



CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

MINUTES AND ACTIONS OF BOARD OF DIRECTORS'

REGULAR MEETING OF JULY 24, 2009

LOCATION: Conference Room 140
Lakeside Place
323 Lakeside Avenue NW – Suite 160
Cleveland, OH 44113

DATE/TIME: July 24, 2009; 10:00 a.m. ET

PURPOSE: Regular business meeting to consider Resolutions 2009-10 through 2009-16 and the following matters.

1. *Call to order.* A regular meeting of the Cuyahoga County Land Reutilization Corporation (the CCLRC) was held on July 24, 2009 at 323 Lakeside Avenue NW, Suite 160, Cleveland, Ohio. The meeting was called to order at 10:06 a.m. Chair of the Board, County Treasurer James Rokakis, Mr. Paul Oyaski representing County Commissioner Jimmy Dimora, Mayor Cyril Kleem of the City of Berea, Vice Chair of the Board and Mayor Georgine Welo of the City of South Euclid and Chris Warren, Chief of Regional Development, and Anthony Brancatelli, Ward 12 Councilman, representing the City of Cleveland were present and constituted a quorum for conducting the CCLRC's business at the meeting.

2. *Approval of Minutes of Prior Board Meeting.* The minutes of the Special Board Meeting of May 22, 2009 were distributed and approved by voice vote without revision.

3. *Staff Reports: Administration and Operations.* Gus Frangos, President of the CCLRC, was introduced along with the remainder of the staff for CCLRC. Mr. Frangos reported as follows on the CCLRC's operations and related matters:

i. Mr. Frangos updated the Board on the amendments to the County Land Bank Legislation that were passed by the Ohio General Assembly as part of Am. Sub. H.B. 1, the State Budget Bill. Treasurer Rokakis requested a copy of the changes affecting the County Land Bank Legislation be sent by e-mail to all Board members.

ii. The date for the CCLRC's commencement of land acquisitions is tentatively set for early October, with a trial land acquisition tentatively scheduled for mid-September. Mr. Oyaski raised the questions of how and when the respective responsibilities of both the Board and Land Bank staff in regard to approval of property acquisitions would be established. It was agreed that Land Bank staff would draft a policy for this issue for review by the Board. It was also agreed that Land Bank staff would outline the duties of vendors to be included in providing field services for Land Bank properties.

Commissioner Jones was welcomed by Treasurer Rokakis at 10:20 a.m. Commissioner Jones notified all of the passing of Mrs. Stella R. Miller, a long-time County employee known to many in attendance at the Board Meeting.

iii. Treasurer Rokakis then read the Mission Statement of the CCLRC that was modeled after the Mission Statement of the Genesee County Land Bank and was crafted by Ms. Cheryl Stephens and Land Bank staff. It is being presented to the Board for approval. Discussion of the Mission Statement then ensued. Commissioner Jones recommended as a change that the name of the

CCLRC be spelled out in full instead of using the acronym "CCLRC." No further revisions of or objections to the Mission Statement were voiced, and the Board approved the Mission Statement by voice vote.

Treasurer Rokakis asked for an interruption to the order of the Agenda in order for COO Bill Whitney to update the Board on the NSP2 Application. Mr. Whitney recognized a number of individuals and organizations that worked together to complete the Application and as a consortium submitted the same to the federal Department of Housing and Urban Development. Treasurer Rokakis acknowledged that this Application represents a "wonderful beginning" and thanked all persons involved in the preparation of the Application. Mr. Don Lentz was specially recognized by Treasurer Rokakis for his involvement in the NSP2 Application process.

iv. Mr. Frangos then introduced the Board of Director's and Staff Orientation and Training Initiative and noted that a similar function proved very successful for Genesee County. Mayor Welo stated that as a board member it was understood that attendance would be necessary and suggested the possibility of two training dates for more flexibility. Treasurer Rokakis instructed Mrs. Jacqui Knettel to schedule the training sessions and communicate the schedule to Board members.

v. Finally, a schedule of future Board Meetings to occur in calendar year 2009 was discussed and it was noted that, except for the month of December, 2009 when there will be no Board Meeting and the month of November, 2009 when the monthly Board Meeting will be held on the third, instead of fourth, Friday of the month, all Board meetings in 2009 will be held monthly on the fourth Friday of each month.

