

## MEMORANDUM OF UNDERSTANDING

**THIS MASTER COOPERATIVE LAND REUTILIZATION AGREEMENT** (this “Agreement”) is made and entered into and is effective as of this \_\_\_ day of \_\_\_\_, 20\_\_ (the “Effective Date”), by and between the \_\_\_\_\_ **COUNTY LAND REUTILIZATION CLRC** (the “CLRC”), and the **CITY OF \_\_\_\_\_, OHIO** (the “City”), under the following circumstances:

### WHEREAS:

- A. The CLRC has been organized for the purposes of exercising the essential governmental purposes provided for under the Chapters 1724 and 5722 of the Revised Code and any ancillary purposes for which statutory authority has been given to the CLRC under the Revised Code within Cuyahoga County, Ohio (the “County”), including, but not limited to, the following purposes: (1) facilitating the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed or other real property within the county; (2) efficiently holding and managing vacant, abandoned or tax-foreclosed real property pending its reclamation, rehabilitation and reutilization; (3) assisting governmental entities, such as the City, and other non-profit or for-profit persons to assemble, clear, and clear the title of vacant, abandoned, tax-foreclosed or other real property within the County in a coordinated manner; and (4) promoting economic and housing development of the county or region.
- B. Notwithstanding that the CLRC may maintain, acquire, dispose of, rehabilitate and/or demolish properties within the City as it deems best constrained only by the City’s applicable building, housing and Zoning Codes, and such other federal and state laws the CLRC, the City and CLRC never the less jointly desire to cooperate in the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed or other real property within the City’s boundaries on the terms, conditions and provisions herein.

**NOW THEREFORE**, the CLRC and the City each agrees as follows:

## ARTICLE I

### DEFINITIONS; INTERPRETATION

**Section 1.1. Short Title.** This Agreement, together with any and all Supplements hereto, are hereinafter sometimes referred to as the “Agreement”.

**Section 1.2. Definitions.** In addition to the words and terms defined above, the following words and terms will have the meanings given such words and terms in this Section:

***“Acquisition Protocols”*** mean the mutually agreed-upon procedures, as set forth in Exhibit A to this Agreement, to be followed by the CLRC and the City in connection with the acquisition of properties by either the CLRC or the City.

***“Demolition Protocols”*** mean the mutually agreed-upon procedures, as set forth in Exhibit A to this Agreement, to be followed by the CLRC and the City in connection with the demolition of abandoned and vacant structures within the City.

***“Disposition Protocols”*** mean the mutually agreed-upon procedures, as set forth in Exhibit A to this Agreement, to be followed by the CLRC and the City in connection with the disposition of properties within the City.

***“Maintenance Protocols”*** mean the mutually agreed-upon procedures, as set forth in Exhibit A to this Agreement, to be followed by the CLRC and the City in connection with the maintenance of properties within the City.

***“Protocols”*** mean, collectively, the Acquisition, Demolition, Disposition, Maintenance and Rehabilitation Protocols, and any Protocols that are required to be established pursuant to Article II hereof.

***“Rehabilitation Protocols”*** mean the mutually agreed-upon procedures, as set forth in Exhibit A to this Agreement, to be followed by the CLRC and the City in connection with the rehabilitation of properties within the City.

***“Statutory Protocols”*** means the acquisition protocols created pursuant to S.B. 353 passed by the 127<sup>th</sup> General Assembly and signed by the Ohio Governor on January 6, 2009.

## ARTICLE I

### STATUTORY PROTOCOLS

Pursuant to S.B. 353 passed by the General 127<sup>th</sup> General Assembly and signed by the Ohio Governor on January 6, 2009, certain preemptory rights apply to charter municipalities as it pertains to properties acquired by the CLRC. These are as follows:

1. **Municipal Land Bank Preemption.** Upon the tax foreclosure of properties by the \_\_\_\_\_ County Treasurer, municipalities having their own land banks pursuant to R.C. 5722.01 et seq., as well as the CLRC, are eligible to receive such tax-foreclosed properties. Whether such eligibility arises by virtue of: a.) deeds in lieu of foreclosure; b.) Board of Revision tax foreclosure; or, c.) judicial foreclosure, in the event both such municipality and the CCLRC both seek to acquire such property, the municipality shall preempt the CLRC and have first priority to acquire such property.

2. **Right of First Acquisition.** The parties acknowledge that the CCLRC will acquire properties other than through tax foreclosure such as direct purchases and acquisitions from lenders, lender servicers, and Government Sponsored Enterprises. Upon any such acquisition, a municipality shall have thirty (30) days from the date such acquisition is posted on the CLRC’s website to indicate its desire to acquire said

parcel. In the event the Municipality provides written notice to the CLRC within such time of its intent to so acquire the property, then it shall acquire and close on such property within 30 days of said notice, and pay for all of the CLRC's associated holding costs, transactional costs and costs of acquisition. In such event, the CLRC shall convey by quit claim deed the property so requested by the municipality. The City shall be responsible for the costs of any title examination or title policies it desires, or any other studies and inspections it desires.

