

## MINUTES

Portage County Land Reutilization Corporation

Via Zoom

January 27, 2021

Meeting was called to order at 2:31 p.m. by Chairman, Brad Cromes

**ROLL CALL** – Evelyn Beeman

### **Board Members Present**

Brad Cromes  
Bridget Susel

Sue Fields  
Sabrina Christian-Bennett

Anthony Badalamenti

### **Also Present**

Dan Morganti  
Teresa Steinlechner

Chad Murdock  
Evelyn Beeman

Chris Moravec  
Rachel Kerns

### **Annual Land Bank Board Meeting**

The meeting was called to order at 2:31 p.m. by Chairman, B. Cromes. E. Beeman did roll call.

### **Election of officers**

Brad Cromes reported the attorney for the land bank approved having the treasurer and secretary positions as one. Brad Cromes asked for nominations for Chairman. Bridget Susel nominated Brad Cromes to continue as Chairman for 2021, seconded by Sue Fields. Motion carried with 5 yeas. Anthony Badalamenti nominated Sabrina Bennett for Vice Chairman, seconded by Bridget Susel. Motion carried with 5 yeas. Sabrina Bennett nominated Bridget Susel for Treasurer/Secretary, seconded by Sue Fields. Motion carried with 5 yeas. There being no further nominations Brad Cromes asked for the meeting to be adjourned. Sue Fields made a motion to adjourn at 2:34, seconded by S. Bennett. Motion carried with 5 yeas.

### **Quarterly Land Bank Meeting**

The quarterly meeting of the land bank was called to order at 2:34 p.m. by chairman, Brad Cromes.

### **APPROVAL OF OFFICIAL MEETING MINUTES**

The quarterly meeting minutes from October 21, 2020 were presented. A motion was made by Bridget Susel to approve the minutes as presented, seconded by Sue Fields. Motion carried with 5 yeas.

## **REPORTS AND COMMUNICATIONS**

### **Fiscal Report and Property Inventory – D. Morganti**

Dan Morganti reviewed the financial statements through December 31, 2020. The income statement indicated total revenue collected for the 4<sup>th</sup> quarter was \$81,629.60. Expenses totaled \$107,025.31. The net income was a negative \$25,395.71 for the quarter. The year-end balance sheet was noted as having two new assets listed as New Construction (RLF) and Note Receivable (Loan #20-01), these lines are related to the New Construction Revolving Loan Fund pilot program. Dan Morganti presented the cash disbursements and cash receipts journals for the final quarter of 2020. The fixed asset register was presented which shows the accounting value of all the properties the land bank owns which includes 117 individual tax parcels. Thirty-eight properties are NIP properties which has restrictions as to when they can be sold as there is a 3-year hold period. Brad Cromes asked Dan Morganti to explain where the fixed asset figures are coming from for new members. Dan stated it is the auditor's assessed value. If there is a structure on the property it would include both the land assessed value as well as the assessed improvement value. Dan also noted the NIP properties history. For the last 4 years the land bank has been involved with Neighborhood Initiative demolition grant funds. One of the stipulations is the land bank will hold the property a period of 3 years from date of demolition. Bridget Susel made a motion to accept the financial report as presented, seconded by Sue Fields. Motion carried with 5 yeas.

Dan Morganti stated he received 3 proposals to assist the Portage County Land Reutilization Corporation in preparing the Land Bank's basic financial statements (BFS) in compliance with accounting principles generally accepted (GAAP). Dan recommended utilizing Julian & Grube as they have prepared the statements for prior years and we have a good working relationship with them. They were also the lowest price. Brad Cromes reiterated their work has been acceptable and we have no problems with past performance. A motion was made by Anthony Badalamenti to procure the services of Julian & Grube for a period of three years, seconded by Bridget Susel. Motion carried with 5 yeas.

### **Foreclosure Status Update**

A listing of 2019 and 2020 foreclosures were noted.

### **2021 Land Bank, Treasurer, Prosecutor foreclosure agreement**

Each year the land bank, prosecutor and treasurer have an agreement to pursue property in tax foreclosure on behalf of the land bank. The Land Bank pays a flat fee for a certain number of cases per the terms of the Agreement. S. Bennett asked how it compares from having a flat fee instead of a fee per property. Bridget Susel stated the flat fee contractual amount with no associated set amount of cases was beneficial for all parties when we were working with the NIP Grant with a multitude of properties. A couple of years ago a fee structure was negotiated to be based upon number of cases; roughly \$1,300 per case for the prosecution of 24 cases. The Land Bank may request up to 12 additional cases at a cost of \$1,500 per case, plus costs, payable to the Treasurer at the time of the request. This approach is more in line with the level of foreclosures being done by the Land Bank now where before foreclosures were being pursued to meet numbers required by the grant. Anthony Badalamenti asked how many foreclosures do we have at this time. Dan Morganti stated the number of properties the Land Bank owns as of 12/31/20 117 individual tax parcels. We also have 20-25 active foreclosures ongoing currently.

