

## MINUTES

### Portage County Land Reutilization Corporation

#### Neighborhood Development Services

Monday, July 9, 2018

1:00 p.m.

The Board of Directors of the Portage County Land Reutilization Corporation met for a regular quarterly meeting on Monday, July 9, 2018 at the Neighborhood Development Services. The meeting was called to order at 1:00 p.m. by Vicki Kline.

#### ROLL CALL – Lisa Reeves

##### Board Members Present

Vicki Kline	Mike Kerrigan	Sue Fields	Jack Kohl
Ina Sayre	Brad Cromes		

##### Also Present

Jennifer Robison	Stacy Brown	John Kovacich	Julia Adkins
Dan Morganti	Lisa Reeves	Kaitlyn McNeerney	Sandy Patti
John Zizka	Rachel Kerns		

#### APPROVAL OF OFFICIAL MEETING MINUTES

##### April 9, 2018 Official Meeting Minutes

The April 9, 2018 minutes were presented. J. Kohl made a motion to approve minutes as presented. Motion seconded by M. Kerrigan. Motion carried with 6 Yeas.

#### FORECLOSURE STATUS UPDATE – Julia Adkins

3 deeds will be filed. Two of the three have structures on them.

Four cases have requested a payment plan.

B. Cromes questioned whether or not there were enough properties in the pipeline to spend out the funds. Julia said that everything is moving along and need approximately 22 more properties minus the three deeds that will be filed. In addition, there have been at least 4 people that have contacted Julia to make payment plans in order to avoid foreclosure, which is positive for the County as well.

## **REPORTS AND COMMUNICATIONS**

### **Financials and Property Inventory**

The June Financial Statement was presented. For the quarter ending June 30<sup>th</sup> the revenue was \$18,060 and the six month revenue was \$457,636.06. The expenses for the quarter ending June 30<sup>th</sup> were \$130,054.14 and the six month expenses were \$327,581.92. Brad reiterated that we have the funds to available to do some additional work, things that may stem from the Commercial Committee meetings, etc.

A motion was made by J. Kohl to accept the financial statement as presented. Motion seconded by B. Cromes. Motion carried with 6 Yeas.

### **NIP Update/Agreements – Jennifer Robison**

The NIP Demolition Tracking Sheet is all up-to-date. All invoices submitted to OHFA have been reimbursed. The property located at 12450 Parkman Road, Garrettsville is a mobile home that was recently just approved by OHFA and can now move forward with the acquisition.

Three side lot agreements were closed in the month of June. Currently there is another acquisition in the McElrath neighborhood pending. The house has been vacant for 10 years and \$1,800 is owed in back taxes. Brad asked how we were acquiring the property, and Jennifer explained that we would be purchasing it for the back taxes.

## **BOARD APPROVAL**

### **Confirm Electronic Vote – Vicki Kline**

An email vote to approve the final draft Audit Report for FYE 12/31/17 was requested and all board members agreed to submit the report. There were no findings or instances of non-compliance to report. The State Auditor required the report to be filed by June 30<sup>th</sup>.

A motion was made by B. Cromes to confirm the electronic vote. Motion seconded by J. Kohl. Motion carried with 6 Yeas.

## **OTHER BUSINESS**

Ina Sayre – It was noted by Vicki Kline that Ina Sayre accepted the Board nomination for an additional 2-year term.

NIP Audit – An annual Audit/monitoring was conducted on the NIP. During the monitoring all sites were visited by OHFA. Two issues were noted and required remedial action. The concrete

needs removed and the lot will need to be re-seeded. The demolition was performed in winter and was snow covered. The 2<sup>nd</sup> lot just needs re-seeded. Bids have gone out for the mowing as well. Brad asked if they care about removing aprons. We shared that they have never mentioned that to us.

#### By-Law Revisions – Chad Murdock

Brad asked for another review of what the changes were. Chad stated that it is a fluid document and can be changed at any time. Chad said they have simplified the By-Laws by bringing them in line with what this Land Bank actually does as opposed to the generic form which is where they were copied from. We also focused more on your Executive Director which is NDS and the function they do which is unique among the other Land Banks. The By-Laws will give them the direction and the authority they have exercised over the past year that were not reflected in the previous By-Laws.

