

The Board of Directors of the Lake County Land Reutilization Corporation (the "Board of Directors") met in session on the **23rd day of September, 2019 at 3:00 p.m.**, 8 N State St. Painesville City (KeyBank Building) Lower Level with the following Directors present:

**MAC CHAFER  
GABE CICONETTI  
JACK CORNACHIO  
LORRAINE FENDE**

**KENNETH FILIPIAK  
TIMOTHY MANROSS  
JEFFREY SHIBLEY**

Lorraine Fende moved to approve the minutes of the Monday, June 24<sup>th</sup>, 2019 meeting and Jeff Shibley seconded the motion.

**AYES: 5                      NAYS: 0                      ASBSTENTIONS: 1**

**LAKE COUNTY LAND REUTILIZATION CORPORATION  
2<sup>nd</sup> QUARTER MEETING**

**Monday, June 24th, 2019 @ 3:04 p.m.**

**8 N State St, KeyBank Building (Lower Level), Painesville OH 44077-3955**

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- 1. CALL TO ORDER:** Gabe Cicconetti, Vice-Chairman called the meeting to order at 3:04 p.m.  
**ROLL CALL:**

**GABE CICONETTI  
JERRY CIRINO  
JACK CORNACHIO**

**LORRAINE M. FENDE  
KENNETH FILIPIAK  
JEFFREY SHIBLEY**

- 2. MOTION TO APPROVE THE MINUTES OF THE ANNUAL MEETING HELD MARCH 23, 2019.**

Motion: Cirino                      Second: Shibley  
**AYES: 5                      NAYS: 0                      ABSTENTIONS: 1**

- 3. MOTION TO APPROVE THE MINUTES OF THE 1ST QUARTER MEETING HELD MARCH 23, 2019.**

Motion: Cirino                      Second: Fende  
**AYES: 5                      NAYS: 0                      ABSTENTIONS: 1**

- 4. RESOLUTION 2019-115**

**A RESOLUTION ADOPTING A CREDIT CARD POLICY FOR THE LAKE COUNTY LAND REUTILIZATION CORPORATION**

Motion: Fende                      Second: Cirino  
**AYES: 6                      NAYS: 0                      ABSTENTIONS: 0**

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Mr. Rogers explained that HB 312 was passed by the Ohio legislature in August of 2018 and that the law became effective in November 2, 2018. It requires Political Subdivisions, (the Land Bank is considered one) to create a policy and implement a procedure for the use of all credit card account. The policy as presented proposes conducting a periodic review and when necessary, providing any itemized receipts to the political subdivision's Board of Directors. He noted that the Land Bank has very few transactions each month and all of which are reviewed and approved by Mr. Rogers before purchase is made.

## **OLD BUSINESS**

### **5. STATE AUDIT**

Per Cynthia Carpenter, Asst. Auditor with the State Auditors office, we are close to completion with our biennial State Audit. There are no findings or concerns thus far. A copy of the Board's approval for the last quarter's minutes and the Board's formal action today approving our Credit Card Policy will be delivered to the Auditor after this meeting. We have been advised that the Auditors are working with NMS on clarifying our methods of reconciliation between our cash and accrual reporting. In the past, the Board has advised Mr. Rogers that unless there are findings or concerns by the Auditor the *post audit conference* can be waived. In my discussions with the Auditor, I have indicated that unless this Board advises otherwise, we will do the same this year – to which the Board indicated their agreement to move forward accordingly.

## **PROPERTY UPDATES**

### **6. Mr. Rogers reported that the Land Bank has:**

**Clear Title** - 75 properties/86 parcels for sale on our website; estimated value \$1,039,230.00.

**Problem Titles** - 31 properties/37 parcels with title issues; include in this is 15 NIP properties

**Sold/Transferred Properties this Quarter** - one parcel \$8,000

**Pending Sales/Transfers** - 7 parcels totaling \$117,000.00; 6 NIPs pending over next six months.

**Interested Parties** - 10 parties expressed interest in certain parcels - estimated value \$73,000.00.

**New Properties** - 10 parcels were acquired thus far this year.

### **7. RESOLUTION DEMOLITIONS**

In Eastlake the Land Bank demolished 179 Courtland Ave on May 10<sup>th</sup> at a cost of \$12,089.55, while 33585 Morris Ave was taken down yesterday at an estimated cost of \$21,500.00. The Land Bank demolished four properties in Painesville City: 1291 W Jackson St. for a cost of \$30,644.25, 325 E Main St. for a cost of \$30,025.80, 233 Jefferson St. for a cost \$8,661.45 and 484 Fairlawn Ave. at a cost of \$6,661.45.

