



HURON COUNTY LAND REUTILIZATION CORPORATION
Meeting Minutes

May 27, 2021
2:00 PM

"The mission of the Huron County Land Reutilization Corporation is the preservation, restoration or disposal of abandoned or foreclosed properties. To strategically acquire properties, return them to productive use, reduce blight, increase property values, support community goals, and improve the quality of life for Huron County residents"

President Shawn Pickworth called the meeting to order at 2:00 PM.

Attending: Justin Ewell, Mitch Loughton, Tim Pelsang, Shawn Pickworth, Kathleen Schaffer, Dave Weisenberger, Skip Wilde, and Dick Wiles

Excused: Joe Hintz,

Staff Attending: Carol Knapp & Karmen Ross

A quorum was established.

April 22, 2021 HCLRC Meeting Minutes Approval

- Motion to approve by Skip, seconded by Dave and passed.

Financial Report – Carol

- Financial Reports provided to board.
- Motion to approve financial report made by Skip, seconded by Dave and passed.

OLD BUSINESS

- 1 South West Avenue, Willard
 - Buyer has paid for property and received the quit claim deed. Buyer overpaid so was reimbursed for the overpayment.
- 0 Section Line Road, Bellevue
 - Buyer has paid for property and received the quit claim deed.
- 0 Abby Lane, Willard
 - Tim has the quit claim deed and will meet with the buyer for payment.
- 0 Birchbark, Willard
 - Carol needs to meet with the buyer to receive payment and deliver the quit claim deed.
- 2044 County Line Road 10, Attica
 - Dick provided a picture of the property which has been cleaned up. Need to receive final payment and deliver quit claim deed.
- 35 Main Street, Wakeman
 - Village administrator asked for an extension to demolish the structure from July 1 to October 1. Carol will send a revised purchase agreement for signatures.

NEW BUSINESS:

Review of HCLRC official documents for potential revisions.

HCLRC Policies & Procedures Review

Section 3.1 – General Considerations – *DELETE FOLLOWING:*

~~A. The HCLRC may acquire vacant, abandoned, and tax delinquent property to further its mission. In determining whether to acquire a property, the HCLRC will target those properties that meet one or more of the following criteria:~~

- i. ~~There is a qualified end user committed to purchasing and returning the property to productive use.~~
- ii. ~~There is a prospective end user, neighborhood resident, local governmental entity, community stakeholder, or other interested party who has requested that the HCLRC review the property for acquisition.~~

Page 4 – Article III Section 3.4 A, B, C, D, E, F, G: *DELETE FOLLOWING:*

Section 3.4 – Acquisition through Tax Foreclosure

- A. ~~The Land Bank will meet regularly with the County Treasurer's and Prosecutor's offices to strategically coordinate acquisition of a property through tax foreclosure.~~
- B. ~~When a property is eligible under Ohio law and an acquisition priority for the Land Bank, the Land Bank will coordinate with the County Treasurer's and Prosecutor's offices to investigate and file an expedited tax foreclosure action through the Huron County Board of Revision.~~
- C. ~~When a property is ineligible for expedited tax foreclosure, but is an acquisition priority for the Land Bank, the Land Bank will coordinate with the County Treasurer's and Prosecutor's offices to investigate and file a judicial tax foreclosure action through the Huron County Court of Common Pleas.~~
- D. ~~For properties subject to tax foreclosure, the Land Bank may acquire title to properties through direct transfer following judgment. The Land Bank will provide formal notice to the County Treasurer and Prosecutor when electing to acquire a property through direct transfer following judgment.~~
- E. ~~If the Land Bank elects to acquire a property through direct transfer, it may subsequently amend or rescind its election and will promptly notify the County Prosecutor's and Treasurer's office of its decision prior to transfer.~~
- F. ~~In lieu of a direct transfer and when property conditions are unknown or direct transfer is determined not to be the best means of acquisition, the Land Bank may elect to allow properties to be auctioned through the Huron County Sheriff.~~
- G. ~~Upon acquisition after tax foreclosure, the Land Bank will instruct the County Auditor's office to remove all existing delinquent taxes, assessments, charges, penalties, and interest, and exempt the property from future taxes and assessments for the entire period the Land Bank owns the property.~~

