MISSION STATEMENT

The Mahoning County Land Reutilization Corp. will strategically acquire distressed properties and return them to productive, tax-paying use. The Mahoning County Land Reutilization Corp. (the “Land Bank”) will: reduce blight; stabilize neighborhoods and property values; promote neighborhood reinvestment and economic development opportunities; and improve the quality of life in Mahoning County.

LAND BANK PURPOSE

- Facilitate the strategic acquisition of abandoned, tax-delinquent, unmarketable or other distressed properties and reclaim underutilized properties that can be razed to remove blight, rehabilitated or transferred to increase residential ownership.
- Temporarily hold and manage certain types of properties designated for reuse.
- Work in partnership with Mahoning County communities to assemble properties and consolidate ownership of properties in transitional areas.
- Promote healthy, sustainable neighborhoods across Mahoning County.

PRIORITIES & POLICIES

The strategic acquisition and disposition of properties of 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.

1. Policies Governing the Acquisition of Properties

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

a. Proposals and requests by nonprofit corporations that identify specific properties for ultimate acquisition and redevelopment.
b. Proposals and requests by governmental entities that identify specific properties for ultimate use and redevelopment.
c. Residential properties that are occupied or are available for immediate occupancy without need for substantial rehabilitation.
d. 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.
e. Vacant properties that could be placed into the Side Lot Disposition Program.
f. Properties that would be in support of strategic neighborhood stabilization and revitalization plans.
g. Properties that would form a part of a land assemblage development plan.
h. 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 the Land Bank shall also give consideration to the location, property condition, the underlying
values of the subject properties, the lien status, the ability to convey quit claim deeds, the financial resources available for acquisitions, the operational capacity of the Land Bank, and the projected length of time for transfer of such properties to the ultimate transferees.

2. Priorities Concerning the Disposition of Properties

The Land Bank will at all times attempt to identify an end user at the start of the acquisition process, thereby identifying a disposition strategy before a parcel is acquired. Not all properties that are desirable for land banking will immediately have an end user. Cost for the Land Bank to hold such properties after acquisition will be projected and factored into the acquisition decision.

The disposition of properties shall be based upon a combination of three different factors. The first factor involves the intended or planned use of the property. The second factor considers the nature and identity of the transferee of the property. The third factor addresses 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 Board and Staff of the Land Bank 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.

Priorities for Use of Property

1. Neighborhood revitalization.
2. Return of the property to productive, tax-paying status.
3. Land assemblage for economic development.
4. Long term “banking” of properties for future strategic uses.
5. Provision of financial resources for operating functions of the Land Bank.

Priorities as to the Nature of the Transferee

1. Governmental entities, as per Ohio Revised Code (eg. Municipal right of first refusal).
2. Nonprofit institutions including, but not limited to, academic and religious institutions, not-for-profit housing agencies and community development corporations.
3. Individuals who own and occupy residential property for purposes of the Side Lot Disposition Program.
4. Entities that are a partnership, limited liability corporation, or joint venture comprised of a private nonprofit corporation and a private profit entity.

Individuals and entities that were the prior owners of property at the time of a tax foreclosure shall be ineligible to be the transferee of such property from the Land Bank.
Priorities Concerning Neighborhood and Community Development
1. The preservation of existing stable, viable neighborhoods and community gateways.
2. Neighborhoods and community gateways in which a proposed disposition will assist in halting a slowly occurring decline or deterioration.
3. Neighborhoods and community gateways which have recently experienced or are continuing to experience a rapid decline or deterioration.
4. Geographic areas which are predominantly non-viable for purposes of residential or commercial development.
5. Within and among each of the first four priorities shall be a concurrent priority for targeted geographic areas for which a qualified strategic development plan has been approved.

3. Factors in Determining Consideration Due Upon Transfers

The following factors shall constitute general guidelines for determination of the consideration to be received by the Land Bank for the transfer of properties. In each and every transfer of real property the Land Bank shall require good and valuable consideration in an amount to be specified below.

