



CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

THE BEGINNING, THE PRESENT, AND BEYOND

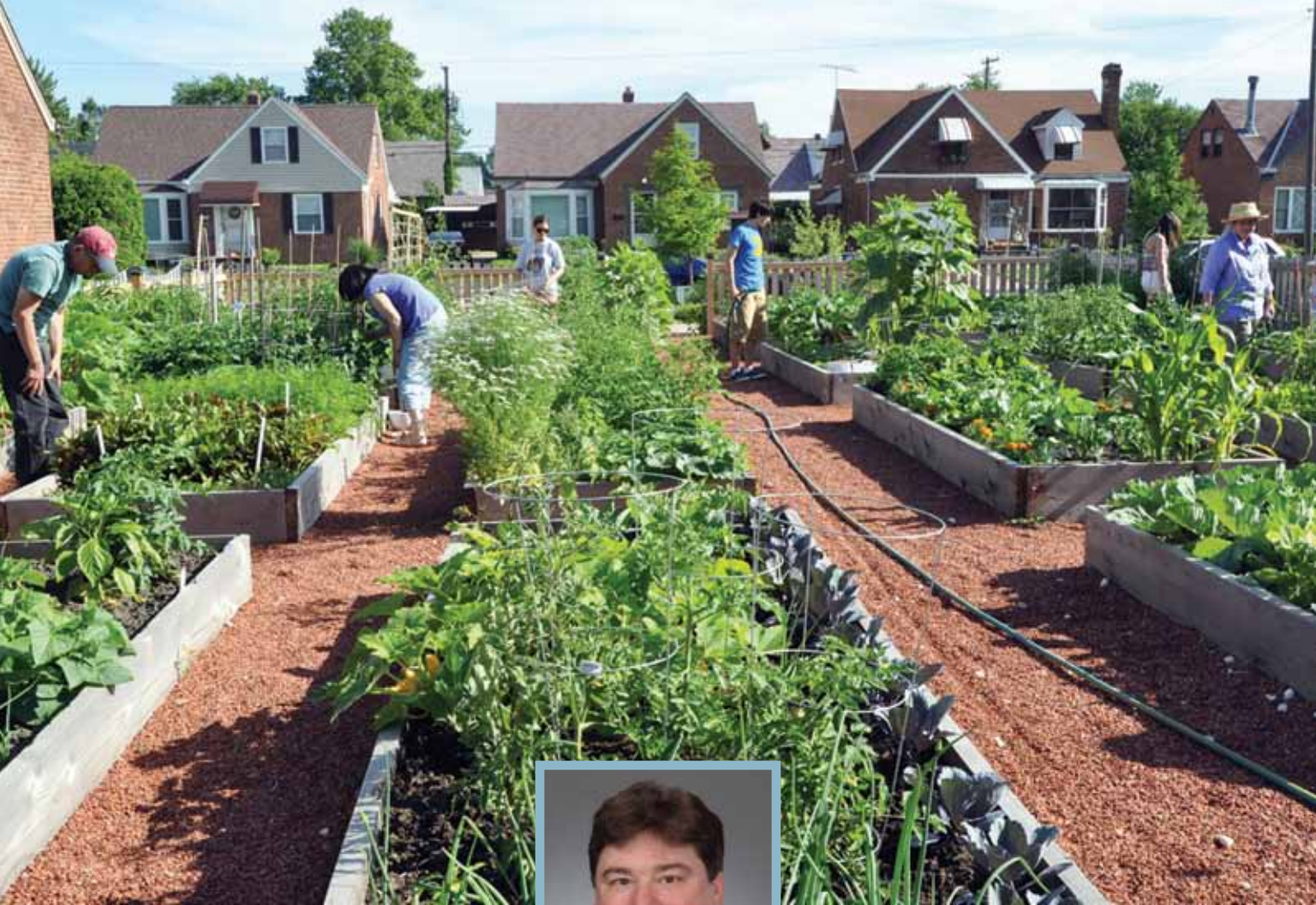
2009 - 2011

BY W. DENNIS KEATING, Ph.D.

Professor, Maxine Goodman Levin College of Urban Affairs and
Director, Master of Urban Planning, Design & Development
Cleveland State University

FOREWORD BY GUS FRANGOS

President and General Counsel
Cuyahoga County Land Reutilization Corporation



“No accomplishment in my legislative career gives me more satisfaction and pride than my sponsorship of SB 353, allowing the creation of the Cuyahoga County Land Reutilization Corporation. The national foreclosure crisis had struck first and hardest in Cuyahoga County, and I strongly believed the CCLRC concept offered bold and creative solutions to a problem of unprecedented proportions. Two years later, I am happy to say my faith has been rewarded . CCLRC has acquired more than a thousand abandoned properties, turning several hundred over to cities for redevelopment and scheduling the rest for rehabilitation or demolition. It has established innovative partnerships with Fannie Mae, HUD and leading banks to reduce blight in our neighborhoods. And it has become a national model for other communities trying to battle the debilitating effects of the foreclosure crisis. CCLRC has kept its promises – and then some.”

