

**TRUMBULL COUNTY LAND
REUTILIZATION CORPORATION
AND
TRUMBULL COUNTY LAND BANK**

PRIORITIES, POLICIES, PROCEDURES AND FORMS

As approved by the TCLRC Board

on February 15, 2011

MISSION STATEMENT

The mission of the Trumbull County Land Reutilization Corporation “TCLRC” is to return land, and vacant abandoned properties to a productive use; reduce blight, increase property values, support community land use goals; and improve the quality of life for all county residents.

TCLRC LAND BANK PURPOSE

To facilitate the acquisition, reclamation, rehabilitation and reutilization of vacant abandoned tax foreclosed and/or other real properties.

To assist governmental entities and non-profit and/or for-profit entities in the assembly of real property to further the TCLRC mission.

To efficiently hold, and manage real property pending productive reutilization.

To promote the healthy, sustainable growth and development of Trumbull County and the region.

POLICIES GOVERNING LAND BANK PROPERTIES

The acquisition and disposition of properties of the TCLRC Land Bank (the “Land Bank”), shall be governed by the following basic priorities and policies.

The acquisition, use, and disposition of such properties shall at all times be consistent with the authority granted by the Land Bank Bill (SB188/HB313), the articles of incorporation and bylaws of the Land Bank, and the public purposes set forth in the foregoing.

In determining which, if any, properties shall be acquired the TCLRC Land Bank shall give consideration to the following factors:

- Proposals and requests by governmental entities that identify specific properties for ultimate use and redevelopment
- Proposals and requests by nonprofit corporations that identify specific properties for ultimate acquisition and redevelopment.
- Residential properties that are occupied or are available for immediate occupancy without need for substantial rehabilitation.

- Improved properties that are the subject of an existing order for demolition of the improvements and properties that meet the criteria for demolition of improvements.
- Vacant properties that could be placed into the Vacant Lot Disposition Program.
- Properties that would be in support of strategic neighborhood stabilization and reutilization plans.
- Properties that would form a part of a land assemblage development plan.
- Properties that will generate operating resources for the functions of the Land Bank.

In determining the nature and extent of the properties to be acquired by the TCLRC, the Treasurer shall also give consideration to the underlying values of the subject properties, the financial resources available for acquisitions, the operational capacity of the Land Bank, and the projected length of time of such properties to reach the ultimate transferees.

GUIDELINES CONCERNING THE DISPOSITION OF PROPERTIES

The disposition of properties shall be based upon a combination of different factors. The intended or planned use of the property; the nature and identity of the transferee of the property; the impact of the property transfer on the short and long term neighborhood and community development plans. Within each factor is a [ranking of priorities]. The disposition of any given parcel will be based upon an assessment of the most efficient and effective way to maximize the aggregate policies and priorities. The TCLRC shall at all times retain flexibility in evaluating the appropriate balancing of the priorities for the use of property, priorities as to the nature of the transferee of properties, and priorities concerning neighborhood and community development.

USE OF PROPERTY

- Neighborhood REUTILIZATION.
- Homeownership and affordable housing.
- Return of the property to productive tax paying status.
- Land assemblage for economic development.
- Long term “banking” of properties for future strategic uses.
- Provision of financial resources for operating functions of the TCLRC.

NATURE OF THE TRANSFEREE

- Individuals who own and occupy residential property for purposes of the Vacant Lot Disposition Program.
- Governmental entities.
- Qualified nonprofits corporations that will hold title to the property on a long-term basis (primarily rental properties) or hold title to the property for purposes of subsequent conveyance to private third parties for homeownership.
- Nonprofit institutions such as academic institutions and religious institutions.
- Entities that are a partnership, limited liability corporation, or joint venture comprised of a corporations and a private for-profit entity.

Individuals and entities that were the prior owners of property at the time of the foreclosure which transferred titled to the Treasurer shall be ineligible to be the transferee of such property from the Treasurer.

