

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
August 17, 2015

The Stark County Land Reutilization Corporation met for their Regular Meeting on Monday, August 17, 2015 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
Tom Bernabei
Bill Smith
Lem Green
Janet Creighton

RPC Staff

Bob Nau
Dave Thorley
Jill Gerber
Sarah Peters
Lynn Carlone
Beth Pearson

Others

Joe Mazzola
Jaime Allbritain
Jim Wallace
Deana Stafford
Vince Marion

1. CALL TO ORDER BY SCLRC CHAIRMAN, Alex Zumbar
2. ROLL CALL – Board Members Present

Alex Zumbar, Stark County Treasurer/Chairman
Tom Bernabei, Stark County Commissioner
Janet Creighton, Stark County Commissioner
Lem Green, Municipal Representative
Bill Smith, Township Representative

3. MINUTES OF THE JULY 20, 2015 MEETING

Bernabei moved, Creighton seconded, and the motion carried to approve the minutes of July 20, 2015.

4. PUBLIC SPEAKS

There were no public speaks.

5. TREASURER REPORT – Jim Wallace

Wallace stated the bank reconciliation statement for the month of July ended with a checking account balance of \$507,529.57. Revenues for the month were \$4,169.00. Wallace referenced a correction to the first item under Revenues that should read *Recording of 52 Judgement Entries* instead of *Recording of Mortgage Releases*. Total expenses were \$95,455.96. As explained at last month's meeting, the SCLRC will be paying the City of Canton and then be reimbursed from OHFA. Expenses to the City of Canton for NIP property demolitions of \$24,253.27 will be reimbursed from OHFA for \$2,600 more to cover fees paid by the Land Bank. For the Star Plus funds, there was a balance at the end of July of \$1,002,178.80. Interest for the month was \$170.05. Zumbar moved, Smith seconded, and the motion carried to accept the Treasurer's report as submitted.

6. FISCAL REPORT – Beth Pearson

Post Approval of Payments

1. City of Canton – NIP Demolition Payment – Total \$24,253.27
 - a. 223 Newton Ave. NW - \$11,087.20
 - b. 1646 Grace Ave. NW - \$13,166.07
2. City of Canton- NIP Demolition Payment – Total \$30,090.05
 - a. 2244 Mahoning Road NE - \$14,426.61
 - b. 1925 – 3rd Street NE - \$15,633.44

Approval of Payment

1. Stark County Recorder - \$3,000.00
 - a. Funds to be placed in escrow for recording fees

Creighton moved, Green seconded, and the motion carried to approve the above-noted payment of NIP invoices and recording fees into escrow for side lot transfers.

7. NEIGHBORHOOD INITIATIVE PROGRAM (NIP) REPORT – Lynn Carlone

Carlone presented the Neighborhood Initiative Program (NIP) Update - City of Canton:

*** 175 - Total number of acquired properties to date**

- 31 demolitions have been completed overall – 10 new demolitions have been completed since last month/report. Canton expects to complete a total of 60 demolitions by the end of August.
- 7 demolition reimbursement packets have been submitted to OHFA. Current average cost of demolition per property is \$15,650.00.
 - 4 demolitions have been fully approved. Once OHA mortgage is fully executed, OHFA will emit reimbursement to SCLRC - \$59,543.32. Canton has been reimbursed \$54,343.32.
 - 3 demolitions awaiting OHFA review of support data & cost.
- 3 additional demolition reimbursement packets have been submitted by Canton for review. RPC has completed preliminary review and requested additional information from Canton prior to submittal of OHFA.

*** 89 - Total Number of Properties Identified on a Current Active List for Acquisition**

➤ **88 - Number of Properties the Prosecutor’s Office is currently pursuing for Board of Revision Foreclosure**

- 23 10-Day Demand letter(s) sent
- 11 PJR ordered; waiting to be received
- 6 PJR ordered and received; waiting for complaint to be filed
- 0 Complaint filed; waiting for hearing date
- 0 Regular foreclosure docket
- 6 Hearings scheduled for 7/16/15 Est. Redemption Date 8/14/15
- 6 Hearings scheduled for 7/30/15 Est. Redemption Date 8/28/15
- 15 Hearings scheduled for 8/13/15 Est. Redemption Date 9/10/15
- 6 Hearings scheduled for 8/27/15 Est. Redemption Date 9/25/15
- 6 Hearings scheduled for 9/3/15 Est. Redemption Date 10/2/15
- 6 Hearings scheduled for 9/24/15 Est. Redemption Date 10/22/15
- 3 Waiting to be reviewed/holding for payment

➤ **0 - Auditor acquisitions pending**

➤ **0 - Pending BOR foreclosure procedures to commence**

- **1 - Number of anticipated properties to be acquired through direct purchase or deed in lieu of foreclosure**

* **0 - Additional properties on the "Waiting to be Active" list**

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

Sarah Peters presented the Side Lot Program Update:

Total Applications Submitted: 838

(14 applications were received since the July '15 update)

Cities – 723: Canton: 594; Massillon: 63; Alliance: 66

Other Communities – 115

Bethlehem Twp – 5, Brewster – 2, Canton Twp – 18, East Canton – 5, East Sparta – 3, Hartville – 3, Jackson Twp – 2, Lake Twp – 1, Lawrence Twp – 1, Lexington Twp – 18, Minerva – 1, Nimishillen – 3, Osnaburg Twp – 7, Paris Twp – 3, Perry Twp – 7, Pike Twp – 1, Plain Twp – 22, Sugarcreek Twp – 4, Tuscarawas Twp – 2, Washington Twp – 4, Waynesburg – 3.

