



September 3, 2020

City of Independence, Kansas
Leohnard Caflisch, Mayor
811 West Laurel
Independence, KS 67301

Mayor Caflisch:

The Independence Housing Authority Board (IHA) is requesting that the City of Independence, Kansas establish the Independence Land Bank.

According to Kansas Statute (K.S.A. 12-5902), a land bank is an entity created by local government to “efficiently hold, manage, and transform vacant, abandoned, and tax-foreclosed property back into productive use.”

The following is an outline of the basics of how Land Banks function:

Land Banks are governed by a Board; Board members are appointed by the City Commission. Properties can be acquired by the Land Bank through donation, acquisition of tax foreclosed property, purchase, or transfer from the City; the Board has the power to accept or refuse any property.

Any property held by the Land Bank is exempt from all ad valorem taxes while in Land Bank ownership. In addition, all taxes, assessments, charges, penalties and interest that may be due on a property are removed or abated through Land Bank ownership—except special assessments that have been levied to finance public improvements, unless the governing body chooses to abate all or part of these as well. By statute, the Land Bank may then transfer property back into productive use, and the property is not burdened by debt and obligations incurred prior to Land Bank ownership.

It is the Land Bank’s responsibility to maintain the property and to evaluate current and potential uses. They may sell the property without competitive bidding to any person willing to agree to conditions set by the Board. The Land Bank may consolidate or subdivide individual parcels of land in the inventory as most appropriate for sale or reuse. Proceeds from the sale of the property are retained by the Land Bank to fund its operation.

The IHA Board believes this to be another useful tool in strategically acquiring problem properties (both residential and commercial), eliminate the liabilities, and transfer the properties to new, responsible owners in a transparent manner that meets two initiatives identified in the Independence Community-



based Strategic Plan; Strategic Directive 1: Economic Development and Strategic Directive 3: Beautification.

The Independence Housing Authority understands that establishing an Independence Land Bank will require funds and staff. The Independence Housing Authority is offering to provide administrative services needed for day to day operations of the "Land Bank". In addition, the Independence Housing Authority Board has authorized the transfer of funds as needed, in the amount up to \$50,000, to operate the "Land Bank" for year 2021. Thereafter, the Independence Housing Authority will establish a line item in their annual budget to meet the annual needs of the Independence Land Bank going forward.

The Independence Housing Authority Board appreciates the consideration of the Independence City Commission concerning the establishment of an Independence Land Bank.

Sincerely,

A handwritten signature in blue ink that reads 'April Nutt'. The signature is written in a cursive, flowing style.

April Nutt
Executive Director