



## ABILENE LAND BANK BOARD OF TRUSTEES - MEETING AGENDA

ABILENE PUBLIC LIBRARY, 209 NW FOURTH STREET

December 9, 2024 - 4:00 pm

### **THIS MEETING WILL BE HELD IMMEDIATELY AFTER THE REGULAR CITY COMMISSION MEETING**

**VIEW THIS CITY COMMISSION MEETING VIRTUALLY AT  
[www.abilenecityhall.com/watchlive](http://www.abilenecityhall.com/watchlive)**

1. Call to Order
2. Roll Call:     \_\_\_ Rein   \_\_\_ Miller   \_\_\_ Kollhoff   \_\_\_ Witt   \_\_\_ Meysenburg

Consent Agenda (*Consent Agenda items will be acted upon by one motion unless a majority of the City Commission votes to remove an item for discussion and separate action.*)

3. Agenda approval for the December 9, 2024, Land Bank Board of Trustees meeting.
4. Meeting minutes: November 25, 2024, Land Bank Board of Trustees meeting.

#### Public Comments and Communications

5. Persons who wish to address the City Commission may do so when called upon by the Mayor.

#### Old and New Business

6. Consider approval of a Real Estate Donation Agreement for the donation of three parcels of land in the Cedar Ridge Estates Subdivision to the City of Abilene Land Bank in exchange for the waiver of past-due special assessments on said lots.

#### Adjournment

7. Consider a motion to adjourn the December 9, 2024, Land Bank Board of Trustees meeting. There are no items for a study session agenda.



**Abilene Land Bank Board of Trustees Meeting Minutes**  
**Abilene Public Library – 209 NW Fourth Street**  
**November 25, 2024 @ 5:27 p.m.**  
**Abilene, Kansas**

**1. Call to Order**

**2. Roll Call** – Commissioners present: Mayor Rein, Commissioners: Miller, Kollhoff, Witt, and Meysenburg.

Staff Present: City Manager Marsh, City Clerk Mohr, City Attorney Martin (via Zoom), Fire Chief Strunk, Police Chief Hatter, Community Development Director Zook, Public Works Director Anderson, Assistant Fire Chief Stuck, Street Maintenance Worker Sims, City Inspector Steerman and Facilities Maintenance Alvarez.

**Consent Agenda**

- 3.** Agenda Approval for the November 25, 2024, Land Bank Board of Trustees Meeting
- 4.** Meeting Minutes: May 13, 2024, Land Bank Board of Trustees Meeting

Motion by Commissioner Kollhoff, seconded by Commissioner Miller, to approve the Consent Agenda as presented. Roll call vote: Miller YES, Kollhoff YES, Witt YES, Meysenburg YES, Rein YES. The motion carried 5-0.

**Public Comments and Communications**

- 5.** Persons who wish to address the City Commission may do so when called upon by the Mayor.

There were no public comments or communications.

**Business Items**

- 6.** Consider approval of a Real Estate Donation Agreement for the donation of three parcels of land in the Cedar Ridge Estates Subdivision to the City of Abilene Land Bank in exchange for the waiver of past-due special assessments on said lots.

Motion by Commissioner Rein, seconded by Commissioner Miller table this item to the December 9, 2024, for further information on the changes to the agreement. Roll call vote: Kollhoff NO, Witt YES, Meysenburg YES, Miller YES, Rein YES. The motion carried 4-1.

### **Adjournment**

7. Consider a motion to adjourn the November 25, 2024, Land Bank Board of Trustees meeting.

Motion by Commissioner Witt, seconded by Commissioner Kollhoff, to adjourn the November 25, 2024, Abilene Land Bank Board of Trustees meeting at 5:27 pm. The City Commission Study Session will begin at 5:27 pm. Roll call vote: Witt YES, Meysenburg YES, Miller YES, Kollhoff YES, Rein YES. The motion carried 5-0.

