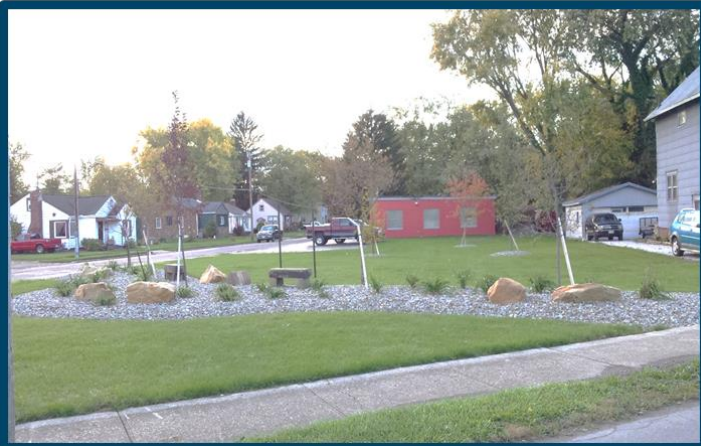


SCLRC 2018 ANNUAL REPORT

This report sets out the accomplishments of the Stark County Land Reutilization Corporation (Land Bank) during 2018 and projects the expectations for 2019.

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.”



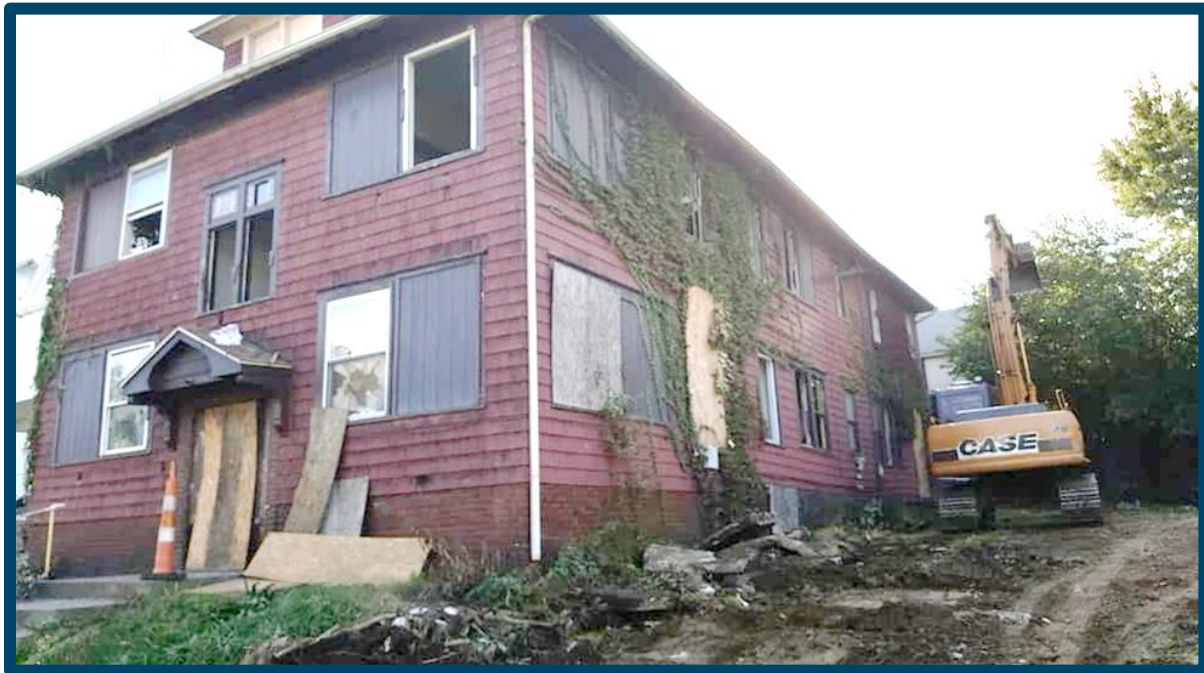
Administration

The Stark County Regional Planning Commission (RPC) continued to administer the programs and activities of the Land Bank during 2018. The RPC entered into a contract in May 2014 for the general administration, financial planning and oversight, and secretarial duties of the Land Bank. The RPC has a staff with experience in operating federal and state grant programs and financial management.

