NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
STANDING COMMITTEE MINUTES
Monday, September 30, 2019

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, September 30, 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 Burroughs, Murguia, Walters. Commissioner Townsend was absent. The following officials were also in attendance: Gordon Criswell, Melissa Sieben and Alan Howze, Assistant County Administrators; Angie Lawson, Deputy Chief Counsel; Chris Slaughter, Land Bank Manager; Jud Knapp, Performance Management & Data Analyst in IT; Katherine Carttar, Director of Economic Development; and Jay Doleshal, Sergeant-At-Arms.

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

Commissioner McKiernan said there were no revisions.

Approval of standing committee minutes from August 19, 2019. **On motion of Commissioner Burroughs, seconded by Commissioner Walters, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

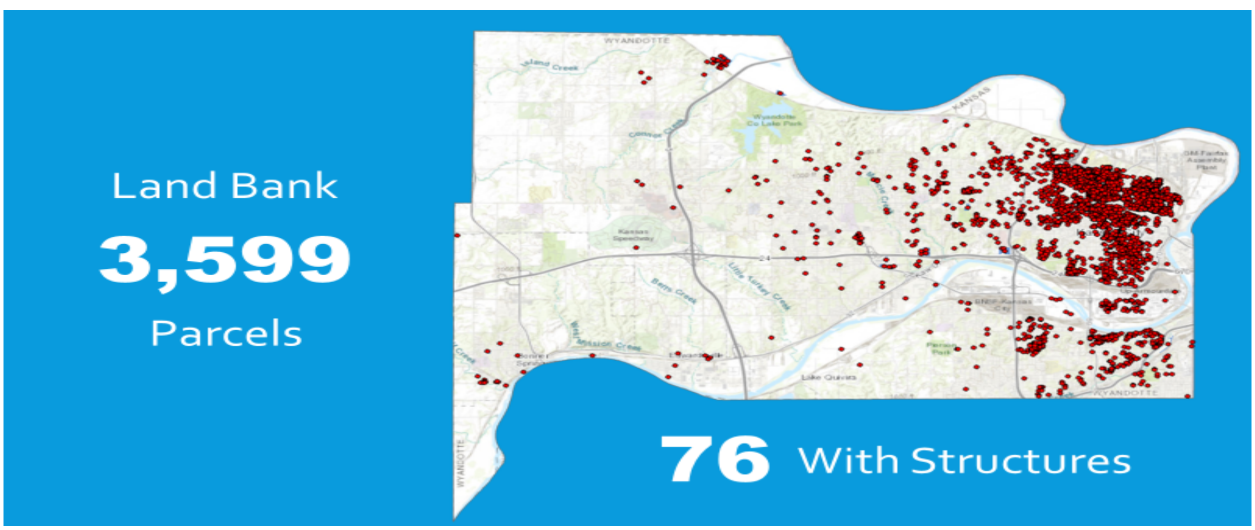
Item No. 1 – 19940…NEIGHBORHOODSUP LAND BANK TOP 100 LOTS INITIATIVE: UPDATE

Synopsis: Update on the work being done through NeighborhoodsUp to identify and market Land Bank lots that would be most attractive to build new homes upon, submitted by Alan Howze, Assistant County Administrator, and Katherine Carttar, Director of Economic Development.

Chairman McKiernan said I'm going to turn this over to Assistant County Administrator, Alan Howze. **Alan Howze, Assistant County Administrator**, said we wanted to bring to you a presentation that I think builds on a lot of things, that this committee has looked at before over a period of time from how we utilize Land Bank properties, how we move from thinking of them as things to be managed to assets, to be utilized for the benefit of the community. Really, building off of the work that SOAR has led on blighted structures and rehabs and overhauling how we think about a lot of the land use and property management in the city as well as the NeighborhoodUp Initiative, that is really looking at how do you bring additional vitality and revitalization into neighborhoods. How do you look at commercial development, how do you look at housing and infill housing. Sort of pulling a bunch of these threads together.

What we'll hear from tonight, is what we think is the next iteration of this conversation, which is on those Land Bank properties, that are in our inventory. How can we look at those and identify of those many properties, the ones that we think might be most right for infill Housing. Again, adding additional residents, adding tax base, adding all those benefits that we know accrue to having strong vital neighborhoods. With that, I'll hand it over to Katherine Cartter, Director of Economic Development, to my left, who will be joined by Jud Knapp, our UG Data Analyst for tonight's presentation.

Katherine Carttar, Director of Economic Development, said as Alan was saying, I think this really is kind of the next step we've gone through, the whole process of kind of revamping our Land Bank Policy. Now, we are you know in a good position with where we are policywise to actually start implementing some really proactive activities.



Just kind of, to put this all in perspective, we have just under 4,000 Land Bank parcels. Of those, 76 have structures.

One of the things that we are obviously very proud of and has worked incredibly well, and we hope that will continue working very well, is our Rehab Program. Just kind of putting into the magnitude of what we're talking about, the number of structures versus the number of just vacant parcels that we have. Really, we're kind of feeling like, as you are all very aware, a lot of the stuff that we're doing with the rehab program side, is excellent and is creating those comps that we need for kind of the next step in terms of actually building new infill. The big question is, alright, now what do we do with the actual vacant lots and how do we kind of start to put a real proactive plan in place for those.

A big question that we started asking ourselves maybe six or nine months ago is, okay, well why, why is this lot vacant. Really start looking at this as okay, if I were a developer, an individual, someone who wants to live in a neighborhood that is strong, but there's this vacant lot; how would I even think of this as a possibility as a place where I could build house.

Really, what we started looking at is okay, what are all those barriers. What are those things first that we can start removing or streamlining so that this becomes a really viable option for folks? These are just kind of a couple of examples of some of the items. You know, zoning and this is not so much, or we have a narrow lot line guidelines, but someone will look at this lot and you who probably lives on 5th St., you would probably drive right by and not even realize that that's a lot that a house once stood on.

Also, the demo year, something that we've run into a lot is, and we've had Land Bank lots returned to us because of this, is for many, many years a house would be demoed. It would all just go into the basement and they'd move on. Well that's a huge amount of site cost. I mean that's basically, you know, adding kind of a whole second demo to the lot just to remove some of that.

A big one that we've all been working on is the financial gap as well. One of the things that we've seen is the appraised value versus what it actually cost to build a house in these areas. There's a pretty sizeable gap. One of the things that we've been really working hard on is programs like the Rehab Program, which provides those comps and kind of prove to our banking community that people are willing to spend over $100,000 on a house that has a 25 ft. frontage and is somewhat narrow and all of that.

Mr. Howze said I'll just add one point in this which is one of the other real benefits of the work we've done in SOAR and other places is, bringing different information together. We have actually most all of this information within the UG. We know our zoning code, we know the setbacks, we actually have maps, we know the sewer depth, know the demo year, we know the overlay of the historic districts, we know the soil types, but those all sort of live in different places.

What you'll see as we go through this is bringing that information together in a way that makes it a lot easier for developers or somebody who wants to build on this lot, to get that information in one place so that there's no landmine, so to speak, where they get part of the way through the process only to realize the sewer depth becomes a barrier, a cost prohibited barrier, or to get halfway through the process only to realize that because there's a historic district overlay they've got to do things in a different way. By bringing all this information together in one place, we're also trying to make it as easy as possible for whether it's a builder or somebody who wants to live in the neighborhood and build their own house, bring all that information together.

Ms. Carttar said really just trying to remove all that uncertainty. A couple–some of the goals that we've discussed, and this is not only for the Land Bank, but to kind of generally all infill is the increasing housing density, obviously, has realized that if we want to increase our property taxes, it is not about actually increasing the property tax, it's increasing the number of people who are here and paying those, streamlining the building process. Jud did an amazing job of kind of figuring out what the whole building process was, you know step by step, and figuring out where we could actually be a facilitator rather than kind of someone who kind of regulates and stops things and well did you think about this. Like, how do we actually move this very, kind of streamlined as possible. Obviously, broadening the tax base and putting all these Land Bank lots into productive use.

