



## POLICIES & PROCEDURES

### *Table of Contents*

Article I. Mission.....	3
Section 1.01 Mission Statement.....	3
Article II. Authority.....	3
Section 2.01 Delegated Authority.....	3
Section 2.02 Terminology.....	3
Article III. Acquisition of Properties.....	3
Section 3.01 General Considerations.....	3
Section 3.02 Pre-Acquisition Considerations.....	4
Section 3.03 Post-Acquisition Considerations.....	4
Section 3.04 Acquisition through Tax Foreclosure.....	5
Section 3.05 Acquisition from the Forfeited Lands List.....	5
Section 3.06 Acquisition through Donation or Deed-in-Lieu of Foreclosure.....	6
Section 3.07 Acquisition through Purchase.....	7
Section 3.08 Acquisition of Occupied Properties.....	7
Article IV. Disposition of Properties.....	7
Section 4.01 General Considerations and Prohibitions.....	8
Section 4.02 Financial Considerations.....	9
Section 4.03 Residential Structure Transfer Program.....	10
Section 4.04 Side Lot Disposition Program.....	13
Section 4.05 Vacant Land Disposition Program.....	14
Article V. Commercial Property.....	14
Section 5.01 Definitions.....	14
Section 5.02 Acquisition Considerations.....	15
Section 5.03 Disposition Considerations.....	15
Section 5.04 Commercial Purchase Agreements.....	16
Section 5.05 Environmental Considerations.....	16
Article VI. Blight Elimination.....	17
Section 6.01 Demolition Decision-making.....	17

Section 6.02	Demolition Partners .....	17
Section 6.03	Quality of the Demolition .....	17
Section 6.04	Salvage and Deconstruction.....	18
Section 6.05	Demolition of Historic Properties .....	18
Section 6.06	Commercial Property Demolition.....	19
Article VII.	Contractors .....	19
Section 7.01	General Considerations .....	19
Article VIII.	Maintenance .....	20
Section 8.01	Maintenance Generally .....	20
Section 8.02	Maintenance Standards .....	20
Section 8.03	Adopt-a-Lot Program .....	21
Section 8.04	Special Tax Assessments .....	21
Article IX.	Insurance .....	21
Section 9.01	Insurance Requirements .....	21
Article X.	Land Assembly .....	22
Section 10.01	General Considerations .....	22
Section 10.02	Requirements for Land Assembly .....	22
Article XI.	Appeals .....	22
Section 11.01	Appeals to the President.....	22
Section 11.02	Appeals to the Board of Directors.....	22

## **Article I. Mission**

### **Section 1.01 Mission Statement**

- (A) The Lucas County Land Reutilization Corporation (the “Land Bank”) strengthens neighborhoods and preserves property values by strategically returning vacant, abandoned, and tax-delinquent properties to productive use through an open and equitable 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 delegates to the Land Bank President or the President’s designee the authority:
- (i) To acquire and dispose of property on behalf of the Land Bank;
  - (ii) To contract with third parties on behalf of the Land Bank;
  - (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; and
  - (v) To expend Land Bank funds consistent with its approved annual budget.
- (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 of Directors after a complete presentation by the Land Bank staff.

### **Section 2.02 Terminology**

- (A) Unless otherwise specified, references to “the Land Bank” in these Policies & Procedures mean the Corporation or the Land Bank President or the President’s designee, as context requires.

## **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 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 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 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 through the Lucas 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 Lucas 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 Lucas 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 3.05 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 Lucas 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.

**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 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 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 Lucas 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 Lucas 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.

**Section 3.08 Acquisition of Occupied Properties**

- (A) While an occupied property presents unique community and neighborhood considerations, the Land Bank may be uniquely positioned to ensure a positive long-term resolution to the current situation.
- (B) If the property is occupied by any owner of the property, 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.
- (C) If the property is occupied by a bona fide tenant of the owner of the property, the Land Bank may acquire the property, and may agree to transfer the property to the tenant without further marketing if:
  - (i) 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;
  - (ii) The tenant participates in 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
  - (iii) 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.
- (D) If a property is occupied by any bona fide or alleged tenant of the owner of the property and that tenant is unable or unwilling to satisfy the Land Bank’s conditions for transfer as set forth above, 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.
- (E) 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.

