

MINUTES

Portage County Land Reutilization Corporation

Reed Memorial Library

January 15, 2020

Quarterly Board Meeting

Meeting was called to order at 2:34 p.m. by Chairman, B. Cromes

ROLL CALL – Evelyn Beeman

Board Members Present

Brad Cromes	Vicki Kline	Sue Fields
Kathleen Clyde	Bridget Susel	Ina Sayre

Also Present

Dan Morganti	Chris Moravec	Julia Adkins	Pat Blair
Frank Hairston	Rachel Kerns	Jim DiPaola	John Kovacich
Chad Murdock	Teresa Steinlechner		

APPROVAL OF OFFICIAL MEETING MINUTES

October 21, 2019 Official Quarterly Meeting Minutes

The October 21, 2019 minutes were presented. B. Susel made a motion to approve the minutes as presented. Motion seconded by S. Fields. Motion carried with 6 Yeas.

December 9, 2019 Special Meeting Minutes

The special meeting minutes of December 9, 2019 were presented. B. Susel made a motion to approve the minutes as presented. Motion seconded by S. Fields. Motion carried with 6 Yeas.

REPORTS AND COMMUNICATIONS

Fiscal Report and Property Inventory – D. Morganti

The Income Statement showed a total revenue received as of December 31, 2019 of \$575,271.74 according to the Neighborhood Development Services figures. Expenses as of December 31, 2019 amounted to \$643,371.13 showing a negative net income of \$68,099.39. On a cash basis, removing the non-cash property acquisition and disposition line items, the net income was on the positive side of \$81,567. The balance sheet dated December 31, 2019 indicated total assets equaled total liabilities & capital in the amount of \$1,239,177.30. Current assets include the Land Bank checking account, short term certificate of deposit and reserve account totaling \$939,027.30. Land inventory is valued at \$300,150. The retained earnings which has accumulated over time amounted to \$1,307,276.69. The

fixed asset register showed \$300,150. A summary shows the Land Bank owned a total of 120 tax parcels which is a total of 84 properties. Of the 84 properties 42 are NIP so half of the Land Bank inventory is related to the NIP acquisitions. Brad Cromes stated with the cash basis conversation and how we are reflecting transferring properties out is that something that we might want to look at in the future to reflect a more accurate picture of the dollar value. We have had conversations in the past of how to show property values in general and whether it is the true market value, assessed value or the appraised value. Dan agreed that we should look at how the Land Bank values property, our accounting policies specify the auditor's assessed value is used, which is 35% of the auditor's market value. It definitely merits taking a look at and thinking about the way we quantify the value of property for accounting purposes. Bridget Susel stated it might be helpful to consider evaluations that are different NIP versus other types of acquisitions that we think actually have more marketability. Brad Cromes asked if Dan will be preparing the financials going forward. Dan responded he will be responsible for all financials beginning January 1, 2020. Dan stated being a one-person operation he will try to put internal controls in place to limit any potential audit issues. There being no further questions a motion was made by Vicki Kline to accept the fiscal and property report as reviewed by Dan Morganti, seconded by Ina Sayre. Motion carried with 5 Yeas.

Dan Morganti reviewed the 2020 updated budget. The cost projections related to some of the foreclosure costs were updated from the budget that was presented in December so the line items of court costs, title fees and legal ads were increased based on a conversation with the prosecutor's office. A NIP expense line was added to the budget as they will need to accounted for separately going forward. The salary and fringe benefit lines were added to reflect the salary and benefits more accurately. This line includes costs for a potential administrative position. Budget amendments will be processed throughout the year as needed especially if we are able to secure additional funds. Dan reported there are potential NIP funds that will be made available this year. Brad Cromes asked if Dan knew when the prosecutor/treasurer land bank contract would be in place. Dan stated he expected to have a draft 2020 agreement in place by the work session in March for the board to consider.

Kathleen Clyde asked Dan to discuss the need for additional staffing. Dan responded he felt there is a definite need for an administrative assistant position. Bookkeeping, notary, taking of meeting minutes, administrative tasks, generally, are some of the immediate issues that Dan identified were needed. Kathleen Clyde asked if would be a full-time position. Dan responded yes. For the purposes of budgeting, the salary was projected between \$30,000 to \$35,000 plus fringe benefits and health care. Brad Cromes asked if that was an hourly figure or a salary amount. Dan stated it would be a salary figure. Brad asked if he would have a job description for the committee to review. Dan responded yes. Dan hopes to possibly start the interview process possibly sometime in March with the person starting in April 2020. Kathleen Clyde stated she did not want to make this decision today. Kathleen Clyde stated she wanted more thought, explanation and back- ground in expanding staff. She would like everyone to think this through more carefully. It would be ok to authorize it in the budget however, there needs to be more input on whether we make that decision or not. Dan stated so you are ok passing the budget as-is, with the salary budget line for a new position there in theory, but any hiring would be brought back through the board. Bridget stated another thing that would be helpful is what would a full-time person's hours be spent doing. Brad Cromes stated we did have a discussion of adding another person sometime during 2020. There being no further questions, Vicki Kline made a motion to approve the 2020 budget as presented and reviewed by Dan Morganti, seconded by S. Fields. Motion carried with 5 Yeas.

