RESOLUTION NO. 2012-297

SPONSOR: Mr. Pry

DATE: August 13, 2012

COMMITTEE: Planning

A Resolution authorizing the County Executive to make payment to the U.S. Department of Housing in the amount of $130,470.00 out of Housing Advisory Board funds to satisfy any claim relating to the expenditure of funds to Envision Builders, Inc., and/or Northern Summit County Community Development Corporation pertaining to the acquisition of 12 parcels of land in Twinsburg Township, in calendar year 2003, for development of low-to-moderate income housing, for the Executive’s Department of Community and Economic Development, and declaring an emergency.

WHEREAS, on May 28, 2003, the County entered into an agreement with Envision Builders, Inc., (“Envision”) whereby Envision and its non-profit partner Northern Summit County Community Development Corporation (“NSCCDC”) were to develop eight single-family housing units to be sold to low-to-moderate income families, and the County would pay Envision the sum of $167,600 in HOME funds; and

WHEREAS, Envision proceeded to purchase 12 parcels of land in Twinsburg Township, which would then be combined into eight parcels for the single-family houses, and the County issued payment to Envision in the amount of $130,470.00 in HOME funds for the purchase of said parcels and necessary site improvements; and

WHEREAS, the last draw of HOME funds for payment to Envision occurred on November 21, 2003; and

WHEREAS, shortly thereafter, Envision and NSCCDC ceased business operations, dissolved and/or otherwise ceased to exist as valid corporations in the State of Ohio; and

WHEREAS, in 2009, the County Prosecutor filed suit against Envision and NSCCDC and recovered judgment against Envision in the amount of $130,470.00; and

WHEREAS, the County Prosecutor has filed, and the same is currently pending, a foreclosure action against the parcels at issue in order to satisfy the aforementioned judgment; and

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") has recently notified the County that it must repay to HUD the HOME funds that were paid to Envision because the low-to-moderate income housing was never actually constructed; and

WHEREAS, the Housing Advisory Board recently authorized the $130,470.00 repayment to HUD out of the County’s Housing Advisory Board funds; and

WHEREAS, upon the foreclosure of the parcels, the County intends to acquire the same at Sheriff’s sale or to be the recipient of the proceeds of such Sheriff sale in order to recover the funds that it must repay to HUD; and
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WHEREAS, this Council finds and determines, after reviewing all pertinent information, that it is necessary and in the best interest of this Council to authorize the County Executive to repay to HUD the sum of $130,470.00 in order to satisfy any claim that HUD may have against the County for the expenditure of said funds with Envision and/or NSCCDC.

NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Summit, State of Ohio, that:

SECTION 1

The County Executive is hereby authorized to make payment to HUD in the amount of $130,470.00 to satisfy any claim that HUD may have against the County for the expenditure of funds to Envision and/or NSCCDC pertaining to the acquisition of 12 parcels of land in Twinsburg Township, in calendar year 2003, for development of low-to-moderate income housing. Said payment shall be made out of currently-appropriated Housing Advisory Board funds.

SECTION 2

This Resolution is hereby declared an emergency in the interest of the health, safety and welfare of the citizens of the County of Summit and for the further reason to make the aforementioned payment immediately at the request of HUD.

SECTION 3

Provided this Resolution receives the affirmative vote of eight members, it shall take effect immediately upon its adoption and approval by the Executive; otherwise, it shall take effect and be in force at the earliest time provided by law.

SECTION 4

It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including section 121.22 of the Ohio Revised Code.
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INTRODUCED July 30, 2012
August 13, 2012
ADOPTED

CLERK OF COUNCIL

APPROVED August 14, 2012

EXECUTIVE

ENACTED EFFECTIVE August 14, 2012

Voice Vote: 10-0. YES: Comunale, Crawford, Feeman, Kostandaras, Kurt, Lee, Prentice, Rodgers, Roemer, Schmidt ABSENT: Shapiro