

**CAMPBELL COUNTY FISCAL COURT
MINUTES**

January 7, 2009

A regular meeting of the Campbell County Fiscal Court was held on Wednesday, January 7, 2009, 7:00 p.m. at the Campbell County Courthouse located at 8352 East Main Street, Alexandria, Kentucky.

In attendance at the meeting were:

COUNTY JUDGE/EXECUTIVE:
STEVE PENDERY

COUNTY COMMISSIONERS:
DAVID OTTO
KENNETH RECHTIN

Robert Horine	County Administrator
Melissa Williams	Director of Administration
Jim Seibert	Director of Fiscal Affairs
James A. Daley	County Attorney
Col. Keith Hill	Chief, Campbell County Police Department
Peter Klear	Planning and Zoning Director
Ken Knipper	Office of Emergency Management Director
Paula Spicer	Fiscal Court Clerk

The meeting was called to order at 7:00 p.m. by Judge Penderly. Cable Access was present to film the meeting.

Judge Penderly asked for a moment of silence, followed by the Pledge of Allegiance. Following roll call, a quorum was declared present.

Minutes from the regular Fiscal Court Meeting held on December 17, 2008 were presented. Motion was made by Commissioner Otto, seconded by Commissioner Rechlin, to approve the minutes. All voted "AYE" and the motion passed unanimously.

J. R. Roth, citizen, stated that Fairfield, Ohio was getting \$390,000 from FEMA; and asked how much Campbell County would get from FEMA for storm damage? Jim Seibert replied that Campbell County would get roughly \$50,000. Judge Penderly stated that the amount received is not based on population; you have to establish what the damages were in order to collect money.

Mr. Roth stated that he was dismayed to read in the newspaper that there was only one project in Campbell County that was shovel-ready for President Obama's plan. He doesn't understand that Campbell County itself doesn't have a project that is shovel-ready.

Mr. Roth asked about the cable franchise, and if the build-out should be for all citizens in Campbell County versus the people who still don't have internet service. The new franchise should have tighter build-out requirements.

Robert Horine responded that the list of shovel-ready projects appearing in the newspaper was not the County's list; it was developed by the Chamber of Commerce, aimed at big projects in the area. The County was pleased that they included the US 27 project, which has been ready to go for the last two years, but was unable to proceed due to lack of state funding. He assured Mr. Roth that the County has a long list of projects that they are ready to submit whenever the criteria are established and an actual program exists. All of the cities in Campbell County have been contacted regarding their projects. He stated that the details of the program have not been developed yet, but when they are known, the County will have a list prepared.

Judge Pendery opened the presentation on the Neighborhood Stabilization Program (NSP). Joseph Condit, Director of the Housing Authority of Newport, stated that the idea is to get all agencies in Campbell County together to take advantage of this program. He stated that a lot of properties are being sold and as a result HUD has created a system whereby agencies can buy the properties, rehab and resell them. Dennis Elrod, Elrod and Associates, distributed information on the NSP, explaining that this is a completely new idea. In less than six weeks the State has done training, and will accept applications and distribute approximately \$34.5 million from a federal program administered by the Kentucky Department of Local Government. In conjunction with the bailout of the financial industry the idea is to find someone who will purchase property that has been foreclosed on by a private lender, and convert the property into affordable housing. The money is targeted to areas of highest need; Campbell County ranks 12th in the State on the needs score based on criteria created by HUD. Mr. Elrod explained that there are two sources of funds: a \$24 million fund for families earning up to 120% of the area median income, and a \$9.5 million fund for families earning less than 50% of area median income. He stated that the State is under pressure to distribute these funds. To that end they are looking for organizations that have the ability of turning properties into affordable housing in a short period of time.