**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, immediate family members of the individual owner whose primary intent as an end user is to evade the letter and spirit of these prohibitions, and owners who took title *lis pendens*.
- (B) A prospective end user may own no real property that:
- (i) Has any unremediated citations or violations of the state and local codes and ordinances, or has a recent history of prosecution for such violations in a court of competent jurisdiction;
  - (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 has a history of foreclosure judgments of any kind; or
  - (iv) Has a delinquent water account with the City of Toledo's Department of Public Utilities, or any other 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) A prospective end user who does not personally reside or whose principal place of business is not within 50 miles of downtown Toledo (the "local area"), give or take a few miles as context requires, will be ineligible to purchase property for non-owner occupant purposes unless:
- (i) The end user has owned other similar properties in Lucas County for approximately one (1) year;
  - (ii) Such properties are occupied by bona fide tenants and nuisance-free as demonstrated by publicly available code compliance information and an exterior inspection conducted by the Land Bank;
  - (iii) The end user has identified and documented a local property manager with a demonstrated track record for such properties;
  - (iv) The end user has identified and documented a detailed renovation scope utilizing licensed and local contractors, as required under local or state law; and
  - (v) The end user has satisfactorily explained why investment in Lucas County properties is a strategic priority.
- (D) 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.
- (E) 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.
  - (F) The proposed end use must follow local development plans. A letter of support or opposition for the proposed use submitted by neighborhood groups or the Toledo-Lucas County Plan Commissions will be a factor in any final decision of the Land Bank.
  - (G) 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.
  - (H) 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.
  - (I) 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.
  - (J) 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.
- (B) Land Bank property will be sold for its fair market value, but not less than \$300, 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 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 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, unless exceptional circumstances require otherwise and are disclosed to the Board of Directors in a timely manner.
- (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, or by deed-in-escrow in limited circumstances where ownership of title by the Land Bank is necessary to enforce key provisions of these Policies & Procedures.
    - 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 either in-office or 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, or the closing agent at the Land Bank’s instruction, will transfer title in the property to the purchaser.
  - (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) Financial Evaluation

- (i) Prospective end users who wish to acquire and renovate residential property as owner occupants, or rental property on a first-time basis, will be referred to an appropriate agency for a personal financial evaluation, the purpose of which is to ensure that prospective end user can demonstrate the wherewithal to sustainably own the property. Such personal financial evaluation shall be at the Land Bank's expense.
- (ii) Prospective end users identified by the agency as financially sound to purchase and own the property in question following evaluation will be eligible to purchase the property, unless the Land Bank can document sustainability concerns outside of this evaluation process.
- (iii) Prospective end users not identified by the agency as financially sound to purchase and own the property in question following evaluation may be eligible to purchase the property if the Land Bank can document the financial sustainability of the end user outside of this evaluation process
- (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 sustain the property through other means.

(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/broker. The realtor/broker 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/broker will be its fair market value, based on the collective judgment of the realtor/broker and the Land Bank.
  - (iv) To the extent that a realtor/broker delivers a qualified end user for the property, the Land Bank will pay a market-based commission to the realtor/broker, negotiated property-by-property, on a wholesale basis, or through an exclusive brokerage arrangement, 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) To promote home ownership, certain properties may be made 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 the duration of the listing. The decision to make a property exclusively available to owner occupant end users will be made on a property-by-property basis, and may be ended at the sole discretion of the Land Bank.
- (L) For lots on which residential garages are the only structural improvement, the Land Bank will close under the "deed-in escrow" procedures set forth in this Section.

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

- (A) Parcels of property transferred under the Side Lot Disposition Program must meet the following 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;
  - (v) The proposed side lot will be combined to the adjacent property, 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 occupied;
  - (viii) The end user cannot owe delinquent property taxes on any property owned by the end 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
  - (ix) The end user meets all other general disposition considerations under this Article.

#### **(B) Side Lot Pricing**

- (i) The Land Bank will offer each eligible side lot parcel to a qualified side lot end user for the reduced price of \$150. Prior applications for purchase at \$100 per parcel shall be honored as circumstances require. Each qualified end user will share equally with the Land Bank the cost of a land survey if necessary to accomplish the goals of this Side Lot Program, and may be required to pay up to fifty percent (50%) of such costs in addition to any purchase price.
- (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 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 4.05 Vacant Land Disposition Program**

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

### **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 will not 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 in 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.
- (E) The Land Bank may enter into a commercial realtor/broker listing arrangement and pay a market-based commission on the same terms as residential property under these Policies & Procedures.

#### **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:
  - (i) Obtaining a Phase I environmental assessment;
  - (ii) Prior approval of the Board of Directors; and



- (iii) Prior or funded environmental remediation rendering the site clean and free from contamination.
- (B) Notwithstanding section 5.05(B), 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 pre-qualify for work through the Land Bank and work will only be awarded to pre-qualified contractors. In lieu of pre-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 President.
- (B) In order to pre-qualify for work through the Land Bank, all prospective contractors must provide or comply with the following:

- (i) Complete the Contractor Pre-Qualification Verification Form in its entirety and return it to the Lucas 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 Pre-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 Pre-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 Lucas 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, 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.
- (E) A contractor who owns or controls, personally or through business entities, real property that has delinquent property taxes is ineligible for Land Bank work unless all delinquent taxes are paid in full, the owner is in an active and compliant delinquent tax payment plan, the owner has requested that the county foreclose on the property, or the contractor and the Land Bank have entered into a payment arrangement that will bring all taxes current over a period of time no greater than six (6) months.

## **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 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 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 President**

- (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 President review the matter. The Land Bank's President will independently discuss the matter with the staff member and the interested party and will notify the interested party of the outcome within seven (7) 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 Land Bank's President will 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.