Foreclosure Status Update - D. Morganti

Under the 2019 addendum to the Treasurer/prosecutor contract the Land Bank had until November 29, 2019 to submit up to 30 cases in the Skeels and McElrath areas. An additional 10 cases were to be submitted by December 10, 2019. Dan reviewed the McElrath and Skeels parcels. It was decided to identify tier 1 and tier 2 priorities. Tier 1 properties are sites that can be acquired, relatively easily assembled and sold on open market with a shorter term holding period for the land bank. Tier 2 sites are not quite able to be marketable or buildable according to zoning. Typically, these are one parcel short of being a buildable size. A short to medium term holding by the land bank would then be required. The additional 10 sites were located throughout the county. Two sites were voted on in December 2019 to pursue, 3115 Brady Lake Road on behalf of Water Resources and a State Route 303 property for Portage Parks. Of the other 8 properties listed 1 was a targeted acquisition, rehab, resale. The other 7 sites are projected to be acquired and reutilized in a short term. Julia from the Portage County Prosecutor's office updated the committee on all the sites foreclosures and what stage they were in.

Other Business

D. Morganti stated Bradford Ehrhardt, Kathleen Chandler and Robert Dunham are former board members who need removed from the land bank checking account as signers. B. Susel made a motion to remove Bradford Ehrhardt, Kathleen Chandler and Robert Dunham from the Portage Community Bank checking account for the land bank as signers seconded by Vicki Kline. Brad Cromes asked if there were any new signers being added at this time. D. Morganti stated Kathleen Clyde and Brad Cromes will be added as signers to the land bank checking account at the Portage Community Bank. The motion carried with 5 Yeas.

Dan reported the Land Bank has submitted a targeted Brownfield Assessment Grant application to the Ohio EPA for the former Ruggles Gas station site 6762 Tallmadge Road in Edinburg Township. Treasurer's office pursued it via tax foreclosure, offered the property for sale through a sheriff's sale with no buyers. It then became forfeited land. The County is now able to sign off as an agent of the state to be able to access the site for environmental testing. Dan thanked the Prosecutor's office and Auditor Esposito for helping with this. The idea is to apply for funds to either find out that the site is clean or the extent and nature of any contamination that may be present. We would then work with a consultant to help determine if it makes sense for the land bank to own the site and if so where there may be funds to help with clean up. The assessment would be covered by grant funding that the Ohio EPA would pay the consultant directly and it would not be channeled through the land bank. We are now waiting word if it is funded or not.

Dan stated he included in everyone's packet today a signed memorandum of understanding with the National Community Stabilization Trust. The land bank has received an approval on its application to participate in the Stabilization Trust's Community Buyer Program. As a nonprofit organization, the Stabilization Trust operates the acquisition program to help eligible community buyers access foreclosed and abandoned properties in order to stabilize communities. This sets up the land bank to receive notice of available properties and gives the ability to look at properties before buying. This would give us another acquisition pipeline for acquisition, rehab, resale.

Brad Cromes asked Dan to talk briefly about the recent meeting held with the Ohio EPA. Dan reported that the Regional Planning Commission held the meeting with representatives from Ohio EPA, including

Dan Tjoelkger who oversee the Brownfield program. The Land Bank, the Treasurer, Ravenna Township, City of Ravenna and the City of Streetsboro met with the Ohio EPA about grants and loans that are available and discussed a federal Brownfield Coalition Grant. Brad Cromes stated site access is one of the main problems with obtaining funding for brownfields.

Brad Cromes asked Dan to talk briefly about the recent Ohio Land Bank Association quarterly meeting. Dan updated the committee on the quarterly meeting. The next advocacy seems to be for commercial demolition throughout the state. The land bank provided a potential list of properties in October. A state bill has been created to help fund commercial demolitions throughout the state. It is in the early stages but may become a funding source in the future. The state is contemplating using unclaimed funds however, parameters have not been developed yet. Dan says, in general, all Land Banks seem to be now looking forward to what is next with NIP ending.

The next scheduled meeting will be April 15, 2020 which is the Land Banks annual meeting at 2:30 at the Reed Memorial Library. There being no further business a motion was made by K. Clyde to adjourn the meeting at 3:20 p.m. seconded by V. Kline. Motion carried with 5 Yeas.



Brad Cromes, Chairman



Dan Morganti, Secretary/Administrator