TOM PATTON
STATE SENATOR



W. DENNIS KEATING, PH.D.

With the consent of Cuyahoga County Land Reutilization staff, Dennis Keating, Ph.D., Professor, Cleveland State University, Maxine Goodman Levin College of Urban Affairs and Director, Master of Urban Planning, Design & Development embedded himself with staff for six weeks. The purpose was to report on the inner workings of the Land Bank, but with direct access to staff, staff meetings and Land Bank leadership. Dr. Keating is a highly respected expert in urban planning and community development. What follows is his report on the activities of the Land Bank.

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Front cover and left:

Urban garden in South Euclid on land secured by the
Cuyahoga County Land Reutilization Corporation

Photos by R.M.Kovacs

MESSAGE FROM THE PRESIDENT



GUS FRANGOS

President and General Counsel
Cuyahoga County Land Reutilization Corporation

It is hard to believe that it's been two years since the Cuyahoga County Land Reutilization Corporation ("CCLRC") officially opened its doors. The CCLRC quickly made its imprint on the national stage. Just this year, I have had the privilege of participating in several conferences throughout the country. In each instance, presenters and participants alike have marvelled at both the theory and operations of the CCLRC. The CCLRC is unquestionably a national model. Indeed, as it should be.

MANY "FIRSTS"

The CCLRC can claim many national "firsts." It was the first of its kind capable of integrating profound tax foreclosure reforms, a leverageable funding stream, all in a highly efficient, non-profit enterprise possessing extraordinary transactional capabilities.

The CCLRC remains the only bulk repository of vacant and abandoned properties with functioning bulk agreements with Fannie Mae and HUD. This has resulted in a significant slow down of "flipping" and speculative trafficking in low value, abandoned properties in Cuyahoga County.

The CCLRC is the first enterprise capable of receiving tax and private foreclosed, abandoned properties directly without sheriff's auctions. This allows properties to be more responsibly mothballed and repositioned for rehabilitation or demolition. These abandoned properties have gone through cycles of tax foreclosure and abandonment, and speculative trafficking which have literally terrorized large sections of the region. When homes can be mothballed and conveyed to responsible rehabbers, the CCLRC promotes this. In cases where the homes are completely stripped, vandalized and unsecured, the CCLRC demolishes these hazardous nuisances once they come into its inventory.

As of this writing, the CCLRC has received over 1,000 abandoned properties, has conveyed several hundred vacant lots to cities, while the remaining inventory is slated either for demolition, rehabilitation or creative re-use.

The CCLRC is also on the cutting edge of data research. It will be the first entity that will possess the capability of "scrubbing" multiple data bases in real time, in a manner that is spatially interactive. A higher level of spatial intentionality will be available to help shape and define acquisition/disposition strategy, and providing accountability as to why Property A was acquired as opposed to Property B.

COLLABORATION

What is a true success story for Cuyahoga County is the intricate level of cooperation during the last two years on an inter-agency and multi-jurisdictional basis. Implementation of the Land Bank statute (S.B. 353) in 2009 required extensive cooperation to integrate forms, practices and efficiencies amongst county agencies, particularly in the tax foreclosure and forfeiture processes.

Indeed, the CCLRC is at the center of coordinating or interacting with many difficult administrative tasks straddling various County agencies or jurisdictions (Auditor, Treasurer, Clerk, Sheriff, City of Cleveland) and, in some cases, taking tasks “in-house” so that the demolition and tax foreclosure processes are made easier and less expensive for these agencies. With the change to a charter form of government, this cooperation has been maintained. The CCLRC’s largest jurisdiction, the City of Cleveland, has worked tirelessly with the support of Mayor Frank Jackson’s Administration in tackling some of the most difficult nuisance properties and administrative tasks.

CONCLUSION

Whether it was the ground-breaking deals with Fannie Mae and HUD, a transfer of small vacant lots to St. Coleman and St. Stevens Churches for yard expansion, the blight clearance of a long vacant theatre in Garfield Heights, the financing of small mortgages for home owners under the Cleveland Housing Network’s Lease Purchase Program (which preserved 70 home owners), to collaboration with area fire departments for demolition training, a Cleveland Restoration Society rehab in Shaker Heights, the Community Gardens in South Euclid, etc., the CCLRC is a valuable tool in positively dealing with the fallout from the real estate market collapse.

Earlier this year, Cuyahoga County Executive Ed Fitzgerald delivered his State of the County speech in which he advanced the ideas of regional and transparent cooperation, and strategic, smarter delivery of services. Coming off the difficult political environment over the last few years, Executive Fitzgerald’s message was a much longed-for, inspiring and uplifting vision for the County’s future. The CCLRC embraces that vision of cooperation.

In this context, the inter-agency and regional depth and breadth of the CCLRC can provide a strong community development role in our County’s resurgence. The CCLRC is proud to have made such considerable progress over the past two years and be recognized as a national leader in addressing the foreclosure crisis.

Sincerely,

Gus Frangos

President and General Counsel

BANK REO'S

Bank REO’s that used to refuse to engage with community stakeholders because of perceived lack of capacity, lack of experience and outright hostility are now collaborating and releasing low value properties to the CCLRC instead of flipping and trafficking in these properties. The most recent ground-breaking agreements were forged in June 2011 with Wells Fargo and Bank of America. And, in most cases, they pay the CCLRC for the demolition costs. This was inconceivable two years ago.

