

**LAKE COUNTY LAND REUTILIZATION CORPORATION  
ORGANIZATIONAL AND SPECIAL MEETING  
February 14, 2013 @ 3:07 pm  
5<sup>th</sup> Floor Conference Room  
Lake County Administration Building**

**DANIEL P. TROY  
GABE CICCONE  
JOHN S. CROCKER  
ANTHONY ZAMPEDRO**

**ROBERT E. AUFULDISH  
TIMOTHY MANROSS  
MAC CHAFER**

\*\*\*\*\*

**1. CALL TO ORDER:** John S. Crocker called the meeting to order at 3:09 pm

**ROLL CALL:** The following members were present:

Treasurer John S. Crocker	Gabe Cicconetti-Painesville Township
Commissioner Daniel P. Troy	Mayor Timothy Manross-Fairport Village
Commissioner Robert Aufuldish	Malcolm Chafer
Anthony Zampetro-City of Mentor	
John M. Rogers (Secretary)	

ALSO PRESENT: Jason Boyd, Robin Darden-Thomas, Phyllis Dunlap

**2. Motion to approve minutes of the February 14, 2013 meeting**

Motion: Chafer	Second: Manross
AYES: ALL	NAYS: NONE

**3. DISCUSSION:**

**a. FUNDING:**

John Rogers advised he met with Mike Matas, Chief Deputy Auditor, regarding the preparation of a Memorandum of Understanding (MOU) between Board of Commissioners and the Lake County Land Reutilization Corporation (LCLRC) to advance funds to the LCLRC from the Lake County Treasurer's DTAC Fund in the amount of \$350,000 to fund 2013 operations and \$150,000.00 for the matching component of the Ohio Attorney General's Moving Ohio Forward Demolition Grant. The MOU was prepared and reviewed by the Prosecuting Attorney's Office and was signed by Mr. Crocker and presented to the Board of Commissioners(BOC) for consideration. The MOU spells out that this advance will be returned to the Treasurer's DTAC account when the first distribution is made to the LCLRC after collections. The MOU was approved by resolution of the BOC on January 24, 2013, and dictates that Mr. Crocker, as Chairman of the LCLRC and Lake County Treasurer, will follow County procedures including issuing a Purchase Order to authorize the distribution of the aforementioned funds to the LCLRC.

## **b. INSURANCE**

John Rogers advised that he has been working on ensuring that the LCLRC has insurance in place prior to any activity including executing an agreement with CT Consultants for oversight of the Moving Ohio Forward Demolition Program and the acquisition of properties as a result of In Rem Foreclosures, etc. He could not place an order for the insurance until funds were made available and once the MOU resolution was passed by the BOC, he advised Slowey Insurance of Mentor to proceed with providing coverage.

Mr. Rogers discussed the fact that he met on multiple occasions with representatives of the Zito Insurance Company and the Slowey Insurance Company, who were two of the three local insurers originally contacted that expressed an interest. Of note is the fact that Zito currently insures the Cuyahoga County Land Bank and Mr. Zito was most helpful in structuring the anticipated policy needs.

Mr. Rogers highlighted the proposals submitted and while initial costs were somewhat lower from Slowey (\$2,300 savings) as opposed to Zito, the most significant difference was the fact that the insurers' associated with the Zito proposal required a \$5,000.00 amount up front for insuring acquired properties regardless of how many in the possession of the LCLRC. A debit would then be applied on a monthly basis against the \$5,000 for the coverage used, with a loss of any balance not used at the end of the term. While Zito's coverage would not have to be started right away, it is questionable as to whether there would be enough properties to warrant the \$5,000 expense in the LCLRC's first year of operation.

After review of the quotations received, Mr. Rogers discussed the results with Mr. Crocker who directed that the insurance coverage offered by the Slowey should be acquired.

Mr. Cicconetti inquired if the goal is NOT to have inventory right?

Mr. Rogers responded that with respect to the Moving Ohio Forward Component of the LCLRC activities, it was not. But as the LCLRC moves forward it may acquire, trade, sell and manage a multitude of properties that could be both commercial and residential. The idea is to assist in economic development throughout the county, help to maintain the vitality of the community and neighborhoods, and hopefully change non-performing properties into performing ones.

