

**NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
STANDING COMMITTEE MINUTES
Monday, January 14, 2019**

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, January 14, 2019, at 5:00 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner McKiernan, Chairman; Commissioners Townsend (via phone), Walters and Bynum. Commissioners Burroughs and Murguia were absent. The following officials were also in attendance: Gordon Criswell and Melissa Sieben, Assistant County Administrators; Angela Lawson, Deputy Chief Counsel; Chris Slaughter, Land Bank Manager; and Jay Doleshal, Sergeant-At-Arms.

Chairman McKiernan called the meeting to order. Roll call was taken and members were present as shown above.

Approval of standing committee minutes from October 29, 2018 meeting. **On motion of Commissioner Walters, seconded by Commissioner Bynum, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 181...LAND BANK BUSINESS

Synopsis: The Land Bank Manager respectfully requests that the Neighborhood & Community Development Committee review the proposed packets and forward them to the Land Bank Board of Trustees for final consideration, submitted by Chris Slaughter, Land Bank Manager.

Applications

2441 S. 12th Ter. - Martin Lugo, property acquisition
2443 S. 12th Ter. - Martin Lugo, property acquisition
1612 S. Bethany St. - Mark O'Bryan, property acquisition
1614 S. Bethany St. - Mark O'Bryan, property acquisition
1620 S. Bethany St. - Mark O'Bryan, property acquisition
1628 S. Bethany St. - Mark O'Bryan, property acquisition

1630 S. Bethany St. - Mark O'Bryan, property acquisition
1632 S. Bethany St. - Mark O'Bryan, property acquisition

2018 Conveyance Report



WYANDOTTE COUNTY LAND BANK APPLICATIONS

- ▶ 8 Applications
- ▶ 8 – Property Acquisitions

All applicants are current on their taxes
and have no Code Violations

January 14, 2019

Chris Slaughter, Land Bank Manager, said first we're going to talk about applications. We have eight applications. They're all property acquisitions and as usual all applicants are current on their taxes. They have no current code violations.

PROPERTY ACQUISITION – 2441 & 2443 S 12TH TER
MARTIN LUGO – 2437 S 12TH TER



First is 2441 and 2443 S. 12th Terrace. There are two parcels here and the applicant is Mr. Lugo at 2437 S. 12th. He previously purchased this last year in November. It was another Land Bank property.

PROPERTY ACQUISITION –
1612, 1614, 1620, 1628, 1630 & 1632 S BETHANY ST
MARK O'BRYAN – 1640 S BALTIMORE ST



We have 1612, 1614, 1620, 1628, 1630 and 1632 S. Bethany Street that are all outlined here. The applicant is Mark O'Bryan at 1640 South Baltimore and this is also additional property that the O'Bryan's have purchased out of the Land Bank.

**LAND BANK ADVISORY BOARD
RECOMMENDATION**

The Land Bank Advisory Board recommends forwarding the applications to the Land Bank Board of Trustees for final approval.

**WYANDOTTE COUNTY LAND BANK
APPLICATIONS**

**REQUESTING APPROVAL
OF THE APPLICATION REQUESTS
& TO FORWARD THEM TO THE
LAND BANK BOARD OF
TRUSTEES FOR FINAL APPROVAL**

January 14, 2019

The Advisory Board did recommend approval in forwarding these to the Board of Trustees for final approval and that is our ask tonight.

Chairman McKiernan said go back to the South Bethany. So, these are adjacent properties then. It looks like there's a road that might be platted in there but they are effectively adjacent to the applicant's current property. **Mr. Slaughter** said correct. There is a tiny part here that does touch, okay, but yes that looks like there is a platted or at least at one point a platted alley street that just never got developed.

Chairman McKiernan asked does any member of the committee have a question or a comment for Mr. Slaughter about these applications.

Commissioner Bynum said, Chris, do you happen to know, with the current property and the added Land Bank properties what's the acreage total we could be looking at there? **Mr. Slaughter** said I mean I can give you what the proposed request is. Maybe that will gage how much the other is. **Commissioner Bynum** said it looks like the applications are for yard expansion. **Mr. Slaughter** said no, they're all property acquisition. I would guestimate that this block here is about three acres. If we think there's another three here, another three here, maybe six. I want to say that was four or five so you're talking maybe combined over 20.

