

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
December 16, 2019

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, December 16, 2019 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
Lem Green
Janet Creighton
John Arnold
Bill Smith

1. CALL TO ORDER BY SCLRC CHAIRMAN, Alex Zumbar

2. ROLL CALL – Board Members Present

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

3. APPROVAL OF MINUTES OF NOVEMBER 18, 2019 MEETING

Arnold moved, Green seconded, and the motion carried to approve the minutes of November 18, 2019 meeting.

4. PUBLIC SPEAKS – No public speaks

5. TREASURER/FISCAL REPORT

a. Treasurer Report

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

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

Carlone presented the Neighborhood Initiative Program (NIP) Update

City of Canton:

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

- 576 demolitions reimbursement packets have been completed overall
 - 559 demolitions have been approved by OHFA – 25 new packets since the November report.
 - Average cost of demolition per property is \$16,959.00

- OHA mortgages are fully executed on 534 properties & OHFA reimbursement to SCLRC - \$9,141,152.47
 - Canton has been reimbursed a total of \$9,014,951.91 for 576 properties
 - OHA mortgages are pending on 25 properties & OHFA expected to reimburse SCLRC - \$435,141.13
- 17 additional demolitions waiting on OHFA approval – reimbursement expected to be \$237,500.00

City of Alliance:

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

- 161 demolition reimbursement packets have been submitted overall
 - 161 demolitions have been approved by OHFA
 - Average cost of demolition per property is \$14,493.00
 - OHA mortgages are fully executed on 161 properties & OHFA reimbursement to SCLRC - \$2,333,421.38
 - Alliance has been reimbursed a total of \$2,123,195.46 for 161 properties

City of Massillon:

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

- 60 demolitions reimbursement packets have been submitted overall
 - 48 demolitions have been approved by OHFA – 12 new packets since November report.
 - Average cost of demolition per property is \$13,717.00
 - OHA mortgages are fully executed on 40 properties & OHFA reimbursement to SCLRC - \$522,682.97
 - Massillon has been reimbursed a total of \$745,013.69 for 60 properties
 - OHA mortgages are pending on 8 properties & OHFA expected to reimburse SCLRC - \$96,372.39
 - 12 additional demolitions waiting on OHFA approval – reimbursement expected to be \$148,816.98

➤ Available NIP Funding	\$12,171,947.06
➤ NIP Funding Reimbursed	<u>\$11,799,461.85</u>
➤ Available NIP Balance	\$ 372,485.21

- **Demolitions pending reimbursement @ 100%** **\$ 372,485.21**
- **Demolitions pending reimbursement under Non-Allocated Funds (NAF)** **\$ 159,028.31**
- **Demolitions awaiting OHFA approval & Reimbursement of NAF** **\$ 386,316.98**
- **NIP demolitions exceeding receipt of all NIP funding** **\$ 207,643.72**

❖ **On November 12, 2019, OHFA approved a “NIP – Supplemental Agreement” with the SCLRC providing a guarantee of up to \$12,500.00 for each demolition exceeding the “Available NIP Balance”. Currently, it appears that the SCLRC will receive an additional \$545,345.29 in NIP “Non-Allocated Funds”, reducing the non-reimbursed demolition balance to approximately \$207,643.72. This amount is expected to be split between the SCLRC and Canton/Massillon.**

Creighton moved, Green seconded, and the motion carried to approve the NIP report as presented.

7. SIDE LOT/VACANT LOT PROGRAM REPORT - Sarah Peters
Peters presented the Side Lot Program Update:

Total Applications Submitted: 1,872
(12 applications were received since Nov. '19 update)

Cities – 1,591 - Breakdown: Canton: 1,262, Massillon: 124, Alliance: 205
 Other Communities – 281

