



Lead-Impacted Communities Relocation Assistance Trust

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Buyout Guidelines

Application Guidelines

1. Any issues or concerns raised regarding another applicant will be handled appropriately by the Trust, but resolution of such issues will not be addressed to the complainant.
2. Any applicant who wishes to be moved to a lower priority or be taken out of the buyout must submit a written request to the Operations Manager.
3. Groups of applicants who wish to be bought out together, such as families or caregivers and those in their care, will be bought out based on the lowest priority assigned to any applicant in that group. Such a request must be submitted in writing to the Operations Manager by all applicants within said group.
4. Qualifying Residential and Non-Residential Applications received after the October 14, 2006 deadline will be placed in Priority 3. Extraordinary Hardship Applications received to accompany a Residential Application that was submitted by the October 14, 2006 deadline will be accepted, if approved, until such date that randomization of Priority 1 Group 3 has been completed.

Applicant Qualifications and Priority

5. Special circumstances that require investigation will be addressed by the Operations Manager. If the matter is not resolved by that investigation, the Operations Manager will refer the application to the Prioritization Subcommittee for review. The Prioritization Subcommittee will review the situation and present its findings to the Trust for approval or rejection. The Trust or its designees may require additional proof of occupancy or ownership of structures beyond that submitted with the buyout application.
6. In order to qualify for the buyout, a church must provide a federal tax exemption certificate, tax return for 2005 demonstrating its status as an organized church, or other proof of organization as a church. Churches must also be able to provide clear, marketable title for the property if applicable.
7. A home-based business will be appraised as a business only if that is the predominant use of the structure.
8. If the owner of an occupied residence to be bought out both lives in the residence and rents space within the same residence to another, the renter will not necessarily

receive buyout assistance. Exceptions will be brought to the attention of the Operations Manager. Eligibility will be reviewed on a case-by-case basis.

- 9.** Qualified applicants that continually resided in their home through June 6, 2006, yet have since deceased, will be lowered to Priority 3. However, the appraisal will be expedited for the deceased regardless of priority to preserve value in the event of property damage.
- 10.** Qualified applicants seeking buyout of secondary residences (e.g., vacation or weekend homes) will be lowered to Priority 3.
- 11.** Listings of priorities are contained in Attachment I of this document.

Appraisal/Acquisition/Closing Guidelines

- 12.** Declining businesses that have been moved into Priority 1 will be appraised at the earliest opportunity to allow the owners to close the businesses.
- 13.** Mobile homes older than five years will be appraised and bought out as fixed structures. Owners of moveable mobile homes newer than five years will be paid moving expenses to relocate to another suitable site. If it is determined by the Trust or its appraisal contractor that a mobile home newer than five years cannot be moved, it may be considered a fixed structure.
- 14.** Homeowners who choose to move their home to a new location in lieu of accepting a cash buyout must notify the Trust in writing with at least two quotes for said move, including associated costs to prepare the new site. The Trust may seek verification of moving and site preparation costs from an independent contractor. Those choosing this option will be paid at closing an amount equal to the value of a typical residential lot elsewhere in the county in exchange for marketable title to the existing home site, if owned, in addition to reasonable moving and site preparation costs. In no event shall those choosing this option receive more than the appraised value established for the buyout of their property, and all properties must be cleared within 90 days of offer acceptance unless extended by the Trust.
- 15.** All trash, debris, non-operating automobiles, boats and abandoned/dilapidated structures not factored into the appraisal must be removed from properties being bought out prior to vacating and final inspection. Further, all properties must be mowed prior to vacating and final inspection.
- 16.** All pets and other animals must be removed from the property prior to vacating and final inspection.
- 17.** WITHOUT EXCEPTION, following appraisal of a residence or business, no built in appliances, built in air conditioners, carports, sheds, fences, fixtures or other structures may be removed by the owner or renter without the express written

