

The Board of Directors of the Cuyahoga County Land Reutilization Corporation (the "Board of Directors" or this "Board") met for its regular quarterly meeting on the 27<sup>th</sup> day of March, 2026 at 10:00 a.m., Eastern Time, in the Board Conference Room of its offices located at 812 Huron Rd. E., Suite 800, Cleveland, Ohio 44115, with the following Directors present and voting on this Resolution as indicated:

Anthony Brancatelli, Vice Chair of the Board of Directors, Former Council Member City of Cleveland;

Michael Booker, Mayor of the Village of Highland Hills, OH;

Reverend Dr. Brian Cash, Pastor, East Mount Zion Baptist Church;

Dale Miller, Cuyahoga County Council President, through his Designated Representative Michael W. King;

Sally Martin O'Toole, Director of Building and Housing, City of Cleveland, OH;

Chris Ronayne, Cuyahoga County Executive, through his Designated Representative: Katherine A. Gallagher; and

Jasmin Santana, Council Member, City of Cleveland

Michael Booker moved for the adoption of the following Resolution (this "Resolution"):

RESOLUTION NO. 2026-1  
APPROVING THE FISCAL YEAR  
2026 BUDGET OF THE CORPORATION

WHEREAS, Section 9.2 of the Code of Regulations of the Cuyahoga County Land Reutilization Corporation (respectively, the "Code of Regulations" and the "CCLRC") requires that at least thirty (30) days prior to the end of each fiscal year of the CCLRC, the President or other officer present to the each member of the Board of Directors the proposed annual budget of the CCLRC for the next succeeding fiscal year; and

WHEREAS, on December 19, 2025, the Board adopted Resolution No. 2025-6 Adopting a Temporary Budget Governing Fiscal Matters for the First Three Months of 2026; and

WHEREAS, on March 19, 2026, legal counsel for the Board of Trustees of the CCLRC caused to be sent by electronic mail to each member of the Board of Directors the proposed annual budget of the CCLRC for fiscal year 2026, a copy of which is attached to this Resolution as Attachment A (the "2026 Fiscal Year Budget"); and

WHEREAS, Section 9.2 of the Code of Regulations further requires that at a regular or special meeting of the Board, the Board conduct a public hearing on such budget prior to its adoption in final form; and

WHEREAS, the Board has conducted such public hearing immediately prior to its consideration of this Resolution; and

WHEREAS, Section 9.2 of the Code of Regulations permits the Board to approve at the meeting at which was held the public hearing on the annual budget or at another meeting called for the purpose of adopting the annual budget of the CCLRC which shall govern the expenditures of the CCLRC during the fiscal year to which such budget applies; and

WHEREAS, this Board now desires to approve the 2026 Fiscal Year Budget so that the operations of the CCLRC can continue uninterrupted into calendar year 2026; and

WHEREAS, the Board of Directors hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all the deliberations of this Board, and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cuyahoga County Land Reutilization Corporation that:

Section 1. This Board hereby finds and determines that it has received, reviewed and had the opportunity to question and discuss to its satisfaction the 2026 Fiscal Year Budget and that it now desires to approve and adopt such Budget, including changes, if any, that have been agreed to and approved by the Board during this meeting, so that the operations of the CCLRC can continue consistent with the priorities and plan established in the 2026 Fiscal Year Budget.

Section 2. This Board hereby approves and adopts the 2026 Fiscal Year Budget attached to this Resolution, including, however, the changes if any, as have been agreed to and approved by this Board during the time for questions about and discussion of the proposed 2026 Fiscal Year Budget.

Section 3. This Resolution shall take effect and be in force immediately upon its adoption.

Sally Martin O'Toole seconded the motion.

Upon roll call on the adoption of this Resolution, the vote was as follows:

|  |     |
|--|-----|
| Anthony Brancatelli  | Yea |
| Michael Booker   | Yea |
| Reverend Dr. Brian Cash                                    | Yea |
| Dale Miller<br>(Designated Representative Michael W. King) | Yea |
| Sally Martin O'Toole                                       | Yea |





# CUYAHOGA LAND BANK

March 13, 2026

To: CCLRC Board of Directors  
From: Mel Sanders, CFO  
Ricardo León, President & CEO  
RE: 2026 CCLRC Budget Memo

Attached is the proposed fiscal year 2026 CCLRC operating budget.