Mr. Howze said one other point in that tax base is that this is also helpful for the BPU, right? **Ms. Carttar** said yes. **Mr. Howze** said when we think about infill housing we're talking about putting back housing in places where we already have made the investment as a community for electric infrastructure, for sewer infrastructure, for water infrastructure and the connection point from that to the street as much lower than building new infrastructure into a new place. It really helps the BPU to build, broaden their customer base as well.

Ms. Carttar said as we've mentioned, kind of the target market, it's pretty wide ranged. I don't see likely a bunch of huge developers coming in, but really trying to have people look at this. You know if they can build 10 or 20 versus hundreds, obviously we'll take hundreds. Then also, we've heard a lot about people who are interested in having a house that they want a house, they want something that's near downtown, very accessible throughout the metro. I think we all think this is a pretty great location for a number of those reasons and so we're excited about the prospect of what that can mean. I'm going to turn it over to Jud, to talk about some of the data and how we've kind of brought this all together and hope to sell it to folks.

Jud Knapp, Performance Management & Data Analyst in IT, said how can we use data to remove all uncertainty with that vacant lot, so people feel comfortable that they want to build there. We have zoning, so we've removed everything under 25 ft. All lots demoed after 1998 is an undermined area, is it in a floodplain, so we took all those uncertainty things right off to select our top 100. The bank finance, like where will the bank finance a construction loan was the one that took a little more thought. We had to create like a matrix of where are all the new residential builds, where has there been a new house built in the last five years? Where's the home sales on $135 sq. ft., because if they sell for $135 sq. ft., we can build it for a $135 sq. ft.

Where are all the completed remodels, where are all the areas where like private investment is coming in the area and completely rehabbing these homes. The mean appraised value, how much is the housing stock worth around the lot? The total appraised value is like how many houses are the housing stock that are around it, like it takes into account for how many vacant lots there are. I will actually go to the map.

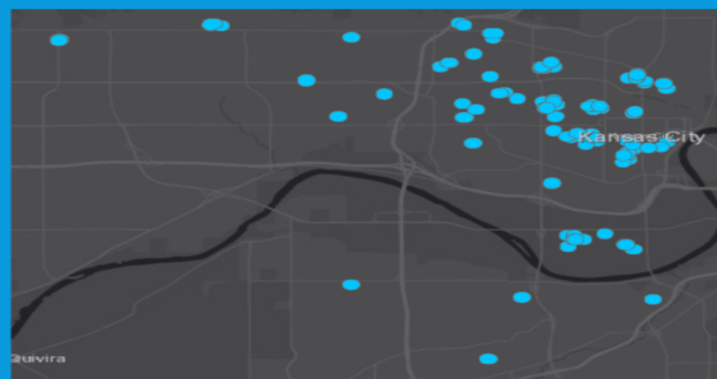
Ms. Carttar said while Jud's pulling up the map, one thing not only is this great in terms of finding locations that are marketable and we think—we want to set people up for success so finding locations and lots where people, if they can get their money out of something that they're building. Also, this really helps to narrow down kind of where we want to kind of focus people a little bit. I don't know about you, but if you were interested in a vacant lot and Chris says, here are 4000, which one would you like. That's pretty overwhelming and so if there is a way for us to kind of narrow that down for them and kind of say, well these are the one that we would recommend and we have very, I think, strong reasons why those are areas and specific lots that we would do that. I think that will help kind of move people along and actually help them envision a future in one of these areas.

Mr. Howze said its worth saying to that we welcome your feedback. Essentially, we created a algorithm right, and then we ran these 4,000 lots through an algorithm, to kind of get a weighing and come up with different scoring criteria to get this list but there's nothing that says the waiting or the rankings that we've chosen couldn't be adjusted. In fact, in our research, I don't know that we've seen any other community that could've done this in this way. We're a little bit of sailing into water that we haven't necessarily been into before and, again, welcome that kind of feedback on how we can make this even tighter as we go through it.

LAND BANK TOP 100 LOTS

Land Bank Top 100		
Goal: to select the land bank lots that have the best chance for new construction		
500 Ft buffer zones totals		
Variables	**Description**	**Weight**
New Residential Builds	New homes built within 5 years	25
Home sales over $135 sq ft	$135 per sqft is the cost to build a new home	25
Complete Remodels	where private money is being invested	25
Mean Appraised Value	Average value around parcel	12.5
Total Appraised Value	the total of all values near the land bank lot	12.5
	Total	100

Map Link



Mr. Knapp said this our top 100 that we selected with our data. If we zoom in, this is the lot we've been looking at, the 509 N. 5th St. If we click on it, we can see that there's been six remodels in the area of 500 ft., buffer zone around that house. There's been two sales over $135. There's been no new homes built. The appraised total mean, and it was demoed in 2012. It's not in an undermined area, it's not in the flood plain, it's not in a Historic District and the soil type that's there.

We could also click on the sewer that's right in front and we can see that it's in-between, it's 9 ft deep. There's a sewer in front of the house, the sewer is like right by the sidewalk. It's not in the middle of the street. I mean, that's a big cost factor there too.

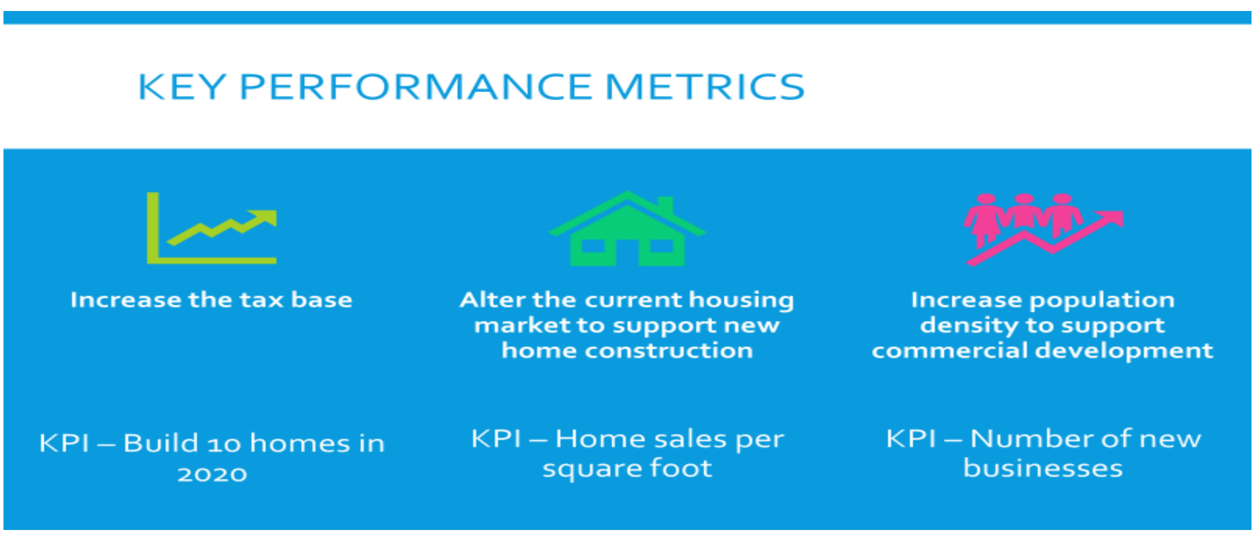
Mr. Howze said the other thing that we found interesting as we did this was we didn't know, kind of the clustering where this would show up and it was interesting to see that there are these stop 100's or shows up in lots of different parts of the community and lots of different opportunities for sort of different neighborhoods where we think that there's viable infill housing lots that can be built on.

Mr. Knapp said we took that top one on our list and we kind of made these little cheat sheets, I guess you would call them, just putting all the data in one location. You can see that the parcel width is 25 ft., so we can build on it. You can see the topography of the lot. It kind of slopes up and away from the street. There's, again the six free models, the two home sales of $135 a sq. ft., and the demo year 2012. We're pretty confident that we could build here.

