

**Montgomery County Land Reutilization Corporation (MCLRC)**  
**Board Meeting**  
December 19, 2017

**Attendees:** Carolyn Rice, Treasurer (Chair of the Board)  
Doug Harnish, Principle, Market Metrics (Vice Chair of the Board)  
Sheila Crane, Realtor/Community Dev. Specialist, HER Realtors (Board Member)  
Scott Paulson, Trustee, Washington Township (Board Member)  
Brian Inderrieden, Director of Plan. & Comm. Dev., City of Dayton (Board Member)  
Mark Willis, Commission Aide to Judy Dodge (Commission Representative)  
Mike Grauwelman, MCLRC (Executive Director)  
David Williamson, MCLRC (General Counsel)  
Judy Zimmerman, Dir. of Finance, Treasurer's Office (Treasurer)  
Angela Lilly, Montgomery County Treasurer's Office (Secretary)  
Anita Schmaltz, MVFHC, Fair Housing Analyst

**Absent** Debbie Lieberman, Montgomery County Commissioner (Board Member)  
**(Copies To):** Judy Dodge, Montgomery County Commissioner (Board Member)  
John Theobald, Commission Aide to Debbie Lieberman (Commission Representative)

**Call to Order**

Carolyn Rice, Chair of the Board, noting a quorum, called the meeting to order. A copy of the agenda is attached for reference.

**Approval of Minutes**

Scott Paulson moved to approve the November 20, 2017 Board meeting minutes. The motion was seconded by Sheila Crane with the notation that the next meeting date listed needs to be amended from Monday to Tuesday. The Board approved the motion, with amendment, unanimously by voice vote.

**New Business – Item No. 1 – 2017 Accomplishments**

The organization's focus in 2017 was to "improve the effectiveness and efficiency of existing programs and undertake strategic planning and data initiatives to better guide its future efforts."

Mike Grauwelman reviewed the 2017 accomplishments as they relate to the following objectives:

Strategic Objectives

- Further develop MCLRC's role in community & economic development
- Strategic planning
- Develop policy framework/practices to balance competing objectives

- Identify a pilot program to fill gaps in neighborhood needs

#### Primary Objectives

- Scale programs to increase impact
- Community based strategic planning
- Foreclosure property utility bill/tax billing
- Identify how programs can be levered to improve impact
- Identify means to provide greater program support to 1 disadvantaged population group

#### Business Objectives

- Operations: Manage demand, improve operation efficiency, and review organizational authorities
- Financial: Revenues and manage program financial risk
- Marketing: Increase market and brand awareness

#### Program Objectives

- NIP – Complete the acquisition/remediation of properties according to the revised schedule
- Evaluate programs' effectiveness

Sheila Crane moved to approve the 2017 Accomplishments. The motion was seconded by Mark Willis and approved unanimously by voice vote. *See attached 2017 Accomplishments document for more details.*

#### **Other Business – Monthly Financials**

The Board reviewed the MCLRC program expenditures and revenues, including a NIP reimbursement and expenditures summary. The cash balance for November was \$2,314,905,

#### **Announcement**

The next board meeting is scheduled for Tuesday, January 16, 2018

#### **Call to Adjourn**

There being no further business, the meeting was adjourned.

**I hereby certify that the minutes related to the Board of Directors' monthly meeting December 19, 2017 set forth above are the minutes approved by the Board of Directors at their meeting of February 20, 2018.**

**/s/ Angela Lilly**

**Angela Lilly, Secretary  
Montgomery County Land Reutilization  
Corporation**



## **Board Meeting Agenda**

**Montgomery County Land Reutilization Corporation  
December 19, 2017 3:30 pm  
Montgomery County Treasurer's Office**

**Call to Order:** Chair Carolyn Rice

**Roll Call:**

**Approval of Minutes:** November 20, 2017 (Attached)

**Old Business:**

**New Business:**

- **Item No. 1: 2017 Accomplishments (Attachment)**
  - **Presentation and Discussion**
  - **Motion to Accept**

**Other Business:**

- **Monthly Financials**

**Next Meeting: January 16, 2018 @ 3:30 pm**

**Adjourn**

## 2017 ACCOMPLISHMENTS

### Board Final

December 14, 2017

**Introduction:** The organization's focus in 2017 was to "improve the effectiveness and efficiency of existing programs, and undertake strategic planning and data initiatives to better guide its future efforts." The 2017 objectives and metrics approved by the Board in December of 2016 were intended to measure the results of the organization's progress. These objectives are based upon the organization's mission and the strategic operating construct. The objectives are of course subject to changes that occur in its operating environment.

