

Jefferson County Land Reutilization Corporation

Disposition of Properties

As part of its primary mission, the Jefferson County Land Reutilization Corporation (“Land Bank”) will dispose of properties in a manner which will improve the quality of neighborhoods, increase land values, create diverse housing opportunities and return properties to the tax rolls. *In evaluating the best disposition for any property acquired or to be acquired by the Land Bank, the Land Bank has the responsibility to engage in a qualitative analysis of the proposed uses of the property.*

A. General Disposition Considerations and Prohibitions

1. Eligible End Users—In order to facilitate its redevelopment mission and return property to long-term productive use, the Land Bank will require all prospective end-users to qualify for transfers based on criteria approved by the Jefferson County Land Bank Board.
 - a. Individuals and entities that were the prior owners of property at the time of the tax foreclosure which transferred title to the Land Bank shall be ineligible to be the transferee of such property from the Land Bank.
 - b. The transferee must not own any real property within Jefferson County which:
 - i. Has any un-remediated citation or violation of Ohio statute or local ordinances;
 - ii. Is tax delinquent; or
 - iii. Was transferred to a local government as a result of tax foreclosure proceedings within the past 5 years.
 - c. 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 preceding the submission of the application (except in rental cases).
 - d. *Due to the variation in size and use of commercial property, the Land Bank has determined that it will evaluate commercial projects and consider the qualification of end-users on a project-by-project basis. Applications with identified end-users shall provide documentation of the financial viability of the project, including:*
 - i. Identified funding sources and financial wherewithal:
 1. *Business financial statements from the previous 3 years, (if available)*
 2. *Business tax filings from the previous 3 years, (if available)*
 3. *Development budget, and*
 4. *Income documentation*
 - ii. Planned improvements,
 - iii. Pre-lease agreements with potential tenants,
 - iv. Previous experience with potential tenants,
 - v. Development team qualifications, *including complete information on the following parties:*
 1. *Developer and any co-developer(s) or partner(s),*

- 2. *General contractor,*
 - 3. *Consultants,*
 - 4. *Architects,*
 - 5. *Project manager, and*
 - 6. *Construction lender(s).*
 - vi. *Developer's equity in the project,*
 - vii. *Timeline for completion,*
 - viii. *Evidence of community support, and*
 - ix. *Any other information that the Land Bank may require on a project-by-project basis.*
2. *Transfer of Title—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. When property is to be transferred to an end user on the condition that the end user complete renovation, demolition, or other work on the property, closing may be handled with using a deed-in-escrow or through the use of an Enforcement Note and Mortgage.*
- a. *Deed-in-Escrow—When, in the sole discretion of the Land Bank Board, it is necessary or convenient for the Land Bank to retain the title to property until the completion of any required work, the following procedure may be implemented:*
 - i. *The Land Bank will retain title to the property at closing, and the deed transferring title to the end user will be held in escrow either in-office or with the closing agent.*
 - ii. *Title will transfer following the completion of the work to be completed and passage of the necessary inspection(s) required by the Land Bank.*
 - iii. *When the work is completed and the property passes the required inspection(s), the Land Bank or closing agent will transfer title to the property to the end user.*
 - b. *Enforcement Note and Mortgage—When, in the sole discretion of the Land Bank Board, it is prudent to transfer title to the end user prior to the completion of required work, the following procedure may be implemented:*
 - i. *Title will transfer to the end user at closing, at which time the end user will personally execute the Enforcement Note and Mortgage, which shall secure the subject property.*
 - ii. *The amount of the Enforcement Note shall be the greater of the sale price of the property or the Land Bank's projected renovation costs, demolition costs, or the costs of other required work for the property.*
 - iii. *When the work is completed and has passed the inspection(s) required by the Land Bank, the Land Bank will notify the end user with written confirmation that the property has passed the required inspection(s) in satisfaction of the Land Bank's conditions, and the Land Bank will record a satisfaction of the Enforcement Note and Mortgage.*
3. *Notice of Application for Acquisition/Marketing of Properties—When the Land Bank has received an application from a potential end user requesting that the Land Bank acquire*

property, or when the Land Bank owns property available for purchase with no qualified end user identified, the Land Bank shall publish the information on its website for a minimum of twenty-one (21) days, and may place signage on the property advertising its sale. The Land Bank may also reach out directly to adjoining property owners or others who may have an interest in acquiring the property owned or to be acquired by the Land Bank.

