494.94 in our account. Rick Hatcher asked when to expect the next DTAC funds? Rhonda Stafford will double-check the amount and when it is expected. Wes Dodds moved to accept the Financial Report as presented. John Bayliss seconded. All favor.

New Business:

1. Discussion with Troy Schultz and Jaime Sisto concerning abandoned gas station
 - Matt Chamberlain provided background information. The property has a troubled procedural history. David Cocerta was a lienholder. The tax delinquency was \$1,000. Cocerta filed an answer asserting his rights and attended the sheriff sale to protect his lien. For about \$16,000, he was the successful bidder and the sale was confirmed. PUSTER noticed Cocerta, that they would be looking for unpaid insurance fees of about \$24,000. This was back in 2014. Cocerta filed a motion to pull out of the sale and walked-away from his mortgage lien of \$58,000. Arguably, the lien would still be effective against the property. It's odd because they confirmed the sale and the court let them rescind the sale. There are also a couple other liens, and I don't know where they stand in priority.
 - Troy Schultz stated there is also a letter dated October 19, 2018, telling him to pull the tanks.
 - Jaime Sisto asked where is Mr. Lee?
 - Troy Schultz stated the agency is trying to enforce against him via letter, as early as 2002.
 - Rick Hatcher stated Cocerta seems to have the most invested in the property.
 - Matt Chamberlain stated we don't know what happened with the mortgage and note. It appears he walked-away and is probably happy not to be on the hook for \$24,000 in premiums.
 - Troy Schultz stated, if they find a release, you're talking 200,000-300,000 plus.
 - Matt Chamberlain stated the case has been sitting dormant, though reflected as closed. Gosley was prosecutor at time; the County could not be given assurance by the entities, if no successful bidder, that the County would not be on the hook for recovery amounts. The judge ordered, if the property was to be sold, the notice shall mention property will be subject to those claims. There is a legal

- question about whether or not this can be asserted against the new owner, and Cocerta presumably did not want to be the one to find out. He's out of it now.
- Troy Schultz stated Cocerta is not out of it. Under ORC having any possessive right, even a mortgage lien, means he is responsible as an owner/operator. The Attorney General would believe in the letter we have, that Cocerta could be responsible. They are trying to assert against him after the date that he still has possessory interest in the property.
 - Jaime Sisto stated if no successful bidder, it goes to the State and then County.
 - Matt Chamberlain stated in this case, the judge let them rescind and the judge took no action.
 - John Bayliss stated I don't see Mr. Lee listed as a realtor in the County anymore.
 - Jaime Sisto stated Mr. Lee is listed in Huntsville.
 - Jaime Sisto stated several years ago when this program was started by Development Services, Goodwin saw a problem with abandoned gas stations. BUSTER is within the Department of Commerce and the State Fire Marshall. Funding was coming from Clean Ohio (CORF), tied to economic development; you had to show job creation. Gasoline sites are difficult sites for job creation. Clean Ohio went away and is now Jobs Ohio. Dollars were coming back from projects with funds not used. This program came up from this, but dollars are tied to the same Issue, Issue 1, where funding was established; that makes it tough. We are tied to one in Belle Center and Lakeview. Our Board is not a statutory agency; it is a 3-member board. Communities were concerned with taking these properties because of associated liabilities. Land Banks still have some liability concerns. We have a CIC that can take just gas stations. We work with communities to find a disposition path. I function as counsel and secretary. Troy Schultz is an environmental consultant. We need to figure out who has title and how to dispose of the property by getting it to a land bank, political subdivision, or port authority. We work with the community to dispose back to one of those entities. We previously worked with Dave and Matt Chamberlain for the one in Lakeview in the past.
 - Troy Schultz stated the Abandoned Gas Station program still has plenty of funding, grants are roughly \$300,000 and can apply for another \$200,000 for remediation. In this case, BUSTER has not walked-away from this property; they appear to still think Cocerta is a responsible party. There's not a release on the property because no one has taken samples. The day you get a sample and the release, is the date this gets assigned to the person who has interest in the property.
 - Rick Hatcher stated we'd be happy to do it, but it sounds like a lot hoops.
 - Troy Schultz stated we would want you to be the owner at the time of sampling. We could do the sampling now, but then Cocerta is the responsible property. Class C would happen after the release, but no release happens until the sample. If someone takes a sample today, it's just more ammunition against Cocerta.
 - Jaime Sisto stated no one is going to be willing to take title as it is today.
 - Troy Schultz stated whoever the applicant is willing to be, would have to have a relevant agreement with the agency. The taxes would have to be given once it goes through the Land Bank.