## **c. MOVING OHIO FORWARD DEMO PROGRAM**

Per the last meeting of the LCLRC, a contract has been executed with CT Consultants for the oversight of the Demolition Program. The Contract was received and reviewed by Mr. Lyons who recommended minor changes that were acceptable between the parties. The pricing structure as outlined in the contract for certain actions appeared to have been based upon a certain number of properties but when discussed with Mr. Zocklie at CT, it was applicable to the number of homes originally identified in our grant application and request for proposal.

Of course we could not execute an agreement until we had funding available (MOU in place) and approved by BOC. Once the BOC resolution was passed, the insurance carrier was notified to initiate coverage and the contract with CT was executed.

John Rogers provided an introduction and overview regarding the properties identified in Lake County, advising that the LCLRC was not taking these properties into possession but rather demolishing the residential structures located on the parcels. Ownership of the property will remain that of the property owner; however the LCLRC will be seeking remuneration for its expenses related to any and all costs associated with the demolition program. The LCLRC will not have to reimburse the Attorney General for funds received and will be able to use these funds for future projects.

As of today, there are a number of properties close to being ready for tear down. In Wickliffe, three homes on 2 lots, in M-O-L there is one home, in Madison Township a property owner has indicated a willingness to have the home taken down. Communities were advised back in December by correspondence to have their respective departments and solicitors begin the process necessary to assist the LCLRC with the demolition process. In addition Mr. Rogers advised that he and Phyllis Dunlap (here today) of CT Consultants will be scheduling a meeting with community leaders/representatives to review the steps necessary to assist us in helping them and this programs success.

Ms. Dunlap of CT Consultants advised that a review of the properties on Auditor's site has been conducted. At this point only three appear to be owned by a city. She advised that all properties must show blight for the Attorney General's program. It will be necessary to have a building inspector or appropriately designated authority to certify the property as blighted per the Attorney General's criteria and any existing zoning codes. Communities will be required to pass a resolution authorizing the LCLRC to demolish any blighted residences and provide the necessary documentation.

It is imperative that a title search be done and interested parties including any lien holders including mortgage holders be notified of the impending demolition.

Mr. Rogers advised that a meeting with community leaders is scheduled to occur shortly with the intent of discussing all of these steps and addressing any questions. He reminded LCLRC board members that it may take upwards of three months or more to be able to actually demolish a property depending on the time it takes for a community to provide us with the necessary documentation before proceeding with demolition.

Other topics of conversation reviewed included: the criteria for meeting the Ohio Attorney General's Demolition Program, procedures that will be implemented through CT Consultants on behalf of the LCLRC and the demolition program, homes that are close to being ready for demolition, the need to have the funds expended before the end of the calendar year, the fact that there remains funds available with matching requirements and the upcoming meeting with the Lake County communities.

#### **d. POSITION OF DIRECTOR/ADMINISTRATIVE ASSISTANT**

Mr. Crocker discussed the Opinion received from Anthony Bledsoe, Ohio's Legislative Inspector General that states that Mr. Rogers would not be prohibited from continuing to work with the LCLRC and could serve as a part-time director.

Mr. Rogers excused himself from the meeting while the Board discussed this matter.

After consideration of this matter, Mr. CICCONE made a motion to approve hiring John Rogers as an independent contractor to serve as the P/T Executive Director of the LCLRC, for an initial one year period that he be paid at an hourly rate of \$60/hour with the number of hours not to exceed 1000 hours per year.

The motion was seconded by Mr. (garbled), with all members present voting in favor of the motion.

Mr. Rogers was called back into the meeting and agreed as to the terms and continuing his efforts on the part of the LCLRC. Mr. Lyons was directed to prepare a contract effective February 14, 2013 outlining the aforementioned terms and to include the scope of responsibilities that had been provided to Board members in prior meetings and handed out again during this meeting. The contract, once completed, would be circulated for review before execution.

#### **4. MOVING FORWARD** Robin Darden Thomas – Thriving Communities Institute

Ms. Thomas reiterated that the LCLRC now has some structure in place, with someone responsible for oversight, the Demo program is starting to take form with its deadline at the end of the year. The Board should begin to consider the acquisition of property and what it plans to do with those properties once acquired. Handouts were provided to Board Members to review and consider outlining some of the options available. Keep in mind some of the goals of the Land Bank: reducing blight, economic development, looking to acquire delinquent properties (tax). She mentioned the Canton Land Bank wherein they started with side lots with knowledge of where the properties would be going and how to use.

