

Maintenance of Properties Policy

Adopted by resolution of the Perry County Land Reutilization Corporation Board on November 28, 2016

Last Modified on January 1, 2024

Section 1: General Considerations

- (A) The Land Bank will endeavor to maintain property in a way that reduces or eliminates nuisance conditions, maintains, or increases the property values of adjacent and nearby properties, and ensures the future marketability of the property.
- (B) The Land Bank will utilize public sector and qualified contractors for all maintenance necessary on a property owned by the Land Bank.

Section 2: Maintenance Standards

- (A) Depending on the final disposition of the property, the Land Bank may require newly acquired properties to be:
 - (i) Initially cleaned and cleared out;
 - (ii) Boarded up and otherwise secured;
 - (iii) Winterized;
 - (iv) Re-keyed or otherwise made accessible; and
 - (v) Regularly mowed and cleared.
- (B) The Land Bank will use public sector and qualified contractors to maintain a property based on the following standards:
 - (i) Mowing the property regularly as needed, to a length of 4-6 inches at each mowing;
 - (ii) Trimming any additional vegetation on a vacant unimproved property or on the frontage of improved property regularly as needed;
 - (iii) Keeping the property free of litter and debris;
 - (iv) Removing dead or dying trees (as revenue permits);
 - (v) Boarding or otherwise securing any open entry points on vacant structures that the Land Bank owns, as necessary and as resources permit.

Section 3: Special Tax Assessments

- (A) The Land Bank will make payment of all special tax assessments due and owing on property Owned by the Land Bank during its time of ownership, unless such special tax assessments are abated as a matter of law or collection is waived by agreement with the taxing authority.

Grant Administration Policy

Adopted by resolution of the Perry County Land Reutilization Corporation Board on November 28, 2016.

The Perry County Land Reutilization Corporation ("Land Bank") delegates to its executive director these authorities, duties and responsibilities:

The authority to deposit all grant funding received by the Land Bank into appropriate accounts designated by Land Bank Board of Directors Finance Departmental personnel;

Ensure that requests for grant funds are promptly submitted to minimize the advance use of internal funds. All drawdowns of grant funding must conform to funding source and internal finance policy;

Establish account codes for charging costs to grants;

Maintain documentation of cash and in-kind matching resources for each grant award. Collaborate with departments to ensure that all matching requirements are met;

Record revenues and expenditures associated with approved grants;

Ensure that the accounting system of the ("Land Bank") tracks revenue and expenditures associated with every grant award regardless of how grant funding is appropriated;

Issue regular reports on the status of grant funds to department heads, and special reports as required by the Land Bank Board of Directors;

Provide financial reports to funders as required;

Provide information for and participate in funder site visits and monitoring; and, Provide information for and participate in audits.

Upon explicit approval of the Land Bank Board of Directors, the executive director may assign staff or contract with vendors in order to complete any of these grant administration duties, but will remain responsible for oversight of these activities.

Acquisition of Properties Policy

Section 1: General Considerations

- (A) The Perry County Land Reutilization Corporation ("Land Bank") may acquire vacant, abandoned, and tax-delinquent property to further its mission. In determining whether to acquire a property, the Land Bank will target those properties that meet one or more of the following criteria:
- (i) There is a qualified end user committed to purchasing and returning the property to productive use;
 - (ii) There is a prospective end user, neighborhood resident, local governmental entity, community stakeholder, or other interested party who has requested that the Land Bank review the property for acquisition;
 - (iii) The redevelopment of the property will support strategic development efforts, is likely to act as catalyst for further development, or is part of a comprehensive development plan;
 - (iv) Acquisition will support public infrastructure;
 - (v) Acquisition will help stabilize or improve neighborhood conditions by reducing blight;
 - (vi) Acquisition will help create or preserve homeownership opportunities;
 - (vii) There is an existing market for the property, but title issues prevent the property from being developed to its highest and best use;
 - (viii) Acquisition of the property will help fulfill an existing plan for historic preservation;
 - (ix) Acquisition of the property will further the Land Bank's mission and the Land Bank has the resources to maintain and market the property.