Yes, the CCLRC’s daily activities are extremely complicated and dynamic. Yet, the expertise of staff and the legal systems established allow the CCLRC to operate and transact efficiently even in the context of a multitude of different and nuanced transactions.

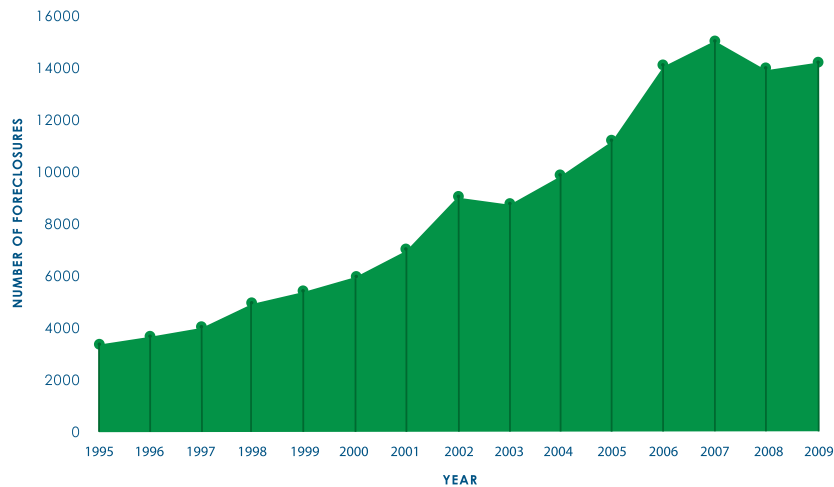
CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION THE BEGINNING, THE PRESENT, AND BEYOND

BY W. DENNIS KEATING, Ph.D.

In January 2009, following passage by the Ohio General Assembly, then-Ohio governor Ted Strickland signed S.B. 353 enabling the creation of the Cuyahoga County Land Reutilization Corporation (CCLRC). This regional Land Bank has far greater capabilities than the more passive city Land Banks created in 1976. Conceived by then-Treasurer James Rokakis, the CCLRC is one of several initiatives aimed at addressing the foreclosure and real estate crisis that has caused widespread abandonment of homes and buildings in the city of Cleveland's neighborhoods and increasingly in many of its older neighboring suburbs in Cuyahoga County.

Foreclosure filings in Cuyahoga County rose dramatically in Cuyahoga County over the period 1995-2009:

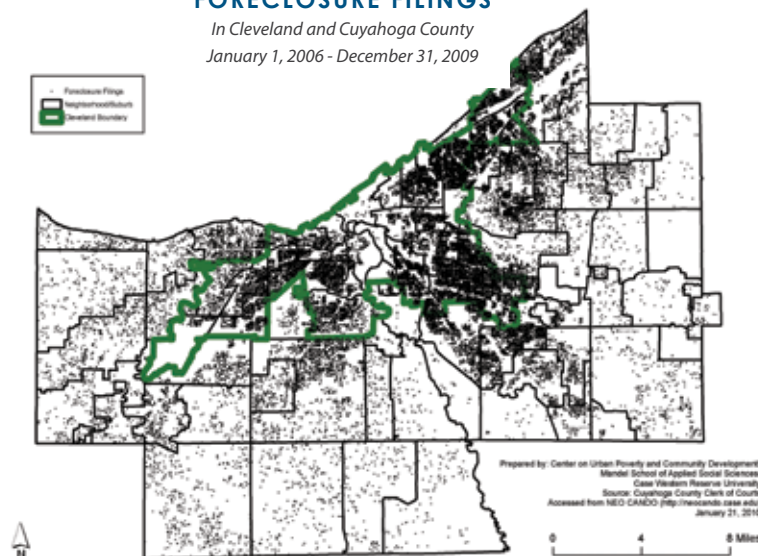
FORECLOSURE FILINGS IN CUYAHOGA COUNTY



Prepared by: Center on Urban Poverty and Community Development, Mandel School of Applied Social Sciences, Case Western Reserve University
Source: Policy Matters Ohio. (2010). Ohio County Foreclosure Filings (1995-2009) ; Cuyahoga County [map]. Available online at <http://policymattersohio.org>.

FORECLOSURE FILINGS

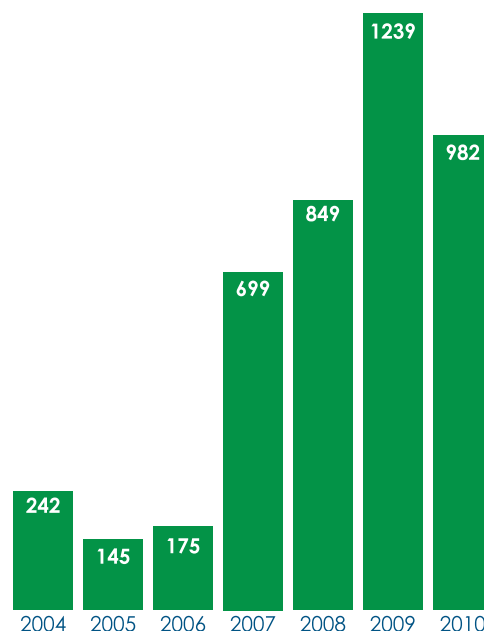
*In Cleveland and Cuyahoga County
January 1, 2006 - December 31, 2009*



