

**MEMORANDUM OF UNDERSTANDING**  
**of the Lucas County Land Reutilization Corporation, an Ohio community improvement corporation, and the City of Oregon, an Ohio municipal corporation**

**This Memorandum of Understanding** ("MOU") is made and entered into by and between the Lucas County Land Reutilization Corporation, an Ohio community improvement corporation (the "Land Bank"), and the City of Oregon, an Ohio municipal corporation (the "City"), known collectively herein as "the Parties," for the purposes of furthering the mutual goals of the Parties, furthering collaboration between the Parties, establishing policies and procedures that allow the Parties to undertake their respective business collaboratively and concurrently, and for all other purposes that further the mutual goals and interests of the Parties.

This MOU is made effective as of 11/1/2018 (the "Effective Date").

The Land Bank has been organized under Sections 1724 and 5722 of the Ohio Revised Code to further its goals of strengthening neighborhoods by returning vacant and abandoned property to productive use, strategically acquiring properties to reduce blight, promoting economic development, increasing property values, and thereby improving the quality of life of all Lucas County residents, and for any additional lawful purposes consistent with these goals.

The Parties desire to collaborate and cooperate in furthering the goals of the Land Bank through the reclamation, rehabilitation and reutilization of vacant, abandoned, tax foreclosed or other real property located in the City of Oregon, Lucas County, Ohio.

This MOU formalizes discussions between the Parties toward entering into a binding agreement with respect to the rights, duties and obligations of the Land Bank and the City, and the Parties collectively, subject to further amendment and revision as described herein.

**THEREFORE**, the Land Bank and the City each agrees to the following:

**ARTICLE I**  
**Acquisition and Disposition**

- 1. Statutory Protocols.** Pursuant to S.B. 353 enacted by the 127<sup>th</sup> Ohio General Assembly and signed by the Ohio Governor on January 6, 2009, and as thereafter amended through H.B. 313 and signed by the Ohio Governor on May 7, 2010 and amended thereafter, a municipality that lies within a county that has established a county land reutilization corporation possesses certain preemptory rights with respect to properties that are or may be acquired by the county land reutilization corporation. These statutory rights, which the Parties hereby acknowledge and agree to respect, shall be exercisable by the City at its discretion, and include the following:
- 2. Procedures for Transfer of Property.** In order to facilitate the return of vacant and abandoned property to productive use, which is a primary objective of both the City and the Land Bank, the Parties hereby agree that if one Party wishes to acquire title to real property that the other owns or expects to acquire, the requesting Party shall provide the other Party with notice that it wishes to acquire title to the property in question. Such notice shall be provided as follows:

If to the City: City of Oregon  
Attn: City Administrator  
5330 Seaman Road  
Oregon, Ohio 43606

If to the Land Bank: Lucas County Land Bank  
Attn: President  
One Government Center, Ste. 580  
Toledo, Ohio 43604

Either Party shall either grant or deny a request to acquire property within ten (10) days of receipt of the request. If a Party grants a request to acquire title, the Parties shall enter into a purchase agreement for the property. Property shall be transferred between the Parties for nominal or no monetary consideration, unless otherwise agreed to by the Parties. Closing shall occur within thirty (30) days from the date of the purchase agreement and shall not require a face-to-face meeting prior to closing. The Land Bank shall record the deed conveying title to the property unless otherwise directed by the City. No Party may deny a request to acquire property without good cause.

The Parties recognize that pursuant to R.C. §§ 5722.03-.04, the City may directly acquire non-productive land that is subject to a pending tax foreclosure action before such land is set for auction at sheriff's sale, or from the forfeited non-productive land list, and has first priority to acquire non-productive land. If the City wishes to exercise its preemptory right to acquire non-productive land, it may direct the Land Bank to directly convey title to such land. The Land Bank shall honor such direction, but only with respect to non-productive land on which the City would have had the ability to exercise its statutory preemptory right of acquisition. If the City does not direct the Land Bank to convey title in such non-productive land to the City within thirty (30) days of the Land Bank's acquisition of such property, the Land Bank shall not be under an obligation to convey title in such property to the City.

3. **Acquisition Costs.** If the City acquires property through the Land Bank, the City agrees to reimburse the Land Bank for any costs the Land Bank incurs in acquiring that property, including without limitation: (i) acquisition costs for properties acquired from the forfeited lands list, (ii) holding costs incurred by the Land Bank in the ordinary course of business (e.g., storm water charges); (iii) costs for the prosecution of the tax foreclosure case associated with the property to be acquired; and, (iv) any other costs incurred by the Land Bank. The Land Bank may waive the collection of these costs at its discretion.
4. **Agreement to Hold and Maintain Vacant Land.** The Parties recognize that from time to time the Land Bank will acquire title to properties located in the City of Oregon for which it does not have a long term end use. To further the mutual goals of the Parties, the Land Bank may transfer vacant land for which it does not have a long term end use to the City for long term holding and maintenance. Such transfers shall at all times be with the consent of the City.
5. **Municipal Preemption in Tax Foreclosures.** Upon tax foreclosure by the County Treasurer against properties within the City, the Land Bank and the City are each eligible to take title to such property, whether through deed in lieu of foreclosure, Board of Revision tax foreclosure, or judicial tax foreclosure. In the event that both the Land Bank and the City wish to acquire such tax foreclosed property, the City shall have the first right and priority to acquire such property following tax foreclosure, but shall exercise this right through the Land Bank, in accordance with the procedures for acquisition set forth herein.

