



CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

MINUTES AND ACTIONS OF BOARD OF DIRECTORS'

REGULAR QUARTERLY MEETING OF

December 18, 2020

LOCATION: Caxton Building
812 Huron Road E., Suite 830
Cleveland, OH 44115

DATE/TIME: December 18, 2020; 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 December 18, 2020 at 812 Huron Road, E., Suite 830, Cleveland, Ohio and called to order at 10:06 a.m. A quorum of the Board was present: Chairman Anthony Brancatelli, Kahlil Seren, Representative of Cuyahoga County Council President Dan Brady, William Mason, Representative of County Executive Armond Budish, Mayor Brad Sellers, Mayor Meghan George, Nate Kelly, and April Urban, were present via the Zoom Platform in accordance with Sub H.B. 197 and in person. Ms. Ayonna Donald of the City of Cleveland was present via Zoom on behalf of Chief Edward Rybka of the City of Cleveland.

2. *Approval of the minutes of the September 25, 2020 regular quarterly meeting.* The minutes of the September 25, 2020 meeting were distributed. A motion for approval of the minutes was made by William Mason, seconded by Mayor Sellers, and approved by voice vote without objection.

3. *Staff Reports:*

- President's Report:
 - Amendment to Delegation of Contract Authority – The CCLRC has provided to this Board under Resolution No. 2020-5 an amended policy of the corporation for entering into contracts on behalf of the Corporation. The resolution and amendments were forwarded to the Board prior to this Board meeting. The President advised the CCLRC Board that the amendments are necessary to adjust to the current practices and expenditures of the CCLRC.
 - Amendment to Credit Card Policy – This Board previously under Resolution 2020-3 adopted a credit card policy for the CCLRC. The amendment before the Board is to amend the best practices and credit card responsibility and use procedures of the Resolution previously passed.
 - Litigation Update – The CCLRC Board was informed that the allegations raised by Attorney Mark Dann in the federal litigation is whether the properties that land banks are acquiring through tax foreclosure direct transfers constitutes a taking. The Southern District case has been dismissed. An appeal, however, has been filed. The Northern District of Ohio case is pending, and trial preparation is taking place. The attorney in the *Feltner* case has filed a *Writ of Certiorari* in the Ohio Supreme Court which is pending. The case filed against the City of Cleveland for fees is still pending.
 - Legislation – Land Bank legislation is currently pending before the Ohio Senate. The pending sponsors of the current bill are Senator Dolan and Representative Patton. The bill has been presented to the Senate by Senator Dolan and has received a favorable response. Representative Patton's office is expected to introduce the bill into the House after the first of the year. The CCLRC met with County stakeholders to review the current bill and has the support of the Cuyahoga County Prosecutor's office along with statewide support from the Commissioners, Treasurer and Prosecutor commissions.
 - Contractor Update - A list of the demolition contractor and field service provider expenditures was distributed to the CCLRC board prior to this meeting. It was noted that six of the demolition contractors are over the limit under the current policy. However, an updated policy that would increase the limit is being considered during this meeting.

- Cuyahoga Land Bank Charities – Cuyahoga Land Bank Charities is working with the Old Stone Church in partnership with Cuyahoga Land Bank non-profit and faith-based partners to provide affordable housing for underserved populations. A task force of members of the CCLRC, Old Stone Church and select non-profit partners is meeting to discuss the goals of the partnership.
- Line of Credit: Corporate Resolution – The existing line of credit of the CCLRC will be expiring. Huntington National Bank has asked for a CCLRC Board action to renew the line of credit. The CCLRC is asking this Board for authorization for the Board Chair to sign on behalf of the Corporation. Mr. Seren inquired as to the use of the line of credit. The Chief Financial Officer, Mr. Pavlovich, informed the Board that the line of credit is used for short-term working capital. A Motion to authorize the Board Chair to enter into and sign a short-term line of credit was made by Mr. Mason, seconded by Mr. Kelly and unanimously passed by the CCLRC Board.
- Ms. Kim Kimlin presented the Report of Chief Operating Officer:
 - Production Report – The CCLRC Board was provided with the CCLRC production report prior to this meeting. As of November 30, 2020, the CCLRC has acquired 12,080 properties, disposed of 8,624 properties, and demolished 8,890 properties. Ten new in-house construction projects are currently underway and 12 in-house new construction homes have been sold. The CCLRC has 17 in-house home renovations underway and 2 renovated homes are currently on the market. Forty deed-in-escrow homes are under contract with homeowners and investors.
 - Amendment to Delegation of Contract Authority – The Board was further informed that Resolution 2020-5 is being presented to clarify language of Resolution 2017-2. The amendment seeks to clarify the language of open and closed contracts, the increase in expenditures on major contracts and the addition of litigation and architectural expense categories.

