

RESOLUTION NO. _____

A RESOLUTION APPROVE THE AMENDED LAND BANK POLICIES AND PROCEDURES, GOALS AND MISSION STATEMENT AS GUIDELINES FOR THE ACQUISITION AND DISPOSAL OF PROPERTIES; TO INCLUDE THE POLICIES AND PROCEDURES, GOALS AND MISSION STATEMENT IN THE LAND BANK COMMISSION BY-LAWS; AND FOR OTHER PURPOSES.

WHEREAS, the purpose of the Land Bank Commission is to reverse urban blight, increase home ownership and stability of property values, provide affordable housing, improve the health and safety of neighborhoods within the City of Little Rock, Arkansas, and maintain the architectural fabric of the community; and,

WHEREAS, after public input and discussion, the Land Bank Commission has decided to amend the approved Policies and Procedures, Goals and a Mission Statement to be added to the Commission By-Laws that will be the new guidelines to follow in the acquisition and disposal of properties.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS.

Section 1. The Board of Directors hereby approves amended Land Bank Commission Policies and Procedures, Goals and Mission Statement, copies of which are attached to this resolution as Exhibit A, as guidelines to be followed in the acquisition and disposal of properties. The Board of Directors further approves the inclusion of the Amended Land Bank Commission Policies and Procedures, Goals and Mission Statement in the Commission By-Laws.

Section 2. Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.

Section 3. Repealer. All laws, ordinances, resolutions, or parts of the same that are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

ADOPTED: June 20, 2023

ATTEST:

APPROVED:

Susan Langley, City Clerk

Frank Scott, Jr., Mayor

1 **APPROVED AS TO LEGAL FORM:**

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4 **Thomas M. Carpenter, City Attorney**

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1 **Exhibit A**

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3 **LITTLE ROCK LAND BANK COMMISSION**

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5
6 **PRIORITIES AND POLICIES**
7 **FOR**
8 **PROPERTY ACQUISITION AND DISPOSITION**
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11 **As approved by the Little Rock City Board of Directors on June 20, 2023**

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1 The acquisition and disposition of properties acquired by the Little Rock Land Bank Commission
2 (Commission) shall be guided by the following these basic Priorities and Policies. These Priorities and
3 Policies also establish procedures for Land Bank Staff to administer applications for acquisition and
4 disposition of Land Bank properties. Any applicant who applies for acquisition of Land Bank property and
5 has their application denied by staff may appeal the denial to the Land Bank Commission by submitting,
6 within thirty (30) days of notice from staff to the applicant of the denial of their application, a letter
7 stating their desire to appeal staffs decision to the Land Bank Commission Board.

8 The acquisition, use, and disposition of such properties shall at all times be consistent with the authority
9 granted by the Constitution of Arkansas, the laws of the State of Arkansas, Ordinance No. 19,911
10 (January 15, 2008), as amended by the City of Little Rock, the Articles of Incorporation and Bylaws of the
11 Commission, and the public purposes set forth therein. If there is any conflict between Ordinance No.
12 19,911 by the City of Little Rock, the Articles of Incorporation and Bylaws of the Commission and these
13 Priorities and Policies then these Priorities and Policies shall be interpreted in such a way that they
14 do not limit or restrict the authority of the Commission. These Policies and Procedures are guidelines
15 to be followed by City Staff.

16 **1. Policies Governing the Acquisition of Properties:**

17 In determining which, if any, properties shall be acquired by the Land Bank, the Commission shall give
18 priority to properties located in focus neighborhoods, as determined by the Commission, and shall give
19 consideration to the following factors:

- 20 1. Proposals and requests by nonprofit corporations that identify specific properties for ultimate
21 acquisition and redevelopment.
- 22 2. Properties that are subject to a City lien for code violations, and can be foreclosed on by the
23 City.
- 24 3. Proposals and requests by governmental entities that identify specific properties for ultimate use
25 and redevelopment.
- 26 4. Proposals and request by private developers that identify specific properties for acquisition and
27 redevelopment.
- 28 5. Input from citizens and neighborhoods.
- 29 6. Properties that are considered vacant and abandoned property.
- 30 7. Properties that are delinquent on their ad-valorem real property taxes.
- 31 8. Properties that are environmentally contaminated where funds have been secured for the clean-
32 up and reuse of the property.
- 33 9. Properties that are available through donation by a private owner.
- 34 10. Properties that are bank-foreclosed.
- 35 11. Properties that would allow for the creation or expansion of green space.