This pattern is attributed, among other causes, to predatory lending practices in the subprime mortgage market and property owners' financial problems, often related to job loss and unemployment. In the face of this growth in foreclosures, responses to this crisis included accelerating the foreclosure process in county courts, expedited administrative tax foreclosure procedures for vacant and abandoned properties, creation of a county-sponsored Foreclosure Prevention Initiative in 2005 that funded several counseling agencies, and attempts by the City of Cleveland and its Housing Court to assist homeowners and prevent unwholesome mortgage lending practices fueling the crisis. As cities had to deal with rapidly growing numbers of vandalized abandoned housing which attracted criminal activities, and depressed the value of adjoining properties, they had to spend scarce funding to secure properties where the foreclosed owners were gone and not maintaining the property. With a glut of foreclosed properties and a weak housing market, many homeowners began to walk away and some lenders declined to foreclose and take back ownership because of their liability for maintenance costs and the lack of likely buyers. Some therefore dumped (and continue to dump) large numbers of substandard properties to "flippers," who then soon sold these same properties for quick profits with no intention of rehabilitating them to comply with housing codes. Trafficking in distressed homes became akin to trafficking in junk securities which further corrupted the real estate market and perpetuated the cycle of abandonment and tax default. With these factors in play, cities like Cleveland had to spend even greater funds to accelerate the demolition of the most deteriorated structures (see chart to the right).

The number of nuisance properties far exceeds the ability of cities to demolish them, even with the availability of limited federal funding through the Neighborhood Stabilization Program (NSP) administered by the U.S. Department of Housing and Urban Development (HUD). "Toxic titles" further complicate attempts to locate and force owners to prevent this deterioration and to collect delinquent taxes. In the City of Cleveland these thousands of abandoned and deteriorating buildings continue to threaten to undercut the longstanding work of community development corporations (CDCs) in rebuilding their neighborhoods. Cleveland's Slavic Village neighborhood became a national example of the fall-out from the foreclosure crisis. Efforts like those of the Slavic Village Development (SVD) Corporation and its City Council representative Anthony Brancatelli were highlighted as those determined to fight back. Councilman Brancatelli, then-Cuyahoga County Treasurer Jim Rokakis, and the leaders of other organizations affected by this crisis proposed creating the CCLRC as another major tool in the fight to address this crisis.

CITY OF CLEVELAND DEMOLISHED STRUCTURES



Source: City of Cleveland Department of Building and Housing
data accessed from NEO CANDO (<http://neocando.case.edu>)



"The CCLRC has assisted the residents of my Ward by demolishing properties that were a serious blight and helping us secure properties for development such as the Polish American Cultural Center.

I am proud to serve on the CCLRC's Board. This is a Community Development tool that has been years in the making, and it is living up to its promises."

ANTHONY BRANCATELLI
CLEVELAND CITY COUNCIL, WARD 12



MISSION AND STRUCTURE OF THE CCLRC

The CCLRC is technically not part of the government of Cuyahoga County. Rather, it is a non-profit community improvement corporation enabled by statute and governed under Chapter 17 of the Ohio Revised Code. Pursuant to this enablement, the CCLRC was created by Cuyahoga County to execute the CCLRC's mission.

Its board of directors, initially five and now seven, consisted of the county treasurer, two county commissioners (or their designees), the mayors of two county municipalities, and two representatives of the city of Cleveland. After the change to a charter government in 2011, the three statutory board members are the Cuyahoga County Executive, his appointed Treasurer, one appointee of the County Council, and two of the initial appointees from the three statutory members, and two members selected by the mayor and council of the largest city within the county, in this case Cleveland.

The powers of the CCLRC include:

- Purchase, receive, transfer, hold, manage and lease real property
- Engage in code enforcement and nuisance abatement (including demolition)
- Acquire or manage unimproved (vacant) underutilized property and forfeited lands
- Purchase delinquent property tax lien certificates
- Contract with governments and other entities (e.g., private property owners)
- Issue bonds, apply for grants, make loans, and borrow money

A primary source of CCLRC funding is the arbitrage of interest and penalties on unpaid or delinquent real property taxes and assessments. The County itself does not provide any primary general obligation tax dollars to fund the operations of the CCLRC. The County is neither liable nor obligated for the operations and obligations of the CCLRC.

The CCLRC is the first "Land Bank" of its kind in the nation, and has served as both a statewide and national model for other Ohio counties considering the creation of countywide Land Banks.



“We appreciated working with the Land Bank to get a property down in our community that was a nuisance and had complicated issues. The Land Bank’s staff was very efficient and professional in helping us tackle this problem.”