Ultimately, someone within the land bank will need to review property for delinquent taxes, etc. qualify the person, define use of property. Then begin foreclosure and give to adjacent property owner for \$100. Deed restrictions are certainly an option prior to transferring property, combining lots for residential construction. Other opportunities include, for instance, the situation where a bank wanted to donate property to the land bank, but there was a contractor starting a non-profit to develop a training program, so the parties agreed to work on a house and sell for \$2,000. The end result was work, job training, and getting property into someone's hands so that it was performing again.

John Rogers discussed the accelerated foreclosure process in use in Cuyahoga County. In effect, this program bypasses the traditional In Rem Foreclosure process through the Courts and utilizes the Board of Revision. This procedure is less costly and much timelier. He advised that Mr. Crocker, the Prosecuting Attorney and the Auditor would need to sit down to discuss implementing this approach to tax delinquent properties,. He has a

complete set of information from the Cuyahoga County Land Bank for reference when this is to be looked at.

Other topics were discussed in general as to the approach to be taken and the LCLRC's overall impact in any given community.

## **EXPANSION OF THE BOARD OF DIRECTORS**

Mr. Rogers discussed the fact that there remain two appointments to the LCLRC Board that had been tabled in December. These two individuals would be the last two voting directors or board members. The Board would have to vote to expand the number of Board members but the actual appointments would be subject to the unanimous consent of the two County Commissioners and the County Treasurer. Mr. Rogers pointed out that for tax exempt purposes, in addition to having more community members involved, consideration is given to the makeup of the body of the Board. Although quasi-governmental in nature, by expanding the board, the two proposed appointments reflect citizen involvement as opposed to the mostly governmental representatives required by the law. Right now, aside from Mr. Shaffer, all members are government officials.

**Mr. Cicconetti** moved to expand the Board to nine voting members from the existing seven.  
**Mr. Zampedro** seconded the motion.

**AYES: All**

- 5. Commissioner Troy** moved to bring from the table **Resolution 2012-08** Accepting and Appointing **Blair Hamilton** as a LCLRC Board Member.

**Commissioner Aufuldish** seconded the Motion.

**AYES: ALL**

**Commissioner Troy** moved to approve **Resolution 2012-08** appointing **Blair Hamilton** to the LCLRC Board.

**Commissioner Aufuldish** seconded the Motion

**AYES: Commissioners Troy and Aufuldish and Lake County Treasurer Crocker**

- 6. Commissioner Troy** moved to bring from the table **Resolution 2012-09** Accepting and Appointing **Beth A. Knezevich** as a LCLRC Board Member.

**Commissioner Aufuldish** seconded the Motion.

**AYES: ALL**

**Commissioner Troy** moved to approve **Resolution 2012-09** appointing **Beth A. Knezevich** to the LCLRC Board.

**Commissioner Aufuldish** seconded the Motion

**AYES: Commissioners Troy and Aufuldish and Lake County Treasurer Crocker**

## **7. ESTABLISH DATE AND TIME FOR NEXT MEETING**

The Board unanimously decided to schedule meetings on a regular basis on the 4<sup>th</sup> Friday of each month at 3:00 in the afternoon. Mr. Rogers advised that the next meeting then will be held on March 22, 2013 at 3PM.

**8. OTHER BUSINESS**

Mr. Rogers will contact the Lucas County Land Bank and inquire about a prospective road trip for the Board to visit that Body's operations.

Commissioner Troy expressed his concern regarding any provision in the contract for Mr. Rogers that would retroactively pay for work performed by Mr. Rogers on behalf of the Land Bank prior to today's date.

**9. Adjournment**

**Mr. Cicconetti** motioned to adjourn the meeting.

**Mr. Manross** seconded the motion.


The meeting was adjourned at 5:08pm by unanimous agreement.

APPROVED: 3/29/13

  
\_\_\_\_\_  
JOHN S. CROCKER, CHAIR - LCLRC

The undersigned, Secretary of the Lake County Land Reutilization Corporation, certified that the foregoing is a true and correct transcription the minutes of the meeting of Thursday, February 14, 2013, of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

Dated: 3/29/13

  
\_\_\_\_\_  
JOHN M. ROGERS, Secretary  
Lake County Land Reutilization Corporation