**Summary:** The organization had a mixture of outcomes to its metrics in 2017. Overall the organization has made good progress in the focus area to improve existing programs effectiveness and efficiency, and the use of data in strategic planning to position itself for life after NIP. The NIP program performed well despite many concerns, and achieved its funding milestones. Other Land Bank programs had mixed results largely due to the challenges identified in the December 14, 2016 Accomplishments document. On the whole, the organization performed well to advance its mission despite these challenges that were outside its control.

#### **Improve program effectiveness and efficiency:**

The effectiveness of several programs as measured by the number of properties impacted declined in 2017. The decline is believed to be a result of issues provided for in the 2016 accomplishments document. These issues were primarily that of consumer demand and foreclosure capacity. The demand in TFAP program activity level declined from 94 (2016) to 55 (2017) applications. The issues identified in the 2016 document include: an improved market; limited viable inventory; alternative acquisition options; discouraged applicants due to extended delivery dates; and disqualified properties / applicants. The DIY program suffered from foreclosure capacity issues as NIP demand on the process created a backlog extending delivery times. The program did not have inventory until the later part of the year. The program currently has 40 properties in inventory, and an additional 40 properties in the foreclosure process. There were 8 closings on DIY properties during the year, and 16 are in the process of being prepared for market.

The NIP program has performed very well this year. The time lost in remedying the delay in inventory may cause operational challenges will not be fully realized until 2019. The concern over the loss of funds is substantially less today, but there will be little room for schedule delays moving forward. The issue also had an impact upon planned marketing activities many of which were not undertaken to avoid generating demand that could not be fulfilled, and on staff composition. Concerns

about limits of contractor capacity, cash flow, field support and administration have all been addressed. Despite a contractor community that is not particularly deep and with a high demand from NIP support, these capacity issues were resolved. Concerns about an improving economy increasing contractor demand and price, do not appear to have materialized. It is believed that the method of contracting (pre-qualification) and management of these firms (expectations, payment) is partially responsible to a strong relationship and their availability to us. Finally the organization was awarded an additional \$150K this month from the funding source for its efforts, which is a clear indication of a strong state wide performance.

The commercial program had some mixed results this year. Overall the deal progression and delivery of properties has been good. This year saw the demolition of the West Carrollton car wash, transfer of lots to Ester Price (facilitating an expansion), and completion of the agreement (transfer of lots) with Sugar Creek Packaging. Concerns about the demands of 2016 transactions placing demands on the organization were not fully experienced because the Arcade project and the environmental projects were delayed by others. The 225 S. Main building (structural improvements) was the most labor intensive of these agreements. The organization continues to look for more value added for the community in the commercial space. The current program anticipated operating in a manner similar to TFAP or DIY, but the complexity of the commercial property and the foreclosure process does not support such an approach. The pro-active tax lien sale is one approach, but there will need to be other changes in the program to try to increase its vitality.

The most disappointing of the programs has been the residential loan and planning programs. Both of these programs were active with robust ongoing projects, but there were no new awards in 2017. This was in spite of a communications campaign promoting the programs. This lackluster interest served as the basis for the 2018 budget changes, which expanded the use of these funds to further any Land Bank projects in order to make use of the funds.

To improve efficiency operational changes were made to free staff time and enhance reporting. This was accomplished by making improving the property management software, integration of software's, and making process and policy changes to client inquires. These changes have gone smoothly and enabled the organization to continue to provide a high level of service to the client. In addition insurance carriers were transitioned to reduce cost and provide for local support for our many and varied property insurance needs.

