NEIGHBORHOOD AND COMMUNITY DEVELOPMENT

STANDING COMMITTEE MINUTES

Monday, August 14, 2017

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, August 14, 2017, at 5:00 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Walker, Chairman; Commissioners McKiernan, Walters, Murguia, and Townsend (via phone). The following officials were also in attendance: Melissa Sieben, Assistant County Administrator; Chris Slaughter, Land Bank Manager; Kathleen VonAchen, Chief Financial Officer; Lisa Nolan, County Treasurer's Office; Patrick Waters, Senior Attorney; and Officer Doug Bailey, Sergeant-At-Arms.

Chairman Walker called the meeting to order. Roll call was taken and members were present as shown above. **Chairman Walker** said for those in the audience, Commissioner Townsend has joined us by telephone and is considered present at the meeting.

Approval of standing committee minutes from June 5, 2017 meeting. **On motion of Commissioner McKiernan, seconded by Commissioner Walters, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

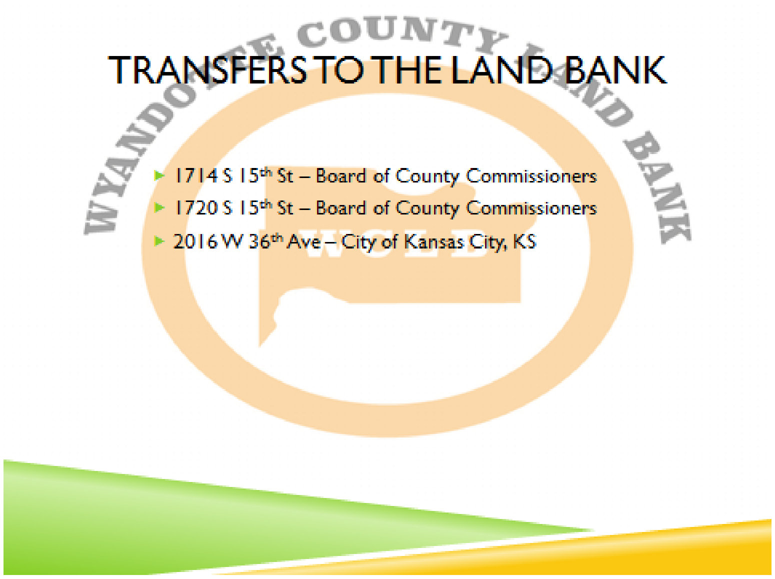
Item No. 1 – 171231…LAND BANK BUSINESS

Synopsis: Communication requesting consideration of the following Land Bank applications, submitted by Chris Slaughter, Land Bank Manager. The Land Bank Advisory Board has recommended approval.

Transfers to Land Bank
1714 S. 15th St. from Board of County Commissioners
1720 S. 15th St. from Board of County Commissioners
(Properties are part of BPU project)
2016 W. 36th Ave. from City of Kansas City, KS

(Neighbor has applied for yard extension)

Chris Slaughter, Land Bank Manager, said first we have three transfers that we're asking to transfer to the Land Bank.



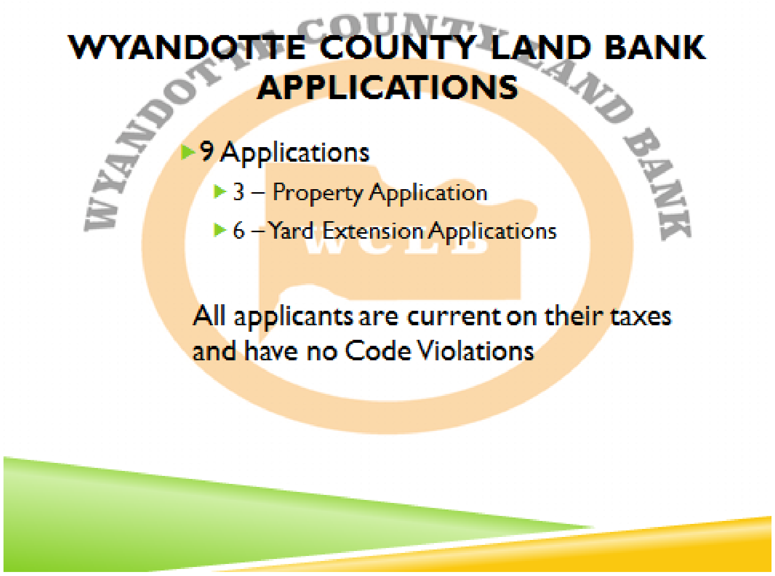
1714, 1720 S. 15th Street, currently in the Board of Commissioners name - 2016 W. 36th Avenue, City of Kansas City, Kansas.

The first two properties, they're outlined here in black. Hopefully everybody can see it there. They're proposed properties that would be part of the Rosedale Transmission Line Project. Public Works has just asked that the Land Bank take them. We'll put them on hold, not make them available for sale.

The other property is right here on the corner, here in red. The property owner next to it, who also has a yard extension application tonight, is requesting that property. We are requesting that those be transferred to the Land Bank.

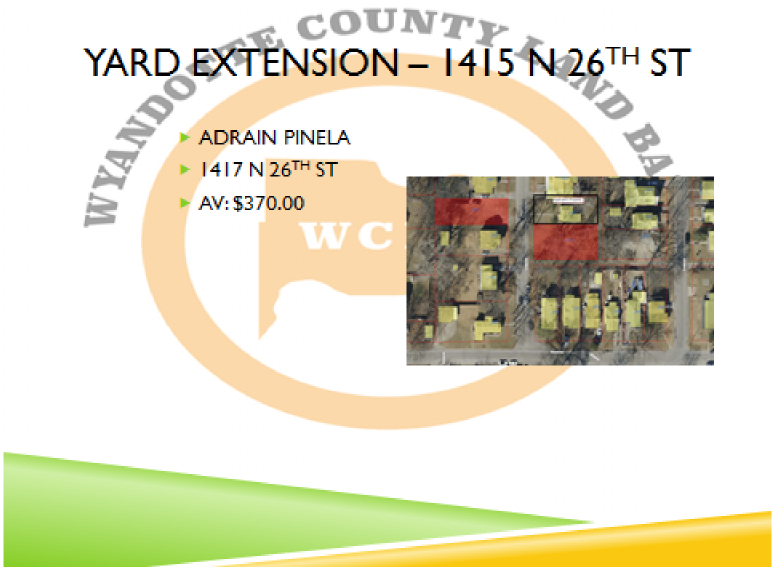
Action: **Commissioner Walters made a motion, seconded by Commissioner McKiernan, to approve the transfers.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Applications
1417 N. 26th St. - Adrain Pinela, yard extension
819 S. Valley St. - Camelia Arriaga, yard extension
1042 Walker Ave. - Rising Star Baptist Church, yard extension
339 N. 32nd St. - Robert May, yard extension
2711 N. 9th St. - Judy Sanders, yard extension
930 Reynolds Ave. - Isaias Noriega Rodriguez, yard extension
2016 W. 36th Ave. - Donna Martin, yard extension
1235 Taylor Ave. - Camelia Arriaga, property acquisition
1222 Pennsylvania Ave. - Camelia Arriaga, property acquisition
1224 Pennsylvania Ave. - Camelia Arriaga, property acquisition
2719 N. 9th St. - Judy Sanders, property acquisition

