



327 VERNON STREET  
IRONTON, OHIO 45638

## Policies & Procedures

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## Article I. Mission

### Section 1.01 Mission Statement

The Lawrence County Land Reutilization Corporation (the “Land Bank”) *revitalizes and strengthens* Lawrence County’s communities and its rural areas by preserving the current property values through the strategic demolition of abandoned, blighted and tax delinquent properties. Rehabilitating abandoned properties of potentially significant value but that are otherwise none productive due to abandonment and returns or recirculates these properties back into productive use through a transparent, public and community oriented process

## Article II. Authority

### Section 2.01 Delegated Authority

(A) Unless otherwise provided in these Policies & Procedures, the Board of Directors of the Land Bank further identified as “Board”, delegates to the Land Bank Director of Operations or the Director’s designee this authority:

- (i) To acquire and dispose of property on behalf of the “Board”, subject to approval of financial factors as outlined in this policies & procedures Section 3.07 & 12.01
- (ii) To contract with third parties on behalf of the “Board”, excepting competitive contract bidding;
- (iii) To determine the fair market value of a property owned by the Land Bank;
- (iv) To determine the potential for renovation of a structure;
- (v) To expend Land Bank funds consistent with its Board approval, whereby said expense constitutes legal fees or administrative costs associated with day to day operation of the Land Bank.

(B) The authority provided in this Article may only be exercised consistent with these Policies and Procedures. The action of a Land Bank staff member inconsistent with these Policies and Procedures will have no effect unless ratified by the Board of Directors of the Land Bank.

(C) Exceptions to these Policies and Procedures may be approved by the “Board” after a complete presentation by the Land Bank staff.

(D) Current exception to the above Policies and Procedures: The Land Bank is currently a quasi-governmental entity, staffed by the Lawrence County Treasurer’s Office. The spending of funds for legal fees or administrative costs is currently at the discretion of the Lawrence County Treasurer, so long as Land Bank operations are funded through the Lawrence County Treasurer’s Office &, its Treasurer delegates the above authorities to the Director of Operations or the Director’s designee until, such time, as this exception need be ratified, *with the exception of (v)*.

### Section 2.02 Terminology

(A) Unless otherwise specified, references to “the Land Bank” in these *remaining* Policies & Procedures means the Lawrence County Land Reutilization Corporation or the Land Bank Director of Operations or the designee, as context requires. All references to the “Board” means the Board of Directors of the Land Bank.

## **Article III. Acquisition of Properties**

### **Section 3.01 General Considerations**

(A) The 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 and green space development;
- (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 3.02 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) 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.

(D) 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.

(E) 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 3.03 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 assess the marketability of 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 3.04 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 for acquisition under Ohio law and is 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 through the Lawrence County Board of Revision.

(C) When a property is ineligible for expedited tax foreclosure but is 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 Lawrence 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 Lawrence County Sheriff's Office.

(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 3.05 Acquisition from the Forfeited Lands List**

(A) The Land Bank may acquire a property on the Auditor's forfeited lands list when and if there are such properties listed and 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 Lawrence 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 Article IV. 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 Article IV.

(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 3.06 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 may require prospective donors to provide at the owner's expense a competent title examination prior to acquisition and may request an owner's commitment of title at the owner'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 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 Lawrence 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 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 Lawrence County Auditor that the property is "abandoned land" as defined in R.C. §323.65.

### **Section 3.07 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. Property purchases require Board approval.

## **Article IV. Disposition of Properties**

### **Section 4.01 General Considerations and Prohibitions**

- (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.

(C) 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 or sewer account with any Lawrence County, Township, City or Municipality, or any other local water or sewer utility company, 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 4.02 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.

- I. Presently, the assessed or true value as listed by the Office of the County Auditor will be used by the Land Bank as the uniform, county wide, starting fair market value. Any offered consideration, being less than 10% of the assessed value, may be rejected by the Land Bank Director and have no need to be brought forward for review by the Board of Directors.

