

# Land Banking and Historic Preservation a Match Made on Earth



**CUYAHOGA COUNTY  
LAND REUTILIZATION CORP.**

323 W. Lakeside Avenue – Suite 160  
Cleveland, Ohio 44113

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# I. Overview



# PUBLIC PURPOSE

To facilitate the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed or other real property

To efficiently hold and manage that real property pending its reclamation, rehabilitation and reutilization

To assist governmental entities and other non-profit or for-profit entities in the assembly of that real property and the clearing of title in a coordinated manner

To promote economic and housing development of the county or region



# MISSION

**The Mission of the Cuyahoga County Land Reutilization Corporation is to strategically acquire properties, return them to productive use, reduce blight, increase property values, support community goals and improve the quality of life for county residents.**



# **What is a Land Reutilization Corporation (“CCLRC”)?**

- **Non-Profit “Government Purposed” Corporation Under Section 115 of the IRS Code**
- **Quasi Governmental Corporation**
  - Corporation created by the County Government
  - Stand-Alone Independent Corporation
  - Governmental Powers (Land Banking)
  - Private Enterprise Transactional Capabilities
  - Transactional Powers –  
buy, sell, lend, borrow, issue bonds, etc.



# II. Operations



# Initial Strategy and Theory of Acquisitions

- Establishing the Pipelines: Develop Initial Task and Strategy
- Identify the Source of Speculation/Trafficking in Low- Value Properties:
  - FNMA
  - HUD
  - Tax Foreclosure
- HUD/FNMA Agreements
- BOR Policy



# Establishing Property Pipelines

**BANK REO's**

**DEED IN LIEU**

**HUD**

**GSE's**

**TAX FORECLOSED**

**PROPERTY TRIAGE**

**RESPONSIBLE  
FOR MOTHBALL  
REHABILITATION**

**RESALE TO  
RESPONSIBLE  
QUALIFIED  
BUYER/REHABBER**

**PROGRAMS:**

- SIDE YARD
- INFILL HOUSING
- GREEN SPACE
- URBAN GARDENS

**HOLD FOR  
STRATEGIC  
ASSEMBLY &  
ECONOMIC  
DEVELOPMENT**

**DEMOLISH**





# Calibrating Acquisitions

- HUD (35 per month)
- FNMA (20 per month)
- Tax Foreclosure (est. 80 per month)
- REO (est. 20 per month)
- Other (Housing Court, Investors, etc.)  
(10 per month)



# Rehab/Sales

- **Straight Sale**
- **Deed-in-Escrow**
- **Straight Sale – NSP**
- **In-House Development**



# Property Management

- **Securing Property Upon Acquisition**
- **On Going Maintenance**
  - litter pickup
  - grass mowing
- **Winterizing Properties owned during the cold months**

# Demolition

- **Asbestos Surveys/Reports**
- **Demolition Specifications**
- **Asbestos Abatement**
- **Bidding**
- **Site Inspections**



# III. Strategy



# To Take or Not To Take?

- Many good, available databases
- Communication established between databases (NEO CANDO)
- On-the-fly spatial analysis with parcel data (adjacency, proximity, across the street).

# Rehab or Demo

- Are the major systems in good shape
- Is there a market for this house, apartment building, or commercial property
- How long can the organization hold and pay for property maintenance

# IV. Activities to Date





# Summary of Core Activities

➤ Acquisition	1627
➤ Demolition	889
➤ Disposition	723
➤ Rehabs/Sales	193

# Historic Preservation and Land Banking

**The Statutory Public Purpose of Land Banks creates an opportunity for historic preservations in Ohio's communities.**



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- **To promote economic and housing development of the county or region**



# The Match

## Find an historic property

- If the property is vacant, abandoned, or has tax liens
- The project delayed due to funding rounds or gaps
- There is a need to reduce holding costs



# You Might Need

**A County Land Reutilization Corporation  
Land Bank**



# The Historic Match

Cleveland  
Restoration Society

Cuyahoga  
Land Bank







## ACQUISITION, FIELD SERVICE AND MAINTENANCE AGREEMENT



This Acquisition, Field Service and Maintenance Agreement (this "*Agreement*") is entered into on this 14th day of September, 2010, by and between the CLEVELAND RESTORATION SOCIETY ("*CRS*") and the CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION, (the "*CCLRC*") under the following circumstances:

- A. The CRS is an Ohio nonprofit corporation, exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"), organized to preserve the architectural heritage of northeastern Ohio.
- B. The CCLRC is an Ohio nonprofit community development corporation, exempt from federal income taxation under Section 115(1) of the Code, organized for the purposes of, among others, (i) facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within Cuyahoga County, Ohio (the "*County*") for whose benefit the corporation is organized; and (ii) efficiently hold and manage vacant, abandoned, or tax-foreclosed real property pending its reclamation, rehabilitation, and reutilization.
- C. The owners of certain real property bearing the street address of 19027 Chagrin Boulevard, Shaker Heights, Ohio and being identified as Permanent Parcel Number 736-07-048 in the real property records of the County (hereinafter, the "*Real Property*") have indicated their willingness and intent to gift the Real Property to CRS for the purpose of preserving the architectural heritage of such Property for the region through a plan of restoration and preservation designed and implemented by CRS (after the donation of the Real Property to the CRS, such Property is hereinafter referred to as the "*Donated Real Property*").
- D. Over the period when the CRS is designing and implementing a plan of restoration and preservation for the Donated Real Property through its sale to a responsible buyer (hereinafter referred to as the "*CRS Restoration and Preservation Period*"), CRS desires to partner with CCLRC for the purposes of having the CCLRC perform all field servicing of and maintenance on the Donated Real Property.
- E. In accordance with its statutory purposes of facilitating the reclamation, rehabilitation, and reutilization of real property within the County and efficiently holding and managing such real property pending its reclamation, rehabilitation, and reutilization the CCLRC is willing to assist CRS by providing all field servicing and maintenance of the



# Match Benefits

- CRS was able to develop a restoration plan
- CCLRC held property tax free
- Prior owner was able to receive a federal tax break for the value of the donation
- CRS had time to find the right Buyer



Before

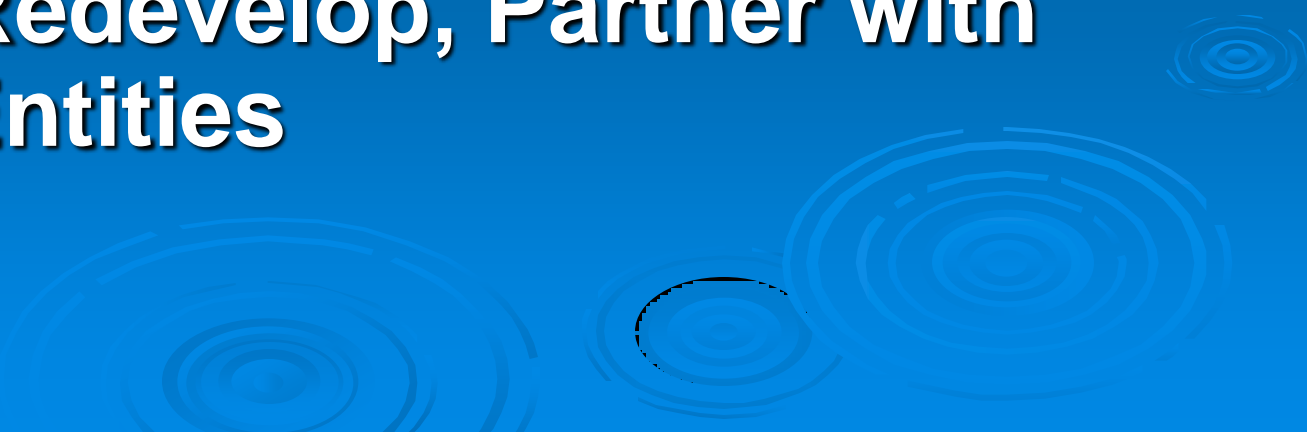


After

# Who Can Have a County Land Reutilization Corporation?

- ✓ A county with a population greater than 100,000
- ✓ County Commissioners can create via legislation
- ✓ Treasurer must create the income stream

# What a County Land Bank Can Do

- **Take title to land and hold tax exempt**
  - **Transact Quickly and Efficiently**
  - **Buy, Sell, Lend, Borrow, Issue Bonds, Redevelop, Partner with Private Entities**
- 

**THANK YOU**

CUYAHOGA  
LAND  
BANK