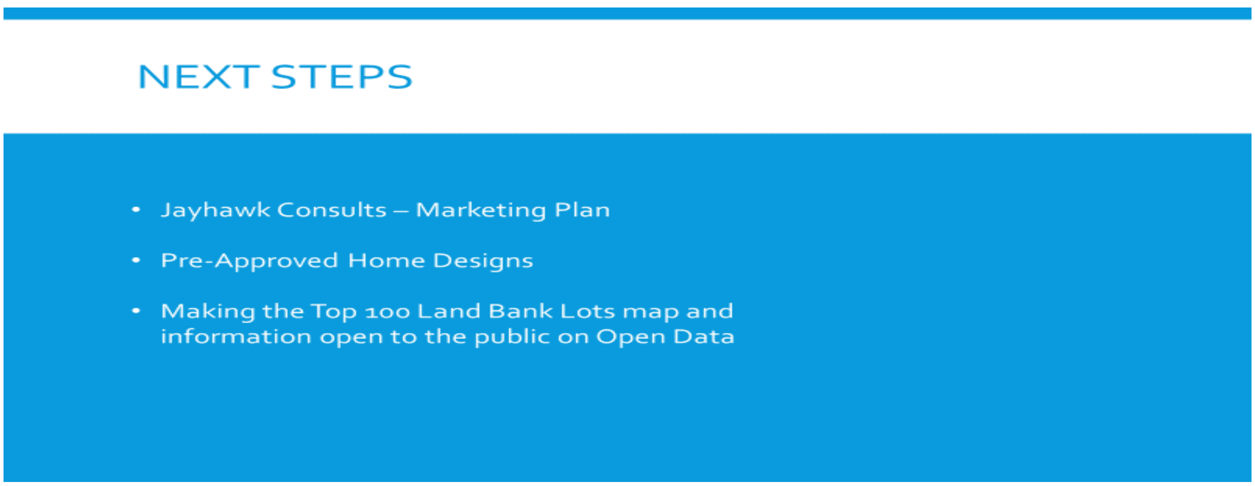
The chart on the left is the frontage feet for our top 100 lots and all of all Land Bank lots totaled up. **Mr. Howze** said I think as we get into this, part of this is, you say, okay I'm going to do a house design, I'm going to an architect or have a house designed that's for a 30 ft. frontage or a 25 ft. frontage, and I use that, and I repeat that design in different places. This kind of gives us, again, a sense of how many lots do we have that are in that frontage space because that really shapes your ultimately your home design, in a lot of cases. Again, just to reiterate that this is all information that we have at our disposal and so begin putting it in one place, in a easy to see and easy to use format, we're trying to make it as user friendly as possible for builders or other folks who might see this and say yep, I want to do that.

Mr. Knapp said we dived into the zoning code and figured out what we can build at this 509 N 5th St. We broke it down to the max, you can build a 43,000 sq. ft. house. I did a quick search in our county and we only have 53 homes that are that big. It's a giant house, it's 19x92 ft., so you could park six cars inside of this house, nose to tail. It's two stories, it has a full basement, but the minimum you can build is 750 sq. ft. is one story and one car garage. There's a lot you can do, between the max and the minimum on that house.

Melissa Sieben, Assistant County Administrators, said the nice thing is you could do a tandem too, so you could get a two-car garage out of it or even a tandem to it, or three, depending on what you needed.



Ms. Carttar said I guess one of the things that we're—now that we have kind of the structure, we've got a lot of the data now compiled and now we're looking at kind of what are those next steps to actually get this out there and how to actually use this information to encourage people to build on our Land Bank homes as well as all of our urban infill home lots. Some of the things that we're looking at doing, kind of been in next steps which we will get to in a second, are all kind of based around these key performance indicators. Raising the tax base, obviously in this scenario that means building new homes, getting new residence. Also, encouraging the housing market, trying to—right now we're proving that there's a rehab market. Now we're going to work to prove that there is a new home new construction market. Then just increasing the population, which with new roofs comes more retail and other commercial development which are the things that people ask for.



A few of the things that we're doing kind of next steps. There's a NBA masters level class at KU in the business school but that is looking at this for their semester project. They're going to help us come up with a marketing plan and some other things and financing ideas, as well as looking at preapproved housing designs. Working with local architects to see if we can up with a situation where we can have a few, kind of a book that are home designs that are preapproved through planning. We know they will fit on a certain lot that they're looking at. That's just another way to kind of reduce the cost and remove some of those barriers. I also think that this is just a way for people to kind of help visualize what's possible in these areas. Again, you look at a 25 ft. lot and sometimes it's hard to think what kind of house can fit there, but if you have five or six different options that kind of make it as easy building in a subdivision; alright, I like that one, lets do that and then kind of help people visualize what's possible.

Then, finally putting and I think this is already done, putting this as well as a lot of the other information that Jud has compiled, open now to the public on our open data portal. We'll be coming forward with more iterations as we're moving forward but we want to make sure that we gave you an update on kind of some of the things that we're working on and the directions that we're going and look forward to your feedback.

Commissioner Murguia said I have a lot of questions. Have you all just been working on this internally or have you been looking at best practices across the country to see what other people are doing? **Ms. Carttar** said yes, we've been looking all across the country. It's shocking kind of how few cities have gotten too far so there are Portland, Chattanooga, have both done kind of preapproved home designs, are two good examples, that we've talked too. I think this is something that almost every large city is dealing with right now. There's a lot of interesting research. I think everyone's kind of trying not to reinvent the wheel, but no ones really gotten too, too far, so yes, we're looking all over.

Mr. Howze said I guess one point on that too, is different models. I was in Detroit last fall and looking at how they've attacked some of their neighborhoods. In some places, not just Detroit, where they are trying to—there's a gap, a subsidy gap, essentially between what the construction cost is and the sales cost. Some places that's getting filled with direct dollars from local government or from sort of loan funds that are set up. We're trying to do in identifying top 100 is, where are the conditions where we think the market has the most success of driving this kind of neighborhood renewal, where we can minimize any sort of public dollars that are at stake. One, because you are all aware, there's needs and challenges across the community and there's not a lot of dollars to go around. How can we use the information we have, and from a model perspective, set it up so that the private sector can build houses and make a profit and help to revitalize neighborhoods in infill housing versus other models that are being tried in other places where it's the government building houses or having more of direct subsidy role. That was one of the considerations as we looked at different models across the country.

Commissioner Murguia said if I use your formula that's up there, you've said that the building cost right now for residential construction, what you've found is about $135 a sq. ft., and you've looked at houses all the way from 750 sq. ft. up to over 4,000 sq. ft. From what I'm understanding from your presentation is that you've identified some lots that they might be able to build these houses on based on those numbers, but as someone that has done that for a living for a long time, I would tell you there are a number of things besides the square footage per house, that's just to build the house. That doesn't put in the appropriate infrastructure that you've talked about.

The mandates from the city to put in sidewalk when you build a new house, or to repair sidewalk that isn't repaired on a vacant lot. It also doesn't take into consideration engineering fees or it doesn't take into consideration architectural fees.

Since I do this for a living, I haven't found anybody, anybody anywhere, that can build a house, a new house of any size for under $175,000. When you add all those things plus with the narrow lot guidelines that the Unified Government established for 25 ft. front lots, the cost of the required landscaping, which I kind of think is ridiculous, because if that's all you can afford, you probably can't afford to take care of $20,000 worth of landscaping, which is what's typically required on this size of a lot. You're looking at a house over $200,000 which if you look at the median home value in Wyandotte County and you look at the median income, even if banks are willing to take a risk, that's not a risk, that's just not financially feasible to make that happen.

It's good that you're looking at ways to make the lots more desirable, but as someone that's built over 30 single-family homes in my district and done everything from single-family to multi-family, at the end of the day at the bottom line there is just a financial gap. Though I appreciate all the work that you did, in my mind it goes back to our priority base budgeting. It isn't really what we do. I know for a fact, I can't speak for other districts, maybe the other commissioners around here can, but there are two very large pieces of property in my district that are vacant. One of which that sits in the Land Bank right now that a developer has come forward and offered to build 23 single-family houses on. There's a $500,000 gap on that $3.5M project and the government was unwilling to do any kind of gap financing. In fact, it came it front of us three or four times and nobody wanted to do anything until the gap financing was in place.

