



# ILLINOIS HOUSING DEVELOPMENT AUTHORITY

LAND BANK CAPACITY PROGRAM (LBCP) ROUND 2

## GRANT PROGRAM REQUEST FOR APPLICATION

### **SUBMISSION DEADLINE:**

**SEPTEMBER 30, 2019 3:00 P.M. CDT**

Submit completed application and attachments  
electronically to [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org)

For questions and comments please contact [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org)



# LAND BANK CAPACITY PROGRAM ROUND 2

## REQUEST FOR APPLICATION

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# APPLICATION GUIDE

## PROGRAM PURPOSE

The Land Bank Capacity Program (“LBCP”) seeks to provide the funds necessary for units of local government, or multiple units of local government via an intergovernmental agreement, to create and operate one or more land banks, including funds necessary to ensure a revitalized affordable housing stock is created out of some of the parcels acquired or held by the recipient of LBCP Funds.

Land banks are effective tools in the elimination of blight and promotion of community revitalization. By acquiring, managing, and repurposing vacant and abandoned properties, land banks can help promote environmental improvements, housing redevelopment, economic investment, and reduce criminal activity. While research has shown that vacant and abandoned properties depress the values of neighboring properties, the removal or repurposing of these properties can foster many community benefits, such as an increased property tax base and improved quality of life for residents.

Land banks help local governments to acquire, develop, maintain, dispose of, and otherwise repurpose vacant and abandoned properties. These activities allow communities to return properties to productive use.

## PURPOSE OF GRANT

The LBCP and Land Bank Capacity Program Technical Assistance Network (“TA Network”) (collectively, the “Program”) were created in 2017 by the Illinois Housing Development Authority (“IHDA” or “the Authority”) to help communities gain access to funding and technical assistance for land banks in Illinois outside the Chicago Metropolitan Statistical Area (MSA).

## FUNDING

Funding for the Program is derived solely from a national settlement secured by the Illinois’ Attorney General, in conjunction with other state’s attorneys general, the U.S. Department of Justice and the U.S. Department of Housing and Urban Development, with the nation’s largest banks that has provided \$25 billion in assistance nationally to homeowners harmed by fraudulent foreclosure and mortgage servicing practices.

For this Request for Applications (“RFA”), the Authority will make available up to \$800,000 to finance the second round of the LBCP. Awards under this component will be made to eligible units of local government including municipalities, counties and land banks. Funds may be used to offset the costs of creating, expanding, and operating land banks, including start-up, staffing, initial and ongoing property acquisition, demolition, redevelopment, and/or rehabilitation costs of acquired or donated parcels to address the need for quality affordable housing.

The size of individual awards will be determined by IHDA after its review of the RFAs. Assistance will be provided on a reimbursement basis for Eligible Grant Activities described below.

Funds must be awarded to Eligible Applicants by September 7, 2020. Recipients must expend LBCP award funds within twenty-four (24) months of the date of the funding agreement with an option for a six (6) month extension, at the Authority’s sole discretion. All funds must be disbursed by the Authority to recipients by September 7, 2022.

## ELIGIBILITY

Awards under this RFA are set-aside for communities outside the Chicago MSA. For the purpose of this RFA, “outside the Chicago MSA” shall mean all of Illinois but for Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will counties. Eligible Applicants for the LBCP must be a municipality, county, or intergovernmental land bank located outside the Chicago MSA. A municipality, county, or land bank may join with other municipalities, counties, or intergovernmental land banks, and together submit a joint application. Joint applications must have a main applicant. If an existing land bank is part of a joint application, the land bank must serve as the main applicant.

Recipients of LBCP funding will be required to comply with all applicable laws in connection with the recipient's creation and operation of a land bank. IHDA will not provide legal or technical guidance to a recipient of LBCP funds.