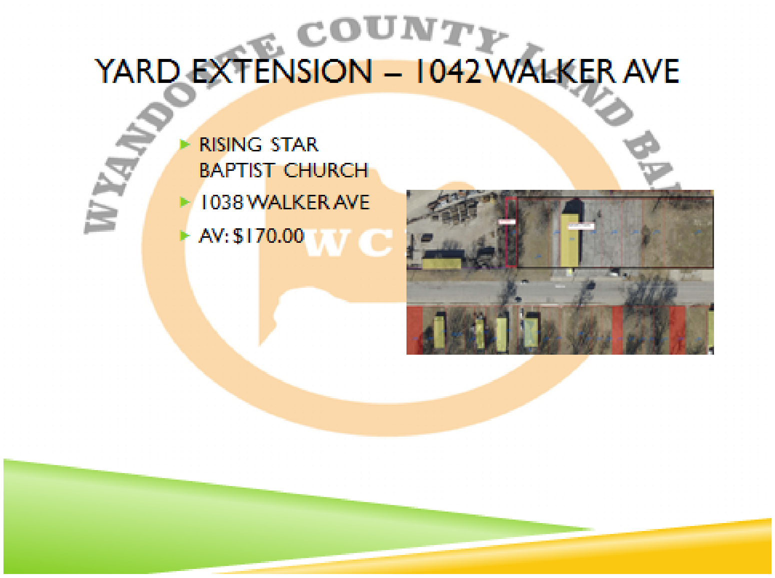


Mr. Slaughter said we have nine applications. I know your packet indicated eleven. Two we are not going to present. We're going to ask that they just be taken off and that is 819 S. Valley and 1235 Taylor. Those will not be presented tonight.

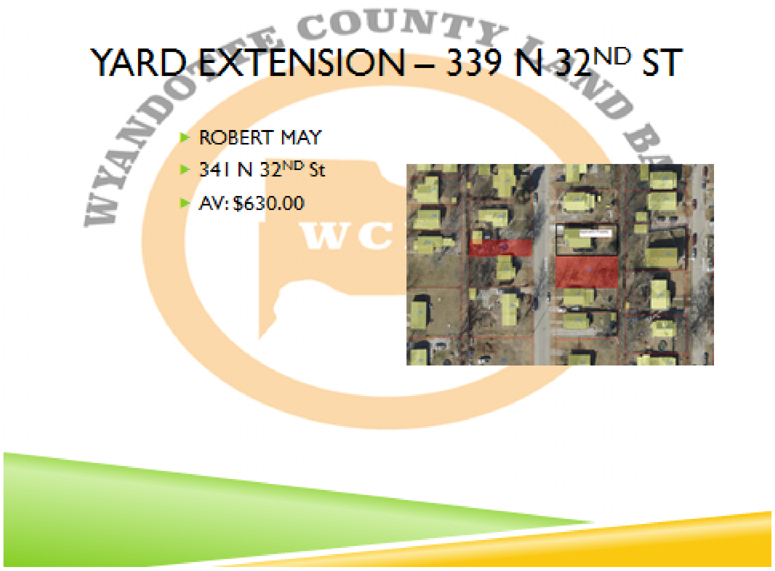
All applicants are current on their taxes and have no code violations.



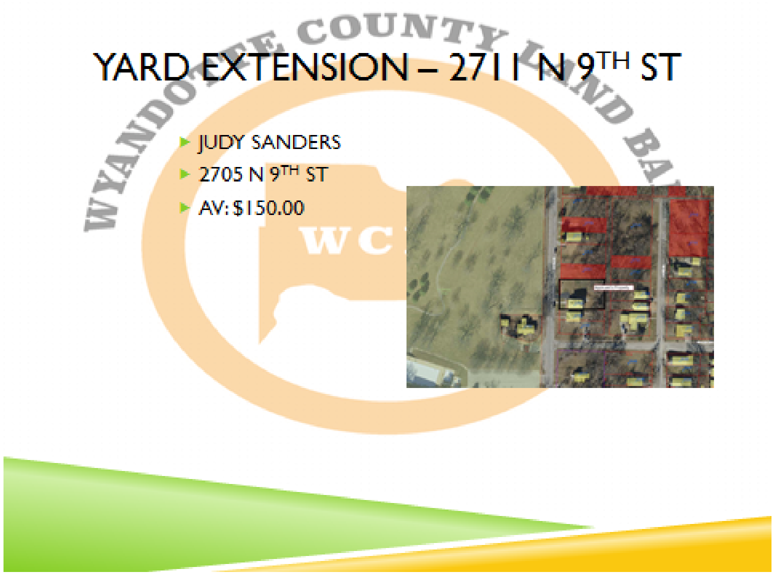
The first one for yard extension is 1415 N. 26th Street. It's in red. The applicant's property is in black.



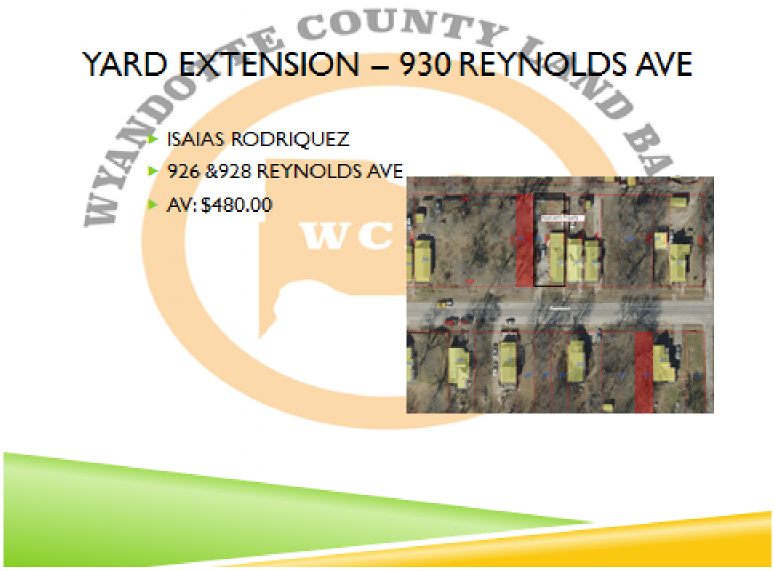
Next is 1042 Walker Avenue. The Church controls all that property. This the last little sliver there that we got out of the tax sale.



