

The Board of Directors of the Lake County Land Reutilization Corporation met in session on the 18th day of December, 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 CICCONE
JERRY CIRINO
(REPRESENTED BY JASON BOYD)
LORRAINE FENDE

J. BLAIR HAMILTON
TIMOTHY S. MANROSS
ANDY ROSE
DANIEL P. TROY

Andy Rose moved to approve the minutes of the Monday, September 25th, 2017 meeting and Gabe Cicconetti seconded the motion.

AYES: 6 NAYS: 0 ABSTENTIONS: 1

LAKE COUNTY LAND REUTILIZATION CORPORATION
3rd QUARTER MEETING
Monday, September 25th, 2017 @ 3:00 p.m.
8 N State St, KeyBank Building (Lower Level), Painesville OH 44077-3955

- 1) **CALL TO ORDER:** Daniel P. Troy, Vice-Chair called the meeting to order at 3:02 p.m.
ROLL CALL:

MAC CHAFER
GABE CICCONE
LORRAINE FENDE
(REPRESENTED BY DAVE BLANOCK)
J. BLAIR HAMILTON

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

- 2) **MOTION TO APPROVE THE MINUTES OF THE 2nd QUARTER MEETING HELD JUNE 26th, 2017.**

Motion: Chafer Second: Rose
AYES: 8 NAYS: 0 ABSTENTIONS: 0

OLD BUSINESS

- 3) **2015-2016 LCLRC State Audit**

At the end of August, we received notification from Dave Yost, Auditor of State, of the Auditor of State Award to the Land Bank for both of our fiscal years 2015 and 2016. The notice included two letters of recognition for 2015-2016 years along with two certificates for exemplary reporting,

This award is given to entities that have filed timely financial reports in accordance with Generally

Accepted Accounting Practices (GAAP). This audit report from the Auditor happens biennially (every two years).

A clean financial audit means that the auditor found no findings for recovery, material citations, material weaknesses, or significant deficiencies including any single audit findings or any questionable costs or expenses.

It is customary to provide a news release to the media stating our accomplishments. The letters and certificates are available on our website.

4) LCLRC Property Update

To date the Land Bank has disposed of 18 properties/26 parcels, receiving \$553,250 in exchange. Our net gain was \$515,028.54. The Land Bank currently has title to 93 properties/108 parcels in its inventory. Of these, 40 are NIPs leaving 53 properties available for disposition.

We have five negotiated agreements pending. One is the final parcel to be transferred to the City of Painesville. Three have issues or concerns over clear title and a fourth we will close on soon. Three other parcels have potential buyers. Details as to agreeable prices, and parcel splits and parcel merges are all being reviewed at this time.

Twenty "For Sale" signs have been designed and printed. These signs will be placed only on parcels with clear title and have a market evaluation. These properties will be the most attractive and likely to garner interest quickly.

Last week the Land Bank was notified of 9 new properties/17 parcels that are available for Land Bank's review and acquisition. Also, in the last two weeks Mr. Rogers has inspected or petitioned eight others of interest. The Land Bank will always petition properties that were originally demolished by us, in an attempt to recoup any funds previously spent. All but one of the eight inspected are slated for demolition - including a drug house in Painesville.

On Friday Mr. Rogers reviewed a home on E 305th St. in Willowick. The house is presently occupied. Mr. Rogers requested a welfare check of Mayor Regovich. The Land Bank learned that the owner may not have been aware that she was being foreclosed on having never paid any taxes. Mr. Rogers will be contacting her to gather more information. Discussion followed as to why this person was unaware she had to pay taxes.

5) LCLRC NIP UPDATES

The Land Bank has 27 NIP properties in its inventory of which four of those properties were approved by the Ohio Housing Finance Agency for early disposition and transferred to the County in January for further development. As of last Friday, September 22nd, eight new homes have been slated for demolition. The other 27 are demolished and are now green space vacant parcels. We also have another three with a fourth (a garage) we have petitioned. All will be slated for demotion.

The Lake County Port and Economic Development Authority reviewed three homes for potential

renovation (in conjunction with Auburn Career Center students). They are in a horrible state of disrepair and the decision has been made that they are not worthy of renovation.

Disrepair means foundational issues, black mold, extensive water and/or wall damage. Mr. Rogers offered to any Board Member the opportunity to review any of these structures to get a picture of the types of houses the Land Bank is often presented. It is important to remember any NIP house must be inventoried for a full three year period.

