

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
April 16, 2018

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, April 16, 2018 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Deana Stafford
Janet Creighton
Bill Smith
Lem Green
John Arnold

1. CALL TO ORDER – Deana Stafford
2. ROLL CALL – Board Members Present

Roll call found the following Board members in attendance: Deana Stafford, alt. for Alex Zumbar, Janet Creighton, Lem Green, Bill Smith and John Arnold.

3. APPROVAL OF MINUTES OF MARCH 15, 2018 MEETING

Green moved, Creighton seconded, and the motion carried to approve the minutes of March 15, 2018 meeting.

4. PUBLIC SPEAKS – No public speaks
5. TREASURER/FISCAL REPORT - Heather Cunningham

Cunningham reviewed the February and March Treasurer's Report. Green asked why the line item *Advertising and PJRs* for \$21,000 (March report) was under revenue rather than expenses. Sarah Peters stated that was a foreclosure case that got canceled; the owner redeemed the property. The Land Bank had already paid the \$400 for the PJR and \$159 for the advertising, and to redeem the property, the owner had to pay the delinquent taxes plus costs, so the Land Bank got their costs reimbursed. Stafford added that generally when that happens, if the money comes in to the SCLRC, and if it's been paid by the city already, it ends up being an expense out to the city. Creighton questioned the *Vacant Lot Deposit Refund* line item of \$14,730 (February report) and asked why it was so high. Peters stated this refund check was for two parcels and the owner paid the costs to stop the foreclosure. The \$14,730 was the purchase price which consists of the auditor's assessed value plus administration costs. Creighton moved, Arnold seconded, and the motion carried to approve the February and March Treasurer's Report.

Arnold moved, Smith seconded, and the motion carried to approve the post-approval of the payments as presented in the fiscal report for February and March.

6. NEIGHBORHOOD INITIATIVE PROGRAM (NIP) REPORT

Sarah Peters presented the Neighborhood Initiative Program (NIP) Update

City of Canton:

❖ **478– Total number of acquired properties to date:**

- 300 demolitions have been completed overall – 19 new packets have been completed since the March report
 - 270 demolitions have been approved by OHFA – 0 new packets since the February report.
 - Current average cost of demolition per property is \$15,901.00
 - OHA mortgages are fully executed on 270 properties & OHFA reimbursement to SCLRC - \$4,291,877.39
 - Canton has been reimbursed a total of \$3,936,128.31 for 270 properties
 - 31 demolition packets being readied by the RPC for submission to OHFA; OHFA to reimburse SCLRC additional - \$542,962.79
 - 18 additional packets are under preliminary review by the RPC

❖ **72 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3 (+ 21 property packets are under preliminary review of RPC)**

City of Alliance:

❖ **149 - Total number of acquired properties to date:**

- 75 demolition reimbursement packets have been submitted overall – 0 new packets since the March report.
 - 64 demolitions have been approved by OHFA – 0 new packets since February report
 - Current average cost of demolition per property is \$14,020.00
 - OHA mortgages are fully executed on 64 properties & OHFA reimbursement to SCLRC - \$897,299.54
 - Alliance has been reimbursed a total of \$813,173.63 for 64 properties
 - 11 demolition packets are being readied by the RPC for submission to OHFA; OHFA to reimburse SCLRC additional - \$162,045.93.

❖ **14 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.**

City of Massillon:

❖ **41 - Total number of acquired properties to date**

- 14 demolitions have been completed overall – One demolition has been completed since March report

- 4 demolitions have been approved by OHFA – 0 new packets since February report.
- Current average cost of demolition per property is \$9,599.00
- OHA mortgages are fully executed on 4 properties; OHFA reimburse to SCLRC - \$39,644.68
 - Massillon has been reimbursed a total of \$34,444.68 for 4 properties
- 10 additional packets are under preliminary review by the RPC

❖ **16 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3. (+10 property packets are under preliminary review of RPC)**

Arnold moved, Green seconded, and the motion carried to approve the NIP Report as presented.