JOHNNIE WARREN
COUNCIL PRESIDENT, VILLAGE OF OAKWOOD

2009 START-UP OPERATIONS

The CCLRC officially opened its doors in the summer of 2009. Start-up activities included staffing, locating and opening an office, obtaining initial funding, developing operating procedures, computers, and engaging with partner organizations. Key officers of the CCLRC are its President and General Counsel, **Gus Frangos**, former Cleveland City Councilmember representing its 13th Ward. Mr. Frangos also served as a magistrate in the Cleveland Municipal Court and he is a practicing real estate attorney with emphasis in real estate, land use, constitutional and business law. He was the primary legislative drafter of S.B. 353 creating Ohio Land Banks; its Chief Operating Officer, **Bill Whitney**, formerly director of the Enterprise Community Partners Cleveland Office and Executive Director of Detroit-Shoreway Development Corporation; **Cheryl Stephens**, Director of Acquisitions, Dispositions and Development, formerly Planning and Development Director of the City of Cleveland Heights and the Development Director of Cuyahoga County; and business attorney **Dennis Roberts**, Director of Programs and Property Management, formerly Workforce Director of Cuyahoga County.

In August 2009, the CCLRC developed a 6-month business plan focused on criteria for determining acquisition policy and processes. Its goal was the acquisition of 120 properties, 90 of which would be vacant. Of the 30 with structures, half (15) would be demolished and the other half (15) would be rehabilitated. Admittedly, these plans consisted of broad general estimates. Nevertheless, metrics were identified for evaluating its mission impact, property volume, and financial performance. Great importance was given to the careful development, testing and debugging of the CCLRC's operating procedures and acquisition pipelines in the face of the considerable demands upon it. This involved consultation with and training of numerous county departments involved in foreclosures, as well as affected municipal governments. The CCLRC initially received \$1 million in federal NSP1 funds from Cuyahoga County for limited acquisition and demolition in select municipalities.

2010 AND 2011 OPERATIONS

2010 BUSINESS PLAN

In March 2010, the CCLRC issued its 2010-2011 business plan. It noted that up to that point it had tested its primary systems with the acquisition of 64 properties, with 98 acquisitions pending. A primary focus was stabilizing and scaling up the primary processes already developed emphasizing demolitions in particular. Adding new programs and financing tools and partners, and accessing additional financing were major goals. For 2010, with operational metrics emphasizing programming ramp-up, the following were declared:

612 acquisitions

33 self-funded rehabs

22 NSP rehabs

496 demolitions

5-10 NSP deconstructions

As a business start-up, and without the benefit of a historical context or fully established property acquisition pipelines or procurement procedures for acquisition, disposition and demolition, admittedly, these were ambitious targets.



STAFFING

With a rapidly increasing volume of work, the complex procedural requirements to be met, and most significant the award of \$41 Million from the Department of Housing and Urban Development, ("NSP Funding) the staff increased to 18 by the end of 2010.

FUNDING & BUDGET

Through November 2010, and separate from NSP Funding, the total revenues of the CCLRC were \$6,749,697. Most of this total came in the form of penalty and interest on delinquent real estate taxes which the law required the County Treasurer to collect and credit to the CCLRC's operations, to wit \$6,128,349. Other sources of funding included the recoupment of money for demolition fees from Fannie Mae property sales (discussed infra) and other sundry sources.

A major financial achievement was the successful sale of a tax-exempt bond of \$9 million in December, 2010 through a private placement. The term is for seven years, with an interest rate of 3.75 percent. This will be serviced from the aforesaid annual collection of penalties and interest described above.

Costs and revenues associated with acquired properties are tracked through the accounting and CCLRC's customized property profile system.

AGREEMENTS WITH MUNICIPALITIES

As of the end of 2010, the CCLRC concluded or was negotiating memoranda of understanding (MOUs) with eighteen county municipalities. MOUs with suburban cities include: Berea, Cleveland Heights, East Cleveland, Euclid, Shaker Heights, and South Euclid. The MOU with the City of Cleveland—the broadest and most complex—was an early example of the cooperative arrangement between the CCLRC and a large municipality. It established protocols for priorities for acquisition and disposition of tax-foreclosed and other properties. It includes addressing the processes for the maintenance, rehabilitation and demolition of structures. Since then, the City of Cleveland and the CCLRC meet monthly to address intergovernmental process involving such things as demolition permits, nuisance abatement, water liens, property maintenance and City—CCLRC transfer policies.



NSP-1 DEMOLITION OF THE WILLIAMS FORD
AND SERPENTINI CHEVROLET BUILDINGS

“The demolition of these unproductive buildings by the Land Bank will make over five acres of land available for redevelopment.”

CYRIL KLEEM
MAYOR OF BEREA



“The Cuyahoga County Land Reutilization Corporation has been an invaluable resource for my Ward and the City of Cleveland due to the unique role they play in ensuring the stability of our housing stock. Their services skillfully complement our efforts and have made it possible for us to assemble a comprehensive plan for neighborhood development.”