#### **Use of data in strategic planning:**

The organization has spent considerable effort in strategic planning to reposition its offerings from a programmatic reactive approach to a pro-active integrated approach. The Pine View and Honeywell pilots, changes in the use of planning and residential loan funds, and the addition of commercial and residential acquisition

funds to the budget are all examples of this shift in approach. The underlying change in the residential market is to provide a turnkey program that addresses a number of neighborhood concerns. In addition to the Pine View model, the organization has been working with MVRPC in the development of a GIS based mapping system to identify target neighborhoods. The system is developing and should be in use in the first quarter of 2018. It is anticipated that the system sophistication will continue to evolve over time. In addition to MVRPC's data base, a relationship has been established with the Dayton Area Board of Realtors. The DABR data adds another level of information for analysis, and has been helpful in initial beta testing. Further to support the model additional partner organizations have been approached and have expressed interest in participating in the effort. These discussions will continue into 2018. A few of these organizations may even be party to the Pine View project should the appropriate opportunity / role present itself.

## 2017 Objectives and Accomplishments

The objectives below are broken down into categories and include metrics to quantitatively measure progress whenever possible. Below you will find the **objectives in black** and progress note(s) or **accomplishment in blue**. Those items in blue underline are activities / accomplishments that did not identified with the objectives, but are considered noteworthy.

- **FURTHER DEVELOP MCLRC'S ROLE IN:**
  - COMMUNITY AND ECONOMIC DEVELOPMENT
    - ✓ COMPREHENSIVE NEIGHBORHOOD REVITALIZATION
      - **PRO-ACTIVE MODEL PINE VIEW MODEL**
      - **IDENTIFICATION OF ROLES & DEVELOPING PARTNERSHIPS**
    - ✓ COMMERCIAL REVITALIZATION / REDEVELOPMENT
      - **EXPANDED ROLE**
        - **PRO-ACTIVE MODEL TAX LIEN SALE HONEYWELL**
          - **PROPERTY MANAGEMENT, REPOSITIONING PROPERTY VIA DEED IN LIEU**
    - ✓ BROWNFIELDS REDEVELOPMENT
      - **CARETAKER ROLE PROVIDING INDEMNITY**
    - ✓ SOLVING TROUBLED REAL ESTATE PROBLEMS
      - **TITLE, BUILDING STABILIZATION, DISPOSITION**

- **STRATEGIC PLANNING**
    - IMPROVE PROGRAM / RESOURCE STRATEGIC USE
      - ✓ DEFINE ORGANIZATION AND PROGRAM DATA NEEDS
        - **GIS MAPPING SYSTEM IN DEVELOPMENT**
        - **INITIAL DATA REQUIREMENTS ESTABLISHED**
        - FRAME THE MAGNITUDE OF THE PROBLEMS EXAMPLES INCLUDE:
          - DEMOLITION NUMBER OF SURPLUS HOUSING UNITS
            - **ESTIMATE OF 16,000 IN 2010**
          - DIY: TARGET NEIGHBORHOODS AND NUMBER OF UNITS
            - **GIS / DATA SYSTEM BEING DEVELOPED**
          - COMMERCIAL REDEVELOPMENT: NUMBER, LOCATION OF BROWNFIELD SITES
            - **DATA NOT READILY AVAILABLE**
          - TFAP: NUMBER OF VIABLE AND AVAILABLE UNITS
            - **DATA DYNAMIC AND NOT READILY AVAILABLE**
- 
- **DEVELOP POLICY FRAMEWORK / PRACTICES TO BALANCE COMPETING OBJECTIVES**
  - TAX COLLECTIONS
    - ✓ **SUCCESSFUL: TREASURER'S OFFICE DISCRETION**
  - ECONOMIC DEVELOPMENT
    - ✓ **SUCCESSFUL: "NO FORGIVENESS AT OTHERS EXPENSE"**
  - LAND BANK REINVESTMENT REVENUES
    - ✓ **SUCCESSFUL: COMMUNITY SUPPORT (FINANCIAL, NEIGHBORHOOD, ETC.)**
- 
- **IDENTIFY A PILOT PROGRAM TO FILL GAPS IN NEIGHBORHOOD NEEDS**
  - HARDEST HIT OR LOW AND MODERATE INCOME RESIDENTIAL AREA
    - ✓ ONE NEW PILOT WITH CDC PARTNER(S)
      - **COMPLETE /PINE VIEW**

