

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
May 21, 2018

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, May 21, 2018 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
Janet Creighton
Bill Smith
Lem Green
John Arnold

1. CALL TO ORDER – Alex Zumbar, SCLRC Chairman

2. ROLL CALL – Board Members Present

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

3. APPROVAL OF MINUTES OF APRIL 16, 2018 MEETING

Green moved, Creighton seconded, and the motion carried to approve the minutes of April 16, 2018 meeting.

4. PUBLIC SPEAKS – No public speaks

5. TREASURER/FISCAL REPORT - Heather Cunningham

Cunningham reviewed the Treasurer's Report for April. Zumbar moved, Arnold seconded, and the motion carried to approve the Treasurer's report for the month of April.

Green moved, Zumbar seconded, and the motion carried to approve the post-approval of the payments as presented in the fiscal report for April.

6. NEIGHBORHOOD INITIATIVE PROGRAM (NIP) REPORT

Lynn Carlone presented the Neighborhood Initiative Program (NIP) Update

City of Canton:

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

- 319 demolitions have been completed overall – 19 new packets have been completed since the April report

- 284 demolitions have been approved by OHFA – 14 new packets since the April report.
 - Current average cost of demolition per property is \$16,114.00
 - OHA mortgages are fully executed on 270 properties & OHFA reimbursement to SCLRC - \$4,291,877.39
 - Canton has been reimbursed a total of \$4,427,941.10 for 301 properties
 - 27 demolition packets being readied by the RPC for submission to OHFA; OHFA to reimburse SCLRC additional - \$485,653.75
 - 10 additional packets are under preliminary review by the RPC
- ❖ **67 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3 (+ 8 property packets are under preliminary review of RPC)**

City of Alliance:

- ❖ **152 - 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 \$14,125.00
 - 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.
- ❖ **10 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.**

City of Massillon:

- ❖ **42 - Total number of acquired properties to date**
- 14 demolitions have been completed overall – 0 new demolitions 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
- ❖ **15 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.**

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: 1454

(41 applications were received since April '18 update)

Cities – 1254

Canton: 1007, Massillon: 96, Alliance: 151

Other Communities – 200

Bethlehem Twp – 8, Brewster – 2, Canal Fulton – 1, Canton Twp – 36, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 4, Lake Twp – 4, Lawrence Twp – 6, Lexington Twp – 33, Limaville – 2, Louisville – 2, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 4, Osnaburg Twp – 12, Paris Twp – 3, Perry Twp – 10, Pike Twp – 10, 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: 0
- Total Number of Applications Denied: 517
- Number of Canceled Applications/Fee Refunded: 62
- Total Number Pending Approval by Community: 15
- **Total Number of Approved Applications: 860**
(18 Applications approved since April '18 update)

- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 222
- Total Number Being Prepared for Transfer: 27
- **Total Number Transferred to Date: 611**
(4 Side Lots were transferred since the April '18 update)

Vacant Lot Program Update:

Total Applications Submitted: 160

(4 Applications received since the last month’s update)

Cities – 149; Canton: 136, Alliance: 11, Massillon: 2

Other Communities – 11

Canton Twp – 1, Hartville – 1, Lexington Twp – 2, Sugarcreek Twp – 1, Washington Twp – 4, Jackson Twp - 2

- Total Number of Applications under Preliminary Review: 4
- Total Number of Applications Denied: 128
- Number of Canceled Applications/Fee Refunded: 5

- Total Number Pending Approval by Community: 0
- **Total Number of Approved Applications: 23**
(1 Application approved since the last report)

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 7
 - 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. Targeted Acquisition Assistance Program Requests

- Alliance - 1073 S. Linden Ave. (#109263)

Peters stated that an application for acquisition assistance was received from the City of Alliance for the property at 1073 S. Linden Avenue. There are currently three structures on that single parcel. The city has plans to demolish the secondary structures on it and offer the remaining structure for sale, if acquired. Green moved and Zumbar seconded to approve the application for acquisition assistance for parcel #109263. Joe Mazzola, City of Alliance, stated a few homes have already been taken down in the area, and this is an opportunity to further help the neighborhood. A vote was taken on the previous motion and carried.

- EN-RICH-MENT – #224648, 236493, 204026, 201527, 219740, 203290

Peters stated the Land Bank previously had approved targeted acquisition applications for EN-RICH-MENT. These are similar application requests for vacant lots in the same general area located between Shorb and West of McKinley along 10th and 11th Street NW. There are six total applications that EN-RICH-MENT has submitted; five are for vacant lots and one has a vacant structure on it. Staff has reviewed the applications, and the parcels are certified tax delinquent. It is staff's recommendation that the Board, subject to the City of Canton giving approval on these individual parcels, approve their applications.

Green asked if EN-RICH-MENT was a private organization and if the City of Canton has given their approval for these parcels. Peters stated that EN-RICH-MENT is a non-profit organization; Betty Smith is the Executive Director. A generalized letter of support from the city was received, but these parcels are not contiguous lots like the previous applications the Board approved, so they would prefer the city give their approval on these site specific parcels. Approval has not yet been received from the city, so the Board's approval today would be contingent upon receiving the city's approval. Nau stated this part of the Shorb neighborhood is an area of priority per the city's Comprehensive Plan where they are looking to acquire properties, so staff wanted to make sure the city is on board. Green moved, Creighton seconded, and the motion carried to grant the request subject to the approval of the City of Canton.