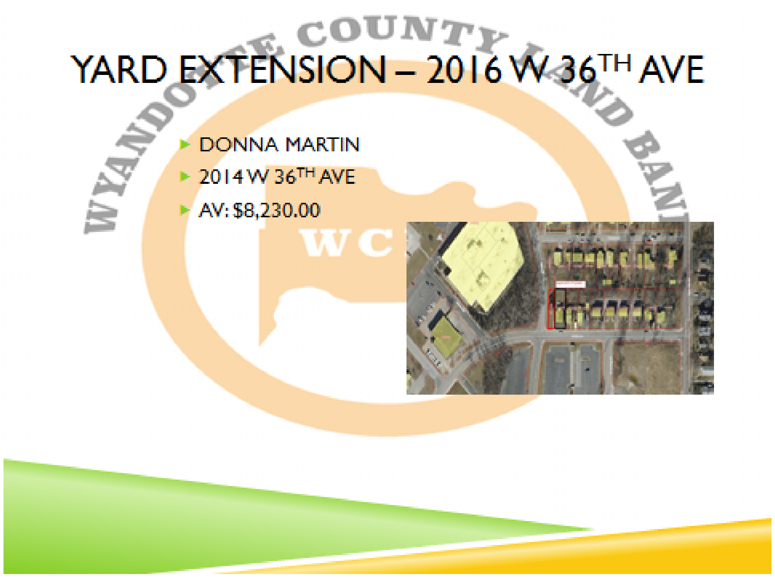
339 N. 32nd Street — again, applicant in black, Land Bank in red.



2711 N. 9th Street — that is this property here. The applicant owns the house here. The applicant is also asking for a yard extension for this property here that we'll get to in a minute.



930 Reynolds Avenue — these two properties are owned by the applicant. There's the Land Bank property.



2016 W. 36th Avenue — that's the transfer we just discussed.

Now property acquisition — the applicant lives here at 1216 Taylor, these are the two, 1222, 1224 Pennsylvania Avenue. This, again, is one we mentioned earlier. The applicant lives down here. They're wanting this property for a yard extension and this for property acquisition.

The Advisory Board also met. They were fine and asked that they be forwarded for full approval. That is also our recommendation.

Commissioner McKiernan said I just have one question. Mr. Slaughter, on the 1222 and 1224 Pennsylvania properties, you said that Ms. Arriaga lives at 1216. **Mr. Slaughter** said yes, and she is in attendance. I could have her come up to the podium.

Commissioner McKiernan said when I look in LandsWeb, that's not the name I see there. Is it titled in another name? **Mr. Slaughter** said from CIC's standpoint, the 1216 Taylor is in her name.

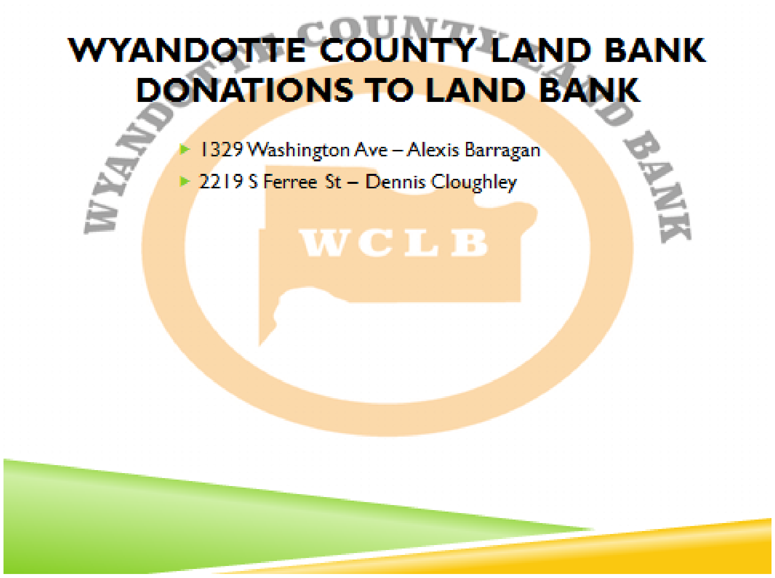
Camelia Arriaga said also, it's on my maiden name, Camiel or Camelia Dean Arriaga. **Commissioner McKiernan** said that's who's at 1216 then. **Ms. Arriaga** said Camelia Dean.

Commissioner McKiernan asked you live at 1216, but you also own 1230. **Ms. Arriaga** said correct. **Commissioner McKiernan** said you want these because they're effectively out your front door. **Ms. Arriaga** said across the street and we've been maintaining them for numerous years. The Land Bank, or UG, hasn't been the one mowing the grass and keeping it up. It looks practically like a park.

Commissioner McKiernan said I take it the gentleman who owns that little triangle there at Taylor and Pennsylvania is maintaining that. **Ms. Arriaga** said we are. **Commissioner McKiernan** said you maintain the corner as well. **Ms. Arriaga** said we do, the entire corner, the sidewalk where the sidewalk should be, everything right there. **Commissioner McKiernan** said bless your heart. Thank you so much. That's all the questions I have.

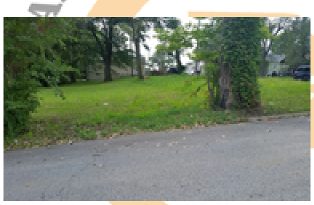
Action: **Commissioner McKiernan made a motion, seconded by Commissioner Walters, to approve all remaining applications as submitted, except 819 S. Valley and 1235 Taylor Avenue.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Donations to Land Bank
1329 Washington Ave. from Alexis Barragan
2219 S. Ferree St. from Dennis Cloughley



Mr. Slaughter said next we have two donations to the Land Bank, 1329 Washington Avenue and 2219 S. Ferree St.

1329 WASHINGTON AVE



Here's an aerial of the one on Washington. You can see it's outlined here in black. Land Bank already controls this property here. Mr. Barragan had a house there that was demolished. His whole point was he lives out of state, doesn't want it, or he would try to sell it. He didn't think he'd be able to get anybody to buy it. That's why he made his request for us to accept it as a donation.

Commissioner McKiernan said the property in question is the one outlined in black. **Mr. Slaughter** said yes, sir. **Commissioner McKiernan** asked what's the frontage on that. **Mr. Slaughter** said I would imagine twenty-five just from looking at it, but we could combine the two and just make it one property.

The other one, it's a heavily wooded area. You can barely see it here. It's kind of here and then it slants a little bit, but this is the property. I drove by the other day, last week, and it's a prime candidate for a vault. Just throw it in the Land Bank. It's delinquent. If we don't get it now I'm sure it's going to be in a tax sale. It's only one year delinquent, but again, they've indicated that they have no desire to keep it.