A motion was made by S. Fields to accept the revised By-Laws as presented. Motion seconded by M. Kerrigan. Motion carried with 6 Yeas.

3125 Polly Road, Shalersville Township – This was an acquisition/rehab/resale project. A summary report was shared to the Board since it has been completed. The property was sold for \$104,000, and there is a note from the township that shares their excitement with the results of the project.

PPS Software – NDS has been working with the Cuyahoga County Land Bank to get the system up and running. Most of the properties have been entered and it has been opened up to enter new properties. The system seems to be working good so far.

B. Cromes said he would like to see a sample report. Jenna shared that we have to put everything in before we are able to start running sample reports. It would be the maybe the next meeting or the following board meeting before we can have those. He responded that those are likely a moving forward question that we can address as we go forward.

#### 8957 Wilverne Drive, Windham – Sandy Patti

Jenna explained that this has been an ongoing issue with this property and the elected official who wishes to purchase the property. She has asked to join us today and address the Board herself, so she is here to do that.

Sandy Patti provided pictures of the property that is behind her house as well as her property. Sandy said she is not the only one that wants to purchase the property. Sandy said the neighbor (Mr. Viebranz) is also interested in the property.

Sandy said she approached Mr. Viebranz in 2013 about her interest in purchasing the property. Sandy said that Mr. Viebranz asked if she was interested in splitting the property if she bought it. Sandy said she told him that she probably would be interested. Sandy said she went to Mr. Viebranz recently about him buying it and splitting it with her and this time she said that Mr. Viebranz said "no". The lot is .34 of an acre. The owner of the property walked away from it in approximately 2003. The property at that time had a serviceable trailer, which they lived in and a shed on it. The trailer became run down and the Village Council hired someone to take it apart and dispose of it. Although the trailer had been removed there still was a mess to clean up which Sandy said that her and her children cleaned up over a period of years.

Sandy said she began making calls to anyone who was involved with the mortgage on the property in 2001. In March 2001 Sandy went to the Portage County Recorder's Office to find out who held the mortgage on the property. In July 2001 Sandy contacted the mortgage company (First City Financial Corporation) and spoke with Carla and then also spoke with Ian and they said that it had to be discharged before she could purchase the property. Sandy said she contacted National City Mortgage who referred her to another bank to be passed on from bank to bank. Not one bank she spoke to knew anything nor could they help her.

In 2011 the owner of the property passed away. In 2011 Citi Mortgage charged off the mortgage. In July 2013 Sandy said she spoke with Mike Mercer who handled the delinquent tax properties for the County, and he told her that it was in ROM Foreclosure since 2011 and was referred to as "Zombie Property." Brad explained that this is what happens when the banks pass the property from bank to bank like this. Sandy said she was told by Mr. Mercer that it would be up for Sherriff Sale. Sandy said that when she spoke to Mr. Mercer he said he would let her know when it would be up for Sherriff Sale. She said she left her phone number with Mr. Mercer; however, no one ever notified her when it went up for Sheriff Sale and that no one was in attendance. Sandy said she could have bought the property in 2013 had she been aware of the Sheriff Sale.

In October 2015 Sandy said she contacted Brad Cromes and had to leave a message. Sandy said she never received a call back from him. Brad reiterated that they had spoken on the phone and Sandy agreed. Sandy said she also contacted Jenna (NDS) and she emailed her a Property Request Form and Sandy said she filled it out immediately and returned it to Jenna.

In February 2016, Sandy said she contacted Jenna (NDS) because she hadn't heard anything since she returned the form and she was unable to locate the Property Request Form Sandy completed and did not know what happened to it. Jenna had told Sandy that there had been a lot of changes and that it could have easily gotten misplaced. Jenna took the information again over the phone and she then forwarded it over to the Treasurer to go through the process. Jenna had told Sandy that it could take up to 2 years to complete foreclosure on the property. She also added that throughout the process, people have been very accommodating and kind in working with her.

In April 2016 Sandy said she contacted the Treasurer and was told that it had just been filed with the Common Pleas Court. Sandy said she contacted the Clerk of Courts and was told that it had only been put up for Sheriff Sale one time.