For the purpose of this document, “Property Costs” shall mean: the aggregate costs and expenses of the Land Bank attributable to the specific property in question, including costs of acquisition, maintenance, repair, demolition, marketing of the property and indirect costs of the operations of the Land Bank allocable to the property.

For the purpose of this document, “Fair Market Value” shall mean the Total Market Value set by the Mahoning County Auditor or the value set by an appraisal as performed by a duly-certified appraiser.

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

1. Transfers to Nonprofit entities for affordable housing.
   (a) Transfers of property to nonprofit entities for the development, operation or maintenance of affordable housing shall require consideration in an amount equal to property cost or fair market value, or a combination of both, to be determined exclusively by the Land Bank.

2. Transfers to Governmental Entities.
   (a) To the extent that transfers of property to governmental entities are designed to be held by such governmental entities in perpetuity for governmental purposes, the aggregate consideration for the transfer shall be based upon deed restrictions upon the use of the property.
(b) To the extent that transfers of property to governmental entities are anticipated as conduit transfers by such governmental entities to third parties, the consideration shall consist of not less than then Property Costs, to be paid in cash or certified funds. The difference between the Property Costs and the fair market value may be included in consideration depending upon the relationship between the anticipated uses and the governing priorities of the Land Bank.

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

4. Transfers of Property at Open Market Conditions.
(a) Property that is transferred on the open real estate market, whether through auction or negotiated transfers, without restrictions as to future use shall be based upon consideration determined by the Land Bank in its sole discretion. Such consideration shall be paid in full at the time of the transfer.

4. Side Lot Disposition Program

Individual parcels of property may be acquired by the Land Bank and transferred to individuals in accordance with the following policies. The transfer of any given parcel of property in the Side Lot Disposition Program is subject to override by higher priorities as established by the Land Bank.

These policies pertain to an individual, partnership and its partners, limited liability company (LLC) and its member(s), society, association, joint stock company, corporation and its shareholders, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

A. Side Lot Disposition Policies

1. Qualified Properties. Parcels of property eligible for inclusion in the Side Lot Disposition Program shall meet the following minimum criteria:
   (a) The property shall be vacant, unimproved real property.
   (b) The property shall be physically contiguous to adjacent owner-occupied residential property, with not less than a 75% common boundary line at the side.
   (c) Initial priority shall be given to the disposition of properties of insufficient size to permit independent development.

2. Transferees.
   (a) All transferees must own the contiguous property, and priority is given to Transferees who personally occupy the contiguous property.
   (b) The transferee must not own any real property (including both the contiguous lot and all other property in Mahoning County) that violates any local codes and ordinances.
(c) The transferee must not own any real property (including both the contiguous lot and all other property in Mahoning County) that is tax delinquent or has a history of sold property tax liens.
(d) The transferee must not have been the prior owner of any real property in Mahoning County that was transferred as a result of tax foreclosure proceedings.

3. Pricing
The amount of consideration shall be determined by the Land Bank in its sole discretion.

4. Additional Requirements
(a) In the event that multiple adjacent property owners desire to acquire the same side lot, the first applicant to the Land Bank will receive priority.

5. Residential Land Transfers

A. Residential Land Transfer Policies

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

These policies pertain to an individual, partnership and its partners, limited liability company (LLC) and its member(s), society, association, joint stock company, corporation and its shareholders, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

1. The transferee must not own any real property that violates any local codes or ordinances.
2. The transferee must not own any real property that is tax delinquent or has a history of sold property tax liens.
3. 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 tenant/owner relationships).
4. The transferee must not have been the prior owner of any real property in Mahoning County that was transferred as a result of tax foreclosure proceedings.
5. The use of transferred property must give consideration to any Community/Neighborhood Plan (if one is in place) and a letter of comment must be received from the appropriate planning groups.
6. The amount of consideration shall be determined by the Land Bank in its sole discretion.
7. All development projects must be started and completed within a time frame negotiated with Land Bank.
8. Options are available for 10% of the parcel price for up to a 12-month period. This fee will be credited to the parcel price at closing. If closing does not occur, the fee is
forfeited. All option agreements are subject to all policies and procedures of the Land Bank pertaining to property transfers.

