

Osceola County Land Bank Authority



Policies & Procedures Manual

As approved by the Board of Directors on December 10, 2013

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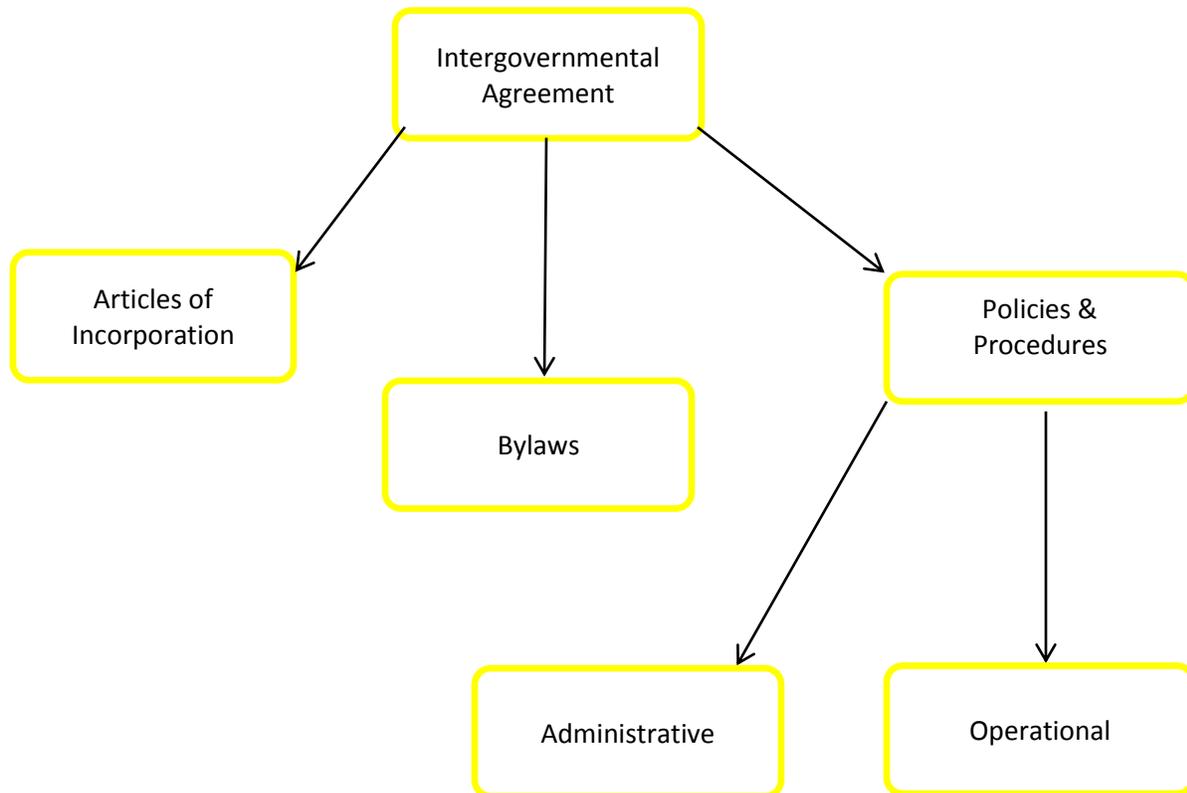
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INTRODUCTION

In October of 2013 the Osceola County Treasurer signed an Intergovernmental Agreement (IGA) with the Michigan Land Bank Fast Track Authority that once filed with the Secretary of State, Osceola County Clerk, and Ingham County Clerk replaced the previous IGA between the Osceola County Land Bank Fast Track Authority (Osceola County Land Bank Authority) and the Michigan Land Bank Fast Track Authority. As part of the IGA the Osceola County Land Bank Authority is required to develop Articles of Incorporation (IGA, Section 3.02.), Bylaws (IGA, Section 4.08.), and Policies & Procedures (IGA, Section 4.08.) to guide its day-to-day operations. The Articles of Incorporation and Bylaws are published separately from these Policies & Procedures.

The purpose of this Manual is to compile and formalize the Policies and Procedures that will help guide the operation and day-to-day decisions of the Osceola County Land Bank Authority (OCLBA). The OCLBA's Board of Directors (Board) will periodically review these Policies and Procedures. The Board reserves the right, at its sole discretion, to make changes or revisions to these Policies and Procedures as it deems necessary. Changes or revisions may be made at any properly called meeting of the Board where a quorum is present.