## PRIMARY OBJECTIVES

- **SCALE PROGRAMS TO INCREASE IMPACT**
  - INCREASE PROGRAM METRICS SUCH AS:
    - ✓ PROPERTY COUNTS
      - **PARTIALLY SUCCESSFUL (SEE DETAIL BELOW)**
    - ✓ MONETARY VALUE
      - **PARTIALLY SUCCESSFUL**
    - ✓ DIVERSITY OF NEIGHBORHOODS
      - **PARTIALLY SUCCESSFUL**



- **COMMUNITY BASED STRATEGIC PLANNING** (*LAND BANK / COMMUNITY FOCUS*)
  - ✓ PROMOTE PLANNING GRANT
    - **MVRPC SUPPORT AND COMMUNICATIONS EFFORTS**
  - ✓ PROMOTE REPLICATION OF STRATEGIES / TACTICS
    - **SHIFT TO PRO-ACTIVE NEIGHBORHOOD APPROACH**
  
- **FORECLOSURE PROPERTY UTILITY BILL AND TAX BILLING**  
 (*Tax foreclosed properties often continue to receive delinquent notices for taxes*)
  - ✓ WORK WITH PROVIDERS TO ELIMINATE THIS TIME CONSUMING ISSUE
    - **PARTIAL SUCCESS**
  
- **IDENTIFY HOW PROGRAMS CAN BE LEVERAGED TO IMPROVE IMPACT.**
  - ✓ IDENTIFY PARTNERING OPPORTUNITIES
  - ✓ DEVELOP A MODEL
  - ✓ EXECUTE INFORMAL / FORMAL PARTNERING ARRANGEMENTS
    - **SHIFT TO PRO-ACTIVE NEIGHBORHOOD APPROACH**
    - **DATA GIS SYSTEM DEVELOPMENT**
  
- **IDENTIFY MEANS TO AND PROVIDE GREATER PROGRAM SUPPORT TO 1 DISADVANTAGED POPULATION GROUP.**  
 (*Are their segments of the population that have specific real estate needs that Land Bank programs can provide?*)
  - ✓ IDENTIFY PARTNERING OPPORTUNITIES
    - **DAYTON PREMIER MANAGEMENT**
    - **HABITAT FOR HUMANITY**
  - ✓ DEVELOP A MODEL
    - **PRE-POSTING OPPORTUNITY**

## Business Objectives

- **OPERATIONS**
  - **MANAGE DEMAND**
    - ✓ MANAGE ORGANIZATIONAL CAPACITY
      - **ADDITIONAL ADMINISTRATIVE EMPLOYEE**
      - **REDUCTION PART TIME OPERATIONS EMPLOYEE**

- **IMPROVE OPERATIONAL EFFICIENCY**
  - ✓ IMPLEMENT PROPERTY MANAGEMENT SOFTWARE BY Q3 2017
    - **COMPLETE WITH CONTINUOUS IMPROVEMENT**
  - ✓ **OBTAINED IRS TAX RULING**
  - ✓ **ESTABLISHED MEDICAID LIEN RELEASE PROCESS**
  
- **REVIEW ORGANIZATIONAL AUTHORITIES**
  - ✓ BY LAW MODIFICATION IN SUPPORT OF IRS RULING
    - **COMPLETE**
  - ✓ PROGRAMMATIC (BANKING)
    - **Incomplete**
  
- **FINANCIAL**
  - **REVENUES**
    - ✓ GENERATE PROGRAM INCOME TO OFFSET EXPENSES
      - **TFAP: NET INCOME \$32,000**
      - **DIY:**
      - **COMMERCIAL REDEVELOPMENT:**
      - **LOAN PROGRAM: \$2,000**
  
  - **MANAGE PROGRAM FINANCIAL RISK**
    - ✓ MANAGE PROGRAM RISK TO BUDGET
      - CLEAN AUDIT
        - **COMPLETE**
      - TFAP NO MORE THAN 5 TRANSFER FAILURES (DEMOLITIONS)
        - **NO FAILURES**
      - DIY NO MORE THAN 2 TRANSFER FAILURES
        - **FAILURES TRANSFERRED TO NIP**
      - COMMERCIAL REDEVELOPMENT ALL AGREEMENTS HONORED
        - **AGREEMENT HONORED**
      - LAND BANKING AND LOAN ALL AGREEMENTS HONORED
        - **AGREEMENT HONORED**
  
