

A. EARNED CREDIT ACQUISITION PROGRAM

Section 1. Purpose The purpose of the Earned Credit Acquisition Program (“Program”) is to return vacant, abandoned, and underutilized residential lots to productive use through an “earned credit” method by which responsible parties may acquire ownership. The Program enables individuals to acquire ownership of eligible properties with no monetary cost after demonstrating they will maintain and care for a property, thereby improving the community.

Section 2. Eligibility To participate in the Program, an individual or entity shall meet all of the following criteria at the time of application and, if approved, throughout the duration of the individual’s participation in the Program:

- i) Does not owe delinquent real estate or personal property taxes to the Member Municipality in which the property is situated;
- ii) Has had no property maintenance, nuisance, building, rental inspection program, or zoning code violations within the previous thirty-six (36) months; and
- iii) Has kept all existing accounts with the Member Municipality in which the property is situated in good standing during the prior thirty-six (36) months.

Section 3. Application & Determination An individual or entity wishing to participate in the Program shall complete and submit an application requesting participation in the Program for an identified lot (“Requested Property”). The application may be downloaded at fairburyne.org/246/SOUTH-JEFFERSON-LANDBANK or obtained at the Fairbury City Offices. A submitted application must be accompanied by a nonrefundable application fee for consideration.

The submitted application will disclose whether the applicant intends to maintain, improve, or build an inhabitable structure or commercial structure on the Requested Property. “Maintain” means no improvements are proposed for the Requested Property. “Improve” means a non-inhabitable addition to the Requested Property is proposed. “Build an inhabitable structure or commercial structure” means construction of a structure which can, respectively, be inhabited or used for commerce pursuant to applicable zoning codes on the Requested Property is proposed.

The application will be reviewed by the Land Bank to determine the applicant’s eligibility and in light of its adopted priorities. Applications which propose to build a commercial structure shall be given preference over building an inhabitable structure, which shall be given preference over improvement, which shall be given preference over maintenance.

If an application is approved by the Land Bank, the approved applicant will be required to pay a nonrefundable administrative fee. Upon payment of the administrative fee, the Land Bank will assign the Requested Property a value in accordance with Section 4 of this regulation and the approved applicant shall enter into a written agreement with the Land Bank setting forth the terms of the approved applicant’s acquisition of the Requested Property (“Agreement”). Upon execution of the Agreement, the approved applicant shall be a “Program Participant”.

Section 4. Requested Property Assigned Value The Agreement will specify the Requested Property’s assigned value. The assigned value will be determined by multiplying the frontage, in feet, of the Requested Property by a multiplier rate per foot (“Assigned Value”).

Section 5. Acquisition of Requested Property A Program Participant acquires title to the Requested Property as follows:

- i) if building an inhabitable structure or commercial structure on the Requested Property, upon completion of construction of the proposed structure and its approval for occupancy;
- ii) if improving the Requested Property, upon completion of the improvement when the documented cost of the improvement exceeds the Assigned Value;
- iii) if improving the Requested Property, upon completion of the improvement and, if the documented cost does not exceed the Assigned Value, after it has been continuously maintained thereafter by the Program Participant for the required number of years to earn a sufficient amount in Maintenance Credit, as hereinafter defined, that, combined with the documented cost, exceeds the Assigned Value;
- iv) if maintaining the Requested Property, the Program Participant earning a sufficient amount in Maintenance Credit, as hereinafter defined, that exceeds the Assigned Value. For purposes of this regulation, "Maintenance Credit" shall mean a credit awarded by the Land Bank to the Program Participant after each 12 month period the Program Participant continuously maintains the Requested Property in accordance with this regulation and the terms of the Agreement; or
- v) upon payment by the Program Participant of the Assigned Value to the Land Bank at any time after entering into the Agreement.

Section 6. Maintenance: Default A Program Participant must continuously maintain the Requested Property in accordance with this regulation and the Agreement. For purposes of this regulation, "maintain" shall specifically include mowing, snow removal, weed management, tree trimming, and nuisance abatement. If a Program Participant fails to maintain the Requested Property as required by this regulation and the Agreement, the Program Participant, upon written notice from an authorized representative of the Land Bank of said failure, shall have thirty (30) days, or a longer period if agreed to by the Land Bank, to correct said condition to the satisfaction of the Land Bank. A Program Participant will not earn Maintenance Credit for the 12 month period during which the Program Participant received such notice. If a Program Participant fails to correct said condition, the Program Participant's participation in the Program shall terminate as of the first day after the applicable period for correction has ended and the Program Participant will be ineligible to participate in the Program for a period of not less than ten (10) years. If a Program Participant is notified a second time of a failure to maintain the Requested Property, the Program Participant's participation in the Program shall terminate upon delivery of said notice and the Program Participant shall have no right to correct said condition.

Section 7. Restrictions on Use The Program Participant must, at all times, adhere to any and all restrictions on the use of the Request Property, including, but not limited to, zoning conditions and municipal ordinances.

Section 8. Implementation The Board of Directors may, from time to time, approve such guidelines and documents, and adopt such fees and rates, as are necessary for the implementation of this Program.