Bethlehem Twp – 20, Brewster – 3, Canal Fulton – 1, Canton Twp – 58, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 4, Lake Twp – 5, Lawrence Twp – 10, Lexington Twp – 39, Limaville – 2, Louisville – 2, Marlboro – 1, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 5, North Canton – 1, Osnaburg Twp – 15, Paris Twp – 3, Perry Twp – 11, Pike Twp – 18, Plain Twp – 34, Sandy Twp – 15, Sugarcreek Twp – 6, Tuscarawas Twp – 2, Washington Twp – 5, and Waynesburg – 4, Wilmot -1

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- Total Number of Applications under Preliminary Review: 2
 - Total Number of Applications Denied: 651
 - Number of Canceled Applications/Fee Refunded: 67
 - Total Number Pending Approval by Community: 28
 - **Total Number of Approved Applications: 1,124**
(15 Applications approved since Nov. '19 update)
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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 216

- Total Number Being Prepared for Transfer: 80
- **Total Number Transferred to Date: 828**

Vacant Lot Program Update:

Total Applications Submitted: 200

(0 Applications received since Nov. '19 update)

Cities – 171: Canton: 157, Alliance: 11, Massillon: 3

Other Communities – 29

Bethlehem Twp - 8, Canton Twp – 5, Hartville – 1, Lexington Twp – 2, Sugarcreek Twp – 1, Washington Twp – 4, Jackson Twp – 2, Sandy – 5, Perry Twp - 1

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- Total Number of Applications under Preliminary Review: 0
 - Total Number of Applications Denied: 153
 - Number of Canceled Applications/Fee Refunded: 5
 - Total Number Pending Approval by Community: 1
 - **Total Number of Approved Applications: 41**
- (0 Applications approved since Nov. '19 report)

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 2
 - Total Number Being Prepared for Transfer: 17
 - Total Number Transferred to Date: 22

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

8. ADOPT SCLRC 2020 MEETING SCHEDULE

Creighton moved, Arnold seconded, and the motion carried to adopt the 2020 SCLRC meeting schedule as presented.

9. NEW BUSINESS

- a. Targeted Acquisition Program Requests:
 - City of Canton – Parcel #203072
 - City of Massillon – Parcel #605519

Creighton moved, Green seconded, and the motion carried to approve the TAAP requests from the cities of Canton and Massillon.

- b. Demolition Assistance Program Requests:
 - Village of East Canton – Parcel #4000046

- City of Canton – Parcel #222995

Arnold moved, Zumbar seconded, and the motion carried to approve the Demolition Assistance Program requests from the city of Canton and the Village of East Canton.

9. OLD BUSINESS

- a. Stark County Prosecutor – Agreement to provide services

Nau reviewed the details of the Prosecutor's agreement as provided to the Board. Creighton moved and Zumbar seconded to approve the Prosecutor's agreement. Under discussion, Creighton asked Nau why the Land Bank was going from having two legal services to three, because the Land Bank will have the Prosecutor, John Anthony and also Dave Thorley. The Land Bank will now be paying for three legal services instead of two, and she wanted to know if that was in the best interest of the tax payers. Nau explained the organizational set-up with Thorley restructuring his duties. RPC hired John Anthony who will be legal counsel for the RPC for all non-Land Bank activities. Creighton stated that John Anthony has lots of Land Bank experience, so she didn't understand why that was being done. Nau agreed that John Anthony does have much real estate experience, and RPC is fortunate to have him as legal counsel for the agency. Thorley is working about 20 hours a week now, which will be reduced. Thorley had been spending about 6-8 hours per week on Land Bank activities. The net for the Land Bank is the same which is covered under the administrative agreement with the Land Bank. The legal services provided by the Prosecutor's office was part of the negotiation. The Prosecutor's office has offered to provide some general legal services as needed in the agreement.