### **8. NIP PROGRAM DEMOLITIONS**

Since our last meeting, the LCLRC has acquired and awarded contracts to demolish three homes under the NIP program. Once completed, we anticipate the costs will be \$57,625.62. With the

inclusion of these three demo's, we will have utilized \$1,025,312.07 of our original \$1,250,000 grant; leaving a balance of \$224,687.93. On average, our cost to conduct an NIP demolition is \$21,346.93. Using this figure, the Land Bank will need to acquire, demolish and submit reimbursement requests for at least 10 homes by mid-November to exhaust the balance of our grant. With only two properties pending, Mr. Rogers will be looking at open foreclosure cases to ascertain what is available and discuss with the prosecutor's office how to best expedite any possible demolitions. Discussion followed.

Three properties with homes, 825 Hine Ave, Painesville City, 632 Taylor Plc, Painesville City and 7640 Pinehurst Rd, MOL all have all been bid out and contracts let and are readying for demolition. Two additional homes located at 160 S St Clair St and 520 Fairlawn Ave were donated by their respective owners and the demolition of these structures will soon be going out for bid.

## **9. MENTOR MARSH UPDATE**

The Ohio EPA has scheduled the Mentor Marsh Remediation Coordinating Meeting this Friday @ 10:00am at the Mentor Civic Center, 2<sup>nd</sup> Floor. David Emerman, Esq, the EPA attorney will be overseeing this project. Initial samples were taken on May 3, 2019 before the million dollar coring machine broke. Five coring holes were ultimately drilled after repairs with multiple sample cores pulled.

The analysis found the particles in spec for chloride or salt concentration, the moisture content nearly in spec and grain size somewhat out of spec. With methods of screening, drying and/or crushing the salt layer could then be used for roads and highways by ODOT. If not this project would financially escalate due to the transportation and dumping costs. A complete analysis will be provided to us at a later date.

Original plans were to transfer all four parcels to the Natural History Museum once the remediation had been completed. However, because of the salt trailing clean-up, the Museum's restoration efforts will be temporarily thwarted. Discussions with the Land Bank, ODNR and the Natural History Museum have begun. The plan would be for the Museum to complete a survey indicating the contaminated areas and split the lots. This will allow the Museum to continue their research on the non-contaminated areas of the site while the clean-up continues.

ODNR has approached the City of Mentor about the possibility of the City mowing certain areas of the site. No agreement has been reached. Discussion followed.

## **10. 1991 HUBBARD ROAD GAS STATION CLEAN-UP**

The original grant for this project was \$250,000 and to date project expenses have amounted to \$153,758.80. After the demo work was completed, core sampling was done, and eight wet wells were placed. Initial analysis indicated that the ground water threshold levels were met. Therefore, no further action is required regarding the groundwater contamination. Tests of soil samples from two areas have indicated some residual contaminants above action threshold levels. This will require further remediation including excavation of the soil for further disposal and back filling

with clean top soil. Once completed, these two areas will again be tested to ensure sampling does not exceed action level thresholds. Completion timing is at a minimum of three months from now. We have been advised that we can expect all necessary remediation and a regulatory sign off within 8 - 12 months from today.

We received a letter from Madison Township expressing concerns regarding the existing sidewalks and aprons to the parcel. Our grant does not include funding to address that concern. CT Consultants did a preliminary estimate for the repair work needed to address the Township's concerns, which amounted to \$13,225.00. Mr. Rogers has applied for CDBG funds to do that work as it will meet the necessary qualifications to ensure ADA compliance. CDBG Funds or grants will be announced later in August.

## **COOPERATIVE COLLABORATIONS**

### **11. HOMESTEAD I - 164 Liberty St – PAINESVILLE CITY**

This collaborative project with the City of Painesville was originally estimated to be \$122,400 with our share budgeted to be 61,600. Subsequent asbestos analysis resulted in additional areas needing abatement. As a result, Painesville is asking for an additional \$3,150.00 for a total of \$64,750. Mr. Rogers advised Doug Lewis that the increase should not be a problem although it would have to be authorized by the Board. Unless there is an objection, Mr. Rogers will increase the appropriation accordingly for reimbursement. No objections to this proposal were made.

### **12. MADISON TOWNSHIP PROPERTY**

The Township owned home at 5825 Northway Dr was taken down by Madison Twp. Our budget authorized a 50% share amounting to \$2,240.63, which has been paid.

### **13. 29735 GREEN RD, WILLOWICK RENOVATION**

The work to date that has been completed from the original quote includes: replacing all wiring, the entire plumbing system, gutting the 1<sup>st</sup> floor, installing a new bathroom, tile and the vinyl planking is being installed as we speak in addition to the new kitchen and bathroom cabinetry. The work also specified the demolition and construction of a new two-car garage.

With the removal of the wood covering the basement walls, an unexpected crack in the south wall and a portion of the southeast corner was discovered. These cracks posed an issue with the structural integrity of the walls and foundations and required repair. Change orders were issued to authorize this work. The Land Bank's original estimate for the renovation of this home was \$135,000.