Commissioner Walters said, Chris, we have had conversation in the past when we have an applicant that wants several parcels that we ask for some sort of indication of their intent to develop or what they plan to use the land on. Do you have any idea on that? **Commissioner Bynum** said that was what I was commenting on. The applications say yard extension/preserve. **Mr. Slaughter** said preserve is probably the best word for this. The applicants are in attendance tonight if you'd like them to address. **Chairman McKiernan** said absolutely. If they wouldn't mind, just come forward.

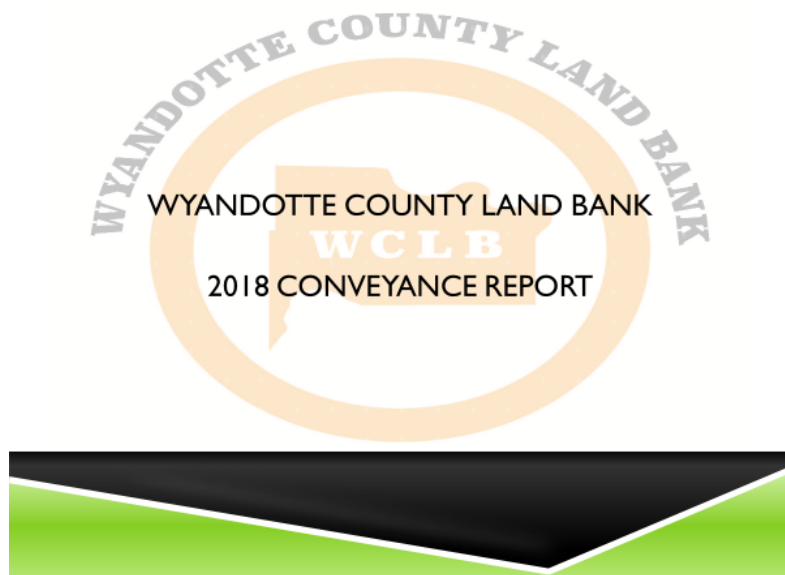
Mark A. O'Bryan, 1640 South Baltimore Street, KCK, said I've been a lifelong resident of this property. I've been running those hills for nearly 60 years now. The sole intention is just to

preserve and to have legacy for my sons. There's no intention on building or developing any of this property.

Tammy O'Bryan said and I live at his address and it's sentimental to us. It goes back maybe three generations in our families. My mom grew up in those woods and played in those hills just like we did. It's just sentimental. **Chairman McKiernan** said as I remember those properties, there's quite a hillside there isn't there. **Ms. O'Bryan** said very much. **Mr. O'Bryan** said yes, it's intractable. **Ms. O'Bryan** said you could do rock climbing. **Mr. O'Bryan** said you couldn't develop it without major expense. **Ms. O'Bryan** said it's not developable. **Chairman McKiernan** said the only concern that I would ever have about a large expensive property like that is if you have any intent of clearing those trees since they effectively stabilize that hill. **Mr. and Ms. O'Bryan** said no. **Mr. O'Bryan** said we've been through that before. **Ms. O'Bryan** said it's going to stay just the way it is.

Action: **Commissioner Walters made a motion, seconded by Commissioner Townsend, to approve all applications as submitted.** Roll call was taken and there were four "Ayes," Bynum, Walters, Townsend, McKiernan.

Chairman McKiernan said thank you very much. Those are all approved as submitted and anyone who has a Land Bank application can follow up with Mr. Slaughter after our meeting for next steps.



Mr. Slaughter said next, I'll give the 2018 Conveyance Report and then we'll go into the updates. Last year the Land Bank, we sold/transferred 124 properties. That generated over \$144,000 in revenue. Of those 124, 67 were yard extensions, 21 property acquisitions, 35 were related to the Rehab Program and we did have one transfer. So, a pretty good year, pretty on par with what we've been averaging over the last three or four years.

