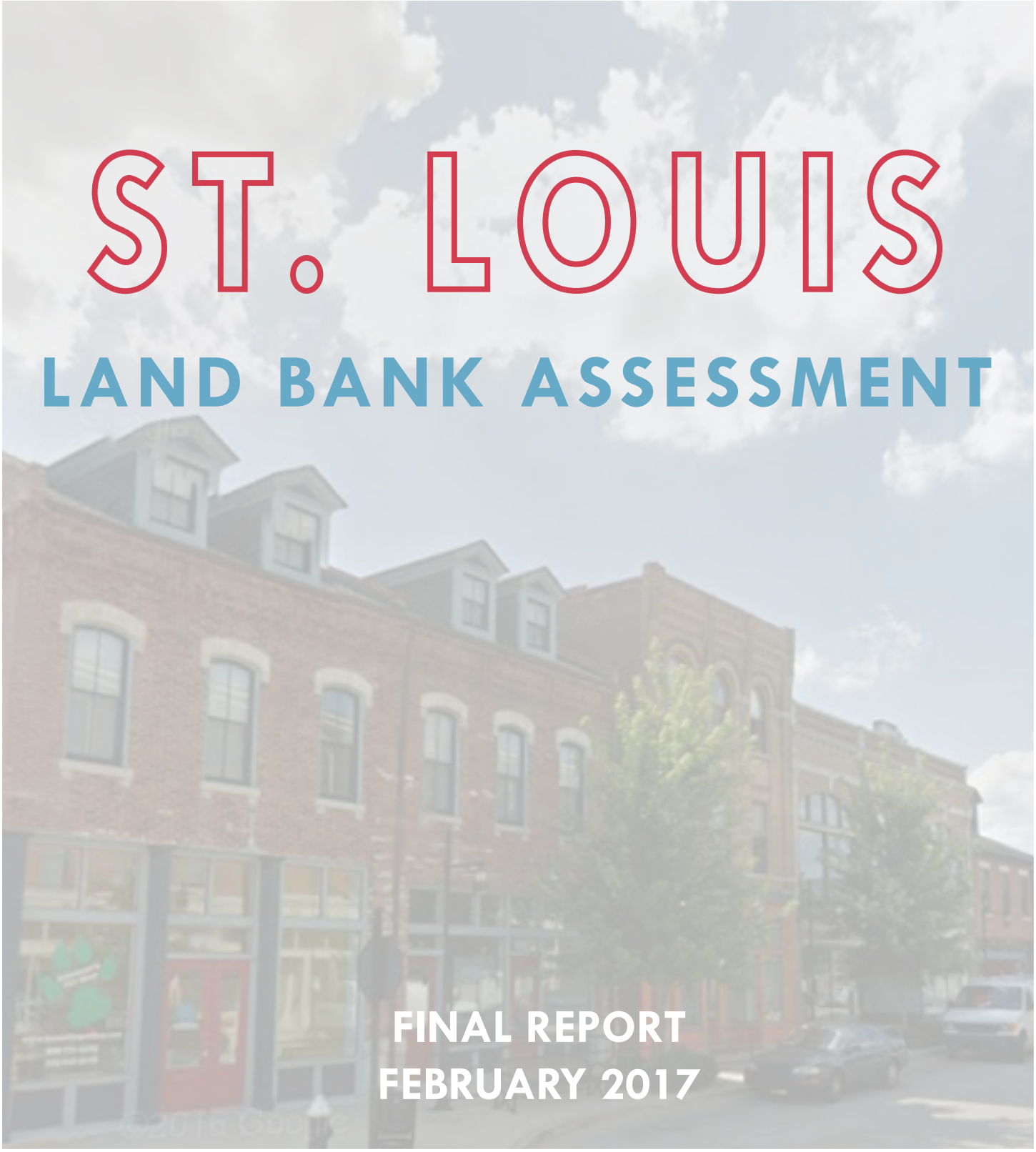
ST. LOUIS

LAND BANK ASSESSMENT



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PREPARED BY

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WITH PRESERVATION RESEARCH OFFICE
AND GRAVES PUBLIC SERVICES

PREPARED
FOR THE U.S.
ENVIRONMENTAL
PROTECTION
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ST. LOUIS LAND BANK ASSESSMENT