A number of acronyms and synonyms are used throughout this manual. Although identified during their first use they are compiled here, in one location for easy reference.

Board of Directors (Board); referring to the Osceola County Land Bank Authority Board of Directors
Intergovernmental Agreement (IGA)

Osceola County Land Bank Authority (OCLBA)

Osceola County Land Bank Fast Track Authority; refers to the Osceola County Land Bank Authority
“Staff”; refers to Osceola County’s Community Development office or Community Developer

MISSION STATEMENT

The mission of the Osceola County Land Bank Authority (OCLBA) is to improve the quality of life in Osceola County by involving local units of government, community organizations, and other stakeholders in finding the best way to return tax-foreclosed properties to the tax rolls and to utilize the program to promote community & economic development.

POLICIES & PROCEDURES – ADMINISTRATIVE

A. ANNUAL AUDIT

[ref. IGA, Section 4.08.(f)]

It is the policy of the Board that the OCLBA’s audit will be conducted as part of Osceola County’s annual audit.

B. BONDING

[ref. IGA, Section 4.11.]

It is the policy of the Board that all financial transactions of the OCLBA will be conducted by either the County Treasurer or Staff (Community Developer). Both of these individuals are County employees, thus eliminating the need for additional bonding.

C. COMPENSATION

[ref. IGA, Section 4.11.]

In accordance with the IGA, Board members may **not** receive compensation for the performance of their duties; however, they may be reimbursed for actual and necessary expenses incurred in the discharge of their official duties as provided by the Board. It is the policy of the Board, that Board members may receive mileage and per diem at the same rate as other Osceola County commissions and authorities.

D. CONFLICT OF INTEREST

[ref. IGA, Section 4.14.]

1. The OCLBA will follow the state law prohibition, in general, that a public servant will not be a party, directly or indirectly, to any contract between himself or herself and the public entity of which he or she is an officer or employee.
2. Board and committee members shall avoid conflicts of interest and/or incompatibility of office. As used here, a conflict of interest shall at a minimum include, but not necessarily be limited to, the following:
 - a. Issuing, deliberating on, voting on, or reviewing a case concerning him or her.
 - b. Issuing, deliberating on, voting on, or reviewing a case concerning work on land owned by him or her or which is adjacent to land owned by him or her.
 - c. Issuing, deliberating on, voting on, or reviewing a case involving a corporation, company, partnership, or any other entity in which he or she is a part owner, or any other relationship where he or she may stand to have a financial gain or loss.
 - d. Issuing, deliberating on, voting on, or reviewing a case which is an action that results in financial benefit to him or her.
 - e. Issuing, deliberating on, voting on, or reviewing a case concerning his or her spouse, children, stepchildren, grandchildren, parents, brothers, sisters, grandparents, parents-in-laws, grandparents-in-laws, or members of his or her household.
 - f. Issuing, deliberating on, voting on, or reviewing a case where his or her employee or employer is an applicant, agent for an applicant, or has a direct interest in the outcome.
3. If there is a question whether a conflict of interest exists or not, the question shall be put before the Board or committee. Whether a conflict of interest exists or not shall be determined by a majority vote of the remaining members of the Board or committee.
4. When a conflict of interest exists, the Board member shall do all of the following immediately, upon first knowledge of the case and determining that a conflict exists:
 - a. Declare a conflict exists.
 - b. Cease to participate at the meeting(s), or in any other manner, or represent one's self before the OCLBA, its Staff, or others, on the item for which the Conflict of Interest exists.

- c. During deliberation of the agenda item before the Board or committee, leave the meeting or remove one's self from the table where the Board or committee is sitting, until that agenda item is concluded.

5. Upon appointment to the OCLBA all new Board members will complete the Conflict of Interest & Ethics Policies Acknowledgement Form.

E. CONTRACTING AND PROCUREMENT

[ref. IGA, Section 4.08(h).]

1. The OCLBA will follow the state law prohibition, in general, that a public servant will not be a party, directly or indirectly, to any contract between himself or herself and the public entity of which he or she is an officer or employee.

2. It is the policy of the Board that the OCLBA will utilize the Expenditures Procedures listed in the Osceola County Personnel and Operations Policy Manual. Additionally, Board members should refer to the CONFLICT OF INTEREST policy (Administrative, paragraph D) in this Manual.