4. **Resolution 2020-5 – Amending Resolution 2017-2 Amending the Policy of the Corporation to Enter into Contracts on Behalf of the Corporation.** There being no further discussion on the Resolution, Mr. Seren offered for consideration and adoption Resolution 2020-5. Treasurer Murray seconded the motion.

Resolution 2020-5 was adopted with one abstention.

- Credit Card Policy – The Board was further informed that Resolution 2020-6 is being presented to amend the credit card policy presented to this Board in Resolution 2020-3. The CCLRC has found it necessary to issue credit cards to specific staff members for purposes of purchasing building materials and other construction and appliance items from retail suppliers.

5. **Resolution 2020-6 – Amending the Credit Card Policy of the Corporation.** There being no further discussion on the Resolution, Treasurer Murray offered for consideration and adoption Resolution 2020-6. Mr. Kelly seconded the motion. The Resolution was unanimously passed.

Resolution 2020-6 was unanimously adopted.

- Demolition Funding Report – Ms. Kimlin informed the Board that OHFA notified the CCLRC that by October of 2021, all HHF liens will be released. Demolitions have slowed this year due to diminishing HHF funding. Further, the County suburban demolitions slowed earlier in the year due to pandemic-related temporary closures of some municipal buildings and having staff work-at-home which slowed both issuance of nuisance notices to proceed and permits. In October, the CCLRC was awarded \$300,000 of additional HHF funds and the program deadline was extended through June 2021. The County has extended the demolition program until December 31, 2022 and the CCLRC awaits allocation of approximately \$3 million of funds clawed back from prior rounds of the program. As funding allows, the CCLRC is acquiring vacant and abandoned properties from the forfeited list for demolition since the BOR tax foreclosure process is slow.
- October 31, 2020 Year-to-Date financial statements were presented to the CCLRC Board prior to the Board meeting and discussed.

- **County Housing Program Update** – The CCLRC closed the first round of its housing construction gap grant program. The CCLRC is awarding approximately \$1.1 million to experienced developers to build new single-family homes in the emerging market which includes most of the City of Cleveland, and all or a portion of many inner-ring suburbs. The response to the first round was less than expected with only four applications submitted by two developers. Also, of concern was that the home sites for which grants were sought were located primarily on the west side rather than in the harder hit housing markets on the east side of Cleveland and the southeastern suburbs. The CCLRC plans to consider this and seek feedback from other developers in planning for a second round in the Spring. Another new home initiative being funded by the County housing program advanced in November with the installation of two modular-built homes in Maple Heights. The CCLRC hopes that this pilot program will result in cost savings that can be passed along to homebuyers with pricing under \$200,000.

6. **Call for Public Hearing.** The public hearing commenced at approximately 11:00 a.m. The Board Chair, without objection, opened the public hearing on the CCLRC's proposed 2021 budget required by Section 9.2 of the Code of Regulations. The Chair orally presented the rules governing the public hearing and noted for the public that copies of the proposed 2021 budget were available. There being no discussion from the public, the public hearing on the 2021 budget was officially adjourned at 11:01 a.m.

7. **Resolution 2020-7 – Approving the Annual Budget of the Corporation for Fiscal Year 2021.** There being no further discussion on the Resolution, Mayor Sellers offered for consideration and adoption Resolution 2020-7. Treasurer Murray seconded the motion.

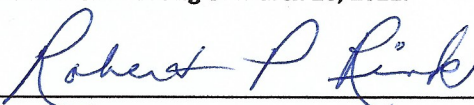
Resolution 2020-7 was unanimously adopted.

8. **Other Business:** Old Stone Church presentation - Two members from the Old Stone Church joined the CCLRC Board meeting to discuss their "200 years 200 homes" campaign. The Old Stone Church will partner with and commit financially to Cuyahoga Land Bank Charities to accomplish the goals of providing affordable housing for vulnerable population groups.

9. **Public Comment:** No public comment was presented at the CCLRC Board meeting.

10. **Adjournment:** There being no more business to come before the meeting, Treasurer Murray moved that the meeting be adjourned. His motion was seconded by Mayor Sellers and the motion carried unanimously. The meeting was adjourned at approximately 11:24 a.m.

I hereby certify that the minutes related to the Board of Directors' regular quarterly meeting of December 18, 2020 set forth above are the minutes approved by the Board of Directors at their meeting of March 26, 2021.


 Robert Rink, Secretary
 Cuyahoga County Land Reutilization Corporation