

Northern Illinois Land Bank Authority

City of Rochelle

January 2022





NORTHERN ILLINOIS LAND BANK AUTHORITY

Created by intergovernmental-agreement in 2019

Nine members, spanning four counties.

Staff and Fiscal Agency provided by Region 1 Planning Council.

WHY A LAND BANK IS NEEDED

Disposition of Property – Non-home rule municipalities have cumbersome sales requirements.

Municipal Constraints - Vacant properties were causing blight and were not able to be addressed through standard code processes.

Regional Scale – Dedicated team looking at these issues on a regional level.

WHAT CAN'T THE LANDBANK DO

Eminent Domain

Any acquisition or disposition without the underlying municipalities approval

Sell a property without a public sale

HOW PROPERTIES ARE ACQUIRED

Most commonly, properties are acquired through the abandonment statute.

State statute allows a property to be deemed abandoned if the property is:
2 or more years tax delinquent OR 2 or more year unpaid water invoices
Vacant (not legally occupied).
Impairment to public health.

Land Bank goes to court to prove property meets the abandonment criteria.

The time from identification to deed is 6-8 months.

Abandonment applies to residential and commercial structures, as well as vacant land.

JUDICIAL DEED

When the court approves the property is abandoned, a judicial deed is issued

The judicial deed clears the back taxes, liens and liabilities

The judicial deed allows for an unmarketable property to become marketable

PROPERTY ACQUISITION STEPS

Property is identified as tax delinquent, vacant and deteriorated

LB Staff gets approval from the LB Board Member of the underlying municipality to move forward with title work and document preparation

LB Staff works with municipality to get necessary code violations for the petition

Full LB Board approves acquisition

Assuming title work checks out, attorneys prepare and file petition

LAND BANK OWNERSHIP

Once the land bank receives ownership, the properties are listed for sale

Offers accepted through our land bank sales site for 10-14 days

RPC staff and municipalities review the top bids and recommend winning bidder

Winning bidder goes to LB Board for approval

DEED RESTRICTION

Prior to closing, staff ensures that the buyer agrees to deed restrictions placed on the property

Typically 12 months to complete rehab, including a passed final building inspection

Goal is to make sure the properties are renovated quickly and appropriately

OTHER POTENTIAL ACQUISITION METHODS

Donation

Deed-in-lieu of foreclosure

Municipal transfer

Purchase

WHAT PROPERTIES ARE GOOD ABANDONMENT CANDIDATES?

Vacant properties that are upside-down from tax liens

Vacant properties that would need demolition if not repaired soon

Vacant properties that are continually mowed by the municipality

Vacant properties that receive complaints similar to “I’ve tried to find the owner to make them an offer, but I can’t find them”

Vacant properties that are in a hearing officer process with no owner showing up

HOW CAN MUNICIPAL STAFF HELP?

Send us the addresses of vacant properties

Continual education of public, co-workers, elected officials, etc.