Page 8 – Article IV, Section 4.3 A, B, C, D, E: *DELETE INDICATED SECTIONS. ADDITIONAL CHANGES AS INDICATED:*

Section 4.3 – Residential Structure Transfer Program

- A. ~~Every residential structure acquired by the Land Bank and determined to be marketable will be marketed and available for a prospective end user to purchase. In the case where an end user was identified prior to the land bank acquiring the property, the identified end user has first opportunity to purchase the property at the price established by the land bank. If the identified end user is no longer interested in the property, the property will be marketed by the land bank.~~
- B. ~~The Land Bank will determine the initial listing price for a property. The final purchase price for any property will be negotiated between the Land Bank and the end user.~~
- C. ~~Prospective end users will be required to complete a Residential Structure Transfer Application, **Application to Acquire** in the form posted on the Land Bank's website as amended from time to time.~~
- D. ~~Besides the general considerations under this Article, the Land Bank may require the following additional information from potential end users that desire to renovate any residential structures:~~
 - i. ~~A complete renovation for the property that will make the property safe and habitable and return all of the property's systems to functional conditions;~~
 - ii. ~~Proof of funding immediately available to acquire and complete the renovation work for each structure to be acquired and renovated; *(IT WAS NOTED THAT THE CLERK OF COURTS AND MUNICIPAL COURT CAN ADVISE IF LIENS ARE PAID.*~~
 - iii. ~~Proof of prior experience successfully renovating residential structures, including photographs of work undertaken and completed, and a narrative describing past or current projects; and~~
 - iv. ~~Any additional information the prospective end user wishes to share with the Land Bank that relates to the renovation project.~~
- E. ~~Acceptable proof of funding includes cash-on-hand, available credit, and other liquid assets. Financial assistance offered by a friend or relative may not be accepted unless the individual or entity offering~~

assistance is also an applicant.

ADDITIONAL CHANGES WILL BE MADE TO THE APPLICATION TO ACQUIRE INCLUDING PARCEL #S FOR ALL PROPERTIES THE POTENTIAL BUYER OWNS IN HURON COUNTY.

Page 9 – Article IV, Section 4.3 H: Disposition Procedure *DELETE FOLLOWING:*

- i. ~~The Land Bank and purchaser will negotiate a purchase price and enter into a purchase agreement for the property. Closing will be held at a local title company acting as title (and escrow, where applicable) agent for the transaction.~~
- ii. ~~The purchaser must complete the renovation work on the property and pass a proposed renovation compliance inspection within a negotiated renovation time period.~~
- iii. ~~Closing will be handled with a renovation enforcement note and mortgage, or by deed-in-escrow in limited circumstances where ownership of title by the Land Bank is necessary to enforce key provisions of these Policies & Procedures.~~
 1. ~~Renovation Enforcement Note and Mortgage: Title will transfer to the purchaser at closing, at which time the purchaser will personally execute the Renovation Enforcement Note and Renovation Enforcement Mortgage, which will secure the subject property. The amount of the Renovation Enforcement Note shall be the greater of the sale price of the property or the Land Bank's projected renovation costs for the property. When the renovation work is complete and has passed the Land Bank's proposed renovation compliance inspection, the Land Bank will provide the purchaser with written confirmation that the proposed renovation to the property is in satisfaction of the Land Bank's conditions and will record a satisfaction of the Renovation Note and Mortgage.~~
 2. ~~Deed-in-Escrow: The Land Bank will retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow either in-office or with the closing agent. The Land Bank will issue a notice to proceed allowing the purchaser to move forward with the renovation work. Title will transfer following completion of the renovation work and passage of the Land Bank's proposed renovation compliance inspection. When the renovation work is complete and the purchaser has passed the Land Bank's proposed renovation compliance inspection, the Land Bank, or the closing agent at the Land Bank's instruction, will transfer title in the property to the purchaser.~~
 3. ~~Reverse Deed-in-Escrow: Title will be transferred to the purchaser. The purchaser will simultaneously execute a deed transferring title back to the Land Bank held by the escrow and title agent during the renovation time period. The deed held in escrow will be voided and released following completion of the renovation work and passage of the Land Bank's proposed renovation compliance inspection.~~

