

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
September 20, 2021

The Stark County Land Reutilization Corporation met for their regular meeting on Monday, September 20, 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
John Arnold

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 John Arnold.

3. APPROVAL OF MINUTES OF AUGUST 16, 2021 MEETING

Green moved and Smith seconded to approve the minutes of August 16, 2021 meeting. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - abstained. Motion carried.

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

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

6. SIDE LOT/VACANT LOT PROGRAM REPORT

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

Total Applications Submitted: 2,228
(8 applications were received since August '21 update)

Cities – 1,838
Canton: 1,454, Massillon: 145, Alliance: 239

Other Communities – 379

Bethlehem Twp – 43, Brewster – 9, Canal Fulton – 1, Canton Twp – 74, East Canton – 7, East Sparta – 2, Hartsville – 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: 6
 - Total Number of Applications Denied: 833
 - Number of Canceled Applications/Fee Refunded: 172
 - Total Number Pending Approval by Community: 27
 - **Total Number of Approved Applications: 1,190**
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- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval / Request for Foreclosure / Completed Foreclosure Proceeding: 142
 - Total Number Being Prepared for Transfer: 33
 - **Total Number Transferred to Date: 1,015**

Vacant Lot Program Update:

Total Applications Submitted: 288

(15 Applications received since Aug '21 update)

Cities – 213; Canton: 183, Alliance: 21, Massillon: 9

Other Communities – 75

Bethlehem Twp – 43, Canton Twp – 7, Hartville – 1, Jackson Twp – 2, Lake – 1, Lexington Twp – 6, Nimishillen – 1, Paris – 1, Perry – 1, Sandy Twp – 7; Sugarcreek Twp – 1, Washington Twp – 4,

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- Total Number of Applications under Preliminary Review: 23
 - Total Number of Applications Denied: 179
 - Number of Canceled Applications/Fee Refunded: 7
 - Total Number Pending Approval by Community: 23
 - **Total Number of Approved Applications: 56**
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- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 19
 - Total Number Being Prepared for Transfer: 0
 - Total Number Transferred to Date: 37

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

7. NEW BUSINESS

a. Targeted Acquisition Program Requests

- City of Massillon – 134 South Avenue SW (Parcel 680620,680875)

Peters stated the city is looking for targeted acquisition assistance to either demolish or renovate the structure for some type of economic development. These properties do have equity, so it will not be a direct transfer through the BOR process. Nau stated if there is equity in the property, that means the value of the property exceeds the tax delinquencies. Zubar stated due to the Montgomery case several months ago, the Board had to wrestle with fully stopping the BOR cases from going forward or coming up with a new direction. The Board has chosen to give direction to continue with BOR cases for those properties where there is no equity or the equity is less than the costs, impositions and taxes that are owed. This allows the Land Bank to move forward with those particular side lot/vacant lot cases. The others will go forward with the caveat that anytime there is equity or the fair market value of the property exceeds the costs and impositions, they will go through two foreclosure sales, and if they do not sell at that point in time, they are deemed forfeited to the State, which the Land Bank can then move forward to take these properties.

Gerald Yost with the Prosecutor's office stated there are six or eight cases that were already submitted to the BOR before the Montgomery Case came out that stated the equity of a property must be addressed. So the properties submitted were put on hold. The statute that allows the BOR to do a direct transfer, also allows the BOR to send a matter to the Sheriff's sale, but this process was never utilized in Stark County. What is sometimes seen is that the auditor's appraised value is much higher than what someone may believe it should be.

So secondarily, the best placement of value is determined by what the market will bear. If the sale doesn't cover the impositions, then there is no equity. So now, the Land Bank does not have to address equity, because it's already been addressed. The process is that these cases are taken to a Sheriff's sale, and if they sell at a Sheriff's sale, the taxes are collected. But he anticipated a lot of these properties are not going to sell. What then happens is that they will go to forfeited lands, which is what the Land Bank has done with acquisitions. They are still looking at the possibility of instead of the Land Bank doing what the courts have historically done in order to forfeit, maybe they can do a direct transfer. That would be more efficient, keeping it out of waiting on the auditor to catch up. But in either event, it's going to have the same net affect of coming back to the Land Bank.

Yost stated that one of the questions they had was the costs involved. The problem is the costs are doubled on these cases when they are started in the BOR and then transferred to the judicial process, and he wanted to eliminate that aspect. The auditor pays the costs, and then when the Land Bank takes them, there's a county portion that is paid. That wouldn't change, so those minimal fees are going to be there on these types of actions.

Yost stated there are six or so properties set for Thursday that have been continued. Yost asked for the Board's approval to request the BOR send those properties to a Sheriff's sale, and then if that goes smoothly, the Land Bank will then proceed with the new cases in that manner. The purpose for the properties being sent to a Sheriff's sale is to establish value or lack thereof. Zubar added that it must go to two Sheriff sales, and if it doesn't sell it is deemed forfeited to the state. Depending on the cycle for the Auditor's office as they move through their list for forfeited lands, these properties become eligible at the Auditor's forfeited land sale that he normally holds in October every year. Now the Auditor determines whether or not he has to hold the forfeited land sales, so he could determine that he's not going to do one this year. So it creates again a timing situation for the individual that wants the side lot and for the Land Bank to complete the matter of getting through a direct transfer to the Land Bank.