I just wanted to mention some of the goals that we're striving for in 2019. Obviously, a continuation of keeping the Rehab Program very strong and vibrant and then I put strategic marketing of properties. We've had some discussions in the past about what's the best way to go

out and really market to developers, single-family builders. We've had some key upgrades to some of our systems that are finally getting in place and we'll probably have more of an update in upcoming months as we look to improve the website. We will go back to an interactive map that hopefully will link to our application page and provide more information for the public, but just a couple of the things that we majorly will be focusing on in 2019.

Chairman McKiernan said so when you say strategic marketing are you more thinking about potential redevelopers or—**Mr. Slaughter** said correct. One of the things we want to focus on are maybe some key areas that we'd really like to focus on developers. I know a couple months ago we put the whole northeast area on hold and we would come back with some strategies. We still plan on doing it in a couple of months. **Chairman McKiernan** said okay. **Mr. Slaughter** said but it would be stuff in line with that that we feel maybe these areas are best served to be marketed for a large-scale development. Here are some areas that may be more focused on infill housing and then maybe some recommendations on areas that maybe aren't going to be forecast that direction and those are the ones we should try to focus on a yard extension or a property acquisition, that type of stuff. We'll have more information as the year comes, but I just wanted to give you guys an idea of kind of where we're going to be focused for in 2019. **Chairman McKiernan** said excellent.

Commissioner Walters asked are we able to keep that \$144,000 within the Land Bank? **Mr. Slaughter** said no. **Commissioner Walters** said I was hoping the answer would be yes and that we could use that money. **Chairman McKiernan** said well and that's been a conversation we've had in the past about how to best use that money to effectively seed and reseed Land Bank operations. **Commissioner Walters** said yes, accelerate the whole program.

Commissioner Townsend said Commissioner Walters is going down the right money road. As I looked and listened to the plans for next year, my question right now is on the reverse side, do you need Mr. Slaughter—do you anticipate needed additional funds for anything to keep the program going or to do things in a better or different way than may have been done in the year past? **Mr. Slaughter** said I would say yes. I don't have a figure in mind. You know we, for example, have a couple commercial properties on Quindaro & Brown that we'll probably need some serious

investment if we want to keep the buildings viable. One has a roof that's almost pretty much completely caved in and some of the just estimates we've gotten have been pretty astounding.

Yes, any kind of resources whether they are additional help or finance would—we would definitely be interested in that. **Commissioner Townsend** said I'm just thinking now would be the time if your department has a particular course of action in mind that may be similar or different, to maybe come back to us with that. Now you mentioned commercial properties. Are we looking and it sounds like just to maintain them or as in the rehab for residential are we looking to turn those properties over to someone? What's the thought at the current time with those? **Mr. Slaughter** said with what we generated last year I don't know if that would be enough for us to turn around and add additional resources to help existing rehabbers or to, like I said, put into the two buildings that we still think are pretty key components to the revitalization of the Northeast Area. It's something we'll give more thought to and I'll talk with management about how we can best relate any kind of resources we may need to ask for in the future. **Commissioner Townsend** said okay. I just wanted to kind of put that out there now. I guess it's definitely not too early to be thinking along the money lines and budget, your budget needs.

Melissa Sieben, Assistant County Administrator, said the Land Bank has a working group that's been established the last couple of months and we are working through a whole litany of recommendations that we plan to be bringing forward in conjunction with the SOAR Program and Neighborhood's Up over the next few months of this year. I think what you're going to see is us kind of retooling a few different things and trying to get a better handle on how Chris' work and Katherine's work can integrate well into the Commission goals and to the neighborhood goals that we have. More to follow on that, but we've had a couple of meetings and we've got another one scheduled for the first part of February; and a lot of clean up to do.

Mr. Slaughter said this Conveyance Report was for information only.

