

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
August 16, 2021

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, August 16, 2021 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

Board Members

Alex Zumbar
Bill Smith
Janet Creighton
Lem Green
Scott Haws (alt.)

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, Lem Green and Scott Haws, alternate for John Arnold.

3. APPROVAL OF MINUTES OF JULY 19, 2021 MEETING

Creighton moved and Green seconded to approve the minutes of July 19, 2021 meeting. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Haws - abstained. Motion carried.

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

Kasie Atkins reviewed the Treasurer’s Report for the month of July. Haws moved and Smith seconded to approve the Treasurer’s Report as submitted. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Haws - Yes. Motion carried.

6. SIDE LOT/VACANT LOT PROGRAM REPORT

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

Total Applications Submitted: 2,209
(29 applications were received since July ‘21 update)

Cities – 1,832
Canton: 1,450, Massillon: 144, Alliance: 238

Other Communities – 377

Bethlehem Twp – 42, Brewster – 9, Canal Fulton – 1, Canton Twp – 74, 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 – 6, Wilmot-1

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- Total Number of Applications under Preliminary Review: 25
 - Total Number of Applications Denied: 823
 - Number of Canceled Applications/Fee Refunded: 71
 - Total Number Pending Approval by Community: 19
 - **Total Number of Approved Applications: 1,174**
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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 127
 - Total Number Being Prepared for Transfer: 33
 - **Total Number Transferred to Date: 1,014**

Vacant Lot Program Update:

Total Applications Submitted: 273

(28 Applications received since July '21 update)

Cities – 211; Canton: 181, Alliance: 21, Massillon: 9

Other Communities – 62

Bethlehem Twp – 31, Canton Twp – 7, Hartville – 1, Jackson Twp – 2, Lake – 1, Lexington Twp – 6, Nimishillen – 1, Perry – 1, Sandy Twp – 7; Sugarcreek Twp – 1, Washington Twp – 4,

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- Total Number of Applications under Preliminary Review: 30
 - Total Number of Applications Denied: 179
 - 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: 15
 - Total Number Being Prepared for Transfer: 1
 - Total Number Transferred to Date: 35

Zumbar moved and Green seconded to approve the Side Lot/Vacant Lot report as presented. Haws asked if there was a common theme with the 823 applicants that have been denied. Cramer stated either they don't meet the basic requirement of not being tax delinquent or the community they are in denies them for some reason. Smith wanted to clarify that the Land Bank holds ownership of these lots for three years and then they are turned over to the community. Zumbar stated that is correct, and the community is responsible to maintain the lots. There was a brief discussion on the maintenance of the lots. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Haws - Yes. Motion carried.

7. NEW BUSINESS

a. Targeted Acquisition Program Requests

- Habitat for Humanity – Shriver Ave. SE (Parcel 605859)

Thorley stated that Habitat wishes to combine this parcel (605859) with another lot to create two new building sites. This property is delinquent \$2,822.84 above its declared value. Habitat had submitted their TAAP request in June, but as a result of the Montgomery County case that came out, the Board put a halt to all foreclosure actions until further review could be done. In August the Board stated that foreclosures could go forward if the property's delinquencies were higher than the value of the property. Green moved and Haws seconded to approve the Targeted Acquisition request from Habitat for Humanity. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Haws - Yes. Motion carried.

- Village of Beach City – 3rd Ave. SE (Parcel 6900540)

Cramer stated this request was also submitted before the July meeting, but due to the hold on foreclosure actions, it was held until this month. There is no equity in this vacant piece of land which is delinquent \$10,585.68 and has been delinquent since August 1991. The village would like to obtain this parcel and put it to productive use. Creighton moved and Haws seconded to approve the Targeted Acquisition request from the Village of Beach City. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Haws - Yes. Motion carried.

8. OLD BUSINESS

a. Board of Revision Direct Transfer Update

Thorley stated the Land Bank has always used the Board of Revision (BOR) to do a direct transfer of property, but it has never brought any properties to sale through the BOR. But we have gone through the Court of Common Pleas if there has been any issues with the property. He had a conversation with Judge Hartnett the first part of July, who then took our concerns to the full group of judges at their meeting, and they gave us permission to go ahead and do sales through the BOR process. Yost has started looking at doing sales through the BOR process where the delinquencies are less than the auditor's fair market value of the property. The issue discussed at last month's meeting was the court costs and how those would impact the process. Following a discussion with the chief deputy in the Clerk of Courts on this issue, she was going to do some homework figuring out how much costs would be per case, but they have not had a further meeting with the Clerk to pursue that. Thorley referenced the legal opinion written by Dave Bridenstine in 2011, where he looked at Section 325.27 of the ORC which stated that one elected officer should not be paying another elected official for doing this. The plan is that the Clerk be asked to waive their portion of what the costs would be, but of course the Land Bank would pay for the publication and the Sheriff's fee, unless the Sheriff would agree to waive his fees also.