CCLRC's FY2026 proposed operating budget results in a \$728K net surplus with revenues totaling \$30M and expenses totaling \$29.3M, resulting in a \$30.9M net asset position. The FY2026 budgeted net surplus of \$728K reflects an accounting surplus rather than a cash surplus. This means that while our financial statements show a positive result, this figure includes non-cash items — most notably depreciation expense (the allocated cost of wear and tear on our physical assets) and income recognized from a forgivable loan. As a result, the surplus does not represent additional funds available for spending.

## **Revenues**

Revenues for the year are budgeted at \$30M. Compared to 2025, budgeted revenues increased approximately 21%, driven by increases in other grant revenue and property sales. Revenue from County DTAC funds totals \$5.5M. Grant income for the year is budgeted at \$11M which includes ODOD, federal HUD funding, contracts from the City of Cleveland and additional funding from foundations.

Grant income in 2026 is inclusive of contracts executed in 2024 and 2025 where the performance period can extend through 2028. Grant payments advanced to CCLRC in prior periods are recorded on the balance sheet as unearned revenue and as performance metrics are met, grant income will be recognized throughout the year accordingly.

Other income is budgeted at \$13.5M and is primarily from administrative fees from ODOD contracts totaling \$3.9M, and property sales including modernization and new construction totaling \$6.8M. Remaining other income totals \$2.8M and includes interest from investments, reimbursements for demolition and environmental work, rent, consulting and PPS income.



# CUYAHOGA LAND BANK

## **Expenses**

Expenses for the year are budgeted at \$29.3M. Contracted services total \$20.4M representing approximately 70% of total budgeted expense. Contracted services expense is primarily composed of demolition (\$5.2M), acquisitions & dispositions (\$5.4M), and real estate development costs (\$7.7M).

General operating expenses total \$7M, approximately 23.9% of total expenditure. Staffing costs total \$5.3M and are inclusive of fringe benefits and professional development expenses. Professional services total \$1.1M includes legal, accounting/audit, software, legal, and marketing & communications. Additional operating expenses include office (\$274K), other business-related expenses including insurance (\$287K) and depreciation & interest (\$512K). Overall general operating expenses are down approximately 1% from prior year actual.

## **Year-End Net Assets**

The year-end net asset position is budgeted at \$30.9M which is a 2% increase from prior year. Excluding non-cash items, cash flow results in a <\$260K> reduction for the year, representing less than <0.1%> of total revenues. CCLRC's leadership will continue to monitor this throughout the fiscal year and is working towards mitigating the impact on 2026's operations.

PROPOSED BUDGET 2026



REVENUES:

|  | Prelim Actuals<br>Total 25' | Budget<br>Q1 26' | Budget<br>Q2 26' | Budget<br>Q3 26' | Budget<br>Q4 26' | Budget<br>Total 26' |
|--|-----------------------------|------------------|------------------|------------------|------------------|---------------------|
| Income from Land Reutilization Fund (DTAC)   | 5,663,774                   | 3,300,000        | -                | 2,200,000        | -                | 5,500,000           |
| <b>Cuyahoga County Program Funding</b>       |                             |                  |                  |                  |                  |                     |
| Cuyahoga County Reserve Fund                 | 2,000,000                   | -                | -                | -                | -                | -                   |
| <b>Total Cuyahoga County program Funding</b> | <b>2,000,000</b>            | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>            |
| <b>Grant Revenue</b>                         |                             |                  |                  |                  |                  |                     |
| ODOD - Demo & Site Revitalization Program    | 4,248,714                   | 633,037          | 2,035,476        | 819,872          | 534,925          | 4,023,310           |
| Other Grant Revenue                          | 2,241,948                   | 1,585,110        | 117,341          | 2,898,382        | 2,399,900        | 7,000,734           |
| <b>Total Grant Revenue</b>                   | <b>6,490,662</b>            | <b>1,953,166</b> | <b>3,487,255</b> | <b>4,002,694</b> | <b>1,580,928</b> | <b>11,024,044</b>   |
| Investment Income                            | 928,497                     | 306,339          | 316,321          | 297,694          | 115,646          | 1,036,000           |
| Administrative Fees                          | 4,704,500                   | 1,332,707        | 952,670          | 452,089          | 1,184,034        | 3,921,500           |
| Rental Income                                | 227,774                     | 99,080           | 104,122          | 70,949           | 40,449           | 314,600             |
| Consulting Income                            | 85,430                      | 41,651           | 7,720            | 105,384          | 18,245           | 173,000             |
| Demolition Fees Reimbursed                   | 168,365                     | 411,884          | 45,316           | 475,705          | 52,095           | 985,000             |
| Environmental Fees Reimbursed                | -                           | 36,750           | 36,750           | 36,750           | 36,750           | 147,000             |
| Title Work/Acquisition Reimbursement         | 3,820                       | 1,538            | 3,626            | 14,505           | 331              | 20,000              |
| PPS Consulting                               | 90,000                      | 1,313            | 2,673            | 48,394           | 5,120            | 57,500              |
| Property Sales/New Construction Sales        | 4,468,464                   | 2,432,603        | 2,364,319        | 1,319,281        | 718,263          | 6,834,468           |
| <b>Total Revenues</b>                        | <b>24,831,286</b>           | <b>7,474,896</b> | <b>7,398,419</b> | <b>8,267,622</b> | <b>6,872,174</b> | <b>30,013,112</b>   |

