

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
April 17, 2017

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, April 17, 2017 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
John Arnold
Lem Green
Janet Creighton
Richard Regula (alternate)

RPC Staff

Lynn Carlone
Katie Phillips
Beth Pearson
Sarah Peters
Jill Gerber
Bob Nau
Rachel Forchione
Emma Posillico
Dave Thorley

Others

Jim Wallace
JR Rinaldi
Deana Stafford
Michelle Cutler

ALL TO ORDER BY SCLRC CHAIRMAN, Alex Zumbar

1. ROLL CALL – Board Members Present

Roll call found the following board members in attendance: Alex Zumbar, Lem Green, John Arnold, Janet Creighton and Richard Regula (alternate).

3. MINUTES OF THE MARCH 16, 2017 MEETING

Arnold moved, Creighton seconded, and the motion carried to approve the minutes of March 16, 2017.

4. PUBLIC SPEAKS – No public speaks

5. TREASURER REPORT – Jim Wallace

The month of March ended with a checking account balance of \$597,861.47. Revenues were \$220,471.32 and total expenses were \$336,896.80. The Star Ohio Investment account had an ending balance of \$1,003,300.51 with \$737.42 interest earned, and the Star Plus Investment account had an ending balance of \$6,109.11. Creighton moved, Regula seconded, and the motion carried to accept the Treasurer's report as submitted.

6. FISCAL ITEMS – Beth Pearson

Post Approval of Payments

1. City of Canton – NIP #31 – 10 parcels	\$144,383.08
a 200559-1937 3 rd Street NE	\$15,476.11
b 225983 – 1739 4 th St. NE	\$14,998.19
c 221676 – 1303 9 th St. NE	\$23,631.08
d 211048 – 628 Ingram Ave SW	\$14,247.19
e 221513 – 1466 Housel Ave SE	\$10,829.57
f 232479 – 1839 Kimball Rd SE	\$13,472.12
g 207149 – 1906 Maple Ave NE	\$13,084.18
h 222252 – 627 Marion Ave SW	\$12,885.89
i 215022 – 1011 Maryland Ave SW	\$12,737.75
j 236660 – 1639 Miami Ct NE	\$13,021.00
2. City of Canton – NIP #32 – 9 parcels	\$123,831.29
a 228531 – 614 Gobel Ave NE	\$11,160.63
b 231489 – 1928 3 rd St SE	\$17,045.00
c 222180 – 2204 16 th St NE	\$13,487.43
d 241775 – 415 Belden Ave NE	\$12,971.80
e 234945 – 501 Belden Ave NE	\$11,645.43
f 212417 – 1120 Clarendon Ave NW	\$18,446.22
g 226807 – 1544 Garfield Ave SW	\$12,103.43
h 208015 – 1609 Garfield Ave SW	\$16,370.50
i 226530 – 1826 Clark Ave SW	\$10,600.85

Green moved, Creighton seconded and the motion carried to approve the post approval of the above noted payments.

7. NEIGHBORHOOD INITIATIVE PROGRAM (NIP) REPORT – Lynn Carlone**Carlone presented the Neighborhood Initiative Program (NIP) Update****City of Canton:**❖ **282 – Total number of acquired properties to date:**

- 228 demolitions have been completed overall – 0 new demolitions have been completed since January report
 - 2 - Canton currently developing reimbursement packets/Canton ready to have reimbursement packets reviewed by RPC
 - 226 demolition reimbursement packets have been submitted overall – 9 new packets have been submitted since the last month's report.

- 209 demolitions have been approved by OHFA – 9 new packets since the last month’s report.
 - Current average cost of demolition per property is \$15,685.00
 - OHA mortgages are fully executed on 190 properties & OHFA reimbursement to SCLRC - \$2,978,402.66
 - OHA mortgages are pending on 19 properties; OHFA to reimburse SCLRC additional - \$293,314.37
 - Canton has been reimbursed a total of \$2,999,154.07 for 209 properties
- 8 demolitions are ready for submission to OHFA - \$114,460.24
- 9 additional demolitions being prepared for submission to OHFA - \$158,627.32

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

City of Alliance:

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

- 42 demolitions have been completed overall – 5 new demolitions have been completed since last month’s report
 - 13 – Alliance currently developing reimbursement packets/Alliance ready to have reimbursement packets reviewed by RPC
 - 29 demolition reimbursement packets have been submitted overall – 0 new packets since last month’s report.
 - 29 demolitions have been approved by OHFA – 0 new packets since last month’s report.
 - Current average cost of demolition per property is \$13,674.00
 - OHA mortgages are fully executed on 29 properties & OHFA reimbursement to SCLRC - \$396,545.94
 - Alliance has been reimbursed a total of \$357,920.02 for 29 properties

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

City of Massillon:

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

- 4 demolitions have been completed overall – 0 new demolition has been completed since December

- 4 demolitions have been approved by OHFA – 0 new packets since last month’s report.
 - Current average cost of demolition per property is \$9,599.00
 - OHA mortgages are pending on 4 properties; OHFA to reimburse SCLRC - \$39,644.68
 - Massillon has been reimbursed a total of \$34,444.68 for 4 properties

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

Arnold moved, Regula seconded, and the motion carried to approve the NIP Report as submitted.

