

MINUTES OF THE STARK COUNTY LAND REUTILIZATION CORPORATION
January 23, 2023

The Stark County Land Reutilization Corporation met for their regular meeting which was scheduled for Monday, January 23, 2023 at 9:00 a.m. in the Stark County Regional Planning Commission Conference Room.

1. CALL TO ORDER BY SCLRC CHAIRMAN, Alex Zumbar

2. ROLL CALL – Board Members Present

Roll call found the following Board members in attendance: Richard Regula, John Arnold, Alex Zumbar, Bill Smith and Chris Hardesty. Zumbar welcomed new member, Chris Hardesty, representing the city of Canton.

Amending Agenda:

Zumbar moved and Arnold seconded to amend the agenda to include under New Business, item b. which will be the city of Massillon's request for assistance. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

3. APPROVAL OF MINUTES OF DECEMBER 19, 2022

Arnold moved, Hardesty seconded, and the motion carried to approve the minutes of December 19, 2022. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

4. PUBLIC SPEAKS

5. TREASURER/FISCAL REPORT

Heather Cunningham reviewed the Treasurer's Report for the month of December. Zumbar moved and Arnold seconded to approve the Treasurer's Report for December as presented. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

Zumbar informed the Board that the accountants will be collecting and compiling information for the annual financial report that must be filed with the state. Anyone contacted for information can refer questions to his office if they so desire.

6. SIDE LOT/VACANT LOT PROGRAM REPORT

Sarah Peters provided the Side Lot Program Update:

Total Applications Submitted: 2,421

(7 applications were received since Dec '22 update)

Cities – 2,013

Canton: 1,587, Massillon: 174, Alliance: 252

Other Communities – 408

Beach City – 1, Bethlehem Twp – 52, Brewster – 9, Canal Fulton – 1, Canton Twp – 82, East Canton – 7, East Sparta – 2, Hartville – 3, Jackson Twp – 6, Lake Twp – 8, Lawrence Twp – 12, Lexington Twp – 50, Limaville – 2, Louisville – 2, Marlboro – 1, Meyer’s Lake – 1, Minerva – 5, Nimishillen – 6, North Canton – 2; Osnaburg Twp – 15, Paris Twp – 3, Perry Twp – 17, Pike Twp – 21, Plain Twp – 38, Sandy Twp – 41, Sugarcreek Twp – 6, Tuscarawas Twp – 2, Washington Twp – 6, Waynesburg – 6, Wilmot-1

- Total Number of Applications under Preliminary Review: 0
- Total Number of Applications Denied: 910
- Number of Canceled Applications/Fee Refunded: 183
- Total Number Pending Approval by Community: 28
- **Total Number of Approved Applications: 1,300**

- Total Number of Approved Applications Pending Deposit Receipt / NIP Early Lien Release Approval /Request for Foreclosure / Completed Foreclosure Proceeding: 136
- Total Number Being Prepared for Transfer: 32
- **Total Number Transferred to Date: 1,132**

Vacant Lot Program Update:

Total Applications Submitted: 346

(0 Applications received since Dec ‘22 update)

Cities – 242: Canton: 200, Alliance: 28, Massillon: 14

Other Communities – 104

Bethlehem Twp – 59, Canton Twp – 11, Hartville – 1, Jackson Twp – 3, Lake – 3, Lexington Twp – 9, Nimishillen – 3, Paris – 1, Perry – 1, Sandy Twp – 7; Sugarcreek Twp – 1, Washington Twp – 4,

- Total Number of Applications under Preliminary Review: 0
- Total Number of Applications Denied: 243
- Number of Canceled Applications/Fee Refunded: 13
- Total Number Pending Approval by Community: 0
- **Total Number of Approved Applications: 90**

- Total Number of Approved Applications Pending Executed MOU/ Completion of Foreclosure Proceeding: 45
- Total Number Being Prepared for Transfer: 1
- Total Number Transferred to Date: 44

Arnold moved and Smith seconded to approve the Side Lot/Vacant Lot report as presented. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

7. NEW BUSINESS

a. Targeted Acquisition Assistance Request:

- Habitat for Humanity – 17 Parcels

Peters stated the Land Bank had received 17 applications from Habitat for Humanity East Central Ohio for targeted acquisition assistance. There were three parcels located in the city of Canton within their renewal project area and the balance of the applications were for lots on the southeast of Massillon. The majority of the parcels are vacant lots that they will combine for new home construction sites. Arnold moved and Regula seconded to approve the request from Habitat for Humanity. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

b. Demolition Assistance Request:

- City of Massillon – 14 & 20 Lincoln Way East (Parcels 600105 & 601880)

