



## Property Acquisition Policy Northern Illinois Land Bank Authority

### 1. Alignment

The Northern Illinois Land Bank Authority (“the Land Bank”) intergovernmental agreement, Article VII, permits the Land Bank to acquire property through various methods

### 2. Objective

The purpose of this policy is to determine the most effective acquisition strategies when using grant funds from the Illinois Housing Development Authority (IHDA).

### 3. Standard

It is the policy of the Land Bank to acquire property using cost-effective methods to maximize the community impact of the \$150,000 acquisition funds provided by IHDA. The grant funds restrict acquisition to 1-4 unit residential properties.

The judicial deed process has been identified in best practices as a low-cost, high-return type of acquisition. Only properties that are two or more delinquent on property taxes or a water invoice, vacant, and show signs of deterioration are eligible for acquisition through the judicial deed process.

### 4. Procedure

Under the guidance of the Land Bank Board of Trustees, staff will identify properties that meet the criteria of the acquisition policy. Staff will bring potential properties to the Board of Trustees for review. This review will contain an estimated budget and return on investment. With the Trustee’s approval, the property will be brought to chief elected official of the jurisdiction for approval.

The judicial deed process is largely a legal process that will be contracted to a law firm. The legal process includes court appearances and personal service to parties with interest in the home. A risk with the judicial deed process is the possibility of the owner stepping forward during the court process to claim the property is not abandoned. In this case, the property would no longer be eligible for a judicial deed and legal costs would be lost.

As the Trustees, local government and staff review a property for acquisition, disposition of the subject property will also need to be reviewed. The Trustee, local government and staff will be required to determine the best disposition strategy for each property acquired. This strategy is expected to reviewed on a property-by-property basis. Disposition strategies can include requiring an owner-occupant, highest bid, assisting non-profits, keeping the property under local control, vetting potential buyers, etc.

**5. Responsibility and Accountability**

The Land Bank Board of Trustees, Land Bank Members, Executive Director of Region 1 Planning Council, and Land Bank Coordinator, have the responsibility to adhere to the intergovernmental agreement establishing the Land Bank and the policies adopted by the Board. If a property is desired to be acquired by means other than a judicial deed, the Land Bank Board will be notified of the deviation from the policy and provided with justification for the deviation.

**6. Review Schedule**

This document is recommended for review when IHDA grants funds are exhausted and funds have more flexibility.

**7. Prevailing Authority**

Intergovernmental Agreement and Bylaws to Establish the Northern Illinois Land Bank Authority

**8. Internal Cross-Reference**

N/A

**9. Attachments and Forms**

N/A