4. *General Disposition Timeline/Procedure:*

- a. *The Land Bank accepts expressions of interest from individuals, companies, governments, non-profit agencies or others for acquisition of property, or the Land Bank accepts applications for property owned by the Land Bank.*
- b. *The Land Bank conducts due diligence on property to be acquired by Land Bank*
 - i. *Identify the need for acquisition*
 - ii. *Cost-benefit analysis*
 - iii. *Conduct site visit*
 - iv. *Review applicable zoning and land use regulations*
 - v. *Title work completed*
 - vi. *If the Land Bank believes the property is appropriate for one of its programs, advertise for end users.*
- c. *Land Bank Administrator, or Land Bank Board when appropriate, makes decision to accept or reject request for acquisition or to sell property owned by Land Bank to a qualified end user. All decisions are final.*
- d. *Applicant(s) notified of the Land Bank decision.*
- e. *Selected applicant and Land Bank agree on purchase price, conditions of purchase agreement.*
- f. *If the property is to be acquired by the Land Bank, the Land Bank takes all steps necessary to acquire title.*
- g. *Land Bank Board of Directors approves deed transfer to end user.*
- h. *If end user fails to complete transaction, municipality and other applicants notified that property is available.*
- i. *If no end user is identified, Land Bank evaluates actions needed to stabilize property.*

B. Disposition of vacant properties

Unimproved property that the Land Bank owns or is acquiring is eligible to be purchased through the Vacant Lot Disposition Program, under the conditions listed below. The transfer of any given parcel of property in the Vacant Lot Disposition Program is subject to override by higher priorities as established by the Land Bank. Individuals interested in purchasing a vacant lot contiguous to their property may apply through the Side Lot Disposition Program.

1. **Qualified Properties**—parcels of property eligible for inclusion in the Vacant Lot Disposition Program shall meet the following minimum criteria:
 - a. The property shall be vacant unimproved real property.

- b. The property shall be owned or being acquired by the Land Bank, either as an unimproved lot or with the intention of demolishing any structures that currently exist on the land.
 - c. Intended use for the lot must be disclosed by the intended recipient. Use must comply with any applicable zoning and must be included in approved uses as specified by the city, village or township.
 - d. The transfer may include a deed restriction requiring the use of the property to be consistent with the stated use.
- 2. Pricing—properties sold as a vacant lot shall be priced per the pricing guidelines approved by the Land Bank Board. Title examination and insurance, if desired, and recording fees are the responsibility of the transferee and are not included in the sale price.
- 3. Transfer Procedure
 - a. The Land Bank will accept applications from property owners who wish to acquire a vacant lot.
 - b. The Land Bank will attempt to facilitate a transfer of the vacant parcel to an end-user based on the following priorities:
 - i. Local governments
 - ii. Local non-profit agencies
 - iii. Local for-profit agencies
 - iv. Individuals who are residents of Jefferson County
 - v. Other
 - c. Having identified a vacant lot end user or users, the individual(s) so designated by the Land Bank Board will be authorized to facilitate a transfer of the property without further Board approval.
 - d. The Land Bank will prepare and provide a quit claim deed for the property and otherwise facilitate closing.

C. Side Lot Disposition Program

- 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 owned or being acquired by the Land Bank, either as an unimproved lot or with the intention of demolishing any structures that currently exist on the land.
 - c. The property shall be physically contiguous to adjacent property with not less than a 50% common boundary line on one side.
 - d. Initial priority shall be given to the disposition of properties of insufficient size to permit independent development.
 - e. No more than one lot may be transferred per contiguous lot, except with the authorization of the Land Bank Board.
 - f. Intended use for lot must be disclosed by the intended recipient. Use must comply with any applicable zoning and must be included in the approved uses as specified

by the city, village or township. The transfer may include a deed restriction requiring the use of the property to be consistent with the stated use.

2. Pricing

Properties sold as a side lot to an adjacent owner shall be priced per the pricing guidelines approved by the Land Bank Board. Title examination and insurance, if desired, and recording fees are the responsibility of the transferee and are not included in the sale price.