Item No. 2 – 182... LAND BANK BUSINESS – UPDATES

Synopsis: The Land Bank Manager respectfully will present information regarding an approved hold area between:

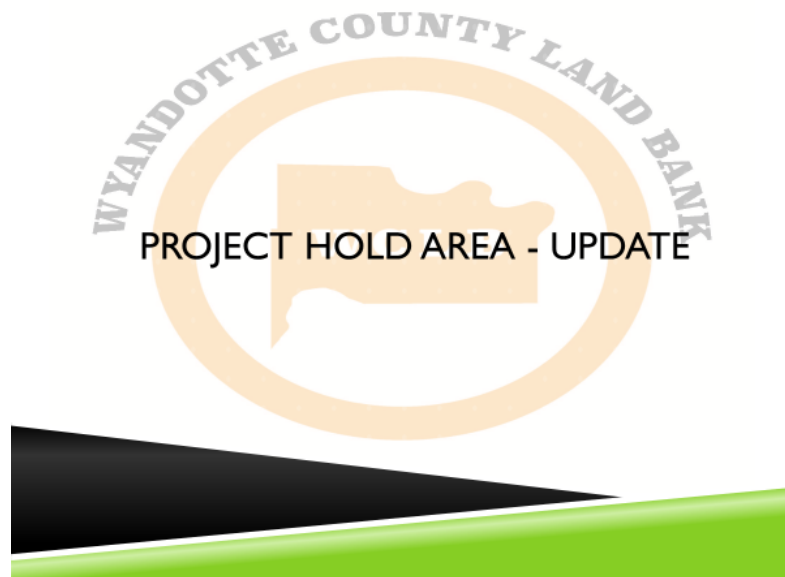
North - Tauromee Ave

West - 10th St

South - Reynolds Ave

East - 7th St

An update on the Wyandotte County Land Bank Rehab Program, submitted by Chris Slaughter, Land Bank Manager.



Mr. Slaughter said now we'll get into those updates. Back in November you guys approved a hold area from 10th Street to 7th, Tauromee down to Reynolds. We wanted to give an update on that. I know we were asked to bring back some additional information. I will say because of the weather we experienced over the weekend we did have some out of town people that were not able to make it in today, but I'll speak on some high points and we can have a discussion or if additional information is needed, we can come back next month with that too.



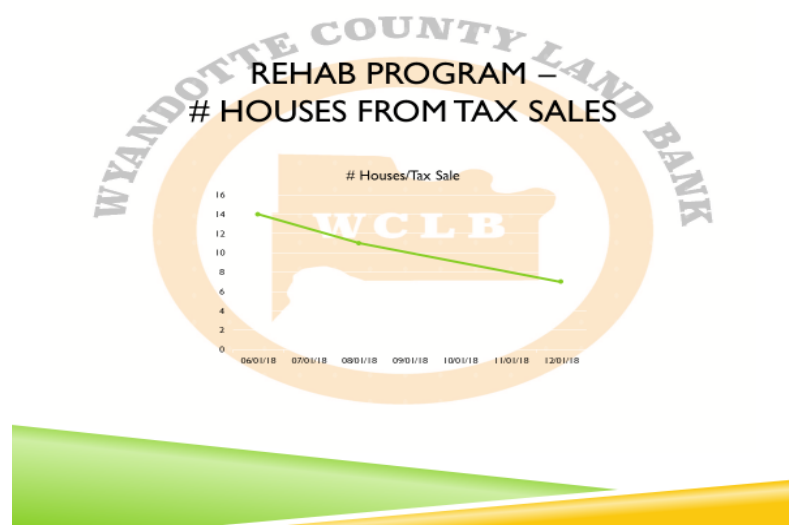
The program is called 42 in 24. Again, there's the project area. Our main partner in this is the Greater Pentecostal Temple with Bishop Donaldson. He has a vision of you know in simplistic terms is building 24 houses in that area in the next 24 months. They also, as we've mentioned earlier, there is a five-year timeframe but they are also interested in rehabs in the area. Unfortunately, we don't have any available so hopefully with upcoming tax sales we'll be able to work with him and his group on that. A lot of this is going to be funded through, I believe, his foundation. Again, I wish some of the key components could have been here but we're excited about it. We think this is a project that once it gets going, we can see some ripple effects that go in all directions and also hopefully be something that the Land Bank can sit there and work with fellow—future developers that are presenting other areas throughout the county where the land we're already holding, the assets that we have, can be put to good use.