- 1 12. Improved properties that are the subject of an existing order for demolition of the improvements
- 2 and properties that meet the criteria for demolition of improvements.
- 3 13. Non-conforming, undevelopable vacant properties for which the best use would be to place the
- 4 property into the Side-Lot Disposition Program.
- 5 14. Properties that would form a part of a contiguous or scattered land assemblage development
- 6 plan.
- 7 15. Properties that will result in planned development that benefits the community.

8 **2. Priorities Concerning the Disposition of Properties:**

9 The disposition of properties shall be based upon a combination of three (3) factors. The first factor
10 involves the intended or planned use of the property. The second factor considers the nature and identity
11 of the transferee of the property. The third factor addresses the impact of the property transfer on the short-
12 and long-term neighborhood and community development plans. The priorities in each factor are not in
13 any particular rank or order.

14 The disposition of any given parcel will be based upon an assessment of the most efficient and effective
15 way to maximize the benefit to the community. The Land Bank Commission Board and Staff shall at all
16 times retain flexibility in evaluating the appropriate balancing of the priorities for the use of property,
17 priorities as to the nature of the transferee of properties, and priorities concerning neighborhood and
18 community development.

19 **Priorities for Use of Property:**

- 20 1. Develop affordable housing;
- 21 2. Support homeownership;
- 22 3. Market rate housing development;
- 23 4. Social service providers;
- 24 5. Side lots;
- 25 6. Development of public green space (parks and gardens);
- 26 7. Retail and commercial development;
- 27 8. Multi-family rental development;
- 28 9. Tax-exempt institutions;
- 29 10. Development of rental housing;
- 30 11. Public uses and buildings;
- 31 12. Planned Unit Development (ownership);
- 32 13. Historic preservation.

33 **Priorities as to the Nature of the Transferee:**

- 34 1. Individual homeowners;
- 35 2. Non-profit developers;

- 1 3. Educational institutions;
- 2 4. Government;
- 3 5. Tax-exempt institutions;
- 4 6. For-profit residential developers;
- 5 7. Multi-lot developer;
- 6 8. Corporations, business, retail, etc.;
- 7 9. Side lot candidates.

8 **3. Factors in Determining Consideration due Upon Transfers:**

9 The following factors shall constitute general guidelines for determination of the consideration to be
10 received by the Commission for the transfer of properties. In each and every transfer of real property, the
11 Land Bank shall require good and valuable consideration in an amount determined by the Commission in
12 its sole discretion on a case-by-case basis, but subject to the minimum price stated below. The LBC will
13 consider both the fair market value of the property and the Property Costs in its determination of
14 consideration for each property. "Property Costs" shall mean the aggregate costs and expenses of the LBC
15 attributable to the specific property in question, including costs of acquisition, maintenance, repair,
16 demolition, marketing of the property and indirect costs of the operations of the Land Bank allocable to the
17 property.

- 18 1. Consideration shall be established at a level between the Property Costs and fair market value
19 of the property; and,
- 20 2. The consideration to be provided by the transferee to the Land Bank may take the form of cash,
21 deferred financing, performance of contractual obligations, imposition of restrictive covenants,
22 or other obligations and responsibilities of the transferee, or any combination thereof. At no
23 time shall a property be conveyed for less than One Thousand Dollars (\$1,000.00) per parcel
24 to a private Developer. The Commission can consider the donation of a property to Certified
25 Community Housing Development Organizations, and other non-profit housing organizations
26 that are committed to building affordable housing.

27 **4. Side-Lot Disposition Program:**

28 Individual parcels of property may be acquired by the Land Bank and transferred to individuals in
29 accordance with the following policies. The transfer of any given parcel of property in the Side-Lot
30 Disposition Program is subject to override by higher priorities as established by the Commission on a case-
31 by-case basis.

32 **A. Side-Lot Disposition Policies:**

- 33 1. **Qualified Residential Properties:** Parcels of property eligible for inclusion in the
34 Side-Lot Disposition Program shall meet the following minimum criteria:
 - 35 (a) The property shall be vacant unimproved real property;

- 1 (b) The property shall be physically contiguous on one side lot line to another
2 owned by transferee (left or right);
3 (c) The side-lot property shall have characteristics which make redevelopment as
4 single-family housing unfeasible (such as lot size or topography);
5 (d) No more than one lot may be transferred per contiguous lot;
6 (e) Intended use for lot is disclosed.
7 (f) The transfer shall include a deed restriction requiring the use of the property to
8 be consistent with the stated.

