



JEFFERSON COUNTY
LAND BANK

INTERIM REPORT 2017

Prepared By

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Date

September 19, 2017
Mid-Year Update

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1. A YEAR OF FIRSTS

On May 21, 2017, the Jefferson County Land Bank celebrated its third anniversary as an Ohio land bank. Like all organizations transitioning from a start-up, there is always opportunity to assess and reassess the mission, direction, processes and procedures used. General approaches can and should be fine-tuned to capture lessons learned and more appropriately address local conditions. Each Land Bank is different and each finds its own way to face local challenges and pursue opportunities with the resources and direction set by its Board. The Jefferson County Land Bank is no different and 2017 has seen an expansion of Land Bank programs and impact that will be reviewed in this document.

This has been a year of many firsts for the Jefferson County Land Bank:

- First Website: www.jeffersoncountylanbank.org
- First Logo (see front cover)
- First 40 or more House Demolitions in a Year
- First Demolitions in New Jurisdictions: Amsterdam, Irondale, Mount Pleasant Township, Rayland, Toronto and Warren Township
- First Rehab Property: 246 Hallock Avenue in Mingo Junction
- First Lease-to-Own with Purchase Option: A Parcel in Wells Township
- First Mineral Leases for Land Bank parcels in Smithfield Township
- First successes in securing properties through voluntary and subsidized lien releases.

We will be discussing each of these firsts in the pages to come.

The Land Bank has continued to refine its internal processes to drive greater customer service. Our new in-house parcel sale closing process allows a buyer to sign the purchase agreement and receive their deed in the mail in as little as a week. Demolitions are being managed more smoothly through the retained services of a local inspection contractor. Parcel maintenance has also been extended through MOUs with local jurisdictions and a contract with a local lawn care service provider.

In 2017, the Land Bank adopted the “Share the Wealth in Good Neighborhoods” strategy to increasingly target demolitions in areas throughout Jefferson County. While the Jefferson County Land Bank has received substantial demolition funding support through the federal Neighborhood Initiative Program or NIP, the dollars are still a fraction of what it would take to remove all blight throughout the County. Since we cannot do it all, we have instead moved to concentrate our efforts in “good neighborhoods” where demolitions can help stabilize and increase real estate values, and where local homeowners are eager to acquire the available parcels for expansions of their lawns, or perhaps a new garage or home addition. These targeted demolitions also help to alleviate public safety concerns including risk of arson.

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Through this “Share the Wealth in Good Neighborhoods” strategy, six (6) additional Jefferson County jurisdictions received demolition support in 2017. Our plans in 2018 will extend demolition support to at least an additional eight (8) jurisdictions.

2. IMPROVED PROPERTY REHAB PROGRAM

At the Land Bank, we at times have the opportunity to acquire properties that can have a second life. Solid homes with solid foundations, sides and roofs can be restored to effective use through much needed attention. It is nice to match these gems in the rough with a young couple wanting their first home, a good handyman owner, a returning veteran, or perhaps a family looking to escape poverty and subsidized housing. Besides the service of “match making”, the Land Bank clears the title to the property and holds that title until the new owner completes the agreed-to work plan.



In 2017, the Land Bank kicked off its Rehab program by “saving” 246 Hallock Avenue in Mingo Junction (see left figure). Through this process, the Land Bank is setting its policies for residential rehabbing and allowing a standard procedure to be utilized in expanding the properties that can be saved. An important part of this process is ensuring that properties in need of rehabilitation are brought up to code, at a minimum, or to quality housing standards as set by the Land Bank.

Properties throughout the County can be candidates for the future. The Land Bank has already set its sights on properties in Bergholz, Mount Pleasant, Steubenville and elsewhere. New rehab opportunities will be posted on the new Land Bank website, www.jeffersoncountylanbank.org.

The Land Bank will work with community groups, veterans associations, qualified contractors, individuals, and others seeking to purchase and rehab a home in order to return the property to private ownership.

3. SIDE-LOT AND VACANT LOT TRANSFERS

If an individual owner lives next to a vacant lot owned by the Jefferson County Land Bank, they may be eligible to purchase the lot to expand their yard at an attractive price. The Land Bank’s Side Lot program is a win-win for both parties: the adjacent land owner gets to expand their property for a nicer lawn, a home addition, perhaps a new garage or just more room for their kids to play. For the Land Bank, we get a property back into productive use and back on the tax rolls.