Section 2: Pre-Acquisition Considerations

- (A) The Land Bank will assess the condition, marketability, potential holding and maintenance costs, and possible end users of every property prior to acquisition. When possible, the Land Bank will conduct a complete condition assessment of all structures prior to acquisition.
- (B) Prior to acquisition, the Land Bank will ensure that it has available funds to hold and maintain the property for an extended ownership period.
- (C) If vacant land is eligible to be developed for new residential, commercial, or industrial use, the Land Bank may offer the vacant land for sale for immediate development at its fair market value. The Land Bank may offer such vacant land for immediate development purposes even if there are eligible adjacent property owners who have expressed an interest in acquiring the land as a side lot after notice to those interested property owners.
- (D) The Land Bank may only acquire property that has clear and marketable title, except for delinquent property taxes which may be abated under the Ohio Revised Code.

- (E) If a property is in a local historic district, the land Bank will endeavor to communicate with the appropriate historic commission to determine potential disposition options prior to acquisition.
- (F) Prospective end users, community stakeholders, or other interested parties may submit a Request for Property Investigation to the Land Bank. The land Bank will assess properties brought to its attention under a Request for Investigation for potential acquisition.

Section 3: Post-Acquisition Considerations

- (A) Upon acquiring any property with a structure, the Land Bank will conduct a complete condition assessment (if not already conducted), secure the property, add the property to its maintenance schedule, and prepare a marketability assessment for the property.
- (B) As soon as practical, the Land Bank will move forward with property disposition, demolition, or marketing following acquisition.
- (C) Upon acquiring a property, the land Bank will make its ownership known to the public. If the Land Bank has been in contact with a prospective end user, neighbor, community based organization, or other interested party prior to acquisition, it will communicate its ownership of the property to the interested party or parties.

Section 4: Acquisition through Tax Foreclosure

- (A) The Land Bank will meet regularly with the County Treasurer's and Prosecutor's offices to strategically coordinate acquisition of a property through tax foreclosure.
- (B) When a property is eligible under Ohio law and an acquisition priority for the land Bank, the Land Bank will coordinate with the County Treasurer's and Prosecutor's offices to investigate and file an expedited tax foreclosure action.
- (C) When a property is ineligible for expedited tax foreclosure but an acquisition priority for the Land Bank, the Land Bank may coordinate with the County Treasurer's and Prosecutor's offices to investigate and file a judicial tax foreclosure action through the Perry County Court of Common Pleas.
- (D) For properties subject to tax foreclosure, the Land Bank may acquire title to properties through direct transfer following judgment. The Land Bank will provide formal notice to the County Treasurer and Prosecutor when electing to acquire a property through direct transfer following judgment.
- (E) If the Land Bank elects to acquire a property through direct transfer, it may subsequently amend or rescind its election and will promptly notify the County Prosecutor's and Treasurer's office of its decision prior to transfer.
- (F) In lieu of a direct transfer and when property conditions are unknown or direct transfer is determined not to be the best means of acquisition, the Land Bank may elect to allow properties to be auctioned through the Perry County Sheriff.

(G) Upon acquisition after tax foreclosure, the Land Bank will instruct the County Auditor's office to remove all existing delinquent taxes, assessments, charges, penalties, and interest, and exempt the property from future taxes and assessments for the entire period the Land Bank owns the property.

Section 5: Acquisition from the Forfeited Lands List

(A) The Land Bank may acquire a property on the Auditor's forfeited lands list when the property is an acquisition priority.

(B) When the Land Bank wishes to acquire a property on the forfeited lands list, it will provide notice of its intent to acquire the property to the Perry County Auditor and will instruct the County Auditor's office to remove all existing delinquent taxes, assessments, charges, penalties, and Interest, and exempt the property from future taxes and assessments for the entire period the Land Bank owns the property.

(C) The Land Bank will conduct a full condition assessment of a property with a structure on the forfeited lands list prior to acquisition.

(D) The Land Bank may assess, secure, and market a property on the forfeited lands list prior to taking title to the property.