(B) Land Bank property will be sold for its fair market value, but not less than \$500, except regarding the Side Lot Program. Fair market value will be determined by the Land Bank consistent with these Policies and Procedures.

(C) Consideration will be by cashier check. 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 4.03 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 \$1,500 or 3% 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.

### **Section 4.04 Side Lot Disposition Program**

(A) Parcels of property transferred under the Side Lot Disposition Program must meet the following terms and criteria:

- (i) The proposed side lot is vacant unimproved real property;

- (ii) The proposed side lot is ineligible for new development based on local rules or the Land Bank's own determination;
- (iii) The proposed side lot is physically contiguous to an adjacent end user, with not less than a 50% common boundary line on one side;
- (iv) The intended use for the proposed side lot is disclosed and the end user agrees to the parameters of the Land Bank's restrictive covenants for property usage or to special conditions that may be applicable due to the use of specialized funding from sources other than those of the Land Bank's
- (v) The proposed side lot will be combined by survey to the end user's adjacent property, at end user's expenses, simultaneously with the transfer, unless special circumstances render combination at the time of transfer impracticable or infeasible;
- (vi) The end user holds title to the contiguous property;
- (vii) The contiguous property is used as residential property and occupied; either by the end user or a qualified tenant;
- (viii) The end user cannot owe delinquent property taxes on any property owned by the end user, excepting an end user may be deemed eligible if:

1) the end user has enrolled in a delinquent tax installment payment plan for all property owned by the end user and has demonstrated a good faith effort in that plan by making regular installment payments of at least 50% of the total plan amount by the time of closing; and

(ix) The end user meets all other general disposition considerations under this Article.

#### (B) Side Lot Pricing

(i) The Land Bank may offer one side lot parcel to a qualified side lot end user for up to \$500 or two contiguous side lot parcels to qualified side lot end users for up to the total price of \$1000 for such properties wherein, funding from sources other than those of the Land Bank's were utilized in making the property vacant unimproved land and if the 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 up to the purchase price of \$1000 per parcel.

Additionally the Land Bank may offer up to two side lot parcels to qualified side lot end users, however if funding was solely that of the Land Bank's, then sale pricing on any side lot or lots being sold is at Land Bank's discretion.

(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.

#### (C) 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 advertise an available side lot to eligible adjacent end users 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 considered for 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 4.05 Vacant Land or Lot Disposition Program**

(A) The Land Bank may sell, lease, or license vacant land or lot to non-adjacent qualified end users at its discretion however, for such properties wherein, funding from sources other than those of the Land Bank's were utilized in making the property vacant unimproved land, property must be sold at fair market value and approval of said sale, lease or licensing of vacant land or lot may be subject to specialized terms of the funding source programs.

(B) If vacant land is eligible to be developed for new residential, commercial, or industrial use, the Land Bank may offer the vacant land or lot for sale for immediate development at its fair market value. The Land Bank may offer such vacant land or lot 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.

### **Article V. Commercial Property**

#### **Section 5.01 Definitions**

(A) "Commercial property" means any non-residential property, including commercial, industrial and mixed use properties and residential properties with five or more units.

(B) "Major commercial property" means any commercial property with a gross building area of 10,000 square feet or more or occupying land 1 acre or more.

(C) "Development plan" means a comprehensive plan for the development or redevelopment of commercial property submitted by a qualified end user for approval by the Land Bank.

(D) "Qualified end user" means an end user who meets the Land Bank's general disposition requirements and can demonstrate the capacity to successfully redevelop vacant commercial property consistent with the proposed development agreement.

#### **Section 5.02 Acquisition Considerations**

(A) The Land Bank may acquire a commercial property after a qualified end user has submitted a development plan to the Land Bank.

