

MEETING MINUTES

Portage County Land Reutilization Corporation

Reed Memorial Library – Jenkins Room

April 13, 2022 at 1:00 pm

Call to Order and Attendance

Meeting was called to order at 1:05 pm by Chairman, Brad Cromes

Roll Call – Jeannette H. Jones

Board Members Present: Brad Cromes, Bridget Susel, Sabrina Christian-Bennett, Sue Fields

Board Members Absent: Anthony Badalamenti

Also Present: Dan Morganti, Chad Murdock, Christine Moravec, John Kovacich, Jeannette H. Jones

Approval of Official Meeting Minutes

The quarterly meeting minutes from January 19, 2022 were presented. A motion was made by Bridget Susel to accept the minutes from January 19, 2022. Sue Fields seconded the motion. Motion carried with 3 yeas.

Fiscal Report

Financial Report and Property Inventory

Dan reviewed the quarterly income statement and discussed a \$500 donation that was received from Vanguard Charitable. This is an unrestricted donation that the Land Bank received for the second year from an anonymous donor, these funds will be used to further the mission of the Land Bank. Dan thanked the donor. Dan also gave an update on the ODOD Gas Station Cleanup Grant. Seven monitoring wells have now been installed and the ground water is being monitored. We are nearing the completion of the Tier I review. The goal is a No Further Action letter from Ohio EPA and then the site can be put on the market for sale.

Dan reviewed the cash receipts and cash disbursement journal. Christine identified a property on the fixed asset register on Parmalee Street in Kent has an incorrect parcel number. Dan will correct the typo.

Sabrina made a motion to accept the Financial Report. Sue Fields seconded the motion. Motion carried with 3 yeas.

2021 Basic Financial Statements

Dan reviewed the 2021 Basic Financial Statement that were completed by Julian and Grube. This is the basis for the Land Bank audit that is currently in progress. This document needs filed with state of Ohio by end of April. The 2021 year was a solid year for the Land Bank from a financial standpoint. Assets exceeded liabilities by \$1.8 million. Assets increased over \$234,000 for the year. Dan pointed out a minor modification is needed on Page 20 regarding Note 9-Operating Lease. The rent should be

corrected to \$267 per month. Dan suggested we can move forward with filing the financial statements with the State Auditor's Office.

Bridget made motion to accept the document with the modification Dan discussed. Sabrina seconded the motion. Motion carried with 3 yeas.

Brad asked about Julian and Grube completing these statements and the audit. Dan had previously asked that question to the state. These are two separate functions of the same organization and this separation of duties is acknowledged as part of the audit engagement.

Policy Report

New Construction Revolving Loan Fund (RLF)

The New Construction Revolving Loan Fund Pilot Program was initially approved in July 2020. The plan was to construct two new houses and then assess the future of the program from there. The first house, located on McElrath Ave in Ravenna Township, was completed in Summer of 2021. The second house is nearly complete and is located on Parmalee St in Kent. Details of each loan are in the agenda packet. The program has worked well. Dan does not recommend any changes to the program, but identified potential threats to the program of contractor interest, cost, and affordability. Ideally, Builders want to have a buyer that is ready to purchase a house rather than build it speculatively, or a buyer who already owns the land to be built on. Many have a business model that includes building at higher price points. There are also supply chain issues. Like many industries construction costs are high. Program has worked well, but is contending with a constant pressure point between cost, affordability and generating contractor interest.

Bridget asked if there is money in the budget to change the program from a pilot program and would this result in an expansion of the program? Dan indicated that the pilot program initially allocated enough funds in the RLF to undertake these two projects. The intent would be to continue to maintain enough funding the RLF to be able to undertake up to two projects at a time going forward. If the program were to expand beyond that, the policy would need to come back through the Board for approval. Bridget made the motion to adopt the changes. Sabrina seconded the motion. Motion carried with 3 yeas.

ODOD Building Demolition and Site Revitalization Program

There were 21 properties submitted and the total grant request was \$625,000 which includes the \$500,000 "set aside" for each county in the State and an additional \$125,000 in competitive funds. There was a rush to get properties submitted. The program guidelines and an FAQ indicated that properties must be cleared for demolition at time of application. ODOD seemed to hedge on that requirement verbally at the last OLBA Network Meeting a few weeks before the grant application was due at the end of February. The Land Bank submitted several properties that were in the process, but did not yet have full demolition clearance. Funding awards are expected in July. Perhaps there may be an extension of the completion time which is currently May 2023.

Community Stabilization Trust

In early 2020 the Land Bank was qualified as Community Buyer under the National Community Stabilization Trust (NCST) Program. That means we get a first look at bank owned (REO) properties who have a partnership with the NCST. We have not received any properties to this point, REO inventory has been limited since we became a Community Buyer in early 2020. Per NCST protocols, we were recently

required to re-establish ourselves as a Community Buyer and sign an updated MOU between the Land Bank and NCST, which is attached in the agenda packet. General discussion of current trends in the residential real estate market including housing supply issues, sustainability of current house pricing, interest rates and affordability. As the residential real estate market changes, this program may help position the Land Bank to have a positive impact on the market locally once more REOs become available. The Land Bank is also an approved buyer under Fannie Mae's similar Community First Program.

Disposition of V/L Fisher Road, Palmyra Twp (26-429-00-00-004-000)

The Board received electronic and written correspondence from Joshua Eyring who wanted to appeal a decision regarding a side lot disposition. Dan spoke with Chad Murdock about the matter and it was confirmed that we don't have a formal appeal process and this is not an appeals board. According to Chad, the decision should be made by Dan as Executive Director with input from the Board. Brad Cromes mentioned that the role of the board is to set and monitor the policy. Dan reviewed the site and correspondence that was received. He did re-consider the disposition determination and outlined a response to the five points raised in Mr. Eyring's correspondence. The reconsideration determined that the planned disposition was in alignment with adopted Land Bank policy. The Property Inquiry/Request Form will be updated to better communicate that making an inquiry on a property is no guarantee of receiving transfer of the property.

Legislative and OLBA Report

State Senate Bill 112, legislation that updates/modifies the existing Land Bank laws, has passed the Senate. A companion bill, House Bill 241, is currently in the House. It would need also need to pass for it to officially become law. The OLBA Conference is April 28-30. Staff and some members of the Board will attend. Dan will be presenting at a session called "Jobs and Commercial Redevelopment".

Other Business

The Land Bank's 2021 Annual Report is enclosed. Dan is planning expanded outreach related to the report beyond previous years. 2021 marked the 10-year anniversary of the Land Bank. Dan confirmed that Land Bank quarterly meetings and work sessions have now moved to the second Wednesdays of the month at 1 pm, this was per the Doodle poll that was sent out and discussion at the January meeting. The updated schedule is in the meeting packet. Brad Cromes noted that it is time to review Dan's performance and contract. The current 3-year contract expires in November. Chad to work on updating the MOU.

Brad Cromes asked for a motion to adjourn the meeting. Sabrina made a motion to adjourn the meeting and Bridget seconded the motion. Motion passed with 3 yeas. Brad adjourned the meeting at 1:55 p.m.



Chairman, Brad Cromes



Executive Director/Secretary, Dan Morganti