(E) Occupied Forfeited Lands

(i) While an occupied property on the forfeited lands list presents unique community and neighborhood considerations, the Land Bank is uniquely positioned to ensure a positive long-term resolution to the current situation.

(ii) If the property is occupied by any owner of the property prior to it becoming forfeited land, the Land Bank may acquire the property but may only transfer the property in Accordance with its Polley for Property Disposition.

No less than 30 days prior to acquiring title, the Land Bank must take reasonable steps to notify the occupant of its intent to take ownership of the property and provide informational resources that will allow the occupant to responsibly transition to new housing. If the occupant requests it, the Land Bank may grant up to 60 additional days following acquisition of the property in order to permit the occupant to find new housing.

(iii) If the property is occupied by a bona fide tenant of the owner of the property prior to it becoming forfeited land, the Land Bank may agree to transfer the property to the tenant without further marketing if:

1) The tenant permits a complete inspection of the property and the inspection determines that the property is fit for occupancy, even if renovation is required;

2) The tenant participates in HUD-certified housing counseling at the Land Bank's expense and the Land Bank is satisfied by that counseling that the tenant will be a sustainable home owner;

and

- 3) The tenant submits a complete purchase offer for the fair market value of the property and documents proposed renovations and sufficient available resources to complete such work in accordance with the Land Bank's Policy on Property Disposition.
- (iv) If a property is occupied by any bona fide or alleged tenant of the owner of the property prior to it becoming forfeited land and that tenant is unable or unwilling to satisfy the Land Bank's conditions for transfer, the Land Bank will offer the same periods of time to responsibly transition to new housing as if the tenant were the owner of the property.
- (v) The time periods provided in this section will not apply if any local authority has condemned the property or the property is unfit for occupancy in its current state.

Section 6: Acquisition through Donation or Deed-in-Lieu of Foreclosure

(A) Private Donation

- (i) The Land Bank may only acquire a property by private donation if clean, marketable title has been verified. The Land Bank will require prospective donors to provide at the donor's expense a competent title examination prior to acquisition and may request an owner's commitment of title at the donor's expense as a condition of donation.
- (ii) The Land Bank will conduct a complete condition assessment of any property with a structure before acquiring the property through private donation.
- (iii) If requested by the donor, the Land Bank, as an eligible charitable organization, will acknowledge the donation. The donor will be solely responsible for reporting and determining the value of any property donated.
- (iv) Unless the property is abandoned land and eligible for deed-in-lieu of foreclosure, the Land Bank will require prospective donors to pay all delinquent taxes, assessments, charges, penalties, and interest prior to private donation.

(B) Deed-in-Lieu of Foreclosure

- (i) If a property has been certified as tax delinquent and abandoned land but is otherwise free from liens, encumbrances, and restrictions affecting title, the Land Bank may take title through deed-in-lieu of foreclosure under O.R.C. §5722.
- (ii) The Land Bank will offer acquisition by deed-in-lieu of foreclosure to the owner(s) of such a property if:
 - 1) The owner(s) contact the Land Bank prior to judgment of foreclosure requesting a deed-in-lieu of foreclosure and the property is eligible under these Policies and Procedures;
 - 2) The owner(s) meet in-person with the Land Bank no later than 10 days after making the request to sign a purchase agreement and deed transferring all right, title, and interest to the Land Bank;
 - 3) The owner(s) at the time of the meeting with the Land Bank have made and demonstrated, or will make and demonstrate immediate following the meeting, full payment of all court costs due; and

- 4) The Perry County Treasurer's and Prosecutor's offices consent to deed-in-lieu of foreclosure (as applicable) following notification and any court with jurisdiction over the matter authorizes transfer or dismissal.
- (iii) Notwithstanding the foregoing, the Land Bank and Perry County Treasurer's office may elect to proceed with filing a tax foreclosure action against any delinquent property rather than accept a deed-in-lieu of foreclosure.
- (iv) When accepting a deed-in-lieu of foreclosure, the Land Bank will provide written certification to the Perry County Auditor that the property is "abandoned land" as defined in O.R.C. §323.65.

