

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION  
July 24, 2017

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, July 24, 2017 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar  
Lem Green  
Janet Creighton  
Bill Smith

RPC Staff

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

Others

Jim Wallace  
JR Rinaldi  
Martin Olson  
Jaime Allbritain  
Josh Whitacre

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, Lem Green, Janet Creighton and Bill Smith. John Arnold was absent.

3. MINUTES OF THE June 19, 2017 MEETING

Creighton moved, Smith seconded, and the motion carried to approve the minutes of June 19, 2017.

4. Auditor of State Award for the 2016 Basic Financial Statements

- Lindsay Kuhn Blair, North Central Regional Liaison – Auditor of State Dave Yost

Lindsay Kuhn Blair from the State Auditor's office presented an award to the SCLRC for a clean 2016 audit. The Auditor's office recognizes good stewards of tax payers' dollars. Zumbar and Wallace accepted the award on behalf of the Land Bank. Zumbar thanked RPC staff and staff from the Treasurer's office that have been assigned to work with the Land Bank for a job well done.

5. PUBLIC SPEAKS – No public speaks

6. TREASURER REPORT – Jim Wallace

The month of June ended with a checking account balance of \$1,479,943.20. Revenues were \$130,325.60 and total expenses were \$21,051.65. The Star Ohio Investment account had an ending balance of \$1,005,852.05 with \$876.44 interest earned, and the Star Plus Investment account had an ending balance of \$6,115.76. Green moved, Smith seconded, and the motion carried to accept the Treasurer’s report as submitted.

7. FISCAL ITEMS – Beth Pearson

Post Approval of Payments

|   |                     |
|---|---------------------|
| 1. City of Canton – NIP #34 – 8 parcels           | <b>\$130,634.70</b> |
| a. 217020 136 Spring Ave. NE                      | \$10,967.66         |
| b. 237387 722 Highland Rd Ne                      | \$15,694.02         |
| c. 201829 302 Young Ave. SE                       | \$23,700.00         |
| d. 245469 2808 11 <sup>th</sup> St. SW            | \$15,121.32         |
| e. 232390 1247 Shadyside Ave. NE                  | \$13,620.62         |
| f. 201695 360 Weber Ave. NE                       | \$14,203.74         |
| g. 211136 1936 4 <sup>th</sup> St. SE             | \$23,700.00         |
| h. 235889 2009 Bryan Ave. SW                      | \$13,627.34         |
| 2. Heather Calabretta – Vacant Lot Deposit Refund | <b>\$9,920.00</b>   |

Creighton moved and Green seconded to approve the post-approval of the above noted payments. Creighton asked if the vacant lot deposit refund amount was unusually high. Peters stated this lot was located in Hartville and it is based upon the assessed value of the lot plus \$1,100 admin fee. The owner objected to the BOR so it got moved to a judicial foreclosure and Calabretta’s money was then refunded. Zumbar stated the vacant lots are supposed to be the smaller lots, but this lot was a rarity because was a buildable lot. It will be moved through the judicial foreclosure and set up for a Sheriff’s sale which will probably bring in the taxes and additional monies. A vote was taken on the previous motion and carried.

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

**Carlone presented the Neighborhood Initiative Program (NIP) Update**

**City of Canton:**

- ❖ **350 – Total number of acquired properties to date:**

- 242 demolitions have been completed overall – 10 new demolitions have been completed since the June report
  - 225 demolitions have been approved by OHFA – 8 new packets since the last month’s report.
    - Current average cost of demolition per property is \$15,818.00
    - OHA mortgages are fully executed on 217 properties & OHFA reimbursement to SCLRC - \$3,386,177.26
    - OHA mortgages are pending on 8 properties; OHFA to reimburse SCLRC additional - \$414,497.66
      - Canton has been reimbursed a total of \$3,233,848.99 for 225 properties
  - 7 demolitions are being reviewed/approval by OHFA; outstanding reimbursement requests - \$131,580.25
  - 10 additional demolitions are being readied for submission to OHFA- \$168,601.81

❖ **204 Total Number of Properties Identified on a Current Active List for Acquisition under Round 3** (22 additional parcels recent submitted by City & under review by RPC)