Nau stated RPC received a demolition assistance grant application from the city of Massillon late Friday afternoon. The city has an emergency demo where they have Lincoln Way closed in downtown Massillon. This has been a quick developing project, so staff looked at it, but we haven't had much time to evaluate the request. Dave Maley, Economic Development Director from Massillon, thanked the Board for expediting their request. On Friday, January 13th, the city was notified there was a collapse that afternoon, so the city's building officials went out and looked at it and put orders to seal everything off. Frank Silla, Massillon's Chief Building Official, is present here today to answer any questions. At that time, they deemed the building in imminent danger and the road was shut down. Four buildings in that row have been evacuated. There was an apartment above one of the buildings, and the individuals that were living there are currently staying in the hotel downtown. The city is trying to expedite the demolition as quickly as possible. During that process, on Tuesday and Wednesday, structural engineers and architects were looking at the property and evaluating it very closely. The process was held up because an asbestos survey had to be done, and the results are not yet in from that survey. The other issue was the building on the east side that houses Duncan Jewelers, and the corner building on the west side that was formerly Bonnie's Engravers. They were concerned that during the process of demolition that those buildings may also come down. The walls must definitely be stabilized on the Duncan Jewelers building to the east in order to save the structure. During this process, metal plates had to be ordered that should be available by tomorrow, and then they must be installed. As soon as the bracing gets done, they would like to start the demolition process.

Zumbar asked what the expected cost would be for demolition only, not including asbestos. Smith referenced the packet, where it listed demolition at \$300,000, environmental at \$25,000, stabilization at \$67,000 and unknown expenses at \$65,000. Zumbar stated the Land Bank would cover up to half the cost of the demolition. Maley stated they added the stabilization cost because it is important to even begin the demolition. The unknown expenses were put in at \$65,000, but Eslich did most of the work in regards to preparing the quote. If the asbestos comes back hot, the demolition must be done RACM, where all the debris will have to go to a special landfill, which will probably add another 100,000 to the cost of the demolition.

Smith asked who owns the property. Maley stated Grant and Mildred Kowell are the property owners. Smith asked what their commitment is to this demolition. Maley stated that the property owners were notified that the buildings are being torn down, but they have not made a commitment and may never make any commitment. Smith asked what would then happen with the property if the

property owners make no commitment with this demolition, and would the city take possession of it or put liens against it. Maley stated the city would definitely put liens on it, and the one property is tax delinquent. Zumber stated with a tax delinquent situation, it will be 2 ½ years for the city to actually get those properties. The Land Bank must wait a year once it's certified delinquent and then pursue it through the city's request to acquire the property. It may go to civil court if the property owner fights it.

Zumber asked if there was any chance to look at potential grants to get reimbursed. Nau stated that they can, but he was not aware of any available right now, but there is talk that ODOD may have a second round of the statewide demo funding, but that is not determined yet.

Smith asked what the Land Bank typically pays for with a demolition request. Nau stated generally the Land Bank only pays for half of the hard demolition costs, but we have in the past given the applicant credit for asbestos abatement. The policy also requires that the applicant either own the property or have the legal authority to do the demo. From looking at the notice to the property owner from the building department, that may constitute legal authority, but this should be reviewed further. It is also required that three estimates be done, but given the fact this is an emergency, we have only the one estimate from Eslich, and the estimate appears to be open ended. They do have some language in there to add or delete costs depending on what they run into. The demolition is right in the middle of a block and is definitely challenging. These are typically reimbursements, so the city would pay for all work up front, and the Land Bank would reimburse them if approved for half. The Land Bank doesn't typically assess the property if we're paying for half of it, but he would argue that if there's ever a remuneration made that the Land Bank should be made whole for what we participated in, but he didn't know if the Land Bank has the authority to do an assessment; but the city does. The Board should also consider if this is the type of project that they want to get involved in as a Land Bank with the emergency demos, and it will set a precedent. Arnold asked if the Land Bank has ever done an emergency demo before. Nau stated he did not believe they have.

Smith asked if the city is prepared to handle additional issues that may come when they tear this piece out of the middle of the other properties. Maley stated the city doesn't have any choice. The city has only one quote, but he believed that Eslich is one of the few companies in the area that could do this kind of job. They have really helped them through this process. This situation involves shared walls, so when they are being torn down, it can be a challenging situation.

Regula asked how it got to this point, and wasn't there a fire there a few years ago. Maley stated there was a fire on the lower part of the one building. The bigger fire was on the other building in 2009. Regula asked why it wasn't declared unsafe then, because they did let people move back in, so what has changed. Silla stated that nobody moved back into the fire damaged part. They closed it up and secured it and nothing has been done there since 2009. Maley stated the building he was referring to was at 20 Lincoln Way. Silla stated they did put a new facade on it, but that is all that was done. Regula asked what made it all of a sudden come to an emergency. Silla stated the whole back end collapsed, and there is a concern right now that the entire block could be lost. That opinion has come from the architect and a structural engineer. The plan is to get in there and separate the outside walls and secure them in between the two demo areas. Once that is done, then we feel they can demo the buildings, because right now we have evacuated the whole block. Smith asked if this was the burned-out structure. Silla stated one of the buildings was the burned-out structure, but it was repaired somewhat. It was closed up and a roof was put on it and a back wall was put on it, but that was it. The city has no laws that forced the landlord to occupy or make it habitable.