Section 7: Acquisition through Purchase

- (A) The Land Bank may acquire a property through purchase if no other means of acquisition is available and acquiring the property is a priority.

Conflict of Interest Policy

Adopted as per PCLRC Board Resolution of Nov 28, 2016

Section I: Purpose

The purpose of this conflict of interest policy is to establish the procedures applicable to the identification and resolution of conflicts of interest in the context of transactions or arrangements entered into by the Perry County Land Reutilization Corporation where an Interested Person may have a Financial Interest in or Fiduciary Responsibility towards an individual or entity with which the Perry County Land Reutilization Corporation is negotiating a transaction or arrangement. The determination that a conflict of interest exists does not prohibit the the Perry County Land Reutilization Corporation from entering into the proposed transaction or arrangement provided that the procedures set forth in Section III below are followed.

Section II: Definitions

1. Interested Person

Any director, principal officer, key employee, or member of a committee with board-delegated powers who has either (a) a direct or indirect financial interest, as defined below ("Financial Interest"); or (b) a fiduciary responsibility to another organization, as defined below ("Fiduciary Responsibility"), is an interested person.

2. Financial Interest

A person has a Financial Interest if the person has, directly or indirectly, through business, investment or family (which are spouse, children and step children, and other relatives living with such person):

- A. an ownership or investment interest in any entity with which the Perry County Land Reutilization Corporation has a transaction or arrangement; or
- B. a compensation arrangement with the Perry County Land Reutilization Corporation or with any entity or individual with which the Perry County Land Reutilization Corporation has a transaction or arrangement; or
- C. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Perry County Land Reutilization Corporation is negotiating a transaction or arrangement; or

- D. other than an arm's-length relationship with prospective or actual grantees relative to the design of specific projects, preparation of specific proposals and review and oversight of funded projects, and the Perry County Land Reutilization Corporation related activities.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. Gifts and favors include any gratuitous service, loan, discount, money or article of value, but does not include loans from financial institutions on customary terms, articles of nominal value ordinarily used for sales promotion, ordinary "business lunches" or reasonable entertainment consistent with local social or business customs.

A Financial Interest is not necessarily a conflict of interest. Under Section 111.2, a person who has Financial Interest may have a conflict of interest only if the board decides that a conflict of interest exists.

3. Fiduciary Responsibility

A person has a Fiduciary Responsibility towards an organization or individual if he or she:

- A. occupies a position of special confidence towards such organization or individual;
- B. holds in trust property in which another person has the beneficial title of interest, or who receives and controls the income of another; or
- C. has a duty of loyalty or duty of care to an organization (by virtue of serving as an officer or director of an organization or other position with similar responsibilities). A duty of loyalty requires the person to refrain from dealing with the organization on behalf of a party having an interest adverse to the organization and refrain from competing with the organization. A duty of care requires the person to discharge his or her duties in good faith and in a manner he or she reasonably believes to be in the best interests of the organization.

A Fiduciary Responsibility is not necessarily a conflict of interest. Under Section III, Section 2, a person who has a Fiduciary Responsibility may have a conflict of interest only if the board or appropriate committee decides that a conflict of interest exists.

Section III: Procedures

1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her Financial Interest or Fiduciary Responsibility and all material facts to the directors and members of committees with board-delegated powers considering the proposed transaction or arrangements.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest or Fiduciary Responsibility and all material facts, and after any discussion with the interested person, he or she shall leave the board meeting while the final determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a factual presentation at the board meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest. An interested person shall

not actively participate in the discussion of, or vote on, the transaction or arrangement that results in the conflict of interest, either formally at a board meeting or informally through contact with individual board members. In addition, the interested person should not be counted in determining whether a quorum is present for the board meeting at which the transaction or arrangement that results in the conflict of interest is to be voted upon.

