

Stark County Land Reutilization Corporation
MINUTES – January 21, 2014

Present: Alexander Zumbar, Lemuel Green, Janet Creighton, Scott Haws & Thomas Bernabei.

Chairman Alex Zumbar calls to order the meeting at 8:30 A.M.

Roll call: Alex Zumbar, Lem Green, Janet Creighton, Scott Haws, Thomas Bernabei present.

Minutes of December 16, 2013 special meeting were submitted. Moved and seconded to approve. Unanimous.

Public Speaks: None.

New Business:

Lynn Carlone and Sarah Peters of Stark County Regional Planning Commission (SCRPC) provided a progress update to the board regarding the Moving Ohio Forward Demolition Grant.

Non-Match Approved Property Update:

Subrecipients

- 1) City of Alliance – 15 approved properties under contract (15 units of housing); the total estimated demolition costs, including soft cost is \$119,293.00. An additional 5 approved properties are being bid for asbestos evaluation & demolition; bids are due 2/1/14.
- 2) City of Canton - 4 approved demolitions (4 units of housing) completed, submitted, and reimbursed by the State AG's office, for a total demolition cost, including soft costs of \$29,694.15. The City of Canton has 1 remaining approved property to complete.
- 3) Perry Twp. has contracted 3 approved properties for demolition; the total estimated demolition cost is \$13,380.00 + soft costs. Demolitions are expected to be completed by 3/31/14.
- 4) Plain Twp. plans to bid 5 approved properties for demolition on 1/24/14.

Non-Subrecipients

- 1) 2 demolitions (2 units of housing) completed, submitted, and reimbursed by the State AGs office. Total demolition costs, including soft costs - \$15,524.07 (1-Canton Twp. & 1-Lake Twp).
- 2) 5 demolitions (5 units of housing) have been completed and will be submitted for reimbursement pending the receipt of required paperwork from contractor. Total demolition costs, including soft costs - \$36,214.33 (1 - East Canton, 1 - Bethlehem Twp., 1 - Pike Twp., & 2 - Tuscarawas Twp.).

- 3) 30 properties under contract for demolition, for a total of \$370,355 + soft costs/administration costs (1 - Canal Fulton, 19 - Massillon, 2 - Meyers Lake, 1 - Navarre, 2 - Waynesburg, 1 - Wilmot, 3 – Lexington Twp., & 1 - Nimishillen Twp.).
- 4) 1 demolition contracts waiting for contractor signature for a total of \$30,210 + soft/administration costs. Re-bid of 419 Tremont Ave., NW in Massillon.
- 5) 3 properties out for asbestos evaluation: 1- Beach City, 1- Waynesburg, & 1 - Wilmot
- 6) 6 communities (Beach City, Hartville, Navarre, Waynesburg, Wilmot & Nimishillen Twp.) were sent letters on 12/12/13 in regard to 8 potential demolitions reminding them of the need for the complete establishment of legal authority to be received by the RPC by Wednesday, January 15th to guarantee MOF demolition. Two of the communities later withdrew their demolition request for 1 property each: Hartville & Navarre. The remaining communities: Beach City & Nimishillen Twp., have not completed the legal process on 3 remaining properties. At this time, does the Board want to pursue these 3 demolitions knowing that they may not be completed under the MOF program due to time constraints? Secondly, does the Board want to accept any new properties for possible non-MOF demolition?

Moved and Seconded to approve the three demolitions. Unanimous.

As for any further properties beyond the three approved is to be decided on a case by case basis.

Match Property - Subrecipient Update:

- 1) City of Alliance - 5 demolitions (16 units of housing) completed, submitted, and reimbursed by the State AG's office. Total demolition cost, including soft cost - \$80,502.11. A total of \$40,251.05 reimbursed to date. Two (2) additional demolitions are under contract (? units of housing); the total estimated demolition costs, including soft cost is \$94,025. (It is expected that if the overall demolition costs exceed the "matched" funding, the difference will be made-up with "MOF non-match funding"; this will likely be in the range of \$25,000.00.)
- 2) City of Canton - 128 demolitions (147 units of housing) completed, submitted, and reimbursed by the State AG's office. Total demolition cost, including soft cost - \$826,426.60. A total of \$413,213.22 reimbursed to date. Additional demolitions are underway, but not yet submitted for reimbursement to RPC/State AG.
- 3) Perry Twp. - No additional properties outside of the 3 non-match addresses are underway.
- 4) Plain Twp. plans to bid 12 approved properties for demolition on 1/24/14. Plain Twp. is also looking at adding 6 additional possible demolitions.

