
Cleveland Restoration Society

BOARD OF TRUSTEES
Meeting Minutes

The Sarah Benedict House, Cleveland, OH
Cleveland, OH

Tuesday, March 7, 2017

All exhibits and attachments referenced herein are on file in the CRS office and are available upon request.

Trustees in Attendance

Chad Arfons	Jan Devereaux	Dana Noel
Renee Beaver	Tom Einhouse	Mark Pettigrew
Hannah Belsito	Anthony Hill	Gordon Priemer
Rick Borsh	Dale Hilton	Rosemary Reymann
Michael Chesler	William Hubbard	Brian Stark
Richard Cline	Denise Huck	Stephanie Webster
Joseph Denk	Rick Kirk	Debra Wilson

CRS Staff in Attendance

Kathleen Crowther, Tom Jorgenson

- I. Call to order 4:06
- II. Mark Pettigrew, Treasurer and KC Koester, Auditor walked the Board through the 2016 audit, explaining that the Executive Committee and Finance Committee had reviewed and approved it. KC explained that her firm has audited the financial statement of CRS, which comprise the consolidated statements of financial position as of December 31, 2016 and that she is providing an unqualified "clean opinion." She went through a few highlights including: (1) an increase in net assets from last year; (2) that 25% or less of operating expenses are from donations, which is healthy; (3) explanation of the restricted net assets; and (4) grants awarded to CRS. She explained that CRS draws from a diverse group of grants, which limits the risk of losing one specific funding source, and therefore not a funding risk.

In summary CRS had a very good year, stemming, in part, from the sale of the Courtland House.

Brian Stark moved to approve the audit, which Dana Noel seconded and which the Board unanimously approved.

- III. The Board reviewed the minutes for the January 17, 2017 Board Meeting. Gordon Priemer moved to approve the minutes, which Tom Einhouse seconded and which the Board unanimously approved.
- IV. Community Luncheon

Kathleen Crowther reported that the Community Lunch was a great success. Attendance was great and Dr. Rush was a captivating speaker. The early estimate is that we met, if not surpassed our revenue goal. The Trustees were thanked for purchasing tables and supporting the event.

CLEVELAND RESTORATION SOCIETY

V. Scofield Project Update

Kathleen Crowther and Tom Jorgenson provided an update of the Scofield Mansion Project, which Kathleen discussed at the Community Luncheon. The mansion was the primary residence of Levi Scofield, known for designing the Scofield Building and the Soldiers and Sailors Monument in Cleveland, a mental hospital in Athens, and penitentiary in Mansfield. It is a 1.6 acre site, with two buildings – Scofield Mansion and the nursing home building on Baldwin Road, which is in very good condition. Steve Coon and Dana Noel inspected the mansion and found it to have very good bones with the structure in decent condition. CRS formed a task force to work on securing the building. It first secured landmark designation on an expedited basis and CRS was prepared to file a receivership action, however, the owner agreed to transfer property to the County Landbank, which agreed to accept the property for up to 24 months. Cleveland Neighborhood Progress has agreed to take the property after 24 months. The title has been cleared of liens. Actual transfer occurred March 3. Precision Environmental, Coon Restoration, and SecureView have all donated services and materials with a total value of \$160,000. Stabilization work started on the mansion on March 6. Structural analysis is complete with a support system being installed by Coon and clearing out of debris by Precision. CNP is ordering protective construction fencing to surround property.

Next steps are to complete stabilization. CRS will focus on marketing the property and partner with CNP as appropriate with the goal of finding an end user, and shepherding it through completion.

Debra Wilson suggested that we get the Buckeye Community Development Corp involved.

VI. Small Deals

Kathleen Crowther, Tom Jorgenson, Chad Arfons, and Renee Beaver provide a summary of the Small Deals Project. The problem is that small projects cannot utilize the market for historic tax credits because of the transactional costs, specifically legal and accounting fees. The solution was to standardize documentation and simplify the process. The first test project is underway - the Gund Brewing Company/Scott Drug building at 2030 West 25th Street. Built in the 1860s, it was a retail outlet for Gund Brewing Company. The project is \$2.5 million with \$425,000 in investment tax credit. The project is 30% complete. We are currently working with the tax credit investor and in-house counsel to finalize documentation. It can be more difficult to get the data and information from a small developer that the investors need for their due diligence. The deal requires a non-recourse loan, which CRS will fund. CRS will get a first and only mortgage on the project to secure a \$100,000 loan at a 6% interest rate and a modest loan fee. As we get the assumptions from the developer, we have put together a financial model showing cash flow for the length of the historic tax credit period in accordance with what the investor wants to see happen.

VII. Bill Hubbard provided an update on the Celebration of Preservation Awards. The jury received around twenty nominations and will be meeting in March and April to review the projects and attend site visits. The Celebration is scheduled for the evening of May 25th.

VIII. No new business.

Minutes respectfully submitted by Bill Hubbard, Board Secretary.