**City of Alliance:**

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

- 35 demolition reimbursement packets have been submitted overall – 6 new packets since the June report.
  - 29 demolitions have been approved by OHFA – 0 new packets since February report
  - Current average cost of demolition per property is \$13,473.00
  - 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
  - 6 additional demolitions are being readied for submission to OHFA-\$73,763.17

❖ **39 - Total Number of Properties Identified on a Current Active List for Acquisition under Round 3.** (3 additional parcels submitted by City & under review by RPC)

**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

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

Smith moved and Green seconded to approve the NIP report as presented. Creighton asked why there was such a variance between Massillon and Canton for demolition costs. It's \$9,500 in Massillon and it's almost \$16,000 in Canton. Carlone stated that acquisition costs are cheaper in Massillon, but Massillon has only completed four demolitions, and as the city completes additional NIP demolitions, the average cost could increase. Canton's costs are higher because they have bigger issues with asbestos removal or other things that need to be done with the properties. JR Rinaldi from Canton stated there have been some properties where the asbestos abatement process has been over \$13,000. OHFA mandates that all properties be cleared of timber and brush, which is an additional cost. Josh Whitacre from Massillon stated that asbestos abatement has been low in cost for projects the city is currently completing. Nau stated that when demolitions were done in Massillon under Moving Ohio Forward program, Massillon properties were actually more expensive to do. Demolition of only four houses is not a statically valid sample of the cost. A vote was taken on the previous motion and carried.

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

**Total Applications Submitted: 1257**

*(24 applications were received since last month's update)*

Cities – 1076

Canton: 880, Massillon: 81, Alliance: 115

Other Communities – 181

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, Osnauburg Twp – 12, 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

- Total Number of Applications under Preliminary Review: 3
- Total Number of Applications Denied: 443
- Number of Canceled Applications/Fee Refunded: 49
- Total Number Pending Approval by Community: 22
- **Total Number of Approved Applications: 740**  
*(35 Applications approved since last month's update)*

- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 200
- Total Number Being Prepared for Transfer: 12
- **Total Number Transferred to Date: 528**  
*(4 Side Lots were transferred since last month's update)*

**Vacant Lot Program Update:****Total Applications Submitted: 121***(2 Application received since the last month's update)*

Cities – 116; Canton: 106, Alliance: 9, 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: 2
  - Total Number of Applications Denied: 79
  - Number of Canceled Applications/Fee Refunded: 1
  - Total Number Pending Approval by Community: 0
  - **Total Number of Approved Applications: 39**  
(8 Applications approved since the last report)

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 26
  - Total Number Being Prepared for Transfer: 0
  - Total Number Transferred to Date: 13

Green moved, Creighton seconded, and the motion carried to approve the Side Lot/Vacant Lot report as presented.

10. **NEW BUSINESS**

## a. Letter of Notification from AEP – Transmission Line Rebuild Project

Thorley stated in June the Board received a letter from AEP of their proposed rebuild of a transmission line. The Ohio Administrative Code requires that notification and a right to comment be done when this occurs. This transmission line does pass over one of the Land Bank's properties. The line runs through Carroll and Stark Counties and will actually go through Canton, Osnauburg and Sandy Townships. The Board should not be concerned about this transmission line, but the notice is basically a requirement that AEP has to go through when they are doing this project.

- b. Targeted Acquisition Assistance Program (TAAP) Draft Policy
- c. Demolition Assistance Program (DAP) Draft Policy

Peters stated that in the past the Land Bank has received various requests for acquisition and 50/50 demolition assistance from various communities and also from Habitat for Humanity. The TAAP and DAP draft policies are for the Board to review so that next month it can be revisited and possibly approved. Green asked what program these policies are addressing and is it something the Land Bank already has in place now. Peters stated the Land Bank does not presently have any policies in place now, but the Board has approved requests in the past for assistance from various communities and Habitat for Humanity for both acquisition and demolition assistance. The draft policies cover the parameters for a formal program to accept requests moving forward. Zumbar stated these policies

would address requests from all municipalities and non-profits. The Treasurer's office similarly handles requests for Interested Purchasers and will continue to do so, but this is formally adopting policies for the Land Bank. The Treasurer's office handles this process by following the Ohio Revised Code, but for the Land Bank, to have these policies in place will make the process more orderly and will help guide RPC in handling these particular requests. Irrespective to what these policies are, the Treasurer's office will continue to handle this similar function, which we have been doing since 2008. Green asked if the Board will be asked to adopt these policies on our own initiative or is this a requirement by administration in Columbus. Nau stated it is on RPC's own initiative. Zumbar stated that if there are no corrections, additions or deletions, these policies will be adopted at the next meeting. He advised Board members to get any concerns and questions to Bob Nau and Sarah Peters so any issues can be properly addressed and corrected before the next board meeting.

