

## MINUTES - APPROVED

**Time:** Wednesday, December 13, 2023, 12:00PM-1:00PM

**Place:** Annex 1<sup>st</sup> Floor Conference Room, 420 10<sup>th</sup> St.

**Call to Order:** Sherrie Aaron, 12:04pm

**Attendance:** Michelle Williams, Steve Anthony, Sherrie Aaron (Interim Chair), Deidre Tilley, Carson Cummings

**Absent:** Alston Auten

**Staff:** Natalie Bouyett, Kim Mitchell

**Members of the public:** 5 - Debbie Starks, Gayla Davis, Delois Marsh, Taylor Nicole Barnes, Steve Haberkorn

### 1. Approve Minutes from November 8, 2023

Motion to approve the minutes from November 8, 2023

1<sup>st</sup> Steve Anthony

2<sup>nd</sup> Deidre Tilley

### 2. Director's Report

Ms. Bouyett provides an overview of the meeting agenda. She shares that there was a property (3711 Hamilton Road) that was 2 years tax delinquent with \$2,232.01 taxes owed that was to be acquired through foreclosure, however, the property was sold privately and the taxes were paid. The land bank ended up incurring more than \$2100 in fees. Ms. Bouyett requests a conversation putting restrictions on the years of delinquency and/or amount of delinquency prior to petitioning a foreclosure for properties and sharing incurred costs with the applicant. Mr. Anthony requests to hold the discussion after the presentations.

### 3. Review Property Bids and Proposals

#### **3020 4<sup>th</sup> Avenue and 3012 4<sup>th</sup> Avenue – Steven Haberkorn**

Applicant owns a business near two tax delinquent parcels (3012, 3020). 3012 4<sup>th</sup> Avenue is 9 years tax delinquent. 3020 4<sup>th</sup> Avenue is 5 years tax delinquent.

The applicant requests to purchase the property at 3020 4<sup>th</sup> Ave to create a driveway from his business to 4<sup>th</sup> Ave. The driveway will cross an old railroad track. The 3012 lot would be used for storage/parking. The applicant does not have any intention to build a structure on the 3012 lot. The lot will be fenced and contain outdoor storage. The applicant states that the lots will not be fenced until several adjoining lots have been acquired.

The existing railroad track separating the applicant's lot and the proposed lots is overgrown. Mr. Anthony asks if a railroad company currently owns the track. Mr. Haberkorn says that the blocks to the north and south have had the tracks removed.

Ms. Tilley asks if the bid is \$6,500 for both lots. Ms. Bouyett clarifies that the amount is \$11,500 for both lots.

**Motion to accept the bid from Steve Haberkorn for 3020 and 3012 for \$11,500.**

1<sup>st</sup> Deidre Tilley

2<sup>nd</sup> Michelle Williams

**2220 6<sup>th</sup> St. and 2302 6<sup>th</sup> St.- Starks Generational Properties**

The applicant requests to acquire the properties to create multifamily housing. The new units will be "quads" with each having 3 bedrooms and 3 baths.

Currently, one lot has a structure and the other is vacant. The floorplan is split for each quad unit – upstairs one bed/bath, downstairs 2 bedrooms, 2 baths.

The applicant states that they plan to build in phased approach. The community is receptive.

Mr. Anthony asks if they have talked to the building department. Ms. Starks states that these are the original drawings that will be submitted to the building department, but they have not been submitted yet. The architect is experienced with Columbus' regulations.

Ms. Bouyett asks the applicant to explain the phases of the project. Ms. Starks states that they will clear the vacant lot, obtain permits, and pour the foundation. She expects the 1<sup>st</sup> structure to be built in around 8 months. For the next phase, they will clear the structure from the lot and repeat the process.

Ms. Aaron asks about the 1000 sq ft unit size. Ms. Starks states that this is the size that will comfortably fit on the lot.

Ms. Bouyett asks if the plan could still move forward if one of the lots was removed from the project due to the current property owner paying taxes. Ms. Starks says yes.

Ms. Starks provides a financial letter of intent for the board.

Ms. Bouyett shares that 2302 6<sup>th</sup> St. is 6 years tax delinquent and 2220 6<sup>th</sup> St. is 3 years tax delinquent and contains a burned structure.

Ms. Williams asks if the lender is asking them to complete one lot before the other. Ms. Starks answers yes, this is what the lender would like to see.

Mr. Anthony asks about the rent range. Ms. Starks states that the rent range will be \$1,100 - \$1,200 per month. The board members review the floor plans and inquire about parking, bedrooms, etc.

Ms. Bouyett asks that Ms. Starks come back after the completion of the project to provide a presentation to the board about the developments.