Nau asked Yost to clarify that his request from the Board was to allow them to send the properties to the Sheriff's sale. Yost stated yes, he was requesting action or authority for the properties that are in process now, because they are already there. Arnold moved and Smith seconded to give permission for the prosecuting attorney's office to move forward on the pending cases where equity exceeds costs, impositions and delinquent taxes for these cases. Zubar summarized the process that will be followed as these properties will be taken through the BOR; they are going twice for the Sheriff's sale, and if they aren't sold, at that point in time, it will be deemed that there is no equity in the property, and the Land Bank can move forward with grabbing them through forfeited lands. This process will be followed only when there seems to be equity in the property the Land Bank is trying to acquire through BOR foreclosure. Roll call vote: Zubar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

Zubar moved and Green seconded to approve the targeted acquisition request as submitted by the City of Massillon. Roll call vote: Zubar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

b. Demolition Assistance Program Requests

- Village of Beach City – 312 3rd Avenue SE (Parcel 6900290)

Arnold moved and Creighton seconded to approve the request from the Village of Beach City. Their estimate to demolish is \$10,849, and they are requesting \$5,424. Roll call vote: Zubar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

8. OLD BUSINESS

a. Canton Township - 2465 Waynesburg Drive SE (Parcels # 1303502, 1303503)

Peters stated the TAAP application from Canton Township was previously discussed at the June meeting, but was put on hold due to the questions on equity. These properties have already gone through two Sheriff sales and are on the forfeited lands list, so this application is brought back so that the Land Bank can help the township acquire it from forfeited lands. The township intends to then submit a request for funding assistance to demolish the structure. Green moved and Zubar seconded to approve the request from Canton Township. Roll call vote: Zubar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

b. Amendment to City of Alliance Demolition Assistance Agreements

Peters stated there were previously executed funding assistance agreements with the city for the two separate locations on East Main Street for demolition. The previous deadline for the demolition agreements was September 1st. Shortly before then, Alliance contacted staff requesting a time extension until November 30th to get that work done. The demolitions are complete, but there is some additional repair work to the shared side walls of the neighboring buildings that is still in process to be completed. Zubar moved and Arnold seconded to approve extending the deadline agreement not to exceed November 30th. Zubar asked if Peters thought they would have that work completed within that time frame. Peters stated they were already working with an engineer and the safety service director was talking with an architect to make sure the walls are able to be exterior walls. This is the

deadline that they requested it be extended to. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

c. Amendment to HOF Village Agreement

Nau stated the Land Bank authorized \$400,332.50 in funding to partner with the HOF to complete demolition of 84 residential structures; included in the project was demolition of the Dennis R. Smith school at 1510 Clarendon Ave. They did complete demolition of 83 structures, but for a variety of reasons, HOF delayed the Dennis Smith component of the project. Staff recently received an email from Carol Smith requesting funding for the school, and they indicated demolition would likely start this week. There was some environmental abatement that needed to be done with the school, which made it a higher cost than the actual demolition. They will need four weeks to do that, so they extended the agreement until November 30, 2021. This will be the third addendum to this agreement. This allows them to complete the project as originally planned. But the commitment is the same in terms of the dollar amount, which will not exceed the original amount of \$400,332.50. The HOF will most likely be left with about \$15,000 of costs to cover themselves. Smith moved and Arnold seconded to approve the addendum with the HOF Village with the deadline of November 30, 2021. Roll call vote: Zumbar - yes, Smith - yes, Creighton – yes, Green – Yes, Arnold - Yes. Motion carried.

d. BishopsGate Update (aka Delbert-Smith Greenhouse)

Nau stated RPC had received a federal brownfield grant a few years ago to do a phase one and phase two environment assessment for the project. Part of phase two was a remedial action plan, which was necessary to correct the environmental issues. The Land Bank had entertained the thought of acquiring the property, but the cost to remediate the environmental issues was in excess of the market value of the property, so it was put on hold. More recently, the USEPA has been out there working.

Arnold stated the EPA came in and agreed to spend \$450,000 to remove all the contents of the buildings. David Held from the Recycling District agreed to waive the fees for disposal of all the tires and contaminated material that was hauled out. There were four buildings there. Two of them were the old traditional greenhouses with wired framed structures with some windows, but they were all bound together with transite, which is asbestos containing material. They are not allowed to tear the buildings down, but when they removed the transite, the buildings became piles of concrete which could then be moved. There are now two block buildings of significant size remaining. Estimates from three different vendors are being obtained to tear those down. There will still be a small amount of asbestos abatement because of some roofing material, but that's all that remains. Lake Township will be submitting an application for demolition assistance from the Land Bank. There will be a clean title to all this property, and the EPA, the same people who are tearing this down, are the same ones that give the final blessing after these other buildings are torn down. Nau stated there should be discussion on how taking title should be handled, whether the Land Bank or township wants to do it. Arnold stated the Auditor's impression was that the Land Bank would take title. Zumbar stated it will make it cleaner if the Land Bank proceeds and actually does the sale and the Land Bank can then dispose of the property if it sells to the proper owner. It makes is nice and clean, no title issues, and there is a clean bill of health from the EPA. Smith asked if the Land Bank was under the same restrictions/regulations to sell by sealed bid or auction. Zumbar stated no, the Land Bank is a nonprofit corporation. Arnold stated this will be just under 17 acres of very developable land. Zumbar stated and the Land Bank can work with Lake Township as they determine what plans they may have for this property.

9. NEXT MEETING – Monday, October 18, 2021, 9:00 a.m.
10. ADJOURNMENT - As there was no further business, the meeting was adjourned at 9:36 a.m.