## ELIGIBLE GRANT ACTIVITIES

- Recipients will be permitted to use LBCP funds to develop and submit to the applicable governing body documentation sufficient to form a land bank
- Offset legal expenses and holding costs incurred in connection therewith and/or in connection with ongoing land bank creation, maintenance and other activities provided such fees are reasonable
- Fund reasonable start-up costs (including staffing and legal fees for land bank creation), and initial acquisitions of 1-6 unit residential properties (including manufactured homes taxed as real property with a foundation and no hitch or wheels).
- Property acquisition costs may include:
  - Purchase price
  - Lien extinguishment (except payment of property taxes, which are not an eligible cost)
  - Legal costs
  - Title, recording, and transfer fees
  - Demolition costs
  - Costs of lot treatment and greening
  - Redevelopment and disposition of vacant and abandoned properties in order to return them to affordable housing and other productive use

For existing land banks, funds may also be used towards ongoing acquisitions, demolition, redevelopment, and/or rehabilitation of acquired or donated parcels. LBCP funds may also be used to fund enhanced/innovative land bank driven revitalization activities with preapproval by IHDA.

Recipients will be permitted to use LBCP funds to offset applicable administrative expenses, including staffing and other overhead costs related to the Program. General administration costs related to general management, oversight, coordination, staff, and overhead will be capped pursuant to terms outlined in the grant agreements. It is acceptable to propose future eligible activities and/or submit previous eligible activities occurring after January 1, 2017 for reimbursement. All program requirements, regulatory compliance, and certifications must be met for previous eligible activities to be reimbursed.

## PROGRAM ELIGIBILITY AND SCORING (100 POINTS TOTAL)

### LAND BANK CAPACITY PROGRAM ELIGIBILITY CRITERIA:

#### 1. NEED — MAXIMUM 15 POINTS

Applicants must demonstrate the effect(s) that vacant and abandoned properties have had on their jurisdiction. Responses should include but are not limited to the following: quantifying the amount of time and resources expended to maintain, demolish, and/or repurpose residential properties, and identifying specific areas with the jurisdiction most in need of this resource.

#### 2. CAPACITY — MAXIMUM 15 POINTS

Applicants must demonstrate their organization's experience with grant and/or program management, especially that which particularly relates to the mitigation of vacant and abandoned properties. Responses should include but are not limited to the following: quantifying and describing experience with creation/implementation of funding programs, vacant property registries, and/or other revitalization initiatives aimed at mitigating the negative effects that vacant and abandoned properties have on communities.

Applicants must also provide a copy of their most recent independent financial audit. If a Management Letter was issued, a copy of the letter must also be attached.

**3. IMPACT – MAXIMUM 15 POINTS**

Applicants must demonstrate how the grant will positively impact their jurisdiction, and how any other resources currently are being used or will be utilized for local revitalization. Responses should include but are not limited to the following: quantifying the number or properties that will be affected, expected increase in property values and/or property tax base, and/or number of households that will be impacted.

**4. BUDGET AND COST REASONABLENESS – MAXIMUM 15 POINTS**

Applicants must propose a complete and reasonable budget that includes all proposed uses of Program funds. Applicants must indicate if the work was or will be performed by municipal/county/land bank staff. If applicable, applicants must also document their process(es) to procure third-party vendors.

**5. READINESS TO PROCEED – MAXIMUM 15 POINTS**

Applicants must propose a reasonable plan for the expeditious completion of activities, noting and identifying if specific properties have already been selected for use of Program funds. Responses should quantify any metrics used for measuring implementation when possible (i.e. time expected to complete, personnel required, resources needed to complete plan, etc.).

**6. LAND BANKING ACTIVITIES – MAXIMUM 25 POINTS**

Applicants must provide information on current and planned land banking activities. Responses should clarify whether the applicant plans to join an existing land bank, form a land bank, or add additional jurisdictions to their existing land bank. Applicants should indicate whether a feasibility study has been conducted in the applicant's jurisdiction. Applicants should describe any other relevant activities related to current or planned land banking activities.