Budgeting and Finances. Victor Gaston, Controller, next presented a review of the budget of the CCLRC for the 12-month period ending June, 2010. Mayor Welo suggested that the amount allocated for travel and meetings be used sparingly in light of the economy. Mr. Oyaski commented on the expenditures and exactly what expenditures should require prior approval of the Board. Discussion on this matter then commenced and focused on what would be the best way to determine to what expenditures the Board would or would not have to give its prior approval. Treasurer Rokakis recommended a threshold of \$5,000, any expenditure in excess of which would have to have prior approval of the Board until a formal policy is recommended by staff and approved by the Board. There being a general consensus around Treasurer Rokakis' recommendation, Mr. Warren then offered as a Motion, seconded by Mayor Welo, that each new contract into which the CCLRC enters and which obligates the CCLRC for an amount of money in excess of \$5,000, must have prior approval of the Board of Directors until further consideration of the threshold is discussed at the Board meeting in September, 2009. It was emphasized that this procedure would apply to only new contracts and payments to be made after the date of today's meeting and not to payments already approved. Upon seeing no further requests for discussion, the Chair asked for a voice vote on the Motion, and the Motion was approved.

Bond Financing. Mr. Robert Rink updated the Board on a Memorandum of Law received from Squire, Sanders & Dempsey L.L.P. that concluded that under the Internal Revenue Code of 1986, as amended (the Code), and the regulations and rulings published under the Code, the CCLRC, as a "constituted entity" of the County, could issue tax-exempt bonds to finance its acquisition, demolition and disposition programs. Mr. Paul Komlosi of P3 Development Advisors, LLC, the CCLRC's financial advisor, then gave an update on the progress of preparing for the CCLRC's first borrowing of moneys through the issuance of its bonds. In connection with this activity, he noted that a request for proposals for bond underwriting services (the RFP) had been prepared and were to be delivered to major investment banking firms and banks at the beginning of the next week. He also noted that the RFP would be posted on the CCLRC's website. Mayor Welo expressed her preference for engaging local investment banking firms in economic times such as we are now experiencing since this financing then would also benefit the local economy. Treasurer Rokakis spoke of the opportunity the Land Bank would have in picking up some of the foreclosure preventions loans at reduced rate on the dollar.

Staff reports were then concluded and Treasurer Rokakis moved on to consideration of the several resolutions on the Agenda.

4. *Resolution 2009-10.* Treasurer Rokakis offered for consideration and adoption Resolution 2009-10 authorizing, directing and ratifying of certain actions taken or to be taken in connection with the daily operations of the CCLRC. Discussion was held on Exhibit A to the Resolution. Treasurer Rokakis made note that the County of Cuyahoga was not responsible for cost of the Pointe Blank Ltd. Contract that was being let for modifications to the Treasurer's Office tax billing software stemming the County Land Bank Legislation - it being totally paid by the CCLRC. Mr. Frangos addressed the insurance policies and indicated that he was pleased with the coverage. Councilman Brancatelli raised the question as to whether the insurance policy being approved is a blanket policy covering all properties acquired by the CCLRC or whether it required an individual endorsement for each parcel of property upon its acquisition by the CCLRC. Commissioner Jones noted that certain lobbyists were paid different amounts for their services in connection with amendments to the Land Bank Legislation. Treasurer Rokakis explained that the different amounts were the result of the different roles played by each during the debates around the State Budget Bill which also contained amendments needed by the CCLRC. Mr. Frangos stated that the engagement of the LNE Group and Melamed Communications by the CCLRC terminated with the passage of the amendments to the County Land Bank Legislation. Discussion was held on how the expenditures were being assigned to the various budgeted line items in the CCLRC's twelve-month budget. Commissioner Jones requested the adding of Cuyahoga Metropolitan Housing Authority as a party to the NSP2 Agreement referenced in Section 1 of the resolution. Said addition was noted and added. Mayor Welo announced that she would recuse herself from voting on Resolution 2009-10 as she has relatives in the insurance business. There being no further questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-10 was adopted by a vote of 6 Yea.

5. *Resolution 2009-11.* Treasurer Rokakis offered for consideration and adoption Resolution 2009-11 authorizing and directing the engagement of Squire, Sanders & Dempsey L.L.P. for the provision of legal services as bond counsel in connection with the issuance and sale of bonds by the CCLRC. Commissioner Jones stated that he would hope CCLRC would be conscious of the rotating the role of bond counsel among the several law firms in the Cuyahoga County area which have expertise in that area. There being no further questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-11 was adopted by unanimous vote.