3. Transfer Procedure

- a. The Land Bank will accept applications for Side Lots from contiguous property owners who wish to acquire an adjoining property.
- b. The Land Bank will attempt to facilitate a transfer of the parcel to a single side-lot owner whenever possible.
- c. In the event that multiple adjacent property owners desire to acquire the same side lot, priority will be given to the adjacent property owner who resides in the adjacent property. Should more than one adjoining properties be owner-occupied, the property may be divided and transferred among the interested contiguous property owners. To facilitate such a transaction, the adjacent owners may be required to pay the costs of a required survey of the land in order to split the parcel, in addition to the standard consideration.
 - i. In the event of two or more interested purchasers, a contiguous property owner who needs the parcel for a driveway or any other local code compliance issue will receive priority.
 - ii. In all other cases, the property will be sold to the highest bidder.
- d. Having identified a side-lot end user or users, the individual(s) so designated by the Board will be authorized to facilitate a transfer of the property without further Board approval.
- e. The Land Bank will prepare and provide a quit claim deed for the property and otherwise facilitate closing.

D. Disposition of Improved *Residential* Properties (*Rehabilitation Policy*)

Improved *residential* property that the Land Bank owns or is acquiring is eligible to be purchased through the Improved *Residential* Property Disposition Program, under the conditions listed below. The transfer of any given parcel of property in the Improved *Residential* Property Disposition Program is subject to override by higher priorities as established by the Land Bank.

1. Qualified Properties—parcels of property eligible for inclusion in the Improved *Residential* Property Disposition Program shall meet the following minimum criteria:

- a. The property includes a residential structure
- b. The property has been inspected by the Land Bank to determine if the structure has the potential for rehabilitation
 - i. *The Land Bank will utilize a building inspector and/or certified contractor and/or Land Bank staff to evaluate the condition of the structure, identify required repairs and estimate the cost of the repairs.*

- ii. *Minimum rehabilitation requirements will be based on local building codes and repairs necessary to obtain a certificate of occupancy.*
 - iii. *The Land Bank may establish specific quality housing standards that exceed minimum building code requirements.*
 - c. The property shall be owned or being acquired by the Land Bank
 - d. Intended use for the property must be disclosed by the intended recipient. Use must comply with any applicable zoning and must be included in approved uses as specified by the city, village or township.
 - e. The transfer may include a deed restriction requiring the use of the property to be consistent with the stated use.
2. Pricing—Properties sold as improved *residential* properties will be priced in accordance with the approved guidelines. Title examination, title insurance and recording fees are not included in the sale price. Any variation from pricing guidelines must have Board approval.
3. Transfer Procedure
- a. *The Land Bank will maintain a list of homes available for rehab, including basic property information, such as parcel number, address, neighborhood, square feet, and availability. Such list may be displayed in a manner determined by the Land Bank (i.e. website, hard copy maintained in the Land Bank office, etc.).*
 - b. The Land Bank will accept applications for improved *residential* properties from individuals, companies, governments, non-profit agencies or others who wish to acquire one or more improved *residential* properties.
 - c. *Additional Eligible End User requirements may be applied to those interested in acquiring Land Bank rehab properties, including the following:*
 - i. *The applicant's company and its principal officer or officers may be vetted for chronic tax delinquency, chronic housing court problems, violent crime and chronic lawsuits involving rehabilitation and/or subcontractor disputes, which information is readily accessible on public data sites.*
 - ii. *The Land Bank will review verified, previously successful rehabs, and any references from other Community Development Corporations or city officials.*
 - iii. *After reviewing the requirements for Eligible End Users, and the additional End User requirements, the Land Bank will determine whether a property will be sold directly to an applicant, rehabbed by the Land Bank and sold to another purchaser, sold to the applicant using Deed-in-Escrow or Rehabilitation Enforcement Note and Mortgage methods, or the applicant is rejected the property offered to other applicants.*
 - d. The Land Bank will attempt to facilitate transfer of an improved *residential* parcel to an end-user based on the following end-use priorities:
 - i. Home ownership
 - ii. Historic preservation
 - iii. Rental
 - iv. Institutional/public use
 - v. Other