Send interested investors or buyers to our sales site

WINNEBAGO COUNTY TRUSTEE

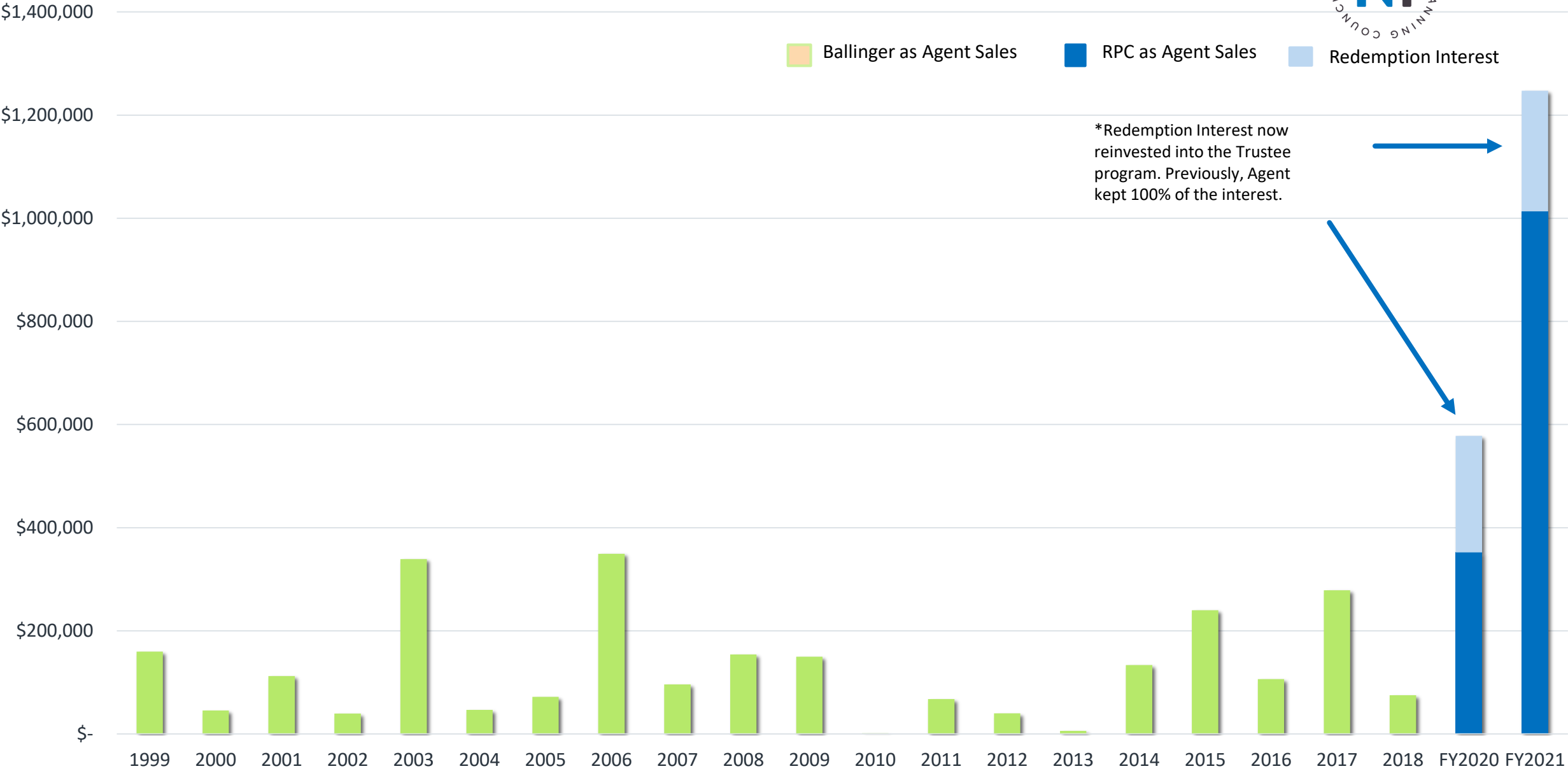
County trustee programs are required by state statute to acquire properties that are delinquent on taxes and go through the tax sale process without a tax buyer.

The County Trustee assumes ownership and the Agent works to get the properties back on the tax rolls.