Page 10 – Article IV, Section 4.3 I: *DELETE FOLLOWING:*

Marketing Residential Properties

The Land Bank will list all properties that may be acquired and renovated under its residential structure transfer program on its website unless an end-user has been previously identified.

Page 10 – Article IV – Section 4.4.C.i: Need to change to application to acquire

A. Side Lot Transfer Procedure

Prospective side lot end users must submit an **Application to Acquire Vacant Land Transfer Application** to the Land Bank.

Page 11 – Article V – Section 5.2

Section 5.2 Acquisition Considerations

A. ~~The Land Bank may acquire a commercial property after a qualified end user has submitted a development plan to the Land Bank.~~

B. ~~The Land Bank may coordinate with the County Treasurer's office and County Prosecutor's office to carry out tax foreclosure proceedings on an eligible commercial property, whether or not the Land Bank ultimately takes title to the property. Before taking title to a commercial property, the Land Bank may assess, secure, and market a commercial property on the forfeited lands list.~~

C. ~~The Land Bank will not acquire title to a major commercial property without receiving a development plan from a qualified end user that is approved by the Board of Directors following the Board of Director's determination that the development plan will restore the major commercial property to productive use, and without entering into a purchase agreement with the qualified end user following the Board's approval of the development plan.~~

Section 5.4 Commercial Purchase Agreements

- ~~A. The Land Bank and the end user will negotiate the terms of the Purchase Agreement on a property-by-property basis. Terms will include purchase price, development plan, end use plan, and project timeline.~~
- ~~B. Development plans will contain the following:
 - ~~i. A list of all development partners, including contractors, project manager, architects, legal counsel, realtors, and any other partners;~~
 - ~~ii. A narrative description of the development work to be completed, project timeline, and final end use;~~
 - ~~iii. The sources of financing or funding available to complete the project;~~
 - ~~iv. A description of or application for any special use permit, variance, or rezoning necessary to accomplish development plans; and~~
 - ~~v. A description of previous commercial property experience, if any.~~~~
- ~~C. Purchase Agreements may be made conditional upon satisfaction of any of the requirements described in Section 5.4(B), or any other requirements necessary to demonstrate the capacity to undertake development work, at the Land Bank's sole discretion.~~
- ~~D. The Land Bank may retain an interest in commercial property through the Renovation Rev 0616 16 Enforcement Note and Mortgage procedure described in Section 4.3. At the Land Bank's sole discretion, end users will either be required to certify code compliance with the political subdivision in which the property is located, or pass a safety and habitability inspection verifying the following:
 - ~~i. The property is safe and secure;~~
 - ~~ii. All major systems are properly installed and functional;~~
 - ~~iii. The property is cleaned and appropriately maintained on both the interior and exterior; and~~
 - ~~iv. Any other conditions in the development agreement.~~~~

HCLRC Comprehensive Ethics Policy Review

Section 5 – Annual Statements

Each Director, Officer, and employee of the HCLRC shall annually sign a statement which affirms that such person:

- (A) Has received a copy of the most recent Conflicts of Interest Policy;
- (B) Has read and understands this Policy;
- (C) Has agreed to comply with this Policy; and

Understands that (i) the HCLRC is an organization performing essential governmental functions authorized in Chapters 1724 and 5722 of the Ohio Revised Code, among others, and, therefore, pursuant to Section 115(1) of the Code, it and its income is exempt from federal income taxation and (ii) in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its governmental purposes.