8. SIDE LOT/VACANT LOT PROGRAM REPORT – Sarah Peters

Sarah Peters presented the Side Lot Program Update:

Total Applications Submitted: 1194

(12 applications were received since last month’s update)

Cities – 1018

Canton: 836, Massillon: 78, Alliance: 104

Other Communities – 176

Bethlehem Twp – 8, Brewster – 2, Canton Twp – 33, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 3, Lake Twp – 2, Lawrence Twp – 6, Lexington Twp – 27, Limaville – 2, Louisville – 2, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 4, Osnaburg Twp – 9, Paris Twp – 3, Perry Twp – 10, Pike Twp – 4, Plain Twp – 29, Sandy Twp – 2, Sugarcreek Twp – 5, Tuscarawas Twp – 2, Washington Twp – 4, and Waynesburg – 3

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- Total Number of Applications under Preliminary Review: 8
 - Total Number of Applications Denied: 430
 - Number of Canceled Applications/Fee Refunded: 43
 - Total Number Pending Approval by Community: 74
 - **Total Number of Approved Applications: 639**
(18 Applications approved since last month’s update)

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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 107
 - Total Number Being Prepared for Transfer: 35
 - **Total Number Transferred to Date: 497**
(16 Side Lots were transferred since last month’s update)
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Vacant Lot Program Update:**Total Applications Submitted: 117***(1 Application received since the last month's update)*

Cities – 112; Canton: 103, Alliance: 8, Massillon: 1

Other Communities – 5

Canton Twp – 1, Hartville – 1, Lexington Twp – 2, Sugarcreek Twp – 1

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- Total Number of Applications under Preliminary Review: 1
 - Total Number of Applications Denied: 60
 - Number of Canceled Applications/Fee Refunded: 1
 - Total Number Pending Approval by Community: 31
 - **Total Number of Approved Applications: 24**
(7 Applications approved since the last report)

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 11
 - Total Number Being Prepared for Transfer: 0
 - Total Number Transferred to Date: 13
(0 Vacant Lots were transferred since last month's report)

Green asked regarding the tear downs, how many applications they have received from the neighboring lots. Peters stated that many of them are rentals, which do not qualify, because NIP side lot applicants must be an owner/occupant. But they are getting many phone calls expressing interest as demolitions occur. Green asked if there was any way to get that regulation waived to allow the non-resident next door neighbor to apply. Peters stated that is OHFA's rule. There is an expiration date for that regulation, which is the three-year mortgage period after NIP demolition. The Land Bank is required to hold title if there is not any eligible early disposition, like a side lot neighbor. The Land Bank will hold title, and has a maintenance allowance to maintain it for that three-year period of time. Once that three years has expired and the mortgage is released, the Land Bank will transfer title to the city and then the owner/occupant rule wouldn't apply. Carlone stated the Land Bank will transfer the lots back to the cities, and the cities can then do what they want with it, and are no longer bound by those regulations.

Regula moved, Smith seconded, and the motion carried to approve the Side Lot/Vacant Lot Report as submitted.

9. NEW BUSINESS

Zumbar referenced the draft letters to Senator Scott Oelslager and Representative Kirk Schuring expressing the SCLRC's support for the proposed budget amendment by Representative Mark Romanchuk. This proposed amendment would put in place \$25 million for demolition of commercial and industrial properties, and \$25 million for rehabilitation for a total of \$50 million. That letter has been drafted and a copy has been given to Bob Nau for review and to be executed.

Zumbar also shared with the Board the meeting with Senator Brown who held a round table discussion last week at the SARTA location. Most of that discussion was focused on infrastructure and infrastructure projects, but he did talk about the demolition program. He understood from that discussion that it appears there is going to be a shift toward rehabilitation. That means that monies that are currently out there for the OHFA NIP program are probably going to either be spent or be reallocated towards rehabilitation. If communities do not get these properties torn down and meet the deadlines with this program, any money that is left for the hardest hit fund that has not been expended will get reallocated, and will probably go towards a rehabilitation phase. It is critical for the communities to get as many of these properties into the NIP program and meet those deadlines and tear down those structures, otherwise it will be taken back by OHFA and reallocated.

Regula asked if there are houses that are being torn down now that could be rehabbed. Zumbar stated the city chooses which structures to target for demolition. He actually went out and examined the first 100 structures. Green believed that one of the problems is that there are more houses than people within the City of Canton because of the population decrease over the years. These properties may be rehabilitated but there still isn't anyone to occupy them, so it remains an abandoned, delinquent structure. Creighton stated that she believes the city's administration would like to attract more people to come back and live in the city. You want to give people quality housing and quality of life and yet it is affordable, because Stark County is one of the best places in the nation to live as far as cost of living. Regula asked if some of these homes could be rehabbed and then the Land Bank could partner up with SMHA for housing. Zumbar stated it is a good theory and certainly there is a need for SMHA to have additional structures, and if the Land Bank can assist them, it is possible those funds could be used for that type of project. Regula asked if the Land Bank should have that conversation with SMHA concerning this possibility. Zumbar stated he would defer that matter to Bob Nau and Dave Thorley before SMHA is approached. Nau stated that other Land Banks have rehab programs, so there is precedence for it. They can certainly look at developing that capacity if that is the desire of the Board. Thorley asked if there was any indication that this potential rehab might affect NIP 4. Zumbar stated that he did not know, Senator Brown was not specific, but he sounded like he is being lobbied to make money available for rehab. Other counties are looking at a rehabilitation phase versus demolition because they have been doing this longer than Stark County that got started in 2012, but they have been existence since 2008.

In May the examination of all the Land Banks will be completed, and it is possible there will be additional funding that could come out of that and get repurposed towards those Land Banks that are performing versus those that are under performing. SCLRC has a little over \$12 million, with approximately \$4 million being spent from that amount, so it can be seen how much the Land Bank still has left. With Alliance and Massillon being covered with these existing dollars that means the bulk will go towards properties located in the City of Canton.

10. OLD BUSINESS

11. Next Meeting – May 15, 2017, 9:00 a.m.

12. Adjournment

The meeting was adjourned at 9:22 a.m.