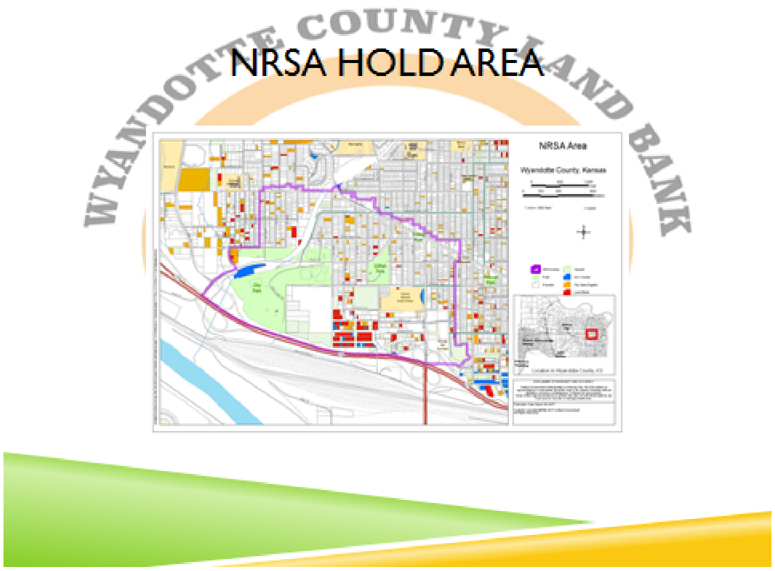
Melissa Sieben, Assistant County Administrator, said this is another one where we were speaking a couple of weeks ago, maybe a month ago, about one's where maintenance isn't really necessary. This is a wooded area. If someone would dump or something in this area we'd obviously want to maintain it as the UG. Otherwise, if it's tree'd, it just becomes a neighborhood amenity for having trees and so on and so forth. It's not something we'd mow.

Action: **Commissioner Walters made a motion, seconded by Commissioner McKiernan, to approve.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

WCLB Hold Area

Reference attachment for the 77 depicted properties

Mr. Slaughter said next we're going to discuss the NRSA Hold Area.



I know you guys have been in on presentations about what this is all about. I'm not going to rehash that.

Obviously, it's an area of interest that not only the Land Bank, but the Unified Government, has taken strong interest in. Great opportunity through some of the measures in SOAR to really put some of the practices that we're starting to preach about, I guess, for lack of better words.

Really, the ask is that the Land Bank property would not be available for sale. Now, if someone came and they wanted to build a house on one of these lots, we would definitely entertain that. We would probably, eventually bring that before you, but you would still need to approve those. Other than that, like I said, they would stay not available for sale. There are numerous Unified Government controlled. We're also asking we just get those transferred into the Land Bank as well. They will be listed as hold on the inventory list on our website.

Commissioner Murguia asked where is that. I can't read the map. **Mr. Slaughter** said I believe you have one, also, right in front of you to your left. **Ms. Sieben** said the area is generally bounded by, basically, 15th, 16th Street on the east. It follows the line of Central Avenue across to Orville on the north, and then jogs back down around 38th, 37th Street there. It incorporates City Park and follows the line of I-70 right-of-way.

Commissioner Murguia asked so we're holding it, we're keeping people from purchasing this property because? **Mr. Slaughter** said the point of the NRSA project is for prime development. Obviously, we want to help with that by holding this property. I will say, it's not really a heavily — we don't get a lot of applications for this area.

Really, the point is instead of bringing a property acquisition because somebody wants to put a garden there, we really want to just hold it for development, whether it be a single-family house, maybe some sort of commercial. I know there's been some discussions before about the heavily saturated area right here that's a lot of Land Bank property. I'm not the lead person on this project. **Commissioner Murguia** asked is there someone marketing it. **Mr. Slaughter** said I would say not at this point, other than just our regular lists and the website.

Ms. Sieben said as part of the NRSA project we're actually looking at how we bring jobs into the area, looking at our housing opportunities. We're just starting to dive. Knowing that we had a concentration of these properties in this area, we wanted to be able to have an opportunity to explore with our partners on the NRSA what might be done.

Without having an opportunity to do so, if one got picked off in the middle of the red, let's say on here, it makes it harder to bring a package for possible job growth or opportunities in this area. We just saw it as an opportunity to look at something. If we can't figure out what that would be, we'll certainly release them back out into the Land Bank for anyone for yard extension, etc.

Commissioner Murguia asked how long will we hold them for. **Ms. Sieben** said the period of this application is the next couple of months we'll have it turned in. If it gets approved, then this is a five-year program. In that five years we better have an idea of what we're trying to do.

Mr. Slaughter said, Commissioner, I would say this kind of parallels what we've been doing with the strategy in Douglas-Sumner. We really have been kind of holding those other than if we get the single-family. I know we've gotten some along like 7th & Oakland which CHWC has produced and stuff. It's really kind of what we're doing. It's not completely unavailable, but we're hoping that a single-family build or some sort of development attach to these asks.

Chairman Walker said good luck. No, I mean it. I see this as a good place as any to try this.

I see this as a good place to start with an expanded view of the role of the Land Bank in bringing economic development. I mean it when I say good luck. I would love to see some major changes to the housing stock, perhaps some small commercial enterprises. Maybe the vision is even bigger than that, but whatever it is, I can't think of a better place to start. There's certainly other places where this could be beneficial if it proves out to be a worthy undertaking.

Commissioner Townsend said just so it's clear, we're looking at a hold for five years. To remove the hold would a developer have to come with a plan that would encompass all of these properties, or only some, or how would they go about taking the hold off if they just had portions of this area for development. **Ms. Sieben** said at this point what we're working on is developing a plan for this area. That's part of what the NRSA is all about is actually having an intentional plan.

As we start into this, we want to make sure that we have the opportunity to work with the neighborhood to meet their desires and their dreams. Really, right now, we don't have an answer for that other than to say we know that we have a lot of assets that we own, or have the ability to put together, for an opportunity to possibly create jobs or a new type of housing stock into this market in this area of town. That's why we're requesting this at this time.

If we aren't accepted as an NRSA and the Commission doesn't want to further hold these areas, they can be released as soon as later this fall, or whenever we hear from HUD. If they want to continue to pursue it, because as Commissioner Walker noted, it might be a really great area for some kind of economic engine, then that would be what staff would present regardless of the HUD approval or not.

Commissioner Murguia asked when you say HUD approval, is NRSA this designated area where they would like to see lower income housing built. **Ms. Sieben** said, actually, the neat thing about an NRSA is some of those restrictions or requirements by HUD are actually waived as part of this. It's not your typical percentage. It actually allows for a lesser, I think it's either 51% or less of any units to have to be low mod. There's a lot more flexibility by getting the designation that allows you to create that socio-economic diversity that these neighborhoods are needing to stabilize them.

We're actually looking at this from the SOAR perspective of how do we stabilize our neighborhoods so that we can reoccupy some of the ones that are not contiguous with houses in this area that maybe are market rate or better. **Commissioner Murguia** said in that area, though, isn't market rate low to mod? **Ms. Sieben** said at this point, yes.