2018 PROGRAMS & ACTIVITIES:

DEMOLITION

The **Neighborhood Initiative Program (NIP)** is administered by the Ohio Housing Finance Agency (OHFA), with funding coming from US Department of Treasury, utilizing Hardest Hit Funds (HHF). Funding is utilized to acquire, demolish, and green vacant, blighted, and delinquent residential properties within designated target areas in the cities of Canton, Alliance, and Massillon. The program is expected to stabilize property values and prevent future foreclosures for existing homeowners.



The NIP commenced during 2014 with an initial award to the Land Bank in the amount of \$4,235,000. Over the next two years, another \$7,797,445.95 was awarded; bringing the total grant allocation to \$12,032,445.95. Since this time, an additional \$78,534.90 has been added to the available NIP funding through the remittance of unspent maintenance funding, generating a total of \$12,100,980.85 in available NIP funding as of December 31, 2018.

By December 18, 2018, the Land Bank was required by OHFA to spend down 75% of its overall funding. In order to meet this deadline, the Land Bank was required to spend a minimum of \$9,083,235.64. As of the end of 2018, a total of \$9,675,185.41 was expended through the demolition of 606 residential structures; this is approximately 80% of the total available NIP funding. By December 18, 2019, the balance of NIP funding is required to be 100% expended.

Once properties are owned by the SCLRC, they are demolished by the partner city and greened. After properties are fully completed and a final mortgage is placed by Ohio Homeowner Assistance LLC (OHA) to insure the NIP funding, the SCLRC holds title to the vacant properties for three years unless a qualified end-user can be located. To date, as 11 properties reached the required three years of Land Bank ownership. As such, these properties were deeded to the City of Canton; no properties were deeded to the other two cities as of the end of 2018, and 32 additional properties were transferred to a qualified end-users.

As of December 31, 2018, the following has taken place:

- ❖ 726 properties owned by the SCLRC
 - 526 in Canton
 - 153 in Alliance
 - 47 in Massillon
- ❖ 129 additional properties being pursued for ownership
 - 98 in Canton
 - 6 in Alliance
 - 25 in Massillon
- ❖ 637 reimbursement packets submitted to OHFA
 - 466 approved properties in Canton – reimbursed \$7,743,251.34; 8 additional properties are pending with an expected reimbursement of \$129,977.83
 - 117 approved properties in Alliance – reimbursed \$1,663,775.80; 23 additional properties are pending with an expected reimbursement of \$353,842.19
 - 23 approved properties in Massillon – reimbursed \$268,158.27; no additional properties pending reimbursement
- ❖ \$15,966 - Average cost of demolition per property



Aside from NIP, the SCLRC offers a **50/50 Demolition Assistance Program (DAP)** that is available to Stark County cities, villages, townships in order to facilitate the demolition of property that is beyond repair or rehabilitation, by providing matched funding up to 50% of hard-demolition costs of the project. Cities, villages, townships must either own the property or have completed the proper legal authority in order to demolish the structure prior to applying for DAP funding assistance. During 2018, the Land Bank provided funding assistance for 1 demolition project.



- Bethlehem Township – 6011 Kemary Avenue SW (1000151)
 - Funding Agreement for 50% of demolition hard-costs not to exceed \$5,880.00
 - Funds assisted in the demolition of a condemned residential property damaged by a fire
 - Request submitted in March 2018
 - Project completed in June 2018
 - SCLRC reimbursed Township \$5,880.00

PROPERTY ACQUISITION & DISPOSITION

The Land Bank also offers three (3) programs aimed towards acquiring tax delinquent, vacant and abandoned property, cleaning the title, and transfer the property into new ownership for a productive use.

Program	Description	Year Est.
Side Lot Program	Available to qualified contiguous property owners who wish to extend the size of their yard.	2013
Vacant Lot Program	Available to qualified <u>non-contiguous</u> applicants who wish to acquire tax delinquent property in the County for an approved use.	2015
Targeted Acquisition Assistance Program (TAAP)	Available to Stark County cities, villages and townships or qualified non-profits applicants to assist with the strategic acquisition of blighted, vacant, or abandoned properties to facilitate community & redevelopment projects	2017

Amongst these programs, to date the Land Bank has been able to transfer 733 properties across 20 communities in Stark County for side lots, sites for redevelopment, land assemblage, and for new home construction. In 2018 alone, 109 properties were transferred to new ownership across 13 communities.