9. A precise narrative description of future use of the property is required.

10. 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.

11. The transferee must agree to pay future property taxes from time of transfer.

12. 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 to be established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.

13. The proposed use must be consistent with current zoning requirements or a waiver for non-conforming use is a condition precedent to the transfer.

14. 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:

15. The owner-occupant must complete renovations and move into the structure within a time frame negotiated by the Land Bank.

**B. Residential Land Transfer Procedures – Owner occupied**

The prospective transferee must submit the following documents to the Land Bank Transaction Specialist:

1. Property address being requested
2. Rehabilitation / Improvement Specifications
3. Time Line for Rehabilitation / Improvement Completion (if applicable)
4. Project Financing (Pre-Qualification Letter for Lender)
5. Development Budget (if applicable)
6. Most Recent Tax Return or alternative income documentation
7. A Picture Identification
8. Proof of Social Security Number

**C. Residential Land Transfer Procedures – Non-owner occupied**

1. Required Application Documentation. The prospective buyer must submit the following documents to the Land Bank Transaction Specialist:

   1. List of property address(es)
   2. Project Description
   3. Development Team Description, including complete information on the following parties:
(a) Developer:
(b) Co-developer/Partner:
(c) Owner:
(d) General Contractor:
(e) Consultants:
(f) Architect:
(g) Project Manager (during construction):
(h) Lead Construction Lender:
(i) Marketing Agent:
(j) Project Management (post-construction):
(4) Market Information / Plan
(5) Project Financing
(6) Development Budget
(7) All Rental Transactions Must Attach an Operating Budget
(8) Income documentation
(9) Evidence of compliance with all applicable Land Bank policies

6. Commercial Land Transfers

A. 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. These policies pertain to an individual, partnership and its partners, limited liability company (LLC) and its member(s), society, association, joint stock company, corporation and its shareholders, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

1. The transferee must not own any real property that violates any local codes or ordinances.
2. The transferee must not own any real property that is tax delinquent or has a history of sold property tax liens.
3. 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).
4. The transferee must not have been the prior owner of any real property in Mahoning County that was transferred as a result of tax foreclosure proceedings.
5. The use of transferred property must give consideration to any Community/Neighborhood Plan (if one is in place) and a letter of comment must be received from the appropriate planning groups.
6. The amount of consideration shall be determined by the Land Bank in its sole discretion.
7. All development projects should be started and completed within a time frame negotiated with the Land Bank.
8. Options are available for 10% of the parcel price for up to a 12-month period. This fee will be credited to the parcel price at closing. If closing does not occur, the fee is forfeited. All option agreements are subject to all policies and procedures of the Land Bank pertaining to property transfers.
9. A precise narrative description of future use of the property is required.
10. 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.
11. The transferee must agree to pay future property taxes from time of transfer.
12. 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.
13. The proposed use must be consistent with current zoning requirements, or a waiver for non-conforming use is a condition precedent to the transfer.

B. Commercial Land Transfer Procedures

1. Required Application Documentation. The prospective buyer must submit the following documents to the Land Bank Transaction Specialist.
   (1) List of property address(es)
   (2) Project Description
   (3) Development Team Description, including complete information on the following parties:
      (a) Developer:
      (b) Co-developer/Partner:
      (c) Owner:
      (d) General Contractor:
      (e) Consultants:
      (f) Architect:
      (g) Project Manager (during construction):
      (h) Lead Construction Lender:
      (i) Marketing Agent:
      (j) Project Management (post-construction):
   (4) Market Information / Plan
   (5) Project Financing
   (6) Development Budget
   (7) Operating Budget
   (8) Income documentation
   (9) List of Potential Tenants and pre-lease agreements
   (10) Evidence of compliance with all applicable Land Bank policies
7. Disposition Procedures for Foreclosed Parcels