## **APPLICATION FEE**

IHDA will not charge a fee for processing applications under this Program.

## **APPLICATION**

Applications are due September 30, 2019 by 3:00pm CDT. Funding considerations will be based upon the eligibility requirements described above. A completed application and all supporting attachments must be submitted to the Authority via email. All materials must be digital; no hard copies will be accepted. Each exhibit must be submitted as an individual PDF document. Email one copy of your completed application package to [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org). Please direct all questions to [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org).

Additional resources and Program information, including notice of any application/technical assistance webinars will be available at IHDA's website (<https://www.ihda.org/my-community/revitalization-programs/>).

# LAND BANK CAPACITY PROGRAM ROUND 2 APPLICATION

## APPLICANT INFORMATION

County/Municipality/Land Bank Name

Main Office Street Address, Line 1

Street Address, Line 2

City

State

Zip Code

Website

Primary Contact Name

*Individual to be the primary recipient of all grant correspondence*

Title

Telephone Number

E-mail Address

Secondary Contact Name

Title

Telephone Number

E-mail Address

Please indicate whether the applicant (*check one option*):

Is an existing Land Bank

Plans to join an existing Land Bank

Is considering forming a Land Bank

**PLEASE NOTE:**

IF THE APPLICANT IS A MEMBER OF AN EXISTING LAND BANK OR PLANS TO JOIN AN EXISTING LAND BANK AS A MEMBER COMMUNITY, THE LAND BANK ENTITY MUST BE THE MAIN APPLICANT TO THE LAND BANK CAPACITY PROGRAM ROUND 2. IHDA ENCOURAGES JOINT APPLICATIONS FOR ENTITIES THAT PLAN TO JOIN AN EXISTING LAND BANK.

IF THE APPLICANT WAS AWARDED FUNDS TO COMPLETE A FEASIBILITY STUDY IN THE INITIAL LAND BANK CAPACITY PROGRAM FUNDING ROUND, THAT APPLICANT MAY APPLY FOR ROUND 2 FUNDING.

*If multiple entities are applying jointly,  
duplicate this page to include additional partner contact information*

## GEOGRAPHIC INFORMATION

Please report the following information for the geographic areas which you intend to serve with this funding, as applicable. Figures should be gathered from the most recent U.S. Census Bureau information when possible (we recommend using the [U.S. Census QuickFacts Tool](#)). Please contact [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org) if you need additional support gathering this information. If more than one jurisdiction is applying, or it is relevant to provide information for a separate or smaller geographic region, please duplicate this page as necessary.

### 1. Geographies to be covered by this funding – provide census tracts if possible

### 2. Population of this area

### 3. Number of properties defined as “Abandoned”

### 4. Number of Housing Units

### 5. Number of Vacant Housing Units

## FUNDING REQUEST INFORMATION

There is a maximum funding request of \$250,000 for the Land Bank Capacity Program. The size of the award will be determined by IHDA after its review of the applications. IHDA reserves the right to amend the maximum amount based on the number and quality of applications received.

### 6. Requested Funding amount

# LAND BANK CAPACITY PROGRAM CRITERIA

Program eligibility will be determined based on responses to the criteria listed below. Please describe how each of these elements will be addressed in a brief narrative.

## **CRITERIA 1: NEED**

**MAXIMUM 15 POINTS**

**7. Describe the effect(s) that vacant and abandoned properties have had on your jurisdiction. Responses should include but are not limited to the following: quantifying the amount of time and resources expended to maintain, demolish, and/or repurpose residential properties; and identifying specific areas (i.e. scattered, target neighborhoods, near downtown, etc.) within the jurisdiction most in need of this resource. Please indicate the sources used to gather any information provided in your answer. If your application includes multiple jurisdictions, or if you intend to expand your geographic scope, please duplicate this page as necessary to provide adequate descriptions of the effects of vacant and abandoned properties.**