6. *Resolution 2009-12.* Treasurer Rokakis offered for consideration Resolution 2009-12 authorizing the distribution of a request for proposals for underwriting services. The original resolution as presented to the Board had a typographical error and it was noted that the word "Proposals" be substituted for "Qualifications". It was duly noted. There being no further questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-12 was adopted by unanimous vote.

7. *Resolution 2009-13.* Treasurer Rokakis next offered for consideration Resolution 2009-13 authorizing and directing the engagement of Policy Intel™ for the provision of services relating to the development of an interactive, digital strategy map. Various questions were raised as to exactly the function of Policy Intel™. Treasurer Rokakis explained that it would be beneficial to meet with Mr. Taft from Policy Intel™ so that he could show the Board the specific operation of his strategic mapping program. Treasurer Rokakis suggested to the Board the tabling of Resolution 2009-13 until the next Board meeting at which Mr. Taft could make a presentation to the Board of his program.

Resolution 2009-13 was tabled until further consideration at the August 28, 2009 Board meeting.

8. *Resolution 2009-14.* Treasurer Rokakis next offered for consideration Resolution 2009-14 authorizing the issuance of a request for proposals for a requirements contract for field services. Discussion was held on what was to be included as "field services." Mr. Frangos stated that as of the time of this Board meeting no contracts for

field services had been let. Ms. Stevens said that the process of letting a contract for field services is approximately six weeks. Treasurer Rokakis stated that this is an immediate need. Mr. Oyaski asked for clarification that there would be no less than 3 vendor/proposals submitted to the Land Bank for review. Mr. Warren stated his support for the soliciting of these proposals. Treasurer Rokakis also asked CCLRC to be flexible to work with smaller, local people and Councilman Brancatelli suggested a field service administrator. There being no further questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-14 was adopted by unanimous vote.

9. *Resolution 2009-15.* Treasurer Rokakis offered next for consideration Resolution 2009-15 authorizing the acquisition of financial accounting and property management software for the CCLRC. Victor Gaston, Controller, discussed the need for acquiring of the software. Mr. Oyaski asked that the cost not exceed \$25,000. There being no further questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-15 was adopted by unanimous vote.

10. *Resolution 2009-16.* Treasurer Rokakis offered for the final Resolution to this Board meeting, Resolution 2009-16 which authorizes the adoption of "*Robert's Rules in Plain English: A Readable, Authoritative, Easy-To-Use Guide To Running Meetings, 2nd edition*" for resolving procedural questions arising at meetings of the Board of Directors. There being no questions or discussion, a roll call vote was taken on the resolution.

Resolution 2009-16 was adopted by unanimous vote.

There being no other resolutions to come before the Board, Treasurer Rokakis opened up the meeting to public comment.

Mr. Patrick Nortz from NTH Consultants directed an inquiry to the Board: "1. Is there an "environmental" component to Resolution No. 2009-14 for 'field services'? Are asbestos, lead-based paint, and other hazardous materials (e.g., old paint cans) being considered? 2. Will this corporation take over residential properties only?"

Treasurer Rokakis responded that the environmental component will need to be included. Discussion was held as to when the environmental component would be needed and if it is included as part of the "Field Service" duties. Generally, an environmental component would accompany demolition. Dennis Roberts stated that it would be necessary for the field service representative to work with each specific community to meet each community's requirements. The response to the second part of the question is that the Land Bank is not locked into just residential property.

There were no further public comments or questions.

11. *Adjournment.* There being no more business to come before the Board of Directors of the CCLRC, Mr. Oyaski moved, seconded by Mayor Welo, that the meeting of the Board of Directors of the CCLRC be adjourned. A voice vote was taken and the motion carried unanimously. The meeting of the Board of Directors of the CCLRC was adjourned at approximately 12:00 noon.

I hereby certify that the minutes related to the Board of Directors' meeting of July 24, 2009 set forth above are the minutes approved by the Board of Directors at their meeting of August 28, 2009.

Robert P. Rink, Esq. /s/

Robert P. Rink, Esq., Secretary

Dated: August 28, 2009