PROPOSED BUDGET 2026



CONTRACT/PROGRAM AND OPERATING EXPENSES:

|  | Prelim Actuals<br>Total 25' | Budget<br>Q1 26' | Budget<br>Q2 26' | Budget<br>Q3 26' | Budget<br>Q4 26' | Budget<br>Total 26' |
|--|-----------------------------|------------------|------------------|------------------|------------------|---------------------|
| <b>Contract Services</b>                   |                             |                  |                  |                  |                  |                     |
| Demolition                                 | 3,807,051                   | 1,363,653        | 1,549,809        | 1,238,700        | 448,838          | 4,601,000           |
| Redevelopment                              | -                           | 250,000          | 250,000          | 250,000          | 250,000          | 1,000,000           |
| Environmental Expenses                     | 795,353                     | 171,732          | 64,125           | 87,525           | 277,118          | 600,500             |
| Acquisition & Disposition Costs            | 1,498,766                   | 2,698,357        | 971,408          | 1,295,211        | 431,738          | 5,396,714           |
| Rehabilitation                             | 2,692,145                   | 1,295,591        | 1,259,223        | 702,642          | 382,545          | 3,640,000           |
| New Construction - Costs                   | 1,684,685                   | 1,448,641        | 1,407,978        | 785,646          | 427,734          | 4,070,000           |
| Developer Fee                              | -                           | -                | -                | -                | 224,000          | 224,000             |
| Home Repair - Non CCLRC Owned              | 78,114                      | -                | 132,500          | 397,500          | 132,500          | 662,500             |
| Field Services                             | 113,768                     | 11,352           | 13,642           | 29,497           | 7,509            | 62,000              |
| Inspections - Acquisition Dept.            | 15,826                      | 19,815           | 19,103           | 49,991           | 11,091           | 100,000             |
| Inspections - Programs Dept.               | 4,300                       | 12,241           | 15,898           | 2,618            | 4,243            | 35,000              |
| Inspections - Affidavits                   | -                           | 7,500            | 10,500           | 10,500           | 1,500            | 30,000              |
| Title Exams                                | 12,269                      | 3,289            | 1,384            | 8,895            | 1,432            | 15,000              |
| <b>Total Contract Services</b>             | <b>10,702,276</b>           | <b>5,171,860</b> | <b>5,410,189</b> | <b>4,768,962</b> | <b>5,085,702</b> | <b>20,436,714</b>   |
| <b>Program Expenses</b>                    |                             |                  |                  |                  |                  |                     |
| Grant Programs Paid to Others              | 4,794,915                   | 113,644          | 245,627          | 507,671          | 29,597           | 896,540             |
| Other Program Expenses - Properties        | 343,690                     | 216,005          | 111,895          | 93,889           | 28,710           | 450,500             |
| <b>Total Program Expenses</b>              | <b>5,138,605</b>            | <b>232,849</b>   | <b>546,303</b>   | <b>474,282</b>   | <b>93,606</b>    | <b>1,347,040</b>    |
| <b>Total Program and Contract Expenses</b> | <b>15,840,881</b>           | <b>5,404,709</b> | <b>5,956,492</b> | <b>5,243,244</b> | <b>5,179,308</b> | <b>21,783,754</b>   |