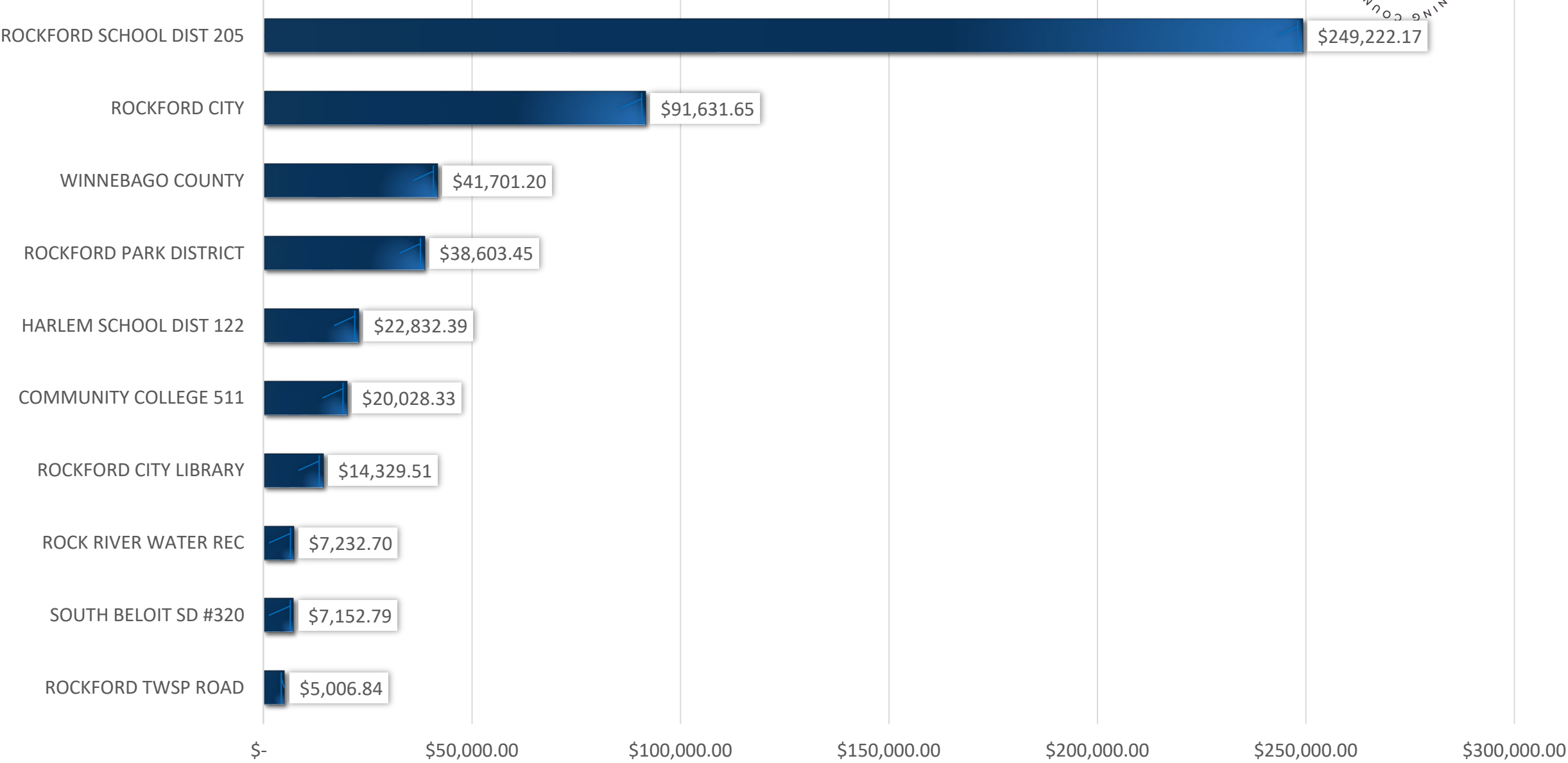
Region 1 Planning Council has been Agent of the Winnebago County Trustee since 2019, seeing exponential growth in Trustee property sales.

Number of Properties Sold: 450

Yearly Sales + Redemption Interest



Estimated Taxing Body Share in 2020



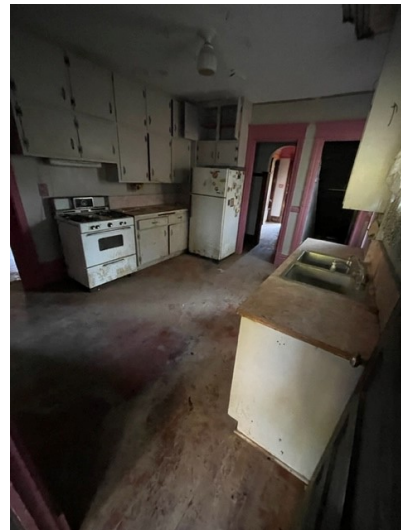
1720 E STATE STREET

Acquired by Land Bank in October.

Property was cleaned out with grant funds.

Will be available for sale this week.

Sold for \$33k.



4217 EASTRIDGE DR

Acquired by Land Bank in October

4 unit residential structure

Agreed abandonment order cleared \$100,000+ in delinquent taxes.