**ARTICLE II**  
**Indemnification of Land Bank from Liability for Special Tax Assessments**

As consideration for the Land Bank taking title to, maintaining, demolishing or marketing real property located in the City of Oregon that is vacant, abandoned, or difficult to market, and for the purposes of facilitating these activities, the City shall not enforce any non-bonded special tax assessments that it has placed on property the Land Bank owns. The Land Bank shall be liable for any such bonded special tax assessments.

Prior to providing the special tax assessment certification annually to the County Auditor, the City shall remove any special tax assessments that the City has agreed to waive under this MOU from Land Bank owned parcels. The City shall separately provide the Land Bank with an annual list of parcels owned by the Land Bank in which bonded tax assessments have been imposed and will be collected. Property the Land Bank owns shall not be subject to non-bonded special tax assessments for the remainder of the tax year in which the property transfers to a private owner.

**ARTICLE III**  
**Demolition Protocols**

1. **Specifications for Demolitions within City.** Demolitions shall be considered complete when the following specifications have been met:
  - a. Demolish primary residential structure and all ancillary structures on property, including garages and sheds, and all paved surfaces, including driveways, private walkways and patios.
  - b. Haul debris from the demolition sites to an appropriate landfill for disposal, and make available verified original receipts from an approved land fill or dump site evidencing that the debris has been disposed of in a proper manner when requested.
  - c. Remove the foundation to at least 18 inches below the finished grade, dispose of properly, and crush the basement floor to allow for proper drainage at the site.
  - d. Retain sidewalks and public right of ways unless otherwise indicated. Damage to a sidewalk or public right of way must be corrected or repaired within 30 days from the date of damage.
  - e. In-fill of foundation with materials that meet or exceed the trade standard that will allow a proper grade on the finished lot, and that will allow grass to grow on the finished lot.
  - f. Following the removal of the structure(s) and the hauling of debris, provide a finished site that is level and free from debris, including along lot lines, and that is properly graded and compacted. Cover the site with at least 1" top soil, seed the site at a rate of 6 lbs per 1000 sq. ft., and provide a cover of straw if necessary. City is responsible for ensuring that grass is growing on the site and that the site can be safely mowed and maintained.
  - g. Secure any necessary permits or proceed orders related to the demolition and hauling of a residential structure, and provide written proof of same when requested.

- h. Provide all necessary protections and take all necessary precautions that are required to protect workers and bystanders from injury during the entirety of the demolition process.
  - i. Maintain property and keep property and surrounding area clean and free from excess debris on a daily basis during the course of demolition and following completion of demolition.
  - j. Perform all work in a professional, safe and/or workmanlike manner, and not undertake or participate in any unlawful activities.
2. **Demolition Work Generally.** The Parties may agree to work together to demolish certain properties within the City. Determinations on such demolitions will be made collectively between the Parties on a case by case basis.

#### **ARTICLE IV Nuisance Abatement**

The Parties acknowledge that the Land Bank is actively working to correct nuisance conditions not caused by the Land Bank on properties the Land Bank owns, either through demolition, rehabilitation, or maintenance. In consideration of the Land Bank's efforts in the City, the City shall not issue code enforcement citations, nuisance abatement work orders, or associated invoices to the Land Bank, but may choose to abate nuisance conditions on properties the Land Bank owns at the City's sole discretion and expense.

#### **ARTICLE V Maintenance Protocols**

The Land Bank and its agents shall maintain all of the properties it owns in a manner consistent with the following specifications:

- a. The Land Bank shall endeavor to maintain property in such a way that maintains the property values of adjacent and nearby properties, and that ensures the future marketability of the property.
- b. The Land Bank shall mow the properties it owns at least once monthly during all growing months, or at the discretion of the Land Bank. The Land Bank or its agent shall mow to the length of 4-6 inches or lower at each mowing.
- c. The Land Bank shall trim any additional vegetation on a vacant unimproved property or on the frontage of improved property on a regular basis and to the industry standard.
- d. The Land Bank shall endeavor to keep property free from litter and debris.
- e. The Land Bank shall endeavor to board or otherwise secure any open entry points on any vacant structures that the Land Bank owns if not already boarded or secured by City representatives.
- f. The Land Bank shall maintain all properties that it owns in a manner consistent with the Maintenance Protocols provisions set forth in the Land Bank's Policies and Procedures.
- g. The Land Bank or its agent shall maintain multi-family, commercial, and industrial properties in the same manner that it shall maintain its single family residential properties, except that the Land

Bank shall be under no obligation to maintain the property under this section if the property is located adjacent to a parcel or parcels that are not maintained or are in a natural state, or that are not located in a residential area, to the extent that the lack of property maintenance will not have an adverse effect on property values for the surrounding area or on the future marketability of the property or to the extent the lack of maintenance does not impose a threat to public health or safety.