Dan Morganti reviewed the Agreement for 2021 between the Land Bank, and Treasurer. It is basically the same contract as 2020 which gives the Land Bank flexibility to pursue between 24-36 cases under



the new agreement. It also extends the agreement time an additional 4 months beyond the end of the year until April 2022. Two assistant prosecutors are assigned to work with the Land Bank. A motion was made by Bridget Susel made a motion to authorize the treasurer, prosecutor and executive director to enter into the agreement for 2021 as presented and reviewed, seconded by Anthony Badalamenti. Motion carried with 4 yeas and 1 abstention (Brad Cromes).

Dan Morganti reiterated the bank signatories for Portage Community Bank and Hometown Bank accounts are as follows:

Dan Morganti, Executive Director

Brad Cromes, Chairman

Bridget Susel, Treasurer

Kathleen Clyde is to be removed as signatory to the Portage Community Bank account. Bridget Susel suggested Sabrina Bennett be added as Vice Chairman. A motion was made by Anthony Badalamenti to identify all signatories and to add the Vice Chair Sabrina Bennett seconded by Bridget Susel. As an amendment to Anthony Badalamenti motion Sabrina Bennett stated Kathleen Clyde should be removed as signatory seconded by Bridget Susel. Motion carried with 5 yeas.

#### **Approval of electronic voting from December 28, 2020**

- Dan Morganti provided an overview of the 2021 Land Bank Budget along with notes, which were approved electronically in December. A total projection of revenue for 2021 was estimated at \$860,700. The expenditures estimated for 2021 amounted to \$845,230 leaving a net income of \$15,470. Sabrina Bennett asked if Dan had a retirement program. Dan responded as an employee of F&CS, yes, they do offer a retirement program to employees. The need for a part time clerical position was discussed in the past. The next work session will include working on a job description for that position. Dan Morganti stated on looking ahead the Land Bank would like to continue to focus more on rehabilitation/new construction for 2021 with less demolition than in the past. Bridget Susel stated when the Land Bank was created it was in response to a demolition grant (Moving Ohio Forward). The Land Bank did not take ownership of the properties. The NIP Grant was then initiated as a pass through for demolition as well but required the Land Bank to tax foreclose and take ownership of the properties. Brad Cromes added there is a new focus to include commercial properties as well. Brad stated a board orientation at some time in the future would be helpful for new members. The goal is to get blighted, abandoned properties back on the tax rolls.
- Dan Morganti stated the Land Bank is pursuing 2 smaller properties to sell to the Lakeside Sand and Gravel. Commercial end-user required board action.
- Dan stated the new Deed-in Escrow policy was discussed and put in place during 2020, the electronic vote in December added the following language to the policy "The Land Bank reserves the right to give priority to offers that designate owner-occupied end-use."

Anthony Badalamenti made a motion to reaffirm the decisions that were made electronically on December 28, 2020, seconded by Sabrina Bennett. Motion carried with 5 yeas.

Dan Morganti reviewed the 2021 meeting schedule.

As a look ahead to 2021, Dan Morganti stated the land bank anticipates having a lot of construction activity underway. The new construction pilot program utilizing RLF funds is underway with a second house being planned. The Land Bank has recently taken ownership of 4 improved properties with the intention of rehabilitation. The properties are geographically spread out throughout the County. The Land Bank is pursuing or planning to rehab 2 properties in Ravenna Township, 1 in Ravenna city, 1 in Brimfield Township, 1 in Freedom Township, 1 in Windham Township, 1 in the City of Kent and 1 in Charlestown Township. Sabrina Bennett asked what the largest sale value for a rehabbed house has been. Dan Morganti stated a house was sold in Palmyra Township last year for around \$180,000. The land bank has completed an additional 3 homes under the Acquisition-Rehab-Resale, which sold for around \$100,000 each.

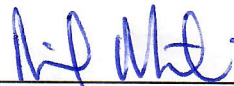
Anthony Badalamenti suggested moving the meeting from 2:30 p.m. to 1:00 p.m. All members agreed that the shift to 1:00 pm worked for the group.

Dan Morganti reported the Land Bank received an anonymous donation in the amount of \$500 from a donor-advised fund through Vanguard Charitable. Dan thanked the donor. The monies will be used to further the mission of the land bank. Dan stated policy binders will be prepared and given to all members for their use. Brad Cromes asked how social media is going. Dan Morganti stated the Land Bank officially has a Facebook and Twitter account and has begun to post information, accomplishments and any news worthy items. More use is planned.

The next scheduled meeting will be April 21, 2021 at 1:00 p.m. There being no further business a motion was made by Sue Fields to adjourn the meeting at 3:26 p.m. seconded by Bridget Susel. Motion carried with 5 yeas.



Chairman, Brad Cromes



Executive Director/Secretary, Dan Morganti