BRIAN J. CUMMINS
CLEVELAND CITY COUNCIL, WARD 14

INTERNAL OPERATING ACTIVITIES

FANNIE MAE AND HUD AGREEMENTS

At the end of 2009, only a few months after becoming operational, the CCLRC concluded a nationally groundbreaking agreement with Fannie Mae for disposition of Fannie Mae low-value foreclosed properties in Cuyahoga County. Up to this point, as a guarantor of thousands of defaulted loans on abandoned properties, Fannie Mae was necessarily trafficking in these properties with anyone interested in flipping them, in many cases, to out of state speculators that would never take keys to the property let alone look at them for rehabilitation. This agreement with Fannie Mae took effect in the spring of 2010. For a nominal sum (often \$1.00), Fannie Mae agreed to “sell” in bulk its low value foreclosed properties on a priority basis to CCLRC. What made this agreement unique was that Fannie Mae agreed to contribute \$3,500 for each property to be demolished. This was the first agreement of its kind for Fannie Mae in the country. Most of the Fannie Mae properties acquired by the CCLRC have been or will be demolished due to their deteriorated condition.

“Fannie Mae and the new Cuyahoga County Land Bank forge unique agreement”

The Plain Dealer

In July 2010, the CCLRC again concluded a similar nationally, ground-breaking exclusive county-wide agreement with HUD to purchase in bulk HUD’s Low Value (\$20,000 or less) properties for the nominal price of \$100. While most of these properties have been or will be demolished, they are no longer being trafficked on the speculation market.

“HUD-Land Bank helps restore neighborhoods”

Call & Post

Both of these agreements will prevent speculative flippers from acquiring and trafficking in these properties at auction without making necessary repairs. Naturally, the CCLRC works with responsible rehabbers to rehabilitate homes and save those homes that are salvageable and the market will support such investment.

NSP2 CONSORTIUM/EPA GRANT/OTHER GRANTS

In January 2010, a consortium was formed with the CCLRC as the lead agency which included the City of Cleveland, the government of Cuyahoga County and the Cuyahoga Metropolitan Housing Authority (CMHA). The consortium was awarded just over \$41 million by HUD in NSP2 funding in a national competition. To be used for demolition and rehabilitation of housing and related purposes, these funds are to be used in 15 highly targeted areas in Cleveland and in 5 inner ring suburbs: East Cleveland, Garfield Heights, Lakewood, South Euclid, and Shaker Heights.

In April 2010, the CCLRC applied for and received a \$400,000 grant from the U.S. Environmental Protection Agency (EPA) to assist with assessment of environmental contamination in industrial, commercial and residential sites. Assessment and outreach will result in the identification of sites that pose public health and safety risks and will facilitate the CCLRC’s redevelopment mission. Based on its efficiency and ability to transact with all pipelines, Enterprise Community Partners gave the CCLRC \$50,000 in 2011 based on the CCLRC’s “best practices.” Likewise, based on the significant collaboration between the CCLRC and the County Prosecutor in the tax foreclosure process, the CCLRC received a \$200,000 grant from the County Prosecutor for demolition of abandoned properties.

“Cleveland, Land Bank and others get \$41 million to demolish, rehab and improve neighborhoods”

The Plain Dealer

ACQUISITIONS AND DISPOSITIONS

SOURCES AND SELECTION PROCESS

By the end of 2010, a total of 495 properties were acquired, as the CCLRC increased the volume of acquisitions. The majority of acquisitions in the property pipeline were from Fannie Mae, HUD and major lenders (e.g., J.P. Morgan Chase). Before acquisition, each property offered to CCLRC receives a "Level 1" assessment, which includes onsite inspection (with the help of a sophisticated GIS system and internal research filters) and a title search to make sure that there are no liens that could pose pre-transfer defects in marketable titles. Properties must be vacant. Additionally, abandoned properties started being acquired through an expedited tax foreclosure process which results in dozens of properties being transferred to the CCLRC on a monthly basis.

DEMOLITIONS, TRANSFERS, REHAB

By the end of 2010, of the above total, 167 properties were demolished, with approximately 140 more demolition contracts outstanding, and 80 transferred from the CCLRC to cities or redevelopers. Because anywhere from 80 to 140 acquisitions occur monthly, these numbers are constantly changing. As of this writing in Summer 2011, nearly 900 properties are in inventory with a total of 279 properties demolished and 138 under contract. Pending demolition, the CCLRC hires maintenance companies to keep the properties boarded, the lawns cut, the utilities turned off and the home weatherized.

The CCLRC has developed a pool of pre-qualified contractors to do legally required asbestos assessments and to demolish those properties that cannot be rehabilitated. Standard bidding procedures were developed to facilitate efficiency and lower costs through competitive bidding.

In addition to demolitions, an important goal is to save those properties that can be put back on the market, including those requiring repairs. An assessment based upon inspection is made as to whether properties can be rehabilitated. Once a decision is made with a rehabber to rehab a property, some properties are sold "as-is," and others are sold based upon the "deed in escrow" program (i.e., title transfer is delayed until the required renovations are completed and occupancy permits secured). As of this writing 91 properties are being redeveloped either through the NSP-2 program, in-house rehabilitation or sales to qualified private investors.

