

**INTERLOCAL COOPERATION AGREEMENT ESTABLISHING THE  
STATESBORO-BULLOCH COUNTY LAND BANK AUTHORITY**

THIS AGREEMENT, made and entered into this 3<sup>rd</sup> day of December, 2002, by and between the CITY OF STATESBORO, a municipal corporation of the State of Georgia, hereinafter referred to as "City", and BULLOCH COUNTY, GEORGIA, a body politic of the State of Georgia, hereinafter referred to as "County".

THAT WHEREAS, there exist in the City and County properties which are non-revenue generating, vacant and dilapidated; and

WHEREAS, these properties contribute to the blight and deterioration of the community and constitute an economic burden to the community; and

WHEREAS, the General Assembly of Georgia, recognizing the magnitude of the problem, enacted O.C.G.A. § 48-4-60, et seq., hereinafter referred to as "the Act", to permit any city in the county containing such a city to enter into an interlocal cooperation agreement for the purposes of establishing a LAND BANK AUTHORITY, the purpose of which would be to acquire properties in order to foster the public purpose of returning property which is in a non-revenue generating, non-tax producing status to an effective utilization status in order to provide housing, new industry and jobs for citizens of the county and community; and

WHEREAS, the parties herein agree that establishment of such an authority would be beneficial to the people in the jurisdiction of the City and the County.

NOW, THEREFORE, the parties do hereby agree as follows:

I. ESTABLISHMENT AND PURPOSE.

A. There is hereby established the Statesboro-Bulloch County Land Bank Authority pursuant to O.C.G.A. Sec. 48-4-60, et seq., the establishment of which is to foster the public purpose of returning property which is in a non-revenue generating, non-tax-producing status to effective utilization status in order to provide housing, new industry and jobs for citizens.

II. BOARD TO GOVERN AUTHORITY; MEETINGS; ORGANIZATION; STAFF.

A. The Authority shall be governed by a Board composed of four (4) members: two members appointed by the Mayor of the City and two members appointed by the County Commission of the County. Each member shall serve at the pleasure of the respective appointing authority for a term of four (4) years and shall serve without compensation. The members shall be residents of the county and may be employees of the parties. Any vacancies shall be filled for the remainder of the unexpired term in the same manner as the original appointment.

B. The Board of the Authority shall meet from time to time, and the presence of three (3) members shall constitute a quorum. Approval by a majority of the membership then in office shall be necessary for any action to be taken by the Authority. All meetings shall be open to the public, except as otherwise provided in Chapter 14 of Title 50 of O.C.G.A., and a written record shall be maintained of all meetings. A chairperson shall be elected from among the members, and he or she shall execute all deeds, leases and contracts of the Authority when authorized by the Board.

C. The Authority may employ its own staff or may utilize employees of the parties as may be determined by the parties and as hereinafter set forth.

### III. POWERS OF THE AUTHORITY.

A. The Authority shall hold in its own name, for the benefit of the City and the County, all properties conveyed to it by the parties, all properties acquired by it pursuant to the provisions of O.C.G.A. § 48-4-60, et seq., and all properties otherwise acquired.

B. The Authority shall have the power to obtain the title to any property previously acquired by the County and the City. Both the County and City agree that each shall reserve unto itself the sole discretion to determine which properties will be offered to the Authority. Further, the County and the City agree upon acceptance by the Authority of such properties to cause appropriate deeds to be executed vesting title in the Authority.

### IV. DUTIES AND RESPONSIBILITIES OF THE BOARD.

A. Inventory and Analysis of Properties. The Board shall collect and receive data from public, private, professional and volunteer sources to compile an inventory and analysis of desirable property for acquisition.

