

The Board of Directors of the Lake County Land Reutilization Corporation (the "Board of Directors") met in session on the **18th day of December, 2023 at 3:00 p.m.**, 8 N State St, Ste 405, 4th Fl with the following Directors present:

**JACK CORNACHIO
(HOLLY BARTONE)
FOR GABE CICCONETTI
KENNETH FILIPIAK**

**TIM MANROSS
JEFF SHIBLEY
RICHARD REGOVICH
MICHAEL ZUREN**

Jeff Shibley moved to approve the minutes of the Monday, September 25th, 2023, Mike Zuren seconded the motion.

AYES: 7

NAYS: 0

ASBSTENTION: 0

**LAKE COUNTY LAND REUTILIZATION CORPORATION
3rd QUARTER MEETING**

Monday, September 25th, 2023 @ 3:00 p.m.

8 N State St, KeyBank Building 4th Fl, Room 405, Painesville OH 44077-3955

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- 1. CALL TO ORDER:** Timothy Manross, Chairman called the meeting to order at 3:01 p.m.
ROLL CALL:

**MAC CHAFER
GABE CICCONETTI
JACK CORNACHIO
KENNETH FILIPIAK**

**TIMOTHY MANROSS
JEFF SHIBLEY
RICHARD REGOVICH
MICHAEL ZUREN**

- 2. LCLRC INVESTMENT POLICY - PRESENTATION BY RANDY CARVER,
CARVER FINANCIAL SERVICES.**

Mr. Rogers expressed his opinion that the Land Bank review how we invest any excess funds. An attempt in the past to join Star Ohio failed because we were told that we did not qualify for participation being a 501(c)(3) organization. As we move forward, we have funds in three financial institutions all FDIC insured. The Land Bank is already guided by Carver Investment with their associate account Raymond James. The latest idea would be to have a financial manager oversee our financial package long term.

Mr. Rogers invited Randy Carver to our Board meeting to discuss a variety of new ideas for the Land Bank with the hope of increasing value with our holdings. Randy recently was awarded one of the top 100 independent financial advisors in the country by Barron's. Currently he has 2.6 billion dollars under his management. Mr. Rogers approached NMS, our CPA firm asking whether a charitable organization can set aside funds to make our reserves work harder for us. Mr. Rogers then drew up a draft of an investment policy to be considered by the Board (sample plan given to Board for review). Mr. Carver then explained how we are currently vested with funds under Carver's management. He suggested an allocation to Treasuries with returns of

approximately 4.5% and/or Certificates of Deposit with returns ranging between 5.60 – 5.75% interest and all FDIC insured. Money Market funds are also returning upwards of 5-5.25%, not a bad investment in today's market.

Three things that we should consider:

- Overhead month to month spending – keep in the Chase bank
- Capital Reserve (don't need right away) would be in Treasuries, CDs and Money Markets - must be invested in fixed income for 5 years
- Long Term Funds (Endowment) – where you may access the interest, but not the principal 2–3year terms – can expect 8-10%.

Mr. Carver explained the market fluctuations going forward will include the repayment of student loans along with the slowing of unemployment all of which will likely add to the general slowing of our economy. Carver Financial Services charges no fees on cash deposits, and on the investments the charge is ½%. He stated that this is everything including transaction costs and statements. Carver statements are recognized by the Courts for auditing and all of Carver's accounts are fiduciary accounts.

Gabe asked about the long-term investments – what instruments would they be in? Randy answered exchange traded funds, mutual funds and individual bonds. Less on the mutual funds for now. On average of 15-20 different funds. Mr. Rogers then explained where our funds are today. His wish would be that the Board would create an investment advisory board with Mike Zuren who serves in a dual capacity as one of our Board Members and also as the County Treasurer. He would then ask Randy to come up with a program to get the project moving. Discussion followed. Approved without objection.

**3. MOTION TO APPROVE THE MINUTES OF THE 1st QUARTER MEETING
HELD MARCH 27th, 2023.**

Motion: Richard Regovich

Second: Jeff Shibley

AYES: 6

NAYS: 0

ABSTENTIONS: 2

**4. MOTION TO APPROVE THE MINUTES OF THE ANNUAL MEETING
HELD MARCH 27th, 2023.**

Motion: Richard Regovich

Second: Jeff Shibley

AYES: 6

NAYS: 0

ABSTENTIONS: 2

NEW BUSINESS

Mr. Rogers, presented and reviewed the following statistics with the Board.

