

Cuyahoga County Land Reutilization Corporation 812 Huron Rd E, Suite 800, Cleveland, Ohio 44115 Telephone (216) 698-8853 Fax (216) 698-8972

May 14, 2024

Representative Scott Wiggam State and Local Government House of Representatives 77 South High Street – Floor 13 Columbus, OH 43215

RE: HB 85

Dear Representative Wiggam:

HB 85 aims to keep occupants from being displaced from their homes when a delinquent landowner fails to pay its taxes resulting in a tax foreclosure and ultimate forfeiture of the property. Although the occupant may faithfully be paying the rent to the landlord, that property is either forfeited to the State or purchased at a Sheriff sale by an investor or a speculator who then displaces the innocent occupant. Similarly, where a land contract vendee in a land contract situation faithfully pays the land contract vendor the required payments only to find the property was lost to tax foreclosure by an unscrupulous land contract vendor, this bill provides a modicum of protection to the innocent occupant. The bill allows a land bank or municipality to step in and pay the taxes at a foreclosure sale, so as to allow the occupant to remain in the property. The innocent occupant would then have the opportunity to purchase the property for the amount of the taxes over time. This would convert responsible tenants into homeowners. This promotes stable housing, tax base stability, home ownership and a soft landing for occupants who have been taken advantage of by a delinquent property owner.

Additional details can be further explained but this is the general thrust of this bill. In Cuyahoga County, for example, there are some 400 properties on the State forfeiture list, several of which are occupied by these unsuspecting but innocent occupants. This is modeled after a similar Michigan statute.

Thank you for your consideration.

Sincerely,

Gus Frangos, President and General Counsel

GF/jmk

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