- e. Improved *residential* properties may be transferred under one of the following scenarios:
 - i. An improved *residential* property that is available for immediate occupancy may be transferred directly to a qualified end-user.
 - ii. Property in need of repair prior to occupancy shall be transferred to an approved eligible end user for rehabilitation according to the provisions of this section and paragraph D.3.c.
 - iii. Having identified an end user or users, the individual(s) so designated by the Board will be authorized to facilitate a transfer of the property without further Board approval.
 - iv. The Land Bank will prepare and provide a quit claim deed for the property and otherwise facilitate closing.
- f. *The Land Bank may retain an interest in the residential property by way of holding the deed in escrow, or by requiring the end user to execute a Renovation Enforcement Note and Renovation Enforcement Mortgage in an amount equal to the greater of the sale price of the property or the Land Bank's projected renovation costs for the property. If the work to be completed by the end user is demolition or construction, rather than renovation, an appropriate note and mortgage shall be executed by the end user. When the appropriate work is completed and the property is safe, functional, and habitable in satisfaction of the Land Bank's conditions, a satisfaction of the applicable Note and Mortgage shall be filed by the Land Bank*

E. Disposition of Commercial Property

Commercial property that the Land Bank owns or is acquiring is eligible to be purchased through the Commercial Property Disposition Program, under the conditions listed below. The transfer of any given parcel of property in the Commercial Property Disposition Program is subject to override by higher priorities as established by the Land Bank.

1. *Qualified Properties—parcels of property eligible for inclusion in the Commercial Property Disposition Program shall meet the following minimum criteria:*
 - a. *The property includes a commercial structure, brownfield site, or has been determined by the Land Bank Board to be otherwise appropriate for commercial development.*
 - b. *If the property includes a commercial structure, the property has been inspected by the Land Bank to determine if the structure has the potential for rehabilitation.*
 - c. *The property shall be owned or being acquired by the Land Bank.*
2. *Pricing—Properties sold as commercial properties will be priced in accordance with the approved guidelines. Title examination, title insurance and recording fees are not included in the sale price. Any variation from pricing guidelines must have Board approval.*
3. *Transfer Procedure*
 - a. *The Land Bank will accept applications for improved commercial properties from individuals, companies, governments, non-profit agencies or others who wish to acquire one or more commercial properties. Those interested in acquiring*

commercial property with the assistance of the Land Bank should work with the Land Bank Administrator to complete the appropriate application and, if appropriate, refer the application for review and recommendation to the Land Bank Board. 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 surrounding properties;*
 - iii. Create new businesses or employment opportunities;*
 - iv. Preserve historic structures;*
 - v. Create new housing opportunities;*
 - vi. Increase walkability or access to public transit; and*
 - vii. Assist in the remediation of a brownfield site.*
- b. Non-Competitive Disposition*
- i. If an end user is the only qualified person requesting the property and the property has been advertised for at least 21 days on the Land Bank website, then the Land Bank Board may authorize entrance into a contract for sale with the end user, specifying a price based on Land Bank pricing policies.*
 - ii. The Land Bank will then direct its attorney or other legal counsel to prepare the proper deed to transfer the property to the end user.*
 - iii. The agreed-upon price shall be paid at the time the contract is signed and the deed is transferred.*
- c. Competitive Disposition*
- i. When two or more qualified end users have submitted completed applications for a property, the Land Bank Board will make the final determination as to disposition, weighing all of the factors as to proposed uses and the ability of the applicants to fulfill their plan as well as the factors listed in Section E.3.a. above.*
 - ii. The Land Bank will notify all applicants of its decision.*
 - iii. The Land Bank will then direct its attorney or other legal counsel to prepare the proper deed to transfer the property to the selected end user.*
 - iv. The agreed-upon price shall be paid at the time the contract is signed and the deed is transferred.*
 - v. If the selected end user fails to complete the purchase of the property, the Land Bank shall repeat the appropriate process for Non-Competitive or Competitive Disposition of the commercial real estate.*
 - vi. If the Land Bank Board, in its sole discretion, determines that two or more applicants are qualified end users and that their applications are equally acceptable to the Land Bank, the Land Bank may solicit and accept the highest and best offer to purchase the property.*
- d. The Land Bank may retain an interest in the commercial property by way of holding the deed in escrow, or by requiring the end user to execute a Renovation Enforcement Note and Renovation Enforcement Mortgage in an amount equal to the greater of the sale price of the property or the Land Bank's projected renovation*

costs for the property. If the work to be completed by the end user is demolition or construction, rather than renovation, an appropriate note and mortgage shall be executed by the end user. When the appropriate work is completed and the property is safe, functional, and habitable in satisfaction of the Land Bank's conditions, a satisfaction of the applicable Note and Mortgage shall be filed by the Land Bank.

F. Transfer of Property for Demolition

When sale of a property for renovation or development is not viable, properties with a vacant structure or garage may be sold to end users who will demolish the structure or structures, and then use the land for purposes disclosed to the Land Bank upon application.

