

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION  
July 19, 2021

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, July 19, 2021 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar  
Bill Smith  
John Arnold  
Janet Creighton  
Lem Green

1. CALL TO ORDER – Alex Zumbar, SCLRC Chairman
2. ROLL CALL – Board Members Present

Roll call found the following Board members in attendance: Alex Zumbar, Bill Smith, Janet Creighton, John Arnold and Lem Green.

3. APPROVAL OF MINUTES OF JUNE 21, 2021 MEETING

Arnold moved and Zumbar seconded to approve the minutes of June 21, 2021 meeting.  
Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Arnold – yes. Green abstained. Motion carried.

4. PUBLIC SPEAKS – No public speaks
5. TREASURER/FISCAL REPORT

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

6. SIDE LOT/VACANT LOT PROGRAM REPORT

Alexandra Cramer presented the Side Lot/Vacant Lot Program Update:

**Total Applications Submitted: 2,180**

*(9 applications were received since June '21 update)*

Cities – 1,807

Canton: 1,430, Massillon: 142, Alliance: 235

Other Communities – 373

Bethlehem Twp – 41, Brewster – 9, Canal Fulton – 1, Canton Twp – 73, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 6, Lake Twp – 6, Lawrence Twp – 11, Lexington Twp – 46, Limaville – 2, Louisville – 2, Marlboro – 1, Meyer’s Lake – 1, Minerva – 3, Nimishillen – 6, North Canton – 2; Osnaburg Twp – 15, Paris Twp – 3, Perry Twp – 16, Pike Twp – 21, Plain Twp – 37, Sandy Twp – 41,

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

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- Total Number of Applications under Preliminary Review: 24
  - Total Number of Applications Denied: 884
  - Number of Canceled Applications/Fee Refunded: 71
  - Total Number Pending Approval by Community: 35
  - **Total Number of Approved Applications: 1,166**
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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 118
  - Total Number Being Prepared for Transfer: 34
  - **Total Number Transferred to Date: 1,014**

#### **Vacant Lot Program Update:**

#### **Total Applications Submitted: 245**

*(6 Application received since June '21 update)*

Cities – 201; Canton: 175, Alliance: 17, Massillon: 9

Other Communities – 44

Bethlehem Twp – 15, Canton Twp – 7, Hartville – 1, Jackson Twp – 2, Lake – 1, Lexington Twp – 6, Perry – 1, Sandy Twp – 6; Sugarcreek Twp – 1, Washington Twp – 4,

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- Total Number of Applications under Preliminary Review: 6
  - Total Number of Applications Denied: 176
  - Number of Canceled Applications/Fee Refunded: 7
  - Total Number Pending Approval by Community: 5
  - **Total Number of Approved Applications: 51**
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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 11
  - Total Number Being Prepared for Transfer: 1
  - Total Number Transferred to Date: 39

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

#### 7. **NEW BUSINESS**

##### a. State Budget Brownfield Funding

Nau stated as part of HB 110, which the Governor signed on June 30<sup>th</sup>, the State has allocated \$500 million in grant funds through the Ohio Department of Development for brownfield work and

demolition funds. They have appropriated \$350 million for brownfield activities with \$1 million reserved for each county in the state. Also \$150 million was appropriated for demolition for commercial/residential buildings. This will be a 75% grant with 25% local funding. It will be running through the Ohio Department of Development, and they have until September to come out with guidelines.

Zumbar reminded the board about the project in Lake Township (referencing the Mogadore greenhouse), and he was hoping this could be earmarked for brownfield funds. Arnold stated he has spoken with Alan Harold, and the USEPA will be taking care of this property in Lake Township. The EPA will do all the work, and the property will have a clean bill of health with no leans. Zumbar stated the Land Bank conducted through RPC, phase 1 and 2 testing, and it was determined the project was going to exceed \$1 million, which was out of the Land Bank's ability to fund. But based upon what Arnold has just said, the USEPA has stepped in to clean up everything. Creighton asked what would happen if any of the 88 counties that are receiving the \$1 million do not use their money. Nau believed it will be re-appropriated to the other counties.

## 8. OLD BUSINESS

### a. Board of Revision Direct Transfer Update

Thorley stated at last month's meeting the Harrison case was discussed, which came out of Montgomery County where the federal court of appeals ruled that in those cases when a direct transfer is done, but there is equity involved, they are saying that it's a "taking" because the expedited foreclosure through the BOR process made no provision for the handling of equities. As a result of that case, the Board put a halt to using the BOR or handling any foreclosure. A meeting was held where Alex Zumbar, Alan Harold, Gerry Yost and Joel Blue from the Prosecutor's office, Bob Nau, John Anthony and Thorley attended. There was discussion on how to handle these matters going forward. For those cases where the delinquencies/impositions are higher than the equity, they would like to start doing the BOR process. For those where there is equity, they would ask for more time to work out a couple issues, which has to do with court costs. The BOR process allows for Sheriff sales similar to what a judicial process would be, however, this county has never done them, so the costs associated with that are unknown at this time. Yost and Thorley met last week with Jennifer Fitzsimmons of the Clerk of Courts to discuss these matters. Fitzsimmons will need to get more information on this matter. There will be an additional meeting in the coming weeks, and as a result, we will come back with further recommendation to the Board. But in the meantime, for those cases that are underwater, where the delinquencies are higher than the equity, they saw no reason not to start doing BOR/foreclosures again.