Commissioner Murguia asked are we trying to raise the market value, and we're going to do that with more low to mod. **Ms. Sieben** said I didn't say that housing was our only option. We actually, jobs is a significant part of the NRSA area is creating jobs. This is one area where we thought we could look at doing that, but without divulging too much further and possibly styming things, I don't know what else to say. At this point we don't have anything on the table. We just know we have land that is contiguous that we could look at for opportunities. It may turn out to be we're not doing anything there.

Commissioner Townsend asked the acronym NRSA again stands for what. I must have overlooked that in my reading. What does that stand for, actually, again? **Ms. Sieben** said Neighborhood Revitalization Strategic Area. It's just another HUD acronym. **Commissioner Townsend** said okay. **Chairman Walker** said we certainly have no shortage of acronyms.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Walters, to approve.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

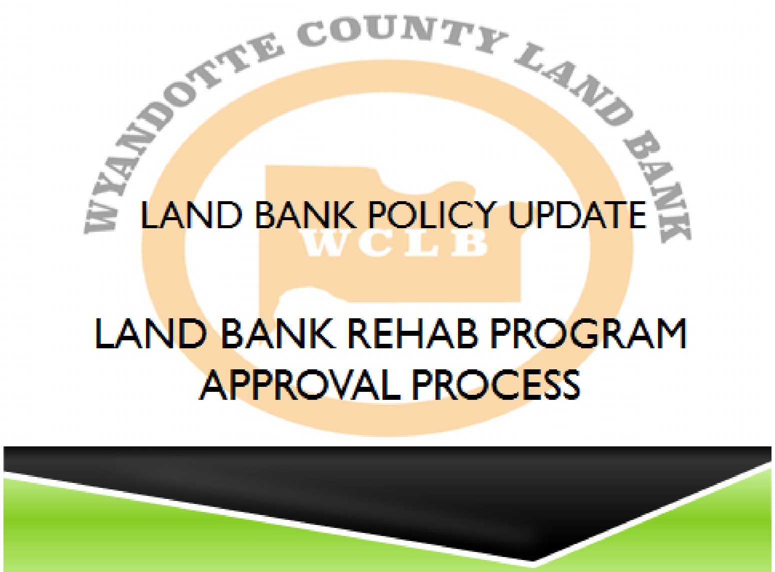
Item No. 2 – 171233…UPDATE: LAND BANK POLICY

Synopsis: Request approval of the following Land Bank policy updates, submitted by Chris Slaughter, Land Bank Manager. Upon approval, the items will be forwarded to the Land Bank Board of Trustees for final consideration.

Item (1) - Land Bank Policy Update
Item (2) - Land Bank Rehab Property

It is requested that this item be fast tracked to the August 17, 2017 full commission meeting.

Chris Slaughter, Land Bank Manager, said we're going to discuss kind of how we're doing the Rehab Program and the approval process that's currently in place.



Then we have a suggestion on maybe a way to quicken things a little bit.

Right now, once we take a property into possession, board it, secure it, inspect it, we will then put offers out to our rehab contracting pool. If we select one, we will then enter into negotiations with them. Then we bring it to standing committee, assuming we get it in at the deadline to submit for it to be on this agenda. If it's approved there, then of course it goes to a commission meeting. Then we go ahead and close on the property and they start the rehab.

The challenges with that are, again, the deadlines, the schedule of these meetings. Today we had six houses. Offers were due at 4:00 p.m. We'll touch on when those eventually would have reached, when they would have come here for approval. The timeframe, again as you'll see, can be pretty staggering.

We have them secured. We feel very confident that they are very secure, but that gives opportunities for people to come and break in and squat. Winter's coming up. People look for places a little bit warmer than outside.

Here's the proposed new process. We'll start offers, have them in negotiations. At that point, we're then going to propose a memo to the County Administrator. We will detail everything that led up to the solicitation, how many offers we had, the negotiations, the details of the agreement, how long will we turnaround and give them to complete the project, basic information like that that we would be presenting to you guys.

If he approves it, we will go ahead and close. We will start the rehab. At the next available meeting, we will report those results to you guys.

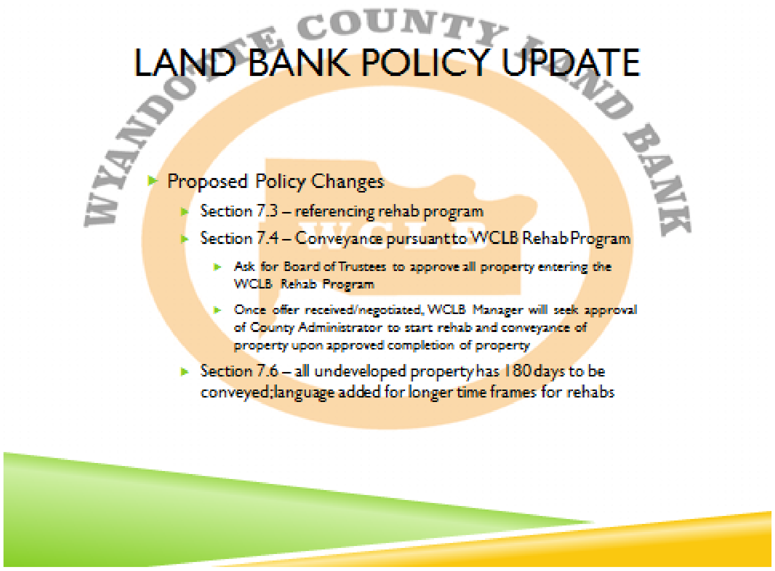
The benefit of this new thing is, of course, time. We generally are 12 days from the time we have to submit our agenda items until we get to standing committee. We average 10 – 17 days from standing committee to a full commission meeting for Land Bank, that's not including fast-track. So there, right there, is roughly almost 3 - 4 weeks where our property's just sitting there and not being rehabbed.

Here's a current example. Again, we had it should be six properties. One we didn't put offers out yet.

We had the open house. Excuse me this is a new example. We'll have seven properties that we're going to show on Friday, this coming Friday. We'll have those deadlines be, I don't even know my dates.

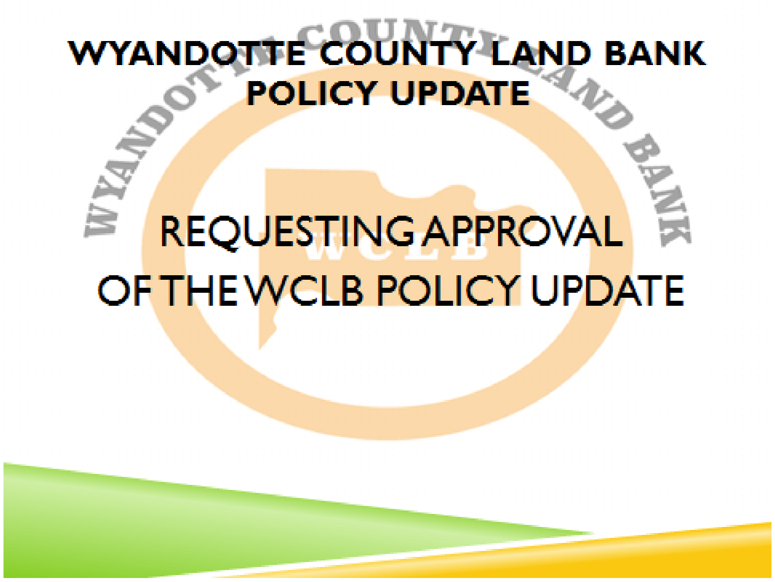
The offer deadline was today, I apologize. We had the six properties in today. The deadline for next month's meeting is the 30th of this month. We would present them on September 11. The commission meeting is September 28, fifty-two days, seven weeks and three days, at the current process.

