

The Board of Directors of the Lake County Land Reutilization Corporation met in session on the 26th day of June, 2017 at 3:00 p.m at 8 N State St, KeyBank Building (Lower Level), Painesville OH 44077-3955 with the following members present:

**MAC CHAFER
GABE CICONETTI
JERRY CIRINO
J. BLAIR HAMILTON**

**BETH A. KNEZEVICH
TIMOTHY S. MANROSS
ANDY ROSE
DANIEL P. TROY**

Andy Rose moved to approve the minutes of the Monday, March 27th, 2017 meeting and Mac Chafer seconded the motion.

AYES: 8 NAYS: 0 ASBSTENTIONS: 0

**LAKE COUNTY LAND REUTILIZATION CORPORATION
1st QUARTER MEETING
Monday, March 27th, 2017 @ 3:30 p.m.
8 N State St, KeyBank Building (Lower Level), Painesville OH 44077-3955**

- 1. CALL TO ORDER:** Timothy S. Manross, Chairman called the meeting to order at 3:16 p.m.
ROLL CALL:

**MAC CHAFER
GABE CICONETTI
JERRY CIRINO
LORRAINE M. FENDE
J. BLAIR HAMILTON**

**BETH A. KNEZEVICH
TIMOTHY S. MANROSS
ANDY ROSE
DANIEL P. TROY**

- 2. MOTION TO APPROVE THE MINUTES OF THE 4th QUARTER MEETING HELD DECEMBER 19th, 2016.**

Motion: Rose Second: Chafer
AYES: 7 NAYS: 0 ABSTENTIONS: 2

- 3. RESOLUTION 2017-84**

A RESOLUTION CONFIRMING THE RE-APPOINTMENT OF MAC CHAFER TO THE BOARD OF DIRECTORS FOR THE LAKE COUNTY LAND REUTILIZATION CORPORATION.

Motion: Troy Second: Fende
AYES: 3 NAYS: 0 ABSTENTIONS: 0

OLD BUSINESS

8) NIP NEIGHBORHOOD INITIATIVE PROGRAM UPDATE

Mr. Rogers reported that a total of 27 homes have been demolished during the period beginning July of 2015 through July of 2016. These properties were either donated to the Land Bank or acquired by forfeiture. The demolition related expenses for these structures was \$497,229.31.

The Land Bank anticipates receiving initial phase reimbursements totaling \$492,498.80 from the NIP program – leaving a difference of \$7,501.20, which we are responsible for - as NIP reimbursements cannot exceed \$25,000/home. Further, the Land Bank is required to own each of these properties from the date of filing of an open-ended mortgage for a period of three years. All of these properties will be eligible for disposition in 2019. Based on notifications from the Lake County Prosecutor's Office through today's date, we anticipate acquiring by forfeiture at least 15 more homes this year that will qualify for these funds.

The next house scheduled for demolition is located at 56 Safford St., Madison Village. This was originally a condemned structure that we planned to demolish on behalf of Madison Village. The home was ultimately donated to us by the bank. Once we acquire the property, we can utilize NIP funds for the demo work.

12) LAND BANK PROPERTIES UPDATE

(All members were given a list of the current Land Bank properties to review.) Eleven parcels of land have been sold/transferred. Four parcels were given to the County for future economic development. The newly renovated property at 668 N St Clair St sold on March 7th, 2017. Six commercial parcels were sold as a unit and closed at the end of February. Two properties will be donated to the City of Painesville; one of which borders land currently owned by the City along the Grand River. It is our understanding that a tentative agreement has been reached for these two properties to be maintained by Lake Metroparks which owns and maintains a park across the river. The Euclid-Chardon wooded parcel is to be transferred to Lake Metroparks. We are confident we will dispose of at least five more parcels in the next two months.

The Land Bank receives phone inquiries on Land Bank parcels on an ongoing basis. We have had an occasional issue with properties that were assumed to be lien free, only to find that interested parties or lien holders have not been notified of pending foreclosure actions, leaving issues of clouded titles.

We are trying to ascertain who those interested parties might be and then request releases when needed to resolve these problems. There are a number of parcels in the process of being transferred such as a small parcel on Vine St, which is to be donated to the City of Willoughby. It is in the city's interest to acquire this parcel due to the existing utility easements and large drain tile in the center of the property.

Mac Chafer added that he believes he may have a potential buyer for a five-parcel piece of property located diagonally across Vine Street from this lot in Willoughby. The estimated market value is \$25,000.

We are awaiting a response from OHFA from an inquiry requesting release of three NIP properties, prior to 2019. Each of these properties has a potential buyer. No response has been received from OHFA as of yet. If there can be an early release, the question is the amount of grant monies that might have to be

returned. If significant, it is in our best interest to defer disposition. This will allow us to retain our funds for future projects at a nominal cost.

The 352 Clarmont property in Willowick has seen 15 walkthroughs over the last two weeks. HOME and CDBG funding requires this home to be sold specifically to low-to-middle income qualified buyers, complicating any opportunity for a quick sale. A realtor who has agreed to a discounted commission structure has been actively marketing this home.