NEIGHBORHOOD AND COMMUNITY DEVELOPMENT

- The preservation of existing stable and viable neighborhoods.
- Neighborhoods in which a proposed disposition will assist in halting a slowly occurring decline or deterioration.
- Neighborhoods which have recently experienced or are continuing to experience a rapid decline or deterioration.
- Geographic areas which are predominantly non-viable for purposes of residential or commercial development.

CONSIDERATION FOR TRANSFER

The following factors shall constitute general guidelines for determining the value to be received by the TCLRC for the transfer of properties. In each and every transfer of real property, the TCLRC shall require good and valuable consideration. "Property Costs" shall mean the aggregate costs and expenses of the Land Bank attributable to the specific property in question, including the costs of acquisition, maintenance, repair, demolition, and marketing of the property and all indirect costs of the operations of the TCLRC attributable to the property.

The amount of consideration shall be determined by the TCLRC in its sole discretion. The value to be provided by the transferee to the TCLRC may take the form of cash, deferred financing, performance of contractual obligations, imposition of restrictive covenants, or other obligations and responsibilities of the transferee, or any combination thereof.

TRANSFERS TO NONPROFIT ENTITIES FOR AFFORDABLE HOUSING.

Transfers of property to nonprofit entities for the development, operation or maintenance of affordable housing shall require consideration not less than TCLRC costs.

The dominant priority in determining the amount of and method of payment of the consideration shall be to facilitate the development of affordable housing to ensure that the property is dedicated over an appropriate period of time to affordable housing.

TRANSFERS TO GOVERNMENTAL ENTITIES.

To the extent that transfers of property to governmental entities are designed to be held by such governmental entities in perpetuity for governmental purposes, consideration for the transfer shall be based on the use of the property.

To the extent that transfers of property to governmental entities are anticipated as conduit transfers by such governmental entities to third parties, any value to the governmental entity shall consist of not less than the Property Costs, set by the TCLRC.

SIDE LOT AND VACANT LOT PROGRAM.

The pricing policies applicable to the Side Lot and Vacant Lot Program shall be as set for in the policies and procedures applicable to the Side Lot and Vacant Lot Program.

Trumbull County homeowners with vacant delinquent tax land adjacent to the right, left or rear of their home; or vacant owned parcels may have the opportunity to purchase that property as a side lot for a nominal cost. It is the TCLRC's intention to merge such parcels with adjacent owner parcels in such a way that the property owner's land value is enhanced and such vacant lots are restored to the tax rolls. Programs will conform to local city, township and village policy.

Vacant lot parcels of property in delinquent tax status shall be foreclosed for taxes by the County Treasurer, and placed into the TCLRC Land Bank for sale to adjacent owner. The transfer of any given parcel of property in the Side Lot and Vacant Lot Program is subject to override by higher priorities as established by the TCLRC.

SIDE LOT AND VACANT LOT POLICIES

Qualified Properties. Parcels of property eligible for inclusion in the Vacant Lot Disposition Program shall meet the following minimum criteria:

- The property shall be vacant unimproved real property.
- The property shall be physically contiguous to adjacent owner occupied property.

- The property shall consist of no more than one lot capable of development. Initial priority shall be given to the disposition of properties of insufficient size to permit independent development.
- More than one lot may be transferred per contiguous lot upon approval of the TCLRC and government agency representing tax district in which parcels are located.

Transferees.

- All transferees must own the contiguous property, priority is given to transferees who personally occupy the contiguous property.
- The transferee must not own any real property (including both the contiguous lot and all other property in Trumbull County) that is subject to any un-remediate citation of violation of the state and local codes and ordinances.
- The transferee must not own any real property (including both the contiguous lot and all other property in Trumbull County) that is tax delinquent.
- The transferee must not have been the prior owner of any real property in Trumbull County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the TCLRC Land Bank approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.