The Land Bank reserves the right to exclude certain properties from the Side Lot Program and/or restrict ownership rights:

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- The lot must be one quarter (1/4) acre or less in total area or Side Lot Program Pricing does not apply. The Land Bank will determine fair market value or agree to other pricing as approved by the Land Bank Board.
- Lots in areas determined to have existing or potential mineral deposits will be conveyed less any mineral and subsurface rights which will remain the property of the Land Bank.

If an individual, nonprofit, corporation, government or other entity is interested in a vacant, tax foreclosed lot, either commercial or residential, the Jefferson County Land Bank may be able to assist in the acquisition of that lot through the Vacant Lot Program. Under Ohio Statute, Land Banks had broad authority to acquire tax foreclosed properties and eliminate outstanding liens to “clear” property title. The Land Bank’s Vacant Lot Program is a win-win for both parties: an individual or organization gains ownership of a property free and clear without paying off the burdens created by the previous owner and which they were not responsible. For the Land Bank, we get a property back into productive use and back on the tax rolls.

Individuals or organizations interested in acquiring a tax foreclosed property or purchasing a vacant lot owned by the Land Bank must meet eligibility requirements:

- The Applicant must commit upfront to paying all Land Bank acquisition and transfer fees estimated from a Fee Schedule approved by the Land Bank Board.
- The Applicant must not have issued code violations from the local building and zoning authority for any properties he or she owns in Jefferson County.
- The Applicant must be current on all real estate taxes and assessments for all real property owned in Jefferson County.
- The Applicant must not be a prior owner of real property in Jefferson County that was transferred as a result of tax foreclosure proceedings.
- The Applicant must commit to maintaining the lot in accordance with all local building, housing and zoning codes.
- The lot must be vacant and unimproved real property with no structures, unless approved by the Land Bank.

The Land Bank reserves the right to exclude certain properties from the Vacant Lot Program and/or restrict ownership rights:

- A residential lot must be one quarter (1/4) acre or less in total area or Side Lot Program Pricing does not apply. The Land Bank will determine fair market value or other pricing as approved by the Land Bank Board.
- Properties are sold “as is”. The Land Bank takes no responsibility for any existing environmental or other hazards on the property.

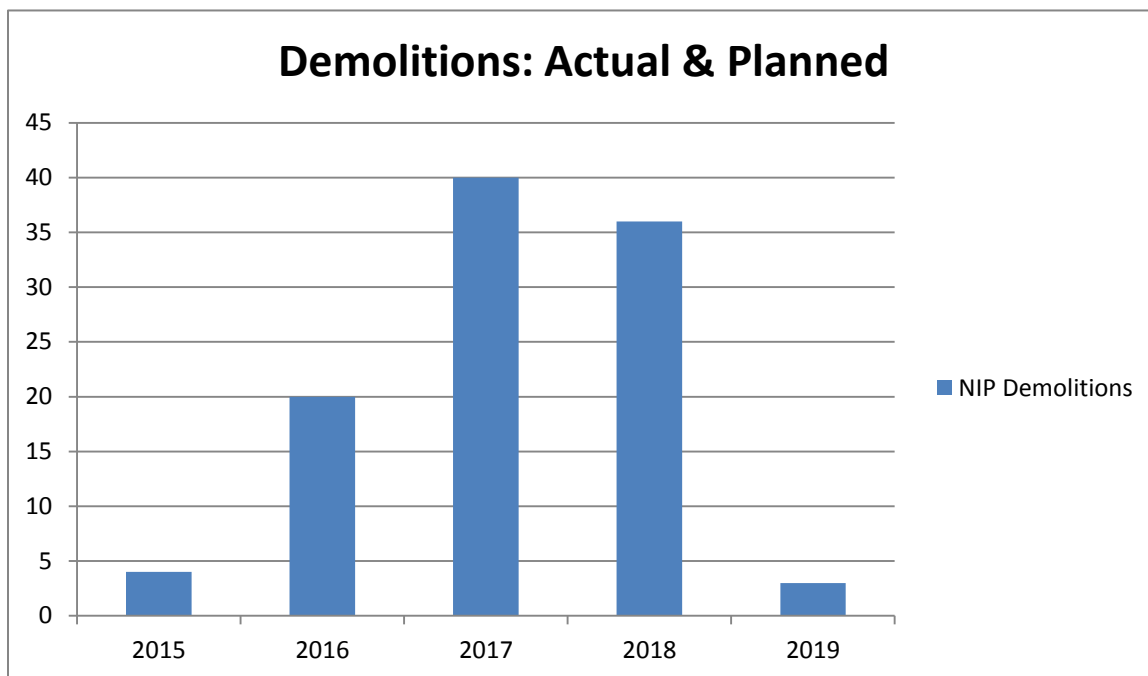
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- Lots in areas determined to have existing or potential mineral deposits will be conveyed less any mineral and subsurface rights which will remain the property of the Land Bank.