Commissioner Troy asked how much additional funding was required over the asking price of \$130,000 to rehab this house. Mr. Rogers did not have exact figures, but believed the number is around \$12,000 additional funding. Mr. Troy has asked if the Land Bank would supply a list of all the owned properties with a break-out of all the properties that have been returned to the tax duplicate. Mr. Rogers reviewed the report that was given to the members stating that of the 11 properties sold thus far, seven are now earning tax dollars. The balance of four properties went to the County, so no tax revenue will be recognized. Twelve more properties are pending, of which two are going to the City of Painesville (thus not taxable).

Commissioner Troy asked if the Auburn Career Center has been asked to assist in the renovation of any of our properties. Mr. Rogers stated that he has been in contact with a representative from Auburn and also, with Mentor High School who have students involved in the renovation of homes. He has told both organizations that if and when an appropriate parcel is acquired, the Land Bank would be more than happy to help facilitate these two schools involvement.

Commissioner Troy also, asked about our continued cooperative efforts with Western Reserve Community Development. Mr. Rogers responded that he and Mr. Heckelmoser continue to talk about new opportunities, but at this point the Land Bank has no properties on the horizon that are rehab-able. Both homes at 668 N. St. Clair and 352 Clarmont were done in cooperation with WRCDC. Mr. Rogers sees no reason why we would not continue this effort. Phone discussions with Lake-Geauga Habitat for Humanity have been ongoing, as they are looking in both the West End of Lake County as well as Painesville Township for the right property to build a home.

Whenever a property with an abandoned home that is a good prospect for renovation is acquired by the Land Bank, we have immediately invited WRCDC to inspect the home before a final determination is made.

Commissioner Troy also asked about commercial properties and how the Land Bank is participating. Mr. Rogers stated that 411 N. State St. with six parcels was sold to the Concord Paving Equipment Company for the company's future expansion needs.

The Land Bank is actively working with the City of Painesville on a building located at 33 Stage Ave., Painesville City in an effort to assess and abate any environmental issues prior to our acquisition and removal of the building.

On the horizon is an old water tank in Madison Village, a gas station in Madison Township, two commercial buildings in Wickliffe, a six unit apartment complex in Painesville City and the old Coe Office

building on Bank St. owned by the Lake County Port Authority. All of these are considered as being cooperative efforts in the event we both move forward.

Mr. Rogers also advised that there have been a number of homes donated by banking institutions to the Land Bank which have included a monetary donation (for demolition expenses) accompanying the transfer. As a reminder, donations to the Land Bank, which is a 501(C)(3) organization and which has been designated by the IRS as a charitable organization, may receive preferable tax treatment in the form of a tax write-off for their donation.

It was stated that a commercial enterprise having an interest in developing a medical marijuana facility in Eastlake has proposed acquiring the Curtiss Blvd. Senior Center building and land. It is further understood that the company has indicated a willingness to remove the structure, regardless of any future development.

13) BUDGET HIGHLIGHTS

The 2017 budget as proposed was provided to the board and reviewed in its entirety. Total revenues expected from all sources are estimated to approximate 1.9 million dollars for the year. When considered in conjunction with the Land Bank's 2016 carry forward balance, funds available approximate just over 2.1 million dollars. Expenses budgeted approach 2 million dollars, with an adequate amount allotted for first quarter funding in 2018.

After a complete review, the Chair motioned for approval of the 2017 Budget.

Motion: Manross Second: Chafer
AYES: 7 NAYS: 0 ABSTENTIONS: 0

Mr. Rogers advised that when he has sufficient information including examples, he will speak to the Lake County Prosecuting Office about the foreclosure process and the naming of all interested parties in IN Rem Foreclosure complaints. Several title searches in conjunction with the Court's docket suggest instances in which not all lien holders have been named in the legal action. This may create additional expense and/or delay with respect to having clear title prior to disposal of property in the Land Bank's possession. Mr. Rogers stated he continuously reviews the foreclosure list of properties in an effort to find potential property sales or blighted properties for demolition.

13) LCLRC WEBSITE

Mr. Rogers reviewed the website activity noting an uptick in activity, especially after recent press. We now have links to our web page located on the websites of seven other local communities increasing our exposure. Further discussion centered on whether or not any really difficult areas or hot spots existed in Lake County. Fortunately, Lake County when compared to some of its neighbors is in a much stronger position. Mr. Rogers reiterated that it is up to the individual community to initiate any action with respect to blight removal. Villages and Cities are in a much stronger position to enforce zoning codes, while townships must rely on their fire departments, the County's Health Department and/or building departments to condemn structures.

MEETING ADJOURNED

The Board having no further business to discuss, adjourned 4:27 pm.

Motion: Rose Second: Fende
AYES: 7 NAYS: 0 ABSTENTIONS: 0

14) SCHEDULED OF FUTURE MEETINGS

The following dates are posted:

Second Quarter – Monday, June 26, 2017 @ 3:00 PM

Third Quarter – Monday, September 25, 2017 @ 3:00 p.m.

Fourth Quarter – Monday, December 18, 2017 @ 3:00 p.m.

First Annual Meeting – Monday, March 26, 2018 @ 3:00 p.m

First Quarter – Monday, March 26, 2018 @ 3:30 p.m.

APPROVED: 6/26/17

Timothy S. Manross
TIMOTHY S. MANROSS, Chairman

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held March 27th, 2017 of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

DATED: 6.26.17

Linda S. Fredebaugh
LINDA S. FREDEBAUGH, Clerk