I just get concerned that we're government people, well most of you are government people and not developers. When we try to understand what developers are doing, it's a whole new field. It's not what we—we don't build the houses and unless the government is going to start building these houses internally, which I personally would not recommend, I'm of the mindset that we stay in our own lane and let people do what they do.

The other thing you've made no mention of is there's a number of not-for-profits that are building single-family homes all over our county and that are making it work. I would just hope this would not turn into another tax credit project where everybody that wants to live there has to go through mountains of paperwork with the federal government in order to qualify. What I have witnessed in my 10 years of experience of residential development in an urban area is that people–I worked backwards, I looked at what people were paying and what they could afford and how much they were paying every month and then I looked at how much house can you get for that. There was always a financial gap, no matter if you took out the landscaping requirements, you took out the other requirements. There are some things just for general public safety, like architectural plans and structural engineering that has to be done. Though I think this is great, I think what you're going to find for not-for-profits who have been doing this work for years, you might want to talk to them. They've been doing it for a long time, that at the end of the day there's still going to be a financial gap for these houses to be built. If you can prove me wrong, great, because I'll be the first to hire that builder that will build a house for a $101,000 with no fee because the builder also wants to be paid as well. Unless like I said, the Unified Government is going to build that house themselves and not, again, do something where we're not getting any return at all.

I'm disappointed by the dots on the map especially south of the river because there's a number of places that have large tracks of land that you already have financial partners where the government would not be at risk that need that gap financing in order to make them happen. One of them was a senior development and it was the same gap and they were very small, single standing homes. They came with yard maintenance, sort of all-inclusive sort of living environment; slab on grade even, no basement in them, just hurricane and tornado shelters on the inside; and that by this Commission was denied. The 23 single-family home development was also denied because of the gap.

I would just tell you that this is great and it's a lot of great data, but I think infrastructure and trying to figure out ways around that are fine, but at the end of the day I've done this for over 10 years, you're still going to have a gap. Now that construction is through the roof, I mean, if you've tried to get a construction person out to do anything, its been almost impossible because they are so backed up on stuff. It took us a month to get someone to come out and repair some concrete steps in a multi-family unit that one of the not-for-profits in my district runs. So, its just very difficult to make that happen. I would, me personally, this is great but I'd rather see us spend our time on gap financing for projects. I do agree that we need to try to market those areas that show the greatest return in the urban core and then somehow earmark proceeds from that development to other harder to develop and harder to sell areas. There should be sort of a revolving fund and it could even be a revolving no interest loan fund where the money comes back into a pot of money that can be used in other areas as the land is done.

I will also tell you that your construction cost will go up dramatically when you're trying to do infill. Even if, especially, if you've never, I have a built a house on a 25 ft. lot. I will tell you that the work and the effort and the amount of time and money it takes to try to build a house on a 25 ft. lot, drives your cost up as well. You're very close to the people next to you, it's very difficult. It requires other kind of special technical assistance. I think the Rehab Program has been great and that's been fantastic because they've come to the Land Bank at no cost and they've been able to turn them, but I just don't see how that's possible.

I think where our time would be better spent is, I will tell you one anecdotal story. I'm really not into anecdotal stories, but I hear them all the time, the same story. I have a lady that lives in my district in east Argentine and we were building two-story single-family houses with three and four bedrooms and a two car garage. We also know the sweet spot in my district is 1600 sq. ft. We know that that's the market, we know that they can—there is the low hanging fruit on the tree that can afford a house like that.

There's a lady that lived a couple doors down and she lived in an old cinder block shotgun house, in bad condition, but she keeps it very tidy and clean. She happened to walk down the street and say, you know I'd love to move my family, my five family members who live in a two-bedroom shotgun home into a house like that. Just out of curiosity, I asked her what her mortgage was. She said its $315 a month and I thought well, we'll never get close to that with new construction. You can just do the math, you can't buy a new house for that, but what was really shocking to me is that she paid a $700 BPU bill because she has paper thin single-pane windows in these old houses that these people are trying to live in. She wasn't cooling and heating her house, she was heating and cooling the neighborhood. She didn't have any another option. What we discovered is in the new homes, so if you do the math on that, that's about 1,000 bucks a month she could be spending. We could get the price point of our 1,600 square foot home down to $900 and this is with taxes, including mortgage insurance for her to $900. We could lower her BPU bill in this house simply by building with builder grade, which we all know isn't top of the line leader, gold certified. We could get her BPU bill down to a little over $300 which would have made it a lot more affordable. It would've been a stretch for her but more affordable.

We have moved a number of those people, upgraded their quality of life, improved their living conditions and in the end, they're paying almost the same amount of money that they were paying in an overcrowded shotgun bungalow. I would really encourage all of you, in all of the years I've been here and I've been a commissioner, we've built over 35 new single-family homes. They are all occupied. We have over 17 senior apartments. They are all occupied. We have a waiting list for those and because these other two developments were not considered by the

Commission for gap financing, I lost a number of residents to Piper because there is a handful of people that can afford those higher end houses. At the end of the day we can have all this data discussion but my frustration is, it comes down to money.

The government needs to decide to invest in our urban core, not just in my district, wherever else. I mean I would consult with the commissioners in their district, they are the people that are on the ground and in the trenches. They should know what's going on, so I just think that is a better way to get stuff done. We're approving entity that has made that happen for a number of families, their quality of life is dramatically better as a result of that. I think it would move things forward a lot faster to let developers develop and let government be government. Again, I just say what it comes down to is gap financing and money, but I do have to say this; I really do appreciate your work on this. I know you're trying and you're trying to better understand, but you really need to utilize people that have successful developments.

Our units are full and I am—to me it just seems like a lot of talk about, hey we're trying, but it never happens. Continually, people come forward from the urban core saying, well we want better housing. I can't tell you the number of people that move out of my district because they can't find the quality of housing that they want. I'm sitting on two deals with my partner, not-for-profit, and we can't move forward because government won't gap fund. My deal is for gap financing to wipe this off your plate. You have enough stuff to work on and to partner with people that do this for a living and let people do their job and do something for their urban core.

Ms. Sieben said I would love to jump in here on this one. This is actually part of, kind of a set of tandem projects that we're working on within staff right now. The other one that let out ahead of this but has taken more time because as you know the gap financing thing is a very complex issue. We have been working with local banks and Mutual of Omaha for about the last year trying to develop a tool or a mechanism for that gap, which we actually let out with, "The Gap Is Real", that's the title of our business plan.

What we're trying to do, working with appraisers, real estate agents and as well as I think Habitat, CHWC and a few others have participated over the last year, are not like ongoing, but in meetings with us is trying to identify what that gap funding should be for because what we've found is the banks aren't terribly interested in just kind of a $25,000 check, which I mean that doesn't shock me at all either. What we figured out is the Federal Home Loan Bank out of Topeka offers a grant opportunity that we can go to; this only applies to low/mod. That's not good enough for us, but we will be looking at a cocktail approach that we will be bringing forward to the banks that relates to this gap that pertains to very particular things like sewers, waters, basements, lead and roofs.

On these vacant lots that's a similar type of thing that we would try to find the gap for to start filling in. Money is limited, it's certainly not a fix all, but we're also looking at layering in that we want the banks themselves to put in some money because the federal home loans is just a reimbursement to them. They're not really doing anything. We want real game on their part and we're going to be asking them to match what Federal Home Loan would do, but we want to that to lead out with this so that our developers have something to tap into to get these folks into a home. On a new lot especially, would be great.

Commissioner Murguia said hopefully you can prove me wrong, but like I said, there are not-for-profits, I used to run one, I've been to all the same stops that you're talking about and they never come up with any money. Occasionally, we'll get a $5,000 grant on three homes that we build. That's not going to fill gap on building housing in the urban core, and if we continue to use low/mod—**Ms. Sieben** said this would be much more money if I could let you know. We would be looking at about a $25,000 grant. **Commissioner Murguia** asked per house. **Ms. Sieben** said per house is what we'd be looking at depending on the size of the house you're building and the amount of complexities because the 135 is a low number. I mean, I think all of us recognize that's a barebones home and probably not on a 25-foot lot. Realistically, we understand it's a standard subdivision lot and it's, you know, very based features in that home. What we're saying is that we need this gap to stabilize our markets and being strategic about it.