F. COUNTY AUTHORITY, BUDGET/SYSTEM OF ACCOUNTS

[ref. IGA, Section 4.08.(e)]

It is the policy of the Board that the OCLBA will utilize Osceola County's budgeting system.

G. ETHICS

[ref. IGA, Section 4.13.]

Board members are expected to carry out their duties in an ethical manner. As such, the Board has adopted the following ethics policy;

1. A Board Member **SHALL NOT:**

- a. Divulge to an unauthorized person, confidential information in advance of the time prescribed for its authorized release to the public.
- b. Represent his or her personal opinion as that of the OCLBA.
- c. Solicit or accept a gift or loan of money, goods, services, or other thing of value that tends to influence the manner in which he or she or the OCLBA makes decisions or conducts business.
- d. Engage in a business transaction in which he or she may profit from his or her position or benefit financially from confidential information that was obtained or may be obtained as the result of being a Board Member.

- e. Engage in or accept employment or render services for a private or public interest when that employment or service is incompatible or in conflict with responsibilities to the OCLBA or when that employment may tend to impair his or her independence of judgment or action.
- f. Participate in the negotiation or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates, or other regulation or supervision relating to a business entity in which the Board Member has a financial or personal interest.

2. A Board Member **SHALL**:

- a. Refrain from actions that manifest the appearance of unethical behavior.
- b. Use personnel resources, property, and funds under his/her care and control judiciously and solely in accordance with prescribed procedures and not for personal gain or benefit.
- c. Promote decisions that only benefit the public interest.
- d. Keep safe all funds and other properties in the land bank.
- e. Conduct and perform the duties of the office diligently and promptly dispose of the business of the OCLBA.
- f. Effectively and efficiently work with governmental agencies, political subdivisions, and other organizations in order to further the interest of the OCLBA.
- g. Faithfully comply with all laws, regulations, and policies applicable to the OCLBA and impartially apply them to everyone.

H. INVESTMENT POLICY

[ref. IGA, Section 4.08.(i) and Section 7.06]

It is the policy of the Board that, unless determined otherwise by majority vote, funds will be deposited with the Osceola County Treasurer. The Osceola County Treasurer is limited to investments authorized by Act 20 of 1943 and by resolution of the Osceola County Board of Commissioners.

I. PERSONNEL POLICIES & PROCEDURES (Executive Director/Staff)

[ref. IGA, Section 4.08.(d)]

It is the policy of the Board that it will **not** hire an Executive Director. Administration of the OCLBA is provided by the Osceola County Community Development office (Staff). This individual is an Osceola County employee who is paid by Osceola County and subject to the County's personnel policies.

POLICIES & PROCEDURES – OPERATIONAL

A. POLICIES GOVERNING ACQUISITION OF PROPERTIES

The acquisition and disposition of properties acquired by the Treasurer of Osceola County through tax foreclosure procedures in accordance with 1893 P.A. 206, as amended by 1999 P.A. 123, MCL §211.1 et. seq., and properties that are owned by the Osceola County Land Bank Fast Track Authority, 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 Constitution of Michigan, the laws of the State of Michigan, the Intergovernmental Agreement signed in October of 2013 between the Osceola County Treasurer and the Michigan Land Bank Fast Track Authority, the Articles of Incorporation and Bylaws of the Osceola County Land Bank Authority (OCLBA), and the public purposes set forth therein.

1. Policies Governing the Acquisition of Tax-Foreclosed Properties

In determining which, if any, properties shall be acquired by purchase or bundling that become available through the tax foreclosure processes for acquisition by Osceola County or by the OCLBA, the Treasurer 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 acquisition and redevelopment to act as a catalyst for further redevelopment or prevent decay of the community.
- c. Residential properties that are available for immediate occupancy without need for substantial rehabilitation.
- d. Improved, blighted, vacant and/or nuisance properties that are either the subject of an existing order for demolition or meet the criteria for demolition.
- e. Vacant properties where the highest and best use would be placement into the Side Lot Disposition Program.
- f. Properties that would be in support of local or OCLBA plans, and have a determined timeline in place that also meets the mission of the OCLBA.
- g. Properties that will generate operating resources for the operation and function of the OCLBA.

- h. The OCLBA must be made aware of any environmental conditions; if any adverse conditions are determined, a remediation plan must be in place.