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EXECUTIVE SUMMARY

PURPOSE OF THIS REPORT

This report reviews the results and recommendations emerging from Asakura Robinson Company's assessment of the Land Reutilization Authority's (LRA) operations for the U.S. Environmental Protection Agency. The study's goal was to make recommendations for process improvements based on a deep understanding of current LRA operations and research on national best practices.

PRODUCTION OF THIS REPORT

During the production of this report, Asakura Robinson staff interviewed over 80 local stakeholders from the public, private, and non-profit sectors. The Executive Summary identifies four key themes that the consultant team heard again and again during interviews and focus groups: the need for the LRA to adopt national best practices; the presence of severe constraints on staffing and funding resources that make it difficult for LRA staff to move beyond maintaining basic inventory standards and procedures; the clear presence of operational issues throughout the "property lifecycle" of LRA acquisition, maintenance, and disposition; and the need to build on previous work and research, particularly the Center for Community Progress' 2016 report on St. Louis vacancy.

The Executive Summary reviews the six goals that the consultant team established based on these themes, and documents the individual operational recommendations that the LRA should work to implement in order to further each goal.

IMPLEMENTATION STRATEGY

Finally, this Executive Summary documents a timeline-based Action Plan that displays the order in which recommendations should be implemented. Many of these recommendations build on one another; the LRA and its partners should work to accomplish Year 1 goals and should focus on making incremental progress toward long-term transformation.

context of this report

LRA Mission, Governance, and Staff

The St. Louis Land Reutilization Authority (LRA) was founded in 1971, making it the oldest land bank in the country. The mission of the LRA and other land reutilization authorities in Missouri, according to M.R.S. 92.875.1, is "to foster the public purpose of returning land which is in a nonrevenue generating nontax producing status, to effective utilization in order to provide housing, new industry, and jobs for the citizens of any city operating under the provisions of sections 92.700 to 92.920 and new tax revenues for said city."

The LRA is governed by a three-member commission. LRA Commission members (by statute) must each be appointed by a separate governing body: the City comptroller, the Board of Education, and the City's mayor. Staffing for the LRA is provided by the St. Louis Development Corporation (SLDC), which assembles management of City real estate and a number of other agencies and authorities under the SLDC umbrella.

Currently, the LRA has two executive staff members and 8.5 professional staff members. The Executive Director of the LRA is also the Director of the SLDC, which houses and staffs a number of authorities and agencies as well as acting as the City of St. Louis' economic development agency overall. The City's Director of Real Estate directs day-to-day activities of the LRA while also maintaining duties related to SLDC and City real estate.

The LRA Inventory

The LRA holds approximately 12,000 vacant properties, of which about 75% are vacant lots and 25% are structures. The vast majority of these vacant properties are located on the North Side of the City of St. Louis (see Map 1). For a city of approximately 316,000 people, this is an extremely large land-banked inventory. Philadelphia, a city of 1.56 million, has approximately 9,000 properties in public ownership; the Cuyahoga Land Bank in Cuyahoga County, Ohio (pop. 1.23 million) holds approximately 6,000 publicly-owned properties; Pittsburgh, a comparably-sized city to St. Louis, has about 7,000 publicly-owned vacant properties; and New Orleans, another comparably-sized city, has under 2,000 publicly-owned vacant properties.

Given the magnitude of this challenge, it is clear that the LRA needs many tools and processes to return properties to active uses that generate tax revenue, further neighborhood revitalization, and improve the quality of life for St. Louis residents.