5. LCLRC STATISTICS THAT BEGAN 2013:

- a. Demolished **182** structures with a total cost approximating **4.9** million

MOF	65	\$1,180,141.39
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NIP, Resolution & LCLRC Demos to date:

<u>117</u>	<u>\$3,737,981.78</u>
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Totals	182	\$4,918,123.17
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- b. Sold or transferred title to **133** parcels of land to date,
- c. Gross Sales have amounted to \$ **1,971,387.00**, netting \$ **1,797,139.66**
- d. Parcels with currently pending sales have a value of at **\$75,000.00**. Once these transfer, total sales will be **\$2,046,387.00** and our net proceeds approximating **\$1,866,339.66**;

6. LCLRC STATISTICS FOR 2023 ONLY:

- a. Sold or transferred title to 17 parcels of land in 2023,
- b. Gross Sales have amounted to \$170,990.00 netting \$150,445,
- c. Currently the Land Bank holds titles to 93 properties consisting of 105 parcels
- d. Properties with “completed” demolitions for 2023 are 3
- e. Potential demolition properties with pre-demo activity already started 20
- f. 15 parcels have title issues

7. OHIO DEPARTMENT OF DEVELOPMENT (ODOD) DEMOLITION PROGRAM

Mr. Rogers stated that we are getting close to the completion of the initial phase of the Department of Developments Demolition and Revitalization program.

- a. LCLRC identified 15 projects with an estimated total cost of \$1,410,292.00.
- b. The Land Bank was guaranteed the first \$500,00.00 and we were able to obtain an additional \$728,223.00 for a total of \$1,228,233.00. With our required 25% match, our required share will be \$182,069.00.
- c. We received our first reimbursement last week for \$197,278.19.
- d. Bids came in on September 14 for the Leroy Township School. Originally, we estimated the demo cost at \$265,000.00, before CT put the specs out for bid. The estimate then went up significantly. That said, right now it would appear that if the lowest bidders are recommended, our cost will be \$282,000.00.

- e. 550 Fairlawn Ave. has been on our demolition list for months. It seems that Tax Ease, the present owner of the property was to donate to the Land Bank, but changed their minds and sold the property back to the son of the owner, without notification to the Land Bank. The son has come forward asking that we stop all attempts to demolish. Jim Lyons and Mr. Rogers have been in negotiations with the son and we expect that the young gentleman will take over the premises. In doing so, he must follow the guidelines of the City of Painesville to be sure this building comes up to code. It has been suggested that he pay back to the Land Bank for all pre-demolition costs already incurred.
- f. The Uptown and Burridge Projects along Mentor Avenue are apparently slowly moving forward. We have subrecipient agreements with Sikora's on these two projects, whereby they are using their own engineering. The State has given an extension until next year. Ken Filipiak spoke to this project and feels that this is a very viable development project. It is just moving slowly. Discussion followed with no resolve.

8. OHIO DEPARTMENT OF DEVELOPMENT (ODOD) BROWNFIELD PROGRAM

- a. The second phase of the ODOD's Brownfield Program has been funded and unlike the first go around, those counties with less than 100,000 residents will be the Lead Entity. Lake County is 300,000, thus LCLRC will be the Lead Entity on both programs for the County.
- b. Lake County has been allocated \$1 Million in Brownfield funds and \$500,000.00 for the Demolition Program.
- c. The difficulty once again is that the programs guidelines and procedures have not been released yet. Huge delays in implementation. We will be notified in the future, as to when the applications will be on line and made available to participants. However, we have not seen an application ahead of time to see what will be required. Once they are made available, they will be accepted immediately. Funds will be awarded on a first come first serve basis for any amounts over the initial allocation to each county.

Gabe Cicconetti requested Mr. Rogers please stop into the Township office to finalize all the information on the 120 Johnnycake Ridge Rd house demolition, a part of the ODOD list.

Confusion as to categorizing these projects continues to be an issue. Properties with above ground asbestos may be eligible for Brownfield funds, something not clearly

spelled out to the Land Banks in the program packets. We believe the former ABB building in Wickliffe may fall under the Brownfield category. We shall see.

MEETING ADJORNED

Motion: Mike Zuren

Second: Jeff Shibley

AYES: 8

NAYS: 0

ABSTENTIONS: 0

SCHEDULE OF QUARTERLY BOARD MEETINGS

Fourth Quarter – Monday, December 18, 2023 @ 3:00 PM

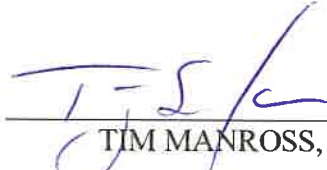
Annual Meeting – Monday, March 25, 2024 @ 3:00 PM

First Quarter – Monday, March 25, 2024 @ 3:30 PM

Second Quarter - Monday, June 24, 2024 @ 3:00 PM

Third Quarter – Monday, September 23, 2024 @ 3:00 PM

APPROVED: 12.18.23


TIM MANROSS, Chairman

DATED: 12.18.23


LINDA S. FREDEBAUGH, Clerk

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held September 25th, 2023 of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.