The OCLBA may request the Treasurer to combine properties from one or more of the foregoing categories in structuring the terms and conditions of the statutorily-required auctions of the tax foreclosure properties, and may acquire any such properties prior to auctions, at such auctions, or subsequent to auctions as authorized by law.

In determining the nature and extent of property to be acquired, the OCLBA shall also consider the value of the property, the financial resources available for acquisition, the capacity of the OCLBA to own and manage the property, and the projected length of time required to convey or utilize the property for the purpose intended by the OCLBA when acquiring the property.

2. Policies Governing Acquisition of Non-Tax-Foreclosed Properties

The Land Bank Fast Track Act, 2003 PA 258, MCL 124.755 et. seq. allows for the direct purchase of property. While the foundation of the Land Bank is property acquired through the tax-foreclosure process, there may be opportunities for direct purchase of mortgage-foreclosed and other properties that represent the mission of the OCLBA.

These policies governing the acquisition of non-tax-foreclosed properties do not replace, but are in addition to, the *Policies Governing Acquisition of Properties*. These additional policies governing the acquisition of non-tax-foreclosed properties include:

- a. Accumulate property information including assessment data, map location, photos, code violation information, and other pertinent information regarding the property.
- b. Personal inspection of the interior/exterior of the property.
- c. Contact the local jurisdiction and receive a written evaluation of the property relative to their community/neighborhood plan, if applicable.
- d. Request a rehabilitation/redevelopment appraisal or market value estimate from a professional employed in this line of work.
- e. Staff will prepare a financial and policy analysis, and present the information to the Board to establish a purchase price and approval.

3. Land Banking Policies

In addition to direct purchase, the OCLBA may be willing to receive title to properties and hold title to such properties pending future use by the OCLBA, the transferor of the property, or by other third

parties. Receipt by the OCLBA of any and all conveyances of real property shall at all times be solely within the discretion of the OCLBA, and nothing in this policy shall be deemed to require the OCLBA to take title to any property nor to limit the discretion of the OCLBA in negotiating the terms of its acquisition of any property, whether as donated transfers or otherwise.

All conveyances received by the OCLBA in its land banking capacity must comply with the requirements set forth below in Part A, and will be reviewed and considered by the OCLBA in accordance with the procedures set forth in Part B. If the transfer is approved by the OCLBA, the OCLBA 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.

Part A: Requirements for Conveyances to the LBA in its Land Banking Capacity

- a. Property that is intended to be conveyed to the OCLBA and to be held by the OCLBA in its land banking capacity shall be clearly designated as such in the proposal for the transfer, and in the records of the OCLBA.
- b. No property shall be transferred to the OCLBA pursuant to this land banking policy unless the transferor is either a private nonprofit entity or a governmental entity.
- c. The subject property must not be occupied by any party or parties as of the date of transfer to the OCLBA.
- d. The subject property must, as of the date of the transfer to the OCLBA, 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.
- e. The subject property must, as of the date of the transfer to the OCLBA, be free of all outstanding mortgages and security instruments.

Part B: Procedures for Conveyances to the OCLBA in its Land Banking Capacity

- a. The transferor of any proposed conveyance to the OCLBA in its land banking capacity shall prepare a written proposal containing the following information:
 - i. A legal description of the property.
 - ii. A title report, or other similar evidence, indicating that the property is free of all liens and encumbrances specified in Part A.
 - iii. 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.

- b. Following receipt of the proposal, the OCLBA shall review the proposal and notify the transferor of its approval or disapproval and of any changes or additions that may be necessary as determined by the LBA in its sole discretion.

Part C: Right of Repurchase by the Transferor

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

B. PRIORITIES CONCERNING DISPOSITION OF PROPERTIES

The disposition of properties shall be at the sole discretion of the OCLBA. 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. 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 OCLBA 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.

1. Priorities for Use of Property

- a. Affordable housing.
- b. Neighborhood stabilization / revitalization.
- c. Return of the property to productive tax paying status.

- d. Environmental clean-up through the Brownfield program.
- e. Commercial and economic development projects.
- f. Provision of financial resources for operating functions of the OCLBA.
- g. Long term “banking” of properties for future strategic use.