## ARTICLE VI

### Term; Amendment; Construction; Notices; Assignment; Termination

- 1. Term of MOU.** Subject to the termination provisions below, this MOU shall be in effect in perpetuity, and may only be amended or terminated by mutual written agreement of both Parties.
- 2. Amendment of MOU.** This MOU may be amended at any time by the written mutual agreement of both Parties. Any such amendments shall be executed by the Parties. If at any time the Parties choose to amend this MOU, the Effective Date of this MOU shall be changed to reflect the date of the execution of the most recent amendment or amendments.
- 3. Construction of Provisions of MOU as Severable.** If any specific provision of this MOU are forbidden by law, unenforceable, or terminated under the procedures set forth herein, then such provision shall be rendered without effect. If any provision is rendered without effect such provision shall be construed as severable from the remainder of the MOU, and the remainder of the MOU from it, and to the extent possible the remainder of the MOU shall be construed as operating without the stricken provision.
- 4. Notices.** All notices, requests and correspondences made from the Land Bank to the City shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed by regular mail to the following addresses, unless otherwise indicated in this MOU:

If to the Land Bank:	Lucas County Land Reutilization Corporation One Government Center, Ste. 580 Toledo, OH 43604 Attn: President
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If to the City:	Office of the Mayor 5330 Seaman Road Oregon, Ohio 43606
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The City shall endeavor to forward any notices, requests and correspondences to specific City departments as it sees relevant.

- 5. Successors and Assigns; Parties in Interest; Assignment.** The provisions and covenants set forth and agreed to herein shall extend to and be binding upon the successors and assigns of the Land Bank and the City, and such provisions and covenants shall bind such successors and assigns jointly and severally. All of the provisions and covenants hereof shall be held to be for the sole and exclusive benefit of the Land Bank and the City, and no third party shall be deemed the beneficiary of such covenants and provisions, except by mutual written agreement of the Parties. Neither Party may assign any part or all of its rights or obligations under this MOU to a third party without prior written agreement of the non-assigning Party.

6. **Transparency of MOU.** A copy of this MOU shall be posted publicly on the Land Bank's website. Nothing in this MOU shall be construed as being in conflict with the Land Bank's Policies and Procedures, and to the extent any provision of this MOU is found to be inconsistent with the Land Bank's Policies and Procedures such provision shall be severable from the MOU as set forth herein.
7. **Right of Termination; Termination Notice.** Either Party (the "Terminating Party") may terminate and abandon its obligations and commitments under this MOU upon six months written notice to the other all party (a "Termination Notice") in the event the Terminating Party reasonably believes:
  - (i). the other Party will be unable to perform or complete any action for which it has made a commitment hereunder, which action is material to the performance by the Terminating Party of its commitments hereunder;
  - (ii) after good faith and commercially reasonable efforts under the circumstances by the Terminating Party, the Terminating Party will be unable to perform or complete any action which is material to its performance and completion or the performance and completion of any other Party; or,
  - (iii) one or more of the purposes and objectives of this Memorandum of Understanding, as described herein, will not be realized as and within the time-frames contemplated herein. The Termination Notice will identify the action or actions, the failure of which gives rise to the Termination Notice and, if possibly, any possible resolution or alternative action, the performance of which, would allow the Terminating Party to withdraw its Notice of Termination and proceed with its commitments under this Memorandum of Understanding.
8. **Resolution of Reason for Termination Notice.** Upon receipt by a Party of a Termination Notice, the parties will meet and work together diligently and in good faith to attempt to resolve the concerns of the Terminating Party described in the Termination Notice, identify the actions which, if performed and completed, would allow the Terminating Party to withdraw its Termination Notice, and provide reasonable assurances to the Terminating Party that such alternative actions will be timely performed. In the event the parties to this MOU provide the Terminating Party with reasonable assurances that the actions described in the Termination Notice will be performed and completed within a reasonable time from the date initially required for completion of such actions and in no case beyond six months from such initial date, or that an alternative action will be performed and completed such that the benefits provided by such alternative action provide benefits to the Terminating Party reasonably comparable to the actions identified in the Termination Notice, then the Terminating Party will withdraw its Termination Notice by notice in writing to the other parties to this MOU.
9. **Effective Date of Termination.** In the event the Terminating Party is not required to withdraw its Termination Notice as provided in this MOU or does otherwise not withdraw its Termination Notice or extend the effective date of termination as provided in such Termination Notice, then the parties' respective commitments and obligations under this MOU will terminate and they will be released from the same, without liability or further obligation, effective on the later of: (i) the date which is six months from the date of the Termination Notice; or, (ii) the date of termination set forth in the Termination Notice.

***[Signature Page Follows]***

**INTENDING TO BE LEGALLY BOUND**, the Lucas County Land Reutilization Corporation and the City of Oregon have executed this Memorandum of Understanding as of the Effective Date.

**LUCAS COUNTY LAND REUTILIZATION CORPORATION**

  
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David Mann, President

**CITY OF OREGON, OHIO**

  
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Michael Seferian, Mayor