- b. The chair of the board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board shall determine whether the Perry County Land Reutilization Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board shall determine by a majority vote (or other voting requirement, as provided in the Bylaws of the Perry County Land Reutilization Corporation of the disinterested directors whether the transaction or arrangement is in the Perry County Land Reutilization Corporation interest and for its own benefit and whether the transaction is fair and reasonable to the Perry County Land Reutilization Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy

- a. If the board has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

- b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective actions.

Blight Removal Policy

Section 1: Demolition Decision-Making

- (A) Upon acquiring a property that may be demolished, the Land Bank will conduct a complete condition assessment on the property and reasonably estimate the cost of returning the structure to safe, habitable, and code compliant condition.
- (B) The Land Bank will review the property's complete condition assessment, estimate renovation costs, fair market value, and the input of neighbors, preservationists, and community stakeholders before making a final demolition decision.
- (C) The Land Bank may make demolition decisions prior to acquisition based on a complete exterior inspection if nuisance conditions necessitate expediency.

Section 2: Demolition Partners

- (A) The Land Bank will partner with the public sector and private partners and contractors to facilitate the demolition of a property swiftly after a demolition decision has been made.
- (B) Whenever possible, the Land Bank will coordinate with residents and neighborhood-based organizations to identify a property for demolition through the Land Bank's program.

Section 3: Quality of the Demolition

- (A) Every Land Bank demolition will conform to the following specifications:
 - (i) Demolition of the primary residential structure and all ancillary structures on property, including garages and sheds, and all paved surfaces, including driveways, private walkways and patios;
 - (ii) Removal of the foundation or removal of at least 18 inches of the basement wall while fully crushing the basement floor to allow for storm water drainage;
 - (iii) Removal of dead or dangerous trees, whenever possible;
 - (iv) Hauling of debris from the demolition site to a landfill for disposal, and providing verified original receipts from an approved land-fill or dump site evidencing that the debris has been disposed of in a proper manner;
 - (v) Retention and restoration (if damaged) of the sidewalk and public right of way, unless otherwise indicated;
 - (vi) In-fill of the foundation with materials that meet or exceed the trade standard to allow a proper grade and grass growth on the finished lot;
 - (vii) Finishing the site so that it is level and free from debris, including along lot lines, and properly graded;

- (viii) Coverage of the site with at least 1 inch of top soil, grass or hydro seeding of the site at a rate of 6 pounds per 1000 square feet, and providing a cover of straw (when necessary), so grass is growing on the site and the site can be safely mowed and maintained;
- (ix) Keeping the property and surrounding area clean and free from excess debris daily during demolition and following completion of demolition;
- (x) Securing all necessary permits relating to the demolition and hauling of a residential structure, and providing proof of applicable demolition permits; and
- (xi) Performing the project in a professional, safe and workmanlike manner, providing all necessary protections, and taking all necessary precautions to protect workers, bystanders, and adjacent property from injury or damage during the entire demolition project.

Section 4: Salvage and Deconstruction

- (A) Salvage on a property owned by the Land Bank and scheduled for demolition may be permitted to recover important historic materials or architectural details. An organization with experience in salvage may contact the Land Bank at least thirty (30) days prior to the scheduled demolition and request salvage rights. Entities engaged in salvage activities must document satisfactory commercial general liability insurance and have its individual representatives sign a salvage waiver prior to entering the property.
- (B) Where health and safety concerns or timely coordination of the demolition make salvage impracticable, the Land Bank may deny a salvage rights request.
- (C) The Land Bank may expend funds to undertake deconstruction demolition, when feasible and when funding is available.

Section 5: Demolition of Historic Properties

- (A) The Land Bank will seek demolition of structures in local historic districts only after exhausting reasonable alternatives for the property, including:
 - (i) Marketing the property with a local realtor experienced in history preservation;
 - (ii) Securing the property to prevent ongoing deterioration; and
 - (iii) Providing grant funds to a qualified end user to support renovation, if funding is available and approved by the Board of Directors.
- (B) To the extent required by law, the Land Bank will obtain approval prior to demolishing a property in a federal or local historic district or listed on the National Register of Historic Places.