4. DEMOLITIONS

The removal of dilapidated/abandoned homes, that are unfit for human habitation and present both health and safety issues, is the strongest defense for neighborhoods and communities. The removal of “eye sores” serves affected areas and improves the quality of life of the surrounding community. Often economic development is inhibited by their presence. Blighted properties in a neighborhood can discourage potential buyers of adjacent properties and reduce property values by thousands of dollars. Blighted properties posed a threat to public safety, especially young children who try to enter the premises. Blighted properties are high arson risks as well as targets of vandalism, trash dumping, drug sales and other criminal activities.

The Land Bank’s demolition operations have expanded as financial resources and its experience has grown as illustrated in the figure:



And a growing number of targeted communities in Jefferson County are receiving the benefit of these demolitions as reflected in the following table:

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Jurisdiction	Target Demo # Goal	Past Demo Rounds	Current Demo Rounds	Target Gap
Adena	4	4	3	3
Amsterdam	3		1	-2
Bergholz	2			-2
Cross Creek TWP	2	1		-1
Dillonvale	5	3	3	1
Empire	1	1		0
Irondale	1		2	1
Island Creek TWP	1			-1
Knox TWP	6			-6
Mingo Jct.	12	1	4	-7
Mt. Pleasant	1			-1
Mt. Pleasant TWP	4		1	-3
New Alexandria	1			-1
Rayland	1		1	0
Smithfield	9	6	2	-1
Smithfield TWP	4	1		-3
Springfield TWP	1			-1
Steubenville	14	14	3	3
Steubenville TWP	3	3	1	1
Tiltonsville	4			-4
Toronto	5		1	-4
Warren TWP	3		2	-1
Wells TWP	10	3	3	-4
Yorkville	3			-3
Demolition Total:	100	37	27	
	Goal	Actual	Actual	

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As of the fall of 2017, sixty-four (64) demolitions will have been completed under the auspices of the Jefferson County Land Bank. Some sixteen (16) jurisdictions – cities, villages, townships – will have received the real estate and public safety benefits of these demolitions. In 2018 and beyond, we plan to expand our demolition efforts to encompass at least eight (8) additional jurisdictions.

Our NIP demolition target quotas are based on a normalized population distribution in NIP target areas. As reflected in the Table, we have had some or a lot of success in acquiring and demolishing abandoned homes in many jurisdictions. In others, we have faced acquisition obstacles hindering our efforts. In 2018, we intend to redouble our acquisition and demolition efforts in support of underserved areas such as Amsterdam, Bergholz, Knox Township, and Mingo Junction, to name a few.

Our demolition effort is financed through the Federal/State Neighborhood Initiative Program or NIP. Over the course of NIP, our Land Bank has received \$1.46MM to pay for approximately 100 property acquisitions and demolitions including remediation of any hazardous materials found. As of this fall, our Land Bank will have spent approximately 65% of those funds; the remainder to be spent in 2018.