Ongoing Efforts to Address Vacancy

In recent years, the City of St. Louis has worked on a number of fronts to rethink the approach to vacancy and blight in St Louis.

- The Mayor's Office has established a Vacancy & Blight Task Force that includes representatives from public and private entities to work on strategic vacancy initiatives.
- Teams of AmeriCorps workers have embarked on an effort to create an up-to-date map and condition assessment of all vacant properties in the City; this effort may be finished by City employees or alternate volunteers in the future, as the AmeriCorps employees have finished their terms of engagement.
- New alternate land use strategies are being explored with the Metropolitan Sewer District for stormwater management and with Fresh Coast Capital for commercial tree farming.
- The LRA's new "Mow To Own" program allows residents to purchase vacant LRA lots of less than 30' in width that are adjacent to their property for just $125, if they agree to maintain the vacant lot long-term.
- The City and LRA partnered with the Center for Community Progress, a national non-profit, to participate in a technical assistance program that generated new vacancy reduction strategies in partnership with public agencies and community stakeholders. More information about this process is available in the following "Key Themes" section of the Executive Summary.

key themes

Adopt National Best Practices

As the oldest and longest-established land bank in the country, the LRA was founded before many of the best practices that currently govern newer land banks had been established. One of the key goals that pervades this study is therefore **adopting best practices from nationwide land banks** that have had the benefit of building their legal foundation and operational structure using the hard-won lessons and results that have come from the LRA and other long-standing land banks.

Recognize & Address Resource Constraints

The consultant team recognizes that the LRA is operating in a **severely resource-constrained environment** compared to many land banks nationwide. Currently, the LRA has a professional staff of 8.5 that manages approximately 12,000 vacant buildings and lots; this ratio of professional staff to total properties is lower than all but one comparable land bank examined nationwide. The LRA also has an official annual budget that is less than half of the annual budget of the Land Bank of Kansas City, Missouri, which manages approximately 5,000 total vacant properties. Throughout the report, the consultant team works to identify recommendations that can be completed with a mix of LRA staff time and external resources; in addition, new resources for staffing and funding are recognized as essential preconditions for adopting certain national best practices or establishing some new projects and programs.

Focus on Managing the Full "Lifecycle" of a Vacant Property

A third key theme of this study is the need to **examine processes throughout the "property lifecycle"** to ensure that vacancy can be managed comprehensively. The report looks at policies that affect properties from the time that they become vacant and tax delinquent, to the time that they enter the LRA inventory, through maintenance, stabilization, and demolition, to final disposition and/or leasing for productive land reuse.

Build on Work Completed by the Center for Community Progress

In 2015-2016, the City of St. Louis and LRA partnered with the Center for Community Progress (CCP), a national non-profit focused on helping communities overcome blight and vacancy issues. CCP provided technical assistance and identified specific goals and performance measures related to City and LRA vacancy reduction. Another key theme of this study is **building on these recommendations from CCP by providing specific operational recommendations** that will allow the LRA and City to progress toward these goals. The consultant team's understanding is that the benchmark numbers defined by CCP are intended to be somewhat malleable, but that the overall intent of each goal remains important. This report focuses specifically on areas where the LRA can have a significant impact on achieving the following goals for vacancy reduction.

1. Create a Blight Task Force and commit to the elimination of vacancy and abandonment as a top City priority.
2. Reduce the time frame for delinquent property tax enforcement and housing and building code enforcement.
3. Increase the recovery of public expenditures for housing & building code enforcement.
4. Reduce the private inventory of vacant and abandoned properties.
5. Increase the rate of transfers of existing LRA inventory to new ownership.
6. Reduce the number of vacant "boarded" properties significantly.
7. Reduce the number of fire (excluding ambulance) and police calls.
8. Increase the total acreage within St. Louis devoted to greenspace.
9. Increase total assessed values of property in St. Louis through vacancy reduction strategies.

goals & recommendations

Goal 1. Define a forward-looking, inclusive LRA mission and vision.

