

MEETING MINUTES

Portage County Land Reutilization Corporation

Reed Memorial Library – Jenkins Room

October 18, 2023 at 1:00 pm

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

Roll Call – Dan Morganti

Board Members Present: Brad Cromes, Sue Fields, Mike Tinlin

Board Members Absent: Sabrina Christian-Bennett and Bridget Susel

Also Present: Dan Morganti, Chad Murdock, John Zizka, Chris Moravec, John Kovacich

Quarterly Land Bank Meeting

Approval of Minutes

Chairman Brad Cromes indicated a quorum is present. Absences of Sabrina Christian-Bennett and Bridget Susel are excused. Sue Fields made a motion to accept the minutes of the July 18, 2023 Board Meeting. Mike Tinlin seconded the motion. The motion carried with 3 yeas.

Fiscal Report

Dan Morganti reviewed the Fiscal Report for the third quarter of 2023. Dan explained that the Fixed Asset register for the quarter reflected the acquisition of 8 parcels during the quarter and disposition of 12 parcels. Sue Fields made a motion to accept the Fiscal Report. Mike Tinlin seconded the motion. The motion carried with 3 yeas. Dan outlined a request for 2023 budget revision #2 to increase the legal advertisements line item to \$9,000. More legal ads than was initially projected may be necessary, as more properties are going to sale. Sue Fields made a motion to accept the budget revision. Mike Tinlin seconded the motion. The motion carried with 3 yeas.

Dan Morganti presented a 2024 preliminary budget to start the fiscal year on January 1, 2024. A few adjustments are anticipated. As has been done previously we will plan to update the budget at the January meeting once there is more clarity on the 2023 4th quarter activities and more information related to some State grant programs that are expected to be received during the year. Some line items are difficult to project given the nature of working with finally distressed vacant and abandoned properties and the many associated unknowns. Dan Morganti summarized that the DTAC revenue projection is \$325,000 for the year, based upon the 5-year running average. The acquisition-rehab-resale revenue line item is a net figure, we book both revenue and expenses here for budgeting purposes, a projection based upon the sale of a current rehab in 2023, but it may be that that house will close in the early part of 2024, which will change this. Any acquisition under the National Community Stabilization Trust or Fannie Mae REO programs would be booked here. Brad Cromes asked about the Deed-in-Escrow line item. Dan explained that the ARR approach to rehab is his preferred method, where

we act as developer, oversee the work, and sell the house. We have more control over this process. Dan Morganti uses Deed-in-Escrow program when the scope/scale of rehab viable housing entering Land Bank inventory is larger than what we can rehab in-house, and that is not anticipated during 2024 given the current foreclosure pipeline. Brad Cromes asked how many Deed-in-Escrow projects have we completed. Dan answered 3 projects, each has been successful, but he prefers doing rehab in a way that we have more control over the process. The ODOD Abandoned Gas Station grant funded revenue line item reflects the current balance on a project the Land Bank is completing in Edinburg Township where we have requested a No Further Action Letter that is currently being reviewed by BUSTR. There is another prospective project on W. Main Street in Ravenna that will potentially be another Abandoned Gas Station grant program site in the 2024 budget. The ODOD Building Demolition and Site Revitalization Grant program currently reflects our current balance of grant fund. In January we will have more clarity on the next round of funding, and it will be increased at that time based upon a new grant of up to \$500,000 and potentially competitive funds beyond the grant set-aside. Mike Tinlin asked about the demolition of Oak Rubber site by the County Administration building, and if the Land Bank had any involvement in that. Dan Morganti said the City of Ravenna coordinated the demolition at that site. The Land Bank is working with the city on a solution for the remaining debris piles. A ODOD Brownfield Remediation line item will be included in the budget. ODOD is planning a kick-off, with details on the process, timeline and funding and we anticipated that will be out by the end of the year. Brad provided an update on the Oak Rubber site- the old factory that was torn down by a private contractor who was salvaging materials and they walked away. There was subsequently a fire. US EPA and Ohio EPA have involvement. The Land Bank and the Treasurer's Office is engaged with it. It is with the Prosecutor's Office now and is in the preliminary foreclosure process. In addition to the debris piles and environmental problems there is also a tax problem that has to be addressed, and there is no owner. Brad Cromes said the Treasurer's Office has started to the process to get that taken care of to get it to forfeiture. The Prosecutor expects that to go to court next month, or in December. Brad Cromes stated that hopefully, by the end of the year next year, it will be reaching the end of that process. The interest revenue line items are projected based upon current interest rates. The accrued interest income line item is based upon issuing one new construction loan during the year. On the expense side, Dan Morganti outlined the salaries and benefits line item to cover his position and the Administrative and Program Assistant position. Jeannette Jones resigned in September to tend to a family matter and Dan's plan is to re-fill that position. Brad Cromes asked when was the last time the Board did an Executive Director's employee review, and Dan answered that it was last year. Brad suggested it was time to do that again. The ODOD grant line items has been covered. The office lease includes rent and our prorated share of gas and electric costs. The line items of court costs, legal ads and title work are all projections tie to our foreclosure contract. Many of the other expense projections are based on previous expenditures and are summarized in the notes section. Sue Fields made a motion to accept the budget. Mike Tinlin seconded the motion. The motion carried with 3 yeas.

A resolution was presented to create a Records Commission as recommended as part of the 2022 Audit process. Dan discussed the StaRs transparency monitoring related to Sunshine Laws. The Land Bank was again deemed to be complaint in 2022 and earned an additional 3-stars for best practices that go above and beyond the requirements in the law. This resolution makes the board as a whole also the Records Commission and sets a meeting schedule each January to coincide with the Board's annual meeting. We currently have a records retention policy that is part of the Land Bank's Bylaws and Dan has plans to create a more extensive policy that will allow proper disposal of some older records. Mike Tinlin made a motion to accept the resolution. Sue Fields seconded the motion. The motion carried with 3 yeas.