As demolitions continue under NIP, additional vacant lots became available for disposition to eligible side-lot owners, qualified non-profits, or the respective partner city for immediate development for reuse. A total of 86 post-demolition lots have been transferred to new ownership (68 in Canton, 15 in Alliance, and 3 in Massillon) have been transferred so far.



BROWNFIELD REMEDIATION AND ECONOMIC DEVELOPMENT

On August 20, 2018, the Land Bank was awarded a \$100,000 grant from the Ohio Development Services Agency (ODSA) to clean up an abandoned gas station located at 1652 Whipple Avenue NW in Canton Township.

The property was developed as a gas station and operated as such until 2008, when operations ceased, and has since been vacant. In 2016, a U.S. Environmental Protection Agency (EPA) Brownfield Assessment Grant was utilized to conduct property assessments of the site. These assessments identified asbestos in the existing structure, four (4) underground storage tanks, and limited amounts of chemicals of concern in the soil. Of the issues identified, the RPC removed the 4 tanks from the property with funds from a previous EPA grant; the other identified issues were not funding-eligible activities through that grant.



The newly-awarded ODSA grant will allow the County to undertake remaining remediation steps at the site, including undertake assessment and remediation activities- asbestos abatement, building and canopy removal, contaminated soil excavation (if warranted), and parking lot clearance. A consultant was selected to oversee the project and work began in November 2018. The building and canopy removal will begin in early 2019 and the overall project is anticipated to be finished by August 2019.

Once complete the property will ultimately be returned it to an economically viable property reusable for future redevelopment.

General Expectations for the Future

Vacant and abandoned properties negatively impact property values, discourage development/ investment, and are easy targets for criminal activity. Residential demolition has been one method the Land Bank has taken to address these abandoned properties. As demolition work is anticipated to end under NIP by December 2019, the RPC will explore and make recommendations to the Land Bank for potential implementation/inclusion of new programs, such as rehab and other community development projects to support County and local community initiatives.

2018 FINANCIAL REPORT:

STARK COUNTY LAND REUTILIZATION CORP. - 2018	
First Commonwealth Bank Checking Account	
Beginning Balance at 1/1/18	1,066,183.27
Revenue:	
DTACT Funds	713,621.91
OHFA NIP Funds	5,321,431.39
Side Lot Fees	13,900.00
Vacant Lot Fees	13,570.00
TAAP Program	17,082.71
NIP Property Redemptions	3,207.15
OHFA - NIP Prosecutor Fees	78,500.00
Miscellaneous	1,916.76
Total Revenue	<u>6,163,229.92</u>
Expenses:	
RPC General Admin Fees	189,000.00
Treasurer's Office Services	54,852.35
Prosecutor's Office Land Bank Unit Funding	135,000.00
Accounting Fees	1,100.00
Liability Insurance	36,082.80
Audit Fees	8,425.50
Bank Fees/Charges	780.98
OHFA NIP Program Disbursements	5,009,711.12
Travel	-
Property Maintenance	-
Side Lot Expenses	46,622.87
Vacant Lot Expenses	17,998.00
TAAP Program Expenses	8,347.14
Property Management Software	25,000.00
Property Acquisition Expenses	-
Demolition Program Expenses	34,180.00
Miscellaneous	8,871.28
Total Expenses	<u>5,575,972.04</u>
Net Expenses over Revenue	(587,257.88)
Ending Balance at 12/31/18	<u><u>1,653,441.15</u></u>

STAR Plus Fund	
Beginning Balance at 1/1/18	6,146.73
Interest Earned	121.43
Transfer to STAR OHIO	-
Ending Balance at 12/31/18	<u>6,268.16</u>
STAR OHIO Fund	
Beginning Balance at 1/1/18	1,012,027.15
Transfer from STAR Plus	-
Interest Earned	19,919.83
Ending Balance at 12/31/18	<u>1,031,946.98</u>