

EXHIBIT A

May 18, 2023

New Orleans Department of Finance

Proposed Regulations Governing Implementation of the Mow to Own, Good Neighbor Opportunity Program

I: Authority

Pursuant to Section 2-1000 of the City Code and City Council Ordinance 33,946 MCS approved on November 3, 2022, the Department of Finance of the City of New Orleans proposes the following rules and regulations relative to the implementation of the Mow to Own, Good Neighbor Opportunity Program including but not limited to regulations on eligibility, processes, and closing.

II: Regulations

These regulations shall apply to all property owners who own a property with metes and bounds to either to the right, left, front and or rear, immediately adjacent to, sharing a property line, and abutting tax adjudicated property.

III: Qualified Properties

1. Any vacant and unimproved property that has been officially recorded as adjudicated (via a tax sale) pursuant to LA. R.S. 47:2196. Said property adjudicated to the City of New Orleans for more than three years is potentially eligible to be sold to a third party pursuant to Article VIII, Section 25(B) of the Louisiana Constitution. After the requisite term and with legal sufficiency, as determined by the Department of Finance, Bureau of the Treasury, adjudicated properties may be sold to adjacent landowners who agree to care for the property for a year pursuant to LA. R.S. 47:2202 (b).
2. The aforementioned adjudicated vacant lots that have a value at or less than \$25,000.00 dollars will be offered to adjoining owners prior to being offered in public auction.
3. The Department of Finance will offer a curated published portion of vacant lots monthly to neighbors prior to exposing in public auction.

IV: Eligibility Requirements

Applicant shall own the abutting adjacent property that shares a boundary to the right, left, front and or rear with the adjudicated property, and shall agree to maintain the property for one year (by ensuring that the lot is free of debris, grass length is not more than ten inches (10") and does not cover the sidewalk, and that all trees are trimmed).

Proof of ownership may be established by one of the following items, but not limited to:

- a. Recorded Valid Conveyance or Transfer such as:
 1. Act of Sale
 2. Donation
 3. Judgment of possession.

V: Approval Process

A list of eligible properties, as determined by the Department of Finance, Bureau of the Treasury, shall be made available by the City or its designee on a web site or other means of dissemination.

Upon acceptance of deposit and confirmation of eligibility Applicant shall:

1. Submit an Adjoining Landowner Affidavit for a property that appears on the list of Eligible Properties and proof of ownership of the adjoining property;
2. Commit in the Affidavit to ensure that the lot is free of debris, grass length is not more than ten inches (10”) and does not cover the sidewalk, and that all trees are trimmed for a period of one (1) year from the date of signed affidavit to commence care of the property.
3. Commit in the Affidavit to ensure that all minimum property maintenance, zoning, and use regulations are followed for the term of care for the vacant lot. The following are examples of behavior that is not permitted but are not an exclusive list:
 - a. No cars or vehicles of any kind will be parked on the vacant lot. Any abandoned cars parked on the lot are responsibility of the applicant to have removed.
 - b. That the vacant lot will not be used for businesses not permitted by zoning and land use regulations.
4. Applicant must not own any property with maintenance, nuisance, safety and permit, and/or code violations of any kind in the City of New Orleans.

VI: Price: The sale price shall be the closing costs.

1. Applicant shall be responsible for all closing costs an estimate of which will be published by the City or its designee for each program property
2. Applicant shall be required to purchase title insurance which will be included in the closing costs.

VII: Adjoining Landowner Affidavit

1. The Adjoining Landowner Affidavit is a sworn statement that the owner currently owns the adjoining property and that the owner will maintain the property cutting grass, trimming trees, and removing debris for a year.
2. Upon payment of the deposit which will reflect the market rate of title services to the City or its designee and receipt of the Adjoining Landowner Affidavit the owner will receive notification to commence care of the parcel or rejection of affidavit with reason for rejection and return of deposit within 30 days or as soon as is practical.
3. The deposit amount set will be published by the City or its designee along with the properties and estimated closing costs.
4. During the year before closing, the property owner retains the right to redeem the adjudicated property by paying all outstanding taxes, costs, and other statutory impositions. Furthermore, the City reserves the right due to error, court decision, lawsuits, and or bankruptcy to delay any sale or rescind the adjudication or sale. In such an event the deposit and any funds tendered will be returned to the adjoining landowner.
5. In the event that two or more adjoining landowners submit a deposit for the same adjudicated property, priority to purchase the adjudicated property will be given to the adjoining landowner who submitted a deposit first in time. In the event that the initial payor of the deposit is found to later be ineligible the next eligible adjoining landowner in time who submits a deposit in a later offering to adjoining owners shall have priority to obtain the property and so forth.

VIII: Final Approval

1. After twelve (12) months from the date the executed Adjoining Landowner Affidavit was submitted to the City or its designee, eligible adjacent landowner must provide upon request:
 - Attach two (2) sworn affidavits from residents on the block who will attest that applicant has maintained the adjudicated property for a period of at least twelve (12) months or provide monthly date-stamped photos of maintenance
 - Two (2) color photographs that clearly identify 1) the location of the subject property and 2) that the subject property is still in a state of compliance with program rules.

IX: Final Payment

At the closing, applicant/purchaser shall tender the sale price based on the final costs which shall be enumerated by the City or its designee as indicated in Section VII hereinabove.

X. Termination from Mow to Own prior to closing

- a. Any violations of minimum property maintenance, zoning, or illegal use of the adjacent lot applied for during the program term may lead to termination from the program and return of deposit.
- b. Any error or misrepresentation leading to an applicant being approved will result in notification of termination and in the return of the deposit and the property will again be offered to adjoining owners.

XI. Post Closing: Approval to sell

1. The property cannot be sold without approval from the City of New Orleans for five (5) years from the date of recordation in the deed in the parish land records. That approval is predicated by demonstrating that the property is in compliance with minimum property maintenance, zoning, land use, and building regulations.