- permission of the Trust. Applicants may have the opportunity to purchase such items at public auction pursuant to the Structural Disposal Guidelines adopted by the Trust.
- 18.** Moving expenses will be paid as outlined in S.B. No. 1463.
 - 19.** The Trust's contractors will call each applicant to schedule a time at the applicant's convenience to review the appraisal report and present the Trust's offer. Offers will be made at the applicant's home or in the Trust office. Offers are non-negotiable, although applicants will be able to seek answers to questions or concerns they may have about their appraisal during the offer meeting. Appraisal reports will not be released to the applicants in order to protect the confidentiality of appraisal value determinations. Applicants will be given 15 days to accept or reject the offer given by the Appraisal Firm, unless they have notified the Trust in writing of their desire to delay their decision pending a subsequent offer for other property for which they have applied for buyout assistance. Once an applicant accepts an offer, the Trust's contractors will call applicants to schedule closing on the acquisition at a time that is convenient to both the applicant and the contractor, but in no event later than 90 days after offer acceptance unless a later closing date is authorized by the Trust. Please allow up to 30 days for processing and preparation for closing. Checks will be given to applicants at closing, less a \$3,000 security deposit (as explained below) and any other property liens or encumbrances.
 - 20.** The time allowed for occupants of residences/businesses/public use structures to vacate their properties will be 90 days after offer acceptance. Renters will have no more than 10 days to vacate after payment. Rental properties must be legally vacant prior to closing with the owner. Any time required beyond 90 days must be authorized by the Trust. The preference of the Trust is to vacate structures as soon as practicable. Depending on the time required to vacate, the Trust may require rental payments and/or a liability waiver.
 - 21.** The Trust will establish a program to resell purchased structures as described in the Structural Disposal Guidelines. The structures to be resold must be structurally capable of being removed from the Relocation Assistance Zone or demolished onsite and salvageable materials removed. Structures to be removed must first be deemed safe for occupation by authorized inspectors. Inspections shall include, but not necessarily be limited to, heavy metals and asbestos.
 - 22.** Where application for relocation assistance is made by one of multiple owners or lessees of a particular property or rental unit, the sum of all payments for acquisition of such property shall not exceed the amount that would have been paid had the property belonged to a single owner, and the sum of all rental assistance shall not exceed the amount that would have been paid had the unit been rented by a single lessee.
 - 23.** Applicants need to ensure that they are current on all land rent charges/fees, as overdue land rent may be collected at closing.

- 24.** As discussed in guideline #19, a \$3,000 security deposit will be withheld at closing, which will be paid to the applicant upon final inspection of the property once vacated by the applicant and once keys to the property have been secured. Failure to comply with Trust guidelines for closure, or failure to provide keys to the Trust, will result in the forfeiture of this deposit in an amount equal to the costs incurred by the Trust to comply with the guidelines.

PRIORITY 1 * PRIORITY 2 * PRIORITY 3
BUYOUT PROCESS

PRIORITY 1

- Occupied residences/businesses/public use structures located above areas of potential collapse and/or within the 150 ft. buffer zones.
- Occupied residences with family members who are physically and/or mentally challenged, seriously ill and/or elderly (> 70 years of age).
- Occupied businesses significantly impacted by declining population in the study area.

Groups within Priority 1

Group 1

Occupied residences as listed on the October 24, 2006 revised list of “Locations of Areas of Potential Subsidence” containing residents with disabilities and/or 70 years of age or greater.

Group 2

Remaining occupied residences as listed on the October 24, 2006 revised list of “Locations of Areas of Potential Subsidence”.

Group 3

- Occupied residences within the relocation assistance zone containing residents with disabilities and/or 70 years of age or greater.
- Occupied public use structures on the October 24, 2006 revised list of “Locations of Areas of Potential Subsidence”.
- Occupied business structures on the October 24, 2006 revised list of “Locations of Areas of Potential Subsidence”.

Group 4

- Business structures impacted by declining population.
- Rental properties where renters have been relocated by the Trust.

PRIORITY 2

- Occupied residences/businesses/public use structures where access requires travel over streets or highways overlying areas of potential subsidence and/or buffer zones.
- Occupied residences/businesses/public use structures connected to Picher or Cardin water or sewer systems.

No groups have been established for Priority 2 at this time.

PRIORITY 3

- Occupied residences/businesses/public use facilities outside the high risk area, but within the relocation assistance zone.
- Structures of those deceased.
- Secondary residences (e.g. vacation/weekend homes).
- Qualifying residential and non-residential applications received after October 14, 2006.
- Unoccupied structures and vacant lots (no funding committed for these types of properties at this time)

No groups have been established for Priority 3 at this time.

The actual buyout process will begin by selecting candidates in Priority 1, Group 1 by lottery to establish a numerical order for the buyout. The lottery process will continue with Priority 1, Group 2 and so on. The number of structures selected to be appraised each month will be determined by the contract. The appraisal process will continue in numerical order until the last structure in Group 4 under Priority 1 has been bought out. The same process will be followed in Priority 2 and Priority 3.

Rental properties will be appraised at the time the renters are bought out in order to protect the owner of the property.