Chairman McKiernan said I was part of a group that entertained Bishop Donaldson and his potential partners are now partners when they first floated this idea. I certainly supported the hold area and I support this project. For those of you who don't know, Bishop Donaldson's church is the yellow horizontal rectangle that's pretty much right in the middle of the black square. That's where his church is and he has a great vision for renovating and revitalizing the neighborhood around his church and found some investors who are willing to invest in both new and rehab with an idea toward helping repopulate the neighborhood and keeping housing affordable for folks in

the neighborhood as well. This is what we would call the Riverview Neighborhood Area and it is one of our more challenged neighborhoods in the Second District or really all of eastern Wyandotte County and it's really exciting that these investors really do believe they can do as they say, 42 rehabs or builds combination in 24 months, and that would be enormously beneficial for the city and for the district. I'm glad to hear that they are moving further along in their process.



Mr. Slaughter said that again was just for informational purpose.



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The last thing that we have is the Rehab Program Update, kind of change things around a little bit. We'll start presenting this kind of in a graph form. That way you can see the certain trends that are following. This first slide is the number of houses we have gotten from the tax sale. Now again, we only have three tax sales a year but I think the key component to realize is in the April sale of 2018 we received 14 houses. In the August sale we received 11 and the December sale 7 and maybe my months are off. I'm sorry. The 14 was the December 2017 sale. This was the April and then that is the August. We're in the process of getting houses from the December sale and that looks at a high mark of maybe being 5. The good thing is tax sales are being successful. We're generating a lot of revenue. We're getting a lot of properties off of the delinquent tax role; however, we're also having a lot of bidders at the sale and we're not in a position to bid. We can only take what is not bid on or ones that are bid on the people don't come by the deadline and pay. I don't want to say this is troubling, but we definitely would like to see that number going in a different direction meaning we have more inventory for our rehabbers.

Chairman McKiernan said while I appreciate a market for the rehab, we could also look at this as saying that if an increasing number of people are redeeming their back taxes and are caring for their properties, we get the same outcome. **Mr. Slaughter** said correct. **Commissioner Walters** said we also get the same outcome of people that purchase the houses at Land Bank and rehab them on our program. **Chairman McKiernan** said well that's true too.

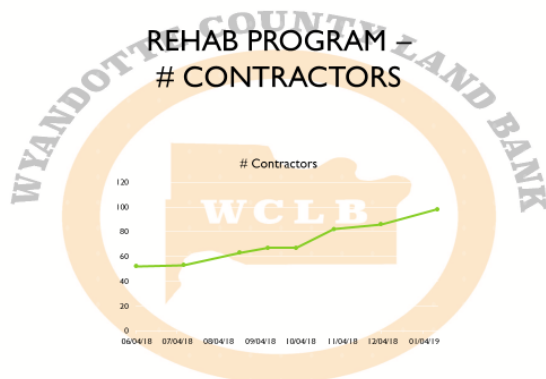
Ms. Sieben said one of the other things that our Delinquent Revenue Division is working on with the SOAR Program is a structure only sale for next year where we push as many structures through the process so that we get more structures through the program instead of lots. I mean Chris, I think has received quite a few more lots this year and wanting to clear those structures so that they get shook loose either way where there is someone from the private side handling them or they end up in a rehab program, but they're not sitting falling apart. That's one of our ideas that we'll be bringing back to you.

Kathleen VonAchen, Chief Financial Officer, said I did want to point out that although you know the tax sales have resulted in a lot of people coming forward and bringing their—or setting up you know working towards meeting their tax obligations, there are a significant number of those