9 **2. Transferees:**

- 10 (a) All transferees must hold title and occupy the contiguous property;
11 (b) The transferee must not own any real property (including both the contiguous
12 lot and all other property in Little Rock) that is subject to any unremediated
13 citation of violation of the State and Local Codes and Ordinances;
14 (c) The transferee must not own any real property (including both the contiguous
15 lot and all other property in Little Rock) that is tax delinquent;
16 (d) The transferee must not have been the prior owner of any real property that
17 has been lost for unpaid taxes within the past three (3) years, as an individual
18 or an entity, without prior approval of the Commission Board at its sole
19 discretion.

20 **3. Pricing:**

- 21 (a) Properties sold as a side lot to an adjacent owner shall be priced at not less than
22 Five Hundred Dollars (\$500.00), plus any applicable fees.

23 **4. Additional Requirements:**

- 24 (a) In the event that multiple adjacent property owners desire to acquire the same
25 side lot, the lot shall be transferred to the highest bidder for the property.

26 **5. Land Transfers:**

27 **A. Land Transfer Policies:**

28 These policies pertain to transfers whose future use is residential or commercial. At time
29 of transfer the property may be vacant, improved or ready to occupy.

- 30 1. The transferee must not own any real property that has any unremediated citation of
31 violation of the State and Local Codes and Ordinances;
32 2. The transferee must not own any real property that is tax delinquent;
33 3. The transferee may not have lost title to property due to nonpayment of taxes within the
34 past three (3) years, as an individual or as an entity, without prior approval of the
35 Commission Board at its sole discretion;

- 1 4. Transactions shall be structured in a manner that permits the City of Little Rock to
2 enforce recorded covenants or conditions upon title pertaining to development and use
3 of the property for a specified period of time;
- 4 5. The proposed use must be consistent with current zoning requirements. The
5 Commission may grant an applicant permission to seek rezoning from the Little Rock
6 Planning Commission;
- 7 6. Where rehabilitation or development of a property by the transferee is a condition of
8 the transfer, the requirement for such development or rehabilitation shall be in
9 accordance with the transfer agreement and adequate completion of such development
10 or rehabilitation shall be a condition to the release of restrictions or lien securing such
11 performance;
- 12 7. The Commission may grant an option to purchase property to a potential transferee.
13 Options to purchase more than three (3) properties by a single purchaser within one
14 calendar year must be approved by the Commission;
- 15 8. The proposed use of the property must comply with any neighborhood redevelopment
16 plan adopted by the City of Little Rock that applies to the property;
- 17 9. To the extent possible, the proposed purchaser shall provide evidence that they have
18 consulted with any neighborhood organization in the area and solicited comment on
19 the planned use of the property.
- 20 10. All applicants must be residents of the City of Little Rock or have a principle place of
21 business in the City of Little Rock. If applicant does not meet this requirement,
22 applicant may take application to the Commission to seek an exception.
- 23 11. The purchaser of any property from the LBC must also comply with any applicable
24 restrictions on the use of the property resulting from federal, state, or local programs
25 in which the Land Bank participates (e.g. - Community Development Block Grants).

26 **6. Donations**

27 **1. Donated Property Policies:**

- 28 1. Properties with adverse environmental conditions will not be accepted without a
29 satisfactory, funded plan for remediation approved by the Commission Board, which
30 meets the standards set by the Arkansas Department of Environmental Quality;
- 31 2. Properties with immediate maintenance requirements will not be accepted without a
32 funding source secured for such maintenance;
- 33 3. The Land Bank will not determine donation value for the purpose of tax benefits, but
34 will provide a letter describing the property donated;

1 4. The Land Bank will only accept donated properties located within a neighborhood of
2 focus;

3 5. The Land Bank reserves the right to refuse to accept any property offered for donation
4 at its sole discretion.

5 **2. Donated Property Procedures:**

6 1. Donor of property will place the deed to property in escrow while Commission
7 determines the feasibility of accepting ownership of the property.

8 2. The Land Bank will complete a comprehensive analysis of the property to be donated
9 which will include the following information:

10 (a) Determine the fair market value of the property;

11 (b) Determine if there are any environmental concerns;

12 (c) Determine if there are any outstanding liens or title issues;

13 (d) Determine the initial maintenance cost (boarding, demolition, mowing, etc...);

14 (e) Determine any on-going maintenance costs;

15 (f) Determine the condition of the surrounding neighborhood.

16 3. Staff will present the report to the full Commission for approval.

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