

Pottstown Borough Land Bank Board Meeting

September 26, 2022: The meeting was called to order by Deb Penrod at 4:33 p.m.

Public Comment: Craig Way will be applying for a PHARE grant for MOSAIC Community Land Trust and reaching out to Peggy with questions to insure alignment with the Land Bank.

Board Roll Call: Deb Penrod, Twila Fisher, Carol Kulp, Jamie Sanchez, Lisa Vanni (Zoom), Solicitor Boell

Administration: Winnie Branton, Justin Keller, Peggy Lee-Clark, Melissa Shainline

Guests: Chris Garland & Jordan Backstrom of NCST

Approval of August Meeting Minutes: Motion to approve: Carol; Twila seconded; motion carried.

Financial Report: A review of the bank statement was presented:

- a. Balance beginning August 31,2022: \$98,479.23
- b. Balance ending: \$88,934.78
- c. Deposits: \$8,000.00
- d. Checks/debits: \$17,544.45

Twila made a motion to approve financial report; Carol seconded. Motion carried.

Guest speakers from National Community Stabilization Trust:

Peggy met them through Land Bank Network. They work with land banks to find another bucket to acquire properties, which were not as available to land banks as in the past. They shared a brief PPT with the group, then answered questions.

1. Chris Garland – community development manager for NCST, based in Cleveland, OH. Working with the industrial Midwest and PA in a supportive role for housing developers, nonprofits, and community development organizations.
2. Jordan Backstrom – works on program and operations team. Based in MN.

Key activities: 1) deliver forced properties to local housing provider; 2) increase capacity and support local collaborations; 3) serve as a national voice.

Where do the properties come from?

- Donated properties from lenders like Wells Fargo, Community Restoration Corporation, etc. The market has shifted but donation properties are fewer. REO properties – this initiative does include Montgomery County in PA.
- First Look Program – properties available for purchase at a market value with a discount based on the Net Present Value (NPV) model.
- Neighborhood Stabilization Initiative (NSI) – Collaboration between FHFA, GSEs, and NCST
- Second Look – properties on the open market for at least 90 days and offered to NCST buyers for a reduce price during an exclusive period just prior to auction channels.

- Newer initiatives include Freddie Mac Early Access (technically still in foreclosure process and sometimes still occupied) – this is one set amount, the foreclosure reserve price, with no wiggle room; HUD CWCOT properties (just launched in Aug 2022 -- 30-day exclusive bid period for land banks as a govt entity and other nonprofits) -- properties can be occupied or vacant, you can inspect after bid is accepted, if vacant, and bidders can get out of agreement in 15 days. But in occupied properties it falls on the new owner to deal with the occupants and there is no inspection guaranteed. Lastly, NCST has additional inventory providers.

Key program requirement details are available from the Land Bank administrator upon request.

Note: There is no cost to the land bank to become a member; no minimum number of accepted properties. NCST just asks for the Land Bank to stay in communication with NCST. NCST gets paid by the seller for each transaction, awarded at closing. About 15% of total transactions over 13 years were with land banks and government entities.

Bills and Communications:

Bills:

1. We have a few different items:
 - General liability insurance needed to be purchased for three properties that the Land Bank acquired: \$685.00 annual (Hull & Co. Insurance). There is a 25% penalty if the insurance policy is rescinded before the year is over. This was run through the Borough's broker to obtain most competitive pricing.
 - D&O Insurance (PGU Insurance) – Borough paid for this through 9/24/22, but we were allowed to continue until the new policy is paid for, which is \$1,650. Administrator will check with the Borough to see if the Borough paid this bill or not; if not, the Land Bank will pay. The Borough wants to know if we made profit in 2021; we did not. The insurance company required a report on whether or not the Land Bank had revenues in 2021.

Deb made a motion to approve payment of the D&O insurance in the amount of \$1,650 – current period and moving forward. We are reimbursing Borough for payment due 9/24/22 in the amount of \$1,650. Twila seconded; motion carried.

Twila made a motion to pay the annual general liability insurance in the amount of \$685.00; Carol seconded, and motion carried.

2. A statement from solicitor's firm in the amount of \$1,525.88. Of this amount, \$628.61 is covered by the PHARE grant money. Carol made a motion to pay this bill; Deb seconded; motion carried.
3. A statement from PAED of staff time spent on Land Bank: \$862.50 – of that, \$787.50 can be paid for administrative fee from PHARE grant. Twila made a motion to pay this bill, Deb seconded; motion carried.

Communications: Judy Memberg reported that five households have been approved for repairs; all homeowners are low income and meet all requirement. All should be complete by end of the year. There is now a waiting list for the program, and the application is available on Genesis Housing website.

Report from Administrator and Consultant: The Administrator provided a quick update on

present Land Bank projects.

Land Bank Pre-Screening Applications: None.

Unfinished Business (Solicitor update): 707 Hamilton update: We are ready to complete the acquisition; the agreement has been signed by the Borough Manager. The sewer line is still to be completed, but the signatures are happening with the understanding that closing will not occur until weatherization is complete.

Three properties in italics below: Land Bank conveyed them last month. Land Bank needs signatures on all agreements of sale. They are the same template with respective addresses:

421 Hale Street – Land Bank now owns this property; purchased at judicial sale for \$4,442.08. We suggest conveyance to end user per the approved screening rubric that was previously voted on.

208 Gable – Land Bank now owns this property; purchased at judicial sale for \$8,105.40. We suggest conveyance to end user per the approved screening rubric that was previously voted on.

439 Chestnut St. – Land Bank now owns this property; purchased at judicial sale for \$4,996.24. We suggest conveyance to end user per the approved screening rubric that was previously voted on.

Deb made a motion to approve execution of these Agreements of Sale and all other documents needed to close. Agreements will be signed at this meeting and closing dates can happen prior to next board meeting. Jamie seconded; motion carried.

New Business: None

Other Comments: None

Adjournment: Twila made a motion to adjourn. Carol seconded. Meeting adjourned at 5:32p.m. The next meeting will be at 4:30 p.m. on October 24, 2022.