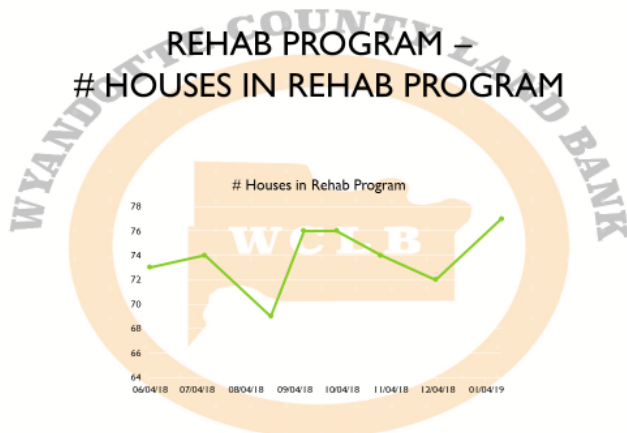
that are just getting set up on a budget plan, right, a payment plan. They're not paying up 100% and the judge orders that, sets up the payment plan through the court and then if they miss three payments then they go back before the judge, right, and the judge has been pretty lenient. It's not we're collecting all of this back revenue; it's getting spread out over time under budget plans. **Chairman McKiernan** asked what's the timeframe of the payment plan typically set up from the beginning? One year, five years? **Ms. VonAchen** said you know I don't know the specifics on that. My guess is it's a case-by-case basis but I'm not 100% sure. Do you know? **Ms. Sieben** said I don't have that answer, but staff is working in Delinquent Real Estate very closely with Treasury now to find out when people miss so that we can put them back into the sell as quickly as possible because what would happen in the past is if they paid up one month, we wouldn't get them back into the rotation for years, so we are working harder on that so that it's not something that delays their ability to avoid taxes for years. We've gotten more sophisticated in how we're handling that between Treasury and Delinquent Real Estate.

She's right, the judge is very benevolent in how he works with folks and that continues to be a challenge when we see examples like Sauer Castle again and again or one that actually doesn't pay that gets on a payment plan and it gets on another payment plan and gets on another payment plan where you go years and you haven't gotten anywhere. It's a challenge but we're doing everything we can on our side to make it difficult for folks to avoid paying us.

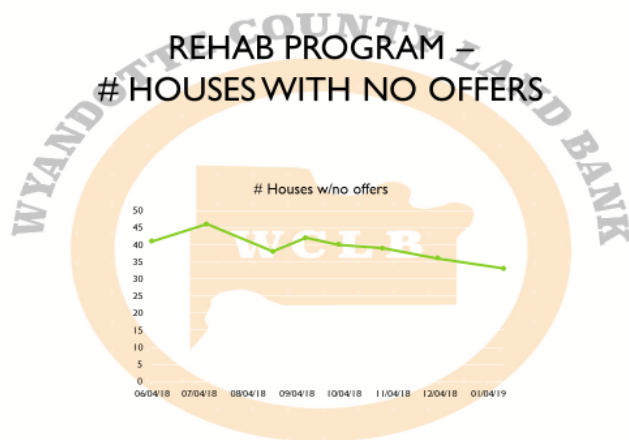
Ms. VonAchen said so of course from Treasury's perspective and from a collection perspective, we would prefer that there weren't any payment plans so just so you know.



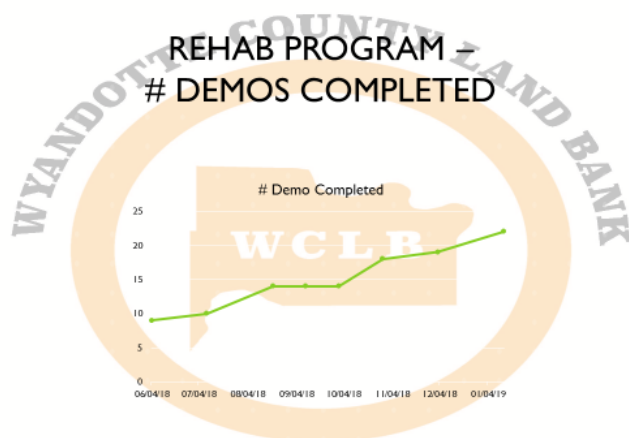
Mr. Slaughter said the next slide is showing the growth of our contractors that are taking part in our program. This does include both tiers. We have Tier 1 and Tier 2 now, but we are steadily growing the interest in the program and we look to continue that trend.