B. Administration by Authority of Properties. The Authority shall administer the properties acquired by it as follows:

1. All property acquired by the Authority shall be inventoried and appraised, and the inventory shall be maintained as a public record and shall be filed in the office of the Authority.
2. The Authority shall organize and classify the property on the basis of suitability of use.
3. All properties acquired by the Authority shall be appraised, estimates of value as established by the Bulloch County Board of Tax Assessors shall be deemed acceptable for this purpose.
4. The Authority shall provide for the maintenance of all property held by it in accordance with applicable laws and codes.

5. The Authority shall have the power to manage, maintain, protect, rent, lease, repair, insure, alter, sell, trade, exchange, or otherwise dispose of any property on terms and conditions determined in the sole discretion of the Authority and in accordance with applicable law.
6. The Authority may assemble tracts or parcels of property for public parks or other public purposes, and, to that end, may exchange parcels or otherwise effectuate the purposes set forth herein.
7. The acquisition or disposal of the property by the Authority shall not be governed or controlled by any regulation or law of the parties unless specifically provided herein, and transfer of property by the parties to the Authority shall be treated as a transfer to a body politic as contemplated by subparagraph (a)(2)(A) of Code Sec. 36-9-3.
8. Property held by the Authority may be sold, traded, exchanged, or otherwise disposed of by the authority so long as the disposition is approved by the majority of the membership as required hereinabove, and approved as follows.
  - a) If the property is located within the City, approved by both Authority members appointed by the Mayor, and at least one of the Authority members appointed by the County Commission of the County;
  - b) If the property is located within the County, but outside the City, approved by both Authority members appointed by the County Commission of the County and at least one of the Authority members appointed by the City.

C. Review of Standards, Priorities and Procedures.

1. During its first meeting each year, the Board shall set priorities for the processing of properties based on factors such as staff availability, the number of outstanding properties being monitored by the Authority, and potential needs and demand for Authority properties.
2. During its first meeting each year, the Board shall set the definitions of "low income" and "moderate income" that are to be used in execution of Section VII of this agreement. The County and the City shall submit definitions for their respective jurisdictions prior to the first meeting each year for approval by the Board. The definition of each party shall include the following data:
  - a. Median income according to the most recent decennial census for the geographical area that is determined to be appropriate for the specific jurisdiction. Geographic area may be defined in terms of, but not restricted to, census tracts, jurisdictional boundaries designated sub-areas, or metropolitan statistical area;

- b. The calculation of 50% of said median for the definition of "low income" and the calculation of 80% of said median for the definition of "moderate income"; and
- c. A description of the methodology used to adjust said median income for the current year: preference shall be given to updates based on the Census biennial update of per capita income.

## V. PROVISIONS FOR STAFFING AND RETENTION OF OUTSIDE SERVICES.

### A. Employment and Compensation of Staff.

1. With the joint approval of the Board of Commissioners and the Mayor and Council, the Authority may employ, through contract or otherwise, any staff deemed necessary to carry out the duties and responsibilities of the Authority. Such staff position shall be approved and funded in its annual budget by the City and the County. All staff members shall be elected by the Board and the Board shall have the authority to set the terms and conditions, including benefits and compensation of any person so employed.
2. In lieu of employing staff, the parties may elect to staff the operation of the Authority with existing City and County employees.

### B. Contribution of Support Personnel.

1. The County and the City personnel may be used to provide any additional staff resources to the Authority consistent with the terms and conditions of this Agreement and for the purpose of assisting the Board in the execution of its duties and responsibilities.
2. In addition, the City and the County shall cooperate fully with the Authority staff regarding access to records, the identification of properties for purchase at tax sale or acquisition, joint foreclosure of redemption rights, maintenance of properties, preparation for Authority sales, closing on Authority properties, and post-sale follow-up and monitoring.

- C. Retention of Outside Consultants. The Board, in its discretion and with the line item approval set forth in the annual budget and approved by the City and County, shall be authorized to expend funds to obtain consulting, legal and other services as needed to carry out its duties and responsibilities and to implement its priorities.