Commissioner Murguia said well there's a lot people that are in the grant writing business. I've been in it for a long time. I've knocked on every door and been to every bank, established great relationships and I will tell you if you make that happen, fantastic, then I guess I'll be wrong, but in all of the relationship building that I did over the last decade nobody's been able to come up with $25,000 per house. It's still not going to close your gap with that amount of money per unit based on your square footage.

I'm just saying you don't have to listen to me, it won't be the first time no one's listened to me, but I'm telling you I've done this for a long time. There are two performas out there. For a million dollars it would build over 55-units of single-family and senior housing without putting our residents at an affordable rate without running our residents through the cumbersome process of having to fill out financial paperwork that is usually an inch thick, going through a screening process, I'm telling you I've been there. If you really think about it, by the time we pay all of you for all the time that you spend on this and all of the other people on staff that are spending time on this when really our job really isn't to build housing, we've probably spent that much money. I just think its not very efficient. It doesn't really match up for me with our priority-based budgeting and how staff needs to be spending their time. Like I said, we need to let people do what they do and we found some really good partners in order to do that.

Ms. Sieben said I want to caution just the Commission; we're not suggesting we're going to be the builders. We're simply trying to show people that there is opportunity in a few areas to do this. The Gap funding that I'm looking at right now working with the banks on is actually mostly for existing housing that's not going to be in the Land Bank. We're going to be working on some of our vacant properties that are sitting there being an annoyance to neighbors, helping pair people up and start conversations so we can move those back into occupied houses— **Commissioner Murguia** said I have two sites that will allow you to build 23 units, its already been platted, it already has architectural plans. There's no cost there because its already been bared by the not-for-profit. They're ready to be developed and there is still a gap. Money's already been paid, so if you're looking for two sites to make a big splash and develop some momentum, there are two sites available, a builder is ready. He is the lowest price point I've been able to find in the Midwest. He's doing this same kind of development in rural Kansas. I mean I don't know what else to say. **Ms. Sieben** said okay, well we'll talk about it.

Commissioner Walters said just a couple of comments. I see on the agenda this is an update. Was there an initial presentation of this program or this is the initial presentation? **Someone** was inaudible. **Commissioner Walters** asked so this is the NeighborhoodUp initiative. That's what's on our Agenda, no? **Mr. Howze** said it's emerged out of SOAR and then the NeighborhoodsUp initiative so this is sort of like, we see this as the evolution as those to tackle. We've gone after the remodels, and the Land Bank properties that have come in and those have been rehabbed successfully, and now we're looking at the next piece which is those vacant lots.

Commissioner Walters said I know that in the past Land Bank has preserved or put a hold on certain properties because they thought, it was thought that there might be an opportunity for a bigger development than infill housing, right? Is that factored into your analysis and are those properties not included in this recommendation? **Ms. Carttar** said you included all of them? **Mr. Knapp** said I'd say no, I didn't, like pull out big tracks of land with this, I didn't. **Ms. Carttar** said that's a good caveat that there are probably are taking an actual assembled area of multiple properties, this current iteration does not take that into account.

Commissioner Walters said I would encourage us to do that because I think there was an idea any way or a goal that we might have a higher and better use for some of this property than infill housing. **Ms. Carttar** said yes, that is still, yes that still remains the goal in certain locations and certain sites. **Commissioner Walter** said I didn't quite understand the introduction, Jud is it? **Mr. Knapp** said yes. **Commissioner Walter** said and you're a consultant? **Mr. Knapp** said no. **Commissioner Walter** said he works for you; he works for us. I'm sorry, Jud, I'm sorry, I don't believe I've met you before so I apologize for that. What is your role in this other than, are you pretty much the data gatherer, manager? **Mr. Howze** said Jud is on my staff as part of the Knowledge Department, he's the UG Data Analyst. **Commissioner Walter** said perfect. **Mr. Howze** said he leads our open data efforts, he led the UG's first data inventory several years back so he is the source of sort of all things, data source related. **Commissioner Walter** said I thought I heard you referenced as a consultant, so that confused me. **Mr. Knapp** said no. **Commissioner Walter** said I apologize, that's all I had.

Chairman McKiernan said just a couple of comments from my prospective. I think Commissioner Murguia makes a number of really good points that you should take into consideration. Certainly, the gap is real. One of the things that we have to struggle with as a local government is how much a local government can or should close that gap when it exists. That's something that we're going to continue to wrestle with as we wrestle with the availability of funds for provision of services in addition to funding gaps. I would highly recommend that you follow her suggestion that you meet with the—especially the not-for-profit developers who are currently making it happen. They're closing gaps right now and sometimes that's through private, raising of private funds, but they have as she pointed out, really established the relationships that allowed them to know all of the right partners to bring to the table to close gaps and get this done.

Would it fair to say that your algorithm might help developers identify the best lots if, and so we might be able to do some legwork for a developer who would otherwise build it and we can provide them with data that would help them make a better decision, a decision that's a better business case for them. A couple of other things that I would suggest that, and you may have looked at this and I don't know, is who's the owner, current owner of the lot. Is that current owner responsive to communication? I'm sorry these are all Land Bank lots, okay, so we know that they're responsible. Then I'll add an overlay to that. One of the other problems that we have in a lot of our neighborhoods are lots that we do not own that might be even better than some of these in terms of development. We need to knock down the barriers to findings, so I guess that's where my head is going is, we have a lot of irresponsible owners who are not available and who don't play nice in their neighborhoods.

Ms. Sieben said, Commissioner McKiernan, that is certainly something that as we've gotten our vacancy registry up to some 600 registrations now that staff within the SOAR team, including Jud, who's working with us on some data mining right now are looking at how we confront those individuals who are owning property that is being assessed penalties, no one has been living there for some time. We can somehow track an owner and trying to figure out how we pair them up with some of our Land Bank rehab folks that are looking for more through put for their business. I think there's a lot of energy around the data we've been collecting. The information we've been able to discern about, sort of what is happening in the market, including the stuff that's been done here tonight. I know it's not the magic bullet that we all want it to be, but without this information, we can't be as responsive of a government towards what is needed to get out of the way. **Chairman McKiernan** said fantastic.

Mr. Howze said just to clarify too, we have been having conversations with other folks that are sort of in this space, if you want to speak to that in terms of who've done developments. We're trying to and we welcome sort of more feedback, and Commissioner, we appreciate your feedback. To again refine this, when we went out and looked at other communities this is not—this is a hard nut to crack and it's something that cities across the country are wrestling with. That's why we're starting with a modest number, we're not trying to say here's how we go after 4,000 lots, okay, lets start with a manageable number. Let's sort of iterate our way through this, lets learn as we go, let's get feedback, and understand what's useful to the market and what's not because we very much—we aren't and don't want to be in the position of going out and building houses. We want the market to do what the market does best and to help make sure that we're not hindrances of that and facilitate that however we can.

Commissioner Murguia said I just have a final comment. The data that you have is great, but I'll just again share a district story. Ten years ago, I requested a map of tax delinquent Land Bank property in my district and when I got it, I wanted to be able to take that and market it to developers, much of what they're talking about. What I discovered on that map is that you could request that KU Hospital and KU Medical Center, they are tax delinquent $7,000, and that they can go into tax sale even though they don't pay taxes so our records were not accurate. There is a big red dot on KU Medical Center and KU Hospital. If I take that to a developer, they are going to say I'm putting KU Med and KU Hospital up for tax sale, even though they don't pay taxes and in 10 years we have not been able to figure out how to get the red dot off those two major entities in 10 years so that I can take the map to the developers and actually give them an accurate map. In addition to that, Vega Field, if anyone wants to but it, it's in the Land Bank. It does not have our blue stamp on it, so if a developer came forward and said I want to buy Vega Field and I want to turn it into housing, it's in our Land Bank. It does not show as a Unified Government park when you get the map.