Mr. Elrod further explained that every property participating in this program must be bought out of foreclosure, either from the bank or lending institution who has taken the property back, and must be bought for at least 15% below the appraised value. In his experience, this will not be a problem in Campbell County. The five eligible activities under this program are: property acquisition, rehabilitation, providing mortgage financing for the purchaser, redevelopment (demolishing an existing building and constructing a new one in its place), and land-banking (buying property and holding it for up to 5 years). They are proposing a homeownership program. The Newport Housing Authority may make a separate application for a limited amount of funds to do a project in Newport. The number of properties available in Campbell County, and those that will soon be sold at the courthouse door, are virtually all single-family properties and suitable for a homeownership program. The Housing Authority will utilize one of its not-

for-profit entities created for the HOPE Six Program, to serve as the program developer, so that they will not be limited to only properties within the boundaries of Newport. The Housing Authority staff has gained a lot of experience as a result of the HOPE Six Program which will be beneficial for participation in the NSP. Proposed program activities include: identify and acquire properties suitable for rehab, complete any environmental remediation of properties, prepare project plans and specifications, solicit bids and award contracts, supervise construction, solicit, process applications and sell properties to income-eligible families who have the ability to secure financing. Under the program, properties must be sold at appraised value. The first mortgage will cover up to 50% or more of the purchase price, the other 50% will come through the NSP, no interest, no monthly payments, and forgiven over a period of time depending on how much money is obtained from the NSP. Potential purchasers must meet the income guidelines, cannot presently be a homeowner, must complete homebuyer training program, must maintain the property, and keep the property insured. Mr. Elrod estimates that 25-30 units could be under contract within the allotted time. He stated that how the funds are split up across the County will be determined by the properties available and consultation with Fiscal Court staff as to the extent of how much they want to be involved in day-to-day issues. Applications are due to the State by January 30, 2009. In this instance the County would have no risk or responsibility in terms of managing the program, and have no liability. The next step in the application process is a public hearing to be held on January 16, 2009 at the Newport Housing Authority offices.

Judge Pendery stated that this program, like some others, has been formulated to get the economy moving again. He stated that both Mr. Condit and Mr. Elrod have a great deal of experience in obtaining funds and administering similar programs. He stated that if there is money available, there is certainly a need, and we should seek whatever amount we are qualified to get.

Commissioner Rechtin asked how many bankrupt properties are in the county now. Mr. Elrod replied that the most recent number is 63 properties currently listed for sale with a realtor or scheduled for sale at the courthouse door. Commissioner Rechtin stated that he thought that HUD kept an ongoing list of available properties. Mr. Condit advised that they do get a list daily from HUD of properties in Newport. Mr. Elrod explained that this list is just of properties that HUD has released for sale. The Housing Authority is in the process of becoming certified as an eligible nonprofit so that they will be able to bid on HUD-owned properties before they are released for sale to the public.

Commissioner Rechtin asked how the properties will be acquired, i.e. courthouse sales, negotiated privately with banks, competing with the private market. Mr. Condit stated that properties will be acquired in all those manners. He stated that they are seeing more people from out of town purchasing properties sight unseen hoping to resell them. They may have a slight advantage over private investors by knowing about available properties first.

Mr. Condit explained that larger cities got funds first. Mr. Elrod stated that by federal government standards the program has been funded and money disbursed quickly.

Commissioner Rechtin asked who will oversee the program locally, why is the Fiscal Court being asked to participate, and who will choose the properties to be acquired. Mr. Condit stated

that once funds are allocated they will get an updated list of foreclosed properties, and meet with cities and the County to determine which properties to acquire. The Newport Millennium Housing Corporation will serve as developer with input from the County and cities. Mr. Elrod stated that they were approached by the County administration after the County started receiving information on the program, and asked if the Housing Authority was interested in the program and expanding its participation to include the County.

Robert Horine stated that the NSP came about very quickly and the Housing Authority of Newport is the only one agency at this time in the county that has the capacity of conducting the activities necessary for the program. He stated that the Cities of Dayton, Bellevue and Silver Grove are very interested in the program. Each City could apply for funds on their own, but they do not have the experience to operate the program. This is a great opportunity for cities and the county to partner, but there are a lot of details to work out. Dennis Elrod stated that they will mainly be looking at properties that can be bought, rehabbed and sold for around \$150,000. The Housing Authority's Board has the authority to operate on a county-wide basis if the County wishes. Mr. Condit stated that this program came at an opportune time for the Housing Authority as the HOPE Six project is nearing completion, and they may have to reduce their staff by 2-3 members if they do not get this project.

