

INSURANCE SPECIFICATIONS

FOR

_____ COUNTY
LAND REUTILIZATION CORPORATION

A CONFIDENTIAL REPORT
&
REQUEST FOR PROPOSAL

_____, 20____

SUMMARY OF CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

THE _____ COUNTY LAND REUTILIZATION CORPORATIONS (“CLRC”) WAS CONCEIVED IN RESPONSE TO THE FALL-OUT FROM THE FORECLOSURE CRISIS. THIS FALLOUT HAS CONTRIBUTED TO LARGE SCALE FORECLOSURES WHICH, IN TURN HAS RESULTED IN A SIGNIFICANT DIMINUTION OF THE REAL ESTATE TAX BASE IN _____ COUNTY, LARGE SCALE PROPERTY ABANDONMENT AND NEIGHBORHOOD DECAY.

TO RESPOND TO THIS, THE LEGISLATION AUTHORIZING THE CCLRC WAS PASSED BY THE OHIO LEGISLATURE IN DECEMBER, 2008, WAS SIGNED BY GOVERNOR STRICKLAND IN JANUARY 2009 AND BECAME LAW ON APRIL 7, 2009. THE LEGISLATION AUTHORIZED THE _____ COUNTY COMMISSIONERS TO CREATE A _____ COUNTY LAND BANK UNDER R.C. 5722 BY UTILIZING THE AGENCY OF A R.C. 1724 LAND REUTILIZATION CORPORATION (“LRC”). BOTH R.C. 5722.01 ET SEQ. AND 1724.01 ET SEQ. WERE AMENDED TO ALLOW LAND BANKS TO BE ADMINISTERED BY LRCs. THE LRC IS AUTHORIZED TO RECEIVE REAL ESTATE FROM TAX FORECLOSURE SALES, BANK REOs, GSEs (FANNIE MAE AND FREDDIE MAC) AND HUD. THE LRC IS AUTHORIZED TO TAKE THESE PROPERTIES ON A LARGER SCALE, “TRIAGE” THEM INTO CATEGORIES REQUIRING DEMOLITION, MOth-BALLING FOR REHABILITATION, RESALE OR STRATEGIC DISPOSITION OR GREEN-SPACING.

THE LEGISLATURE HAS GIVEN AUTHORITY FOR THE LRC TO TRANSACT IN A FAR MORE ENTREPRENEURIAL WAY IN FURTHERANCE OF STABILIZING THE RESIDENTIAL REAL ESTATE MARKET AND GETTING REHABBABLE PROPERTIES BACK INTO THE HANDS OF RESPONSIBLE OWNERS AND REHABBERS. THE PRIMARY FUNDING WILL CONSIST OF THE REDIRECTION TO THE LRC OF PENALTY AND INTEREST FROM DELINQUENT AND LATE REAL ESTATE TAXES. THIS WILL RESULT IN AN ANNUAL REVENUE STREAM OF APPROXIMATELY \$_____ ANNUALLY. THIS REVENUE STREAM, WILL BE UTILIZED TO ADDRESS THE WIDE SPREAD DEMOLITION AND /PROPERTY STABILIZATION NECESSARY TO STABILIZE THE TAX BASE IN _____ COUNTY AND RE-ESTABLISH LONG TERM AND SUSTAINABLE PROPERTY VALUES.

THE CLRC WILL SERVE _____ COUNTY ONLY. IT WILL NOT ONLY DEMOLISH, HOLD, PROMOTE REHABILITATION AND MAINTAIN PORTFOLIO PROPERTIES, BUT IT WILL CREATE AND ADMINISTER PROGRAMS INCLUDING SIDE YARD PROPERTY DONATIONS, ADOPT-A-LOT, URBAN FARMING/GREENHOUSES, SUSTAINABLE PARKS AND GREEN-SPACE, WORKFORCE DEVELOPMENT THROUGH GOVERNMENTAL JOBS PROGRAMS, WATER RETENTION PLANNING AND CREATION THROUGH STRATEGIC WATER RETENTION PLANNING WITH THE REGIONAL SEWER DISTRICT.

THE CLRC WILL HOLD AND MAINTAIN VACANT AND ABANDONED PROPERTIES, OCCUPIED RENTALS AS WELL AS POSITIVE EQUITY PROPERTIES FOR RESALE. THE CLRC AND ITS INSURANCE CARRIER(S) WILL ADOPT REPORTING PROCEDURES BY WHICH THE NUMBER AND CATEGORIES OF PROPERTIES ARE PERIODICALLY REPORTED AND PREMIUM CHARGES ADJUSTED ACCORDINGLY.

E-MAIL QUESTIONS WILL BE RECEIVED UP TO 12:00 A.M. _____, 20___. RESPONSIVE ANSWERS TO QUESTIONS WILL BE SUPPLIED BY THE CLOSE OF THE BUSINESS DAY _____, 20___. FORMAL RESPONSES TO THIS REQUEST ARE DUE BY _____, 20___. THE CLRC RESERVES THE RIGHT TO CANCEL THIS SOLICITATION FOR ANY OR NO REASON.

