COUNCIL WORK SESSION MINUTES

July 1, 2019 – 5:30 p.m.
4th Floor Conference Room - City Hall

A Council work session was held to review the proposed agreement to establish the St. Joseph Land Bank.


J. Bruce Woody, City Manager; Bryan Carter, City Attorney; Clint Thompson, Planning and Community Development Director; Tom Mahoney, Administrative Services Director; Ted Elo, Assistant City Attorney; and Rita K. Domini, Deputy City Clerk.

Mayor Bill McMurray called the meeting to order.

J. Bruce Woody, City Manager, gave some background information on the Land Bank which goes into effect August 28, 2019. He said the following goals need to be achieved before that date: Choose the board membership structure, accept some initial purpose and priorities and pass an ordinance appointing program description and the board members.

Clint Thompson, Director, Planning and Community Development, went over a power point presentation entitled “Creation of St. Joseph Land Bank” (copy attached).

[Councilmembers Kent O’Dell, Madison Davis and Gary Roach arrived during the presentation.]

The following items were discussed: City staff working closely with the board, staggered terms, create by-laws, appointment of members, background experience of members, the number of members on the board, residency requirements, matching grant program, application form and check that taxes are paid.

Mr. Woody said at a meeting on June 28 with Lee Sawyer, Buchanan County Presiding Commissioner, Commissioner Sawyer said the County endorses a five member board (3 City, 1 County, 1 School District).

Isobel McGowan, 809 Hall Street, suggested adding the following to the qualifications for board members: Urban planning design and development, 501C3 administration and title issues. She said in Kansas City in addition to the Land Bank Board they have a citizen advisory committee to bring in people from the neighborhood associations, community development agencies, and stakeholders in the community to be an advisory board to the Land Bank Board.

The City Council liked the idea of having a citizen advisory committee and decided to establish it at the same time as the Land Bank Board.

Tama Wagner, St. Joseph Community Alliance, said they had an ad hoc group looking at neighborhood revitalization and target neighborhoods and used the criteria for the City to look at which neighborhoods come up often. They would be willing to share the information with the City Council and the Land Bank Board.
Mr. Thompson said they would finalize the ordinance and send it out to the City Council for their review before it goes on the agenda.

Mayor McMurray and Councilmembers Brenda Blessing, Russell Moore, Marty Novak, Kent O’Dell, and Gary Roach favored a seven member board (5 City, 1 County, 1 School District) and Councilmembers Madison Davis and Brian Myers favored a seven member board (4 City, 2 County, 1 School District); providing the County and School District are in agreement.

The meeting adjourned at 6:28 p.m.

[Signature]

Minutes transcribed by Rita K. Domini, Deputy City Clerk.
CREATION OF ST JOSEPH LAND BANK
How does land banking work?

- Land Banks are designed to acquire and maintain problem properties and then transfer them back to responsible ownership and productive use in accordance with local land use goals and priorities, creating a more efficient and effective system to eliminate blight.

- The St Joseph Land Bank is granted special powers and legal authority pursuant to state-enabling statute.

St Joseph Land Bank will have the following powers:
- Obtain property at low/no cost through tax foreclosure process.
- Hold land tax-free.
- Clear title and/or extinguish back taxes.
- Negotiate sale not only to bid that aligns with community needs.
St Joseph Land Bank - Goals

(1) Opportunities for revitalization of deteriorating residential neighborhoods.

(2) Provide safe, decent, and affordable housing for existing and future residents.

(3) The assemblage of property for future development in a manner consistent with the purposes of the city’s consolidated plans, particularly in any low to moderate income area designated by the city as a target area for revitalization.

(4) Creation or expansion of side yards with unimproved vacant lots in neighborhoods densely constructed for the benefit of abutting residences.

(5) Returning land in a nonrevenue-generating, nontax-producing status, to beneficial uses through private (for-profit or non-profit), or public ownership.
What kinds of properties will the Land Bank acquire?

Land Bank will acquire vacant, residential, tax-delinquent properties at the fourth year of delinquent taxes. Each year approximately 100 properties are auctioned at the tax sale - 60% vacant lots and 40% structures. St Joseph Land Bank would acquire limited properties each year to work towards redevelopment.

Most properties acquired will be vacant residential single-family homes and vacant lots.

Staff proposes to acquire property that currently is in violation of City Codes to lower the number of properties currently maintaining through securing and weed and trash abatement. Recommend only acquiring property currently in violation through Building Blocks Program.
Land Bank Council Comment

- House Bill 821 created legislation establishing the St Joseph Land Bank. Proposed Ordinance is limited to what local municipal jurisdictions can change/alter.
- City Council can define the following information to the Land Bank Ordinance specific to St Joseph:

  1.) Land Bank Purpose/Priorities – Define Program goals:
      (i) Opportunities for revitalization of deteriorating residential neighborhoods.
      (ii) Safe, decent and affordable housing for existing and future residents.
      (iii) Assembly of property for future development consistent with the City’s Consolidated Plans, designated by the city as a target area for revitalization.
      (iv) Creation or expansion of side yards with unimproved vacant lots in neighborhoods densely constructed for the benefit of abutting residences.

  2.) Land Bank Board Membership
Governing Board Membership

Membership may be the most critical element to success of the Land Bank.

Appointment authorities –
   (City, County, School District)

City responsibility for appointments -
   Mayor, with consent of City Council

Key considerations: Number of Board Members –
   Proposed 5 (3 City, 1 County, 1 School District)
   Ex Officio Members – Presiding Comm. & Mayor

Member qualifications background proposed -
   real-estate, banking, development, or construction.

Application requirement.
Funding and Administration
– St Joseph Land Bank

St Joseph Land Bank Board will provide direction to City Staff to carry out program goals and policies. – no cost

Acquisition of Properties: City or other funding source will be required to purchase property before the Fourth Year Tax Sale if Board has interest in property. $25,000 annually

Maintenance of Property acquired: The Land Bank will be required to maintain all property owned and ensure property is not in violation of City Codes. $25,000 annually

Demolition of property acquired: Land Bank can demolish vacant structures that are not contributing to the historic district or area. $50,000 annually

Long Term Program Goals: Acquisition of multiple blocks for revitalization of neighborhood. $250,000 - $500,000 one time cost
Conclusion:

A Land Bank is not a “silver bullet” for a community struggling with blight. A land bank though can be a key tool for returning vacant and problem property to productive use.

St Joseph Land Bank will be designed to help reduce problem properties though smart planning, community redevelopment, and collection of vacant land/structures for redevelopment efforts.

Next Steps:
Ordinance approving Program description and Board