- **Total Non-Match funding available - \$400,000**
Invoiced to date: \$45,218.22
Remaining balance to be submitted for reimbursement: \$354,781.78
(Estimated additional invoicing based on current contracts:
\$569,452.33)
(Remaining estimated balance available to contract: -\$214,670.55)

- **Total Match funding available - \$1,843,607**
Invoiced to date: \$453,464.27
Remaining to be submitted for reimbursement: \$1,390,142.73

- **Administration funding available - \$100,000.00**
Invoiced to date: \$24,934.14
Remaining balance to be submitted for reimbursement: \$75,065.86

Lynn identified that there was now \$214,670 .55 which was committed in excess of the \$400,000 non-match amounts. She requested that the board approve the additional amount that was over the committed non-match funding the estimated amounts. Moved and seconded to approve the estimated amounts to be covered by the SCLRC funding sources. Unanimous.

Lynn also discussed concerns relating to the demolition program and the inclement winter weather is hampering contractors getting the demolitions completed in a timely fashion according to schedule and that the demolition deadline was May 31, 2014. All demolitions must be done by May 31, 2014. She also relayed concerns relating to some demolition contractors not providing complete paperwork and this is causing some delays in reimbursements being properly submitted to the Attorney General. She also noted her concerns related to the City of Canton demolition program and was concerned about receiving a flood of paperwork in reimbursement requests being submitted at the last minute.

Discussion and review of Regional Planning Commission invoice for December 2013 in the amount of \$6,238.40. Moved and seconded to approve payment of \$6,238.40 invoice. Unanimous.

Member Zumbar discussed approval of invoices relating to advertising amounts totaling \$3,077.10 which were associated with SCLRC vacant parcels being advertised through Press News. Moved and seconded to approve. Unanimous.

Member Zumbar discussed post-approval of reimbursement to the Clerk of Court costs in the amount of \$2,793.26 which related to the November 14, 2013 Board of Revision cases requested by the SCLRC. Moved and seconded to approve. Unanimous.

Member Zumbar discussed post-approval of the reimbursement to the Treasurer office in the amount of \$1,078.35 for costs related to the November 14, 2013 Board of Revision cases requested by the SCLRC. Moved and seconded to approve. Unanimous.

Member Zumbar discussed with the Board members the need to have a professional service contract for legal services specializing in Environmental assessment and review of the IEL properties so the SCLRC Board fully understands any potential legal issues, any potential environmental issues or any other liability should the SCLRC decide to accept the donation of the IEL properties. Member Green is to contact and invite a specialist to attend the next meeting for further discussion. Moved and seconded to approve. Unanimous.

Member Green invited Mr. Fonda Williams, Director of Compliance/ Mayors Chief of Staff for the City of Canton who was in attendance to discuss a draft proposal of a cooperative agreement between the City of Canton, acting as lead entity and the SCLRC as a partner in jointly applying for the Ohio Housing Finance Agency – Neighborhood Initiative Program (OHFA-NIP) demolition grant application which has a January 31, 2014 filing deadline.

Mr. Williams distributed a draft proposal of the cooperative agreement to the SCLRC Board for their review. He requested that the board approve the agreement which would allow the City of Canton to be the lead entity and the SCLRC be a cooperative partner with the City of Canton in filing for the OHFA-NIP Demolition grant.

Because time is of the essence and the deadline to file for the \$60 million residential demolition grant being January, 31, 2014, the City of Canton is better positioned to act as the lead entity and file the grant application in this first round to secure demolition funding. If the SCLRC does not act it would potentially leave money on the table and this would be a missed opportunity for potential funding. The City of Canton has the ability and the staff dedicated to getting the grant application completed on time and filed. The grant provides up to \$25,000 per demolition including administrative soft costs. The grant provided a flat rate of reimbursement of \$1,000 for administrative soft costs with no documentation. If documentation was provided it could receive additional reimbursement. The grant is from the Hardest Hit Fund and is through the Ohio Housing Finance Agency.

Mr. Williams also addressed the concerns raised earlier from Lynn Carlone of Regional Planning Commission regarding the status of Canton's demolition program and the lack of reimbursement paperwork from contractors. He said that these issues with the City of Canton demolition program were identified and fixed. New personnel have replaced those that have left employment with the City and others have been assigned duties and responsibilities to correct and fix the problems.

Members Bernabei and Green questioned Mr. Williams on whether or not they could get the application done in ten (10) days. Mr. Williams responded it could be done by the January 31st deadline. Member Bernabei and Member Creighton questioned what would happen to the potential \$60 million if the application would not be filed by January 31, 2014. Mr. Williams answered that \$50 million of the funds likely would be pledged to other land banks that are planning to apply. The remaining \$10 million is to be distributed in round 2 which has a deadline for filing an application of July 31, 2014.

Robin D. Thomas of Thriving Communities was recognized and stated that if possible the land bank should file in round 1 because the funding for those land banks not filing an application by January 31, 2014 might not be granted their full initial allocation. It is possible that four or five other land banks will be filing an application by January 31, 2014. They will demonstrate a need which is greater than what is currently being allotted the land banks at this time. In this case, the \$2.5 million presently set for Stark County might not be around by July 31, 2014 based upon

information from other land banks currently positioned to file applications for the OHFA-NIP grant. The application needs to score at least 60 points to be successful.

