

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
June 19, 2017

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, June 19, 2017 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
Maureen Austin, alt. for Lem Green
Janet Creighton
Bill Smith
John Arnold

RPC Staff

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

Others

Jim Wallace
JR Rinaldi
Deana Stafford
Jaime Allbritain

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, Maureen Austin, (alternate for Lem Green), Janet Creighton and Bill Smith. John Arnold arrived at 9:05 a.m.

3. MINUTES OF THE May 15, 2017 MEETING

Creighton moved, Smith seconded, and the motion carried to approve the minutes of May 15, 2017.

4. PUBLIC SPEAKS – No public speaks
5. TREASURER REPORT – Jim Wallace

The month of May ended with a checking account balance of \$1,370,669.25. Revenues were \$65,167.51 and total expenses were \$216,277.39. The Star Ohio Investment account had an ending balance of \$1,004,975.61 with \$864.43 interest earned, and the Star Plus Investment account had an ending balance of \$6,115.76. Wallace gave a brief overview of the *Budget vs. Actual* numbers. Austin moved, Smith seconded, and the motion carried to accept the Treasurer's report as submitted.

6. FISCAL ITEMS – Beth Pearson

No items to present.

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

Carlone presented the Neighborhood Initiative Program (NIP) Update

City of Canton:❖ **296 – Total number of acquired properties to date:**

- 232 demolitions have been completed overall – 7 new demolitions have been completed since the May report
 - 217 demolitions have been approved by OHFA – 0 new packets since the last month's report.
 - Current average cost of demolition per property is \$15,609.00
 - OHA mortgages are fully executed on 217 properties & OHFA reimbursement to SCLRC - \$3,386,177.26
 - Canton has been reimbursed a total of \$3,103,214.30 for 217 properties
 - 8 demolitions are in various stages of review/approval by OHFA; outstanding reimbursement requests - \$141,497.66
 - 7 additional demolitions need to be reviewed by RPC

❖ **246 Total Number of Properties Identified on a Current Active List for Acquisition under Round 3** (14 additional parcels recent submitted by City & under review by RPC)**City of Alliance:**❖ **107- Total number of acquired properties to date:**

- 29 demolition reimbursement packets have been submitted overall – 0 new packets since January.
 - 29 demolitions have been approved by OHFA – 0 new packets since February report
 - Current average cost of demolition per property is \$13,674.00
 - OHA mortgages are fully executed on 29 properties & OHFA reimbursement to SCLRC - \$396,545.94
 - Alliance has been reimbursed a total of \$357,920.02 for 29 properties

❖ **47 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.****City of Massillon:**❖ **23 - Total number of acquired properties to date**

- 4 demolitions have been completed overall – 0 new demolition has been completed since December
 - 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

❖ **32- Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.**

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

Total Applications Submitted: 1234
(31 applications were received since last month’s update)

Cities – 1056
 Canton: 865, Massillon: 80, Alliance: 111

Other Communities – 178

Bethlehem Twp – 8, Brewster – 2, Canton Twp – 33, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 3, Lake Twp – 2, Lawrence Twp – 6, Lexington Twp – 28, Limaville – 2, Louisville – 2, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 4, Osnaburg Twp – 9, Paris Twp – 3, Perry Twp – 10, Pike Twp – 4, Plain Twp – 30, Sandy Twp – 2, Sugarcreek Twp – 5, Tuscarawas Twp – 2, Washington Twp – 4, and Waynesburg – 3

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- Total Number of Applications under Preliminary Review: 0
 - Total Number of Applications Denied: 444
 - Number of Canceled Applications/Fee Refunded: 49
 - Total Number Pending Approval by Community: 36
 - **Total Number of Approved Applications: 705**
(28 Applications approved since last month’s update)

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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 173
 - Total Number Being Prepared for Transfer: 8
 - **Total Number Transferred to Date: 524**
(6 Side Lots were transferred since last month’s update)

Vacant Lot Program Update:

Total Applications Submitted: 119
(2 Application received since the last month’s update)

Cities – 114; Canton: 105, Alliance: 8, Massillon: 1

Other Communities – 5

Canton Twp – 1, Hartville – 1, Lexington Twp – 2, Sugarcreek Twp – 1

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- Total Number of Applications under Preliminary Review: 0
 - Total Number of Applications Denied: 79
 - Number of Canceled Applications/Fee Refunded: 1
 - Total Number Pending Approval by Community: 8
 - **Total Number of Approved Applications: 31**
(1 Applications approved since the last report)

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 18
 - Total Number Being Prepared for Transfer: 0
 - Total Number Transferred to Date: 13

9. NEW BUSINESS

Nau stated there has been effort to get \$50 million in the state budget for commercial demolitions which was driven by the Western Reserve Land Conservancy. He had been invited to testify before the Ohio Senate Finance Committee in Columbus on June 7th and was able to provide some documentation on vacant dilapidated commercial buildings in Stark County. He did not believe it made into the budget because there are a lot of challenges with the shortfalls in the state budget, but the conversation is out there. Perhaps in the future the Land bank can get some funding for commercial demolitions.