E-MAIL QUESTIONS SHOULD BE DIRECTED TO _____ AT”

PRESIDENT@YOURLANDBANK.ORG

SCHEDULE OF NAMED INSUREDS

1. _____ County Land Reutilization Corporation

SCHEDULE OF LOCATIONS

1. _____

Landlord: _____

Carriers Utilized

The coverages requested in this proposal should be submitted to the _____ County Land Reutilization Corporation in the following manner (as shown by the grid below) utilizing the standards referred to below

<u>Policy Type</u>	<u>Carrier</u>	A.M. Best Rating	<u>Financial Size Ratings</u> (in millions)
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A.M. BEST'S RATINGS (FROM STRONGEST TO WEAKEST)

A++	SUPERIOR	C++	MARGINAL
A+		C+	
A	EXCELLENT	C	
A-		C-	WEAK
B++	VERY GOOD	D	POOR
B+		E	UNDER REGULATORY SUPERVISION
B	FAIR		
B-			

A.M. BEST'S FINANCIAL SIZE RATINGS (IN MILLIONS)

I	LESS THAN 1 MILLION	IX	250 TO 500
II	1 TO 2	X	500 TO 750
III	2 TO 5	XI	750 TO 1,000
IV	5 TO 10	XII	1,000 TO 1,250
V	10 TO 25	XIII	1,250 TO 1,500
VI	25 TO 50	XIV	1,500 TO 2,000
VII	50 TO 100	XV	GREATER THAN 2,000 MILLION
VIII	100 TO 250		

PROPERTY COVERAGE

I. Administrative Office

1. Business Personal Property – (Administration)	50,000
2. Loss of Business Income & Extra Expense	50,000
3. Coinsurance percentage	100%
4. Agreed Value Coverage	INCLUDE
5. Deductible	1,000
6. Cause of Loss Form:	SPECIAL
7. Loss Settlement (RC or ACV*)	REPLACEMENT
8. Sewer Backup	10,000
9. Data Processing; Hardware & Data	35,000
a. Transit	10,000
b. Virus	10,000
c. Unauthorized Access	10,000
10. Accounts Receivable	25,000
11. Valuable Documents	25,000

II. Land Bank Locations

1. Vacant Dwellings (rate per \$100of insured value)	
2. Loss Settlement Basis	ACTUAL CASH VALUE
3. Cause of Loss	BASIC
4. Deductible	2,500

*ACV = Actual Cash Value RC = Replacement Cost

COMMERCIAL CRIME SUMMARY

- | | | |
|--|----|---------|
| 1. Employee Dishonesty: | \$ | 100,000 |
| Blanket <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> | | |
| ERISA Only <input type="checkbox"/> | | |
| Third Party <input type="checkbox"/> | | |
| 2. Forgery or Alteration | \$ | 25,000 |
| 3. Deductible | \$ | 500 |
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ENDORSEMENTS, CONDITIONS, AND COMMENTS

1. Ratable Class I Employees – 3:
Executive Director/President
Controller
Chief Operating Officer

PRIMARY LIABILITY COVERAGE LIMITS SUMMARY

1. General Liability – Per Occurrence Limit	1,000,000
Aggregate Limit	2,000,000
2. Employee Benefit Administration Liability (<i>1,000 Deductible</i>)	1,000,000
3. Ohio Employer’s “Intentional” Tort Liability	1,000,000
4. Fire Legal Liability	500,000
5. Medical Payments	10,000
6. Employment Practices Liability (<i>2,500 Deductible</i>)	1,000,000
7. Pollution Liability – Including:	1,000,000/2,000,000
• First Party Cleanup	0
• Third Party Coverage	
• Lead Paint Coverage	
• Mold Coverage	
• Asbestos Abatement	OPTIONAL
8. Directors & Officers	2,000,000

LIABILITY RATING EXPOSURES

PREMIUM RATING BASIS

	<u>Classification</u>	<u>Premium Basis</u>	Amount
1.	Vacant Land	Acres	_____
2.	Vacant Dwellings	Each	_____
3.	Building or Premises – Office	Area	_____
4.	Subcontracted Work	Total Subcontract Cost	_____
5.	Ohio Employer’s Liability	Gross Payroll	_____
6.	Dwellings – Rented to Others	Each	_____
7.	Employee Benefit Liability	Employees	_____

AUTOMOBILE COVERAGE SUMMARY

<i>LIABILITY</i>	1,000,000
Medical Payments	5,000
Uninsured/Underinsured Motorist	1,000,000
Non-Owned & Hired Vehicles Liability	1,000,000
Damage to Rented Vehicles	50,000
 <i>Coverage Extensions:</i>	
Lease/Loan "Gap" Coverage	INCLUDED
Airbag Replacement	INCLUDED
Rental Reimbursement	\$40/DAY
Towing & Labor	

SCHEDULE OF VEHICLES

	Vehicle	Vin Number	Comprehensive	Collision
1.	2008 TBD	TBD	1000	1000
2.	2008 TBD	TBD	1000	1000
3.	2008 TBD	TBD	1000	1000
4.	2008 TBD	TBD	1000	1000

UMBRELLA CATASTROPHE LIABILITY SUMMARY

Limit Per Occurrence	5,000,000
General Aggregate Limit	5,000,000
Self-Insured Retention Deductible	- 0 -
Uninsured Motorist	NO COVERAGE

ENDORSEMENTS, CONDITIONS, AND COMMENTS

Umbrella limit is excess of the following primary limits:

- General Liability
- Auto Liability
- Employee Benefit Liability
- Ohio Employers Liability