



CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION
MINUTES AND ACTIONS OF BOARD OF DIRECTORS'
REGULAR QUARTERLY MEETING OF
June 29, 2018

LOCATION: Cuyahoga Land Bank
812 Huron Road, E., Conference Room 830
Cleveland, OH 44113

DATE/TIME: June 29, 2018; 10:00 A.M. ET

PURPOSE: Regular quarterly meeting to consider the following business:

1. *Call to order by the Chair.* The regular quarterly meeting of the Cuyahoga County Land Reutilization Corporation (the CCLRC) was held June 29, 2018 at 812 Huron Road, E., Suite 830, Cleveland, Ohio and called to order at 10:08 a.m. Chairman Anthony Brancatelli, Michael King, Representative of Cuyahoga County Council President Dan Brady, Mr. Kenneth Surratt, Representative of County Executive Armond Budish, Mayor Michael Summers, Treasurer W. Christopher Murray, and Ms. April Urban were present and constituted a quorum. Ms. Susan Vincent of the City of Cleveland was present on behalf of Mr. Ed Rybka of the City of Cleveland.

Chairman Brancatelli welcomed new board members: April Urban, Mayor Michael Summers and Nathan Kelly to the Board of the Cuyahoga County Land Reutilization Corporation.

2. *Approval of the Minutes of the March 30, 2018 regular quarterly meeting.* The minutes of the March 30, 2018 meeting were distributed. A motion for approval of the minutes was made by Treasurer Murray, seconded by Mr. King, and were approved by voice vote without objection.

3. *Staff Reports:*

- **President's Report:**
 - Mr. Frangos welcomed the new board members to the Board of the CCLRC.

Mr. Nate Kelly arrives at 10:14 a.m.

- **Status of Acquisitions, Demolitions and Renovations to Date** – To date, the CCLRC has acquired 10,002 properties, demolished 6,652 and completed 78 in-house renovations, 72 of which have been sold and 6 of which are currently for sale. The CCLRC has transacted 1,697 homes through its deed-in-escrow program and direct sales. It currently has 3,935 properties in its inventory. *(The numbers above are based off a revised board production report presented to the Board via e-mail on July 13, 2018 due to a clerical error discovered the meeting.)*
- **Litigation Update** – The Board was informed that a Motion for Summary Judgment has been filed with the Court in the *Oak Leadership vs. Dow, et al* case. The CCLRC is awaiting a ruling to determine if it will be dismissed from this litigation.
- **Legislation** – Current changes will be submitted to the Ohio legislature as follows:
 - 1) A change to the service by publication rule for tax foreclosure cases only allowing for on-line publication. 2) Proposed change wherein county land banks would have access under narrow circumstances to enter abandoned properties while the property is going through a tax foreclosure action. 3) Forfeiture sale change wherein a county would have the ability not to expose a property to forfeiture sale.

Mayor Brad Sellers arrives at 10:22 a.m.

The President informed the Board that the CCLRC retained the services of LNE for its lobbying services. In January 2019, the annual charge will increase necessitating Board review.

- **Contractor Update** – A demolition contractor summary and field service contractor summary was provided to the Board. In the year to date June 15, 2018 summary, OBON, Inc. and T&T Demolition and Recycling, LLC have been paid in excess of \$500,000.

Chairman Brancatelli congratulated Kim Kimlin the new director of Community Stabilization on her transition into her position with the CCLRC.

- **Meeting with the County** – An intra-agency meeting was held on June 1, 2018 with various County departments to discuss tax foreclosure, forfeiture and community development. It was suggested that another community comprehensive information symposium be hosted by the CCLRC and the County which would include speakers and staff from the County Auditor's Office; Clerk of Courts' office, Sheriff's Department, Board of Revision Staff, Prosecutor's Office, CDCs and other County officials to discuss our intra-agency collaboration.
- **Strategic Plan** – The Board was informed that the CCLRC is undertaking both a strategic plan and impact study. The CCLRC is evaluating future plans as HHF funding will expire in 2020. It will hire Cobalt Group and Allegro Real Estate Development to assist with the strategic plan. Various staff, select board members and community leaders will be interviewed by the planners. The impact study will be performed by Dynamo Metrics.

Mayor Summers inquired about volume of properties coming through tax foreclosure that are demolition eligible. The President informed the Board that current tracking of properties and areas of impact are being done by the CCLRC. An example of this is the work being performed in the City of East Cleveland on an assemblage of properties for development purposes.

- Mr. William Whitney presented the Report of Chief Operating Officer
 - **County Demolition Program Update** – Mr. Whitney thanked the County for providing the demolition program among other benefits the program provides funding for demolition of many properties that are not eligible for HHF funding. The CCLRC is currently using funds from its 2nd round of funding. Mr. Surratt informed the Board that the County will award the next round of funding; that seven cities have applied for funding and are seeking to partner with the CCLRC for the demolition of properties in their communities.
 - **Hardest Hit Funds Discussion and Update**

The CCLRC continues to work through and spend down the awarded funds. Approximately \$720,000 has been provided to the County to assist in supporting staff who are assisting with BOR and the tax foreclosure cases. Mr. Whitney also informed the Board that several low-income housing projects have received extra points for their low income tax credit projects that are reusing vacant lots created by demolitions using HHF funding.
 - **Presentation of Finances** – The financial statements dated May 2018 were distributed to the Board prior to the meeting and discussed.

The CCLRC worked with the Ohio Treasurer's Office to participate in the Starr Ohio Fund program. The CCLRC will be the first land bank to participate in the program and will earn approximately two percent (2%) on reserve deposits.

A discussion of fair value of CCLRC properties was had. Currently properties are recorded at total cost incurred which is not an accurate representation of fair value. It has been recommended by the State Auditor to use the County Auditor value going forward.

Mr. Whitney informed the Board that the Department of Housing and Urban Development has scheduled a site monitoring visit. The visit will take place on July 24, 2018.

4. *Other Business* – 1) Welcome to the new offices. 2) Councilman Brancatelli and a few former Cleveland City Councilmen toured the house of former Councilman Ted Sliwa.

5. *Public Comment* – no public comment

6. *Adjournment*. There being no more business to come before the meeting, Mayor Sellers moved that the meeting be adjourned. The motion was seconded by Ken Surratt and the motion carried unanimously. The meeting was adjourned at approximately 11:25 a.m.

I hereby certify that the minutes related to the Board of Directors' regular quarterly meeting of June 29, 2018 set forth above are the minutes approved by the Board of Directors at their meeting of September 28, 2018.



Robert Rink, Secretary
Cuyahoga County Land Reutilization Corporation