PROPOSED BUDGET 2026



General Operating Expenses

Employee Expenses

|                                | Prelim Actuals<br>Total 25' | Budget<br>Q1 26' | Budget<br>Q2 26' | Budget<br>Q3 26' | Budget<br>Q4 26' | Budget<br>Total 26' |
|--------------------------------|-----------------------------|------------------|------------------|------------------|------------------|---------------------|
| Salaries                       | 3,819,696                   | 979,200          | 979,200          | 1,060,800        | 1,060,800        | 4,080,000           |
| Employee Benefits              | 952,839                     | 199,440          | 199,440          | 216,060          | 216,061          | 831,000             |
| Employee Training and Seminars | 11,442                      | 32,351           | 8,299            | 23,520           | 2,830            | 67,000              |
| FICA Tax                       | 282,410                     | 89,029           | 92,739           | 88,504           | 35,728           | 306,000             |
| Unemployment Tax               | 2,448                       | 8,460            | 180              | 180              | 179              | 9,000               |
| Workers Compensation           | 1,952                       | 750              | 750              | 750              | 750              | 3,000               |
| <b>Total Employee Expenses</b> | <b>5,070,786</b>            | <b>1,309,230</b> | <b>1,280,608</b> | <b>1,389,814</b> | <b>1,316,348</b> | <b>5,296,000</b>    |

Professional Expenses

|                                    |                  |                |                |                |                |                  |
|------------------------------------|------------------|----------------|----------------|----------------|----------------|------------------|
| Accounting/Auditing Services       | 33,000           | 950            | 11,805         | 17,245         | -              | 30,000           |
| Computer Services/Maintenance      | 259,657          | 116,859        | 83,736         | 86,633         | 54,772         | 342,000          |
| Consulting Services                | 641,446          | 50,763         | 63,813         | 113,347        | 22,077         | 250,000          |
| Legal Expenses                     | 85,300           | 6,258          | 44,101         | 8,816          | 40,825         | 100,000          |
| Legislative Expenses               | 103,387          | 5,035          | 11,695         | 15,828         | 17,442         | 50,000           |
| Communications Expense             | 43,324           | 34,126         | 30,529         | 21,777         | 13,568         | 100,000          |
| Marketing/Advertising Expense      | 150,962          | 44,522         | 53,044         | 81,752         | 56,099         | 235,417          |
| Other Misc. Professional Services  | 48,717           | 4,364          | 4,118          | 8,117          | 8,401          | 25,000           |
| <b>Total Professional Expenses</b> | <b>1,365,792</b> | <b>262,877</b> | <b>302,841</b> | <b>353,515</b> | <b>213,184</b> | <b>1,132,417</b> |

PROPOSED BUDGET 2026



|   | Prelim Actuals<br>Total 25' | Budget<br>Q1 26' | Budget<br>Q2 26' | Budget<br>Q3 26' | Budget<br>Q4 26' | Budget<br>Total 26' |
|---|-----------------------------|------------------|------------------|------------------|------------------|---------------------|
| <b>Office Expenses</b>                  |                             |                  |                  |                  |                  |                     |
| Bank Service Charges                    | 11,236                      | 4,495            | 1,861            | 2,060            | 1,584            | 10,000              |
| Dues & Publications                     | 39,157                      | 30,894           | 5,152            | 4,923            | 3,031            | 44,000              |
| Freight & Postage                       | 9,907                       | 2,248            | 2,924            | 3,432            | 1,396            | 10,000              |
| Office and Printing Expense             | 79,311                      | 10,484           | 13,792           | 12,780           | 3,944            | 41,000              |
| Mileage, Parking, Meetings Exp.         | 98,532                      | 26,579           | 34,107           | 29,800           | 14,515           | 105,000             |
| Rent                                    | 15,594                      | 3,934            | 6,052            | 5,374            | 2,640            | 18,000              |
| Repairs & Maintenance                   | 148                         | 50               | 50               | 610              | 290              | 1,000               |
| Utilities                               | 26,760                      | 4,797            | 7,755            | 11,211           | 3,237            | 27,000              |
| Other Office Expenses                   | 31,732                      | 2,007            | 2,460            | 10,479           | 3,454            | 18,400              |
| <b>Total Office Expenses</b>            | <b>312,375</b>              | <b>85,488</b>    | <b>74,153</b>    | <b>80,669</b>    | <b>34,091</b>    | <b>274,400</b>      |
| <b>Other Operating Expenses</b>         |                             |                  |                  |                  |                  |                     |
| Business Insurance - non-properties     | 158,073                     | 48,421           | 47,333           | 41,168           | 23,778           | 160,700             |
| Charitable Contributions/Sponsorships   | 74,750                      | 20,994           | 21,033           | 26,634           | 6,339            | 75,000              |
| OLBA Support                            | -                           | 20,000           | -                | -                | -                | 20,000              |
| Leased Equipment - usage                | 9,308                       | 1,089            | 1,554            | 1,218            | 1,940            | 5,800               |
| Travel, Lodging, Meals                  | 22,001                      | 4,000            | 6,000            | 6,000            | 4,000            | 20,000              |
| Other Miscellaneous Operating Expenses  | 50,105                      | 1,250            | 1,250            | 1,250            | 1,250            | 5,000               |
| <b>Total Other Operating Expenses</b>   | <b>314,237</b>              | <b>95,754</b>    | <b>77,170</b>    | <b>76,270</b>    | <b>37,307</b>    | <b>286,500</b>      |
| <b>Total General Operating Expenses</b> | <b>7,063,191</b>            | <b>1,753,349</b> | <b>1,734,772</b> | <b>1,900,268</b> | <b>1,600,930</b> | <b>6,989,317</b>    |

