

LOAN COMMITTEE MEETING
April 21, 2016

PRESENT: Jerry Austin, Commercial Industrial Appraisal Services; Felicia Dell, York County Board of Commissioners; Fiona Eyster, York Traditions Bank; Amy Hampson, HealthChoices Management Unit; Tom Hoover, York County Controller's Office; Bill Koons, Presbyterian Senior Living; Bruce Rebert, Chairman;

ABSENT: Jessica Mockabee, York County Human Services; Mark Shea, Area Agency on Aging

STAFF: Dory Brannon, Housing Chief; Michelle Trout, Development Specialist

SOLICITOR: Kurt Blake, Esquire

Call to Order

Bruce Rebert called the meeting to order at 10:00 a.m.

Approval of Minutes

Fiona Eyster made a motion to approve the meeting minutes for March 2016. The motion was seconded by Bill Koons and carried unanimously.

Executive Session

Loan Committee called an executive session to review Kurt Blake's conversations with PFG since the last meeting. The executive session began at 10:00 a.m. and ended at 10:07 a.m.

219 Baltimore Street

Kurt Blake reported that he has quit claim deeds from both owners and Dory obtained letters from the school district and municipality confirming their agreement to forgive the outstanding taxes. He forwarded the information to Bill Hast at the tax claim office for processing. Unfortunately, there was a death in the tax claim office and they are struggling to reorganize and keep things moving. Once he receives the deed from the tax claim office, he will record the two quit claim deeds and initiate a quiet title lawsuit. He anticipates that it will take about 3-4 months to clear the title.

Dory Brannon reported that York Area Development Corp. (YADC) sent the general interest notice to the owner of 227 Baltimore Street as required by the Uniform Relocation Act (URA). YADC will negotiate with the owner on the price and if they cannot reach an agreement, the engineers have a plan to address the shared foundation wall. The engineers are currently collecting bids for demolition. Once we have clear title, we expect to begin demolition in late summer to fall and follow up with new construction next year.

TCB and PFG Properties

Dory Brannon reported that Harvey Theiman, a consultant for The Woda Group out of Ohio contacted her recently to advise that The Community Builders (TCB) portfolio is up for sale. The portfolio consists partly of Hudson Park, Shady Oaks and Princess St. Apartments and was acquired by TCB from PFG Capital in 2013. TCB is no longer interested in holding this type of property. Harvey advised that the Woda Group is interested in pursuing the TCB portfolio, as well as the PFG properties. He requested that Dory attend a meeting that is scheduled between the parties to discuss the status of the County debt in each portfolio. Dory explained to Harvey that the County is in negotiations with PFG, but there will be no re-structure of debt until the County receives and approves the financial terms of the proposed transaction. She asked Kurt Blake to accompany her to the meeting; he agreed to represent the County in the discussions.

Bill Koons wondered whether the Woda offer would be an all or nothing situation for the TCB/PFG portfolios. Dory did not feel that it would be; her impression is that Woda is looking to expand their affordable housing portfolio into York and Lancaster counties. She has been in contact with Woda regarding several other sites in the County in the past year, but to date, none of those have worked out.

Kain Rehab

Dory Brannon reported that she met recently with the owner of the Kain rental property in Hanover. The property has a rental rehab loan that was extended back in 2000 with partial forgiveness terms over a 20-year period. The next partial forgiveness amount was to occur this year. To date, the owner has complied with the terms of the agreement, but the property is struggling financially. The owner has requested that the County consider splitting the partial forgiveness amount that was scheduled for 2016 into two years to alleviate the negative tax consequences to the owner.

Fiona Eyster made a motion to approve the request to split the forgiveness into two years. Bruce Rebert abstained from voting due to a personal relationship with the owner. The motion was seconded by Tom Hoover and carried unanimously among the remaining members.

Other Business:

There was a general discussion about several potential development sites in the north York area. Bill Koons asked whether Mission First has approached the County about any of them. Dory advised that they have not, so Bill offered to approach the head of their development division to see if they might be interested in coming into the York market.

Bruce Rebert reported that David Cross has resigned from the Loan Committee due to scheduling conflicts.

Jerry Austin made a motion to accept the resignation. The motion was seconded by Amy Hampson and carried unanimously.

Adjournment

Jerry Austin made a motion to adjourn the meeting at 10:35 a.m. The motion was seconded by Amy Hampson and carried unanimously.