(Seal)

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Brandon Rein, Mayor

ATTEST:

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Shayla L. Mohr, CMC  
City Clerk



## City Commission

**Brandon Rein**  
*Mayor*

**Wendy Miller**  
*Vice-Mayor*

**John Kollhoff**  
*Commissioner*

**Trevor Witt**  
*Commissioner*

**Amy Meysenburg**  
*Commissioner*

## CITY STAFF

**Ron Marsh**  
*City Manager*

**Leann Johnson**  
*Finance Director*

**Shayla Mohr**  
*City Clerk*

**Kari Zook**  
*Community Development*

**Kellee Timbrook**  
*Recreation Director*

**Julie Roller Weeks**  
*CVB Director*

**Anna Hatter**  
*Chief of Police*

**Kale Strunk**  
*Fire Chief*

**Brad Anderson**  
*Public Works Director*

**Land Bank Meeting Date:** Monday, December 9, 2024

**Session:** Regular Meeting

**Topic:** Cedar Ridge Estates

**Department:** Community Development

**Staff Contact:** Kari Zook/Ron Marsh

### Background:

- Staff has received a request from Thad Reynolds, Cedar Ridge Estates representative, to donate the development's three remaining parcels to the Abilene Land Bank in exchange for a waiver of the past-due special assessments on those three lots.
- This development was set up on two different 20-year special assessment payment schedules. One for Streets, Street Lighting, Sanitary Sewer & Water Improvements, and the other for Storm Sewer & Drainage Improvements. The first year payment started in 2009, the final year will be in 2028.
- **Block 4, Lot 1:**
  - Paid to date: \$15,682.02 (2009-2017)
  - Past due: \$10,757.91 (2018-2023)
  - Remaining balance due: \$9,240.28 (2024-2028)
- **Block 6, Lot 2:**
  - Paid to date: \$15,682.02 (2009-2017)
  - Past due: \$10,757.91 (2018-2023)
  - Remaining balance due: \$9,240.28 (2024-2028)
- **Block 6, Lot 5:**
  - Paid to date: \$97,803.73 (2009-2016)
  - Past due: \$88,192.17 (2017-2023)
  - Remaining balance due: \$65,002.54 (2024-2028)

### Recommendation:

City Attorney Martin has drafted the attached Real Estate Donation Agreement for your review and consideration.

### Fiscal Note:

### Funding Source:

## **REAL ESTATE DONATION AGREEMENT**

This Real Estate Donation Agreement (“Agreement”) is entered into this 9th day of December 2024, by Cedar Ridge Estates, LLC, a Kansas limited liability company (“Donor”), and the City of Abilene Land Bank (“Land Bank”).

1. **Donation and Acceptance.** Donor agrees to donate, convey, and transfer to Land Bank, and Land Bank agrees to receive and accept from Donor, the following described real estate in Dickinson County, Kansas:

Lot 1, Block 4, Cedar Ridge Estates No. 1, to the City of Abilene, Dickinson County, Kansas.

Lots 2 and 5, Block 6, Cedar Ridge Estates No. 1, to the City of Abilene, Dickinson County, Kansas.

together with all appurtenances, permanent improvements and fixtures (the “Property”), upon the terms and conditions of this Agreement.

2. **Donative Intent.** The Property will be donated at no cost to Land Bank, subject to Land Bank’s responsibility for the expenses set forth in Section 3 below. Donor is advised to seek its own legal and/or tax counsel regarding the donation contemplated in this Agreement and has not relied on any representation from Land Bank related to the donation provided in this Agreement. Land Bank makes no representation regarding the fair market value of the Property or any tax related benefits or consequences of the transaction contemplated in this Agreement.

3. **Payment of Expenses.** Expenses shall be allocated between the parties as follows:

3.1 **Land Bank.** Land Bank shall pay all of the following items:

- (a) The title insurance premium;
- (b) The escrow and closing fee, if any;
- (c) The cost of recording the deed; and
- (d) Any attorneys’ fees and expenses incurred by Land Bank in the preparation and performance of this Agreement.

