

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
October 19, 2020

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, October 19, 2020 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room. The option to participate via teleconference was made available.

Board Members Present

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

3. APPROVAL OF MINUTES OF SEPTEMBER 21, 2020 MEETING

Green moved and Creighton seconded to approve the minutes of September 21, 2020 meeting. Roll call vote: Zumbar -yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

4. PUBLIC SPEAKS – No public speaks

5. TREASURER/FISCAL REPORT

Heather Cunningham reviewed the Treasurer’s Report for the month of September. Green moved and Smith seconded to approve the Treasurer’s Report as submitted. Roll call vote: Zumbar - yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

Julian & Grube Proposal

Zumbar stated they did receive a proposal from Julian & Grube (J&G) to continue handling the basic financial statement preparation. J&G has given three options when entering into a contract. The cost of a one-year contract would be \$1,500, a two-year engagement would be \$1,400, or a three-year engagement would be \$1,300 each year. They typically do the longer-term engagement because it is a cost savings.

Green asked how long J&G has provided these services for the Land Bank. Zumbar stated they have audited for the Land Bank at least the past five years. Green stated that he was conflicted because one school of thought states that you should change your auditor services every couple of years. You want an auditor that is new to the job and has the attitude of questioning everything, but that is more expensive. So there has been times he had been an advocate for changing simply because change in that area is good, but there is another school of thought that says that is not a significant problem.

Zumbar stated he felt Green was spot-on with his comments in regards to the rationale behind changing individuals who we engage to handle our basic financial statement preparation let alone the audit. Zumbar stated the fact is the state auditors are the ones that audit our books, and the statement that is before us is for basic financial statement preparation. So that is the difference. Otherwise, if J&G was handling both our statement preparation and audit, he would suggest that we consider getting multiple bids and quotes from various firms that would provide this type of work, but because they are only doing basic financial statement preparation, he was comfortable in reengaging them. But he would leave it up to Heather Cunningham, RPC's Fiscal Manager, because she is the one that has to work with them, and Bob Nau, as administrator, who will answer questions associated with preparation of the statements.

Green asked if the Land Bank is part of the County's consolidated(*inaudible*). Zumbar stated the Land Bank was part of the Comprehensive Annual Financial Report (CAFR). The Land Bank is a component entity that is listed inside the CAFR. It doesn't mean that we are part of Stark County, but we are actually a separate non-profit corporation that is included because of the amount of money that is received and expended by this particular entity. If the Land Bank would start to decrease in the size of the dollars being sent, it may not be classified as a component entity based upon reduction in the revenue and expenditures. But that again is up to the county auditor to determine who are the component entities. The Land Bank is a component entity and the Regional Planning Commission is a component entity, plus two others. Green asked Zumbar if he as the county Treasurer is an advocate of engaging J&G again. Zumbar stated he absolutely was, but he takes off his county treasurer hat as the chairman of this particular entity, but as the chairman of the Land Bank he would advocate reengagement with J&G for a three-year commitment, but it is up to this Board to make that determination along with the input from Nau and the fiscal manager. He knew from experience that the process is lengthy and time consuming, and you have to be able to provide fact-based documents that show why those numbers equal what's going into the statement. He knew that basic financial statement preparation over the last several years has gotten more complex due to the number of dollars that have been received through grants and then expended. Nau concurred and added that given the fact that the state auditor does our audit in combination with this, it is cost effective and required.

Creighton moved and Green seconded to approve a three-year contract with Julian & Grube for preparation of the basic financial statement. Roll call vote: Zumbar -yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

6. SIDE LOT/VACANT LOT PROGRAM REPORT

Sarah Peters provided the Side Lot Program Update:

Total Applications Submitted: 2,053

(10 applications were received since Sept. '20 update)

Cities – 1,717

Canton: 1,357, Massillon: 133, Alliance: 227

Other Communities – 336

Bethlehem Twp – 30, Brewster – 9, Canal Fulton – 1, Canton Twp – 61, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 6, Lake Twp – 6, Lawrence Twp – 11, Lexington Twp – 40, Limaville – 2, Louisville – 2, Marlboro Twp. – 1, Meyer's Lake – 1, Minerva – 3, Nimishillen – 6, North Canton – 1, Osnaburg Twp – 15, Paris Twp – 3, Perry Twp – 14, Pike Twp – 20, Plain Twp –

34, Sandy Twp – 40, Sugarcreek Twp – 6, Tuscarawas Twp – 2, Washington Twp – 5, Waynesburg – 4, Wilmot -1

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- Total Number of Applications under Preliminary Review: 2
 - Total Number of Applications Denied: 876
 - Number of Canceled Applications/Fee Refunded: 70
 - Total Number Pending Approval by Community: 29
 - **Total Number of Approved Applications: 1,076**

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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 114
 - Total Number Being Prepared for Transfer: 15
 - **Total Number Transferred to Date: 947**

Vacant Lot Program Update:

Total Applications Submitted: 224

(1 Application received since Sept. '20 update)

Cities – 185; Canton: 164, Alliance: 13, Massillon: 8

Other Communities – 39

Bethlehem Twp - 15, Canton Twp – 7, Hartville – 1, Jackson Twp – 2, Lake – 1, Lexington Twp – 2, Perry – 1, Sandy – 5, Sugarcreek Twp – 1, Washington Twp – 4

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- Total Number of Applications under Preliminary Review: 0
 - Total Number of Applications Denied: 171
 - Number of Canceled Applications/Fee Refunded: 7
 - Total Number Pending Approval by Community: 5
 - **Total Number of Approved Applications: 41**

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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 2
 - Total Number Being Prepared for Transfer: 0
 - Total Number Transferred to Date: 39

Zumbar moved and Green seconded to approve the Side Lot/Vacant Lot report as presented. Roll call vote: Zumbar -yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

7. **NEW BUSINESS**

- a. Targeted Acquisition Assistance Program Requests
 - City of Alliance – Parcel #106043 – vacant lot at 344 Franklin Ave.