Thorley stated so the cases don't get back logged from being put on hold, he asked the Board to give permission for staff to start processing cases if they are successful in having that conversation with the Clerk and they agree to waive those fees, and it is determined that the Board will not have to pay any additional fees.

Green asked if we should assume the Court of Common Pleas ought to have jurisdiction over a property that is valued greater than the delinquencies. Thorley stated the Court of Common Pleas has said that they will allow us to take those to a sale through the BOR process, and the code does allow that. Green asked if the Prosecutor endorses this. Yost stated yes, he does, and there is a preliminary letter about the non equitable properties. In his discussion with the Prosecutor, he has indicated his approval as long as the land bank is compliant with the law, which says you must *deal with the equity*. An arbitrary valuation from the Auditor does exist, but it's based on factors that may or may not prove accurate at a sale. It is understood that the best valuation of anything is what the market will bear, so if we go to sale and it doesn't bring the minimum bid, which would be the impositions, then obviously the value is less than the impositions. But we have dealt with the equity, and in this case, there is no equity because the market wouldn't pay it, so that then allows us to go forward this way. Yost thought rather than confusing the Sheriff's Department with the sales and figuring out what are BOR tax foreclosure sales and what are market place mortgage sales, they should all be treated the same. It doesn't hurt to do two sales, and he recommended doing two sales to keep the process through the Treasurer's office, the Prosecutor's office and the Sheriff's office the same. If a property ends up selling, then remember that the primary goal in a tax foreclosure is to collect the taxes. Even if the Land Bank doesn't get the property, it is still being put back into productive use, but he anticipated that 90% of these cases won't sell and it will then be forfeited, so the land bank can then do the direct transfer.

Green asked if they would get the explicit approval of the Prosecutor with this process. Yost stated based upon their discussions, he could give him the assurance that the Prosecutor is OK with it, but he would make sure the Prosecutor puts something in writing as he did before.

Yost stated that Bridenstine's opinion was actually to the Commissioners for an action where the Clerk tried to get cost back. It's still good law, and there's been nothing to overturn his opinion. The question is when one entity is paying the other entity, it does not make sense when the funds are just circling through the general fund. Where that is different is with actual hard costs. There are out of pocket costs paid by the clerk, for the judicial report, but we've always paid those anyways, so he didn't see that as an increase. In the end, the process and the cost is going to be the same.

Zumbar asked the Board for a motion to give Thorley the authorization to negotiate and complete any such agreement with the Clerk of Court, Sheriff, Treasurer, Recorder or any government official where costs are being shuffled around in a circle. Green moved and Creighton seconded that we proceed in that fashion. Roll call vote: Zumbar - yes, Smith - yes, Creighton - yes, Green - Yes, Haws - Yes. Motion carried.

b. Follow-up Canton Township - 2465 Waynesburg Drive SE (Parcels # 1303502, 1303503)

Zumbar stated this TAAP request from Canton Township was put on hold at the Land Bank's June meeting because of the lawsuit. Smith stated there were many trees and overgrown brush in front of the house which made it difficult to see, but when he stopped to look at the property, at least one-third of the building has come down on its own. Zumbar believed it should be declared a public nuisance. At this point an emergency teardown could be done, and the Land Bank can take it, because the costs and impositions will definitely exceed its value. Nau stated he was not aware of that, but he would look into it.

c. Land Bank Audit

Nau stated the Audit is completed for the Land Bank. There were no findings or comments. The formal exit audit conference has been waived, which is fairly standard.

d. City of Alliance Project Update

Nau stated he had recently driven past the project the Land Bank funded in downtown Alliance, and the buildings are both down. Staff has not received any paperwork from Alliance yet on that project, but the site does look much improved.

Dave Thorley is retiring the beginning of September, so this will be his last Land Bank meeting. Thorley stated that he has almost 45 years in government work since starting employment in September of 1976. Everyone thanked him for his many years of service.

9. NEXT MEETING – Monday, September 20, 2021, 9:00 a.m.
10. ADJOURNMENT - As there was no further business, the meeting was adjourned at 9:30 a.m.