- Accept expressions of interest or applications from municipalities, general public, institutions, nonprofits, etc.
- Conduct due diligence: Identify the need for acquisition, cost-benefit analysis, conduct site visit, review zoning and land use regulations, identify end user/disposition strategy.
  - $20 property inspection fee covers hard costs of review (mileage, postage, etc.); fee waived for municipalities and nonprofit organizations.
- Mahoning County Land Reutilization Corporation executive director consults with the Land Bank board chairman on decision to accept or reject request. All decisions are final.
  - Municipality notified of application and five (5) business days provided to register objections.
- Applicants notified of decision.
- Applicant and Land Bank agree upon purchase price; applicant makes non-refundable down payment of 10 percent of the purchase price.
- Approved applications move to Prosecutor’s Office for land bank foreclosure.
  - Title work ordered.
  - Research done.
  - Court documents prepared.
  - Assistant County Prosecutor reviews and revises court documents.
- Assistant County Prosecutor files land bank foreclosure.
- Prosecutor’s staff monitors court dates.
- Assistant County Prosecutor invokes use of alternative redemption period at judgment hearing.
- Notification to owner of 45-day redemption period, as per Ohio Revised Code.
- Prosecutor’s staff monitors redemption.
  - If redemption, CLRC pursues its portion of redemption from Clerk of Courts/Treasurer/Auditor.
  - If no redemption, notice of forfeiture and deed transfer to Land Bank.
- Land Bank Board of Directors approves deed transfer to end user. All decisions are final.
- If an end user has been identified, end user notified and deed transferred to new owner.
- If end user fails to complete transaction, municipality notified about taking ownership.
- If no end user has been identified, Land Bank evaluates actions needed to stabilize property.
  - Land Bank stabilizes property.

8. Approvals of Land Transfers

The executive director of Mahoning County Land Reutilization Corporation will consult with the Land Bank board chairman on decisions to recommend acceptance or
rejection of deed transfer requests. Municipalities will be notified of all approved transfers and provided five (5) business days to register any objections. Applicants will be notified of acceptance or rejection. The Land Bank board of directors shall approve all deed transfers. All decisions are final.

9. Land Assembly Policies

    The 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 Land Bank, by the transferor of the property, or by other third parties. The receipt by the Land Bank of any and all conveyances of real property shall at all times be solely within the discretion of the Land Bank, and nothing in this policy shall be deemed to require the Land Bank to take title to any properties nor to limit the discretion of the Land Bank in negotiating the terms of its acquisition of any property, whether donated or otherwise.

    All conveyances received by the 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 Land Bank in accordance with the procedures set forth in Part B. If the transfer is approved by the 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 Land Bank in accordance with this policy, the 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.

A. Requirements for Conveyances to the Land Bank in its Land Banking Capacity

1. Property that is intended to be conveyed to the Land Bank and to be held by the Land Bank in its land banking capacity shall be clearly designated as such in the proposal for the transfer, and in the records of the Land Bank.
2. No property shall be transferred to the Land Bank pursuant to this land banking policy unless the transferor is a either a private nonprofit entity or a governmental entity.
3. The subject property must be located in Mahoning County, Ohio.
4. The subject property must not be occupied by any party or parties as of the date of transfer to the Land Bank.
5. The subject property must, as of the date of the transfer to the Land Bank, be free of any and all liens for ad valorem taxes, special assessments, and other liens or encumbrances in favor of local, state or federal government entities.
6. The subject property must, as of the date of the transfer to the Land Bank, be free of all outstanding mortgages and security instruments.
B. Procedures for Conveyances to the Land Bank in its Land Banking Capacity

1. The transferor of any proposed conveyance to the Land Bank in its land banking capacity shall prepare a written proposal containing the following information:
   (a) A current legal description of the property.
   (b) A current title report, or other similar evidence, indicating that the property is free of all liens and encumbrances specified in Part A.
   (c) 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.

2. Following receipt of the proposal, the Land Bank 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 Land Bank in its sole discretion.

C. Right of Repurchase by the Transferor

1. The transferor shall have a right to repurchase the subject property from the Land Bank at any time within a period of three (3) years from the date of transfer to the Land Bank by giving notice to the Land Bank.