The LRA's mission, as defined by state statute, requires the authority to "foster the public purpose of returning land which is in a nonrevenue generating nontax producing status, to effective utilization in order to provide housing, new industry, and jobs for the citizens of any city operating under the provisions of sections 92.700 to 92.920 and new tax revenues for said city."[1] During the Center for Community Progress visioning process that took place in January 2016, participants defined a vision for vacancy reduction that reads, "Our vision is building a legacy of inclusiveness, resilience, and prosperity for all St. Louis neighborhoods by eliminating the negative impacts of vacancy and abandonment."[2] This vision defines a much broader and more encompassing array of desired outcomes: "inclusiveness," "resilience," "prosperity," and "eliminating negative impacts."

The LRA must work to tie new approaches to vacancy that have been established as best practices across the country - including the use of vacant land for community greening and food access activities; stormwater management; intentional mixed-income housing; art and community activities; mothballing, stabilization, and deconstruction; and low-cost sale to neighbors - as core parts of the LRA mission that actually work to produce the outcomes of "housing, new industry, and jobs." The recommendations in this section focus on opportunities for the LRA to tie its statutory mission to the broad vision for vacancy reduction expressed by public-sector and community stakeholders..

RECOMMENDATION 1.1

As the Center for Community Progress (CCP) recommends, produce a study defining the costs of vacancy to the City of St. Louis, and linking increased development and increased stewardship of vacant property to increases in economic activity and jobs.

RECOMMENDATION 1.2

Partner with stakeholder organizations on an analysis of the economic and social benefits of greening projects.

Goal 2. Formalize LRA policies and procedures.

The LRA's operations have evolved over time to fit the organization's current practices, staffing levels and staff capacity, and relationships with other public agency stakeholders in vacancy reduction. However, many of these processes are not documented in a formal manner, leaving the LRA vulnerable to unexpected changes in its relationships, political forces that can hamper the LRA's ability to use its limited resources strategically, and hampered in its ability to share information with the public about how the authority determines its priorities.

The consultant team highly recommends that the LRA work to formalize a number of policies, procedures, and operational relationships, with assistance from the SLDC, Mayor's Office, and potential private and pro-bono consultant assistance. The following recommendations document specific areas identified by LRA leadership, as well as local public, private, and non-profit sector stakeholders, where creating more formal guidance for LRA's staff and partners would be beneficial.

RECOMMENDATION 2.1

Create an LRA policies and procedures manual.

RECOMMENDATION 2.2

Perform an LRA Inventory Analysis in the immediate term, and update it annually.

RECOMMENDATION 2.3

Redefine the structure of the Vacancy Task Force to include both internal meetings with city staff to administer ongoing vacancy initiatives, and external meetings with an advisory group of community stakeholders to gather feedback on these initiatives and help communicate with the public.

RECOMMENDATION 2.4

Adopt an LRA Operating Plan and release an LRA Annual Report each year.

Goal 3. Manage vacant properties comprehensively.

The recommendations in this section focus on opportunities for the LRA and its partners to manage vacant properties comprehensively, across the "property lifecycle." This includes processes and procedures that address privately owned vacant properties; acquisition by the LRA; ongoing decisions about maintenance, stabilization, and demolition while the properties are in the LRA inventory; and disposition or alternative land use procedures that bring properties back into productive, beneficial uses for the neighborhoods and residents of St. Louis.

RECOMMENDATION 3.1

Work with the Land Bank of Kansas City, Missouri to advocate with the Missouri State Legislature to implement Center for Community Progress recommendations related to insurable title and waiting periods for tax-delinquent property.

RECOMMENDATION 3.2

Work with the Collector of Revenue to understand the full tax-delinquent property inventory and develop strategic enforcement mechanisms to shape the properties acquired by the LRA each year.