We are already starting to see rehabbers in our pool that can blow that timeframe away of just getting the rehab done.



Here are the proposed changes in your policy. You should have this in your packets. 7.3, we are adding the phrase that references the Rehab Program to distinguish it. In 7.4, we're giving a little bit more information on the conveyance pursuant to the Rehab Program. It outlines the information about kind of what we just covered there, the Memo to the County Administrator. Then 7.6, in our policy, if you get something for a yard extension, property acquisition, that type of stuff, or in the past everything, we've said 180 days to convey it or we keep it and your award is void.

We just basically added language that will kind of separate the rehab, just in case maybe through faults not of the rehabbers, but it may take a little bit longer to get the property right, conveyed, and get the rehab started.



That's it. I'll stand for questions on that.

Commissioner Murguia asked does the policy tell us what dollar amount the County Administrator can go up to in negotiating the acquisition of the house. **Mr. Slaughter** said no, because generally the Board of Trustees has the approval. Really, what we're doing is asking the Board of Trustees to approve the County Administrator to take on that role. **Commissioner Murguia** asked he has carte blanche to pay whatever he wants to for our properties.

Mr. Slaughter said he's not paying anything. Land Bank's not paying anything. They're paying us for the house. Then, when it's done, it's theirs. **Commissioner Murguia** said so he's just determining the sale price. **Mr. Slaughter** said that's part of the information that would be given, but it's no different than if we came to you guys and said we had, like we've done the last couple of months, here's a house. Here's who's going to rehab it. Here's the timeframe, the amount, the details of it. Then you guys, if you approve it here, it goes to full commission for final approval. Then we pretty much close on the property.

As you can see, sometimes it could be significantly longer. We're just thinking if we had a way that if the County Administrator was okay with what we've presented, then we'll go ahead and use that as the starting point. Then come back and report those results to you guys.

Commissioner McKiernan said a couple of examples. These are properties that we have already done our due diligence on or touched in some way. One way that a property could get to this point, correct me if I'm wrong, is that we've had a couple of banks that have donated properties to us. Then, we've put them out for rehabilitation, correct.

This would simply, once we have approved the acquisition or the transfer, the donation of that property, to the UG, then this process would just get it into the bid and transfer to a rehabber without having to come back here.

Mr. Slaughter said maybe we jumped the gun a little bit. The second part of this presentation is actually bringing those addresses to you. So, every time we have a tax sale, let's use the tax sale for example, and we decide that when it's all said and done there's ten houses that we're going to obtain. What we'll do at the next available standing committee is we'll come to you with those addresses saying we want to put those into the Rehab Program. Then, of course, the approval process if you approve it tonight, and hopefully on Thursday, will be that we turnaround and then just can start right in once we have a negotiated agreement that the County Administrator feels comfortable with.

Commissioner McKiernan said all of these properties, we would have done our due diligence here and as a full commission before they get to this state at which the Administrator can then just move it forward administratively, and then you report back to us what's happened. **Mr. Slaughter** said correct.

Commissioner McKiernan said in terms of the rehabbers, we have a list of criteria. We publish the list of qualifying criteria. Anybody can become part of the pool if they meet our... **Mr. Slaughter** said correct. We have it on our website. We currently have some website issues, but anybody can call, come into our office, and get it. I'll also note tomorrow morning at 9:00 a.m. in the commission chamber we're doing a presentation. There was an advertisement for that in the UG *Citizen* newsletter that just went out I think about a month ago. Hopefully, we'll get a good turnout on that; provide more people to get in the pool. Yes, we'll get these properties in. We'll make them available. We'll just, hopefully, continue to see this program grow and grow.

Commissioner McKiernan said as I'm thinking about this one process, there was a house, it was on Merriam Lane I think, two young men, Residential Somebody, did a great job on turning that house over.

That house came to us, I think, from Bank of America. We approved it here. This process would then just cut the amount of time between when we approved acquiring that property and when a developer, whether it's them or someone else, could start work on that property. **Ms. Sieben** said that's correct.

The idea here is the less amount of time these sit in our hands as actual structures, the better off we are because we are responsible while they're in our hands for the safety, the mowing, and all of those things that come along with home ownership. If we turn them out more quickly than two months, or whatever we can do to cut that time down is a benefit to their neighbors, and it's a benefit to our tax base because those get back out on the market more quickly with a value more than what they were when they were brought into the Land Bank.

Commissioner Murguia said just so people are clear, and maybe I'm not clear so correct me if I'm wrong, but what you're doing, Chris, is you're seeing houses out there in the neighborhoods with potential for rehab that are coming into the Land Bank. We're going ahead and accepting them which we haven't done in the past. **Ms. Sieben** said correct. **Commissioner Murguia** said so we're accepting them.

Then when you put them out for bid, you're putting them out not just for bid on the rehabilitation of them, but they're actually put out for bid for the rehabber to acquire from the Land Bank based on the improvements that they're going to make with their own money, correct. **Mr. Slaughter** said correct. They'll submit a budget. They'll give us a plan. We stay owner of the property during the whole process. We file their agreement so they have an equitable interest. When it's all said and done and we're satisfied, the inspectors are satisfied, we deed ourselves off. They can keep it and rent it. They can sell it; make money. What we tell them is hopefully you're coming back and getting another one.

Commissioner Murguia said this is just what I don't want the general public to think. I don't want the general public to think we've set aside millions of dollars of taxpayers' dollars to rehab Land Bank. **Ms. Sieben** said no we have not. **Commissioner Murguia** said right, we have not done that.

All we're doing is we're accepting the property for free as a donation. We're evaluating those properties on their ability to be rehabilitated. Then, really, all we're doing is we're sort of putting them out for RFP to say hey, if you think you can fix this up and you want to take responsibility for it and resell it, you can apply to us.

There are no tax dollars going into these houses. This is fair market investment. We're just working as the catalyst to get this blighted, dilapidated, tax-delinquent property in the hands of a quality developer, correct. **Ms. Sieben** said I think Chris actually sees himself as a marketer now. He's got to figure out how to market these homes. Our interest is in getting interest in helping revitalize our community.

