

ARKANSAS CITY, KANSAS
Land Bank Board of Trustees
Policy Directives
October 2017

MISSION STATEMENT

The Mission of the Arkansas City Land Bank is to efficiently acquire, manage and transform vacant, abandoned, nuisance and/or tax-foreclosed properties into productive use benefiting the community.

GOALS

1. Expand and grow the tax base of the community.
2. Strengthen and improve Arkansas City neighborhoods.
3. Support home ownership.
4. Promote the construction of infill housing to reduce and eliminate blight.
5. Operate in an effective and efficient manner as stewards of the public trust.
6. Advance the economic and social interest and well-being of the City of Arkansas City and its residents.
7. Transfer ownership of blight/nuisance properties with no known legal owner to a responsible, tax-paying owner.
8. Reduce the number of properties under current violation by the City of Arkansas City Neighborhood Services Division.

POLICIES

1. Acquisition of Properties.

The Land Bank may acquire property or properties (collectively referred to as “property”) through donation, transfer, or purchase. The Land Bank may accept or refuse to accept any property. In determining which property shall be acquired, the following considerations shall be made:

- A. Acquisition of the property supports the mission and goals of the Land Bank, especially concerning a property that does not sell at a Tax Foreclosure Sale

- by Cowley County and which retains outstanding special assessments levied by the City of Arkansas City and/or taxes.
- B. The property is part of a plan for re-use, rehabilitation, or redevelopment within the community.
 - C. The property would allow for the creation or expansion of green or community open space, or other community support services.
 - D. The property forms part of a plan for land assembly and development by either the Land Bank or partnering entities.
 - E. The property is vacant, non-conforming, blight, nuisance, dangerous, and/or undevelopable and could be sold to adjacent or other responsible landowner.
 - F. Title and/or lien issues are preventing development or redevelopment of the property.
 - G. The property would generate operating support for the Land Bank.

In addition, the Land Bank will consider:

- H. The financial resources available to the Land Bank for acquisition or on-going maintenance.
- I. The underlying value of the property.
- J. The operational capacity of the Land Bank.
- K. The projected length of time the property would remain in the Land Bank.
- L. The need for demolition or environmental remediation on the property as a condition for transfer. (NOTE: Property with adverse environmental conditions will not be accepted without a satisfactorily funded plan for remediation approved by the Land Bank.)

Property with immediate maintenance requirements will not be accepted without a funding source secured for such maintenance, unless specifically exempted by the Land Bank.

The Land Bank **WILL NOT** determine the value of donated property for the purpose of tax benefits, but will provide a letter describing the property if donated.

2. **Types of Acquisition.**

A. Failure to sell at tax foreclosure sale. All property acquired from the Board of County Commissioners after the property did not sell at county tax foreclosure sale shall be accepted by the Land Bank in its current condition. The Land Bank reserves the right to accept or reject property offered through transfer following an attempted Tax Foreclosure Sale.

B. Owner donation.

- i. All property donated to the Land Bank must be unoccupied at the time of transfer.

- ii. The owner desiring to transfer property to the Land Bank shall prepare a written proposal containing:
 - A. Street address of property;
 - B. A legal description of the property;
 - C. Tax ID or parcel number of the property;
 - D. Title report indicating ownership and any liens or encumbrances on the property;
 - E. Any immediate maintenance requirements; and
 - F. Intended or proposed use and timeframe for use and development of the property (if any).
- iii. The Land Bank Board of Trustees reserves the right to accept or reject property offered as gifts in lieu of Judicial Foreclosure. Persons proposing the gifting of said property will be responsible for title report fees, unless specifically exempted by the Land Bank.

C. Purchase at tax sale. The Land Bank Board of Trustees may authorize a person to purchase property on its behalf at any tax foreclosure or judicial foreclosure sale.

3. Property Management by Board of Trustees.

The Land Bank Board of Trustees shall annually, and as needed, evaluate all Land Bank property for potential use and develop a sales plan for Land Bank property. The Board of Trustees and shall reevaluate as needed.