Disposition of Properties Policy

Section 1: General Considerations

- (A) An individual or business entity that was the owner of property at the time of the tax foreclosure action which transferred title to the Land Bank may not subsequently qualify as an end user for that property. For this section, ineligible parties include shareholders, partners, members, and officers of the business entity owner and immediate family members of the individual owner.
- (B) A prospective end user may own no real property that:
- (i) Has any un-remediated citations or violations of the state and local codes and ordinances, or has a recent history of such violations;
 - (ii) Is tax delinquent, or was tax delinquent when the prospective end user transferred the property and the property remains tax delinquent;
 - (iii) Was subject to a judgment in a tax foreclosure proceeding in the past five (5) years; or
 - (iv) Has a delinquent water account with the local water utility, whether the water account is for a property the prospective end user occupies or a property occupied by a tenant, land contract vendee, or family member of the prospective end user.
- (C) The Land Bank will prioritize its disposition resources, including any dollars allocated for demolition, maintenance, and renovation, based on the following general criteria:
- (i) In neighborhoods with an active neighborhood plan or plans, developed with direct input from neighborhood residents, organizations, and institutions;
 - (ii) Where the targeted elimination of blight will make an impact on the overall stability of the neighborhood;
 - (iii) Where unrestricted dollars can bridge funding gaps to stabilize neighborhoods and preserve property values;
 - (iv) Where an investment will support mixed-income development; and
 - (v) Where an investment will leverage funds from existing federal, state, or local housing programs.
- (D) Transactions will be structured in a manner that permits the Land Bank to enforce conditions upon title pertaining to development and use of the property for a specified period, consistent with these Policies and Procedures.
- (E) The proposed end use must follow local development plans. A letter of support or opposition for the proposed use submitted by neighborhood groups will be a factor in any final decision of the Land Bank.
- (F) The proposed end use must follow current zoning and special use requirements, or a rezoning or variance must be obtained as a condition of the transfer.

(G) Options to purchase Land Bank property may be available under terms negotiated by the prospective end user and the Land Bank. Any option fee will be credited to the purchase price at closing. If closing does not occur, the fee is forfeited.

(H) The Land Bank reserves the right to convey or not to convey real property, or to convey real property in the way that constitutes the best long term end use for the property and for the Neighborhood. Considerations under this section include preserving access to adjacent property and preserving or promoting good planning practices.

(I) If the rules of an external funding source or federal, state, or local laws and regulations require a disposition outcome that is contrary to these Policies and Procedures for a particular property, the Land Bank will comply with those rules, laws, or regulations.

Section 2: Financial Considerations

(A) In every transfer of real property the Land Bank will require good and valuable consideration in an amount determined by the Land Bank in its sole discretion and consistent with these Policies and Procedures.

(B) Land Bank property will be sold for a minimum of 35% of the appraised value. Value can be found on the auditor's website. (1/18/24)

(C) Consideration will be in cash. The Land Bank may accept deferred financing, performance of contractual obligations, or other obligations and responsibilities of the transferee in lieu of cash in its sole discretion.

(D) The Land Bank may not accept cash consideration through installment payments.

Section 3: Residential Structure Transfer Program

(A) Every residential structure acquired by the Land Bank and determined to be marketable after a complete condition and marketability assessment will be marketed to the public and available for a prospective end user to purchase.

(B) The Land Bank will determine the initial listing price for a property by conducting an assessment of a property's after renovation market value and deducting projected renovation costs. The final purchase price for any property will be negotiated between the Land Bank and the most qualified end user.

(C) Prospective end users will be required to complete a Residential Structure Transfer Application, in the form posted on the Land Bank's website as amended from time to time. Applications will only be accepted from prospective end users after the Land Bank has begun marketing the property to the public with a clear opportunity for title.