CAROL NEEDS TO CHECK IF ALL REAFFIRMATIONS HAVE BEEN RECEIVED BACK FROM BOARD MEMBERS.

Section 5 – Accounting and Auditing Matters

~~There shall be, and there is hereby established, an audit committee of the Board of Directors composed of three members of the Board of Directors, at least one of which members shall be the President or Vice~~

~~President of the Board. The initial audit committee of the Board of Directors shall be elected by the members of the Board of Directors at the meeting at which this Ethics Policy is adopted. When a vacancy in the membership of the audit committee occurs, the Board shall fill the vacancy at its next scheduled public meeting. The audit committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. Any Board Member shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.~~

HCLRC Code of Regulations Review

Page 5: Article III – Section 3.1b Selected Directors: *DELETE FOLLOWING. REVISE FOLLOWING:*

Page 5: Article III – Section 3.1bi: Calls for 45 day written notice for resignation. We haven't done this in the past. Also notice to Secretary of the Board – the Executive Director has received past notifications. Perhaps we want to change?

a. **Selected Directors**

The term of office of each Selected Director shall run from such Director's selection in accordance with Ohio law and acceptance thereof to the second anniversary of such Selected Director's acceptance of selection and the selection of such Selected Director's successor and such successor's acceptance of the selection.

JUST NEED TO PAY ATTENTION TO TERMS.

i. **Resignation of Selected Director** *DELETE FOLLOWING. REVISIONS FOLLOWING:*

~~Resignation of Selected Director. A Selected Director may, at any time with forty five (45) days prior written notice to the Secretary of the Board or each of the Statutory Directors, resign as a from the office of Director of the HCLRC. Upon receiving the notice of resignation of a Selected Director, the Secretary of the Board shall call a meeting of the Statutory Directors for the purpose of selecting unanimously a replacement for the resigning Selected Director. Notification of intent to resign as a director needs to be in writing directed to the Executive Director of HCLRC. Notification of intent to resign is requested prior to the next scheduled board meeting.~~

Page 7: Article III – Section 3.1fi: *DELETE FOLLOWING. REVISE FOLLOWING:*

Authority and Duties of Secretary

The Secretary shall be responsible for keeping the minutes of all meetings and proceedings of the Board of Directors and shall make a proper record of the same, which shall be attested by ~~him/her~~. The President of the Board. The Secretary shall keep such other books as may be required by the President or the Board of Directors and shall generally perform such other duties and functions as may be required or assigned by the President, subject to any express limitations on such other duties and functions as may be adopted by the Board of Directors. All or a portion of the duties of the Secretary may be transferred to the Executive Director at the discretion of the Board of Directors.

Page 7: Article III – Section 3.1g, i: *DELETE FOLLOWING. REVISE FOLLOWING:*

Authority and Duties of Treasurer

The Treasurer shall be the fiscal officer of the Corporation.

Section 9.3 – Contracts

The Board shall have the authority to execute contracts on behalf of the HCLRC, subject to any limitations provided in this Section and any other limitations adopted by resolution of the Board of Directors. In addition, the Board of Directors may authorize by resolution other Officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of HCLRC, with such authority being either general or confined to specific instances.

~~Prior to the execution of any contract on behalf of HCLRC, the Treasurer shall certify that there is an unencumbered balance in the applicable budgetary account at least sufficient to pay in the fiscal year in~~

~~which such contract is being signed all payments that are required to be made under the contract in such fiscal year.~~

In addition, the Treasurer shall perform any other duties or functions that may be assigned or delegated to such Officer by the President, subject to any express limitations on such other duties and functions as may be adopted by the Board of Directors. All or a portion of the duties of the Treasurer may be transferred to the Executive Director at the discretion of the Board of Directors.