Ms. Bouyett states that the bid price for both properties is \$12,912.52. She explains the process for petitioning for foreclosure to the board.

Ms. Starks asks if the demolition of the structure is covered in the cost of the lot. Ms. Bouyett states that typically securing the property includes boarding the structure and cleaning the lot (weeds and dumping). Mr. Anthony confirms that the structure demolition is the responsibility of the applicant.

Ms. Bouyett confirms that the acquisition cost is \$6500 per lot, but Ms. Starks only bid \$6,412.52 for one of the lots, which would cover the cost of the delinquent taxes.

**Motion to accept the bid for 2302 and 2220 6<sup>th</sup> St to move into foreclosure with Ms. Starks as the recipient for \$12,912.52 with standard board contingencies (e.g., proof of finance, site plan and presentation after completion.)**

1<sup>st</sup> Deidre Tilley

2<sup>nd</sup> Steve Anthony

#### **4. Approve 2024 Board Positions and Meetings**

Ms. Bouyett states that they need to fill the positions of chair, vice chair, secretary and treasurer.

Ms. Tilley nominates Ms. Aaron as the chair. Ms. Williams seconds. The motion passes.

Ms. Tilley nominates Mr. Anthony as the vice chair. Ms. Williams seconds. The motion passes.

Ms. Tilley nominates Ms. Williams as the secretary. Mr. Cummings seconds. The motion passes.

Ms. Tilley nominates Mr. Cummings as the treasurer. Mr. Anthony seconds. The motion passes.

#### **5. Financial Report**

Ms. Bouyett states that the board must reimburse the applicant of 3711 Hamilton Road for \$2500. Ms. Aaron states that it is unfair for the board to take on the risk of projects that fall through. Ms. Williams suggests charging the applicant a percentage of the escrow or purchase price to reduce the likelihood that applicant will take on risky properties. Ms. Aaron suggests that if the applicant wants to take on the risk of acquiring a property under 5 years delinquent, they must pay 50% of the cost.

Ms. Bouyett shows the board the costs that were incurred for 3711 Hamilton Road. She shares that these costs typically do not exceed \$4,500 and the minimum bid is usually \$6,500. She states that the board may need to enter an MOU or contract to secure these fees from an applicant should the foreclosure fall through.

Ms. Tilley asks for clarification – The board will cover 100% of the legal fees if a property more than 5 years tax delinquent fails to foreclosure (such as the owner pays the taxes) but an applicant purposing to foreclose on a property less than 5 years tax delinquent would pay 100% of legal fees if a property fails to foreclose. The board confirms.

Mr. Anthony states that here is an inherent risk for properties under 5 years. Ms. Aaron states that people might go out and look for properties under 5 years and the board will incur the costs. Ms. Williams states that this will also encourage people to look at properties with longer tax delinquencies.

## **6. Approve 2024 Budget**

Ms. Bouyett shares the 2024 budget with the board. She states that the proposed budget is based on acquiring 10 properties through in rem foreclosure and 2 properties through donation.

Mr. Anthony asks about the line items for grants and marketing, which are identified for him.

Mr. Anthony asks about the in rem line item.

Ms. Bouyett shares that the legal fees are around \$3500 - \$4500 for in rem and \$1000 for closing.

Ms. Bouyett states that the board currently has \$131,552.33 in the bank, less about \$6500 in outstanding expenses. This should leave about a total of \$125,000 in the land bank's account.

### **Motion to approve the 2024 budget.**

1<sup>st</sup> Steve Anthony

2<sup>nd</sup> Deidre Tilley

**Ms. Aaron asks about funds for a Christmas party. Ms. Tilley also requests land bank t-shirts.**

## **7. Georgia Land Bank Association Summit Recap**

Ms. Bouyett attended the Georgia Land Bank Association. She spoke on a panel with the land bank manager from Savannah, Allison, who has invited Ms. Bouyett to visit in March. Ms. Bouyett shares that land banks are starting to go after properties with demolition liens. She adds that she is working with a councilman to write an ordinance on this. Ms. Bouyett shares additional takeaways from the conference. She expresses an interest in reaching back out to the city's nonprofit partners such as HACG, NeighborWorks, Truth Springs and Habitat for Humanity

Mr. Anthony asks about an orientation for the new board members. Ms. Bouyett states that she has made herself available to Mr. Cummings and Ms. Auton to talk through their questions. Mr. Anthony asks if the new board members can go to lunch with Ms. Bouyett to orient them to the board. He suggests that the board should pay for it. Ms. Bouyett states that she will follow up on this idea.

Board has agreed to continue to meet each 2<sup>nd</sup> Wednesday at noon in 2024.

**Call to Adjourn – 1:07pm**