2. The right of repurchase may be exercised by the transferor upon payment to the Land Bank of the Purchase Price. The Purchase Price shall be an amount equal to (i) all expenditures of the Land Bank (whether made directly by the Land Bank or through payments to a third party contractor) in connection with the subject property incurred subsequent to the date of conveyance to the Land Bank, and (ii) an amount determined by the Land Bank as its average indirect costs, on a per parcel basis, of holding its portfolio of properties.

3. The Land Bank shall have the right, at any time within the three year period following the date of the original transfer, to require the transferor to exercise its right of repurchase by giving written notice to the transferor of the requirement that it exercise its right of repurchase and the amount of the Purchase Price. The transferor must exercise its right of repurchase, and close the reconveyance of the property within sixty (60) days of receipt of such notice. Failure of the transferor to exercise and close upon its right of repurchase within such period of time shall result in a termination of all rights of repurchase with respect to the subject property.

10. Transfer of Rehabilitated Properties

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

A. Rehabilitation and Marketing

1. The 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 Land Bank in its sole discretion.
2. At the commencement of rehabilitation a sign may be placed on the property indicating that the property is owned by the Land Bank.
3. A real estate agent, or Realtor, may be selected in accordance with 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 Land Bank will make available information on the property and on the procedures to be followed by parties interested in the possible acquisition of the property.

B. Sale of Rehabilitated Properties

1. A nonrefundable escrow deposit shall be required for all contracts for the disposition of property rehabilitated by the Land Bank. Such deposit shall be in an amount established by the Land Bank, but shall not be less than $500 for a purchase price less than $30,000, and $1,000 for a purchase price greater than $30,000.
2. A sales contract shall be submitted to the Land Bank for review, and must comply with all policies and procedures of the Land Bank. The sales contract shall not be binding upon the Land Bank until approved by the Director.

11. Blight Elimination

Because the Land Bank will generally be on the receiving end of the most challenged and damaged property in Mahoning County, the best use for many of the properties the Land Bank acquires will be blight elimination. As a result, many of these properties will be demolished.

Demolition may occur in conjunction with a transfer to a qualified end-user. Demolition may also occur while the Land Bank works to identify a side-lot end-user or users who will take title to the future unimproved land, or in coordination with land assembly for future use.

Every Land Bank demolition will be done to the standards required by the city of Youngstown, or to other higher standards as required by the municipality where the demolition takes place.

12. Maintenance

As a general policy, the Land Bank will work with qualified end-users, community-minded neighbors, and others to return a property to productive, private ownership as soon as possible. However, the Land Bank will acquire parcels that may require periodic maintenance while an end-user is solicited.

The Land Bank’s resources are best used to identify an end-user who will take title to the property and return it to productive use. With this in mind, the Land Bank will attempt to achieve an appropriate balance between necessary maintenance and the efficient use of its resources.
**Maintenance Properties**

When an inspection determines that a lot or structure has marketable potential and recommends against demolition, the parcel shall be considered a Maintenance Property.

To use resources most efficiently, the Land Bank will prioritize maintenance partnerships with public-sector or non-profit partners whenever possible. The Land Bank will seek qualified vendors as needed for all necessary maintenance on properties.

The Land Bank recognizes that the appropriate level of maintenance may vary property-to-property. Maintenance resources will be coordinated in such a way to most efficiently return the property to a productive use. When partnering with the public sector, the Land Bank will coordinate its maintenance with the existing maintenance schedule of the municipality.

Any residents, businesses, neighbors, block watches or other organizations interested in caring for vacant Land Bank properties are eligible to adopt a lot. The Adopt-a-Lot program will be offered at no cost.

**13. Insurance**

All properties that the Land Bank acquires will be covered by general liability insurance for the duration of the Land Bank’s ownership. The Land Bank may secure property insurance for those parcels with structures present that are not scheduled for blight elimination.

Factors to consider regarding the purchase of property insurance include the proposed length of Land Bank ownership and the present fair market value of the property.