- Jaime Sisto stated nothing is owed to BUSER. PUSTER is the insurance group, and would likely not waive the fees unless this goes through the grant.
 - Matt Chamberlain asked would they be parties to the agreement? He was told that wouldn't be possible in past.
 - Troy Schultz stated you can get that up front from PUSTER. If it goes through a land bank, all of these issues can be worked through. Otherwise, if it sells at sheriff sale, that person would be liable.
 - Matt Chamberlain stated we could explain to Cocerta we know he has a problem and ask him to release the lien. Mr. Lee, if we can find him, likely would be in a similar boat. If Cocerta and Mr. Lee are cooperative, there'd be no need to go through court and could ask the Prosecutor to dismiss tax foreclosure.
 - Troy Schultz stated we can take samples within a couple days. A 24-48 hour rush can be done to get results. Then, Class C application to BUSTER can be made and we need a response from Laurie Stevens. Hopefully, that happens within a week, but 2-3 weeks is the likely scenario.
 - Jaime Sisto stated we can do as Matt suggested, but can also do expedited foreclosure.
 - Matt Chamberlain stated he is still uncomfortable with taking the property, but I understand the protections too. Let's isolate the lienholders first and verify status of title; then, reassess options.
 - Sara Warren stated she no longer has the file for this from Prosecutor's Office.
 - Matt Chamberlain stated let's make a run at this while there is funding available. We can always walk-away at a certain point. We'll put this in process to do a title search. I suspect the Land Bank would be OK with paying for the title exam. If the cost would be out of control, I would let you know.
 - Troy Schultz stated Class C won't happen until you have title, have an agreement with USTCIC, and until you've ordered sampling.
 - Matt Chamberlain stated you'll want to have a disposition plan in place before moving-forward. As we weigh our options, you all will need to think about this.
 - Jaime Sisto stated it could go from USTCIC to a potential buyer. The sale proceeds above our USTCIC could come back to you all.
 - Troy Schultz stated environmental covenants get recorded to the County.
 - John Bayliss moved a motion to pay for the title search on the property & Wes Dodds seconded. All in favor.
2. Ohio Landbank Association
- Rhonda Stafford stated the fee to join is \$500.
 - Wes Dodds moved a motion to approve membership with the Ohio Land Bank Association. Rhonda Stafford seconded. All in favor.
3. Audit Report
- Rick Hatcher mentioned we cannot discuss the Audit Report at this time.
4. NIP Quarterly Report
- Rick Hatcher stated the NIP grant is where the funding came from that we did demolitions. We have to do a report quarterly. Heather Martin did the report.