Original Bid Award:	\$106,087.00
1 <sup>st</sup> Change order – Remediation of heating ducts with asbestos	\$ 7,987.00
2 <sup>nd</sup> Reconstruction of south foundation/rebuild of block wall:	\$ 12,500.00
3 <sup>rd</sup> Reconstruction SE Corner of foundation (estimate)	<u>\$ 7,000.00</u>
<b>Total to date:</b>	<b>\$133,574.00</b>

These figures are for the contractor only and do not include the costs for the architect's design and oversight services in addition to the charges incurred for the structural engineer's evaluation and report.

A local realtor stated to Mayor Regovich that 42 Willowick houses have been sold since the beginning of 2019. They have for the most part been sold at the asking price, and within 3 – 4 days of listing. The Mayor indicated that the market for homes in Willowick is strong. Mr. Rogers feels confident we will get a good price for this newly renovated home. He invited all Board Members to visit the home at any time. Discussion followed.

#### **14. LAKE GEAUGA HABITAT FOR HUMANITY Request for properties**

Mr. Rogers received a call from Jess Gift the new Executive Director asking about two properties in Painesville City, 255 Stage and Lexington Dr, a double lot. He also asked about a parcel at 7634 Dahlia Dr in Mentor-on-the-Lake. The request of Habitat is for the Land Bank to donate the three parcels to them. Mr. Rogers explained to the Board the history of the 73 Riverside Dr Painesville Twp property that was sold to Habitat and then refunded because the prospective homeowner had backed out and Habitat needed the funds to move forward with another project in Mentor-on-the-Lake.

Rather than the Land Bank donating the parcels, the Board suggested that Mr. Rogers negotiate an asking price which included a 20% discount from our estimated market valuations.

Jack Cornachio suggested that if needed we offer the land upfront with the caveat that we be reimbursed the agreed upon price at the closing of the sale to the prospective buyer, thereby improving the cash flow constraints on the beginning of the project. Mr. Rogers said that if necessary he would advise Habitat that this would be acceptable.

#### **15. LAKE COUNTY PORT AUTHORITY – 557 E 305<sup>th</sup> St, Willowick renovation**

Mr. Rogers took time to explain the remodeling of this property which the Land Bank donated to the Port Authority in June of 2018. There has been some concerns that the total expense to this new home will not be recovered by the Port Authority when it is sold. The house is now complete and will be available for viewing most of the summer – with an auction tentatively anticipated later in the fall. The Port Authority, responsible for this entire project has opined that the expenditures to date have been appropriate given the intent of this project, which was not simply to make some aesthetic improvements and then flip the house. Rather the intent was to create a showcase with examples of new and innovative ideas with the hopes of attracting young buyers – a good thing not only for Willowick but the County as well. Current numbers for the recent open house on the weekends indicated on average 200 walk-throughs per weekend – a very positive result.

Mr. Cirino stated this sort of renovation project is an excellent example of economic development. He went on to suggest that the question is, “How do we keep people in Lake County, particularly on the west end” [of the County]. He believes that this project will light the candle for people thinking about what can be done with similar homes in Willowick, Wickliffe or Eastlake.” He went

on to suggest that if the Port Authority were to hire two people for \$200,000 to do an economic development study; the expense would be a much greater amount than what this project will cost at the end of the day. Furthermore, and from a property tax standpoint there are too many properties declining in taxable value. If by improving the housing stock and the value of these homes continue to increase, it will be good for Willowick. Mr. Shibley suggested that the Port Authority identify a list of contractors who would specialize in a “menu” of improvements that similarly match the footprints of the most common homes in the neighborhood. This would then be offered to prospective buyers. Discussion followed.

## **NEW BUSINESS**

### **16. OLD DOLLAR BANK BUILDING**

Gabe Cicconetti asked if the Land Bank had been approached by the City of Painesville about the old Dollar Bank building. Mr. Roger stated no and based on current information, it would not be of interest to us because of the extensive asbestos reclamation of the roof and interior. Discussion followed.

Vice-Chairman, Gabe Cicconetti, noting the there was no further business for the Board to discuss Asked for a motion to adjourn.

Motion: Fende	Second: Cirino
AYES: 6	NAYS: 0 ABSTENTIONS: 0

**MEETING ADJOURNED at 4:02 p.m.**

### **SCHEDULE OF QUARTERLY BOARD MEETINGS**

Third Quarter – Monday, September 23, 2019 @ 3:00 PM

Fourth Quarter – Monday, December 16, 2019 @ 3:00 PM

*Annual* Meeting – Monday, March 23, 2020 @ 3:00 PM

First Quarter – Monday, March 23, 2020 @ 3:00 PM

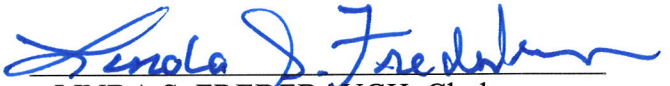
Second Quarter - Monday, June 22, 2020 @ 3:00 PM

APPROVED: SEPT 23, 2019

  
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GABE CICCONE, Vice - Chairman

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held June 24, 2019 of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

DATED: SEPT 23, 2019

  
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LINDA S. FREDEBAUGH, Clerk