

Lancaster City Land Bank Authority

Special Meeting Minutes

Monday, March 25, 2019 at 5:00pm

City Hall; Commission Conference Room
120 N Duke Street Lancaster PA

Members of the Board of the Lancaster City Land Bank Authority met on Monday, March 25, 2019. The Board meeting was held at Lancaster City Hall, 120 N Duke Street.

Board Members in attendance: Douglas Byler, Ange Horst, Christian Levan.

Board Members in attendance by phone: Carl Feldman, Jason Wynne, and Carlos Gonzalez.

Excused from meeting: Willonda McCloud

Staff Members present: Randy Patterson, Director of Economic Development and Neighborhood Revitalization and Marisol Torres, Acting Executive Director of the Land Bank Authority.

Guests present: Dan Jurman, Ray D'Agostino, and Susannah Bartlett.

Mr. Byler called the meeting to order at 5:00 PM.

Old Business:

The Board met to continue to discussion between the Land Bank Authority, Lancaster Equity, and the City of Lancaster. Mr. Patterson provided information related to the Redevelopment Assistance Capital Program (RCAP), and more specifically, how Lancaster Equity's Project ties into the RCAP Grant. He informed the Board that using RACP funds would provide Lancaster Equity with capital to ultimately acquire and renovate six properties. He informed the Board that the Land Bank Funds to initially acquire the property can function in two ways: The Land Bank could choose to remain a sub-grantee and purchase the properties. In this scenario, the Land Bank would hold the properties for the duration of the RACP project. After the audit is completed, and the final reimbursement from RACP is received, the Land Bank Authority would sell the properties to Lancaster Equity. In the second option, the Land Bank Authority would no longer be a subgrantee in the RACP project. Instead, the Land Bank would lend money to Lancaster Equity for them to use to purchase the properties. The Land Bank Authority would have a Loan Agreement with Lancaster Equity that would be considered a "long-term" loan due to RACP regulations, but in this scenario, Lancaster Equity would reimburse the Land Bank Authority as RACP reimbursements come to the City. The details on the repayment of this loan through RACP reimbursement dollars could be stated in the Loan Agreement. After much discussion, Ms. Horst motioned to lend Land Bank Authority funds to Lancaster Equity for the acquisition and closing costs of six properties, totaling no more than \$420,000, to be drawn on an as needed basis. The motion also authorized the Land Bank Authority's Attorney to create a Loan Agreement that would be set up as a 20-year loan at 0% interest with no prepayment penalty. The

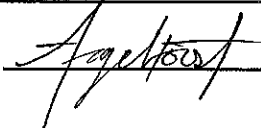
Loan Agreement would state that Lancaster Equity would reimburse the Land Bank Authority when the RACP funds are received by the City, with the City reimbursing the Land Bank Authority directly. The motion was seconded by Mr. Levan, and the Board unanimously approved.

Adjournment: Meeting adjourned at 6:12 PM. The next meeting is scheduled for April 16, 2019.

Submitted: 04/16/19 Approved: 04/16/19

Willonda McCloud, Secretary _____

or

Ange Horst, Assistant Secretary  _____

mmt