3.2 **Donor.** Donor shall pay any attorneys’ fees and expenses incurred by Donor in the preparation and performance of this Agreement.

4. **Escrow Agent.** Security 1<sup>st</sup> Title, Abilene, Kansas, is designated as the Escrow Agent of the parties and shall hold this Agreement, the deed, the title insurance policy, and all other papers of transfer pending the complete fulfillment of this Agreement. The Escrow Agent shall receive and disburse all amounts to be paid under this Agreement.

5. **Evidence of Title.** As soon as reasonably possible after execution of this Agreement, Donor shall obtain and deliver to Land Bank a commitment for an owner’s title insurance policy in the amount of \$30,000.00, insuring Land Bank’s title to the Property, subject only to liens, encumbrances, exceptions, or qualifications set forth in this Agreement, and those

which shall be discharged by Donor at or before Closing. Land Bank shall have five (5) days after receipt to examine the title insurance commitment and to notify Donor in writing of any requirements to make the title marketable, in Land Bank's reasonable discretion.

**6. Closing Date and Possession.** The Closing Date shall be on or before December 20, 2024. "Closing" means the settlement of the obligations of Donor and Land Bank to each other under this Agreement, including the delivery to Land Bank of a warranty deed in a proper form for recording so as to transfer to Land Bank fee simple title to the Property, free of all encumbrances except as herein stated. Land Bank shall take possession of the Property immediately following the Closing.

**7. Restrictions, Easements, Limitations, Assessments, and Taxes.** Land Bank shall take title subject to zoning restrictions, covenants and matters appearing on the plat or of record; public utility easements of record; and all taxes and special assessments, including delinquent taxes and special assessments. The parties acknowledge and agree that Donor shall have no obligation to pay any past or future taxes, assessments, or installments of special assessments on the Property, or any prorated portion thereof.

**8. Conveyance.** Donor shall properly execute a quitclaim deed conveying the Property to Land Bank free and clear of all liens and encumbrances whatsoever, except as herein provided, and shall place such deed in escrow with the Escrow Agent as soon as may be reasonably possible. At Closing, the Escrow Agent shall deliver the quitclaim deed and other documents to the Property to Land Bank.

**9. Mechanic's Liens.** Donor certifies that at Closing there will be no lien claimants, potential lien claimants, or improvements to the Property for 120 days prior to Closing Date.

**10. Condition of Property.** Except as otherwise provided herein, Donor is making no warranties of any kind regarding the condition of the Property, and Land Bank is not asking for any warranties from Donor. Therefore, Land Bank acknowledges that it has inspected the Property and agrees to accept it "as is."

**11. Default.** If Donor is unable or fails to furnish title or possession as agreed in this Agreement, Land Bank may terminate this Agreement by written notice to Donor and the parties shall be released from all obligations hereunder.

**12. Authority.** Donor represents and warrants that Donor has the power to enter into this Agreement and to execute and deliver this Agreement and to perform all duties and obligations imposed upon it hereunder, and neither the execution or delivery of this Agreement, nor the consummation of the conveyance contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement conflict with or will result in the breach of any of the terms, conditions or provisions of any agreement or instrument to which Donor, or any partner or related entity or affiliate of Donor, is a party or by which Donor, or any partner or related entity or affiliate of Donor, or any of Donor's assets is bound. Donor agrees to execute such further documents and take such further actions as may be reasonably required to evidence and document the representations and warranties contained in this section.

**13. Assignment.** This Agreement or any right or interest in the Property shall not be assigned by either Donor or Land Bank.

14. **Administration of Agreement.** All references in this Agreement requiring the Land Bank's participation or approval shall mean the participation or approval of the City Manager or his designee, unless otherwise provided herein.

15. **No Commission.** The parties stipulate that they have not consulted with any real estate broker or salesperson with respect to this transaction, and that no commissions arising from this transaction are due and owing.