The evaluation also may identify property that demands reevaluation of zoning classifications, platting configuration, or other factors that warrant changes to the current development restrictions applicable to the property. The Land Bank Board of Trustees may initiate the process to rezone, replat, or otherwise modify the design and proposed use of any property of the Land Bank as deemed to be in the best interests of the Land Bank and the City of Arkansas City, Kansas.

The property determined available for immediate marketing and potential sale shall be identified and advertised in the manner required by all applicable laws, including listing with a real estate broker or agent.

The Land Bank Board of Trustees may set a different minimum price on any Land Bank property; and may set a minimum price on commercial/industrial zoned property and/or those containing structures.

The Land Bank Board of Trustees reserves the right to accept or reject any or all offers to purchase without cause.

4. Marketing and sale of Land Bank Property.

The Land Bank Board of Trustees may solicit bids from qualified Real Estate Brokerages to implement a marketing and/or sale plan for Land Bank property, and may list any or all Land Bank property with a licensed real estate agent or agents. Any such bidding process shall be open to all licensed Real Estate Brokerages determined eligible by the Land Bank Board of Trustees and shall be solicited through a written "Request for Proposal" process following the procedures of public bidding established by the City of Arkansas City, Kansas.

5. Qualifications for Applicants to Purchase Land Bank Property.

No applicant to purchase any property from the Land Bank shall be delinquent on any licenses or taxes in Cowley County. (For these purposes, participation with any City of Arkansas City or Cowley County Payment Plan constitutes delinquency).

No applicant shall have a history of code enforcement violations on properties they own; nor shall said applicant have any outstanding violations. A history of 3 notices for code violations in the previous calendar year or 5 notices for code violations in the past 3 calendar years will make an individual ineligible to apply.

6. Requirements of Purchasers of Land Bank Property.

Unless the property is deemed inappropriate for new construction, all purchasers of property acquired from the Land Bank shall obtain a valid building permit from Arkansas City, Kansas, to construct a new building on the property within six (6) months from the date of deed transfer to the purchaser.

All purchasers of property acquired from the Land Bank shall complete the construction of the building described in the building permit within one (1) year of the date of the issuance of the building permit, otherwise ownership of the property may revert back to the Land Bank.

All property acquired from the Land Bank shall be subject to regular ad valorem taxes levied by all taxing entities within Cowley County, Kansas, unless otherwise abated by an applicable Neighborhood Revitalization Plan or other tax abatement proceeding or agreement. Purchasers of property shall remain current on all ad valorem taxes during all time the property in question may be eligible for an abatement, otherwise ownership of the property may revert back to the Land Bank.

All property acquired from the Land Bank must be properly maintained with no notices for code violations for a period of one (1) year, otherwise ownership of the property may revert back to the Land Bank.

7. Disposition of Land Bank Property.

The Land Bank Board of Trustees shall set a minimum/list price on all property of the Land Bank. The basis of the minimum price shall be the current value established by the Cowley County Appraisers Office, the value established by a licensed real estate Broker's Price Opinion, or a different price set by the Land Bank Board of Trustees. The Land Bank Board of Trustees has discretion to accept less than the minimum price to transfer title of the property.

Each applicant to purchase property from the Land Bank must submit an offer and/or proposed contract for purchase, which provides the proposed use for the property.

The proposed use must be consistent with current zoning requirements, or with appropriate zoning modifications. If the proposed use is not consistent with the current zoning requirements, the applicant shall pursue the necessary changes, including rezonings, replattings, and all other applicable procedures required by the City Zoning and/or Subdivision Regulations. The application to make such changes must be made within the next application deadline of the Planning Commission, but no less than two (2) weeks from the grant of authority to proceed with the requested change. The approval of the sale of the property will occur only after final decisions regarding the proposed changes to the zoning requirements. There is no guarantee a requested change shall be approved by the City of Arkansas City, regardless of any other action taken by the Land Bank Board of Trustees, or its agents, regarding the subject property.

All Land Bank property shall be conveyed and deed recorded within 180 days of award and approval of the Land Bank Board of Trustees, which may be extended for a reasonable time. Any property not conveyed within the above time period, and without a written extension from the Land Bank Board of Trustees, will have the award voided and the property shall be returned to the Land Bank Inventory.