(B) The Land Bank may coordinate with the County Treasurer's office and County Prosecutor's office to carry out tax foreclosure proceedings on an eligible commercial property, whether or not the Land Bank ultimately takes title to the property. Before taking title to a commercial property, the Land Bank may assess, secure, and market a commercial property on the forfeited lands list.

(C) The Land Bank may acquire title to a major commercial property without receiving a development plan from a qualified end user that is approved by the Board of Directors following the Board of Director's determination that the development plan will restore the major commercial property to productive use, and without entering into a purchase agreement with the qualified end user following the Board's approval of the development plan.

### **Section 5.03 Disposition Considerations**

(A) The Land Bank will prioritize commercial property end users with development plans that will accomplish some or all of the following goals:

- (i) Preserve or increase property values;
- (ii) Increase the marketability of residential properties;
- (iii) Create new businesses or employment opportunities;
- (iv) Preserve historic structures;
- (v) Create new housing opportunities;
- (vi) Increase walkability or access public transit; and
- (vii) Assist in the remediation of a brownfield site.

(B) For major commercial properties, the Land Bank will consult with residents, neighborhood based organizations, political subdivisions, institutional end users, and other community stakeholders prior to seeking Board approval of a development plan submitted by a qualified end user.

(C) The Land Bank will avoid acquiring or disposing of a commercial property in a manner that may negatively affect the stability of any adjacent neighborhoods or the community, notwithstanding any offers or development plans received.

### **Section 5.04 Commercial Purchase Agreements**

(A) The Land Bank and the end user will negotiate the terms of the Purchase Agreement on a property-by-property basis. Terms will include purchase price, development plan, end use plan, and project timeline.

(B) Development plans will contain the following:

- (i) A list of all development partners, including contractors, project manager, architects, legal counsel, realtors, and any other partners;
- (ii) A narrative description of the development work to be completed, project time line, and final end use;
- (iii) The sources of financing or funding available to complete the project;
- (iv) A description of or application for any special use permit, variance, or rezoning necessary to accomplish development plans; and
- (v) A description of previous commercial property experience, if any.

(C) Purchase Agreements may be made conditional upon satisfaction of any of the requirements

described in Section 5.04(B), or any other requirements necessary to demonstrate the capacity to undertake development work, at the Land Bank's sole discretion.

(D) The Land Bank may retain an interest in commercial property through the Renovation Enforcement Note and Mortgage procedure described in Section 4.03. At the Land Bank's sole discretion, end users will either be required to certify code compliance with the political subdivision in which the property is located, or pass a safety and habitability inspection verifying the following:

- (i) The property is safe and secure;
- (ii) All major systems are properly installed and functional;
- (iii) The property is cleaned and appropriately maintained on both the interior and exterior;  
and
- (iv) Any other conditions in the development agreement.

## **Section 5.05 Environmental Considerations**

(A) The Land Bank will not take title to or have any work performed on a commercial property that has or is likely to have environmental contamination without at least one of the following:

- (i) Obtaining a Phase I environmental assessment;
- (ii) Prior approval of the Board of Directors; or
- (iii) Prior or funded environmental remediation rendering the site clean and free from contamination.

(B) Notwithstanding section 5.05(A), the Land Bank may acquire a commercial property with known or likely environmental contamination as a pass-through entity if:

- (i) The qualified end user agrees to fully indemnify the Land Bank for all liability stemming from environmental contamination on the commercial property; and
- (ii) The qualified end user agrees to remediate existing environmental contamination to acceptable standards as a condition of the development agreement.

## **Article VI. Blight Elimination**

### **Section 6.01 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 6.02 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 6.03 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 6.04 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 6.05 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 historic 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.

## **Section 6.06 Commercial Property Demolition**

(A) The Land Bank must receive approval from the Board of Directors prior to allocating resources and demolishing a commercial property, as defined in Section 5.01(A).