Starfire Gas Stations and Possible Land Bank Assistance

In regards to a recent email request from Plain Township Trustee, Scott Haws, concerning a Starfire gas station at 2433 Columbus Rd NE: Nau gave an update on current issues with this Starfire gas station and two others located on N. Market and on Whipple Ave. As part of RPC's brownfield program with the Phase I and Phase II, the tanks were pulled on the Market and Whipple Ave. stations just last week, but there were some issues with soil testing on the Market Ave. property. There are many unknowns with these gas stations and we are learning as we go along, and we want to step back a bit as we work through these current projects. If the Land Bank were to take title to the property on Columbus Road, then a foreclosure would have to be done. Plain Township is interested in the Land Bank taking title to the property on Columbus Rd so funding can be obtained to address the environmental issues at the site.

Thorley stated there are a couple of potential complications with the Land Bank getting involved with the property on Columbus Road because we're dealing with a delinquent tax payer. Also the Petroleum Board in Columbus has filed a law suit against that property owner and has a lien against the property. So if that property would be foreclosed upon, then that would potentially wipe out the lien also, so there needs to be a further conversation with the Petroleum Board. The Land Bank would owe \$400 per tank, per year during the time frame of ownership, and we would probably owe a couple years'

worth of fees. Regarding the Alliance property, we made Alihassan (Baynk Development) submit a check for \$2,400 to cover those fees, but with the property on Columbus Road the Land Bank would be responsible for any fees. The main concern is going to be if the Land Bank files a tax foreclosure action on these delinquencies, because that action will potentially wipe out a lien from the Petroleum Board and that could be problematic since they are the ones we want to deal with. There has been a Phase I and Phase II done on the property and the estimated cost right now is \$118,000 to remediate the property.

Thorley stated the difference with the gas station owned by the Land Bank in Alliance is that Joe Mazzola had reached out to the Land Bank trying to put together some type of public/private partnership because this property is to be redeveloped and put back into productive use. Smith asked who will own the properties on Market and Whipple Avenue after they are cleaned up. Nau stated the same property owner. Smith asked if there are liens against the property owner in the amount of clean-up. Nau stated no, not for the grant money that RPC spent under the brownfield program. Smith indicated his concern that if the Land Bank remediates the property that the property owner could turn around and sell the property and make a profit. Nau stated the property owner will have to pay all the back taxes. Thorley stated he has some fees he will have to pay, which are significant, and he didn't know with those two properties what they are. The fees on the property on Columbus Road are over \$50,000, plus the property owner is about \$55,000 tax delinquent.

10. OLD BUSINESS

Creighton asked Thorley for an update on 1521 Garfield Ave. SW. Thorley stated that at last month's Land Bank meeting, there was discussion about potentially giving the property back to the prior owner, Dave Marlatt, so he did some research and had further conversations with the contact given him at the City of Canton regarding the situation. Marlatt indicated to Thorley that he had been paying the water bill, but that was proven to be false. Since last month's meeting, Thorley has been out to the property on three occasions. One of those visits was prearranged with Marlatt, but he was not there and has not been there the other two times Thorley attempted to make contact with him. He has a phone number, but there was no voice mail set up and he doesn't answer his phone. There are three days left to go forward with the set out. He felt the route to actually go is to evict Marlatt. The problem is that the Land Bank owns a bad property. The property needs to be evaluated whether it can be rehabbed or demolished. This property is not NIP eligible because it was not vacant at the time the Land Bank took title to it. So we would need to reach out to the City of Canton and have a discussion as to who is paying for this to be taken down and look at the costs going forward for potential demolition. The Land Bank has \$163,000 in the budget left of the \$180,000. Creighton stated the Land Bank should demolish this property. The City of Canton should not have to incur that cost. Zumbar agreed that this was the Land Bank's responsibility. Thorley stated he went over last Friday to do the set out. They wanted \$50, which he will pay and ask the Land Bank to reimburse him. The Board agreed this property should be demolished and as quickly as possible.

11. Next Meeting – July 24, 2017, 9:00 a.m.

12. Adjournment

The meeting was adjourned at 9:25 a.m.