- 1. Qualified Properties—parcels of property eligible for transfer for Demolition shall meet the following criteria:*
 - a. The property includes a residential or commercial structure that has been deemed unsafe, unstable or irreparable and the Land Bank determines that disposition prior to demolition by the Land Bank is warranted.*
 - b. The property shall be owned or being acquired by the Land Bank.*
 - c. The intended use for the property following demolition must be disclosed by the intended recipient, with said use to comply with any applicable zoning and must be included in approved uses as specified by the city, village or township.*
 - d. The transfer may include a deed restriction requiring the use of the property to be consistent with the stated use.*
- 2. Pricing—Properties sold to private parties for demolition will be priced in accordance with the approved guidelines. Title examination, title insurance and recording fees are not included in the sale price. Any variation from pricing guidelines must have board approval.*
- 3. Transfer Procedure*
 - a. The Land Bank will accept applications for improved properties to be demolished from individuals, companies, governments, non-profit agencies or others who wish to acquire one or more such properties. Interested parties should work with the Land Bank Administrator to complete the appropriate application and, if appropriate, refer the application for review and recommendation to the Land Bank Board. Applications for improved properties to be demolished shall include all of the following:*
 - i. That the interested party has obtained at least one quote for the demolition of the structure or structures by a licensed demolition contractor.*
 - ii. That they have the funding available to demolish the structure or structures, consistent with the quote provided.*
 - iii. That they meet the requirements of an Eligible End User as described above.*
 - b. Non-Competitive Disposition*
 - i. If an end user is the only qualified person requesting the property and the property has been advertised for at least 21 days on the Land Bank website, then the Land Bank Board may authorize entrance into a contract for sale with the end user, specifying a price based on Land Bank pricing policies.*

- ii. *The Land Bank will then direct its attorney or other legal counsel to prepare the proper deed to transfer the property to the end user.*
 - iii. *The agreed-upon price shall be paid at the time the contract is signed and the deed is transferred.*
- c. *Competitive Disposition*
 - i. *When two or more qualified end users have submitted completed applications for a property, the Land Bank Board will make the final determination as to disposition, weighing all of the factors as to proposed uses and the ability of the applicants to fulfill their plan.*
 - ii. *The Land Bank will notify all applicants of its decision.*
 - iii. *The Land Bank will then direct its attorney or other legal counsel to prepare the proper deed to transfer the property to the selected end user.*
 - iv. *The agreed-upon price shall be paid at the time the contract is signed and the deed is transferred.*
 - v. *If the selected end user fails to complete the purchase of the property, the Land Bank shall repeat the appropriate process for Non-Competitive or Competitive Disposition of the commercial real estate.*
 - vi. *If the Land Bank Board, in its sole discretion, determines that two or more applicants are qualified end users and that their applications are equally acceptable to the Land Bank, the Land Bank may solicit and accept the highest and best offer to purchase the property.*
- d. *The Land Bank may retain an interest in the property by way of holding the deed in escrow, or by requiring the end user to execute a Demolition Enforcement Note and Demolition Enforcement Mortgage in an amount equal to the greater of the sale price of the property or the Land Bank's projected demolition costs for the property. When the demolition is completed and the property is safe, functional, and habitable in satisfaction of the Land Bank's conditions, a satisfaction of the applicable Note and Mortgage shall be filed by the Land Bank.*

G. Disposition of Properties Acquired Pursuant to the Alternative Redemption Period on or after April 3, 2025

Notwithstanding any provision contained herein to the contrary, any property acquired by the Land Bank through the invocation of the Alternative Redemption Period contained in Ohio R.C. § 323.78 on or after April 3, 2025, shall be sold using the following procedures:

1. The Land Bank shall sell any property acquired pursuant to this section by public auction conducted by the sheriff or a designee of the sheriff, or by solicitation of sealed bids, as determined by the Land Bank Board.

2. The Land Bank shall maintain a record of costs and other amounts incurred by the Land Bank pursuant to R.C. § 323.78(D)(2), and shall deliver to the Jefferson County Treasurer any sale proceeds received in excess of those costs.
3. The Land Bank shall retain a record of all amounts calculated pursuant to R.C. § 323.78(D)(2) for a period of three (3) years after the sale date of any property sold pursuant to this section.

Adopted by Land Bank Board

4-10-25