CHN LOAN/NPI SUPPORT

As part of its mission to promote stabilized homeownership, the CCLRC made a \$500,000 loan to the Cleveland Housing Network (CHN) to enable it to allow low-income families participating in its longstanding Lease Purchase program to take title to their homes. This overcame the drying up of previously available mortgage financing resulting from the foreclosure crisis, even for very small loans (\$7,000-\$15,000) to homeowners who successfully and faithfully complied with their lease-purchase obligations. This has and will result in over 100 families retaining homeownership.

The CCLRC also provided support to Neighborhood Progress, Inc. (NPI) and its Neighborhood Stabilization Team, which works with Cleveland CDCs to provide, assimilate and analyze research, housing data demographic information.



“We appreciate the Land Banks staff’s willingness to work on our community priorities. The staff leadership is very knowledgeable and professional at every step.”

DAVID SMITH
MAYOR OF NORTH RANDALL



“The County Land Reutilization Corporation is at the cutting edge of land research. We look forward to ongoing cooperation with the Land Bank as we continue to serve our stakeholders in the University Circle District and our adjacent neighborhoods.”

CHRIS RONAYNE

PRESIDENT, UNIVERSITY CIRCLE INC.

INFORMATION TECHNOLOGY

Information technology innovations are focused in two areas, both virtually connected to the NEO CANDO data system at Case Western Reserve University ("CWRU"). First, the CCLRC's internal Property Profile System (PPS) has been developed and enhanced over the past year. Initially, the PPS was designed to manage property posting information on the CCLRC website. Basic property information characteristics and geographic attributes are streamed into this database from NEO CANDO. Recent enhancements to the PPS include the ability to track properties through various status benchmarks related to acquisition, disposition, field servicing, demolition, and renovation. Status changes are automatically updated on the public website. Additional tools in the PPS system include report functionality, photo management, and the ability to create and auto-populate standard documents like demolition specifications with property characteristics and a photograph. Through

its contractual relationship with CWRU, the CCLRC possesses in-house the best available technology and research capabilities in the county.

The other technology innovation nearing completion, commonly known as "The Eye", once fully operationalized will use data from multiple

data bases to make strategic decisions on property acquisition and demolition. The "Eye" is also used to vet potential rehabbers who have expressed interest in purchasing property for renovation. The remarkable innovation which the "Eye" brings will be its ability to scrub the various independent data bases in real time (Auditor, Treasurer, Clerk of Courts, etc.) in such

a way that these data bases will "see" each other and thus provide qualitative, intuitive research, but will do so spatially either in concentric rings, polygons or street-by-street. This spatial data will promote adjacency analysis and better strategy.



CONCLUSION

The CCLRC made considerable progress in 2010 and is fully “ramped up” today in terms of its core mission and activities. Its agreements with Fannie Mae and HUD, its partnerships with many municipalities, its record in demolishing nuisance properties and transfers of vacant lots, the sale of its first rehabilitated properties, HUD’s NSP2 funding of the Consortium between the City of Cleveland, Cuyahoga County and CMHA, and its successful initial bond sale were all major accomplishments. Additionally, the CCLRC has entirely energized the Board of Revision’s expedited tax foreclosure process by creating the BOR’s forms, operationalizing in-house the “land affidavit” and jurisdictional requirements necessary to accurately, professionally and quickly allow the Prosecutor, BOR and City of Cleveland to prosecute to conclusion the tax foreclosure of abandoned lands. This “under the radar” activity has corrected a process that needed repair for decades.

Some highlights of CCLRC’s accomplishments are reflected in the following testimonials:



FLETCHER BERGER
MAYOR, CITY OF BEDFORD HEIGHTS

“We are grateful to the Cuyahoga County Land Bank for the way it efficiently handled the demolition of the property located at 5055 Omega Drive in Bedford Heights. Not only was it beneficial to the city to have a blighted building removed, it could lead to potential development opportunities.”



ROB CURRY
EXECUTIVE DIRECTOR,
CLEVELAND HOUSING NETWORK

“The Land Bank was able to provide critical seed capital that in one short year has allowed nearly 70 Lease Purchase families to take title to the homes with loan terms and monthly payments that are both affordable and sustainable. Through CHN’s Lease Purchase program, these families have worked for many years toward their goal of owning their own homes. Thanks to the Land Bank, they were able to achieve affordable homeownership along with the accumulation of significant equity.”

EUGENE BAK

EXECUTIVE DIRECTOR, POLISH
AMERICAN CULTURAL CENTER,
SLAVIC VILLAGE, CLEVELAND

“We are grateful to the Cuyahoga County Land Bank for its help in demolishing a blighted vacant house to allow for parking and another two houses to develop a cultural garden.”

SUSAN K. INFELD

MAYOR, CITY OF UNIVERSITY HEIGHTS

“Our ability to utilize the Land Bank has been very helpful, saving us costs in land assembly. We will soon install a community garden on a lot that became available for development after the Land Bank demolished an unsalvageable house. The Land Bank’s rehabilitation of property in our City has not only improved the value and appearance of that property, it has generated goodwill in the neighborhood.”