2. Priorities as to the Nature of the Transferee

- a. First time home buyers.
- b. Neighborhood revitalization.
- c. Individuals who own and occupy residential property.
- d. Businesses that own and occupy adjacent commercial / industrial property.
- e. Businesses that will own and occupy non-adjacent commercial / industrial property.
- f. Qualified nonprofit corporations that will hold title to the property on a long-term basis or hold title to the property for purposes of subsequent conveyance to private third parties for homeownership.
- g. Qualified real estate developers; entities that are a partnership, limited liability corporation, or joint venture comprised of a private nonprofit corporation and a private for profit entity.
- h. Nonprofit institutions.
- i. Governmental entities.
- j. Individuals who own and occupy as a second home.
- k. Qualified real estate investors (landlords).

Individuals and entities that were the prior owners of property at the time of the tax foreclosure which transferred title to the Treasurer are ineligible to be the transferee of such property from the Treasurer.

3. Priorities as to Impact of Transfer

- a. Assessment of impact on community or neighborhood.
- b. Likelihood of achieving objective.
- c. Anticipated timeframe to attain objective.

C. FACTORS DETERMINING CONSIDERATION DUE UPON TRANSFERS

The following factors shall constitute general guidelines for determination of the consideration to be received by the OCLBA for the transfer of properties. In each and every transfer of real property the OCLBA shall require good and valuable consideration in an amount determined by the OCLBA in its sole discretion. The OCLBA will consider both the fair market value of the property and the Property Costs in its determination of consideration for each property. "Property Costs" shall mean the aggregate costs and expenses of the OCLBA 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 OCLBA allocable to the property.

The consideration to be provided by the transferee to the OCLBA may take the form of cash, 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. Unless Property Costs exceed Market Value the transfers of property to nonprofit entities for the development, operation or maintenance of affordable housing shall require consideration not less than the Property Costs. To the extent that the consideration exceeds Property Costs, such amount shall be reflected by a combination of contractual obligations to develop, maintain, or preserve the property for specified affordable housing purposes. Such amount may be secured by subordinate financing in which amortization of the obligation occurs by virtue of annual performance of the required conditions.
- b. If Property Costs exceed market value the property shall require consideration not less than market value.
- c. The dominant priority in determining the amount of and method of payment of the consideration shall be to facilitate the development of affordable housing and simultaneously to ensure that the property is dedicated over an appropriate period of time for affordable housing.

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 on 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 Property Costs, to be paid in cash. 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 OCLBA.

3. Side Lot Disposition Program

Factors determining consideration due upon transfer applicable to the Side Lot Disposition Program shall be as set forth in the SIDE LOT DISPOSITION PROGRAM section (Operational, paragraph E).

4. Transfers of Property at Open Market Conditions

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 equal to the fair market value of the property.

D. PROPERTY TRANSFERS

Individual parcels of property may be acquired by the OCLBA and transferred to individuals in accordance with the following policies.

1. Transferees

- a. The transferee must not own any real property that has an unremediated citation or violation of the State or local codes and ordinances or recorded restrictions.
- b. The transferee must not own any real property that is tax delinquent.
- 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 during the twelve (12) months immediately preceding the submission of application (except in rental cases).
- d. The transferee must not have been the prior owner of any real property in Osceola County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the OCLBA approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.
- e. The transferee must agree to pay future property taxes from time of transfer.

2. Use of Property

- a. The use of transferred property must give consideration to the Community/Neighborhood Plan (if one is in place) and received a letter of comment from the appropriate planning groups.
- b. All development projects should be started and completed within a time frame negotiated with the OCLBA.
- c. A precise narrative description of future use of the property is required.
- d. If code or ordinance violations exist with respect to the property at the time of the transfer, the

transfer agreement 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.

- e. The proposed use must be consistent with current zoning requirements or a waiver for non-conforming use is a condition precedent to the transfer.
- f. Transactions shall be structured in a manner that permits the OCLBA to enforce recorded covenants or conditions upon title pertaining to development and use of the property.
- g. 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 OCLBA and adequate completion of such rehabilitation shall be a condition to the release of restrictions or lien securing such performance.