If the municipality does not provide notice of its intent to acquire the property within said thirty (30) days, or having given such notice fails to close on such acquisition as prescribed herein, then the municipality may acquire such property, but only on terms, conditions, costs and purchase price as the parties shall negotiate. In any such case however, the CLRC shall not be required to sell or convey such property to the municipality as a matter of right. Any conflict between the language set forth in this Article I and the statutory language in said S.B. 353 shall be governed by the statutory language.

## **ARTICLE II**

### **LAND REUTILIZATION PROGRAM**

**Establishment of Acquisition, Demolition, Maintenance, Rehabilitation and Disposition Protocols.** The CLRC and the City may jointly develop: (a) Acquisition Protocols for the purposes of acquisition of properties within the boundaries of the City by either the CLRC or the City under this Agreement; (b) Demolition Protocols for the purpose of demolition of any abandoned vacant structures within the City; (c) Maintenance Protocols for the purpose of maintaining properties within the City during the period of ownership by the CLRC or the City; (d) Rehabilitation Protocols for the purpose of rehabilitating properties within the City during the period of ownership by the CLRC or the City; and (e) Disposition Protocols for the purposes of disposing of properties within the City, all as set forth in Exhibit A.

## **ARTICLE III**

### **ALLOCATION OF COSTS OF PROTOCOLS**

Each of the CLRC and the City shall bear the costs of any of the Protocols utilized hereunder in accordance with the provisions set forth in each such Protocols.

## **ARTICLE IV**

### **OTHER PROTOCOLS REGARDING LAND**

Nothing in this Agreement shall prohibit the parties hereto from establishing from time to time or at any time additional Protocols regarding properties that come into the possession of either of the parties. In connection with the establishment of such other Protocols, the Protocols shall be attached to this Agreement and shall be designated as Exhibit A-1, A-2, etc.

**ARTICLE V**

**MISCELLANEOUS**

**Section 5.1. Term of Agreement.** This Agreement may be terminated by either of the parties hereto upon sixty (60) days' prior written notice of the terminating party to the other party; provided, however, that such a termination shall not be of any force and effect as to any monetary obligations of either of the parties hereunder or of any third party in effect at the time of such termination pursuant to any other agreement executed in connection with, but separate from this Agreement. In the event the parties dispute any amounts owing one to another at the time of the termination, then the parties shall work in good faith to provide one another with sufficient documentation to reasonably identify and resolve any remaining obligations. Failing such resolution the parties shall submit such dispute to a neutral arbitrator as they may agree upon, or failing such selection, to the American Arbitration Association upon 30 days of any request by either party.

**Section 5.2. Amendment of Agreement.** This Agreement, including the Protocols attached hereto, may be amended from time to time and at any time provided that such amendment is in writing and is executed by both of the parties hereto.

**Section 5.3. Severability.** If any covenant, agreement, waiver or part thereof contained in this Agreement be forbidden by any pertinent law, or under any pertinent law be effective to render this Agreement invalid or unenforceable, then each such covenant, agreement, waiver or part thereof shall itself be and is hereby declared to be wholly ineffective and this Agreement shall be construed as if the same were not included herein.

**Section 5.4. Notices.** All notices hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed by certified mail, postage prepaid and addressed as follows:

If to the CLRC: \_\_\_\_\_ County Land Reutilization (CLRC)

If to the City: City of \_\_\_\_\_, Ohio

Attention: \_\_\_\_\_

**Section 5.5. Successors and Assigns; Parties in Interest; Assignment.** The covenants, agreements, conditions, promises and undertakings in this Agreement shall extend to and be binding upon the successors and assigns of the CLRC and the City and all of the covenants thereof shall bind such successors and assigns, and each of them, jointly and severally. All the covenants, conditions and provisions hereof shall be held to be for the sole and exclusive benefit of the CLRC and the City and no third party shall be deemed the

beneficiary of such covenants, conditions and provisions without the written consent thereto of each of the parties hereto.

Each of the CLRC and the City may assign any part or all of its rights or obligations hereunder to a third party but only with the prior written consent of the non-assigning party.

**Section 5.6. Governing Law.** This Agreement shall is governed by Ohio law

**Section 5.7. Effective Date; Counterparts.** This Agreement shall take effect immediately upon delivery of an executed copy hereof to each of the parties hereto. This Agreement may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

**IN WITNESS WHEREOF**, each of the CLRC and the City has executed this Agreement as of the date first set forth above.

\_\_\_\_\_ **COUNTY LAND REUTILIZATION**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF \_\_\_\_\_, OHIO**

By: \_\_\_\_\_

Title: \_\_\_\_\_

***Exhibit A***

**TO THE MASTER COOPERATIVE LAND REUTILIZATION AGREEMENT  
DATED AS OF \_\_\_\_\_, 20\_\_,  
BETWEEN THE \_\_\_\_\_ COUNTY LAND REUTILIZATION CORPORATION  
AND  
THE CITY OF \_\_\_\_\_, OHIO**

**ACQUISITION PROTOCOLS**

***Section 1.***

**DEMOLITION PROTOCOLS**

***Section 1.***

**MAINTENANCE PROTOCOLS**

***Section 1.***

**REHABILITATION PROTOCOLS**

***Section 1.***

**DISPOSITION PROTOCOLS**

***Section 1.***