- **MARKETING**
  - **INCREASE MARKET AND BRAND AWARENESS**
    - ✓ IMPLEMENT THE COMMUNICATION PLAN
      - **ELEMENTS INCOMPLETE DUE TO PROPERTY ACQUISITION CONCERNS**
        - **ANNUAL REPORT COMPLETE**

## PROGRAM OBJECTIVES

- **IMPLEMENT NIP**
  - COMPLETE THE ACQUISITION, REMEDIATION PROPERTIES ACCORDING TO **REVISED** SCHEDULE
    - **Acquisition: Total YTD 1,070**
      - **2017 Submitted 242 Acquired 695**
      - **2016 Submitted 622 Acquired 132**
    - **Remediation**
      - **605 / Total 961 Surveys**
      - **460 / Total 719 YTD Remediation**
      - **367/ Total 595 YTD Post Abatement Surveys**
    - **Demolition**
      - **361 / Total 664 YTD Demolished**
    - **Side Lot Disposition**
      - **71 Applications Filed/ Total 125**
      - **8 Transfers / Total 47**
  - **MANAGE MCLRC CASH FLOW**
    - **CASH FLOW PROJECTION MODEL PROVIDED**
  - **RECAPTURE PROGRAM UNALLOWABLE COSTS**
    - **COMPLETE**
  - **Acquired an Additional \$150K**
  - **Contractor Capacity Managed**
  - **Field oversight and administration**
- **EVALUATE PROGRAMS EFFECTIVENESS**
  - **MEASURE QUANTITATIVE AND QUALITATIVE EFFECTIVENESS**
    - ✓ **DIY: 20 PROPERTIES TRANSFERRED**
      - **8 TRANSFERRED**
      - **\$200K ESTIMATED INVESTMENT**
      - **5 UNDER DIY AGREEMENT**
      - **40 UNDER OWNERSHIP**
      - **17 PRE-MARKET PREP**
      - **30 SUBMITTED FORECLOSURE**

- ✓ **TFAP:80 PROPERTIES PROCESSED**
  - **55 APPLICATIONS PROCESSED**
  - **51 IN FORECLOSURE**
  - **33 TRANSFERS / 46% OWNER OCCUPANTS**
  - **3 FORFEITURES TRANSFERRED**
  
- ✓ **COMMERCIAL REDEVELOPMENT: 2 PROJECTS UNDER AGREEMENT**
  - **8 APPLICATIONS PROCESSED**
  - **4 FORECLOSURE SUBMISSIONS**
  - **1 TAX LIEN PILOT PURCHASE**
  - **13 PROPERTIES TRANSFERRED**
  
- ✓ **LAND BANKING: 2 NEW AGREEMENTS**
  - **0 NEW AGREEMENT COUNTY**
  
- ✓ **PLANNING GRANT: 4 NEW GRANTS UNDER AGREEMENT**
  - **0 NEW AGREEMENTS**
  - **EXPANDED USE OF FUNDS**
  
- ✓ **COMMUNITY LOANS: 4 NEW LOANS UNDER AGREEMENT**
  - **0 NEW LOANS**
  - **EXPANDED USE OF FUNDS**
  
- ✓ **NCST CONTINUE EVALUATING PROGRAM SUPPORT OF OBJECTIVES**
  - **2 YEARS / 6 PROPERTIES IMPACTED**
  - **NET REVENUE \$20,615**
  - **56 INSPECTED**
  - **REFOCUS EFFORTS**
  
- ✓ **EVALUATION OF PROGRAMS COMPLETE**
  - **CHANGES IN PROGRAMMING REFLECTED IN 2018 BUDGET**
    - **PLANNING GRANT FUND USE**
    - **LOAN FUND USE**
    - **COMMERCIAL REDEVELOPMENT PRO-ACTIVE**
    - **RESIDENTIAL ACQUISITION**
    - **PINE VIEW MODEL**