Mr. Slaughter said I will say there are some dollars that do go in through the Land Bank just to get them initially boarded and secured and presentable. We're not paying these guys to rehab. They're paying us to basically, we feel, get a great opportunity to do what they do, and hopefully they continue to do. **Commissioner Murguia** said the Unified Government is not rehabbing houses. **Ms. Sieben** said no. We're securing them for the neighborhood until such time as a private person or business takes interest in rehabbing them. **Commissioner Murguia** said great. I just wanted that to be clear. **Ms. Sieben** said no, that's very clear. We're not in the business of that.

Commissioner McKiernan said before they would go to a rehabber, we've done our due diligence as the Unified Government. We've done sufficient noticing if it's gone through the tax sale. There's been all of that legal process has played out. Then, in terms of accepting one as a donation, it's come to us and then to full commission. I like the fact that we've done our due diligence on the front end and now expedite getting those out into the hands of people who can then turn them.

Mr. Slaughter said like I mentioned earlier, right now we have one in the process that is probably going to be completed in 30 days. Thirty days, you guys have all seen these houses. They're in your neighborhoods. The fact that, even as long as a year ago, some of us were probably how do we handle these, how do we do it. We feel we're attracting the right group of developers. I don't want to say developers, rehabbers to come in. That's what we're calling them.

We hope to be coming to this standing committee in the future saying here's one, here's two, here's four, five more, that have completed the process. Here's the results and we'll be bringing you back more.

Ms. Sieben said this goes back to your piano key issue, Commissioner McKiernan. With each one of these we raise the value in a neighborhood because we one, have it be occupied again, and two, have remediated code issues. Chris, how many are we bulldozing versus rehabbing, because we are bringing structures into the Land Bank. We will knock them down. **Mr. Slaughter** said I'd say we're sitting at maybe like 5 to 1 rehab to demo.

Commissioner Murguia asked are you refusing anyone. **Mr. Slaughter** said right now, the last request we made to the Administrator, we pretty much just asked everything that was a no sale at the last tax come in, and he granted that. We feel that… **Commissioner Murguia** said no, no Chris, what I'm asking… **Mr. Slaughter** said you mean like it needs to be demoed. **Commissioner Murguia** said if I have a piece of property, I don't, but if I did have a piece of property and I wanted to donate it to the Unified Government, are you refusing to take it from anyone. **Mr. Slaughter** said we haven't done that so far. We figure if it's a property that needs to come down as far as demolition goes, it may make the Demolition Department's process easier if we're the controlling owner of that versus still being in the public ownership. We would definitely vet that with various departments to see if this is something we wanted to take on. **Ms.**

Sieben said we don't have a robust donation program, if that's what you're talking about right now. Right now, we're only acquiring these through tax sale primarily.

That's what's really is bringing this conversation forward is bringing structures from the tax sale to the Land Bank. 2.0 and 3.0 Land Bank contemplates more specifically what you're talking about. I would say your donations of land today are just land, not structure, for the most part. **Mr. Slaughter** said other than the Bank donated properties, we've really never received, or I haven't in the eight plus years I've been, that someone's requested to donate a house from the public, let's just say. **Ms. Sieben** said and we've had two of those. We haven't been in that business to date. We are contemplating that business in the future, but we have to put the parameters together to bring to you to approve.

Mr. Slaughter said in conversations with Erin over at Demo, she has said that a lot of people have put out that notion of hey, could I just donate this even though maybe my proceeds are still going to pay for the demo, or however that works. I think it's something we should look into, but again, we just don't get much of those types of requests.

Commissioner McKiernan asked do you need a motion on what you've brought forward so far. **Mr. Slaughter** said yes, then the last part again will be the actual list of houses that we'll ask that you guys approve. Kind of saying here's that overall list that, kind of what you were talking about earlier, of the properties that we currently have. As we go forward, say we have this sale on Thursday this week. When we get that list, we'll probably come back in September saying here's the list of properties that we'll be bringing in.

Commissioner McKiernan said let me make sure I understand, you need a motion to approve the changes to your policies and procedures that would allow the conveyance of properties we have acquired to be an administrative process through the County Administrator's office, with a report back to us the following month. **Mr. Slaughter** said correct. I guess the only other question would be would you guys want that as it happens, or would it be a quarterly, or I guess we can discuss that at other times and stuff. Hopefully, we're coming back each month with results. **Commissioner McKiernan** said for the time being I'd say we let it stand at a monthly report. **Ms. Sieben** said you will have months where you have none. **Commissioner McKiernan** said that's fine, all good.

Commissioner Townsend said, Mr. Chairman, I do have some questions, generally about this, not so much the timing of the reports, but just the process on a bigger scale. I'm looking in the packet, there are about 48 properties that have been determined are ripe for this rehab program, which I think is great, a couple of questions.

One, how, again, are we marketing these and are we marketing them or going to only allow professional rehabbers, so to speak, to do these? Can individuals, if they show they have adequate resources, essentially come in and rehab one of these properties? **Mr. Slaughter** said, Commissioner, the only, I'll just call them people. The only people that are allowed to put in an offer, view these houses, are the people that have already gone through the qualification process and are in that pool. That pool is open to anybody as long as they can meet the qualifications and express to us that they have an experience rehabbing properties.

If they meet the qualifications, we put them in the pool. When the next set of open houses come in, we'll invite them. We also, upon their request, will gladly show them any properties that currently have not received an offer on that we're still holding. It's just not, right now, open to the public. **Commissioner Townsend** said okay.

You mention open house, so with these 48 properties, 47 properties, whatever they are in the packet, are they all, do we plan an open house or there's a process for an open house for the prospective rehabbers to take a look at all of these? **Mr. Slaughter** said correct. We have, I believe, seven set starting tomorrow at 11:00. We emailed out to the group the addresses, the times they're allowed to come and view. Me and Mr. Brockman, we will open the property up, give them a chance to go in, assess it, take any measurements, any photographs they need, ask any questions, and then it's on to the next one. Generally, within the week, we will send them the offers with the application and any other information necessary. Then we set a deadline, like today was the deadline for those six properties. Then we just see what comes in.

Commissioner Townsend said so, at some point, all 48 of these properties will be shown. **Mr. Slaughter** said unless we deem that it should be recommended for demolition, we will probably not make that an open house. If we feel it's rehabable, yes there will at least be an open house. Then, again, for people that may be coming in late, we'll still give an opportunity for properties that didn't get any offers by their prospective deadlines. Yes, we can do that on an individual basis too.

Commissioner Townsend asked before the open houses are conducted, is that when the determinations will be made what are not salvageable, so to speak, what are candidates for demolition. I didn't realize that just being on this list doesn't mean they're safe from possible demolition. **Mr. Slaughter** said the way we have it is, again, once we take ownership, we turn around and getting it boarded and secured is our number one priority. At that same time, Mr. Brockman will conduct a full inspection of the property.

Generally, if we're seeing some major foundation issues, we've had properties before come in that maybe half the roof is already collapsed in, stuff that are more of a safety issue, those are generally the ones we'll recommend be put in the demolition program. Then, if it's deemed for rehab, then we just, again, we issue out the open house date and we go from there.