Cost and Value Consideration

- Parcels of property that are not capable of independent development may be transferred for nominal consideration, as set by the TCLRC foreclosure costs.
- Parcels of property that are capable of independent development shall be transferred for consideration in an amount of the costs incurred in acquisition, demolition and maintenance of the lot determined by the TCLRC under a uniform formula not to exceed fair market value as set by the County Auditor.

Additional Requirements

- As a condition of transfer the transferee must enter into an agreement with the TCLRC that the lot transferred will be consolidated with the legal description of the contiguous lot, by filed recorded deed and not subject to subdivision or partition within a five year period following the date of the transfer.
- In the event that multiple adjacent property owners desire to acquire the same vacant lot, the lot shall be divided and transferred among those interested contiguous property owners.

Side Lot and Vacant Lot Procedures

- The prospective buyer must submit a vacant lot request form with a designated Deputy of the County Treasurer.
- Evidence of compliance with all applicable Land Bank Vacant Lot Policies
- Within a 90 day period of receiving a complete request packet, the designated Deputy County Treasurer will complete a basic analysis for presentation to the TCLRC Land Bank for approval.
- Upon approval the buyer will sign an affidavit of purchase for the requested parcel(s).
- The County Treasurer shall initiate foreclosure action on said parcels under ORC 313 and process action through the Trumbull County Courts.

Once the foreclosure proceeding has finalized an approved, the designated Deputy County Treasurer will compile the closing documents for property transfer and complete the transaction with the buyer. The buyer shall be responsible for all document fillings and fees.

RESIDENTIAL LAND TRANSFERS

Residential Land Transfer Policies

These policies pertain to transfers for future use as residential properties. At time of transfer the property may be vacant, improved, or ready to occupy.

- The transferee must not own any real property that has any un-remediate citation or violation of the federal, state and local codes and ordinances.
- The transferee must not own any real property that is tax delinquent.
- The subject property must not have been used by the transferee or a family member of the transferee as his or her personal residence at any time during the twelve (12) months immediately preceding the submission of application (except in rental cases).
- The transferee must not have been the prior owner of any real property in Trumbull County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the TCLRC Land Bank approves such action.
- The use of transferred property must consider any comprehensive Community/Neighborhood Plan (if one is in place) and received a letter of comment from the appropriate planning groups.
- Parcels of property shall be transferred for consideration in an amount not less than the lower of the fair market value or the amount of the costs incurred in acquisition, demolition and maintenance of the lot/building.
- All development projects should be started and completed within a time frame negotiated with TCLRC.
- A TCLRC Proposed Use of Parcel form and a Narrative Description of Future Use of the Property is required.

- Transactions shall be structured in a manner that permits the Land Bank to enforce recorded covenants or conditions upon title pertaining to development and use of the property for a specified period of time. Such restrictions may be enforced, in certain cases, through reliance on subordinate financing held by the Land Bank.
- The transferee must agree to pay future property taxes from time of transfer.
- If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements shall specify a maximum period of time for elimination or correction of such violations, with the period of time be established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
- The proposed use must be consistent with current zoning requirements or a waiver for non-conforming use is a condition precedent to the transfer.
- Where part or all of the consideration for the transfer is the prospective affordability of the housing units, affordability requirements will be set forth in the transfer agreement and enforceable through recorded covenants, conditions or limitations upon title.
- Where rehabilitation of a property by the transferee is a condition of the transfer, the requirement for such rehabilitation shall be in accordance with rehabilitation standards as established by the Land Bank and adequate completion of such rehabilitation shall be a condition to the release of restrictions or lien securing such performance.

The following additional policies shall apply to properties to be transferred to individual transferees as part of a homeownership program.