RECOMMENDATION 3.3

Define a comprehensive maintenance program that includes target standards for maintenance and stabilization for all properties in the LRA inventory.

3.3A: Develop partnerships to stabilize properties, focusing on those with historic tax credit eligibility.

RECOMMENDATION 3.4

Promote and facilitate alternative land uses and greening.

3.4A: Identify a subset of LRA lots that are eligible for long-term greening uses and institute a long-term greening program, including a set of requirements for organizations to show they are good candidates for these leases (e.g irregular lots).

3.4B: Formalize the community engagement process for greenspace leases.

3.4C: Work with greening organizations to examine opportunities to expand affordable insurance coverage to more greening uses.

3.4D: Work with the Planning and Urban Design Agency to update the zoning code to include vacant land uses and facilitate on-site sale of produce.

3.4E: Consider instituting creative food-access projects for communities located in food deserts using LRA property.

3.4F: Continue to provide LRA land at reduced or no cost for community-based and non-profit greening uses in target areas identified by the Inventory Analysis, while defining a separate "Commercial Greening" program for large for-profit uses.

RECOMMENDATION 3.5

Adopt a set of demolition standards for prioritization of demolition funds based on existing internal standards and best practices. Formalize current ranking system and demolition practices by adopting and adhering to adopted policy.

RECOMMENDATION 3.6

Pilot an "enhanced" demolition program that facilitates redevelopment in partnership with the Building Division.

RECOMMENDATION 3.7

Define strategic redevelopment areas for site assembly and disposition through individualized RFP processes, with RFP criteria that emphasize neighborhood planning and development goals.

3.7A: Use the Inventory Analysis and data from Planning to target RFP incentives in accordance with community development goals.

3.7B: Coordinate RFPs and site assembly strategies with major areas of public and private investment, including areas near the proposed NGA, the Choice Neighborhoods zone, and areas around proposed North-South MetroLink stops.

3.7C: Coordinate with existing historic districts, and consider advocating for additional historic district designations to make tax credits available where appropriate.

RECOMMENDATION 3.8

Continue and expand the practice of listing high-value properties on the MLS.

RECOMMENDATION 3.9

Continue to promote and administer the Mow to Own program.

RECOMMENDATION 3.10

Continue to partner with the Metropolitan Sewer District to identify lots appropriate for stormwater management purposes and transfer ownership to the MSD for ongoing projects.

Goal 4. Foster clear communication and transparency to build trust.

Media coverage and community feedback on the LRA reveals a perceived lack of transparency in LRA policy that has sometimes created conflict between residents, policymakers, and the LRA. Much of this lack appears to arise from a dearth of adequate systems and resources to convey information to the public; issues also arise from the need to more clearly define and publlcize LRA policies and procedures in order to create greater public understanding about the priorities and constraints that guide the authority's actions. Clarifying and publicizing LRA decision-making systems, and creating clear understanding about the LRA's inventory, programs, requirements for purchasers, and public meetings will help build public trust and support.

RECOMMENDATION 4.1

Develop a new, stand-alone website for the LRA based on national best practices.

RECOMMENDATION 4.2

Institute an immediate signage policy for LRA properties that have been sold and are undergoing rehabilitation, and active community greening projects on LRA land. In the next five years, expand this policy to include signage on all LRA properties.

RECOMMENDATION 4.3

Allow the public to sign up for email notifications of LRA public meetings.

RECOMMENDATION 4.4

Develop tailored materials to provide seminars or learning sessions about requirements for purchase and rehabilitation of LRA property to groups of varying levels of capacity.

RECOMMENDATION 4.5

Ensure the Annual Report, website, and news articles publicize LRA's strategic plans and successful programs in order to increase community understanding of LRA activities.

Goal 5. Grow the LRA's staffing and financial resources.

The LRA is deeply constrained by the staffing and financial resources available to perform its daily functions. While the current LRA staff are deeply committed to their work, attempting to add additional duties without enhancing the agency's funding and staff capacity will be a very difficult proposition.