Commissioner Rehtin agreed that the capacity is there, however he is concerned about governance, oversight and completion. If the County moves forward with this he believes that the County needs full participation on a board level. This is a good opportunity to discuss a true joint venture of the Dayton Housing Authority, Newport Housing Authority and the County. Rather than contracting with one agency or the other, he'd like to see a larger board to oversee the program, keeping the staff intact working for the greater good of the whole county. He has had some disagreements with the way that the board of the Newport Housing Authority, not the staff, has followed through on some projects. He has no problem with the idea or project, but is concerned with governance and oversight. If the application is approved he'd like to have a new structure be put in place to oversee the project. Mr. Condit stated that the Housing Authority is simply acting as developer and wants direction from the county and cities. Judge Pendery stated that the goal is to get as much assistance for the community as they can, and taking into account Commissioner Rehtin's reservations, get some things accomplished by the end of the month. Mr. Elrod distributed copies of information that was sent to potential lenders who may want to participate in the program. They will move forward with the application process.

J. R. Roth asked if the forgiveness is only available to the Housing Authority. Mr. Elrod explained that there is no monthly payment on the 50% forgivable loan, and if the purchaser meets certain conditions, the loan is forgiven. Mr. Roth asked if the 50% loan is available to a private developer. Mr. Elrod stated that a private developer can make application to the State. He reiterated that the funds from this program are only available for foreclosed properties.

As there was no old business, Melissa Williams presented new business to the Fiscal Court. Resolution R-01-09 was read by title and summary given. R-01-09 authorizes the County Judge/Executive to execute a service contract with the Greater Cincinnati Hazardous Materials Unit, Inc. for the provision of hazardous materials response, containment and mitigation. The contract calls for a per capita cost of \$0.10 per person per fiscal year, and shall be renewed

automatically unless either party notifies the other party of their intent not to renew the agreement by September 30th of the current year. Ken Knipper, OEM Director, explained that the County had been paying \$0.17, however with the development of the Northern Kentucky HazMat Unit, the Greater Cincinnati HazMat Board has agreed on a reduced cost of \$0.10. Commissioner Rechtin made a motion to adopt R-01-09, seconded by Commissioner Otto. All voted "AYE" and the motion passed unanimously.

Resolution R-02-09 was read by title and summary given. R-02-09 authorizes the County Judge/Executive to execute a contract with InfoCode Corporation for geocoding services for the Campbell County Emergency Notification System. This service is used for the Communicator that updates citizens in the County when there is an emergency notification. Commissioner Rechtin made a motion to adopt R-02-09, seconded by Commissioner Otto. Ken Knipper, OEM Director, explained that the communicator system which is a reverse 911 system is used in a number of ways in the event of an emergency. In addition, the geocode system is accessible to police, fire and rescue agencies. The County buys phone numbers and InfoCode enters the information into the system; the system has been reliable in the past. At this time it includes only land line numbers, but they are working on getting cellular phone numbers included. All voted "AYE" and the motion passed unanimously.

Ms. Williams requested a motion to appoint Fran Reitman to Sanitation District No. 1 Board of Directors, to fill the position held by Mike Almoslecher who has resigned. The appointment will be effective immediately and will run through July 14, 2012. Judge Pendery made a motion to appoint Fran Reitman to the Sanitation District No. 1 Board of Directors, seconded by Commissioner Rechtin. Ms. Reitman thanked the Fiscal Court for the opportunity to work with Sanitation District 1. She requested that the Fiscal Court find help on the Planning Commission, especially on the Board of Adjustments. She has agreed to stay on the Board of Adjustments until a replacement is found. She explained that the Board of Adjustments is a quasi-judicial board that meets when a property owner wants to make a change to his property which is in conflict with the planning codes; the Board of Adjustments will then judge and resolve the matter. The Board meets once a month when there is a case on the docket. There have been times when the Board has not met for 2-3 months as there were no cases to be heard. Ms. Reitman has served on the Board for 12 years and has learned a lot during that time. She also served on the Planning Commission for 10 years. Her service on both of these boards has been very rewarding. Judge Pendery stated that her service on these boards provides her a good background for the Sanitation District Board. All voted "AYE" and the motion passed unanimously. Judge Pendery stated that not only is Ms. Reitman well qualified for the Sanitation District Board due to her experience, but also because of where she lives and has her business – in the south end of the County. The Sanitation District now has a plant fully operational in the south end of Campbell County, and the citizens in that part of the county will be well represented by her. He looks forward to working with her on the Board. Judge Pendery stated that the Sanitation District spends more money than most of the other governmental agencies in the three counties combined. The District is under federal court order to make about \$1 billion in capital improvements in both storm and sanitation systems in Northern Kentucky in the next 20 years.