In November 2016, Sandy said she contacted Jennifer Robison (NDS) and was told that Mr. Viebranz was also interested in the property. Brad asked if he was on council too, and she responded that he was not. Mr. Viebranz was given a price of \$7,000 for the property, and he thought it was too high. On November 28, 2016 Sandy said she made an offer in the amount of \$750.00. Sandy said she received no response to her offer. Jennifer asked Sandy if she had heard from their attorney and Sandy said she hadn't.

Sandy said that every year Windham Village assesses \$500 to the property for mowing the parcel. Jennifer reiterated that now that the Land Bank owns the property, we hire our own company to mow the property. Sandy agreed that since the Land Bank owned the property, those fees have not been assessed, On February 7, 2016 a Delinquent Property Request Form for the parcel was sent to Brad Cromes, Teresa Steinlechner, and carbon copy was sent to Alecia Bencze for foreclosure on the property.

Mike Kerrigan asked when she was sworn into council. Sandy said she was elected in 2016 to be on the Village Council. The Side Lot Policy does not allow public officials to purchase property and was developed in response to this specific situation. Sandy explained that a letter was requested from the Ethics Commission regarding her interest in the CHIP program. Sandy also provided a letter stating that she would not make any decisions that come before the Village Council that has to do with the Land Bank or NDS. Stacy explained that the reason for this letter is because NDS does a lot of business with the Village of Windham, and NDS wanted to avoid the appearance of a conflict of interest since she applied for assistance from the CHIP program. Sandy claims that she, the Mayor, as well as the Council Members signed off agreeing to the decision by the Ethics Commission. Sandy added that when NDS brought its new 30-unit project to Council, the mayor remarked that she would qualify for that. She asked if that were true. S. Brown responded that it was not and that she thinks the mayor was making a point to the audience that the income restrictions were not too limiting, not making a statement that she would be able to lease a unit.

B. Cromes stated that the policy was developed here so that it didn't give the appearance of impropriety. Whether or not that there is any actual problem or not. It's the possibility that it could be perceived as an issue by the public and the Board made a decision at that time that we were going to have a blanket prohibition against dealing with public officials. B. Cromes stated that was the reasoning behind the policy. B. Cromes said there was nothing under the policy that they could do officially because she is a public official. S. Patti said she has considered quitting the Village Council. S. Patti felt that she feels strangled by these policies and officials should have the same rights as anyone else. M. Kerrigan responded that elected officials are held to a much higher standard due to ethics laws and that all elected officials are held to the same standards. S. Patti said she has been trying since 2013 to get the property and now that she is a public official, she is being told that she can't purchase the property. She only receives

\$170 per month for being a public official and it could have cost her much more had she not been eligible for assistance. She also states that she could have had the property several times. Brad reiterated that she cannot purchase the property from us. V. Kline asked for the attorney's input. C. Murdock stated that he provided an opinion on this and that the Land Bank's Policy dictates that they cannot sell the property to an elected official. V. Kline said she would not up for changing the policy.

S. Patti asked if there were another way that this could be addressed. B. Cromes suggested that she speak with an attorney if she were still interested in pursuing the property. She asked whether the Land Bank could work with Mr. Viebranz to split the property with her. M. Kerrigan said that we cannot sell the property to her and that we cannot provide advice to her on how to obtain it.

#### Annual Report

The final annual report was presented. Copies of the annual report will be distributed to agencies/organizations/elected officials.

#### PCLRC Sponsorship of the Ohio Land Bank Conference

The Land Bank was approached to sponsor the Ohio Land Bank Conference. B. Cromes questioned what the benefit would be in being a sponsor. The Land Bank's name would be in all of the promotional material for the conference, name recognition in the Land Conservancy printed publications and have an opportunity to speak at the conference.


A motion was made by B. Cromes to sponsor \$1,500 (Friend Level) for the 8th Annual Ohio Land Bank Conference. Motion seconded by J. Kohl. Motion carried with 6 Yeas.

#### Quarterly Meeting Date

The next meeting will be held on October 10, 2018 at 1:00 p.m. since October 8, 2018 is a holiday.

#### ADJOURNMENT

M. Kerrigan made a motion to adjourn the meeting at 1:48 p.m. Motion seconded by J. Kohl. Motion carried with 6 Yeas.

  
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Vicki Kline, Chairman

  
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Stacy Brown, Secretary/Administrator