- The owner-occupant must complete renovations and move into the structure within a time frame negotiated by the TCLRC.
- The property may not be used as rental property.
- For properties transferred for cash consideration below full fair market value of the property, the owner-occupant must reside in the property as his or her primary residence for at least a 5-year period. If the property is sold prior to the 5-year period the transferee must sell the property for no more than the purchase price from the Land Bank plus all cost of property improvements plus a 5% annual inflation rate or pay the difference to the TCLRC.
- Parcels of property shall be transferred for consideration in an amount not less than the lower of fair market value or the amount of the costs incurred in acquisition, demolition and maintenance of the lot/building.

RESIDENTIAL LAND TRANSFER PROCEDURES – INDIVIDUAL TRANSFEREES

The prospective transferee must submit the following documents to the Land Bank.

- List of property address

- Rehabilitation / Improvement Specifications
- Time Line for Rehabilitation / Improvement Completion (if applicable)
- Project Financing (Pre-Qualification Letter for Lender)
- Development Budget (if applicable)
- Most Recent Tax Return

With in a 90 day period of receiving a complete request packet, the Trumbull County Deputy Treasurer will complete a basic analysis and present it to the TCLRC for approval.

Once the project has been approved, the Trumbull County Deputy Treasurer will compile the closing documents for property transfer and complete the transaction with the transferee.

Once proceedings has finalized an approved, the Deputy County Treasurer will compile the closing documents for property transfer and complete the transaction with the buyer. The buyer shall be responsible all document fillings and fees.

Residential Land Transfer Procedures – Corporate Transferees

Required Application Documentation. The prospective buyer must submit the following documents to a Trumbull County Deputy Treasurer.

- List of property address(s)
- Project Description
- Development Team Description, including complete information on the following parties:

Developer:

Co-developer/Partner:

Owner:

General Contractor:

Consultants:

Architect:

Project Manager (during construction):

Lead Construction Lender:

Marketing Agent:

Project Management (post-construction):

- Market Information / Plan
- Project Financing
- Development Budget
- All Rental Transactions Must Attach an Operating Budget
- Most Recent Audited Financial Statement
- Evidence of compliance with all applicable Land Bank policies

Following receipt of a completed application, the Trumbull County Deputy Treasurer will complete a basic analysis and present it to TCLRC or such other persons as designated by the TCLRC for approval.

Once the project has been approved the Trumbull County Deputy Treasurer will compile the closing documents for property transfer, and complete the transaction with the buyer.

Once proceedings has finalized an approved, the Deputy County Treasurer will compile the closing documents for property transfer and complete the transaction with the buyer. The buyer shall be responsible all document fillings and fees.

COMMERCIAL LAND TRANSFERS

Commercial Land Transfer Policies

These policies pertain to transfers of real property for which the intended future use is non-Residential. At time of transfer the property may be vacant, improved or ready to occupy.

- The transferee must not own any real property that has any un-remediate citation of violation with the state and local codes and ordinances.
- The transferee must not own any real property that is tax delinquent.
- The transferee must not have been the prior owner of any real property in Trumbull County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the TCLRC approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.
- The use of transferred property must give consideration to the Community/Neighborhood Plan (if one is in place) and received a letter of comment from the appropriate planning groups.
- Potential tenants must give consideration to the Community/Neighborhood Plan (if one is in place) and received a letter of comment from the appropriate planning groups.

- Parcels of property shall be transferred for consideration in an amount not less than the lesser of the fair market value or the amount of the costs incurred in acquisition, demolition and maintenance of the lot/building.
- All development projects should be started and completed within a time frame negotiated with the TCLRC.
- A precise narrative description of future use of the property is required.
- Transactions shall be structured in a manner that permits the TCLRC to enforce recorded covenants or conditions upon title pertaining to development and use of the property for a specified period of time. Such restrictions may be enforced
- The transferee must agree to pay future property taxes from time of transfer.
- If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements shall specify a maximum period of time for elimination or correction of such violations, with the period of time be established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
- The proposed use must be consistent with current zoning requirements, or a waiver for non-conforming use is a condition precedent to the transfer.

