

### 1. Call To Order

The meeting of the Central Ohio Community Improvement Corporation (COCIC) Board of Directors was held May 2, 2017 at 845 Parsons Ave., Columbus, OH and called to order at 9:04 a.m. Chairman Ronald J. Hagan, Tracy Hatmaker (Township Representative), Tamara Howard (Representative for Commissioner Boyce), Carole Olshavsky, James Schimmer (Representative for Commissioner Brown), Steven Schoeny (Municipality Representative), Eric Wagenbrenner (Representative for Commission O’Grady), Robert Weiler, and Sadicka White were present and constituted a quorum.

### 2. Approval Of Minutes

The March 25, 2017 Board of Directors’ Regular Meeting minutes were provided to each Board member in the Board packets and were electronically sent on April 20, 2017.

Chairman Ronald J. Hagan reviewed the motion placed before the Board for its consideration, discussion, and action. Chairman Ronald J. Hagan asked Board members if there were any additions or modifications to the March 25, 2017 Board of Directors’ Meeting minutes. Hearing none, he asked for the required motion.

**Motion:** Mrs. Olshavsky moved to approve the March 25, 2017 Board of Directors’ Meeting minutes. The motion was seconded by Mr. Schoeny, and was approved unanimously.

### 3. Disbursements/Disclosures – Resolution 17-8

Mr. Williams referred the Board to the Summary of Disbursements/Disclosures detailing information from March 20, 2017 – April 28, 2017. Mr. Williams briefly discussed the following disbursement(s):

- Deposit for the amount of \$2.6 million; the first DTAC disbursement
- Reimbursement to Curtiss Williams for \$260.00 for State Forfeiture Deeds

Chairman Ronald J. Hagan reviewed the proposed Resolution 17-8 placed before the Board for its consideration, discussion, and action. Chairman Ronald J. Hagan asked Board members if there were any additions or modifications to the Summary of Disbursements/Disclosures for the period March 20, 2017 – April 28, 2017. Hearing none, he asked for the required motion.

**Motion:** Mr. Wagenbrenner moved to approve Resolution No. 17-8 approving the Summary of Disbursements/Disclosures for the period from March 20, 2017 – April 28, 2017. The motion was seconded by Mrs. Olshavsky and was approved unanimously.

### 4. Q1 Financial Report

Mr. Williams referred the Board to ‘Q1 Budget vs. Actual Summary’ highlighting the first quarter of 2017 actual expenses compared to the budgeted amounts for the period (as of March 31<sup>st</sup>).

- **Blighted Expenses:** 13% of budget
- **Strategic/Trusted Partner/Responsible Landlord:** 14% of budget
- **Golf Course:** 15% of budget
- **Administrative:** 24% of budget

*Steven Schoeny left the meeting at appx. 9:40 a.m.*

### 5. Q1 Project Update

Ms. Kingsborough gave a brief presentation and report before the Board on the status of the 1<sup>st</sup> Quarter Properties/Programs, which included Property Inventory, Blight Removal Program, Neighborhood Initiative Program (NIP), Tax Lien Certificate Program, and Responsible Landlord Program. *A copy of the presentation is included in the Board Minute Book.*

### 6. Demolition Costs Review

Mr. Rosenberger briefly discussed the recent article “*Special inspector general questions high cost of home demolitions in Columbus*”, April 28, 2017, in The Columbus Dispatch.

A brief presentation was presented before the Board reviewing COCIC demolition costs from 2015 through the 1<sup>st</sup> quarter of 2017. *A copy of the presentation is included in the Board Minute Book.*

## **7. 2017 Tax Lien Certificate Purchases – Resolution 17-9**

Mr. Rosenberger explained this motion is for the authorization to purchase and foreclosure of tax lien certificates on demolition-worthy properties.

Resolution 16-26 was approved on August 25, 2016 and generally authorized a Test Tax Lien Certificate Foreclosure Program.

The purpose of the program remains unchanged: to assure an inventory of demolition-worthy properties sufficient to fully utilize the \$20,868,366 of demolition funding awarded to COCIC by The Ohio Housing Finance Agency (OHFA) through its Neighborhood Initiative Program (NIP).