## VI. FUNDING AND EXPENDITURES.

A. Establishment of Budget.

1. The Board shall establish the Authority's budget annually and submit this budget to the County and City no later than the last day of February each year. The budget documents submitted to the City and the County shall list and described total requests made to the County and the City and shall state the portion requested by each party. The expenses of the Authority's activities shall be apportioned between the two governments as follows:

a. The City shall pay all costs of tax lien execution and sale, legal fees, surveying, title searches, appraisals, closing, and deed preparation necessary for the acquisition of the property; and pay all the outstanding property taxes, penalties, and interest due to the City and the Board of Education on any property located within the City. The County shall pay the outstanding property taxes, penalties, and interest due to the County on any property located within the City.

b. The County shall pay all costs of tax lien execution and sale, legal fees, surveying, title searches, appraisals, closing, and deed preparation necessary for the acquisition of the property; and pay all the outstanding property taxes, penalties, and interest due to the County and the Board of Education on any property located outside the City.

c. These costs shall either be paid directly by the City or County, or paid to the Authority in a timely manner in order for the Authority to meet its financial obligations.

d. These costs may be reimbursed to the parties as provided in Section VII. E. of this Agreement.

2. Any funds held by the Authority shall be applied to the fulfillment of the monetary obligations as identified as part of the Board's annual budget and shall be identified as such in any budget documents submitted to the County and the City.

B. Management of Funds. The chief administrative officer of the Authority, or other person designated by the Authority, shall be designated the fiscal agent of the Authority's account established for the management of sales proceeds, monetary contributions made by the Parties, donations, and other Authority funds. The Authority shall maintain a set of books and records as recommended by the County and City auditors on the

accounting basis recommended jointly by the County and City auditors. The Authority shall provide quarterly financial reports to the parties that detail accounting activities during the period. In addition, the books and records of the Authority shall be audited annually by the County and City auditors. The audit shall be on a rotation basis with the first audit to be done by the City auditor, and the second by the County auditor, and rotating thereafter on an annual basis.

C. Authorized Expenditures. The Authority shall, in its sole discretion and within the budgetary guidelines set forth in this Agreement, expend such funds as necessary in payment of legal fees, advertising fees, notification of lien holders, title searches, appraisals, and other services and/or equipment that are required to fulfill the intent of the state enabling legislation as codified in O.C.G.A. § 46-4-60, et seq., and purposes of this Agreement.

D. Budget Contribution.

1. Budget requests to the County and the City shall include only costs that are not covered by funds of the Authority.
2. The total County contribution is subject to the annual approval by the Board of Commissioners; said approval shall include a schedule of payment and shall be received in writing by the Authority as agreed to by the parties at the time of budget approval.
3. The total City contribution is subject to the annual approval of the Mayor and City Council; said approval shall include a schedule of payments and shall be received in writing by the Authority as agreed to by the parties at the time of budget approval.
4. In lieu of a budget for the Authority, each party may pay the costs of land acquisition and disposition as they accrue, pursuant to Section VI. A. of this Agreement.

VII. ACQUISITION AND DISPOSITION OF PROPERTY BY THE AUTHORITY.

A. Acquisition of Property by the Authority. The Authority may acquire property to be held in its own name by instigating the appropriate actions, including, but not limited to:

1. The Authority shall have full discretion to accept donations of property and to enter into negotiations with persons offering to sell property. Such procedures may include the imposition of

“processing fees” to cover the cost of title examinations or other related expenses.

