**What is a City Land Bank?**

- Authorized by K.S.A. 12-5901 et seq
- A mechanism for a City to provide for the effective reutilization of property on which there are delinquent taxes and/or special assessments.
- An independent agency of the City with the primary purpose to acquire, hold, manage, and convey surplus City property through abandonment, tax-foreclosure, or otherwise underutilized or distressed in order to convert such properties to productive use.

**Why a Land Bank?**

- An effective tool for property management.
- A way to maintain or temporarily use land for a public use.
- Provides the ability for a city to study, analyze, and evaluate potential, present and future uses for the effective utilization of such property.
- Provides a way to plan for and use best efforts to consummate the sale of other disposition of such property at such times and upon such terms and conditions deemed appropriate. The development of a plan for the re-use, rehabilitation or redevelopment within a community.

**Why a Land Bank?**

- A Land Bank may sell the land without competitive bid.
- Proceeds of the sale of land may be used for the operations of the Land Bank and/or reimburse the city for delinquent special assessments.
- Establishes and maintains records and accounts for all transactions, expenditures, and revenues concerning each individual parcel of property acquired.
- Takes the property out of the tax sale process for the County, which can be very costly.
- Land Bank property is **exempt** from all ad valorem property taxes.

**Why a Land Bank?**

- Delinquent and current installations of special assessments on land bank property are **deferred and may abated (some or all)** by action of the Land Bank Governing Board.
- If statute amendment is passed this year (bill pending in legislature right now), and signed into law, special assessments may be re-amortized.
- Properties may be re-platted (consolidated or subdivided), cleaned-up (if needed), held for future public purposes, transferred to the City for a public purpose, re-zoned, or made available for sale by any method deemed appropriate.

**Any down side?**

- Does not defer payment of bonds for delinquent or current special assessments.
- All Land Bank meetings and transactions are still subject to KOMA and KORA, budget and cash basis laws.
- May need seed money for start up costs.
- Costs incurred for the maintenance of properties within the land bank.
- Special assessment may not be re-amortized under current law – new legislation pending.
- You need qualified personnel (in-house or contracted) to market and manage the property.
- Keeping elected officials focused on land bank goals.

**Acquisition of a land?**

- Purchase
- Transfer from County following a tax foreclosure
- Gift or donation
- May be commercial, residential, or vacant land properties.
When a land bank?

- Anytime
  - Simple to do!

Where?

- All Cities should have a land bank!
  - Simple to do.
  - More flexibility for land management.
  - Automatic tax exemption of all properties in land bank.
  - Excellent method to “freeze” special assessments.

How to form a land bank?

- Adopt an Ordinance as authorized by KSA 12-5901 et seq.
  - Establishes who is the land bank, which may be the governing body or a separate Board of Trustees that is appointed by the governing body.
  - Establishes purpose of the board.
  - Establishes powers and duties of the board.
  - Established organizational requirements.

How to form a land bank?

- Land Bank Trustees adopts organizational By-laws.
- Land Bank Trustees adopts Policy Directives.
  - Mission Statement
  - Goals
  - Policies

Why Junction City Land Bank?

- Created approximately 2,500 developed lots with special assessments between 2005 and 2008.
- Approximately 1,500 units, plus another 1,500 apartment units, constructed since 2005.

Why Junction City Land Bank?

- Over 1,000 developed lots went into Tax Sales in past two years.
- Virtually all went “unsold” because of outstanding special assessments.
- By default, lots went to County with little or no protection of City’s “interest” due to special assessments.
**Why Junction City Land Bank?**

- Land Bank was deeded 940 lots on December 30, 2014. Another 150 may be coming soon.
- Title issues being resolved on lots from Tax Sale.
- Plans are being prepared to determine which lots to make available, the price of the lots, the manner of accepting bids, etc.
- Outstanding specials to be re-amortized if new law passes.