After a review of contractor policies with OHFA and CT Consultants, the Land Bank solicited via newspaper and web a call for all interested contractors to become qualified for any current and future demolition or renovation projects. This procedure added about 45 days to the current bidding process; consequently creating some demolition delays.

6) LCLRC PROPERTY UPDATES (Hand-outs)

- **265 North State Street**

A copy of the ground assessments report was received and reviewed on August 16th. There are no identifiable issues as a result of the soil sampling analysis, thus indicating no contamination to the soil or groundwater in the area around the tanks.

The State has advised and approved a “*sealing in place*” as opposed to a complete removal of the tanks. This is a much less expensive approach. The Land Bank has received one of the two required permits necessary to proceed with remediation. The permit we received was from the Department of Commerce. The other permit will be forthcoming from the State of Ohio Fire Marshall’s Office.

On September 13th, the Land Bank learned Partners Environmentalist, the consultant contracted for this project by the City of Painesville, will be responsible for conducting both the Phase I and Phase II analysis. Partner’s has provided an agreement of \$23,780.00 for the sealing of the tanks. This price is well within the budgeted amount of \$30,000.00 allocated earlier this year. The contract is being reviewed by our solicitor before contract execution.

As mentioned earlier in the year, there was hope that the City of Painesville’s grant could be used to pay the \$23,780.00, but their application to utilize their grant for the mitigation was denied. The Land Bank however, understanding this possibility made contingency plans in our 2017 budget for \$30,000.00 in the event the City’s Grant application was not accepted.

Here is a recap of the City of Painesville’s assistance:

Grant funds expended to date for both the Phase I and Phase II Analysis by the City are:

- Phase I assessment costs \$6,092.95.
- Phase II is expected to cost \$29,700.00 of which the City has paid \$3,200.00. The outstanding balance will be paid by the Land Bank when the invoice is received by the City of Painesville.

Once all invoices are paid, the City of Painesville’s grant will have saved the Land Bank

\$35,792.95.

- **33 Stage Avenue (which we do not own as of yet)**

Both the Phase I and Phase II environmental assessments have been completed for the 33 Stage Avenue property. The total project cost as budgeted was expected to cost \$32,000.00. These funds are again, being provided by a grant obtained by the City of Painesville. Because we are working with the City of Painesville on this project, we will have saved the Land Bank the necessity of having to expend its own funds for these assessments.

A preliminary report provided to Painesville by Ann Winegar, Senior Project Geologist with SME is as follows:

- 1. There were no COCs found by the Ohio EPA direct contact standards in the soil.*
- 2. The COCs found in soil gas do not appear to pose a concern for indoor air at the concentrations measured.*
- 3. While the lead concentrations in the soil samples are below direct contact standard, lead was identified at one location in the parking lot at a concentration above 100 mg/kg.*

The implication is that if at any time, plans call for this soil to be moved or disposed of off-site, further testing may be necessary to determine that it is not considered hazardous (for disposal/management purposes).

Also, compared were the concentrations of soil and soil gas to the standards for commercial and industrial land use. If the property land use was to change to residential or recreational land use, it is being recommended that the soil and soil gas results should be re-evaluated.

Although there does not appear to be a vapor intrusion concern on the property, inclusion of a vapor barrier or vapor mitigation system in any new construction should be considered. Industrial development and gas stations are located in the surrounding area and a vapor barrier and/or vapor mitigation system can eliminate the vapor intrusion exposure pathway if it were to become an issue in the future.

It is Mr. Roger's intent when the final report has been received, to then ascertain the costs of both removing the contaminated soil and calculating the cost of demolition of the building as requested by the City.

7) COLLABORATIVE COMMUNITY PROJECTS

- **County Administration (Painesville City Senior Center) demolition** - The work has been completed per discussions with the County's administrator, Jayson Boyd. Once all invoices have been processed and paid, he will provide a breakdown and substantiation for our payment as per our agreement.

- **Lake County Dev & Port Authority (Coe Admin Building demolition)** Mr. Roger's last conversation with the Mark Rantala was that the Port Authority was in the process of reviewing the quotations provided for this project and that they would get back to us as to when they would proceed.

- **1991 Hubbard Road Madison Beverage and Gas Station - Madison Twp**

Ken Gauntner of Madison Twp. spoke to Mr. Rogers regarding an abandoned gas station located at the intersection of Chapel and Hubbard Rds. This property has not been in use since 2002. It is subject to an In Rem Foreclosure and has been offered for sale twice – no bid, no sale. The property will be forfeited to the State of Ohio soon.