7. SIDE LOT/VACANT LOT PROGRAM REPORT

Sarah Peters presented the Side Lot/Vacant Lot Program Update:

Total Applications Submitted: 1438

(25 applications were received since March '18 update)

Cities – 1234

Canton: 985, Massillon: 96, Alliance: 153

Other Communities – 204

Bethlehem Twp – 8, Brewster – 2, Canal Fulton – 1, Canton Twp – 36, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 6, Lake Twp – 4, Lawrence Twp – 6, Lexington Twp – 35, Limaville – 2, Louisville – 2, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 4, Osnaburg Twp – 12, Paris Twp – 5, Perry Twp – 10, Pike Twp – 8, Plain Twp – 30, Sandy Twp – 2, Sugarcreek Twp – 5, Tuscarawas Twp – 2, Washington Twp – 4, and Waynesburg – 3, Wilmot -1

➤ Total Number of Applications under Preliminary Review: 1

➤ Total Number of Applications Denied: 506

➤ Number of Canceled Applications/Fee Refunded: 62

➤ Total Number Pending Approval by Community: 27

➤ **Total Number of Approved Applications: 842**

(0 Applications approved since last month’s update)

➤ Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 203

➤ Total Number Being Prepared for Transfer: 17

➤ **Total Number Transferred to Date: 622**

(15 Side Lots were transferred since the March '18 update)

Vacant Lot Program Update:**Total Applications Submitted: 156***(0 Applications received since the last month's update)*

Cities – 146; Canton: 133, Alliance: 11, Massillon: 2

Other Communities – 10

Canton Twp – 1, Hartville – 1, Lexington Twp – 2, Sugarcreek Twp – 1, Washington Twp – 3,
Jackson Twp - 2

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- Total Number of Applications under Preliminary Review: 0
 - Total Number of Applications Denied: 127
 - Number of Canceled Applications/Fee Refunded: 5
 - Total Number Pending Approval by Community: 2
 - **Total Number of Approved Applications: 22**
- (0 Applications approved since the last report)*

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 6
 - Total Number Being Prepared for Transfer: 0
 - Total Number Transferred to Date: 16

Creighton moved, Smith seconded, and the motion carried to approve the Side Lot/Vacant Lot report as presented.

8. NEW BUSINESS

- a. East Sparta – Targeted Acquisition Assistance - 9571 Willow Ave. SE (5100005)

Peters stated the Land Bank received a Targeted Acquisition Assistance Program (TAAP) application from the Village of East Sparta for the property at 9571 Willow Ave. SE. This is a vacant, empty house that is in poor condition. If the Land Bank can assist the village with acquisition, the village may come back to request 50/50 demolition assistance. Green asked that RPC provide the Board with a copy of the application on any future TAAP requests. No action from the Board was necessary as this was for informational purposes only.

- b. Bethlehem Twp. – 50/50 Demolition Assistance - 6011 Kemary Ave. SW (1000151)

Peters stated that Bethlehem Township submitted an application for the 50/50 demolition assistance program. This property was fire damaged and the township is applying for up to 50% of the hard costs reimbursed after they complete the demolition work. Their estimated cost is \$11,761, so the 50% comes to \$5,880. Thorley added that this property was subject to a public health order from the Stark County Board of Health, but that case was dismissed. The Board of Township Trustees then went through their nuisance abatement procedure, and they were required to obtain permission to get on the property. Bethlehem Township Trustee, Jim Urbach, was present to answer any questions. All the

paperwork is in order and there is a contract ready to go. Green moved, Smith seconded, and the motion carried to approve the request as submitted.

c. Resolution regarding NIP

Thorley stated the Neighborhood Initiative Program (NIP) requires that a mortgage be associated with the property in order for it be eligible for demolition and reimbursement. Since this program started in 2015 there have been mortgages, but it was not required that they be recorded. But the NIP has recently required that all mortgages now be recorded. Green asked if the old mortgages have to be recorded also. Thorley stated no, this applies to any mortgages going forward.

In Section 9.4 of the Code of Regulations, it indicates that for the Land Bank to incur indebtedness, there must be a resolution of the Board of Directors. This resolution states that pursuant to Section 9.4 of the Code of Regulations, the Board agrees to incur the indebtedness of \$100 per property for the evaluations completed by the Stark County Regional Planning Commission Services, Inc. for deconstruction purposes. Thorley stated the Land Bank will pay no recording expenses. The \$100 the Land Bank incurs is a reimbursable expense through NIP. Green asked if the form was revised because the mortgage itself is not recordable in its present form. Thorley stated they are working on its revision. Creighton moved, Smith seconded, and the roll call was as follows: Creighton – yes; Arnold – yes; Green – yes; Smith – yes; Deana Stafford – yes. The motion was unanimously carried to approve the resolution regarding the NIP.