A motion was requested to appoint William Voelker to the Transit Authority of Northern Kentucky (TANK) Board of Directors. Mr. Voelker will fill the position of James Daley, who

resigned when he was named as County Attorney. The appointment is effective immediately and through June 30, 2009. Judge Pendery made a motion to appoint William Voelker to the Transit Authority of Northern Kentucky Board of Directors, seconded by Commissioner Otto. All voted "AYE" and the motion passed unanimously. Judge Pendery stated that Mr. Voelker is a long-time public servant involved in the Campbell County School district and now Dayton School district. While he was with Campbell County Schools, Mr. Voelker was very involved in their transportation program. Judge Pendery stated that TANK is the number 1 expenditure for the County. He thanked Jim Daley for his service on the Board. Commissioner Otto stated that the Transit Authority has collaborated with Google Earth to plot bus routes and bus stops for its riders. This program was developed with the assistance of Northern Kentucky University.

A motion was requested to appoint Connie Schweitzer to the Campbell County and Municipal Board of Adjustments to fill the unexpired term of Lee Arrasmith who passed away. Her appointment will be effective immediately and through March 2, 2010. Judge Pendery made a motion to appoint Connie Schweitzer to the Campbell County and Municipal Board of Adjustments, seconded by Commissioner Rehtin. Robert Horine advised that Ms. Schweitzer is a graduate of Northern Kentucky University, lives in unincorporated Campbell County and operates a horse business; she is excited about serving on the Board of Adjustments. He stated that if people are interested in serving on any boards or commissions, they should contact the Fiscal Court. All voted "AYE" and the motion passed unanimously.

Commissioner Otto wished everybody a happy, healthy and prosperous New Year.

Judge Pendery announced that Ed Ackerman, Charles Boesch, Joe Pfefferman and Ken Studer of the Campbell County Transportation Department earned their Road Scholar or Road Master Certificates from the Kentucky Transportation Center. This is a good program which requires effort. He congratulated the employees and stated that the Fiscal Court applauds the efforts of all employees to keep their credentials current.

Judge Pendery announced that there would be a public hearing on Friday, January 16, 2009, at 4:00 p.m. at the Newport Housing Authority in connection with the grant application for the Neighborhood Stabilization Program.

Judge Pendery reminded everyone about the Christmas Tree mulching program continuing through January 9, 2009. He announced several of the locations where trees can be dropped off.

Jim Seibert requested a motion to acknowledge the acceptance of bonds for appointed and elected officials for 2009. This action is taken every year about this time. Commissioner Rehtin made a motion to accept the bonds for appointed and elected officials, seconded by Commissioner Otto. All voted "AYE" and the motion passed unanimously.

A motion was requested authorizing the Judge/Executive to execute an Executive Order approving \$3,000 in miscellaneous office expenses for the Campbell County Clerk. The Fiscal Court took similar action last year. Commissioner Rehtin made a motion to authorize the Judge/Executive to execute an Executive Order for miscellaneous office expenses of the

Campbell County Clerk, seconded by Commissioner Otto. All voted "AYE" and the motion passed unanimously.

Mr. Seibert then requested a motion to approve the claims as presented for January 7, 2009. County Attorney James Daley stated that he reviewed the claims and all appear appropriate. Motion was made by Commissioner Otto, seconded by Commissioner Rehtin. All voted "AYE" and the motion passed.

There being no further business to come before the Fiscal Court, Commissioner Rehtin made a motion to adjourn, seconded by Commissioner Otto. All voted "AYE" and the meeting adjourned at 8:10 p.m.

Attachments:

Resolution R-01-09
Resolution R-02-09
Claims of January 7, 2009

Approved:

STEVE PENDERY
Campbell County Judge/Executive

Attest:

Paula K. Spicer
Fiscal Court Clerk