d. City of Massillon – Demolition of 1330 Erie St. S. (Parcel #600197)

Whitacre stated the city of Massillon is requesting funding assistance from the Land Bank for the demolition of a structure at 1330 Erie St. S. The owner is Advanced Industrial Roofing Company. The structure has been vacant for over four years and the owner wishes to tear it down to build a new warehouse facility. Zumbar stated the Land Bank provides only demolition dollars and does not provide assistance with the costs involved with asbestos abatement. It is a 50/50 match on the hard demolition. Green stated he was looking for a reference to a certain dollar amount. Peters stated the city received three quotes, and Dave Maley had indicated that the city plans to contract with Malavite Excavating. Whitacre stated Malavite had the lowest quote of \$10,000. Thorley reminded the Board that this is the program that was budgeted for \$180,000 per year, and there is still a little over \$163,000 left in that budget. Green asked if the request is that the Land Bank participates up to \$5,000 (50% of \$10,000) or should it be up to one half. Carlone stated costs are covered up to \$10,000, because it is 50% of the overall cost, but the Land Bank will pay for up to 100% of the hard demolition. The highest cost it could possibly be would be \$10,000 which is the hard cost demolition. Green moved, Smith seconded, and the motion carried to approve the request.

11. OLD BUSINESS

a. Property Management Software Update

Peters gave a brief update on the progress in developing the property management software. In October 2016 the agreement with the Cuyahoga County Land Bank was executed. RPC staff met with Mike Schramm from the Cuyahoga County Land Bank to give him an understanding how SCLRC operates and what programs they offer. There was a lull in interaction but it picked back up in January 2017. A big upload of the Land Bank's information has been completed. There has been some recent meetings with the staff from the Treasurer's office who do a lot of work with the costs and also the Prosecutor's office staff who handles the foreclosures. RPC staff is currently in the process of loading all the information into the software. The next step, which will be a lengthy process, is getting the rules and procedural parts of the software established. This system does more than just hold data; it is software that will help users/staff work through program processes. For example, once one step is completed, a notice will be sent to the appropriate user to continue onto the next step. The Board members and other users will be given log-in credentials, and staff hopes to be up and running by the fall.

b. 1512 Garfield Ave. SW Update

Thorley stated that 1512 Garfield is a property that was acquired from AEON, but because it was occupied, an eviction became necessary. On July 6<sup>th</sup> there was a set-out of the prior owner of the property. He was present at that time, but police officers were there because it turned out he had a couple of warrants for his arrest, so he spent some time in jail, but he is now out of jail and living in the area. Thorley met three contractors last week to give the Land Bank a quote for cleaning out the house, because this property is in deplorable condition. Two of the three individuals refused to quote the job because of the extreme condition of the property. The company that did give a quote was Bio Scene for \$3,950. Thorley asked for approval from the Board to go forward to clean it out. After the clean out, the next step would be an asbestos evaluation and potential remediation, depending on the survey results. The owner of Bio Scene indicated there was asbestos wrapping on the pipes in the basement, so there is likely some asbestos, but currently the extent is unknown. Demolition would then follow any remediation. Creighton moved and Smith seconded to approve the expenditure of \$3,950 to Bio Scene for the clean-up of the property. Thorley stated that Bio Scene would be starting work by the end of the week. Nau added that this situation is a good example why the Land Bank must be very careful on what properties they acquire. For future reference, when people want to donate properties to the Land Bank, there are costs associated with it. Zumber stated this property was a property that was one of the 52 properties purchased from AEON, but we were also looking at potentially putting these properties into the NIP program. Thorley stated the problem was that it didn't qualify for NIP because it was not vacant and abandoned when received. There is currently an adjacent neighbor that has shown interest in acquiring the property after demolition through the side lot program. A vote was taken on the previous motion and carried.

11. Next Meeting – August 21, 2017, 9:00 a.m.

12. Adjournment

The meeting was adjourned at 9:38 a.m.