Green asked how the Prosecutor feels about that. Thorley stated the Prosecutor's Chief Deputy and Chief of Civil Division was at the meeting, and it was his belief that the Prosecutor is on board with that. On June 14<sup>th</sup>, the Prosecutor's office had sent an email to Alex Zumbar, as Stark County Treasurer, indicating that it was the legal advice of the Prosecutor's office that Stark County should suspend all transfers of property to the Land Bank until further notice. So while we would like to go forward, it is Alex Zumbar's role as Treasurer to reach out to the Prosecutor's office, to discuss going forward with those foreclosure cases. He believed it would take a recommendation from this Board to do that, and it would take Zumbar reaching out to the Prosecutor to get that reinstated.

Green asked if there is equity in a property what is the argument in favor of not selling it and getting the money. Zumbar stated that is the whole point of what this case was about. They are presuming that the case in Montgomery County where the property was grabbed by the land bank for

demolition should have been sold or at least put up for a sheriff's tax foreclosure sale. The auditor's appraised value of this property exceeded all the costs, impositions and delinquent taxes, so the \$891 of equity would have potentially been there based upon the Auditor's appraisal. The way the ruling went down, the judge deemed it as a "taking", which was unfair to the property owner, so the \$891 should have been paid by the land bank to the heir of the property (the owner was deceased). Thorley stated they want to work out how to go forward on those cases that have equity based upon the auditor's value. They would like to use the BOR process to actually bring it to sale. They always had the ability to use judicial foreclosure process, but court costs average around \$2,500 or more in each one of those cases. Right now the land bank only pays \$800-900 in cost through the BOR process. So going forward, the cost will be increased when adding the cost of publication and sheriff's involvement.

Thorley stated the Board will want to review each of the land bank's programs to see if they want to stay at the current costs. Currently with the vacant lot program, the applicant is charged the auditor's assessed value plus an administration fee of \$1,100 that goes toward those costs. They believe the cost may increase to about \$1,700. Part of the discussion that Yost and he had with the Clerk was asking that all costs be waived, and that is a possibility. Thorley reminded them that prior to NIP, the first 100 cases the landbank did, the Clerk did not charge court costs. But through the \$12 million from NIP, we voluntarily told the Clerk that the landbank should be paying the court costs, so we started paying them again. But because there is no more NIP, the landbank is back to using their funds. However, that probably takes a judicial order for that to happen. Thorley asked that we be allowed to, through Alex Zumbar going to the Prosecutor, begin the BOR foreclosure process for those cases where the delinquencies exceeds the equity of the property. Green asked if that was contingent upon getting the Prosecutor's approval. Thorley stated yes, and this should be in written form.

Creighton moved and Arnold seconded to approve the Treasurer (Alex Zumbar) to seek guidance from the Prosecutor on this issue. Roll call vote: Zumbar - yes, Arnold – yes, Smith - yes, Creighton – yes, Green – yes. Motion carried.

b. Starfire Columbus Rd. Update

Nau gave an update on the Starfire located on Columbus Rd. The tanks have been removed and the building demolished. Pursuant to BUSTRS requirements, there were seven monitoring wells drilled on that site. Two of them came up hot, which was not unexpected. When the consultant was in the process of putting together a remedial action plan, it was then discovered that the site is in the one-year recharge area of the Canton City Harrisburg water wells. That is red-flagging it, and Nau confirmed that with the Canton City Water Superintendent. This is creating an additional layer of regulatory requirements, so the consultant is recommending an agreement be obtained with the adjacent property owner to access his property. The consultant is recommending a couple of additional wells be drilled southwest of that property, which will determine if the problem is isolated on that property. It's a challenging site because it's right next to Route 62, and removing soil could be problematic. The grant was for \$250,000 and about \$150,000 of that has been spent, but there is some money in contingencies. Additional funds may be needed down the road, but now we're just getting permission from the adjacent property owner to drill a couple of wells on his property, and hopefully those come up negative.

9. NEXT MEETING – Monday, August 16, 2021, 9:00 a.m.
10. ADJOURNMENT - As there was no further business, the meeting was adjourned at 9:22 a.m.