Sold for \$110,000



1522 N WINNEBAGO ST.

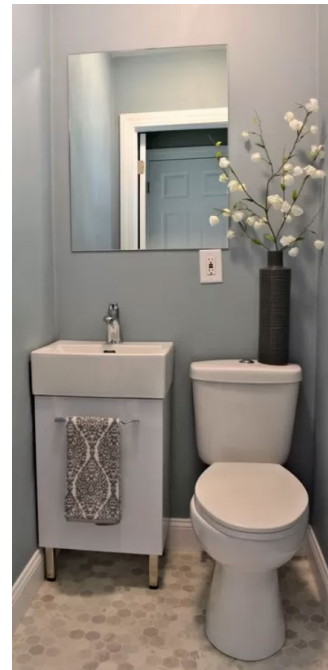
Acquired by Trustee on 10/23/2020

Sold by Trustee for **\$12,344** on 2/18/2020

Rehabilitated by private owner

Listed for sale on 6/17/2021

Sold by owner for **\$130,000** on 7/26/21





1313 NORTH AVE.

Acquired by Trustee on 10/23/2020

Sold by Trustee for **\$8,546.99** on 12/23/2020

Rehabilitated by private owner

Listed for sale on 7/6/2021 for **\$90,000**





2816 12TH AVE.

Acquired by Trustee on 10/23/20

Sold by Trustee for **\$24,650.25** on 12/18/20

Rehabilitated by private owner

Listed for sale on 7/28/21 for **\$162,500**



1922 RIDGE AVE.

Acquired by Trustee on 1/1/20

Sold by Trustee for **\$9,111** on 9/4/20

Rehabilitated by private owner

Listed for sale on 1/16/21

Sold by owner for **\$70,000** on 2/9/21



932 RIDGE AVE.

Acquired by Trustee on 10/23/20

Sold by Trustee for **\$6,445** on 1/5/21

Rehabilitated by private owner

Listed for sale on 10/21/21 for **\$125,000**



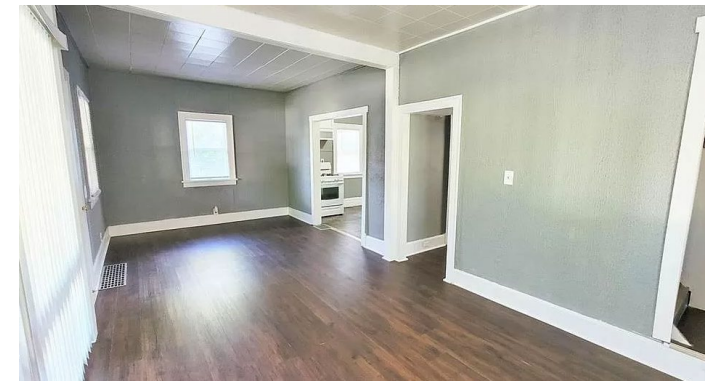
1910 GRANT AVE.

Acquired by Trustee on 10/22/2019

Sold by Trustee for **\$5,046** on 6/19/2020

Rehabilitated by private owner

Listed for sale on 7/31/2021 for **\$60,000**



3014 CUSTER AVE.

Acquired by Trustee on 10/22/2019

Acquired by Trustee on 10/23/2020

Sold by Trustee for **\$9,750** on 12/30/2020

Rehabilitated by private owner

Listed for sale on 6/15/2021

Sold by owner for **\$70,000**



857 SHAWNEE ST. FREEPORT

Acquired by Land Bank on 8/25/2020

Sold by Land Bank for **\$15,750** on 12/8/2021

Rehabilitated by private owner

Listed for rent on 7/28/2021

Rent by owner for **\$795/mo**



827 BARNUM ROAD

Acquired by Trustee on 1/1/20

Sold by Trustee for **\$3,000** on 6/16/20

Rehabilitated by private owner

Listed for sale on 12/9/20

Sold by owner for **\$36,250** on 2/5/21



2217 SHARON AVE.

Acquired by Trustee on 10/23/2020

Sold by Trustee for **\$21,200** on 12/22/20

Rehabilitated by private owner

Listed for sale by owner on 9/14/21 for **\$74,900**



326 UNDERWOOD ST.

Acquired by Trustee on 10/19/2019

Sold by Trustee for **\$1,965** on 12/23/20

Rehabilitated by private owner

Listed for sale by owner on 9/21/21 for **\$50,000**



THANK YOU