2. The Authority may negotiate acquisition of property directly from the Parties or from third parties upon such terms as the Authority deems to be in the best interest of the Authority and to be furtherance of the purposes of this Agreement.
  3. As to property already acquired by a Party pursuant to a tax sale, the Authority shall notify the appropriate Party of its intent to acquire the property; the affected Party shall either accept or reject the Authority’s request. In the event that the affected Party agrees to the Authority’s request, said Party shall execute a deed to the Authority within 30 days of receipt of written notice of the Authority’s intent to acquire the property.
  4. As to the property which is tax delinquent but not yet foreclosed upon, the Authority may request the County Tax Commissioner to initiate tax foreclosure procedures and may enter into commitments to acquire property at such proceedings in accordance with state law.
  5. If either the City or the County obtains a judgment against a tax delinquent property within the County for the taxes and, to satisfy the judgment, the property is ordered sold at a tax sale, the Authority may tender one bid at such sale, and such bid shall be comprised of the Authority commitment to pay not more than all costs of the sale and its assumption of liability for all taxes, accrued interest thereon, and penalties, and, if there is no other bid, the Tax Commissioner shall accept the Authority’s bid and make a deed of the property to the Authority.
  6. In accordance with the provisions of O.C.G.A. § 48-4-65, the Authority shall have the right to foreclose the right to redeem property at any time after the twelve (12) month redemption period has expired pursuant to O.C.G.A. § 48-4-65.
- B. Extinguishing Taxes. The Authority shall have the power at the time it sells or otherwise disposes of property to extinguish all City and County taxes, including school district taxes; provided, however, that at the time it sells or otherwise disposes of the property with respect to school district taxes, the Authority shall first obtain the consent of the Board of Education governing the district in which the property is located. In determining whether or not to extinguish taxes, the Authority shall consider the public benefit to be gained by tax forgiveness with primary consideration given to purchasers who intend to build or rehabilitate low-income housing. The

decision by the Authority to extinguish taxes is subject to the vote requirements for disposition of property under Section IV B. 8. as hereinabove stated.

C. Criteria for Conveyance.

1. Request for property shall be awarded according to criteria determined in the discretion of the Authority subject to the following priority considerations:
  - a. First, to neighborhood non-profit entities or governmental agencies which would effectively use the property for the development or rehabilitation of housing for persons with low or moderate income;
  - b. Second, to other entities submitting proposals to produce or rehabilitate housing for persons with low or moderate incomes; and
  - c. Third, to individuals, neighborhood non-profit entities, or government agencies which would effectively use the property in a manner to promote commercial ventures, especially those that would create new jobs.

These priorities shall not preclude the Authority from assembling tracts or parcels of property for community improvement or other public purposes.

2. Proposed projects that meet income eligibility guidelines will be further evaluated on the basis of experience and qualifications, including financial strength and proven ability to construct/rehabilitate quality units at moderate cost.

D. Establishing Sales Price. Pursuant to O.C.G.A. § 48-4-64 (e), the Authority shall have full discretion in determining the sales price of the property.

E. Disbursement of Sales Proceeds. The proceeds, if any, from the sale of a specific Authority property, shall be distributed in the following priority order:

1. If the property is *inside* the City:
  - a) The City shall be reimbursed all of its costs incurred as set forth in Section VI. A. above, other than for property taxes, penalties, and interest.
  - b) The City and County shall be reimbursed all of the City, County, and Board of Education property taxes, penalties, and



interest paid to acquire the property, unless the same have been extinguished by the Authority. If the proceeds are insufficient to cover all these costs, they shall be prorated based upon the percentage each party has paid of the total amount of taxes, penalties, and interest paid to acquire this specific property.

c) Any remaining proceeds shall accrue to the City.

2. If the property is *outside* the City:

a) The County shall be reimbursed all of its costs incurred as set forth in Section VI. A. above, other than for property taxes, penalties, and interest.

b) The County shall be reimbursed all of the County and Board of Education property taxes, penalties, and interest paid to acquire the property, unless the same have been extinguished by the Authority, or the proceeds are insufficient to fully cover these costs.

c) Any remaining proceeds shall accrue to the County.

VIII. DEVELOPMENT OF PROPERTIES CONVEYED BY THE AUTHORITY.

A. Creation of Development Regulations. The Authority may create and revise regulations for development of property based on the property's current condition, zoning status, location, and dimensions, consistent with the law and codes of the jurisdiction where the property is located.