## **CRITERIA 2: CAPACITY**

**MAXIMUM 15 POINTS**

8. Describe your jurisdiction's experience with grant and/or program management, especially that which particularly relates to the mitigation of vacant and abandoned properties. Responses should include but are not limited to the following: quantifying and describing experience with creation/implementation of funding programs, vacant property registries, and/or other initiatives aimed at mitigating the negative effects that vacant and abandoned properties have on communities (i.e. experience with strategic lien and code enforcement, utilization of available statutory abandonment powers and other available legal tools, interventions in the county property tax sale and redemption process, etc.). Please describe the role of the lead entity and any other government agencies and/or partners in land bank activities proposed in this application.

## **CRITERIA 3: IMPACT**

**MAXIMUM 15 POINTS**

9. Describe how the grant will positively impact the jurisdiction, and how any other resources currently are being used or will be utilized for local revitalization. Responses should include but are not limited to the following: quantifying the number of properties that will be affected, expected increase in property values and/or property tax base, and/or number of households that will be affected.

## **CRITERIA 4: BUDGET AND COST REASONABLENESS**

### **MAXIMUM 15 POINTS**

As a part of the application attachments, applicants will need to include a complete and reasonable budget that details all proposed uses of the requested Program funds. Additionally, answer the questions below.

**10. Was/will any work be performed by municipal, county, and/or land bank staff? If so, indicate below.**

**11. Explain your process(es) for procuring third-party vendors.**

## **CRITERIA 5: READINESS TO PROCEED**

### **MAXIMUM 15 POINTS**

**12. Describe a reasonable plan for the expeditious completion of proposed activities. Please note and identify if specific properties have already been selected for use of Program funds, and describe the specific activities which have been undertaken. Responses should quantify any metrics used for measuring implementation when possible (i.e. time expected to complete, personnel required, resources needed to complete plan).**

## CRITERIA 6: LAND BANKING ACTIVITIES

### MAXIMUM 25 POINTS

Please note: The land bank entity must be the main applicant to the Land Bank Capacity Program Round 2. IHDA encourages joint applications for entities that plan to join an existing land bank. If the applicant is an existing land bank, please provide a copy of the Intergovernmental Agreement and By-Laws for the Land Bank.

**13. If the applicant is not a land bank or a member of an existing land bank, please indicate whether you are planning to join an existing land bank or form a land bank (*please check all that apply*).**

Yes, considering joining an existing land bank

No, do not plan to join an existing land bank

Yes, considering forming a land bank

N/A, applicant is a land bank or member of an existing land bank

Please include any clarifying information (i.e. name of land bank you plan to join, details on your plans to form a land bank, etc.)

**14. Have you completed a Land Bank feasibility study? If so, please provide a copy of this study as an attachment to this application. Studies completed as part of an applicant's participation in the previous funding round of the Land Bank Capacity Program will be accepted (*check one option and enter date of feasibility study, if applicable*).**

Yes, we have completed a feasibility study

No, but a feasibility study is in process with an expected completion date of \_\_\_\_\_

No, we have not completed a feasibility study

**15. How would the funding provided through this application enable the applicant(s) to expand the geographic reach of existing land banking activities? Please provide a description below.**

**16. How would the funding provided through this application enable the applicant(s) to expand the scale of existing land banking activities (i.e. experience with strategic lien and code enforcement, utilization of available statutory abandonment powers and other available legal tools, interventions in the county property tax sale and redemption process, etc.)? Please provide a description below.**

**17. Please describe your plans for financial sustainability (i.e. your plan to bring in properties and revenue over time).**

**18. Please describe any additional, current, or previous work you have undertaken in relation to establishing a land bank and/or undertaking land banking activities.**

## AUDIT INFORMATION

Units of local government and land bank entities applying for funds must provide a copy of their most recent independent financial audit. If a Management Letter was issued, a copy of the letter must also be attached. NOTE: Include any Management Response and/or Corrective Action Plan. The Management Response and/or Corrective Action Plan MUST be on applicant's letterhead and be signed by the Mayor, Chief Executive Officer, or chief executive of the applicant. IHDA reserves the right to use lack of corrective action or lack of response to findings to determine funding.