The next is just the total number of properties that we've had in the program. You see we're a little bit all over the board and that kind of reflects two things, maybe we had a good tax sale or maybe we had a sale where we got a small number and it also may say that we got a number but a lot of the stock none of the rehabbers really wanted to turn around and take a shot on that. That's why Tier 2 was created. We are to the point again, if they go through our process and we receive no offers, we'll accept an offer as low as a dollar for them.



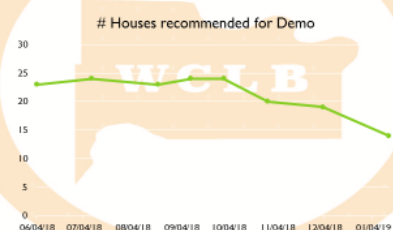
Again, just on what we are speaking in the number of houses with no offers. This a direction I'm glad to see is that the inventory is going down. I believe we are sitting at 33 and, again, we'll just continue to keep working to show as many houses as we need to the rehabbers, get out in the community and keep promoting the program and, hopefully, that's a direction we'll continue to see going down.



This is the number of demos that have been completed. We're currently sitting at, I believe 22. Even though we are in a position compared to when we started, we do show all houses whether

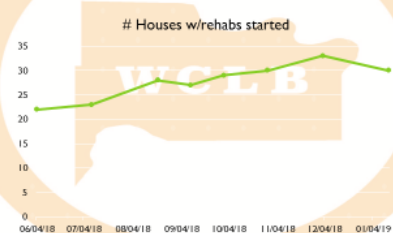
we recommend them for demo, unless it's just an emergency that needs to come down, but we have had a couple of rehabbers take a couple and rehab those for us.

REHAB PROGRAM – # HOUSES RECOMMENDED FOR DEMO



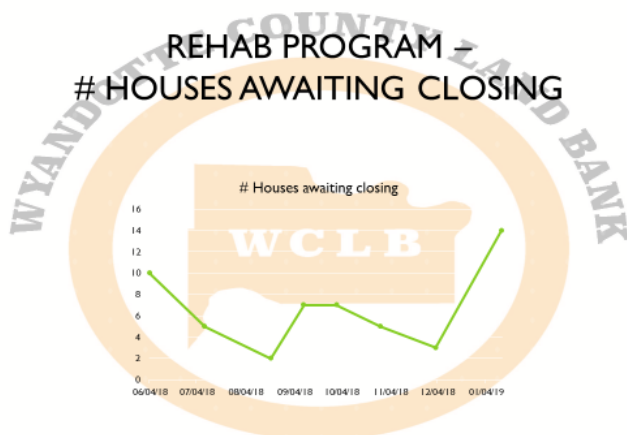
This is the number that we are recommending. I believe we're sitting at 14 that are on the list right now and, again, that's based on staff's recommendation that there's just too many problems or they're in a dangerous condition.

REHAB PROGRAM – # HOUSES WITH REHABS STARTED

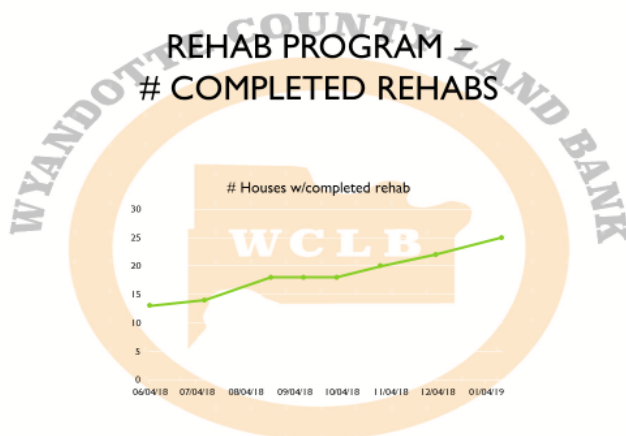


These are the number of rehabs that are currently underway. I believe we're currently sitting at 30. We hopefully will start to get this number down as we get more completed.