COMMERCIAL LAND TRANSFER PROCEDURES

Required Application Documentation. The prospective buyer must submit the following documents to a designated Trumbull County Deputy Treasurer.

- List of property address(s)
- Project Description
- Development Team Description, including complete information on the following parties:

Developer:

Co-developer/Partner:

Owner:

General Contractor:

Consultants:

Architect:

Project Manager (during construction):

Lead Construction Lender:

Marketing Agent:

Project Management (post-construction):

- Market Information / Plan
- Project Financing
- Development Budget
- Operating Budget
- Most Recent Audited Financial Statement
- List of Potential Tenants and pre-lease agreements
- Evidence of compliance with all applicable TCLRC policies

Following receipt of a completed application, the Trumbull County Deputy Treasurer will complete a basic analysis and present it the TCLRC or such other persons as designated by the TCLRC for approval.

Once the project has been approved the Trumbull County Deputy Treasurer will compile the closing documents for property transfer, and complete the transaction with the buyer.

Once proceedings has finalized an approved, the Deputy County Treasurer will compile the closing documents for property transfer and complete the transaction with the buyer. The buyer shall be responsible all document fillings and fees.

BOARD APPROVAL OF LAND TRANSFERS

Transfers Requiring TCLRC Approval

The Board of Trumbull County Land Reutilization Corporation must approve all transfers that require any exceptions to policies and procedures adopted by the TCLRC.

The Board of TCLRC must approve all transfers in which the property in the hands of the transferee will be exempt from property taxes.

The Board of TCLRC must approve all transfers that involve more than one interested party.

The Board of TCLRC must approve all transfers for non-Residential projects.

The Board of TCLRC must approve all transfers to governmental entities.

TRANSFERS OCCURRING UNDER COUNTY TREASURER APPROVAL

The Trumbull County Treasurer may approve all transfers in the Side Lot and Vacant Lot Program and may further delegate, by written policy, such approval authority.

The Trumbull County Treasurer may approve all transfers to individuals as part of the homeownership program.

The Trumbull County Treasurer may approve all single parcel land transfers (single-family) to nonprofit corporations for Residential use. If a prospective transferee seeks to acquire more than three (3) properties within a twelve month period, the request must be presented to the TCLRC Board for approval.

All transfers authorized by the Trumbull County Treasurer must be reported in writing to the Board of TCLRC at the next Board meeting.

REQUESTS FROM NON-PROFIT ORGANIZATIONS

All policies and procedures of the TCLRC Land Bank are applicable to non-profit entities, and such entities shall comply with all policies and procedures in all transactions with the TCLRC Land Bank.

Requests by non-profit entities for housing development related transfer(s) shall first be submitted in writing to the TCLRC.

TCLRC shall review the request and provide, technical assistance to the non-profit entity to ensure that the application is completed in accordance with all TCLRC Land Bank policies and procedures. The completed request shall be submitted by the non-profit entity to the TCLRC together with a written letter of approval from the local government agency of location of the project.

TCLRC LAND BANKING POLICIES

The TCLRC Land Bank is willing to receive title to properties from community development corporations and other entities, and hold title to such properties pending future use by the TCLRC Land Bank, by the transferor of the property, or by other third parties. The receipt by the TCLRC Land Bank of any and all conveyances of real property shall at all times be solely within the discretion of the TCLRC Land Bank, and nothing in this policy shall be deemed to require the TCLRC Land Bank to take title to any properties nor to limit the discretion of the TCLRC Land Bank in negotiating the terms of its acquisition of any property, whether as donatives transfers or otherwise.

All conveyances received by the TCLRC Land Bank in its land banking capacity must comply with the requirements set forth below in Part A, and will be reviewed and considered by the TCLRC Land Bank in accordance with the procedures set forth in Part B. If the transfer is approved by the TCLRC Land Bank, the Land Bank shall hold the subject property, and may use or convey the subject property or any interest in the subject project, subject only to the right of repurchase set forth in Part C.