Resource constraints are not limited to the LRA; the City of St. Louis generally operates under significant constraints in funding and staff levels, making it difficult to repurpose existing funding sources to supplement LRA sales revenue. However, ensuring that the LRA has the resources to use best practices and promote redevelopment will ultimately help grow the City's tax base and revenue.

RECOMMENDATION 5.1

Raise resources to hire at least four new staff in the next one to three years, with a long-term goal of expanding the LRA staff (not including maintenance staff) to approximately 20 staff members in alignment with comparable national land banks. Immediate four staff to be hired are: Director of Strategy; Marketing and Communications Director; Community Engagement Coordinator; Greening Coordinator (greening position may be housed at the LRA or in Planning).

RECOMMENDATION 5.2

Eliminate LRA fees paid to all other public-sector agencies such as the Collector of Revue and Recorder of Deeds.

RECOMMENDATION 5.3

Develop a comprehensive strategy to increase the LRA's revenue and place it on a solid financial footing.

RECOMMENDATION 5.4

Ensure all bond issues and other revenue-raising strategies that increase LRA's program budget come with funds for administration and can be targeted toward strategic redevelopment areas.

Goal 6. Build and solidify partnerships to further the LRA's mission.

This goal focuses on LRA partnerships with other public agencies that will help the LRA carry out its mission. These recommendations examine areas in which LRA staff do not necessarily need to lead the effort in order to realize a benefit from the ultimate outcome of the process. Concepts in this section include data coordination, reduction of fees paid to other public agencies, increased resources for neighborhood-level planning efforts, and formalization of an LRA-Building Division agreement related to re-boarding and maintenance of structures.

RECOMMENDATION 6.1

Work with the IT department and other agencies to ensure that multiple sources of data related to vacancy can be reliably accessed and utilized with a single database.

RECOMMENDATION 6.2

Increase staffing capacity of the Planning and Urban Design Agency and ensure resources for planning are included in all LRA revenue-raising measures.

RECOMMENDATION 6.3

State City priorities related to vacant land and redevelopment strategy in the Comprehensive Economic Development Strategy.

RECOMMENDATION 6.4

Formalize agreement with the Building Division to perform services that the Building Division already provides to ensure continuing services.

action plan timeline

NOTE: All items in the Action Plan are subject to LRA budget and staffing constraints.

INTRODUCTION

EXISTING CONDITIONS

This introductory section provides context for the recommendations in the remainder of this report by:

- Examining the LRA's history, mission, and governance structure;
- Examining current innovation efforts related to vacancy in the City of St. Louis to establish a baseline upon which these recommendations build, and in particular highlighting the work of the Center for Community Progress in beginning many of the discussions in this report; and
- Benchmarking the LRA's inventory, resources, and staff capacity against comparable land banks.

st. louis and LRA context

LRA Mission

The St. Louis Land Reutilization Authority (LRA) was founded in 1971, making it the oldest land bank in the country. The mission of the LRA and other land reutilization authorities in Missouri, according to M.R.S. 92.875.1, is "to foster the public purpose of returning land which is in a nonrevenue generating nontax producing status, to effective utilization in order to provide housing, new industry, and jobs for the citizens of any city operating under the provisions of sections 92.700 to 92.920 and new tax revenues for said city."

As the oldest and longest-established land bank in the country, the LRA was founded before many of the best practices that currently govern newer land banks had been established. One of the key goals that pervades this study is therefore **adopting best practices from nationwide land banks** that have had the benefit of building their legal foundation and operational structure using the hard-won lessons and results that have come from the LRA and other long-standing land banks.