(B) Commercial demolition projects eligible for an expenditure of Land Bank resources must meet some or all of the following criteria:

- (i) Projects in which the Land Bank can acquire title and for which there is a qualified end user for the property if the structure is demolished;
- (ii) Projects in which a substantial investment will be made in the property or the surrounding area by an end user or a third party following demolition;
- (iii) Projects in which matching funds are available to assist with demolition costs, including costs associated with environmental assessment and abatement;
- (iv) Projects in proximity to existing businesses that will benefit from the demolition through workforce expansion, workforce retention, or new capital investment;
- (v) Projects in proximity to an existing business likely to relocate if the nuisance structure is not demolished, but would remain if the nuisance were abated;
- (vi) Projects that will increase the quality of life for residents of a surrounding residential neighborhood because of demolition;
- (vii) Projects in which the structure constitutes a serious health and safety risk to the surrounding area and that risk will be minimized or eliminated because of demolition;
- (viii) Projects in which the structure is functionally obsolete, cannot be returned to its original use, or cannot be converted to a different use; and
- (ix) Additional criteria that increase a project's merit on a case-by-case basis.

## **Article VII. Contractors**

### **Section 7.01 General Considerations**

(A) Every Land Bank contractor will be required to qualify for work and remain qualified through the Land Bank and work will only be awarded to qualified contractors. In lieu of qualification, a contractor may be required to complete an independent contractor agreement with the Land Bank before work is awarded at the discretion of the Board. If at any point a contractor is deemed disqualified, then that contractor will no longer be considered for any bid.

(B) In order to qualify for work through the Land Bank, all prospective contractors must provide or comply with the following:

- (i) Complete the Contractor Qualification Verification Form in its entirety and return it to the Lawrence County Land Bank;
- (ii) Agree to provide equal employment opportunities, as evidenced by contractor's signature on the Equal Opportunity Employment statement (part of the Contractor Qualification Verification Form) and agree to hire local employees who may have barriers to employment when feasible;
- (iii) Agree to warranty all work performed under any contract awarded by the Land Bank, as evidenced by contractor's signature on the Contractors Warranty (part of the Contractor Qualification Verification Form);
- (iv) Submit or the contractor's insurance agent submit a Certificate of Insurance, documenting the active insurance required by the Land Bank and naming the Lawrence County Land Reutilization Corporation as an additional insured with certificate holder status;
- (v) Submit a completed W-9 Tax Form; and
- (vi) Submit a copy of the contractor's active Worker's Compensation Certificate.

(C) If a contractor meets the Land Bank's qualification standards and remain qualified, the contractor will be eligible for work through the Land Bank according to the contractor's trade or specialty.

(D) The Land Bank reserves the right to require additional information, including a financial statement from contractors, before qualifying a contractor.

## **Section 7.02 Contract Awards**

- (A) Demolition contracts to be awarded, will only be offered to previously qualified contractors within the contracting pool, as established by the land bank pursuant to Article VII. Section 7.01 of these Policies and Procedures.
- (B) The land bank will endeavor to group multiple properties together into demolition packets, of varying size, based upon their geographic relationship to one another when such groups can be established. When grouping is not an effective option, the land bank can award contracts on individual property basis.
- (C) Demolition contracts, to be awarded will be decided by the land bank, through a closed and competitive bid submission process by the contractors.
- (D) Notification of upcoming contracts will be published in a regularly circulated local newspaper, up to 30 days, but no less than 14 days prior to the date of award determination by the land bank. All contractors who are qualified and request the additional contract packet information, as defined in Section 12.01 (c), will be provided said packet and given until the required submission date, as will be stated in the newspaper publication and/or the Land Bank website.
- (E) The land bank, by and through its board members will review all eligible contractor's bids and will determine, which contractor is both, best qualified and submitted the most cost-effective bid. Contracts may be awarded based upon the contractor's capabilities rather than their end cost proposal.
- (F) Once a determination is made by the board to award a contract, all contractors will be notified by regular mail of the board's decision and the winning contractor will, without delay enter a Demolition Contract Agreement with the Land Bank, as well as sign all additionally required

documentation and begin demolition of the targeted structure or structures immediately as to meet the target completion date, as will specified in the Demolition Contract Agreement.

