

Land Transfer Policies

At time of transfer, the property may be vacant, improved, or ready to occupy.

1. The Transferee must not own any real property that has any unremedied citation of violation of the state and local codes and ordinances.
2. The transferee must not own any real property that is tax delinquent
3. The subject property must not have been used by the transferee or a family member of the transferee as his or her personal residence at any time during the twelve (12) months immediately preceding the submission of application (except in rental cases).
4. The transferee must not have been prior owner of any real property in the City of Grand Rapids that was transferred to the Kent County Treasurer as a result of tax foreclosure proceeding, unless the LBA board approved the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings.
5. The use of transferred property must consider to any community and/or neighborhood Plan, if one is in place.
6. If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements may specify a maximum period of time for elimination or correction of such violations, with the period of time established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
7. Transactions may be structured in a manner that permits the GRLBA to enforce recorded covenants or conditions upon title pertaining to development and use of the property for a specified period of time.
8. The transferee must agree to pay future property taxes at time of transfer.
9. Where part or all of the consideration for the transfer is the prospective of affordable housing units, affordability requirements may be set forth in the transfer agreement and enforceable through recorded covenants, conditions or limitations upon title.
10. A precise narrative description of future use of the property is required.
11. Where rehabilitation of a property by the transferee is a condition of the transfer, the requirement for such rehabilitation shall be in accordance with rehabilitation standards, as established by the GRLBA, and adequate completion of such rehabilitation shall be a condition to the release of restrictions or lien securing such performance.
12. The GRLBA may require the owner to complete renovations to the structure within a time frame negotiated by the GRLBA.

13. The GRLBA may enter into an option/purchase agreement with a potential buyer for the purchase of commercial or residential property. It is within the discretion of the GRLBA to negotiate fair consideration for the option. Factors which will be considered are the length of the option, the value of the property and the benefit to the community and/or GRLBA goals.
14. The proposed use must be consistent with current zoning requirements, or a waiver for non-conforming use is a condition precedent to the transfer

Land Banking Program

Definition and Goals:

The GRLBA Land Banking Program consists of transactions in which a grantor transfers real property to the GRLBA and the property is held pending a transfer back to the original grantor, to a grantee identified in a Land Banking Agreement, or to a third party selected by the GRLBA. A land bank agreement is defined as a written agreement between a grantor and the GRLBA which identifies the property, the length of the banking term, the potential grantee or grantees, the range of permissible uses of the property following transfer by the GRLBA, the permitted encumbrances on the property, the rights and duties of the parties, the responsibility of the grantor for the holding costs, the possible advance funding of holding costs, and the forms of the instruments of conveyance and such other matters as appropriate.

Holding costs are defined as any and all costs, expenses, and expenditures incurred by the GRLBA, whether as direct disbursements, as pro rata costs, or as administrative costs, that are attributable to the ownership and maintenance of a tract of property. The goals of this land banking program include, but are not limited to, the acquisition of real property for or on behalf of a governmental entity, corporation, LLC, or a nonprofit corporation in order to:

- (a) Permit the redevelopment and reuse of vacant, abandoned, foreclosed or other properties;
- (b) Support targeted efforts to stabilize neighborhoods, targeted commercial areas, or other targeted areas;
- (c) Stimulate residential, commercial or industrial development; and
- (d) Hold parcels of land for future strategic governmental purposes.

Requirements for Conveyance to the Land Bank in its Land Banking Capacity

1. Property that is intended to be conveyed to the GRLBA and to be held by the GRLBA in its land banking capacity shall be clearly designated as such in the proposal for the transfer, and in the records of the GRLBA.

2. No property shall be transferred to the GRLBA pursuant to this land banking policy unless the transferor is either a private, non-profit entity, or a governmental entity.
3. The subject property must not be occupied by any party or parties as of the date of transfer to the GRLBA.
4. The subject property must be located in the City of Grand Rapids, Michigan.
5. The subject property must, as of the date of the transfer to the GRLBA, be free of any and all liens for ad valorem taxes, special assessments, and other liens or encumbrances in favor of local, state or federal government entities.
6. The subject property must, as of the date of the transfer to the GRLBA, be free of all outstanding mortgages and security instruments.
7. The GRLBA shall not receive and hold, at any given time, in excess of ten (10) separate parcels of property from any given transferor.
8. Improved properties will only be accepted by the GRLBA for demolition of the existing structure.
9. The GRLBA shall not provide land banking services to other entities for assemblage of improved parcels.
10. The GRLBA shall maintain, repair, demolish, clean, and grade the subject property and perform any and all other tasks and services with respect to the subject property as the GRLBA may deem necessary and appropriate in its sole discretion.
11. The GRLBA shall charge an application and holding fee for each parcel held pursuant to this policy. The application fee shall be \$500 for each parcel. The holding fee shall be determined per year in the 2nd and 3rd years. The three-year period shall begin to accrue on the date of execution of this agreement and yearly holding payments shall be due on the first day of the subsequent year.
12. The GRLBA has the authority to negotiate a land banking agreement.

Procedures for Conveyance to the GRLBA in its Land Banking Capacity

1. The transferor of any proposed conveyance to the GRLBA in its land banking capacity shall prepare a written proposal containing the following information:
 - a. A legal description of the property.
 - b. A title report, or other similar evidence, indicating that the property is free of all liens and encumbrances.
 - c. A description of the transferor's intended uses of the property and the time frame for use and development of the property by the transferor.
2. Following receipt of the proposal, the GRLBA shall review the proposal and notify the transferor of its approval or disapproval, and of any changes or additions that may be necessary as determined by the GRLBA in its sole discretion.

3. All land banking agreements shall be reported to the Board of Directors at the next Board Meeting.

Right of Repurchase from Transferor

1. The transferor shall have a right to repurchase the subject property from the GRLBA at any time within a period of three (3) years from the date of transfer to the GRLBA by giving notice to the GRLBA.
2. The right of repurchase may be exercised by the transferor upon payment to the GRLBA of the Purchase Price. The Purchase Price shall be an amount equal to (i) all expenditures of the GRLBA (whether made directly by the GRLBA or through payments to a third-party contractor) in connection with the subject property incurred subsequent to the date of conveyance to the GRLBA, and (ii) an amount determined by the GRLBA as its average indirect costs, on a per parcel basis, of holding its portfolio of properties.
3. The GRLBA shall have the right, at any time within the three-year period following the date of the original transfer, to require the transferor to exercise its right of repurchase by giving written notice to the transferor of the requirement that it exercise its right of repurchase and the amount of the Purchase Price. The transferor must exercise its right of repurchase, and close the reconveyance of the property within sixty (60) days of receipt of such notice. Failure of the transferor to exercise and close upon its right of repurchase within such period of time shall result in a termination of all rights of repurchase with respect to the subject property.

Quiet Title Policies

Pursuant to the Land Bank Act, the GRLBA can utilize expedited quiet title to clear title for properties owned by the GRLBA and can provide quiet title services for other entities.

Quiet Title Services for Other Entities

The GRLBA shall charge an initial application fee of \$250 for this service.

The Grand Rapids Land Bank shall have authority to negotiate the fee for quiet title services with the transferor.