



2014

ANNUAL REPORT

Presented March 19, 2015

SCLRC 2014 ANNUAL REPORT

This report sets out the accomplishments of the Stark County Land Reutilization Corporation (SCLRC) during 2014 and projects the expectations for 2015.

MISSION STATEMENT

“To strategically acquire properties, return them to productive use, reduce blight, increase property values, support community goals and improve the quality of life for county residents.”

Administration

The SCLRC advertised a Request for Proposal for the overall administration of the Corporation's activities. The Stark County Regional Planning Commission (SCRPC) submitted a proposal and was awarded a contract in May for the general administration, financial planning and oversight, and secretarial duties of the SCLRC. The SCRPC has a staff with experience in operating federal and state grant programs and financial management. The SCLRC had entered into a contract with the SCRPC previously to administer the Moving Ohio Forward (MOF) program.

Moving Ohio Forward (MOF)

The Moving Ohio Forward (MOF) program commenced during 2012. The SCLRC was awarded \$2,343,607 during Phase I and an additional \$117,867 in Phase II of the program. The MOF program was administered by the State of Ohio Attorney General's office, with funding from monies settled with five of the nation's largest mortgage servicers over foreclosure abuses, fraud, and unfair and deceptive mortgage practices. Funding was to be utilized to demolish vacant, abandoned and blighted properties that detracted from existing home values and created a toxic breeding ground for crime. The SCLRC contracted with the SCRPC in January 2013 to administer the overall MOF program.

As of December 31, 2014, the following has taken place:

- ❖ MOF program was completed in September 30, 2014
- ❖ Total funding expended - \$3,828,933.86
 - Total Reimbursement of MOF funding: \$2,169,567.70
 - Local match funding utilized: \$1,659,366.16
- ❖ Total funding expended on demolitions – hard & soft costs - \$3,656,913.89
- ❖ Total of 431 demolitions completed - Average cost per demolition - \$8,484.72
- ❖ Total of 494 units of housing demolished - Average cost per unit - \$7,402.66

- ❖ Demolitions completed in 19 Stark County cities/villages/townships

Neighborhood Initiative Program (NIP)

The Neighborhood Initiative Program (NIP) commenced on March 31, 2014. The SCLRC was awarded \$4,235,000. The NIP program is administered by the Ohio Housing Finance Agency (OHFA), with funding coming from US Department of Treasury, utilizing Hardest Hit Funds (HHF). Funding will be utilized to acquire, demolish, and green 169+ vacant, blighted, and delinquent residential properties (1-4 units) within designated target areas in the City of Canton. The program is expected to stabilize property values and prevent future foreclosures for existing homeowners.

As of December 31, 2014, a total of 26 properties were acquired and owned by the SCLRC. During the next year, it is expected that a minimum of 143 additional qualified properties will be acquired. These properties will then be demolished and greened. Demolitions must be completed by June 30, 2016. It is expected that once properties are fully completed and a final mortgage is placed by OHFA to insure the NIP funding, the SCLRC will hold title to the vacant properties for three years (unless a property is transferred to a qualified end-use prior this date), after which time, ownership of each property will be deeded to the City of Canton.

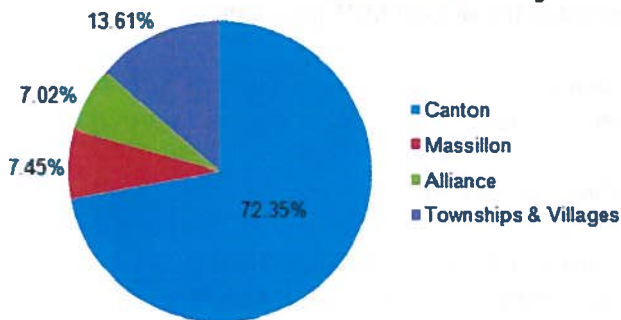
Side Lot Disposition Program

The purpose of the SCLRC’s Side Lot Disposition Program is to turn tax delinquent, vacant and abandoned lots into well maintained, tax producing properties by making these properties available to qualified contiguous property owners. The SCLRC began accepting applications for the Side Lot Program in March 2013. Just over a year later, 507 applications had been submitted. In December of 2013, the first parcel was transferred to the approved applicant.

The SCRPC took over the administration of the program in early May of 2014. The Side Lot Program Policies were revised and approved by the SCLRC on August 18, 2014.

By the end of 2014, 698 Side Lot Program applications had been submitted for parcels across 23 political jurisdictions in Stark County. The majority of applications were received for parcels located in the City of Canton.

Side Lot Applications Received Across Stark County in 2014



Of the 698 applications submitted:

264	Number of applications denied for ineligibility
111	Number of applications under review
285	Number of applications approved and in process to be transferred
38	Number of parcels transferred to the approved applicant by December 31, 2014

2014 Financial Report

STARK COUNTY LAND REUTILIZATION CORP. - 2014

First Merit Bank Checking Account
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Beginning Balance at 1/1/14	859,806.09
Revenue:	
Moving Ohio Forward Funds	1,673,803.00
DTAC Funds	748,037.06
Side Lot Fees	19,969.00
NIP Expense Reimbursement	18,096.05
Pass Through	7,000.00
Miscellaneous	3,233.90
Total Revenue	2,470,139.01
Expense:	
Moving Ohio Forward Reimbursements	1,714,727.56
DTACT Fund Disbursement	134,702.01
RPC - General Admin. Fees	105,735.26
Legal Fees/Court Costs	84,540.32
Prosecutor's Office Land Bank Unit Funding	51,051.72
Publication Costs	25,934.65
Treasurer's Office Services	13,770.67
Liability Insurance	9,535.00
Pass Through	7,000.00
Audit Fees	6,437.00
Asbestos Evaluations	6,024.00
Recorder's Fees	3,880.00
Refund of Side Lot Fees	1,700.00
Accounting Fees	900.00
Bank Fees/Charges	36.95
Miscellaneous	2,144.45
Total Expense	2,168,119.59

Transfer to STAR Plus Fund	(1,000,000.00)
Net Revenue over Expense (excl. transfer to STAR Plus)	302,019.42
Ending Balance at 12/31/14	161,825.51

STAR Plus Fund

Beginning Balance at 1/1/14	0.00
Transfer to STAR Plus Fund	1,000,000.00
Interest Earned	1,016.45
Ending Balance at 12/31/14	1,001,016.45

General Expectations for 2015

Following are the areas that it is anticipated that the SCLRC will either be involved with or researching:

1. GADC (Greater Alliance Development Corporation) – Stewart Brothers – final transfer of property took place in 2015. This will be reported on next year.
2. Alliance Demolition – In January 2015 the SCLRC approved \$60,000 to the City of Alliance to be used for the demolition of two commercial structures. This work is to be completed in 2015.
3. Program Expansion – It is expected that not only will the current programs of the SCLRC be continued (side lot program, NIP), the following will be researched and presented to the SCLRC Board for consideration:
 - a. Vacant Lot Disposition Program – This program will be similar to the Side Lot Program in that the SCLRC will own the properties only to facilitate the transfer to the interested purchaser, but the purchaser does not need to be a contiguous property owner.
 - b. Acquisition Program – The program will facilitate the strategic acquisition of properties.
 - c. Demolition Program – This program will facilitate the strategic demolition of blighted, vacant or abandoned structures. The program will most likely be broken down between residential and non-residential structures.
4. Property Management System – With the number of structures that it is anticipated that the SCLRC will have title to in the very near future, it is important to have an efficient and effective way to manage the properties and the information associated with the various steps of the processes.

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