Under the State of Ohio's EPA program there is grant money available through its Targeted Brownfield Assessment Program which would pay for a Phase I Assessment. This is part of Ohio's Abandoned Gas Station Clean Up Program.

With the analysis provided by the Phase I process, publically owned properties with a Class C Release that are vacant, contain an abandoned structure and is determined to have a confirmed release of petroleum or a petroleum by product above a certain level in the soil become eligible for clean-up funds if available.

Because of Mr. Rogers legislative role, Tony Bledsoe of Ohio's Joint Legislative Ethics Commission suggested that the initial grant application for this project be signed by Commissioner Troy as a Board Member and Linda Fredebaugh as the contact person; thereby removing Mr. Rogers from further personal involvement. The original intent was to have our Chair, Tim Manross sign off on the application. However Mr. Manross advised that he to, by virtue of a relative having property in the area would prefer to distance himself from the matter.

Mr. Rogers then asked Mr. Troy, as Vice Chair, to sign the application so that Linda can submit it for consideration. The Land Bank will hear if it is successful in approximately two – three weeks once received by the State, and if successful, the assessment would begin under the direction of the state.

- **Crossroads – Building demolitions**

The Land Bank was recently asked by the County's Economic Development Office if we would help pay for the demolition expense of two empty warehouses on the property. These buildings are the remains of the Colony Lumber devastating fire years ago that resulted in the closing of the business. Crossroads acquired the old Colony Lumber showroom to convert to office space for its current operations. Mr. Rogers received an official request from Mike Matoney, CEO of Crossroads on August 15th which included an estimate prepared by Herschman Architects for the work to be done in an amount of \$35,800.00. He further advised that Crossroads was successful in obtaining a Community Development Block Grant (CDBG) award from the County amounting to \$15,200.00

8) LCLRC Property Reports – Mr. Rogers distributed to all Board members a variety of property lists showing the Land Bank’s land inventory. He explained our net gains on properties sold, properties demolished and all properties that are currently available. Mr. Cicconetti asked if we were no longer renovating properties. Mr. Rogers explained that the Land Bank has not had any viable properties that could be considered fixable. When and if we do, Mr. Rogers is working to have other outside Not-for-Profits manage the renovation work, including Western Reserve Community Development, The Lake County Port Authority and Mentor High School. Discussion followed.

10) PUBLIC PARTICIPATION – Brian Massey asked for copies of the Convent and Rectory photos. Arzella Melnyk (explaining a confrontation with the Director of HOLA) asked if when this Incubator is in full operation would she - being on opposite sides politically, have to be confronted by HOLA. Is this fair? Both Chairman Manross and Mr. Rogers explained that we have not spoken to HOLA for many months. That we do not speak for HOLA. That our focus is only on the remediation of the 265 N. State St. property. John Muzik, 43 Coventry Dr. stated he believes that the 265 N State St property is better used by demolishing and opening up this already congested area. He does not believe we should be spending tax dollars on this project. Mr. Rogers explained that all funding used by the Land Bank comes from penalties and interest from people who do not pay their taxes. Our funds are not directly coming from property taxes.

MEETING ADJOURNED

Vice-Chairman Troy asked for any further business. The Board having no further business to discuss, adjourned 3:56 pm.

Motion: Rose	Second: Knezevich	
AYES: 8	NAYS: 0	ABSTENTIONS: 0

14) SCHEDULED OF FUTURE MEETINGS

The following dates are posted:

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

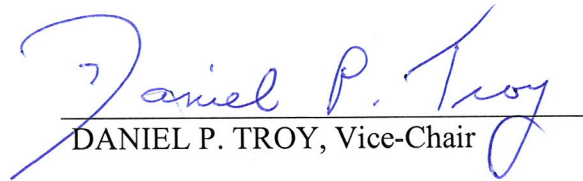
First Annual Meeting – Monday, March 26, 2018 @ 3:00 p.m

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

Second Quarter – Monday, June 24, 2018 @ 3:00 PM

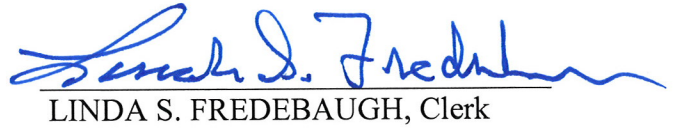
Third Quarter – Monday, September 24, 2018 @ 3:00 p.m.

APPROVED: 12.18.2017


DANIEL P. TROY, Vice-Chair

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held September 25th, 2017 of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

DATED: 12.18.2017


LINDA S. FREDEBAUGH, Clerk