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Senate Judiciary Committee SB 102 Sponsor Testimony April 30, 2025

Chairman Manning, Vice Chair Reynolds, Ranking Member Hicks-Hudson, and members of the Senate Judiciary Committee, thank you for allowing me the opportunity to provide testimony on Senate Bill 102, the Gus Frangos Act. This bill addresses needed reform for county land reutilization corporations, also known as land banks.

For those who may not know, land banks function as a mechanism for acquiring, holding, and distributing property in service of community goals. The primary function of land banks is to take delinquent or nonproductive land and facilitate the sale or transfer to a responsible third party for productive, tax-generating use in the community. Land banks acquire vacant parcels through purchases, donations, or intergovernmental transfer from public foreclosure proceedings. They then ensure the title is clear and prepare the parcels for transfer to a third party. Parcels are then sold for redevelopment or use by the responsible third party.

In 2008, I introduced a bill that sought to create the first ever land bank in Ohio. With the help of the late Gus Frangos and Cuyahoga County Treasurer Jim Rokakis, we created the Cuyahoga Land Bank pilot program in 2009. This set the playbook for other Ohio counties, and today 70 of 88 Ohio counties have land banks. Gus Frangos was president of the Cuyahoga Land Bank for its first 15 years and remained a leading voice in land bank administration and reform until his sudden passing last year. This bill is named the "Gus Frangos Act" in his honor.

The Gus Frangos Act makes both technical and substantive changes to Ohio land bank law, and we have consulted at length with the Cuyahoga County Land Bank and Ohio Land Bank Association on these changes. Although I will not detail the technical changes in my testimony, a few of these include permitting use of online notices and auctions, removing duplicative fees and processes, and clarifying the difference between auditor's value and fair market value. The more substantive provisions are as follows:

- 1. This bill extends the authorization to make safety and environmental inspections on delinquent abandoned property during a tax foreclosure under the supervision of the Court. This would limit speculation by having an inspection report available at the time of a sheriff's sale.
- 2. It conforms the sheriff sale process to a 2023 U.S. Supreme Court decision (Tyler v Hennepin County) to give owners of foreclosed properties an absolute right to expose their property to a sheriff sale.
- 3. Lastly, this bill enables a board of county commissioners to provide supplemental funding for land banks upon sale of a property from a land bank to a responsible property owner. Commissioners may choose to authorize up to 50% of future real estate taxes be paid to the county's land reutilization fund as a Payment in Lieu of Taxes for up to five years.

This bill not only helps county land banks achieve their intended purpose, it protects consumers and property owners from government overreach. This bill was voted unanimously out of the House committee in the last General Assembly but simply ran out of time in the final months. I ask you, Mr. Chairman, to help move this legislation so we can keep our county land banks viable for decades to come.

Thank you once more for the opportunity to testify on the Gus Frangos Act. I welcome any questions from the committee.