Following the transfer of any properties to the TCLRC Land Bank in accordance with this policy, the TCLRC Land Bank shall have the right, but not the obligation, to maintain, repair,

demolish, clean, and grade the subject property and perform any and all other tasks and services with respect to the subject property as the Land Bank may deem necessary and appropriate in its sole discretion.

REQUIREMENTS FOR CONVEYANCES TO THE TCLRC IN ITS LAND BANKING CAPACITY

Property that is intended to be conveyed to the TCLRC and to be held by the TCLRC in its land banking capacity shall be clearly designated as such in the proposal for the transfer, and in the records of the TCLRC

No property shall be transferred to the TCLRC pursuant to this land banking policy unless the transferor is either a private nonprofit entity or a governmental entity.

The subject property must be located in Trumbull County, Ohio

The subject property must, as of the date of the transfer to the TCLRC, be free of any and all liens, taxes, special assessments, and other liens or encumbrances in favor of local, state or federal government entities.

The subject property must, as of the date of the transfer to the TCLRC, be free of all outstanding mortgages and security instruments.

The Land Bank shall not receive and hold, at any given time, in excess of sixty (60) separate parcels of property from any given transferor.

PROCEDURES FOR CONVEYANCES TO THE TCLRC IN LAND BANKING CAPACITY

The transferor of any proposed conveyance to the TCLRC in its land banking capacity shall prepare a written proposal containing the following information:

A legal description of the property.

A title report, or other similar evidence, indicating that the property is free of all liens and encumbrances specified in Part A.

A description of the transferor's intended uses of the property and the time frame for use and development of the property by the transferor.

Following receipt of the proposal, the TCLRC shall review the proposal and notify of the transferor of its approval or disapproval, and of any changes or additions that may be necessary as determined by the TCLRC in its sole discretion.

TRANSFER OF REHABILITATED PROPERTIES

These policies apply to the disposition by the TCLRC Land Bank of improved real property which is rehabilitated by or on behalf of the TCLRC Land Bank prior to its disposition to a transferee.

Rehabilitation and Marketing

The TCLRC Land Bank shall undertake, in its sole discretion, rehabilitation of properties prior to the transfer to third parties. The nature and extent of any such rehabilitation shall be determined by the TCLRC Land Bank in its sole discretion.

At the commencement of rehabilitation a sign shall be placed on the property indicating that the property is owned by the TCLRC Land Bank.

A real estate agent, or realtor, shall be selected in accordance with TCLRC Land Bank guidelines to assist in the marketing of the property. A listing agreement will normally be signed with such agent approximately two months prior to completion of the rehabilitation. Marketing of the property will normally commence at this point. The TCLRC will make available information on the property and on the procedures to be followed by parties interested in the possible acquisition of the property.

Sale of Rehabilitated Properties

A nonrefundable escrow deposit shall be required for all contracts for the disposition of property rehabilitated by the TCLRC. Such deposit shall be in an amount established by the TCLRC, but shall not be less than \$500 for a purchase price less than \$30,000, and \$1000 for a purchase price greater than \$30,000.

A sales contract shall be submitted to a designated Trumbull County Deputy Treasurer for review, and must comply with all policies and procedures of the TCLRC Land Bank. The sales contract shall not be binding upon the TCLRC until approved by the Trumbull County Treasurer, and or by the Board of the TCLRC if required by TCLRC Land Bank policies and procedures.

Closing of the transfer shall occur with the assistance of a title company selected and approved in accordance with the TCLRC guidelines.

Minimum guidelines that will be required of the TCLRC and the Land Bank to ensure accountability:

Must file an annual report with the State Auditor.

Subject to regular audits by the State Auditor- at least once every two years.

Required to keep regular corporate books and records of all transactions, including prices paid and prices received for all parcels.

Must file required reports with the Ohio General Assembly summarizing the TCLRC's activities.

APPLICATIONS AND FORMS