- Total Number of Applications Under Preliminary Review: 3
 - Total Number of Applications Denied: 316 (16 applications were denied since the last update)
 - Number of Canceled Applications/Fee Refunded: 32
 - Total Number Pending Approval by Community: 53
 - **Total Number of Approved Applications: 434** (24 applications were approved since the July '15 update)
-
- Total Number of Approved Applications Pending Deposit Receipt / Request for Foreclosure / Completed Foreclosure Proceeding: 215
 - Total Number Being Prepared for Transfer: 18
 - **Total Number Transferred to Date: 201** (23 Side Lots were transferred since the July '15 update)

Green asked if the side lot process is being completed more promptly now. Peters stated everyone, except for the City of Canton, is around the 30 days or less to review applications. The City of Canton is still taking 60 days or more to get back with her with an approval/denial. Maureen Austin had

told her that she had been having a lot of trouble getting in touch with the Council members to come in to sign and approve/deny. Zumber stated perhaps Green could relay those concerns when he meets with the city. Bernabei suggested attending a Council meeting or even the Caucus meeting they have before hand and give them an update on this program and talk about the problems. Green stated that he was meeting with Cindy Timberlake later today and at that time he would express those concerns. Nau stated that when representatives from the Land Bank went before Council last October, they told them they would return after a year to give an update on the Side Lot program.

Vacant Lot Program Update:

Total Applications Submitted: 39 (4 applications were received since the July '15 update)

Cities - 36: Canton – 34; Alliance – 1

Other Communities – 3: Lexington Twp. – 2; Sugar creek Twp. - 1

Total number of Applications under Preliminary Review: 3

Total Number Pending Approval by Community: 18

Approved Applications (Preparing MOU/Purchase Agreement): 8

9. NEW BUSINESS

a. Louisville – Request for Demolition Funds

Nau referenced a letter from the City of Louisville requesting the Land Bank assist them in doing some demolitions at a 50/50 split. The Land Bank budgeted \$80,000 for demolition and \$60,000 has been set aside for the City of Alliance, so this is within the existing budget. Vince Marion stated these three properties have been on the nuisance list for quite some time. One property has been acquired by the city because it is planned within the next 7-10 years to complete a transportation intersection improvement project at that location. The house was declared a nuisance prior to the city purchasing it. An environmental consultant is scheduled to do an asbestos evaluation on the three properties. They have a couple of contractors that are interested in submitting bids on the demolition. Green asked if it was \$20,000 per property to demolish, or for all three. Marion stated they are estimating \$6,000-\$7,000 to do each house. He was requesting half of that amount, not to exceed \$20,000 for all three houses. Green asked if these properties would otherwise be eligible under the NIP. Carlone stated no, they are not within the target area. Creighton moved, Bernabei seconded and the motion carried to approve the request from the City of Louisville as submitted.

b. Alliance – Acquisition of Property (509 W. Main St.)

Nau referenced a letter from Jennifer Arnold with the City of Alliance requesting assistance from the Land Bank to acquire a property at 509 W. Main Street, which is similar to a couple of other properties they are in the process of acquiring. Alliance would be paying all the necessary fees associated with the process. Green asked if that wasn't available directly to the city from the auditor since the auditor is in charge of the property at this point. Thorley stated once a year the auditor has an auction in December, and they would have to go through that process. The SCLRC has the ability by statute to receive that directly from the auditor without going through that process. The city would pay all the costs and fees and then SCLRC would transfer it over. The Land Bank would own the property less than a day. Green stated he didn't object to doing it in this fashion, but he understood the

municipality also has the same right to request properties off the auditor's list. Zumbar stated he believed the city wanted to speed up the process and acquire the property now. Joe Mazzola stated they have a neighboring light industrial user that has new investors, and they are looking to triple their business in the next five years and would like to expand their footprint. This allows this business a Main Street presence while getting rid of blight. This is not the only property they are looking to acquire, but this is the key property. Without the corner property, they cannot move forward with others. So they are looking to move this as quickly as possible. Green moved, Bernabei seconded, and the motion carried to grant the request from the City of Alliance contained in the July 24th letter.

c. Wells Fargo – Donation of Property

Thorley stated that shortly after last month's meeting, the Land Bank received correspondence from Wells Fargo. Wells Fargo has a property donation program of which the Land Bank is already in the process of receiving a property on Third Street plus \$5,000 that they had originally offered with the property. This most recent property is on 350 South Park Street in Alliance. Wells Fargo offered the Land Bank the property plus \$7,500. Time was of the essence, and they gave us one week to give them an answer. We requested an additional week. RPC staff and Joe Mazzola then went out to look at the property. Although it is within the NIP target area, the problem is that it is not a property suitable for demolition. So we respectfully declined at this time, however, asking them to consider the Land Bank for any future properties. It was a three-unit residential property. It looked like a house that had been divided into three apartments. If the Land Bank had a rehab program, it would be subject to be rehabbed and sold, but it did not qualify for demolition because it was not blighted.

10. OLD BUSINESS

a. Alliance – Agreement for Demolition of Lighthouse Property

Thorley stated the agreement for the demolition of the Lighthouse property has been forwarded to the City of Alliance. The demolition of the property on 40 N. Linden cost the Land Bank \$19,549.50 which has now been approved and paid for. The city is now asking for \$40,450 to demolish 400 E. Main Street (Lighthouse), which would be using the remainder of the initial \$60,000 initially approved by the Board. It is the same type of 50/50 match for the physical demolition of the property. Joe Mazzola stated they did receive the contract for the Lighthouse property from Mr. Thorley and are ready to move on this. He believed the Board would be seeing a signed contract soon.

11. NEXT MEETING – September 21, 2015, 9:00 a.m.

12. ADJOURNMENT was at 9:27 a.m.