Ruby Park has a major parcel right in the middle of it that if you want to build a house there, you can build a house, if you want too of course. A man came forward about eight years ago, purchased the property, we had to purchase it back from him for more money because our data was wrong. It's great to collect the data that we have, but I just know from my Land Bank map and 10 years later I still don't have a Land Bank map that gives me accurate, what is tax delinquent, what is in the Land Bank, what is Unified Government owned. I still don't have an accurate map so I don't know how we can market anything until that information is accurate. I was working on this 10 years ago when I first became a commissioner. I wanted to be able to take that map out and market it to a bunch of developers and say these are those areas that have potential development. Of course, there was always a snafu, somebody would say I want that, that, those parcels of ground. It was always, well there's a lien on the title or it's not really in Land Bank, it hasn't gone through tax sale yet. I just say I'm kind of skeptical of stuff until we actually have a map, or at least I have a map that really tells people what's available in my district and it really has handicapped me for a decade to be able to go out and market it to developers in my district. I can do that, I know that's not necessarily the role of a commissioner, but I do want to see development in my district. I just think that until that data is accurate, I can't. I've even had—so I serve on the Board of Regents and they—the other interesting thing is on the KU property, it shows that the Board of Regents owns KU Hospital and KU Medical Center. The Board of Regents doesn't own that. The Board of Regents is tax delinquent and even with a letter from their Legal Department, to our Legal Department, the tax delinquencies remain on those maps for ten years. I'm very frustrated by that.

Chairman McKiernan said I think that's something though that all of you absolutely know is that one of our continuing challenges is just to make sure that our data integrity is good and that our records are an accurate reflection of our properties. **Ms. Sieben** said, Commissioner, in response to this, again everything is a process and a continuum that we're working on since we started SOAR. We've recognized these issues existed and we've had to work through a series of things to get to the point where we were able to start work.

In January of this year, we started a Land Asset Management Team. Some of you have heard us talk about that in a couple of our presentations in the last while. That Land Asset Management Team has been working through a variety of things. One of them that it's starting to tackle right now is these properties, such as Commissioner Murguia's KU property, which currently I have two staff members, one in Legal, one in Delinquent Real Estate working to solve. These are not hard to solve but they're time-consuming. We know what we have to do to fix them. There's a cost behind some of this because there are fees that have to be paid, cost that have to be worked through, but we have identified the first 200 we are going to work on. There are more.

There are issues, as you have noted, throughout our Land Management System that we have to fix to go forward. I want you to understand we recognize that and we have a crew of people working. People sitting here include, Jud, Katherine and Chris, who are on this Land Asset Management Team. We have a strong desire to move through these projects. I apologize for however we got where we're at but know that going forward we're trying to clean these up. We're also trying to get things out of the Land Bank, as you had an intern working on that don't belong in there, simply don't belong in there. **Commissioner Murguia** said highway easements. **Ms. Sieben** said highway easements, yes. **Commissioner Murguia** said Cliffs, the houses could fall. **Ms. Sieben** said that happened, there was a reason behind it, I'm not really sure of it at the time it happened. What I can tell you is we're working to identify where those belong which is tedious, there are thousands of them. We're working through that and we will update you as we solve these because you need to know that they've been solved and that we have the procedures in place. Going forward, I think we aren't adding to that problem; these are historic problems that occurred in the last—prior to the last five years, but we've got to go back and fix those historic problems. I apologize for where we're at, but we are working to clean that up and we recognize it as a significant issue, just as you do.

Commissioner Murguia said I also recognize that all of you I think are new in the last 10 years. It's totally different now than what it was. I'm still just saying it's been 10 years. I'm not blaming it on any of you. I know that you're working very hard on it, be very clear. Your making progress but lifetimes, families lives change in a decade, and the needs are not the same anymore and we're missing all those families every day that goes by. The culture of government does not necessarily have a sense of urgency. The whole drive of the fair market world is the sense of urgency they have because, unlike government, if they do not perform—the fair market doesn't perform—they don't get paid. They have to perform and so they have that drive. With all the consultants—I can't count the number of master plans, consultants, and all of the people we hired under previous administration and put plans on shelves and we didn't even have correct data.

I guess, I would say time better spent for all of you would have been to hire a consultant to figure this out. A team of people, that that was their focus while you were more focused on specific government related functions which has massively improved with things like mowing lots that are in our Land Bank, which I've seen a massive improvement on, but still needs work. We all know that. Not a criticism, it's made a lot of progress but we need to make more. Personally, as a commissioner I'd rather see your time spent on things like that and I'd rather have us outsource the sorts of issue that are tedious that could be handled better maybe by someone with a different skill set.

Chairman McKiernan said any other comments or questions from the Commission. This item was for information only. Is there any public comment on this item? If you'd state your name and address for the record, you'll have three minutes for comments.

Faith Rivera, **908 Hagemann St**., said some of my concerns about what is being talked about here is, just like Commissioner Ann Murguia was saying, we as a community are finding out talking to each other is that people are leaving our community because we can't afford to live here. You want to make houses that are more expensive, which is kind of concerning to me because I want to keep my family here, I want to keep our people here, I want to keep my grandkids here. I want to keep my children here, but we're finding out that you guys want to build these houses and stuff like that, that makes it unattainable for us to live here. Again, like Ann said, we have 163 million people here in our community and our, thousand sorry, thousand and our income base is $42,783.00. You guys don't struggle like we struggle. You guys have iPhone watches, you guys have the best phones, you're not struggling like us. We can't afford these homes.

We as a community have got together and have discussed this. We need more housing that it is affordable for us. So please, think about this when you guys are doing these wonderful things that you are doing, but think about us as the community that was here fighting, that have been here. I'm third generation Rosedaleion, think about my kids are going to be fourth generation. My kids want to stay here, but they can't if they can't afford to live here.

Then when you're talking, there was nothing about the community. I haven't been reached out about this community information that you guys have out, I don't think Cee Cee has or Ms. Ford. There's no information out there for us and we are, or Ms. Jackson, I'm sorry, Ms. Jackson. We are out here being diligent and fighting and trying to find out what we can do and what you guys are doing for us. It's scary, this is scaring me, for my community and my retired fellow neighbors. Please think about the community when you are thinking about stuff like that. Thank you, Ann. Just want to say that it is very sad to see that you guys don't even know about the, like Ann was saying, about KU and stuff like that, I mean that is horrible, that's five years. Come on, you guys can do better. We as the UG, you guys really need to do better for us.

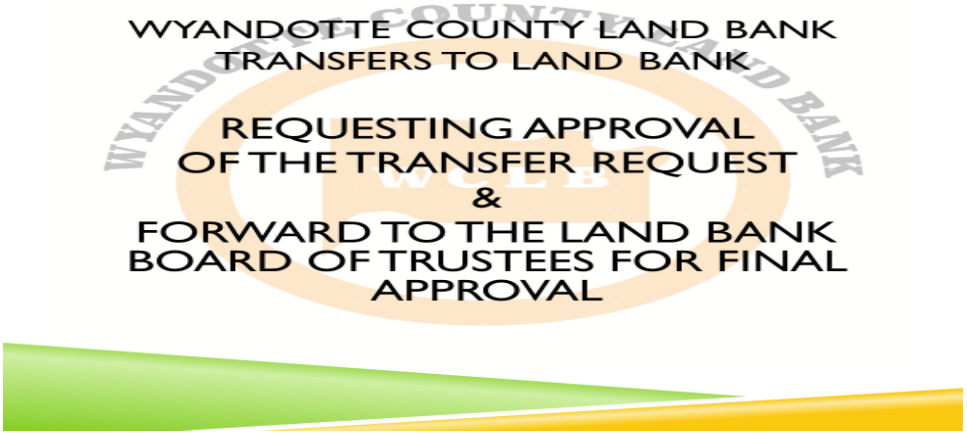
Chairman McKiernan said thank you very much, appreciate you comment. Alright, that wraps up our first item our Agenda this evening, thank you very much to staff for making this presentation.