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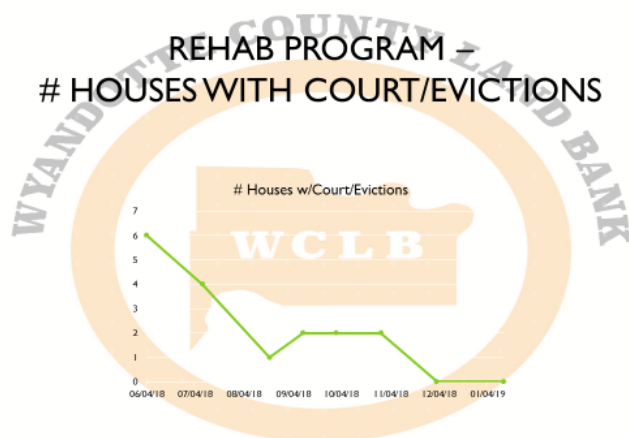


These are the ones that are waiting closing. The majority of the time that's spent on this has just been the rehabbers that are requesting title insurance. This has been averaging anywhere from about 3 to 4 weeks. We're constantly talking with them about ways we can speed that up. Sometimes it just takes a little bit longer based on the history of the property.



These are the houses completed. We're sitting at 25. Soon after this information we have three more to update that have been completed. Occasionally we will get a property in our hands that after it comes to the Land Bank then the old owner will maybe petition the court to try to get the

property back and we've had a couple of instances where we have gotten the property but there's people in it and we've had to go through the eviction process. Right now, we currently have none. We'd like to keep it that way. In speaking with Legal, we have been told that a lot of people in this situation are starting those proceeds before they're actually deeded to us so when we know of it upfront, we just tell them don't deed it over to us until it's decided and then if it is still going to come to us, we can take it at that point.



Compared to the one slide that's showing this kind of a trend. Is that something that we want to continue to bring into the meetings, to go back to the simple information. We're happy to do it either way.

Now let's talk about the three houses that have just been completed.

1833 N 29TH ST

- ▶ Property was in Tax Sale 336
- ▶ Minimum Bid was \$16,158.17
- ▶ Rehab time – 7.5 months
- ▶ Appraised Value (Jan 1 2018) \$18,790
- ▶ Property is currently listed for sale at \$90K



1833 N. 29th Street. This was a Tax Sale 336 property. The minimum bid at the time was over \$16,000. It took the rehabbers 7.5 months. Back in January 2018 it was appraised at almost \$19,000 and it's currently listed for \$90,000.

4928 BLUE LN

- ▶ Property was in Tax Sale 336
- ▶ Minimum Bid was \$3,651.52
- ▶ Rehab time – 7.5 months
- ▶ Appraised Value (Jan 1 2018) \$41,010
- ▶ Property is currently listed for sale at \$90K



The same rehabber also did 4928 Blue Lane. Again, a #336 tax sale property. A little lower minimum bid of about \$3,600. It took roughly the same amount of time. This had a higher appraised value. Just a little bit over \$41,000 and again it's currently listed for \$90,000.

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239 S MILL ST

- ▶ Property was in Tax Sale 338
- ▶ Minimum Bid was \$7,355.68
- ▶ Rehab time – 8.5 months
- ▶ Appraised Value (Jan 1 2018) \$5,360.00
- ▶ Property is planned to be listed



The last one which was just completed on Friday. This was in Tax Sale 338. The bid was a little bit over \$7,000. This took about 8.5 months. It was appraised at a little over \$5,000. It's currently planned to be listed. They haven't just got to that point, but one of the things we plan on doing in either March or April, once the Appraiser rolls out the 2019 values, we'll put together some sort of comparison of the increase in value. I think we're also working with SOAR and the Knowledge Office on the effects these houses are having in just the neighborhoods as well. We'll be bringing that here probably in the next couple of months. That's all I had planned for tonight unless there are any other questions.

Chairman McKiernan said I didn't recognize 239 S. Mill without the giant tree in the front yard. That's a transformative change on that particular block because the tree used to shield the entire house from being viewed from the street. Very nice. Does anyone have questions or comments for Mr. Slaughter? We appreciate it. Thank you very much.

Action: For information only.

Adjourn

Chairman McKiernan adjourned the meeting at 5:32 p.m.

tpl

January 14, 2019