## **Article VIII. Maintenance**

### **Section 8.01 Maintenance Generally**

(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 8.02 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 2-4 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 8.03 Adopt-a-Lot Program**

(A) Residents, businesses, neighbors, block watches, or other organizations interested in maintaining vacant land owned by the Land Bank may apply to participate in the Adopt-a-Lot program.

(B) Prospective applicants must meet the same considerations as other Land Bank end users for vacant land, but will not be required to own adjacent property.

(C) A license to enter, maintain, and enjoy the vacant land may be granted to an eligible Adopt-a-Lot program end user at no cost.

## **Section 8.04 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.

## **Article IX. Insurance**

### **Section 9.01 Insurance Requirements**

(A) Each property that the Land Bank acquires will be covered by general liability insurance for the duration of the Land Bank's ownership.

(B) The Land Bank may purchase casualty insurance for a property on a case-by-case basis. Factors to consider regarding the purchase of casualty insurance include the proposed length of Land Bank ownership and the fair market value of the property.

## **Article X. Land Assembly**

### **Section 10.01 General Considerations**

(A) The Land Bank may take title to a property for short or long-term land assembly. A decision to acquire property for land assembly purposes will be based on available resources, the viability of the proposed future development, end user commitment, and any other relevant factors.

(B) If a private property owner transfers a property to the Land Bank for land assembly, the Land Bank will have the right, but not the obligation, to maintain, repair, demolish, clean, and grade the property and perform all other tasks and services regarding the property that the Land Bank determines are necessary.

### **Section 10.02 Requirements for Land Assembly**

(A) The Land Bank and a development partner will enter into a Memorandum of Understanding or Purchase and Maintenance Agreement for property the Land Bank acquires for land assembly. No property will be transferred to the Land Bank for land assembly unless the development partner is also a qualified end user.

(B) The property must have clean, marketable title, and not be occupied as of transfer to the Land Bank for land assembly.

(C) The Land Bank may require a development partner to maintain all or a portion of the assembled property as a condition of the land assembly.

(D) The Land Bank may grant a purchase option or may require a development partner to purchase or repurchase the assembled land after a period of time as a condition of the land assembly.

## **Article XI. Appeals**

## **Section 11.01 Appeals to the Director of Operations**

(A) An interested party unsatisfied with a Land Bank staff member's decision or conclusion on a matter may request that the Land Bank's Director review the matter. The Land Bank's Director will independently discuss the matter with the staff member and the interested party and will notify the interested party of the outcome within seven (14) days.

## **Section 11.02 Appeals to the Board of Directors**

(A) When an interested party is directly affected by a decision of the Land Bank, the party may file an appeal with the Land Bank's Board of Directors. The appeal must be in writing and submitted to the Land Bank no later than ten (10) days after notice of the Land Bank's decision.

(B) The Land Bank's Board of Directors will consider each appeal on a case-by-case basis to determine whether the decision of the Land Bank followed these Policies and Procedures or the Board's resolutions.

(C) If an interested party wishes to appeal a decision of the Land Bank regarding a side lot or vacant land transfer that is consistent with these Policies and Procedures, the appellant must describe in detail the reason for the appeal. The Director of Operations may have the discretion to dismiss an appeal under this section without further action of the Board when an interested party is aggrieved based solely on the lawful current use of a proposed end user's property or the lawful expected future use of the side lot or vacant land.

(D) If the Board determines that the Land Bank acted in a way inconsistent with these Policies and Procedures or the Board's resolutions, the Board may take action to correct the prior decision. When feasible, the Board may instruct the Land Bank to reconsider its decision in a manner consistent with these Policies and Procedures.

(E) Regardless of the outcome of the appeal, the Board will instruct the Land Bank to notify the party of the outcome of the appeal in writing.