LRA Governance

The LRA is governed by a three-member commission. LRA Commission members (by statute) must each be appointed by a separate governing body: the City comptroller, the Board of Education, and the City's mayor. Staffing for the LRA is provided by the St. Louis Development Corporation (SLDC), which assembles management of the City's real estate holdings and a number of other agencies and authorities under the SLDC umbrella. Currently, the City's Director of Real Estate holds an additional role as Director of the LRA.

Current Vacancy Innovation Efforts

In recent years, the City of St. Louis has worked on a number of fronts to rethink the approach to vacancy and blight in St Louis.

- The Mayor's Office has established a Vacancy & Blight Task Force that includes representatives from public and private entities to work on strategic vacancy initiatives.
- Teams of AmeriCorps workers have embarked on an effort to create an up-to-date map and condition assessment of all vacant properties in the City; this effort may be finished by City employees or alternate volunteers in the future, as the AmeriCorps employees have finished their terms of engagement.
- New alternate land use strategies are being explored with the Metropolitan Sewer District for stormwater management and with Fresh Coast Capital for commercial tree farming.
- The LRA's new "Mow To Own" program allows residents to purchase vacant LRA lots of less than 30' in width that are adjacent to their property for just $125, if they agree to maintain the vacant lot long-term.

Other public and private entities have also been developing innovative strategies for utilizing LRA properties. At least one Community Development Corporation recently negotiated options on LRA properties that allowed it to direct marketing, develop area RFPs and utilize private building stabilization funding from a national funder. Several members of the Board of Aldermen have explored or successfully used ward capital funds to stabilize vacant LRA buildings identified as priorities for preservation.

CENTER FOR COMMUNITY PROGRESS STUDY

The City has also partnered with the Center for Community Progress (CCP), a national non-profit focused on helping communities overcome blight and vacancy issues, which provided technical assistance to the City of St. Louis and LRA in 2015-2016 on opportunities to enhance LRA acquisition procedures and define new performance measures.

Another key theme of this study is **building on these recommendations from CCP by providing specific operational recommendations** that will allow the LRA to progress toward these goals. The consultant team's understanding is that the benchmark numbers defined by CCP are intended to be somewhat malleable, but that the overall intent of each goal has helped the City define where to focus its efforts on vacancy reduction in the near term. This report focuses specifically on areas where the LRA can have a significant impact on achieving the below goals for vacancy reduction.

1. Create a Blight Task Force and commit to the elimination of vacancy and abandonment as a top City priority. This recommendation focuses on potential roles for the Blight Task Force including centralizing oversight of vacancy and blight-reduction programs, sharing public information and maps on vacancy, quantifying costs of vacancy, and creating public awareness of anti-blight campaigns and code enforcement actions.

2. Reduce the time frame for delinquent property tax enforcement and housing and building code enforcement. This recommendation focuses on filing delinquency claims more quickly, reforming state laws to reduce notice requirements and create insurable title, and (potentially) eliminating the two-year statute of repose. The consultant team would recommend that the two-year statute of repose be maintained for occupied properties and would like to investigate payment programs available to tax-delinquent households who are still occupying their properties.

3. Increase the recovery of public expenditures for housing & building code enforcement. CCP focuses here on ensuring that redemption costs and/or minimum auction bids for properties with active code enforcement liens reflect the total costs of code enforcement to the City.

4. Reduce the private inventory of vacant and abandoned properties. This recommendation focuses on creating a comprehensive inventory of privately-owned vacant properties with key details that allow for prioritization of tax-delinquency and code enforcement action against properties that have strong negative effects on quality of life (e.g. neighbor complaints, police and fire calls, occupied adjoining properties).

5. Increase the rate of transfer of existing LRA inventory to new ownership in the near term. CCP focuses here on identifying opportunities for enhancing disposition strategies based on best practices from across the country, and identifies this Land Bank Assessment study as a resource.

6. Reduce the number of vacant "boarded" properties significantly. This recommendation explores opportunities for recovery of boarding costs via code enforcement / Special Tax bills and recommends escalating fees for properties that need repeated boarding.