**19. Date that audit was performed**

**20. Dates which audit covered (fiscal year)**

**21. Page(s) containing Management Response and/or Corrective Action Plan. If not applicable, indicate "N/A"**

**22. Summarize any audit findings, including page numbers of findings and solutions. If no findings, indicate "N/A"**

*Congratulations!  
You have completed the application.  
Best wishes for a successful grant application.*

# EXHIBIT CHECKLIST

Submit your completed application and all supporting attachments to the Authority via email at [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org). All materials must be digital; no hard copies will be accepted. Each exhibit must be submitted as an individual PDF document; please follow the naming conventions indicated below. Email one copy of your completed application package to [LBCPinfo@ihda.org](mailto:LBCPinfo@ihda.org).

## Application

*Name: Application for <insert applicant name>*

## Audit

Units of local government applying for funds must provide a copy of their most recent independent financial audit. If a Management Letter was issued, a copy of the letter must also be attached. NOTE: Include any Management Response and/or Corrective Action Plan. The Management Response and/or Corrective Action Plan MUST be on applicant's letterhead and be signed by the Mayor, Chief Executive Officer, or chief executive of the applicant. IHDA reserves the right to use lack of corrective action or lack of response to findings to determine funding.

*Name: Financial Audit for <insert applicant name>*

## Complete and reasonable budget

*Name: Budget for <insert applicant name>*

## Intergovernmental Agreement(s) (if applicable)

Applicants who indicate that they have already formed a land bank must include a copy of any Intergovernmental Agreement(s), or other legal documents demonstrating the creation of a land bank, signed by at least one member community.

*Name: IGA for <insert applicant name>*

## Land Bank Feasibility Study (if applicable)

Applicants who indicate that have conducted a Land Bank feasibility study must provide a copy of the final feasibility study.

*Name: Feasibility Study for <insert applicant name>*

## Any additional and appropriate documents to support your proposal

Examples of additional information can include revitalization plans, vacant property registries, etc.

*Name: Additional Information for <insert applicant name>*

# STANDARD REQUIREMENTS AND CERTIFICATIONS

Every grantee under the Program will be required to comply with these certifications and requirements:

1. Applicant certifies that all statements herein are true, accurate, and complete;
2. Applicant is an eligible recipient of grant funds based on requirements per the application;
3. Applicant will not permit any discrimination on the basis of gender, race, religion, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability in connection with its participation in the Program;
4. Applicant will ensure expenditures of grant funds are for eligible uses under the Program;
5. Applicant will maintain records in connection with administration of the Program for five years after the date of termination of the grant agreement;
6. Applicant will comply with the terms and conditions of the Program;
7. Applicant will comply with monitoring and evaluation of the Program through the full grant agreement period and five years thereafter;
8. Applicant will comply with all prevailing wage requirements;
9. Applicant will comply with all federal/state/local laws and regulations, including, but not limited to historical preservation, environmental, demolition, and lead based paint laws: Applicant agrees and acknowledges that it is its responsibility to determine which laws and regulations apply;
10. Applicant certifies that all procurements/vendor contracts comply and will continue to comply with all applicable laws and regulations, including applicable municipal procurement policies and procedures;
11. Should the Applicant be awarded grant funds under the Program, Applicant will comply with any and all requirements, as set forth in the grant agreements.

On behalf of \_\_\_\_\_, I certify that the information contained herein accurately reflects my jurisdiction and/or organization's commitment and ability to participate fully in the Land Bank Capacity Program.

**Name**

**Title**

**Date**

**Signature of Authorized Official**