

**To: Columbia Community Land Trust (CCLT) Board**  
**From: Randy Cole**  
**Date: 6/10/2019**  
**Subject: 6/11/2019 CCLT Agenda Item Summary Memo**

This memo provides a summary of the 6/11/2019 Columbia Community Land Trust (CCLT) meeting agenda.

#### *6 Fourth and 19 Third Avenue Development Financing Proposals*

The CCLT has 2 proposals to consider for accessing development financing necessary to fund the construction of 19 Third Avenue and 6 Fourth Avenue. Proposals have been received from Providence Bank and Central Bank of Boone County. Both proposals include 1% interest loans with no origination fees and with assistance to buyers for closing costs. Providence Bank's proposal included 18 months for the term of the loan.

#### *6 Fourth and 19 Third Avenue Development Financing Proposals*

The CCLT received 1 proposal for the 19 Third Avenue 6 Fourth Avenue Design/Build Request for Proposals. The one proposal was received from R. Anthony Development and opened publicly on Friday, June 7, 2019 at 500 E. Walnut, Suite 108. Total costs for the bid received on the Design/Build of 6 Fourth Avenue are \$148,346. Total costs for the bid received for the Design/Build of 19 Third Avenue are \$147,609.

#### *103 Lynn Tree Removal Update*

Staff was notified by the owner of 105 Lynn regarding a tree falling at 103 Lynn that had landed on the rear of the home. Staff met with the owner of 103 Lynn Friday evening. The owner has notified their insurance company and staff has communicated with the CCLT insurance. Staff will provide an update to the board regarding this situation at the June 11, 2019 meeting.

Section 9.4 and 9.5 of the ground lease indicate the responsibility of the homeowner to work with their homeowner's insurance to resolve situations including damage to the home. Section 9.4 and 9.5 are as seen below:

*9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, if the CLT determines that the replacement value to be insured should be increased, the CLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.*

*Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.*

*The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance covering the Home and the Leased Land using ISO Form HO 00 03 or its equivalent in the amount of \$500,000 dollars (\$500,000) per occurrence and in the aggregate. The CLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the CLT prior to the commencement of the Lease and at each anniversary date thereof.*

*The dollar amounts of such coverage may be increased from time to time at the CLT's request but not more often than once in any one-year period. CLT shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.*

*9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.*

*If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify CLT of this problem, and CLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and CLT.*

*If Homeowner and CLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give CLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.*

#### *2020-2024 CCLT Strategic Plan Work Session*

The CCLT's fiscal year runs from January through December. The CCLT currently has a 3-year Strategic Plan covering years 2017 thru 2019 and is in year 3 of that plan. The purpose of the session will be to begin the process of setting the strategic direction and goals of the CCLT for January 2020 thru December 2022. Staff is still waiting for responses to the Doodle Poll to set a specific date/time. Currently, July 27<sup>th</sup> looks like the date that aligns with the most schedules thus far. Staff would prefer delaying the meeting or changing dates as necessary to ensure all board members are in attendance.