The fundamentals of the program remain unchanged:

- COCIC purchases from the Franklin County Treasurer tax lien certificates on properties that are demolition-worthy.
- COCIC pays \$1 for each certificate and enters into a promissory note for any amount recovered by COCIC through the foreclosure process, in excess of the costs of foreclosure.
- COCIC engages private legal counsel to prosecute the foreclosure of the certificates, which typically concludes with the forfeiture of the property to COCIC.
- COCIC seeks reimbursement of the costs of the foreclosure under the NIP and recycles the reimbursed funds to prosecute yet more tax lien certificate foreclosures.

Based on results to date, the best estimate is that the program will result in the forfeiture to COCIC of approximately 160 (2/3rds) demolition-worthy properties. There is a consensus that the test program results and the facts and circumstances warrant a continuation of the program with COCIC making a second purchase of tax lien certificates. Those same parties, working in partnership, have identified approximately 180 demolition-worthy properties.

Chairman Ronald J. Hagan reviewed proposed Resolution 17-9 placed before the Board for its consideration, discussion, and action. Chairman Ronald J. Hagan asked Board members if there were any additional comments or information. Hearing none, he asked for the required motion.

**Motion:** Ms. White moved to approve Resolution 17-9 authorizing the acquisition of the purchase and foreclosure of tax lien certificates on demolition-worthy properties. The motion was seconded by Mrs. Olshavsky and was approved unanimously. Chairman Hagan abstained.

## **8. Engagement of Foreclosure Counsel – Resolution 17-10**

Mr. Rosenberger explained this motion is for the authorization to engage Alban & Alban, LLP as tax lien certificate foreclosure counsel.

Resolution 16-26 was approved on August 25, 2016 and generally authorized the engagement of Alban and Alban LLP (“Alban”) as private foreclosure counsel for the Test Tax Lien Certificate Foreclosure Program. The prospect of the 2017 Tax Lien Certificate Purchases presents again the engagement of foreclosure counsel. The negotiated fee was a flat rate of \$2,250 per case

COCIC has developed information (a) on the allowable foreclosure attorney fees under the VA-guaranteed (\$2,250), HUD-insured (\$2,250) and Fannie Mae-owned (\$2,700) loan programs, (b) on the allowable foreclosure attorney fee without court approval under ORC Section 5721.371 in tax lien certificate foreclosures (\$2,500), and (c) on actual, court-awarded foreclosure attorney fees to the three, active holders of Franklin County tax lien certificate portfolios: Wood Cove, Columbus Servicing Agency, and Nelnet.

After considering that the burden of start-up is largely behind Alban and that the program involves a significant number of foreclosure case referrals to Alban, it is believed that a flat fee of \$2,100 per case is both reasonable and appropriate. Fees for cases that are concluded prematurely, without a foreclosure sale or forfeiture, are invoiced on a proportional basis. All third-party costs (court, service, publication, title) are invoiced to COCIC at the prevailing rates, free from any mark-up. Alban has agreed to continue the engagement at the \$2,100 reduced fee.

Chairman Ronald J. Hagan reviewed proposed Resolution 17-10 placed before the Board for its consideration, discussion, and action. Chairman Ronald J. Hagan asked Board members if there were any additional comments or information. Hearing none, he asked for the required motion.

**Motion:** Mr. Weiler moved to approve Resolution 17-10 authorizing the engagement of Alban & Alban, LLP as tax lien certificate foreclosure counsel. The motion was seconded by Mr. Schimmer and was approved unanimously.

**9. Land Bank Center Property Sales Website**

Ms. Kingsborough presented before the Board 'The Land Bank Center-Columbus and Franklin County Land Banks' website powered through eProperty Plus software. The website will contain all of City of Columbus and COCIC owned properties that are for sale.

**10. Executive Session**

At 9:58 Chairman Ronald J. Hagan moved that the Board go into executive session on a personnel matter, specifically to hear a report on the activities of the search committee and on the committee's conversations with potential successors to Mr. Rosenberger. The motion was seconded by Carole Olshavsky, followed by a roll-call vote with [Hagan, Olshavsky, Schimmer, Howard, Wagenbrenner, Hatmaker, Weiler, and White] voting for the motion and with no votes against. At approximately 10:26, the meeting returned to open session. Chairman Ronald J. Hagan moved that the meeting be adjourned.

**11. ADJOURNMENT**

There being no more business to come before the Board of Directors of the COCIC, Chairman Ronald J. Hagan moves that the meeting of the Board of Directors of the COCIC be adjourned. A voice vote was taken and the motion carried unanimously. The meeting of the Board of Directors of the COCIC was adjourned at approximately 10:28 a.m.