Green moved and Creighton seconded to approve the TAAP request from the City of Alliance. Jennifer Merriman, City of Alliance, stated this is a vacant lot, and they were hoping to take ownership of it to clean it up and turn it into tax paying real estate again. Roll call vote: Zumbar -yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

b. Demolition Assistance Program Requests

- City of Canton – Parcel #230788 – 920 Troy Pl NW
- City of Canton – Parcel #216470 – 1315 Piper Ct NW

Peters stated the City of Canton’s total estimate for demolition of the structure on Troy Place is \$13,500, and they are requesting \$6,750. The estimate submitted for demolition of the second property on Piper Court was \$15,220, and they are requesting \$7,610. Zumbar moved and Green seconded to approve the DAP requests as submitted from the City of Canton. Roll call vote: Zumbar -yes, Creighton - yes, Green – yes, Smith – yes. Motion carried.

8. Old Business

Starfire Gas Station Update

Nau stated they did encounter some contamination with the Starfire gas station located on Rt. 62. Some soil testing was done, and they are now waiting on the results which will determine the remediation plans. Regarding the Starfire located on Whipple, we are paying to have the grass cut, and he hasn’t spoken to Putman in a while. Smith asked if there should be a *For Sale* sign on that property, or does the realtor have it. Nau stated Putman Properties has a sign on the property adjacent to it; the former Busy Beaver. In his conversation with Tim Putman last December or January, he threw a number out to him for the Starfire property, and Nau told him that we would entertain a counter offer, so the ball is in his court. Smith thought that maybe we should just wait and see what happens in the next few months.

Creighton asked about another old gas station located on Market Avenue north in Plain Township. Nau stated that was a Starfire, but it sold at Sheriff’s sale. RPC was looking to do something with that property, but someone purchased it. Green asked if it will still require remediation as far as the environmental part of it. Nau stated that a phase 1 was completed with RPC’s previous brownfield grant, and there were some issues that needed to be taken care of on that property.

HOF Village Update

Peters stated the HOF’s contract with the Land Bank is through November 30th to complete the demolitions and get the packets submitted. She had reached out to Carol Smith last week to see where they were at because staff has not received any requests to draw against the requested amount. Ms. Smith informed Peters that they were getting several of the properties down and expected to submit something this week or the next. Nau stated work has been in progress out there, so they do expect a big invoice to come in soon. Ms. Smith had mentioned that it sounds like the school is still using the old Dennis R. Smith building, so that demolition may not occur before the November deadline, so we may be looking at extending that component, but that seems like it is still in flux.

Springwood Lake Campground Update

Thorley stated at last month's meeting the Board asked that he reach out to Springwood Lake regarding their camp lots. He had conversations with their property acquisition person and with their attorney. There is a total of 1,078 camp lots, and the camp club already owns a little over 200 lots. The camp club has some serious infrastructure problems that will take approximately \$700,000 to cure, and as a result, they have become concerned in other people acquiring property and putting more of a problem on the infrastructure. There are 122 tax delinquent properties there and the camp club has targeted 103 of those. It appears that 52 are vacant lots and 51 would be side lot acquisitions. He and the attorney have had some detailed conversations on what that would look like for the camp club and the Land Bank. The attorney understood that would be quite a tax on financial resources and staff's time on getting it through the process. Staff will process the applications in increments, and it appears that it will be pretty much a wash because the camp club will pay the assessed value of \$2,300 plus a \$1,100 admin fee for the vacant lots, and the side lot would be the typical \$100. Thorley was waiting to hear back from them before anything is finalized. Green stated that sounds like a comprehensive resolution of all the problems. Thorley stated it could be, but if staff is going to process 103 applications for the camp club, then if any individual property owner submits an application, those applications cannot be refused. They believe that those individuals that have taken advantage of the situation before may no longer be a problem, because they already have the properties they want. The camp club is now doing an analysis of what properties they have and which ones they should get ownership of first.

Green asked based upon the procedure that was approved by the Board at the last meeting, wouldn't staff bring these applications to the Board for approval. Thorley stated that nothing was changed in the side lot policy that directly affects the processing of these lots, but the individual parcels will be brought back to the Board. Peters disagreed and stated that when the side lot applications are being processed, she doesn't individually bring them back to the board for approval. Nau stated the issue was *higher priorities*; was it a staff decision or a Board decision. It was established that it was a Board decision. As long as staff is processing the applications, he didn't think it comes into play. Zumar stated that is correct, as long as staff is following the side lot program, everything should be fine. If you enter into some MOU with Springwood Lake Campgrounds then that's a different situation. Thorley stated if it starts to look like the Land Bank is eating the overall cost of these side lots, then we would come back and ask them to pay some of those costs. The camp club's problem is they really don't want to add more properties to an already failing system, and they are trying to work out how best they can fund repair or replacement of their sewer system.

9. Next Meeting – November 16th - 9:00 a.m. - The meeting was adjourned at 9:29 a.m.