Action: Information only.

Chairman McKiernan said now I can actually turn it to Mr. Slaughter for Item No. 2 and that is Land Bank Business a transfer from the Land Bank.

Item No. 2 – 19967… LAND BANK BUSINESS: TRANSFER FROM LAND BANK
Synopsis: Communication requesting consideration of the following transfer from the Land Bank, submitted by Chris Slaughter, Land Bank Manager.
1342 Oakland Ave. to Vega Homes, Inc.
(Recipient recently completed the rehab of 1338 Oakland Ave. through the Rehab Program.)

Chris Slaughter, Land Bank Manager, said we have one item here, it's just a simple transfer, 1342 Oakland Ave. Last month we presented the rehab of 1342 so this request is just for the lot to the west to go to the rehabber. We brought items like this to you guys before.



Tonight, that's the request, is to approve the transfer request so we can forward for the final.

Action: **Commissioner Walters made a motion, seconded by Commissioner Burroughs, to approve**

Commissioner Burroughs said I do have a question; it was brought up about the landscaping on these homes. I noticed there was very little landscaping done on this rehab. Are we requiring landscaping of any type on the rehabs? **Mr. Slaughter** said no. I mean, they have to go through all the city processes and they have to pass inspection so we pretty much feel that they understand what needs to be done to pass from a city standpoint. **Commissioner Burroughs** asked can we go back to the picture. **Mr. Slaughter** said sure. **Commissioner Burroughs** said just have a little bit better presence, with even some grass, or possibly. **Commissioner Murguia** said the grass will be laid, won't it? **Mr. Slaughter** said this picture was taken pretty much a month ago so a lot of our rehabs have had new sod laid. We trust they know what they're doing to put it on the market and sell it. **Commissioner Burroughs** said is there a certain amount of money? I know the message a minute ago was $20,000, I believe the number that was presented, but do we have a percentage that we mandate goes into landscaping, like 10% of the finished product? Anything along those lines to ensure that we get some greenery. **Mr. Slaughter** said no, we're just happy the house is in better shape. **Commissioner Murguia** said new construction.

Commissioner Murguia said so I'm pretty sure to help with Commissioner Burroughs question, the TND, which is for those that don't know, there's a Traditional Neighborhood Design which is for these small 25-foot lot house that they're talking about. They require an enormous amount of landscaping. I just can think of a house that we did about three of four years ago where the landscaping was $20,000.

We moved in a resident; we made the house very affordable for this family to move into a brand-new house. You know, people that don't have a lot of money usually are working, maybe one or two jobs and they're just trying to pay for their house. To maintenance, landscaping and then the kind of landscaping that was required took a lot of effort. Now, that the city is gone, most of that landscaping is gone. The house still looks beautiful and there's still a couple of trees which is great, but I guess I just don't get the landscaping requirement because what ends up usually, what I've seen usually happen, is it ends up being a disaster and it looks worse than if it was just grass. What we have discovered is that some foundation shrubbery coverage and rosebush, or a tree has been sufficient which is nowhere near what the requirements are for TND on new construction. If you would like to see every line item detail of what this one house cost us after landscaping, it was unbelievable.

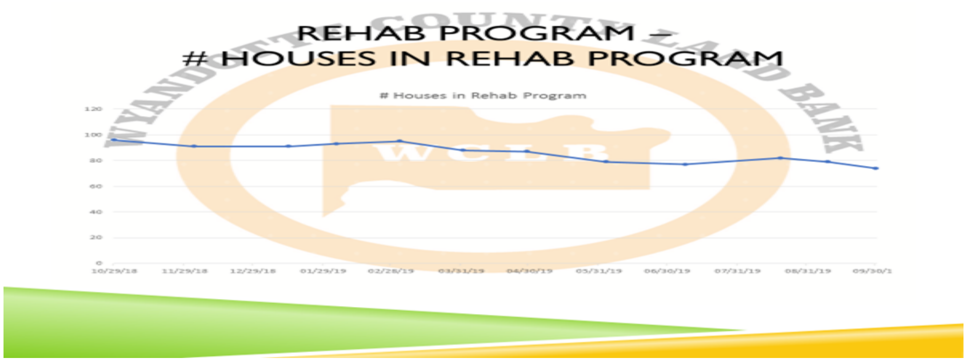
As a not-for-profit developer we sell those houses at cost. If you're a for profit developer, you need to make some money, but as a not-for-profit developer you can sell them at cost as long as you can cash flow. We usually bare the burden of the bank loan, that's the other thing that I heard nothing about. The program that we run is, if this house is $100,000 and maybe the owner doesn't have any credit, not necessarily bad credit, we can allow them to move in, the not-for-profit carries the loan and their payment is just passed through the not-for-profit because they're not able to get the loan for that house. Then, at the end of five years we're able to go back to our banking partner and say hey, this is the person that's been making the loan; this is their credit, we're giving them A1 credit, they've made their payments every month, now it's time for them to graduate to having their own mortgage. The difficulty we've had the only difficulty we've had, is no one wants to leave us. Once we're their landlord and they trust us and we establish that banking relationship with them, they don't want to leave which is fine, but it just impeads their ability to develop credit on their own, so for all it's worth.

Roll call was taken and there were four "Ayes," Walters, Murguia, Burroughs, McKiernan.

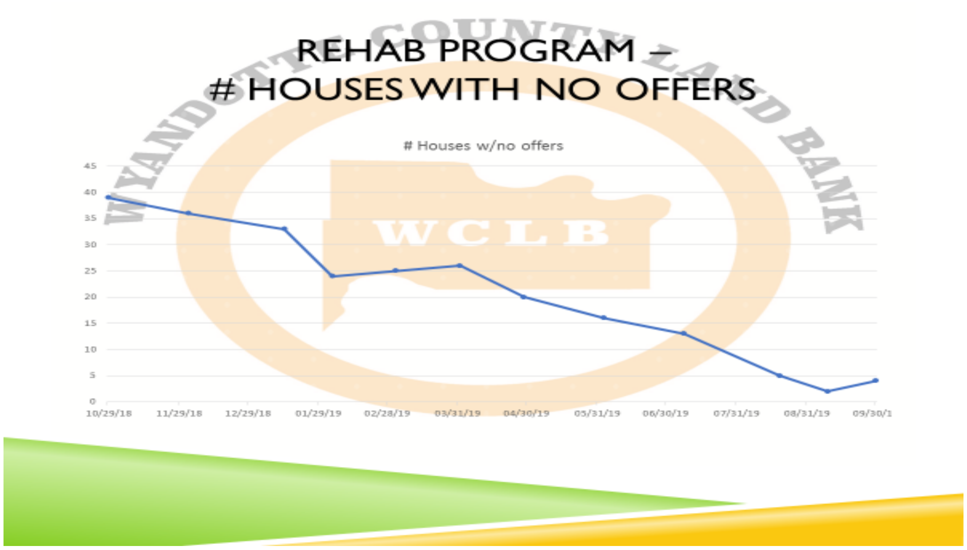
Item No. 3 – 19966… LAND BANK REHAB PROGRAM: UPDATE

Synopsis: Update on the Wyandotte County Land Bank Rehab Program, submitted by Chris Slaughter, Land Bank Manager.

Chris Slaughter, Land Bank Manager, said our contractor number continues to grow. We're sitting at 170 contractors.