Creighton referenced the 2019 vs 2020 budget expense comparison for legal services. The Land Bank approved \$135,000 for legal services in 2019, and for 2020, legal services has been decreased to \$80,000. Creighton asked where the expenses for John Anthony and Dave Thorley are included, and is any of John Anthony's salary charged back to the Land Bank board. Nau stated RPC just hired John Anthony, and it is not RPC's plan to charge any of his hours to the Land Bank. Creighton asked for clarification on where the expenses for John Anthony and Dave Thorley are listed on this paper (budget). Nau stated on that paper, Dave Thorley is covered under RPC's \$189,000 general administrative services, as he always was in the past. John Anthony is not reflected on here because we are going to use him at the RPC for RPC related legal services. Thorley is just going to work on Land Bank activities, and John Anthony is just going to work on RPC activities. From a functional standpoint there is no change to the Land Bank. The change is for the RPC in that Thorley is reducing his hours to do only Land Bank activities and John Anthony is going to handle non-Land Bank related general RPC services. Per the Prosecutor's agreement, they have offered up general as-needed legal services, which is included in the \$56,000. Creighton asked if there will ever be any conflicts between the Prosecutor and Thorley. The Land Bank's representation is the Prosecutor. Nau stated Thorley will handle the legal services as it relates to the Land Bank for the RPC. RPC gets dozens of people that come in every week with Land Bank inquiries regarding the Side Lot program. RPC needs people in the office to answer their questions. Sarah Peters can handle most of it, but some issues require Thorley's presence. Thorley has been involved in the state-wide Land Bank Association, and he has a lot of good contacts with various other land banks. If there is a case where a legal opinion is needed, then the Prosecutor's office would be contacted for additional input from them. If any conflict arises, we will work with Zumbar and the Board to resolve any issues. Thorley stated we've never had a conflict to date the whole time through NIP. There have been differences of opinion obviously, but we've been able to sit down and have conversations and come to a conclusion. A vote was taken on the previous motion and carried.

b. Starfire Gas Stations Update

1652 Whipple Ave. in Canton Township

Rachel Forchione gave an update on the Starfire gas station located on 1652 Whipple Ave. in Canton Township. The underground storage tanks at this site were removed and a Phase I assessment had already been conducted by using USEPA funds prior to the Land Bank receiving the Ohio Development Services Agency (ODSA) grant. The Land Bank applied for \$100,000 from the ODSA Abandoned Gas Station Clean-up grant because the EPA grant could only take us so far. The \$100,000 grant was received in August 2018 with the work completion date of two years after that. Utilizing that grant, the site underwent asbestos abatement, demolition of the building and canopy, and ground water and soil testing and site restoration after all of that was complete. The Land Bank received a *no further action* letter for the property in November of 2019, giving it a clean bill of health. The final progress report was submitted to ODSA, and the project was closed out on December 11th. The full drawdown request was \$96,200, so that was about \$3,800 under the \$100,000 grant. According to the Auditor's website in 2018, the appraised value was \$86,900 for the land itself, and along with the building, it was \$106,300, but that building has been removed.

2433 Columbus Road in Plain Township

A Phase I assessment has been conducted at the site located at 2433 Columbus Road using USEPA funds, but there was a more costly contamination found during that assessment, so the underground storage tanks were not removed using the USEPA grant monies. The Land Bank submitted a grant application to ODSA in July 2019 requesting \$250,000, which would go towards the removing of those underground storage tanks, performing an asbestos abatement, building demolition and site clearance, and also ground water and soil sampling and site restoration. As of last Friday, notice was received that the full \$250,000 has been awarded with a work completion date of December 2020. The next steps for that grant application is to sign it and send it back in accepting the grant, and then an RFQ will be issued for an environmental consultant, which was the same done for the Whipple station to help carry out the clean-up and asbestos activities. Arnold asked if that project would be completed next year at this time with a clean bill of health. Forchione stated it may take a little longer because the underground storage tanks do need removed.

Nau stated the Whipple property will now need to be sold, and they have had some conversations with Mark Shaffer from Canton Township.

PUBLIC HEARING

Zumbar went into a public hearing for the consideration of the 2020 SCLRC budget. Zumbar asked if anyone was present to speak in favor or in opposition to the budget. As there were no comments or questions, Green moved, Zumbar seconded, and the motion carried to approve the 2020 budget as presented. The public hearing was closed.

10. Next Meeting – January 27th 9:00 a.m.

As there was no further discussion, the meeting was adjourned at 9:27 a.m.