5. Proof of Insurance from Earthworks
 - Rick Hatcher stated Earthworks did all our demolitions last year. In case we do a demolition, this is just proof of insurance.
6. Code of Regulations – adopted 6/12/18
 - No discussion.
7. Revised Appointed Representative form
 - Rick Hatcher stated we worked on this last year. The appointed representative form is the sign-off designating our appointments.
8. Land Bank Roles and Responsibilities
 - It was decided to discuss this item another day.
9. Property Disposition Policy Revisions
 - It was suggested this might be formalized at some point in the future. At that point, decisions could be made based upon the disposition scheme.
10. Revised Letters to Neighbors
 - Matt Chamberlain thought Heather Martin and he already did this.
11. Revised Application to Purchase
 - No discussion.
12. Property Update
 - 213 Moore Street – Village of DeGraff
 - Matt Chamberlain provided an update. There are two adjacent properties. One is owned by Mansion Minders (Pulfer) and the other is shown owned by null on the Auditor’s website. Betty Clevenger is in the Mansion Minders property and has a land contract for the property; she has mowed and maintained the adjacent properties. It was assumed she owned the null property, but it has not transferred to Pulfer; this is an issue separate from the Land Bank. The garage likely encroaches on us. The Land Bank property would have to be deeded to Mansion Minders and then the land contract modified to include the property in order to give it to Clevenger. The details can be worked-out in the purchase agreement with Mansion Minders and Clevenger. You’ll have legal fees from working on this, but you’re talking something like \$750.
 - Rick Hatcher thought Clevenger may be willing to pay \$500.
 - John Bayliss moved a motion to authorize the director to negotiate payment terms with the buyer Betty Clevenger and/or Mansion Minders LLC for the purchase price of \$500 to be paid before or by end of 2020 with the Land Bank paying legal fees for document preparation in order to ensure consistent disposition of this property and the adjoining property & Wes Dodds seconded. All in favor.
 - 312 Miami Street – Village of DeGraff

- An application was received from Richard Eaton, who lives at 311 West Moore Street. He has been taking care of this property for 8 years. This would be a cash deal and he wants to use the property for green space or a garden. This backs-up to his property on Moore Street. To stay consistent, the Land Bank can send a letter to neighbors just like Hayes Street. LUC to send letters to adjacent neighbors on behalf of Land Bank.
- Wes Dodds moved a motion to approve and Rhonda Stafford seconded. All in favor.
- 230 Grove Avenue – Village of Lakeview
 - Rick Hatcher stated the Village had contacted us about this.
 - Wes Dodds stated there's an active foreclosure case.
 - Matt Chamberlain advised if there's a Certificate of Judgement, it means there's a lien holder. Matt advised there's an amount of \$814.27 with Department of Taxation. We need to confirm status of title before doing any sort of expedited foreclosure.
 - Wes Dodds moved to use the services of Matt Chamberlain to perform title work on the property and John Bayliss seconded. All in favor.
- 225 North Hayes Street – City of Bellefontaine
 - Rich Hatcher explained no adjacent property owners responded after Heather Martin sent notice. The asking price was \$719.44 for external costs and the internal costs were \$742.09. External costs are changing locks, newspaper, etc. Internal costs being staff time. Total asking price was over \$1,000, and the interested party balked at that price. Never received anything from Habitat.
 - Rick Hatcher plans to offer the property to Rapp for \$969.44 with \$250.00 to Land Bank and remaining \$719.44 going to County.
 - Wes Dodds moved a motion to authorize the director to negotiate with Stacia Rapp with an asking price of \$250 and \$719.44 and to allow the president the flexibility to allow Rapp to make that payment anytime before the end of the year and John Bayliss seconded. All in favor.
- Small parcel on Hayes Street – City of Bellefontaine
 - Wes Dodds stated Horn owns several nearby properties. Rick had asked Wes to reach-out and offer \$500. Rod seemed OK with it, but Dean has reservations. They aren't sure they want to pay the taxes.
- 2875 US 68 N – Lake Township
 - Rick Hatcher stated we sold this to Godwin. Thanks to Matt Chamberlain for helping. There was a question regarding the check. Rhonda Stafford will verify.
- 12045 State Route 117 – Richland Township
 - Rick Hatcher stated this is the PUSTER property/gas station.

Adjourn: John Bayliss moved a motion to adjourn the Logan County Land Reutilization Corporation and Rhonda Stafford seconded. All in favor.

Next Scheduled Meeting: Thursday, July 18, 2019, 1:00 pm at Citizen's Federal.