(D) Besides the general considerations under this Article, the Land Bank will require the following additional information to qualify prospective end users of residential structures:

(i) A complete renovation for the property that will make the property safe and habitable and return all of the property's system to functional condition;

(ii) Proof of funding immediately available to acquire and complete the renovation work for each structure to be acquired and renovated;

- (iii) Letters of support from neighborhood-based organizations, renovation Partners, lenders, purchasers of previously renovated properties, current or former tenants, and any other relevant parties;
- (iv) Proof of prior experience successfully renovating residential structures, including photographs of work undertaken and completed, and a narrative describing past or current projects; and
- (v) Any additional information the prospective end user wishes to share with the Land Bank that relates to the renovation project.

(E) If a prospective end user's proposed renovation costs are substantially less than the Land Bank's assessment, the Land Bank may approve the renovation plan if documentation is provided by the prospective end user demonstrating access to lower cost labor, materials, or technical expertise that reduces the overall renovation costs.

(F) Acceptable proof of funding includes cash on-hand, available credit, and other liquid assets. Financial assistance offered by a friend or relative may not be accepted unless the individual or entity offering assistance is also an applicant.

(G) Priority for selecting between qualified purchasers will be determined as follows:

- (i) Owner occupants verified by the Land Bank; then
- (ii) Owners renting to immediate family members verified by the Land Bank; then
- (iii) Rental, land contract, or resale opportunities.

(H) To determine a final purchaser among qualified end users with equal priority under these Policies and Procedures, the Land Bank will accept the highest and best purchase offer for the property.

(I) Disposition Procedure

- (i) The Land Bank and purchaser will negotiate a purchase price and enter into a purchase agreement for the property. Closing will be held at a local title company acting as title (and escrow, where applicable) agent for the transaction.
- (ii) The purchaser must complete the renovation work on the property and pass a safety and habitability inspection within a negotiated renovation time period.
- (iii) Closing will be handled with a renovation enforcement note and mortgage, as outlined below. The prior enforcement mechanisms of "traditional" or "reverse" deed-in-escrow shall remain in effect until all such properties subject to such terms have satisfied the Land Bank's expectations.

1) Renovation Enforcement Note and Mortgage: Title will transfer to the purchaser at closing, at which time the purchaser will personally execute the Renovation Enforcement Note and the Renovation Enforcement Mortgage, which will secure the subject property. The amount of the Renovation Enforcement Note shall be the greater of the sale price of the property or the Land Bank's projected renovation costs for the property. When the renovation work is complete and has passed the Land Bank's safety and habitability inspection,

the Land Bank will provide the purchaser with written confirmation that the property is safe, functional, and habitable in satisfaction of the Land Bank's conditions and will record a satisfaction of the Renovation Note and Mortgage.

- 2) Deed-in-Escrow: The Land Bank will retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow with the closing agent. The Land Bank will issue a notice to proceed allowing the purchaser to move forward with the renovation work. Title will transfer following completion of the renovation work and passage of the Land Bank's safety and habitability inspection. When the renovation work is complete and the purchaser has passed the Land Bank's safety and habitability inspection, the Land Bank will instruct the closing agent to transfer title in the property to the purchaser.
 - 3) Reverse Deed-in-Escrow: Title will be transferred to the purchaser. The purchaser will simultaneously execute a deed transferring title back to the Land Bank held by the escrow and title agent during the renovation time period. The deed held in escrow will be voided and released following completion of the renovation work and passage of the Land Bank's safety and habitability inspection.
- (iv) If the Purchaser fails to renovate the subject property during the renovation period, or otherwise fails to comply with the terms of the Purchase Agreement, a "Default" will occur, and the Enforcement Note will become due and payable. The purchaser can convey the property back to the Land Bank in lieu of payment of the indebtedness and foreclosure. The Land Bank will have the right to foreclose on the Enforcement Mortgage as necessary to retake title and possession to the property.
- (v) Properties cannot be rented, occupied, further mortgaged, or otherwise encumbered during the renovation period. If a purchaser intends to encumber the property with a third party mortgage required to obtain purchase or renovation financing, the Land Bank may subordinate its Mortgage against the property to enable renovation work to occur.