(F) If the Land Bank has decided to acquire or dispose of a property or contract for services, and if at the time of the appeal the Land Bank has contracted to acquire or dispose of property or contract for services, the appeal will not affect the ability of the Land Bank to acquire or retain title to the property, dispose of the property, or perform its contractual obligations.

## **Article XII. Funding Administration**

### **Section 12.01 General Provisions**

The Land Bank holds its staff, legal counsel, partners, contractors and consultants to the highest professional standards, where the management and expenditure of available funds, necessary where the operations of the Land Bank is concerned.

Unless otherwise stated in these Policies & Procedures, all funding administration will conform to the following provisions.

- (a) The Land Bank will adhere to any and all requirements or guidelines as have been established and agreed upon between the Land Bank and a Funding entity. Furthermore all Land Bank spending and contracts will be approved by the Board unless otherwise

stated in these policies & procedures; Section 2.01.

- (a) Prior to entering into any contract for legal services, or administrative spending by the Land Bank, whereby the Land Bank can pursue reimbursement through any funding available from any local, state or federal funding sources, the Land Bank will perform satisfactory due diligence, through upfront research and negotiations of salaries, hourly rates and/or fees for work to be performed by its staff, legal counsel, partners, or consultants to ensure the most efficient and cost effective expenditure of revenue and available resources, that are considered reimbursable by any funding agency.

- (b) Prior to entering into any construction or demolition contract, whereby the Land Bank can pursue reimbursement through any funding available from any local, state or federal funding source, the Land Bank will, conduct a pre-inspection of a property to assess its need for demolition or rehabilitation. The Land Bank will assess environmental concerns. Evaluate a property's potential for demolition or rehabilitation of said property back to a safe, habitable and marketable status and make its findings available to all pre-qualified contract bidders.

The land bank will, by public announcement notify that any given project is up for competitive bid award. See Section 7.02 (d) of these Policies and Procedures. The Land Bank will except as many bids as are submitted from pre-qualified inspectors, abatement, and demolition or construction companies, etc. The "Board" will then consider at least 3 bids from pre-qualified companies wanting to participate. The "Board" will then award the contract to the company with the lowest and best bid. If there are less than 3 bid competitors, then the Board can award between the participating bidding companies with the same being awarded to the lowest and best bid between the applicable.

- (c) All contractors are subject to the terms and conditions as are provided and attached to the pre-qualification checklist and Section 6.03 of these provisions when determining and submitting a bid. The terms and conditions are in place to prevent any given contractor from submitting bids based on standards that have not otherwise been approved by the Land Bank and its "Board".

Un-necessary bid change costs will not be approved, if there is reasonable evidence to show that the contractor, could have been able to account for the issue causing the change, in their initial inspection of the project or property by which they submitted their original bid. If a change bid is submitted, then it is at the discretion of the Land Bank to submit the change to the Board for a review.

- (d) Once a bid is awarded, the Land Bank will endeavor to ensure that all work by the contractor is completed consistent with the specific job requirements of the awarded contracts and the terms and conditions attached to the pre-qualification checklist and Section 6.03, of these policies and procedures, as aforesaid mentioned as well as any additional requirements that may be imposed by any local, state or federal funding agency so to obtain reimbursement of costs incurred by the Land Bank in the completion of said contract.

- (e) The contract or phase thereof must first be completed to the Land Bank's satisfaction, as determined upon its inspection. At that time the Land Bank will require the contractor to submit individual invoices for services rendered that both define the work that was completed but also the exact cost of the service and any materials needed to bring the property back required

standards. The individual invoices can have itemization, so long as the cost is specifically related to the phase the project is in.

- (f) Once the Land Bank has received the applicable invoices from the contractor and has established the final cost associated with job completion, then all verifications will be submitted to the Board for final approval and there by cause to make payment to the contractor, and thereby establishing proof of full satisfaction of the contract or phase thereof by receipt or other acceptable documentation.