Policy Report

Dan Morganti explained there are two property considerations. The first is the acquisition of Lakewood Rd, Ravenna Twp (29-342-00-00-016). This is a property with two structures, a barn and a block out-building. They are not eligible for State demolition funds. They Township requested we take a look at these because they are in poor condition. This is a situation where we could consider pursuing to take ownership, or could demolish the nuisance buildings. This is an odd shaped 8.4 acres parcel that is zoned residential, it has a high delinquency amount. Dan Morganti has done research at PCWR, the Engineer's office and RPC, and found that it does not appear to be involved, or left over after the development of the adjacent subdivision, Forest Ridge, as initially thought. There is a sewer on the site that was built in 2004 that does tie-into the subdivision's sewer system. Multiple parcels were consolidated into one in 2006 that make up our currently oddly configured parcel. Former owner Nowak, transferred it to John Karl, Inc. in 2006 and in 2010 it was transferred to the current owner Lakewood Hills, LLC. It has been delinquent since then. It has access to the sewer and also the city of Ravenna has water on Lakewood Rd. The consideration is to go ahead and pursue the property in tax foreclosure knowing we would need to demolish the structures. Dan thinks we could put this property back to productive use, there's a number of our disposition policies that would fit. Brad Cromes asked what would be the possible end-use here. Dan's initial thought would be it could be a possible new construction revolving loan fund to build a single-family house here. It was mentioned that the Forest Ridge HOA might be interested in the property. Perhaps they would take transfer of a portion of the property, and the rest could be used to develop a single-family home, or two, depending on what the zoning would allow. The area to the north and northeast appears to be a wetland, and likely not able to be developed. Brad mentioned the Park District is contiguous by the Breakneck creek connect point. Mike Tinlin made a motion to pursue the property in tax-foreclosure, Sue Fields seconded the motion. Brad asked about any environmental considerations, and would a Phase 1 need to be a part of the process before acquiring. Dan Morganti thought we didn't necessarily need to decide this today, but in order to mitigate any environmental risks we could pursue it with a goal of getting to forfeiture, which could open up site access for a Phase 1 before taking title. The barn was obviously an agricultural use, and the block out-building at one time was used by an excavating company to store equipment, and then by a landscaping company. There was discussion about the adjacent owners. The motion carried with 3 yeas.

The second is a conditional sale agreement for 3280 St Rt 59, Ravenna Twp (29-343-00-00-006-000). The property is 0.4 acres, zoned C-R, this property was previously demolished by the land bank in 2013. The Land Bank was approached by Josh Myers who has plans to develop it commercially as an appliance store. He is in the process of navigating the proper zoning channels through the Township, he also has an option to purchase the adjacent property, which is also vacant land. The consideration is to enter into the conditional sales agreement with the condition being we can acquire it through tax foreclosure, with a sale price of \$2,500, which is the same as previous commercial land sales, and roughly our foreclosure costs to acquire the property. Brad Cromes asks about a provision for costs that may exceed this figure. Dan stated our costs are pretty static and don't vary too much usually, but this could be added to the agreement to recoup costs that might go beyond. Sue Fields made a motion to enter into the conditional sale agreement with the suggested provision. Mike Tinlin seconded the motion. The motion carried with 3 yeas.

Ohio Land Bank Association (OLBA) and Legislative Update

ODOD held a kick off meeting for the Building Development and Site Revitalization Program this past Monday. There will be \$500,00 set-aside for each county, with an additional competitive funding available that requires 25% match. Applications open on October 31 and are due April 1. Outreach for the program is ongoing and is targeted at political jurisdictions, administrators, and political officials. Dan attended recently attended the Regional Planning meeting and the monthly Portage Development Board practitioners meeting. A policy and procedure update will likely be brought to the Board in January. Mike Tinlin asked how many responses have been received from the political subdivisions. Dan stated his email list has about 120 individual emails, and 17 new properties have been submitted for consideration at this point. John Kovacich noted the Townships are always looking for grant funds. The Ohio Dept of Development expects to kick off the Brownfield Remediation Program soon, or by the end of the year, and outreach will be the same approach. Lastly, ODOD is stating the Welcome Home Ohio is also expected to kick-off by the end of the year. There is a contingent of OLBA representatives who will be meeting with ODOD about the policy development process. Generally, it will provide funding for acquisition, rehab, or construction of owner-occupied housing. The OLBA Statewide Annual meeting in 2024, the week of April 22nd is in Akron.

The next quarterly meeting is January 16, 2024 at 10am at Reed Library. Brad Cromes called and executive session regarding compensation and performance review of an employee.

Dan Morganti thanked Brad Cromes for his years of service on the Board. Brad has been very supportive of the Land Bank. Brad said it has been his pleasure to serve. He said the Land Bank is something he feels has a tremendous amount of potential and we're fortunate to have good leadership here.

Brad Cromes asked for a motion to enter the executive session at 1:44 pm. Sue Fields made a motion. Mike Tinlin seconded the motion. The motion carried with 3 yeas. Brad Cromes said the Board will come out of the executive session and then adjourn the meeting. That will be it for today's agenda. Executive session ended at 1:49 pm. Sue Fields made a motion. Mike Tinlin seconded the motion. The motion carried with 3 yeas. The meeting was adjourned.



Chair, Sabrina Christian-Bennett


Executive Director/Secretary, Dan Morganti