B. Time Limits for Development. To protect against long-term speculation by grantees of Authority Property, any conveyance of property by the Authority shall contain a condition of automatic reversion of title to the Authority. All titles of property conveyed from the Authority to any individual or entity shall contain language to the effect that title will revert to the Authority in the event that construction or rehabilitation of the property has not commenced within one (1) year of conveyance. In the event construction or rehabilitation of the property has not commenced within one (1) year of conveyance of the property from the Authority, the Authority may take any necessary action to establish the forfeiture of the property so conveyed.

C. Extensions of Time Limits for Development. The Authority, in its discretion, may upon a majority vote of the Board, grant in writing, extensions or exceptions to this right of reversion. The criteria for the granting of any extensions of one (1) year or exceptions to the right of

reversion shall be delineated by the Board and applied on a case-by-case basis by the Authority and may be exercised at any time prior to or following the expiration of the one (1) year period. In the event the grantee elects to sell the property within the one (1) year period or any one (1) year extension due to their inability to develop the proposed project, the Authority must approve such sale.

- D. Confirmation. Upon ten (10) days written notice by a grantee, the Authority shall issue confirmation of the grantee's compliance with these development criteria in recordable form so as to confirm extinguishment of this reversion in cases of compliance.

#### IX. AMENDMENTS TO AGREEMENT.

Any amendments to this Agreement shall be in writing and shall require the consent of the County and the City and shall be evidenced by an Amended and Restated Interlocal Agreement.

#### X. DURATION AND TERMINATION OF AGREEMENT.

- A. Duration. The effective date of this Agreement shall be the 1st day of January, 2003, and it shall remain in full force and effect for a period of one (1) year thereafter. At the anniversary date and each anniversary date thereafter the Agreement shall be renewed automatically unless terminated in accordance with the provisions of this Agreement.
- B. Termination. Any Party to this Agreement may withdraw at the expiration of any one-year term by giving 90 days written notice to the other Party. Upon the effective withdrawal of any Party to this Agreement, the Party so withdrawing will forfeit any and all rights to whatever funds or other assets the Party has contributed to the Authority, excluding real property within the jurisdictional boundaries of the Party withdrawing from the Agreement.
- C. Dissolution and Distribution of Assets. In the event this agreement is terminated by agreement by both Parties, or dissolved as provided by law, the Authority shall dissolve and conclude its affairs. All assets of the Authority shall be used to satisfy the then existing legal obligations of the Authority. After satisfaction of said legal obligations, any personal property remaining shall be distributed pro rata according to the appraised value to the Parties. All real property held by the Authority at the time of termination which was acquired by the Authority through donation from a Party shall be distributed to the donating Party. Any other remaining real property shall revert to the governmental entity having jurisdiction over the property. For purposes of this Agreement, the City shall be deemed to have jurisdiction over any such real property within the City; and the

County shall be deemed to have jurisdiction over any such real property outside the City.

XI. GOVERNING LAW.

This agreement shall be governed in all aspects, as to validity, construction, capacity, performance or otherwise, by the laws of the State of Georgia.

XII. RULES OF CONSTRUCTION.

For the purposes of administration and enforcement of this Agreement, unless otherwise stated in this Agreement, the following rules of construction shall apply:

- A. The paragraph headings used in this Agreement are included solely for convenience and shall not effect, or be used in connection with the interpretation of this Agreement.
- B. The word "shall" is always mandatory and not discretionary; the word "may" is permissive.
- C. Words used in the present tense shall include the future and words used in the singular number shall include the plural and the singular, unless the context clearly indicates the contrary.

XIII. ENTIRE AGREEMENT.

This Agreement, including the exhibits and documents attached hereto and which are incorporated herein constitute the entire understanding and agreement between the Parties hereto and supersedes any and all agreements, whether written or oral, that may exist between the Parties regarding the same. No amendment or modification to this Agreement or any waiver of any provisions hereof shall be effective unless in writing and signed by both Parties and complies with the provisions of Section IX of this Agreement.