(J) Owner Occupant Disposition Procedures

- (i) Prospective end users who wish to acquire and renovate residential property as owner occupants may be referred to a HUD-certified housing counseling agency for a homeownership and financial literacy evaluation and counseling. Prospective end users may enroll at their discretion.
- (ii) Prospective end users certified as capable following a financial literacy and homeownership evaluation will be given purchase priority for Land Bank property.
- (iii) Prospective end users not certified as capable following a financial literacy and homeownership evaluation may be required to complete mandatory financial literacy and homeownership counseling before being qualified as an end user.
- (iv) The Land Bank may waive the requirements of this section if a prospective end user can demonstrate the financial wherewithal to acquire, renovate, and maintain the property without incurring undue financial hardship.

(K) Marketing Residential Properties

- (i) The Land Bank will list all properties that may be acquired and renovated under its residential structure transfer program on its website.

- (ii) Properties under the residential structure transfer program will be listed with a realtor. The realtor will serve as the Land Bank's agent and primary point of contact for that property.
- (iii) The purchase price of a property listed with a realtor will be its fair market value, based on the collective judgment of the realtor and the Land Bank.
- (iv) The Land Bank will pay a fixed commission to the property's relator of \$2,500 or 7% of the purchase price, whichever is greater, at closing. If a listing agreement terminates without the property's sale, the Land Bank may pay the property's realtor a fee for a listing activity report in the Land Bank's sole discretion.
- (v) Properties for which renovation costs are projected to be \$15,000 or lower will be exclusively available to owner occupant end users (including bona fide renovation for resale to an owner occupant and family renovation end users at the Land Bank's discretion) for at least 20 days following listing. The owner occupant exclusively period may be extended or shortened by the Land Bank on a case-by-case basis user, except that an end user will be deemed eligible if:
 - 1) the end user has enrolled in a delinquent tax installment payment plan
 - 2) for all property owned by the end user and
 - 3) has demonstrated a good faith effort in that plan by making regular installment payments of at least 50% of the total plan amount
 - 4) by the time of closing; and
 - 5) The end user meets all other general disposition considerations under this Article.

(C) Side Lot Pricing

- (i) The Land Bank will offer up to two contiguous parcels to qualified side lot end users for the total price of \$100. Contiguous parcels are parcels contiguous to the end user's adjacent property or contiguous to another eligible side lot. Additional parcels beyond two may be sold for the purchase price of \$100 per parcel.
- (ii) If a parcel is offered under the Side Lot Disposition Program, the size of the lot will not affect the purchase price. The Land Bank may consider lot size in determining whether to include a property in the Side Lot Program.

(D) Side Lot Transfer Procedure

- (i) Prospective side lot end users who meet the qualifying criteria must submit a Vacant Land Transfer Application to the Land Bank. The Land Bank will accept applications until it enters into a purchase agreement with one or more qualified end users.
- (ii) The Land Bank will notify every eligible adjacent end user regarding an available side lot prior to entering into a purchase agreement that disposes of the entire parcel. Prospective end users will have

30 days from the Land Bank's notice to apply for a side lot. Adjacent owners who are ineligible to purchase a side lot during review will not be notified of a side lot opportunity.

- (iii) The Land Bank may enter into a purchase agreement with a qualified side lot end user prior to acquisition. If the Land Bank does not hold title when the purchase agreement is executed, the agreement will be conditional upon the Land Bank ultimately acquiring title to the property.
- (iv) At the time of closing, the end user will authorize the Land Bank to transfer title in the property into the end user's name upon the Land Bank's acquisition of title. The side lot purchase price will be paid at the time of closing or upon the Land Bank taking title, in the Land Bank's discretion.
- (v) If two or more qualified side lot end users have applied under the Side Lot Program, the Land Bank will split the property among the end users in as equitable a manner as possible. The Land Bank may require the side lot end users to pay for all or some of the cost of splitting the property. Split costs will be in addition to the standard side lot purchase price.
- (vi) If an end user will not agree to the proposed split, the Land Bank will convey the property in the way that it deems best for the property and for the surrounding neighborhood.

Section 5: Vacant Land Disposition Program

- (A) The Land Bank may sell, lease, or license vacant land to non-adjacent qualified end users at its discretion.