Page 11: Article IV – Section 4.9 – d: Post of Agenda for Public Meetings of HCLRC. *NEED TO START DOING THIS!*

a. Posting of Agenda for Public Meetings of HCLRC

HCLRC shall post or cause to be posted on the publicly accessible website of HCLRC and/or County Commissioners the agenda for all meetings of HCLRC at least twenty-four (24) hours in advance of such meetings, provided, however, that nothing in this Section shall be construed as prohibiting a change to such agenda, whether by way of addition of an item to or deletion of an item from such agenda.

Page 13: Article VII – Section 7.2:

The HCLRC may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, or employee of the HCLRC against any liability asserted against such Director, Officer, or employee and incurred by him/her in any such capacity, or arising out of his status as such, whether or not the HCLRC would have the power to indemnify him/her against such liability under provisions of this Article or of the Nonprofit Corporation Law.

CAROL TO CHECK WITH LAURA OR JULIA TO SEE IF WE ARE COVERED UNDER THE COMMISSIONERS' POLICY FOR D & O.

Page 15: Article VIII – Section 8.2: Code of Regulations **needs to be posted on the HCLRC website.**

Section 8.2 – Amendments to Comprehensive Ethics Policy

The Board of Directors may, from time to time, amend the Comprehensive Ethics Policy at any meeting of the Board of Directors called for such purpose, among others. Upon any such amendment, a copy of the amended Policy shall be attached to the Code of Regulations held in the HCLRC minutes book. HCLRC shall replace or cause to be replaced all prior versions of the Comprehensive Ethics Policy by delivery of the amended Comprehensive Ethics Policy to all Directors, Officers, and employees of HCLRC who have received a copy of the Comprehensive Ethics Policy in their possession. From and after such amendment, any copies of the Code of Regulations, including a copy of the Code of Regulations **posted on HCLRC publicly accessible website**, shall have affixed to them as Attachment A the amended Comprehensive Ethics Policy, and no further distribution of the form of the Policy prior to such amendment shall be made by any Director, Officer, or employee of HCLRC.

WE NEED TO DO THIS!

Page 17: Article IX – Section 9.6: Signatures on deeds – states 2 signatures. We previously approved just the President & Vice President signing. How do we want to proceed?

Section 9.6 – Signatories on Deeds and Transfers of Real Property Interests

All deeds and other documents transferring an interest in real property of HCLRC shall be executed by THE PRESIDENT AND VICE PRESIDENT and shall otherwise be in compliance with the provisions of Ohio law applicable to disposition of real property.

Page 17: Article IX – Section 9.9: *DELETE FOLLOWING:*

Section 9.9 – Internal Controls

~~In addition to the requirements of this Article IX regarding fiscal matters of HCLRC, the Treasurer may provide by written policy circulated to all Directors, Officers, employees and agents of HCLRC further internal controls and safeguards over the assets of HCLRC to ensure their safety and application consistent with all applicable laws, regulations, the Articles of Incorporation and this Code of Regulations.~~

Asbestos Assessment Bid Packet Review, Asbestos Abatement Bid Packet Review, Demolition Bid Packet Review

- Tim provided information from the City of Willard that we may want to include in these bid packets.
- Basements need to be properly filled for drainage. Fill needs to be free of debris.
- Utilities need to be capped off at the right of way.
- Carol will make changes to the bid packets. Tim agreed to review them prior to sending out to the full board.

PUBLIC COMMENT – None

OTHER

- Skip noted that the commissioners are very pleased with all the land bank has done.
- Shawn suggested that it may be time to pay a portion of our loan from the Commissioners.
 - Shawn made a motion to pay \$25,000 on the loan with the balance paid on December 31, 2022. Mitch seconded the motion and was approved.

ADJOURN – Motion to adjourn made by Skip, seconded by Dave and passed. Meeting adjourned at 2:37 PM.

Respectfully submitted,

Carol A Knapp
Executive Director