XIV. SEVERABILITY.

In the event that any portion of this Agreement shall be declared null or void, the remaining portions of the Agreement shall remain in full force and effect.

WITNESS the signature of the Parties to this Agreement first above written.

CITY OF STATESBORO, GEORGIA

By: William S. Hatcher  
Mayor

Attest: [Signature]  
City Clerk

[Signature]  
Witness

[Signature]  
Notary Public

KATHY D. SMITH  
Notary Public, Bulloch County, Georgia  
My Commission Expires June 24, 2003

BOARD OF COMMISSIONERS OF BULLOCH COUNTY, GEORGIA

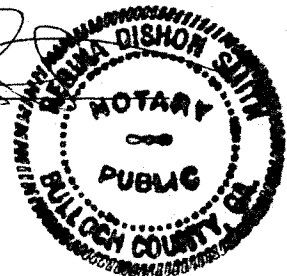
By: [Signature]  
Chairman

Attest: [Signature]  
County Clerk

[Signature]  
Witness

[Signature]  
Notary Public

My Commission Expires March 22, 2003



A JOINT RESOLUTION AUTHORIZING AN INTERLOCAL  
COOPERATION AGREEMENT ESTABLISHING THE  
STATESBORO-BULLOCH COUNTY LAND BANK AUTHORITY

WHEREAS, there exists in the City and County a substantial number of tax lien properties which are non-revenue generating, vacant and dilapidating; and

WHEREAS, these properties contribute to the blight and deterioration of the community and constitute an economic burden to the community and the local government; and

WHEREAS, the General Assembly of Georgia recognized this problem and enacted O.C.G.A. S 48-4-60, et seq., permitting cities and counties to enter into an interlocal cooperation agreement for the purposes of establishing a Land Bank Authority; and

WHEREAS, it appears that the establishment of such Authority would be beneficial to the governments of the City and the County;

NOW THEREFORE, BE IT JOINTLY RESOLVED by the Mayor and Council of the City of Statesboro and the Board of Commissioners of Bulloch County, Georgia, as follows:

Section 1. The parties do hereby agree to enter into an interlocal agreement establishing the Statesboro—Bulloch County Land Bank Authority, pursuant to O.C.G.A. S 48-4-60, et seq., and in accordance with the proposed agreement between the parties, the Mayor and Chairman of the Board of Commissioners are hereby respectively authorized and empowered to execute said contract and agreement. Said agreement is attached hereto and incorporated herein by reference.

Section 2. That this Resolution shall be, and remain in full force and effect from and after its date of adoption.

Adopted this 3<sup>rd</sup> day of December, 2002.

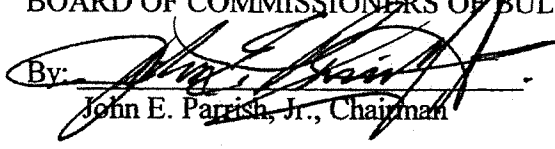
CITY OF STATESBORO, GEORGIA

By: William S. Hatcher  
William S. Hatcher, Mayor

Attest: Judy M. McCorkle  
Judy M. McCorkle, City Clerk

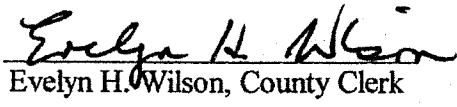
BOARD OF COMMISSIONERS OF BULLOCH COUNTY, GEORGIA

By:

A large, stylized handwritten signature in black ink, appearing to read "John E. Parrish, Jr.", written over a horizontal line.

John E. Parrish, Jr., Chairman

Attest:

A handwritten signature in black ink, appearing to read "Evelyn H. Wilson", written over a horizontal line.

Evelyn H. Wilson, County Clerk