**SALLY MARTIN**

HOUSING MANAGER,
CITY OF SOUTH EUCLID

“The City of South Euclid is extremely grateful to the CCLRC for going above and beyond to help us secure the land at 3915 Warrendale Road using the new expedited tax foreclosure process. Last spring the City constructed a community garden on the site using NSP funds. This garden has transformed the neighborhood and provided local families with the opportunity to grow their own food and get to know their neighbors. Whole Foods has also participated and holds regular events in the garden, which many residents consider the best thing that ever happened to their neighborhood. Partnering with the Land Bank has allowed us to transform areas of our city hardest hit by foreclosure and vacancy.”

**VIC COLLOVA**

MAYOR, CITY OF
GARFIELD HEIGHTS

“The City of Garfield Heights partnered with CCLRC to abate a public nuisance—a former theatre/retail building that was structurally unsound. Built in the 1920s, it was titled to three trusts (beneficiaries were the grandchildren and great grandchildren of the original owners). It last operated as a theater in the 1960s, was damaged by fire in the 1970s, and was functionally obsolete and largely vacant. The city spent more than eight years trying to convince the owners to sell or donate the building to the city or a local development corporation. Finally, the city completed a conveyance in lieu of foreclosure and transferred title to CCLRC. CCLRC demolished the structure as the city simply does not have the funds to pay for a demolition that exceeded \$100,000. Without CCLRC’s involvement, the building would still be standing.”



THOMAS J. FITZPATRICK, IV, ESQ.

COMMUNITY DEVELOPMENT DEPARTMENT,
THE FEDERAL RESERVE BANK OF CLEVELAND

“The Cuyahoga County Land Reutilization Corporation, though still in its infancy, is off to a strong start. This early in the life of the CCLRC, its qualitative accomplishments are impressive: its successful coordination of the joint application for the second Neighborhood Stabilization Program funds, its agreements with Fannie Mae and HUD, the technical assistance, acquisition and title clearing it has provided to municipalities, and the fact that it is touted as a national model other states are attempting to replicate are all significant wins. To the extent they are measurable, the CCLRC’s quantitative accomplishments are promising, in particular the extent to which it has been able to capitalize on economies of scale to significantly lower its average demolition costs. As the CCLRC continues to operate and directly impact more properties, a more thorough empirical analysis of the quantitative impact its operations have on the County’s tax base will need to be conducted in order to assist the CCLRC in making the difficult triage decisions it will continue to face in its daily operations.”



KERMIT LIND

CLINICAL PROFESSOR OF LAW (RETIRED)
CLEVELAND STATE UNIVERSITY

“More than four years ago, several public interest leaders developed the design of a new type of Land Bank that: would serve all of Cuyahoga County to salvage distressed abandoned property strategically; would have sufficient resources to acquire distressed real estate in chronically weak markets; would clear and hold titles for productive reuse; would perform an array of specialized code enforcement and legal transactions to protect people and property in ways that government often is unable to do efficiently; and would operate under the supervision of a corporate board of directors acting in the interest of the region rather than a single elected politician or council. What impressed the General Assembly was the promise that the Land Reutilization Corporation could perform its public purpose in such fashion. The Land Reutilization Corporation of Cuyahoga County is fulfilling its mission as designed and intended.”

KATHLEEN CROWTHER

EXECUTIVE DIRECTOR, CLEVELAND RESTORATION SOCIETY

“The collaboration between the Cleveland Restoration Society and the County Land Reutilization Corporation shows just how valuable our partnership can be for historic preservation. Educating and preserving our history through projects such as the Upson House renovation speaks louder than words can.” *On the completed restoration of the 1830s Upson House in Shaker Heights.*



COMMUNITY GARDENING,
RECYCLING HOME MATERIALS
FOR COMMUNITY GARDENS

This “adds so much character and
history to the gardens.”

DIANE MORGAN
GARDEN LEADER OF NXGEN
PRESERVE



“The County Land Bank
represents forward-thinking
progress and is a magnificent
partner to promote land assembly
for the revitalization of our cities
and neighborhoods.”

BRIAN J. SMITH
DIRECTOR, STRATEGIC
PROJECT DEVELOPMENT
CLEVELAND CLINIC



“Without the assistance of the CCLRC, we
would have never been able to save a historic
home in our community. I cannot thank the
organization enough for providing necessary
resources to acquire and stabilize the structure.
The staff could not have been more helpful;
they are an invaluable resource as Lakewood,
like other communities in the county, looks
to address the issues presented by an unprec-
edented number of vacant structures.”

HILARY SCHICKLER
HOUSING OUTREACH DIRECTOR
LAKEWOODALIVE



PARTNERSHIP TO CLEAN VACANT
LOTS IN NEIGHBORHOODS

“Allowing minor offenders in a
supervised setting to improve
neighborhoods and teach work
skills is an association where
everybody wins. We appreciate the
Land Bank’s cooperation.”

PAUL KLODOR
EXECUTIVE DIRECTOR
COURT COMMUNITY SERVICE



CCLRC assists regional firefighter
training for disaster response.
“Thanks to the landbank, now we
have an ongoing means of going
into real collapsed homes for our
training.”

LT. RON JAMES
HEAD OF URBAN SEARCH AND
RESCUE OPERATIONS
CLEVELAND FIRE DEPARTMENT



STAFF OF THE CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

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