Arnold asked if in some cases asbestos has been included. Nau stated the actual request of \$228,500 would work if we give them credit for their environmental work and their stabilization costs towards the total project cost, because their demo is \$300,000. As long as the Land Bank is paying for demolition activities, that is consistent with what we have done in the past. Nau stated if it is the desire of the Board to approve this request, he would definitely recommend that the dollar amount be capped at the requested amount, because this could potentially snowball. There are challenges with the entire block. Arnold stated he would be comfortable with \$200,000 if we're going to do anything. Peters stated in the budget, the commercial line item is for \$300,000 and \$100,000 for residential. Arnold asked if the Land Bank stands a chance of being reimbursed for any of these expenses from a future sale, and could some verbiage be included for this. It was believed that probably would not happen.

Zumbar stated it is known from past experience, the owner is not going to pony up a dime. But this is an emergency tear down and needs to get down ASAP so that traffic can move properly through the city. The emergency teardown is going to move quickly, and unfortunately there are going to be potentially other problems associated with it. The whole block, as what they have said, is potentially in jeopardy of coming down as well. Every project should be considered on a case by case basis. The Land Bank is here to assist, and certainly the city is in need. The city has been diligent on their past projects the Land Bank has worked with them on.

Nau stated the Land Bank has not spent much in commercial demos in the city of Massillon. We have done a lot in Alliance and have done a fair amount in Canton, but not a whole lot in Massillon. Hardesty asked if the city is paying for this work right now, how much are they in need of being reimbursed immediately. Can the Board wait to make a decision until next month which gives them time to make a more educated decision and look into other things that have occurred, like other costs of commercial demolitions, and then make the decision in February. Smith stated yes, we could wait, but we're still only going to be able to commit so much in the end. Maley stated from the city's perspective it would be helpful to understand if there is assistance. The packet listed the demolition expenses, but the city also has hotel fees and a lot of additional expenses they are dealing with.

Regula asked who goes after the property owner, and can a lien be put on the owner's other properties. Maley stated the city is going to look at everything they can. This is a big expense for the city. It's going to come out of our carry-over funds. Regula asked who ultimately will own the property. Maley stated the property owner of 125/129 Lincoln Way across the street had a contract to sell the three parcels for \$120,000, so the property owners are getting \$40,000 a piece for those parcels, which gives some idea what the parcels may be worth. He couldn't say how much the two parcels are worth that are being discussed now.

John Anthony stated this is going to be a long process. We are talking assessment, and then delinquency, and then waiting on the foreclosure process if they don't pay. But there is an immediate need for the risk factor, but don't expect that the legal system is going to be able to react to it and make a contribution to this. It's going to be a long process. As far as putting liens on other properties, that would be up to the law department how they want to approach this. But that would also include a law suit litigation which is another long process.

Regula asked if that building was inspected every year after the fire in 2009. Silla stated it was inspected two or three years ago. It was secure and sealed up then, but not inspected every year. He didn't know if they could have predicted this collapse even if an inspection had been done.

Arnold stated he was in support of helping the city and would be comfortable in capping the demolition funding at \$200,000 so there are some funds left to help with other commercial projects in 2023. Arnold moved and Smith seconded to approve the emergency demolition funding for the city of Massillon in the amount not to exceed \$200,000. Motion carried on a roll call vote as follows: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

8. OLD BUSINESS

9. EXECUTIVE SESSION

Zumbar moved and Smith seconded to enter into the executive session under the purposes of possible purchase, sale and disposition of property under Ohio Revised Code Section 121.22 g.8.a and pursuant to Ohio Revised Code 121.22 g.8.b. and 505.10. It will include all board members of the SCLRC, Bob Nau, Alan Harold, John Anthony, Ray Hexamer and Sarah Peters. There may be possible action to be taken after the executive session. Motion carried on a roll call vote to enter executive session: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

Arnold moved, Hardesty seconded, and the motion carried to exit Executive Session and go back into regular session at 10:08 a.m. Motion carried on a roll call vote to end the executive session: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

Nau requested permission to transfer a 3.82 acre parcel #4000636, located on High Street in East Canton to the village of East Canton. Smith moved and Arnold seconded to approve the transfer of parcel 4000636 to the Village of East Canton. Motion carried on a roll call vote: Voting Aye - Regula, Arnold, Zumbar, Smith and Hardesty.

Next Meeting – February 27, 2023 - 9:00 a.m.

The meeting was adjourned at 10:09 a.m.