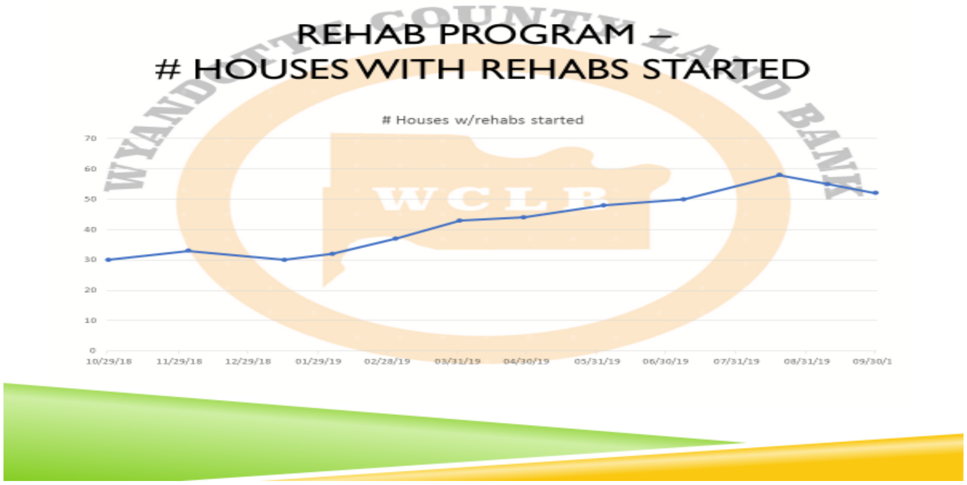
Our houses, our inventory, we're down to 74.



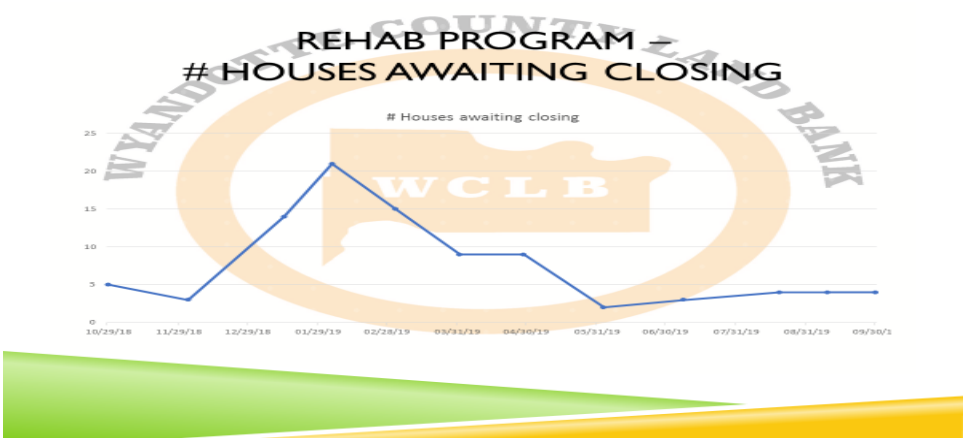
The houses with no offers, we have four.

Our demos are still steady at 33.

We are down to 14 houses recommended for demo.



We have started, we are at 52.



Just to wait closing, is we're sitting at four.

Our completed rehab is now up to 44. I'm going to share a couple of those tonight.

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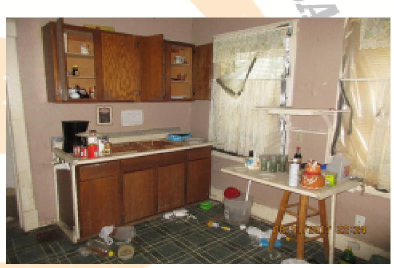

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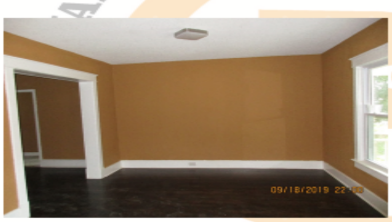

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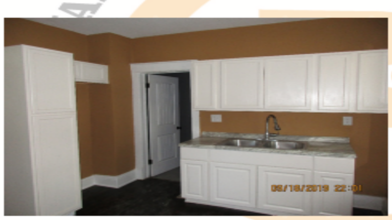

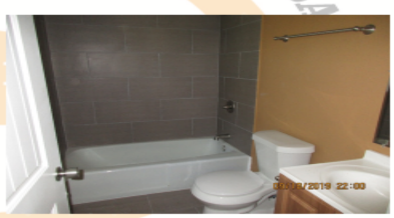

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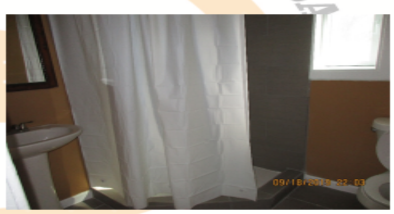

The completed rehab. We received this property from tax sale 337. It was a little bit over $9,000 as a minimum due. The rehabber took seven months. When we received the property, it was almost a little bit over $3,400 and it's currently listed for $89,500.

The last one tonight 3906 Washington Ave. I'd ask to pay attention to the old garage there.

With just some interior pics.

Now the picture of the finished rehab. We'll add, you can the notice the new sod that's out there. The property was purchased from tax sale 336, again about $9,000. It took roughly 11 months.

Appraised value was just a little bit under $12,000 and currently the property is listed for about $115,000. That's the rehab update for tonight.

Commissioner Murguia said, Chris, I just want to say, I love that program and I think you're doing a great job. We just need to, like Commissioner Walters and I were discussing, we just need to make that a bigger program. I do think there're some ways to advance it like it said. There can be different financing options that we might want to explore for the home buyer.

Chairman McKiernan said thank you very much, appreciate it, appreciate your work. Thank you all for you presentation tonight.

Action: For information only.

Chairman McKiernan said that's the last item on our committee agenda and we have one more item on the Public Agenda, Item No. 1 is an appearance by Ms. Tscher Manck, she is asking to address the committee regarding the lack of development in the northeast. If you would state your name and your address for the record, you'll have up to five minutes to make your comment. I'll go ahead and keep timer and I'll let you know when you have a minute remaining.

Item No. – 19968… APPEARANCE: TSCHER MANCK
Synopsis: Appearance of Tscher Manck to address the lack of development in the Northeast area.

Tscher Manck, 212 N. 38th St., I came here because we don't have a grocery store on the northeast side. Growing up here in Wyandotte County it was at least like six of them. It was one at 42nd & Parallel, 42nd & State, 38th & State, 29th & State, and one on 7th St., several on Quindaro; now we have zero. There's no laundromat, only on like 34th & State, but nothing past that. Everybody from Bell Crossing over has to at least go there or all the way up to Speedway, I think is the closest one from that side. They call it a food desert over there. I call it redlining. There's nothing to make that area viable, there's no grocery store. People can't survive without going to the grocery store. A lot of people don't have cars. You can't carry your groceries on the bus.

Again, Ms. Murguia said something about affordable housing. No one on Quindaro or in that area, my mom actually stays a couple of houses down from the house you guys got up for

$89,000. Nobody wants to buy a house in that area for $89,000, at least I wouldn't want to spend my money in that area, not $89,000 and I can't even go to the grocery store. I see, by all means I'm glad that you guys are building houses in that area, but again, how are your going to build houses where there's no grocery store. The closest one would probably be Wild Woodys on 51st & Leavenworth Rd., or the one on the southeast side, of which would be Sun Fresh. Nobody wants to buy their meat at Aldi's or Sav-A-lot. She lives on the northeast side, she wanted to say what she wanted on the northeast side.

Chairman McKiernan said okay ma'am. This public appearance is for you. If you would continue with your statement please. **Ms. Manck** said and then Ms. Murguia also brought of the fact of BPU and that fact that we can't really afford our BPU bills on the northeast side as well or anywhere in Wyandotte County for that matter whether your house has been weatherized or not. BPU is out of control with their prices and even the UG side of it has went up. I mean, we just have a whole lot of lack of development, lack of care, lack of empathy or sympathy for the people living on the northeast side of town.

Chairman McKiernan said ma'am, thank you very much for your appearance this evening.

Commissioner Murguia said I just have one question. Ms. Manck; were you referring to a laundromat like a dry cleaner or were you referring to a laundromat where you go and wash. **Ms. Manck** said a laundromat where you go and wash and dry your clothes. Like there's no laundromat pass State. **Commissioner Murguia** said thank you very much.

Chairman McKiernan said thank you very much for your appearance this evening. There is no other items before this committee, we are adjourned. There is not Economic Development and Finance Committee meeting this evening so that is the end of tonight's meetings.

Action: No recommendations from the Commission to take any action.

Adjourn

Chairman McKiernan adjourned the meeting at 6:16 p.m.

mbb