Edward Leonard  
Franklin County Treasurer

Land Banking in Franklin County  
Funding, Acquisition, & Disposition

The Franklin County Land Reutilization Corporation is the  
Central Ohio Community Improvement Corporation  
Board Chairman: County Treasurer Ed Leonard  
COCIC President: John Rosenberger (jrosenberger@columbus.rr.com)  
373 S. High Street, 15th Fl., Columbus, OH 43215  
(614) 525-4937

• Accomplished through Targeted Rehabilitations, New Construction, and Demolitions;  
• Blight Elimination;  
• Pursues Only Vacant Properties;  
• Commercial, Industrial & Residential Properties;  
• Flexible Size & Scope.

Primary Objective: Preservation of Existing Property Values/Raising Tax Base

• Properties within 500 feet of Vacant, Tax Delinquent Foreclosed Property Can Lose 7-8% of Value; Adjacent Properties Even More (16-22% of Value).  
  Source: Cleveland Federal Reserve Study (Working Paper 11-23; September 2011).  
• $3.5M Spent on Demolition Can Result in $112M Increase in Property Values and Positively Impact 26,000+ Home Values.  
  Source: MSU Study of Genesee Co. Land Bank Demolitions in Flint, MI.

Return on Land Bank Investment
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**Funding Structure**

- Partial diversion of Penalty & Interest only collected from delinquent taxpayers (DTAC);
- 5% DTAC Authorized (for use only by the Land Bank Corporation);
- Generated ~$4M (based on 2012 collections);
- 100% of delinquent tax dollars collected still go to taxing districts.

**Structure of County Land Bank**

- Governing Provisions:
  - ORC Chapter 5722 Land Reutilization Programs.
  - ORC Chapter 1724 Community Improvement Corps.
- Amended & Expanded by SB 353;
- Basic Corporate Powers:
  - Borrow and Lend Money;
  - Buy, Sell, Hold and Mortgage Property;
  - Employ Staff.

**Creation of County Land Bank**

- Commissioners Authorize Treasurer to Incorporate (RC 1724.01);
- Board Membership;
- Transformation of Franklin County’s Existing CIC into new Land Reutilization Corp;
- Funding (RC 321.263);
- Non-Profit Status.
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Unique Capabilities of County Land Bank

• Eliminate Sheriff Sales on Vacant Distressed Tax Delinquent Properties;
• Clear Liens & Delinquent Taxes;
• Hold Properties Tax Exempt;
• Accept Tax Deductible Donation of Property;
• Prepare Sites for Commercial & Residential Redevelopment or Renovation;
• Disposition Can Be Below Fair-Market Value;

Unique Capabilities (continued):

• Engage in Code Enforcement by Agreement with a Township or Municipality;
• Receive Assignment of a Mortgage;
• Purchase Tax-Lien Certificates;
• Immune from Civil Liability (ORC 5722.22):
  – Petroleum Sites - ORC Sec 3737.87 thru 3737.89;
  – Air & Water Pollution Controls Chapters 3704 & 6111;
  – Solid & Hazardous Waste – Chapter 3734.

Land Bank Coordination with Cities & Townships

• Cooperative by Nature & Design;
• Memorandum of Understanding;
• Right of First Refusal (RC 5722.03);
• Must Abide by Community Standards;
• Act in Concert with Existing Development Plans;
• Expectation that Many Projects will be at Request of the Local Political Subdivision.
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### Acquisition by Foreclosure

- Standard Tax Foreclosure Process;
- Expedited Tax Foreclosure Method for Unoccupied Property (Common Pleas Court or Board of Revision):
  - Only applies to “nonproductive land” [RC 5722.01(F)];
  - Treasurer invokes Alternative Redemption Period (currently 45-days) [RC 323.78 & 323.65(K)];
  - Direct transfer after Judgment without Sheriff Sale.

### Alternate Acquisition Methods

- REO Portfolios;
- Property Donations;
- Auditor Forfeiture Lists (RC 5722.04);
- Deeds in Lieu of Foreclosure directly to Land Bank (RC 5722.10);
- Flexible Redevelopment Arrangements.

### Environmental Court Process: Nuisance Abatement without Acquisition

- Only for Vacant, Nuisance Properties that are Candidates for Demolition;
- Clearly Identifying and Expediting Cases Involving Target Properties;
- Results in Elimination of Nuisance Only;
- Can be Followed by Tax Foreclosure or Other Action to Secure Transfer of Ownership;
- Similar Township Authority under ORC 505.86.
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Demolition Grant Programs

• $75M OAG Moving Ohio Forward Grant for demolition of vacant residential properties:
  – $8.2M for Franklin County ($500,000 no match);
  – 50% Reimbursement Basis;
  – Up to $2M Prosecutor Commitment for Special Counsel to Handle Expedited Foreclosures.

• $60M Demolition Money from Hardest Hit Fund
  – Land Banks will be Required to Own the Property;
  – Awaiting Details of Application and Award Process.

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3232 Noe-Bixby Road

• Distressed Apartment Buildings in Environmental Court (2008 Case);
• Current on its Real Estate Taxes;
• Franklin County Prosecutor’s Role;
• Direct Transfer to COCIC;
• Demolition of Structure in 2013;
• Dilemma of LLC Situation.

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Ann Street - Ronald McDonald House

• Abandoned home originally built in 1915;
• Transferred to BNY Mellon;
• Ronald McDonald House Expansion Plans;
• Untied the Ownership Knot;
• Transferred Back to Original Owners;
• Coordinated Transfer to Land Bank;
• Demolition of Structure & Transfer to RMHC.
Ann Street/RMHC Demo Project:

Disposition of Land Bank Properties

- Solicitation of Political Jurisdictions for Prospects;
- Identify Areas of Opportunities:
  - Scattered Site Demolitions & Rehabs;
  - Aggregation Opportunities;
- Rehabilitation vs. Demolition Decision;
- Maximum Flexibility for End Use/User;
- Facilitate Work of Non-Profit Housing Groups.
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Developing Programs

• Blight Removal
• Trusted Partners
• Emerging Partners
• Responsible Landlord
• Provisions for Opportunity Driven Activities