9. OLD BUSINESS

a. Fiscal Policies and Procedures

Green asked if the Fiscal Policies and Procedures must be approved today, because he did have some objections. He wanted Alex Zumbar to be present. Thorley stated it did not have to be approved today. Stafford stated that she and Zumbar have discussed the fiscal policies already, and Zumbar has given his approval. Green requested that it be tabled until next month. Green stated that he disagreed where it states in Section 1. Officers, that the President of the SCLRC will be the Executive Director of the SCRPC. He believes an individual should be named, not the title/position. The way it is currently written, you might as well say, the Board of Directors of the RPC shall appoint the SCLRC's President. Thorley stated that this is something that the Board already approved in January. It was just included here in the fiscal policies, but that doesn't mean it can't be revised. Green stated he didn't recall that. Thorley stated in past conversations, Green has stated that he was very comfortable with the way things are set up now, but that may not necessarily be the case in the future. Green stated he was very comfortable in saying the President will be Robert Nau, but if Mr. Nau would no longer be the Executive Director then the RPC Board of Directors would appoint a new Executive Director and that replacement would become the SCLRC's President, and he didn't agree with that. Also by the same token, he was presently contented with the current secretary/office manager of RPC, but he didn't want RPC to be in a position of appointing SCLRC's secretary. That is the basis of his objections. Creighton moved, Smith seconded, and the motion carried to table the consideration of the Fiscal Policies until next month.

b. Starfire Gas Stations Update

Nau stated there were originally three Starfire gas stations, but one of the properties located on North Market in Plain Township sold at Sheriff's sale; so the two that remain are on Columbus Road in

Canton Township (PN 1401210) and Whipple Ave in Plain Township (PN 5217335). Both townships have submitted a formal letter requesting the Land Bank's assistance. Nau referenced the handouts prepared by Emma Posillico, Senior Regional Planner at RPC, which set a sequential timeline for both properties. Based upon past experience with the property at 520 S. Union Avenue in Alliance, the process is estimated to take about 13 months.

If the clean-up grant is approved, the total anticipated administrative costs for the Columbus Road project is estimated to be \$9,000. The tanks are still in the ground with this property. But if the SCLRC doesn't get the clean-up grant, total anticipated cost is approximately \$129,000. Regarding the Whipple Ave. property, the tanks have already been taken out of the ground as part of RPC Brownfield program. If the clean-up grant is not obtained, the cost is estimated to be \$95,500, and if the grant is awarded, the cost is estimated to be \$8,500. There is no guarantee that the Land Bank will get the grant. The Land Bank does have \$100,000 in their budget for land assemblage and \$220,000 for demolition. RPC's recommendation is that the Land Bank pursue Whipple Ave. now because the tanks are out of the ground and the risk is somewhat lower, and the Board wait until July to move forward on the Columbus Road property. One reason to wait would be because the tank fees incurred run from July to July, and we can benefit with our learning curve while working through the process with the Whipple Ave. property. A decision can be made later this summer on the Columbus Road property depending on how Whipple comes out. The worst case scenario if the grant is not awarded would be \$95,500 cost for Whipple. When the tanks were pulled there was some residual contamination, so there will have to be some evaluation done with that, plus the demolition costs, but that seemed like a fairly high number to him.

Smith stated the adjacent property in Canton Township is currently for sale and it might make some sense to contact the realtor. Nau stated that RPC would follow up with that. The realtor listing the adjacent property was Keller Williams Realty. Green asked if there could be a remote possibility that the Land Bank would actually get stuck with the \$95,000. Nau stated RPC has not applied to this grant program before, so he couldn't say for certain, but it seems like this is exactly what the grant is intended for. There's definitely some risk in terms of cost incurred, and the Board has been very careful about acquiring properties that have challenges with them. Green stated the worst case scenario is that the Land Bank would have to pay the costs of \$95,500. Nau stated yes, but the Land Bank has the money in the budget and obviously the property will be sold at some point, but it is unknown if it would be sold for \$95,000. Smith stated a few years back they did set aside money specifically for these gas stations. At that time, he a lengthy conversation with Kirk Schuring about funding that was made available for this purpose. Schuring would be a possible contact if we run into a road block or had a question, and he seemed to be well versed on that.

Smith moved, Creighton seconded, and the motion carried to accept the recommendation to go forward on the Starfire gas station located on 1652 Whipple Avenue, Canton Township.

10. Next Meeting – May 21, 2018 - 9:00 a.m.

The meeting was adjourned at 9:38 a.m.