Creighton asked if EN-RICH-MENT will take down the house. Peters said yes, Ms. Smith does understand that the Land Bank will transfer the property *as is*, and she will be responsible to take down the house. Carlone stated Ms. Smith knows she's going to have ownership of the house, and that the Land Bank will not assist her in demolishing it. Staff does not know what she plans on doing with the house at this point. Peters stated the area that they are trying to acquire property in is to build a fine arts academy. Creighton asked how that can be if these parcels are not contiguous. Peters stated we are helping them get the low hanging fruit first to assemble the land needed for the EN-RICH-MENT project. A vote was taken and carried for conditional approval, subject to the City of Canton granting the approval of these site specific parcels.

b. City of Canton – Reimbursement of Expenses - 331 Broad Ave. NW (#225534)

Nau stated the property at 331 Broad Ave. NW was sold at the Auditor's sale, but the taxes were never removed. The Land Bank subsequently foreclosed upon it and took title to it. The bulldozers were on site to demolish the structure, but they did not proceed because there was a death in the family. Zubar was then notified that the Land Bank did not have clean title to the property. Jerry Yost, Prosecutor's office, is in the process of deeding the property back to the individual that bought it at the Auditor's sale. Through this process the City of Canton did incur some expenses, and they have submitted an invoice for a total of \$4,038.47 for reimbursement of those expenses. Nau believed this itemized invoice needed to be reviewed and discussed further. JR Rinaldi, City of Canton, stated that property was accepted under the NIP program to begin with, and all those conditions still exist. Green thought there were several items on the invoice that needed to be negotiated. He was not ready to vote yes to pay this invoice.

Zubar stated that Mr. Thorley is not here today, but Jerry Yost did acknowledge he was going to be at this meeting. But with both of them being absent, he felt this issue should be deferred to next month, which allows time to discuss this with Thorley when he returns. Green stated he won't be here for the next meeting. The whole underlying issue deserves more discussion, because how on the morning of tearing down a house is it discovered that the property is not tax delinquent. It was tax delinquent, but not to the extent that we thought it was. At some point, he wanted someone to tell this Board how this happened, and that steps have been instituted so that it won't happen again.

Zubar stated this was a forfeited property. At that point in time, a longtime employee in the Auditor's office, Doug Thorn, was retiring and that department was in transition. That job got split up to three different people, and this property did not get coded properly in the Auditor's information, and that's how the train started rolling. The property was tax delinquent at the time, but because it was purchased at the Auditor's forfeited land sale, the amount of money that was put down covered only so much of the taxes and then the parcel continued in this state, instead of being coded as forfeited to the State. Once it is forfeited to the State and the purchase is complete, those taxes technically at that point in time gets written off. The parcel proceeded to not be correctly coded so that tax bills would then be generated to go out to the new owner. The new owner is still responsible to pay their taxes whether they get a bill or not, and they didn't pay any taxes from that point going forth, so for over a year the taxes accumulated, but not to the point that they were listed as delinquent on the Auditor's website. The Treasurer's office has requested the prior three years of Auditor's forfeited land sales lists, and staff will then obtain the current year of forfeited land to this point that has been certified. Every one of those particular sales will be cross referenced to see if the Land Bank has acquired any of these properties on behalf of any of the communities. It goes to show how close this particular situation could have turned into a larger bill for the land bank. There was no mal-intent here, but it was an error

compounded upon another error. Accurate information being displayed for the taxpayers is something the Treasurer's office and the County Auditor prides themselves on, and we certainly look at this as a failure that happened, and adequate steps are being taken to address it so it doesn't repeat itself in the future.

Creighton asked Green if he would be feel comfortable meeting with Dave Thorley and Jerry Yost to get satisfactory answers since he will not be at next month's meeting. Green stated yes. Smith stated what happened then is Canton went ahead with the procedure and endured some costs in this, so the Board is just looking to reimburse them. Green stated on the invoice is listed the Stark County Prosecutor property acquisition fees for \$500 and City of Canton administrative fees for \$500. Those are not an actual time card cost; there needs to be discussion on this. Zumber stated action on this particular item will be deferred until next month.

9. OLD BUSINESS

a. Fiscal Policies and Procedures

Nau stated that the names of the president, secretary and treasurer have been added to the fiscal policy at Lem Green's request. That was the only issue that existed and everyone has had opportunity to review the document. Zumber moved, Green seconded, and the motion carried to approve the SCLRC Fiscal Policies and Procedures as amended.

b. Starfire Gas Stations Update

Nau stated that on May 2nd, the Land Bank took title to the Starfire gas station property at 1652 Whipple Ave. NW, Canton Twp. Pandey Environmental, environmental consultants, was retained for the RPC Brownfield assessment of the property. The grant application for \$100,000 was submitted to ODSA on Friday. He contacted the realtor that is currently listing the adjacent property to let them know the Land Bank's plans to clean up the property and sell it. The Canton Township Trustees has sent the Land Bank a high grass letter regarding this property dated May 9th. Hopefully the Township will work with the Land Bank on this issue.

c. 520 S. Union Ave., Alliance Update

Nau referenced the letter that was received from the Petroleum Underground Storage Tank Release Compensation Board regarding the property on 520 South Union Ave., Alliance. This property was transferred back to Baynk Development some time ago. Thorley has been working with Starr Richmond from the Petroleum Board regarding this issue. Thorley was informed that this is a form letter related to some fees to the tanks on this property and the letter can basically be ignored, but follow-up is needed to confirm that.

10. Next Meeting – June 18, 2018 - 9:00 a.m.

The meeting was adjourned at 9:28 a.m.