

ing properties. They also increase the potential for fires, vandalism or illegal activities.

The Ohio legislature passed legislation creating the land reutilization corporation model to help counties deal with the vacant property issues.

The first resolution being passed was needed for the LCLRC to actually begin the process of dealing with vacant properties. The second resolution helps with the funding needed.

"If you fail to pay your taxes on time, you're penalized 10 percent in the first half," Rogers said. "Oftentimes, people who fail to pay the taxes in the first half of the year, fail to pay them in the second half of the year.

"... When the county collects (those funds), 5 percent of the (10 percent penalty) funds are allocated to the Treasurer's Office and the Prosecuting Attorney's Office to offset the expenses related to pursuing or col-

lecting those delinquent taxes."

The second resolution designates an additional 5 percent of the penalties collected for the use of the LCLRC. It does not change the allocation of property taxes or increase the penalty amount; it only takes an extra 5 percent of the 10 percent penalty for use by the land bank.

The land bank will then be able to use the funds to purchase decrepit or rundown properties (homes or businesses) and either rehabilitate them or tear them down. The average home demolition cost is about \$7,500.

"(When they purchase properties) they can then make those lands available to adjacent property owners; they can make them available to the communities; they can take those properties in conjunction with adjacent properties and make them potentially more viable for economic development; they can manage them and

rehab them, if they're worth it, and resell them," Rogers said.

The money that comes in from the sale of a property can then be used to improve other properties.

To help initially fund demolition projects, the Ohio Attorney General allocated \$75 million, of which Lake County is to receive about \$1.5 million.

"Five hundred thousand of that is a grant; upwards of \$1 million is a 50/50 matching," Rogers said. "Right now, throughout Lake County, we have been given a list of approximately 51 properties that need to be taken down, and we still have six communities that haven't responded, but are in the process of giving us that list."

He said the communities would first need to have the properties condemned, then go to court for an order allowing the structure to be demolished. However, it did not mean the owner would necessarily lose the property.

It was just that the structure not being maintained would be taken down so it was no longer a health hazard, danger or an eyesore.

"I wanted to make it clear to folks that this is not an additional delinquency charge," Sines said. "This is just taking 5 percent of that delinquent tax and reallocating that. Now who would lose, obviously, would be the taxing district, or whoever the delinquent tax was going to."

He said, although the taxing districts would lose some of the penalty funds, they would benefit by gaining tax-producing properties in the end, and having rundown properties razed.

"The idea behind the land bank is to take nonperforming property and make it perform," Rogers said.

Marian McMahon, county editor for Lake County Tribune/Gazette Newspapers, may be reached at mmcmahon@gazettenews.com.

Gazette 8-3-12

County land bank closer to becoming operational

BY MARIAN MCMAHON

Gazette Newspapers

LAKE COUNTY - Two resolutions were passed by the Lake County Board of Commissioners to further the process of getting the Lake County "Land Bank" operational.

The first resolution passed at the July 26 meeting authorized an agreement with the Lake County Land Reutilization Corporation (LCLRC), also referred to as the land bank, to act as the county's agency "for the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed and other real property in the county."

The second resolution provides for an additional 5 percent of the fees charged on late payments of real property, personal property,

and manufactured and mobile home taxes and assessments to be placed in the Delinquent Tax and Assessment Collection Fund to help fund the efforts of the LCLRC.

"This resolution is a land bank agreement. John Rogers of the Treasurer's Office has done a great job in putting this together for the county. John's kind of been the leader in this area," said Board President Ray Sines before asking Rogers to explain the resolutions.

Rogers said the land bank was recently established by the Commissioners, with Lake County Treasurer John Crocker, to address the issue of vacant properties throughout the county. There are numerous properties which have become rundown and unsightly and affect the values of surround-

See BANK on page 6A