16. **Real Estate Reporting Person.** The parties agree that the Escrow Agent is the real estate reporting person as that term is defined under Internal Revenue Code Section 6045(e). Donor agrees to provide Escrow Agent with a written statement, certified under penalties of perjury, setting forth Donor's correct name, address, and taxpayer identification number. The parties further agree that Escrow Agent shall be required to file the informational return required by Internal Revenue Code Section 6045.

17. **Time.** Time is of the essence of this Agreement.

18. **Persons Bound-Copies.** This Agreement shall extend to and bind the heirs, executors, administrators, trustees, successors, and authorized assigns of the parties, and may be executed in any number of counterparts, each of which shall be deemed an original, or in multiple originals, and all such counterparts or originals shall for all purposes constitute one agreement.

19. **Merger Clause.** These terms are intended by the parties as a complete, conclusive and final expression of all the conditions of their Agreement. No other promises, statements, warranties, agreements or understandings, oral or written, made before or at the signing thereof, shall be binding unless in writing and signed by all parties and attached hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their authorized representatives.

**"DONOR"**

**CEDAR RIDGE ESTATES, LLC**

By: \_\_\_\_\_  
Thad Reynolds, Manager

**"LAND BANK"**

**CITY OF ABILENE LAND BANK**

By: \_\_\_\_\_  
Brandon Rein, Mayor

Attest:

By: \_\_\_\_\_  
Shayla L. Mohr, CMC, City Clerk

all parcels K-3





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## Abilene Land Bank – Ad Valorem Taxes and Special Assessments

When the land bank acquires property, the land bank statutes deal with taxes and special assessments in distinct ways, which are summarized as follows:

**General Ad Valorem Taxes:** “Ad valorem taxes” are the general real estate taxes levied by the city, state, county, school district, and other taxing subdivisions. The land bank statute requires the county treasurer to “remove from the tax rolls” all ad valorem taxes, charges, penalties, and interest that are due and payable at the time of the acquisition. See K.S.A. 12-5909(b).

Effectively, the land bank’s acquisition of property erases all past-due ad valorem taxes and associated late charges, penalties, and interest. Unless the land bank requires the delinquent taxes to be paid prior to closing, the delinquent taxes are erased. In addition to erasing the past-due taxes, the land bank statute provides that the property will remain exempt from ad valorem taxes until the property is sold or otherwise disposed of by the land bank. See K.S.A. 12-5909(a). Accordingly, the land bank will not be required to pay any real estate taxes during the period of ownership.

**City Special Assessments:** “Special assessments” are special taxes levied by the City to finance public improvements, such as streets, sewers, etc. Typically, special assessments are assessed to real estate for a period between 10-15 years.

Unlike ad valorem taxes, delinquent special assessments are not automatically removed from the tax rolls at the time of the land bank’s acquisition. As a result, if the land bank wishes to acquire property that has delinquent special assessments, it may either: (1) require payment of the delinquent assessments prior to closing; or (2) acquire the property subject to the delinquent special assessments. Under either option, future special assessments will continue to accrue during the period of the land bank’s ownership (unlike ad valorem taxes). However, special assessments that accrue during the period of the land bank’s ownership are not payable until such time as the property is sold or transferred by the land bank. See K.S.A. 12-5909(c).

The above-described rules related to special assessments are subject to a caveat. The land bank statute provides that the City may abate, defer, or reamortize part or all of the special assessments on property held by the land bank. See K.S.A. 12-5909(d) and (e).

By abating, the assessments can be erased. By deferring or reamortizing, the repayment schedule for the special assessments can be altered or postponed. In order to abate, defer, or reamortize the special assessments, the City Commission would likely need to adopt an ordinance. Since the special assessments are not due and payable until the land bank sells or conveys the property, any abatement, deferral, or reamortization would typically occur after the land bank has acquired the property and prior to the land bank’s sale or conveyance of the property to a private party.

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