Member Zumbar and Member Haws raised concerns that it appeared the Moving Ohio Forward (MOF) Demolition Grant pledge made by Canton was not going to be fulfilled. Chief among the concerns was the upcoming deadline of May 31, 2014. Also it was unclear as to the present status of the City of Canton Demolition program and progress to date. (128 structures have been demolished consisting of 147 units of housing – Total cost of \$826,426.60). Is there a plan to meet the demolition deadline and fulfill the pledged amount?

RPC reported earlier that demolitions are being hampered by the severe Winter weather. Contracted demolition companies are being utilized throughout the County and State which may cause contracted demolitions to be backed up and not completed by the May 31st deadline.

RPC raised concerns with the SCLRC Board concerning the paperwork that was being provided by the City demolition contractors. RPC is contracted by the Stark County Land Reutilization Corporation (SCLRC) to be the Administrator of the MOF demolition grant. RPC also is concerned by having a flood of paperwork filed with their office at the last minute with the anticipation that it be submitted for reimbursement.

Member Zumbar and Haws also raised concern that it appears based on discussion that there might be a potential for utilizing already identified structures that were submitted by the City of Canton to the SCLRC for inclusion with the MOF Demolition grant application. Are these properties which weren't demolished within the MOF timeframe going to be used in the application for the new OHFA grant? At present the MOF Grant has not been fully completed.

The SCLRC is being presented a draft proposal of an agreement between the City of Canton acting as lead entity and the SCLRC as a cooperative partner to file a grant application with Ohio Housing Finance Agency for potential demolition grant money. Shouldn't this be reviewed by a SCLRC legal advisor for advice and opinion?

The SCLRC is a county wide entity. Sub-divisions should be included with the grant application. Each sub-division would be responsible for the parcels located within their subdivision utilizing general fund dollars or other source funding as their matching pledge. The SCLRC could also pledge an amount depending on availability of funding.

Members Zumbar and Haws also expressed concern that the money that was pledged to Canton (\$1,353,107) was likely not going to be fully expended by the grant deadline of May 31, 2014. These are funds that could have in all likelihood been utilized in other sub-divisions throughout the County. (For example, the other Municipalities, the Townships and Villages throughout the County.) These funds that are not expended by the City of Canton will be left on the table. Should the City of Canton's demolition program not be completed by the upcoming May 31, 2014 deadline then Canton's pledged money was potentially going to be left on the table. They both raised concerns on the issue of no documentation being needed for the reimbursement of Administration Costs up to a flat fee of \$1,000 per structure as the OHFA NIP Grant is utilizing Federal funds.

Member Bernabei questioned RPC Director Robert Nau if data could be provided to Canton to be included with the application to include all subdivisions within the ten day timeframe. Director Nau explained that the City of Canton is the lead entity and that is really up to Canton to

prepare the application in accordance with guidelines established by OHFA. This data is specific and includes targeted neighborhoods. Member Bernabei requested that Director Nau and RPC work to get the necessary information together and submit to the City of Canton for inclusion with the grant application. Director Nau advised he and his staff would do their best with the given timeframe of ten days.

Motion to approve entering into a cooperative partnership agreement between the City of Canton, which will be the lead entity and the SCLRC as a cooperative partner and file a joint application for the Ohio Housing Finance Agency for residential demolitions. The OHFA-NIP application is also to include data from all other county subdivisions. Seconded.
Approved 3-2 (Members Haws and Zumbar-No)

Member Zumbar discussed the circulation of the proposed Administrator duties and responsibilities. Board members are to review and submit any modifications or suggested changes for the next meeting. Members discussed pros and cons in having a professional services contract versus having an employee. Further discussion is warranted by full Board prior to taking any action. Member Zumbar also stated that the Treasurer office had a part-time employee that could be made available on a reimbursement basis to assist Member Green and the SCLRC regarding day to day SCLRC business, answering of phone calls, and processing and filing of routine paperwork. The Members requested that Member Zumbar prepare a request for proposal for services for Administration of the SCLRC.

Member Green and Robin Darden Thomas, Land Bank Program Director for Thriving Communities Institute provided a review of the Improved Property Disposition and Vacant Lot Disposition policies. It was requested by Member Green that the Vacant Lot Disposition policy be adopted. The Improved Property Disposition policy still needs some work. Action on the Improved Property Disposition is to be deferred at this time.

It was moved and seconded to approve the Vacant Lot Disposition Policy. Unanimous.

Old Business: None

Member Bernabei questioned Member Green about the providing an update on the number of applications for side-lots and having the information updated for each meeting. Member Green advised that he would provide an update going forward. An update on the Side Lot program is to be provided at the next SCLRC meeting.

Next meeting will be on Tuesday, February 18, 2014 at 8:30 A.M due to Monday being President's Day.

Moved and seconded to adjourn. Unanimous.

Adjourned at 10:05 A.M.

Respectfully submitted,

Jaime Allbritain
Recording Secretary