PROPOSED BUDGET 2026



|  | Prelim Actuals<br>Total 25' | Budget<br>Q1 26'  | Budget<br>Q2 26'  | Budget<br>Q3 26'  | Budget<br>Q4 26'  | Budget<br>Total 26' |
|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Depreciation, Amortization, Other Expense</b>   |                             |                   |                   |                   |                   |                     |
| Depreciation and Amortization Exp.                 | 459,177                     | 115,500           | 115,500           | 115,500           | 115,499           | 462,000             |
| Interest Expense                                   | 44,166                      | 12,500            | 12,500            | 12,500            | 12,500            | 50,000              |
| <b>Total Depreciation, Amortization, Other Exp</b> | <b>503,343</b>              | <b>128,000</b>    | <b>128,000</b>    | <b>128,000</b>    | <b>127,999</b>    | <b>512,000</b>      |
| <b>Total Expenses</b>                              | <b>23,407,415</b>           | <b>7,286,058</b>  | <b>7,819,264</b>  | <b>7,271,512</b>  | <b>6,908,237</b>  | <b>29,285,071</b>   |
| <b>BEGINNING NET ASSETS</b>                        | <b>28,756,270</b>           | <b>30,180,141</b> | <b>30,368,979</b> | <b>29,948,134</b> | <b>30,944,244</b> | <b>30,180,141</b>   |
| <b>ADJUSTMENT TO BEGINNING NET ASSETS</b>          |                             |                   |                   |                   |                   |                     |
| <b>NET SURPLUS/(DEFICIT)</b>                       | <b>1,423,871</b>            | <b>188,838</b>    | <b>(420,845)</b>  | <b>996,110</b>    | <b>(36,063)</b>   | <b>728,041</b>      |
| <b>ENDING NET ASSETS</b>                           | <b>30,180,141</b>           | <b>30,368,979</b> | <b>29,948,134</b> | <b>30,944,244</b> | <b>30,908,182</b> | <b>30,908,182</b>   |
| <b>NON-CASH ITEMS</b>                              |                             |                   |                   |                   |                   |                     |
| <b>Grant Revenue</b>                               |                             |                   |                   |                   |                   |                     |
| Other Grant Revenue County Forgivable Loan         |                             |                   |                   | 1,500,000         |                   | 1,500,000           |
| <b>Total Grant Revenue</b>                         |                             |                   |                   | <b>1,500,000</b>  |                   | <b>1,500,000</b>    |
| <b>Depreciation, Amortization, Other Expense</b>   |                             |                   |                   |                   |                   |                     |
| Depreciation and Amortization Exp.                 |                             | 126,198           | 122,005           | 144,774           | 69,023            | 462,000             |
| Interest Expense                                   |                             | 14,938            | 14,905            | 14,218            | 5,939             | 50,000              |
| <b>Total Depreciation, Amortization, Other Exp</b> |                             | <b>141,136</b>    | <b>136,910</b>    | <b>158,992</b>    | <b>74,962</b>     | <b>512,000</b>      |
| <b>NON-CASH ITEMS NET SURPLUS/(DEFICIT)</b>        |                             | <b>(141,136)</b>  | <b>(136,910)</b>  | <b>1,341,008</b>  | <b>(74,962)</b>   | <b>988,000</b>      |
| <b>NET SURPLUS/(DEFICIT) LESS NON CASH ITEMS</b>   |                             | <b>329,974</b>    | <b>(283,935)</b>  | <b>(344,898)</b>  | <b>38,899</b>     | <b>(259,959)</b>    |