3. Procedures

- a. A prospective transferee seeking property for residential use, which is not in the Side Lot Program, must submit a completed OCLBA Residential Property Interest Application to the OCLBA. Transferees may be requested to submit additional information if necessary to complete the review and/or transaction.
- b. A prospective transferee seeking property for non-residential use (includes multi-family housing) must submit a completed Non-Residential Property Interest Application to the OCLBA. Transferees may be requested to submit additional information if necessary to complete the review and/or transaction.
- c. Within a 60-day period of receiving a complete request packet, staff will complete a basic analysis and present it to the Board for approval. Additional information may be required of the transferee prior to final approval. Board approval is required for all transfers which are not part of the Side Lot Program.
- d. Once the project has been approved, staff will compile the closing documents for property transfer and complete the transaction with the transferee.

E. SIDE LOT DISPOSITION PROGRAM

Individual parcels of property may be acquired by the Treasurer or the OCLBA, 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 OCLBA.

1. Side Lot Disposition Policies

- a. Qualified Properties – Parcels of property eligible for inclusion in the Side Lot Disposition Program shall meet the following minimum criteria:
 - I. The property shall be vacant unimproved real property.
 - II. The property shall be physically contiguous to adjacent owner occupied residential property, with not less than a 75% common boundary line at the side.
 - III. The property shall consist of no more than one lot capable of development. Initial priority shall be given to the disposition of properties of insufficient size to permit independent development. Current zoning and building codes should be reviewed when determining if a property is capable of independent development.
 - IV. No more than one lot may be transferred per contiguous lot.

- b. Transferees
 - I. All transferees must hold title on the contiguous property. Priority is given to Transferees who personally occupy the contiguous property.
 - II. The transferee must not own any real property (including both the contiguous lot and all other property in Osceola County) that is subject to any unremediated citation or violation of state or local codes and ordinances.
 - III. The transferee must not own any real property (including both the contiguous lot and all other property in Osceola County) that is tax delinquent or the subject of unpaid recorded association fees.
 - IV. The transferee must not have been the prior owner of any real property in Osceola County that was transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings unless the OCLBA approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.

- c. Pricing: Parcels of property that are not capable of independent development may be transferred for nominal consideration.

- d. Additional Requirements
 - I. In the event that multiple adjacent property owners desire to acquire the same side lot, the lot shall be transferred to the property owner who has the largest percentage of common boundary line with the subject side lot.
 - II. In the event that multiple adjacent property owners, with the same percentage of common boundary line, desire to acquire the same side lot, the lot shall be transferred to the highest bidder for the property.
 - III. In the event that a contiguous property needs land for a driveway or other local code compliance issues this subsection will rule.

2. Side Lot Disposition Procedures

- a. The prospective buyer must submit a completed Osceola County Side Lot Property Interest Application to the OCLBA. Transferees may be requested to submit additional information if necessary to complete the review and/or transaction.
- b. Within a 60-day period of receiving a completed application and any additional information, if requested, the Chairperson or designated individual completes a review of the request. Upon completing the request the reviewer, at his or her discretion, either approves the application or presents it the OCLBA Board for approval.
- c. Once the project has been approved, the closing documents for property transfer to complete the transaction with the buyer will be compiled. *Title insurance is not included.*

F. TRANSFER OF REHABILITATED PROPERTIES

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

1. Rehabilitation and Marketing

- a. The OCLBA 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 OCLBA in its sole discretion.
- b. At the commencement of rehabilitation a sign shall be placed on the property indicating that the property is owned by the OCLBA.
- c. A real estate agent, or realtor, shall be selected by OCLBA 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 OCLBA Staff will make available information on the property and on the procedures to be followed by parties interested in the possible acquisition of the property.

2. Sale of Rehabilitated Properties

- a. A nonrefundable escrow deposit shall be required for all contracts for the disposition of property rehabilitated by the OCLBA. Such deposit shall be in an amount established by the OCLBA, 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.
- b. A sales contract shall be submitted to Staff for review, and must comply with all policies and procedures of the OCLBA. The sales contract shall not be binding upon the OCLBA until

approved by the Chairperson or by the Board of Directors if required by OCLBA policies and procedures.

- c. Closing of the transfer shall occur with the assistance of a title company selected and approved by the OCLBA.

Conflict of Interest & Ethics Policies

Acknowledgement

I have received a copy of the Osceola County Land Bank Authority's, Policies & Procedures Manual. I understand that I am bound by the Conflict of Interest and Ethics policies and procedures described in the Manual.

Board Member Signature

Date

Please return to:
Osceola County Community Development Office
301 W. Upton
Reed City, MI 49677