

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
April 20, 2009

Members: Don Walters, Chair
Debbie Ritzinger
Carol Klinger

Mr. Walters called the meeting to order at 6:20 p.m. Mrs. Klinger was absent.

The minutes from the March 16, 2009, April 6, 2009 and April 13, 2009 committee meetings were approved as submitted.

Legislation Considered

Temp. Ord. B-31
Temp. Ord. B-32
Temp. Ord. B-33
Temp. Ord. B-34

Discussion:

Temp. Ord. B-31

An ordinance authorizing the Director of Public Service to purchase certain property located at 1836 Front Street, Summit County Parcel #0211791, and declaring an emergency.

Mrs. Truby stated that five years ago, the City created a Master Plan which included the south Front Street and Second Street areas. They have already begun demolition of some of the properties. This ordinance will allow the City to purchase two residential homes that will provide an opportunity to extend Prospect Street per the Master Plan. This project was also in the original Five Year Plan. Appraisals have been completed on both properties: \$115,000 for the Front Street parcel and \$91,000 for the Second Street parcel. The property owners currently reside in both homes and have signed purchase agreements for their respective properties. Once approved, demolition could begin as early as the end of the year. The budget for the Prospect Street extension is approximately \$250,000 and includes engineering. Mrs. Truby also commented about a recent article which appeared in *The Beacon Journal* stating that no information has been provided to the public regarding the Watermark Project. Mrs. Truby stated that the Watermark Project is hoping for state monies, and added that the state does not like to have any public discussion about potential projects prior to approval. The article may have caused this project its state-money eligibility.

Mr. Guerra gave an update on the CORF Grant for the south Front Street area. He commented that when there is a project with \$2.4 million in CORF and CDBG monies, there is also approximately \$20 million in private development for that project. Phase I of this project is estimated to be \$26 million and will consist of approximately 100 household units, retail space, a park and infrastructure. It could take close to ten years to complete.

Mr. Walters stated it is beneficial that the owners of these homes are willing to sell to avoid the City having to go to court. The prices are close to the appraised values, and the residents can continue to reside in the homes until the City is ready to move forward. He also indicated that Habitat for Humanity can strip the houses prior to demolition for any items it may need for other projects. He asked if everyone in the neighborhood was aware that the street was going to be coming through. Mrs. Truby stated that since the project began, there have been many public meetings and those meetings were well attended. She felt that

the people are aware of what is going on. Mrs. Hummel felt that paying the private appraisal amount for these homes may be too much. She believed that if these homes were to be put on the real estate market, they would not sell any higher than the County appraised values which are \$102,000 for the Front Street property and \$71,000 for the Second Street property. She asked whether the \$250,000 which includes the engineering was in the CDBG 2008 budget. Mrs. Truby stated the engineering is in 2008 and the construction in 2009. Mrs. Pyke asked whether the width of the property was sufficient for a standard-size road. Mr. Guerra stated the road would be at least 26 feet wide and would have sidewalks. There would also be some infrastructure, however, he was not sure exactly what until the engineering is completed.

Committee recommended bringing out Temp. Ord. B-31.

Temp. Ord. B-32

An ordinance authorizing the Director of Public Service to purchase certain property located at 1827 Second Street, Summit County Parcel #0217633, and declaring an emergency.

Mr. Walters stated this ordinance was discussed along with Temp. Ord. B-31. There were no additional comments.

Committee recommended bringing out Temp. Ord. B-32.

Temp. Ord. B-33

An ordinance authorizing an amendment to the 2004-2008 Community Development Block Grant Consolidated Plan for funding year 2008 and increasing appropriations and declaring an emergency.

Mrs. Truby stated on March 6, the City received a letter that it would be receiving an additional \$189,270 CDBG grant. It requires that the projects for the grant be under contract within 120 days. They are taking this grant and dividing it between two projects: (1) the south Front Street area, and (2) 1110-1140 Portage Trail. The Portage Trail property is located across from Rocco's Pizza. There was an auction to sell it in March, however, there were no bidders. The opening bid was \$100,000. The City has deemed the buildings to be unsafe and not structurally sound. They estimate the demolition of the building to be approximately \$75,000 but do not have an estimate for asbestos removal until after the asbestos analysis is complete. Mr. Walters asked who owned the property. Mrs. Truby stated it was listed as REB Acquisitions. She did not have the name of the owner of that company but would get it for Council. Mr. Walters asked if the City could demolish the property and bill it back to the owner. Mrs. Truby indicated it could. She added that the City is also working with some Developers who may want to redevelop the property. Mr. Walters stated that the City also needed to increase the appropriations in the fund for the south Front Street project. Mrs. Pyke asked when the City planned to demolish the Portage Trail property. Mrs. Truby stated that the asbestos is being completed now which will give them a cost for removal. If it is a good number, the City could start the process within the next couple of weeks and the demolition could begin by early summer. The parcel would be green space until someone develops it.

Don Nelsch of North Haven Blvd. encouraged Council to get rid of the building.

Committee recommended bringing out Temp. Ord. B-33.

Temp. Ord. B-34

An ordinance increasing appropriations in the Community Development Block Grant Fund, line item Other Operations and declaring an emergency.

Mrs. Truby stated that on February 17, 2009, she outlined the elements for a neighborhood stabilization program and presented those elements to the State. The City's presentation was approved and it will be

receiving \$783,204. The money will be used to target foreclosed homes for either rehabilitation or demolition. Some of the requirements are that the foreclosure must be completed, the home must be vacant and it must be in one of the designated district areas. The Community Improvement Corporation would act as the City's agent if B-38 is approved. This would allow Council to appropriate funding. Mr. Walters asked Jonathan Dailey to speak on the rehabilitation program. Mr. Dailey gave a general overview of the plan. Mr. Walters asked if the City would be bidding against others in a sheriff sale. Mr. Dailey stated the City is obligated to get a fair market appraisal and to do a Tier II environmental review. The City would bid on the property after the sheriff sale takes place. Mrs. Pyke asked if anyone found out whether municipalities could close on these properties prior to the sheriff sale. Ms. Jones stated she did not know.

Committee recommended bringing out Temp. Ord. B-34.

Meeting adjourned at 6:50 p.m.