Commissioner Murguia asked how many of these have you done, Chris, already. **Mr. Slaughter** said let's see, I think we had, I'll just jump in.

We received four donations. Again, we had one demo. There's the property that was mentioned earlier by Commissioner McKiernan, it was Residential Revivals, the group that came in and did just an outstanding job. Tax Sale 335, I'm sorry, we received six properties out of that, three which demo'd. Two are under contract. If we have an open house and we don't get any offers we just call it a strategic hold, that's just our little Land Bank lingo.

Then 336 which was the tax sale in December. We received 37 properties, four of those have been demo'd. We secured 29. You see the open houses.

We just received 17 from the April tax sale. I apologize, I don't believe I put a total, but 17, 54 – 60 of those, and there's maybe 5-7 that we're holding for demo.

Commissioner Murguia said just as a reminder, we're determining, the Unified Government's determining whether or not they're rehabable, right. **Mr. Slaughter** said correct. **Commissioner Murguia** said then we're putting them out for bid. **Mr. Slaughter** said correct. **Commissioner Murguia** said on these 29 that you boarded and secured and that you've already had the open house on, did any of them not get bid on? **Mr. Slaughter** said yes, we have some of those.

Commissioner Murguia said remind me, I know you've said all this but it's a lot of information at one time. So, then say, I'm making the number up, you've got bids on 20 but didn't on 9, those 9 stay in the Land Bank? Do we demo them or do we just leave them boarded up? **Mr. Slaughter** said our thought is we keep increasing this contractor pool. We'll still have opportunities for new people to look at property that we don't have offers on. We get that question a lot. What do you have out available?

I'd love to have ability on our website to have pictures of these with some information attached to those. We're just not there yet. Ideally, we feel that if it's not demo'd, we can get it marketed and get to somebody. We're just trying to grow that supply of contractors because we feel we have the demand of the properties, especially the ones that don't sell at the tax sale.

Commissioner Murguia asked do you know the real number. On the 29 you boarded and secured, you have eight in process, but how many did not get bid on out of the 29? **Mr. Slaughter** said out of the 29 we've only had 14 open houses. We still have 15 more that we'll probably turnaround, again we have seven more. That's a typo, that red should be we have seven open houses on the 14^{th}. Then, again, we still have like 15 more that were in the process. I think we still have eight more that we haven't even started the boarding and securing on.

Commissioner Murguia asked how many open houses have you had. **Mr. Slaughter** said we've had I'd say, let's say 20. **Commissioner Murguia** said out of the 29? **Mr. Slaughter** said out of probably the….**Ms. Sieben** said no, this is everything on this slide that he's talking about. The numbers aren't going to add up. **Mr. Slaughter** said it's been kind of a gradual process.

Commissioner Murguia asked out of the 29 boarded and secured structures, see where it says that, 29 boarded and secured. **Mr. Slaughter** said yes. **Commissioner Murguia** asked out of those 29, how many of those have been to open house. **Ms. Sieben** said seven. **Commissioner Murguia** said only seven. **Ms. Sieben** said so far. **Commissioner Murguia** asked out of those seven, how many were bid on. **Mr. Slaughter** said that deadline was 4:00 p.m. today. **Commissioner Murguia** said you don't know.

Mr. Slaughter said I could have that answer for you tomorrow. I don't believe all seven, six of them. It says seven but it's really six. I don't believe all six got an offer, but I think four out of the six did. **Commissioner Murguia** said okay, just curious of the level of interest.

Commissioner McKiernan said I think this is something, I mean it's a good strategic start. We decide it's not going to work and we end up not being able to put them through, then we change our policy. I think one of the problems we've had historically is that some people who might otherwise acquire a property can't get into it if it's not their property. This does allow them the opportunity to get in and look at the property. It allows us the opportunity to get in and look at it and see if we deem it safe for rehab.

Ms. Sieben said the other thing is from a safety perspective, because SOAR is about appearance and safety, so the appearance is better because one, we're boarding it at a level that it wasn't before. In fact, we have a totally different standard for ones that come into the Land Bank than we currently do for private vacants, and we're working toward that new standard. Money is involved.

The other thing that is happening is that Chris' team is also making sure that the outsides appear better. We have an entire standard there that we're working off of from mowing, cutting back brush, things of that nature. Because one, we got to show them to get people interested in them. Two, we want to help the neighborhood as we own, actually, physically own them.

Commissioner Murguia said I don't want to jump the gun on this, but I just want to make sure, that kind of eludes to what Brian was talking about earlier, and why I was asking the number of homes that were bid on and the number that was not. Because some areas of the urban of the core this program might work really well for. I disagree a little bit, Brian, in that we have to do away with the program because in one area of our urban core it doesn't work, and in another area it does. **Commissioner McKiernan** said totally agree. **Commissioner Murguia** said I hope we're also tracking areas that this program is successful in.

Mr. Slaughter said I will add, and I think it's important to know, we're just getting what's left over at the tax sale. In going forward with this program, we have been more strategic in the property we requested to be put in the tax sale. Again, we can't control who bids on property at the tax sale. Now if we can just saturate some of these sales with maybe some of our targeted areas and stuff, then maybe we can have some more strategic results.

We have some properties that even us, as staff, we feel may be challenging in getting something there. That's nothing with the house; it's just maybe the area it's in is just having some challenges themselves.

Commissioner McKiernan said I agree that we don't necessarily terminate the program, but modify it, depending on our success or results. **Commissioner Murguia** said right. **Ms. Sieben** said one of the other key elements out of this with SOAR, and I'll stop, but this is all stuff that we've been talking about through the SOAR process. I think the critical element is when it goes through Chris' program, through the Land Bank program; we're ending up with a house that's Code complaint, that's been updated. It's safe for whoever goes to occupy it.

When it goes through the tax sale process, any number of outputs can occur. This, actually, brings you a product back online that is Code complaint. **Commissioner Murguia** said I get the whole process. I think it's fantastic. I'm just saying that this might work in some parts of, in particular, the urban core where we see the greatest number of tax delinquencies. This might work in some neighborhoods and won't work in others. I just think, for me, that's okay. **Ms. Sieben** said yep. **Commissioner Murguia** said I don't think we discontinue a program that's working somewhere just because it's not working somewhere else.

I like it. I think it's good, that's what I was asking about the numbers. At some point, I'm just giving you a heads up, I'm going to ask to see like an overall map of the areas where we've seen success versus not success with this program. That should direct us where if staff only has so much time, where they should be spending the bulk of their time in order to get the most properties for their time spent back on the tax rolls. That's all I'm saying.

Ms. Sieben said I think that's great. I just wanted to get out the point that there's a real benefit to the Land Bank doing what it's doing here that you have approved as a governing body because you're getting quality rehabs out into the community.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Murguia, to turn the conveyance of these properties into an administrative process supervised by the County Administrator's Office, with a monthly report back to this committee.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Adjourn

Chairman Walker adjourned the meeting at 5:52 p.m.

mls