

# CITY OF BRONSON LAND BANK POLICY

## **Purpose**

The Bronson Land Bank's primary responsibility and authority is to acquire, hold, manage, transform, and convey abandoned, tax-delinquent, or otherwise underutilized or distressed properties. The goal of the organization is to return as many properties as possible to the tax rolls and productive use in our community. The Bronson Land Bank does not discriminate based on certain legally protected characteristics, including race, religion, color, sex, ability level, family status, national origin, ancestry, or creed.

## **Definitions**

Property Costs – Property costs are associated with the acquisition of property.

Project Costs – Project costs include costs associated with rehabilitation, demolition, and/or redevelopment of the property for completion of the proposed project as outlined in the Development Agreement.

Offer to Donate – Any person or entity interested in donating a property to the Land Bank must complete an Offer to Donate Form, available at the Bronson City Hall.

Offer to Purchase – Any person or entity interested in acquiring a property from the Land Bank must complete the Offer to Purchase Form, available at the Bronson City Hall.

Development Agreement – A purchaser must enter into a Development Agreement with the Land Bank. This agreement will outline the intended use of the property, Project Costs, responsibilities of the parties, financial resources available for the project, a timeline for completion, and a recapture clause. The Land Bank Board of Trustees may include additional conditions based on the location and intended use of the property. Copies of the Development Agreement are available at the Bronson City Hall.

Unusable Property – Properties with adverse environmental conditions or immediate maintenance needs will not be accepted without a satisfactorily funded remediation plan approved by the Land Bank Board of Trustees.

## **Policies Governing Property Acquisitions**

Properties may be acquired by the Land Bank through tax sales, donations, foreclosures, internal city transfers, or purchase. The Land Bank Board of Trustees must approve every acquisition by the Land Bank. Decisions to decline the acceptance of a property are at the full discretion of the Land Bank Board of Trustees. Below are some of the factors that the Board of Trustees will consider

before accepting a property:

- Acquisition of the property supports the goals and mission of the Land Bank.
- The property is, or could be, part of a plan for redevelopment or rehabilitation.
- The property would allow for the creation or expansion of green space.
- The property is part of a plan for land assembly and development by either the Land Bank or partnering entities.
- The property is vacant, non-conforming, or undevelopable, yet could be sold or conveyed to adjacent property owners.
- The property has title issues that have prevented development or redevelopment.
- The property could generate operating support for the Land Bank.
- The underlying value of the property or operational capacity of the Land Bank could be increased.
- The potential need for demolition or environmental remediation as conditions for transfer.

Properties donated to the Land Bank should be unoccupied at the time and transfer and free of personal belongings. Any items inside the property at the time of the donation become the property of the Bronson Land Bank.

The Land Bank will not determine the value of a donated property but will provide a letter with the County's appraised value along with the City's Federal Income Tax exemption information. If a person or entity wishes to obtain an independent appraisal to determine the property's value, costs are the sole responsibility of the requestor. Appraisals must be performed by licensed appraisers in the State of Kansas.

### **Property Classification**

Properties acquired by the Land Bank will be classified as follows:

#### Class A – Properties with structures

A1 – Properties that can be sold immediately at fair market value

A2 – Properties in need of rehabilitation

A3 – Dilapidated properties requiring demolition

#### Class B – Vacant buildable lots

B1 – Properties that could be designated for infill housing construction.

B2 – Properties that could be used for commercial buildings

B3 – Properties available for community use, such as parks, trails, or community gardens

B4 – Properties that may be for sale to adjacent property owners

Class C – Vacant non-buildable lots

C1 – Properties that may be for sale to adjacent property owners

C2 – Properties that do not hold resale value and would only be available as easements

### **Policies Governing Property Dispositions**

The Land Bank may sell the property and set terms and conditions deemed necessary or appropriate to assure development or redevelopment without competitive bidding. Revenue derived from the sale of a property will be retained by the Land Bank for purposes of operation. Certain proceeds may be returned to the city to reimburse for special assessments or to finance public improvements unless such assessments are abated by the City.

Properties are subject to covenants stated in the Deed. Properties are conveyed with no guarantee as to quality or content. The applicant is responsible for complying with all applicable City Codes and development requirements, including zoning and building permits. Transfer of the property by the Land Bank does not guarantee the applicant will be able to meet these requirements.

The disposition of properties will be based on two factors. The first factor involves the intended use of the property. The second factor considers the nature and identity of the transferee, specifically the following:

- The applicant must not be delinquent on any taxes or fees in Bourbon County.
- The applicant must not be a habitual violator of City Codes and/or fair housing laws.
- The applicant must not have previously owned the property and incurred tax delinquencies.
- The applicant must be able to provide valid proof of identity.
- The applicant may be subject to a background and reference check.

### **Policies Governing Property Inventory**

The Land Bank will compile and maintain an inventory of all property owned by the Land Bank. The inventory is available to the public on the City website. Details about each property classification, including the necessary documentation to accompany the Offer to Purchase, are as follows:

Class A – Applicants must demonstrate financial ability to complete the proposed project as outlined in the Development Agreement. Acceptable documents that could prove financial ability could include a letter of credit, pre-approval

authorization, or other documentation of financial ability. The City's Code Enforcement Officer will review the Development Agreement to ensure the proposed work will be in compliance with City Code. Applicants should be able to complete the project outlined in the Development Agreement within 12 months. If an extension is needed, the applicant must make a written request to the Land Bank Board of Trustees before the expiration of the 12 months.

Class B – Applicants must demonstrate financial ability to complete the proposed project as outlined in the Development Agreement. Acceptable documents that could prove financial ability could include a letter of credit, pre-approval authorization, or other documentation of financial ability. Applicants must attach a preliminary site plan to the Offer to Purchase form that demonstrates the following:

- Floor plan, including anticipated square footage
- A front elevation indicating the type/color of finished materials
- Site plan showing setbacks to property lines
- Flood plain information (if applicable)

If the applicant is a developer and intends to construct more than one structure, information about their development team must be made available to the Board of Trustees. The following is the information required of the developer:

- Developer, co-developer, and partners
- Owner
- General contractor
- Consultants
- Architects
- Construction project manager
- Lead construction lender
- Development budget
- Project financing
- Marketing agent
- Marketing plan/information
- Project management (post-construction)

The applicant should be able to complete the project outlined in the Development Agreement within 12 months of receiving the property unless otherwise specified. If an extension is needed, the applicant must make a written request to the Land Bank Board of Trustees before the expiration of the development period.

Class C – Adjacent landowners have priority for property acquisition and will be notified when the property is made available. If multiple Offer to Purchase forms are received, the City shall convene a meeting with the applicants to encourage a resolution of mutual satisfaction. If the matter cannot be resolved, applicants will be asked to make the best offer that will be considered by the Board of Trustees.

If the intended use of the property is for the construction of a non-residential structure, storage, or parking, please note that the City has certain requirements and standards for such land uses. Transfer of the lot to an applicant does not guarantee permission for these uses. Properties for which there are no interested purchasers may be used for certain public purposes, including utility easements.