



CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION MINUTES AND ACTIONS OF BOARD OF DIRECTORS' SPECIAL MEETING OF SEPTEMBER 25, 2009

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

DATE/TIME: September 25, 2009; 10:00 a.m. ET

PURPOSE: Special meeting for CCLRC Business

1. *Call to order.* A special meeting of the Cuyahoga County Land Reutilization Corporation (the CCLRC) was held on September 25, 2009 at 323 Lakeside Avenue W, Suite 160, Cleveland, Ohio. The meeting was called to order at 10:03 a.m. Chair of the Board, County Treasurer James Rokakis, Mr. Paul Oyaski representing County Commissioner Jimmy Dimora, Chris Warren, Chief of Regional Development were present and constituted a quorum for conducting the CCLRC's business at the meeting. Mayor Georgine Welo of the City of South Euclid and Commissioner Peter Lawson Jones were not present.

2. *Approval of Minutes of Prior Board Meeting.* The minutes of the Regular Board Meeting of August 28, 2009 were distributed and approved by voice vote without revision.

Councilman Anthony Brancatelli, Ward 12 Councilman, representing the City of Cleveland was welcomed by Treasurer Rokakis at approximately 10:04 a.m.

3. *Staff Reports:*

a. Gus Frangos, President of the CCLRC, reported as follows:

The CCLRC has tested various pipelines: the Board of Revision; the Auditor's Office and the Prosecutor's Office.

One area of concern is the ability to come to agreement on contracts and forms with REO's. It has been difficult to get set agreements with the financial institutions when trying to obtain properties. This has been the biggest stumbling block

Discussions with Fannie Mae have been positive. The CCLRC and Fannie Mae have arrived at an informal understanding and hope to enter into a formal agreement in the near future. The CCLRC has also been working with the City of Cleveland as part of the agreement with Fannie Mae.

Treasurer Rokakis asked for an update on HUD – Cheryl Stephens provided in her report.

Treasurer Rokakis recognizes the attendance of Secretary of State, Jennifer Brunner at the meeting of the CCLRC. Treasurer Rokakis recognizes the attendance of Senator Thomas Patton at the Board meeting. Senator Patton was personally thanked for his champion efforts and work on Senate Bill 353.

b. Vic Gaston, Controller for the CCLRC presented update on finances. The report is attached to the original of these minutes. Mr. Oyaski addressed the CCLRC as to whether it anticipates expending more funds on professional services. From the date of the Board Meeting, the budget is adequate to cover these expenses. Mayor Kleem wanted to know if anything in the revenue and expenditure report caught the CCLRC by surprise. As of this time, there is nothing in the report which surprised Mr. Gaston.

c. Cheryl Stephens presented to the Board an update on acquisitions. Ms. Stephens stated that there are a large number of parcels ready to be acquired. A point of concern in acquiring these properties is to make sure that the titles would transfer quickly. The CCLRC is building relationships with various cities in the County and looking to enter into agreements with these municipalities to obtain properties. A "wish list" letter was sent to the mayors of Cuyahoga County asking them to identify ten properties in which the CCLRC could assist them with. A few cities have responded as of the date of the board meeting. The CCLRC, at the time of the board meeting, was in the process of acquiring two additional properties. The CCLRC assisted in purchasing two parcels in the City of Brooklyn for Friends of Big Creek Parkway. The City of Cleveland and the CCLRC have entered into a protocol agreement regarding properties in the City. The City of Newburgh Heights contacted the CCLRC to assist with a blighted property situation. Third Federal offered to discuss portfolios with the Land Bank and a majority of properties are in the City of Cleveland. Protocol with the City of Cleveland needs to be established on properties that have a demolition lien attached. A meeting will take place to determine how best to handle the demolition lien issue. Mr. Brancatelli, Mr. Warren and Mr. Frangos agreed to schedule this meeting. Update on Property Inspection and Preservation Services. On September 14, letters were sent to five finalists.

Ms. Stephens also presented that the CCLRC, First Suburbs and HUD have had discussion. The CCLRC is working with First Suburbs on a number of issues especially the 1st look and 1st right of refusal language with HUD. Mr. Warren suggested that our Congressional delegation be recruited, if necessary, to expedite HUD cooperation with the Land Bank.

Treasurer Rokakis asked for the report of Paul Komlosi.

d. Paul Komlosi presented an update on finances. The report is attached to the original of these minutes. Mr. Komlosi recommended the composition of a finance team. Fifteen proposals were received and reviewed. Mr. Robert Rink of the CCLRC has removed himself from the discussions as his son-in-law works for one of the prospects. The evaluation criterion was outlined. Mr. Rokakis stated the importance of revenue leverage. Mr. Komlosi suggested that a financing consortium approach is important and communication is the key to come up with items and suggestions to help the Land Bank. A recommendation of four financial firms was made. The financing is to be arranged by the end of October, if possible. Mr. Komlosi stated that the CCLRC will receive two collections of penalties and interest from the County, one in May, the other in November. In December, the CCLRC should begin to see monthly revenue flow. Mr. Oyaski indicated that Mr. Komlosi has made great progress.

Treasurer Rokakis asked if there were any questions pertaining to Mr. Komlosi's report. No further questions were had.

4. *Adjournment.* There being no more business to come before the Board of Directors of the CCLRC, Mr. Brancatelli moved, seconded by Paul Oyaski, that the meeting of the Board of Directors of the CCLRC be adjourned. The meeting of the Board of Directors of the CCLRC was adjourned at approximately 11:40 a.m.

I hereby certify that the minutes related to the Board of Directors' meeting of September 25, 2009 set forth above are the minutes approved by the Board of Directors at their meeting of November 20, 2009.

/s/Robert P. Rink

Robert P. Rink, Secretary

Cuyahoga County Land Reutilization Corporation