5. NEW LAND BANK WEBSITE

On September 12, our Land Bank launched its web site: www.jeffersoncountylanbank.org. This robust website provides extensive background information on the Ohio land bank program as well as our history of growing achievements. Each of our four major programs – Side-Lot, Vacant Lot, Improved Property Rehabilitation (Rehab), Property Donation -- is described and application forms for each are downloadable. The system also provides interactive maps showing the locations of demolitions, available parcels for purchase, and available rehab opportunities. The following Table describes our web site structure and contents:

Themes	*Defend (Demolitions) *Restore (Rehab) *Revitalize (Land Bank Authority & Tools for Land Redevelopment)
Programs & Forms	*Side-Lot *Vacant Property *Improved Property (Rehab) *Donations
Policies & Procedures	*Code of Regulations *Ethics *Public Records *Fiscal Matters *County Agreement & Plan
Case Studies	*Good Neighborhood: 214 Longview *Local Civic Support: 601 Commercial *Public Benefit: Wells Township Haunted House
Properties for Sale	*Lots (Map) *Properties (Map)

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Demolitions	*Demo Locations (Map) *List Download *NIP
Admin	*Board *Team *Partners *Meeting Schedule
Contact	*Contact Page *Web Form *Newsletter (2017 Interim Report) Download

6. OTHER HIGHLIGHTS FOR THE YEAR

With several property acquisitions, our Land Bank was able to secure subsurface mineral rights resulting in signing bonuses and ongoing oil & gas royalties. These funds will be used to finance additional demolitions and/or other Land Bank programs.

We were also able to secure the release of mortgage and other secondary liens on several properties of keen interest to the Land Bank. While we often requested and received voluntary lien release, we did on occasion offer partial compensation to facilitate the release. Compensation funds were provided by local jurisdictions. We see the ability to secure lien releases to be a crucial piece for the long-term effectiveness of the Land Bank.

On a select basis, the Land Bank has agreed to lease a parcel to a future owner in exchange for maintaining the property for three years. Each year of maintenance is credited \$400 to the eventual purchase and transfer of the property. This option is attractive in cases where the future owner must pay market price for the land.

Our Land Bank was also selected to present a case study at the 2017 Ohio Land Bank Conference held in Cleveland on September 11-13. Our case study highlighted the active involvement of a local civic group (Mingo Revitalization Committee) in facilitating the planning and funding for the 601 Commercial Street demolition in Mingo Junction.

7. A TOOL FOR REVITALIZATION

Under Ohio Revised Code, Land Banks have been granted broad authority to help facilitate the redevelopment of neighborhoods and commercial centers, and provide the land for new economic and social development.

The Land Bank serves four purposes:

1. Facilitate the reutilization of vacant, abandoned, and tax-foreclosed real property in order to prevent further decline in local real estate values;
2. Efficiently hold and manage vacant, abandoned, or tax-foreclosed real property pending its reutilization;

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3. Assist entities to clear the title of property and assist with coordinating and assembling properties; and
4. Promote economic and housing development in the county or region by clearing a path for private sector re-engagement.

By using the legal tools a land bank provides, a community can ensure that tax-foreclosed property is sold or developed with the long-term interest of the community and surrounding property owners in mind. Under Ohio Revised Code, land banks have the authority to clear out old liens and thus provide marketable title to properties previously impossible to develop due to existing, complicated liens and confused ownership histories. Outstanding liens are eliminated to clear the property's title. A county land bank has the authority to extinguish all private mortgages, liens, and state and local taxes and fees.

But a word of caution, legal authority is not a “magic wand” where title and other problems just miraculously disappear. Authority can only be exercised through resources, time, process and patience, plus the cooperation of individuals, communities, financial institutions, government agencies, the courts... Each property that arrives at a land bank's doorstep has its own history of misuse, neglect, and legal entanglements which affect how it is dealt with. ***Not every issue can be resolved in an efficient or timely manner.***

Land banks have the ability to acquire, manage, clear, demolish, rehabilitate, and develop tax-foreclosed properties. Land banks can hold properties in reserve and acquire additional properties that fit into a master plan for community and commercial redevelopment.

Land banks can serve broader county, multi-jurisdictional needs. Jefferson County is fortunate to have a county-wide redevelopment resource and agent for change. As our Jefferson County Land Bank becomes more established, County citizens should expect leadership, innovative redevelopment strategies, and growing results.

You have gotten to know us through the increasing number of demolitions that have been conducted around the County, but that is only the beginning

8. CONTACT

The public is encouraged to routinely review the Jefferson County Land Bank web site for program and property updates. The Land Bank is administered through the Jefferson County Regional Planning Commission. Contact information is provided on the front cover.