7. Reduce the number of fire (excluding ambulance) and police calls. CCP calls for establishing a baseline with Public Safety for calls associated with vacant properties.

8. Increase the total acreage within St. Louis devoted to greenspace. This recommendation focuses on coordination of vacancy strategies with existing greenspace efforts. The consultant team believes these would include Metropolitan Sewer District stormwater management efforts, non-profit and private greening efforts, as well as potential additions to greenspace managed by the City.

9. Increase total assessed values through vacancy reduction strategies. CCP calls for working with the Assessor to establish baseline values in order to monitor potential increases in assessed value due to improved conditions of vacant property.

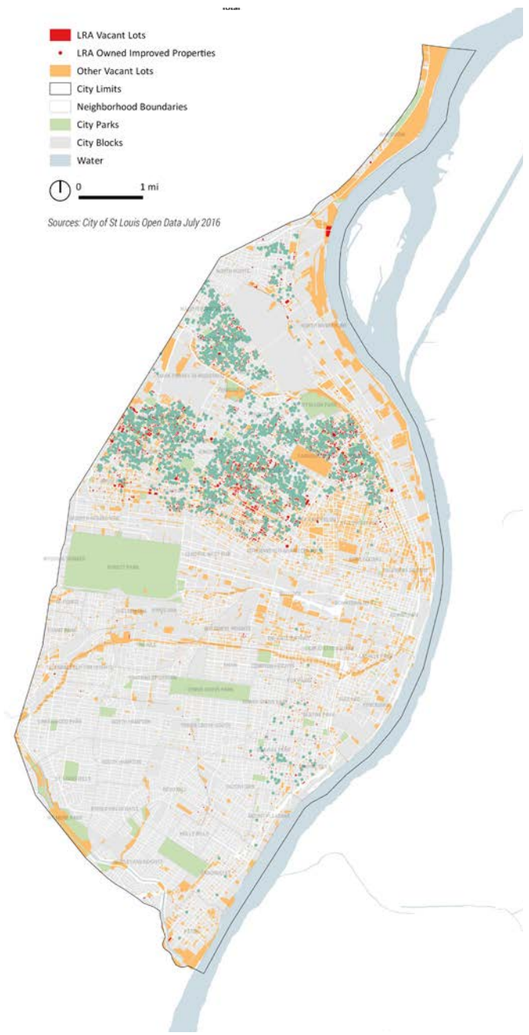
the property lifecycle

The LRA and associated public agencies hold approximately 12,000 vacant properties, of which about 75% are vacant lots and 25% are structures. Current estimates indicate that privately-owned vacant properties more than equal the number under public ownership, and that there are approximately 25,000 total vacant properties in the City of St. Louis as a whole. The vast majority of these vacant properties are located on the North Side of the city (see Map 1).

For a city of approximately 316,000 people, 12,000 properties is an extremely large land-banked inventory. Philadelphia, a city of 1.56 million, has approximately 9,000 properties in public ownership; the Cuyahoga Land Bank in Cuyahoga County, Ohio (pop. 1.23 million) holds approximately 6,000 publicly-owned properties; Pittsburgh, a comparably-sized city to St. Louis, has about 7,000 publicly-owned vacant properties; and New Orleans, another comparably-sized city, has under 2,000 publicly-owned vacant properties.

Given the magnitude of this challenge, it is clear that the LRA needs many tools and processes to return properties to active uses that generate tax revenue, further neighborhood revitalization, and improve the quality of life for St. Louis residents. A third key theme of this study is the need to **examine processes throughout the "property lifecycle" from tax delinquency and LRA acquisition, to LRA maintenance, to LRA disposition and/or leasing for productive reuse.**

Understanding the basic statistics, funding and staffing resources, and performance measures at each of these steps of the property lifecycle is critical to ensuring that the LRA is able to make full use of its existing toolkit and adapt new ideas from national best practices to local conditions.



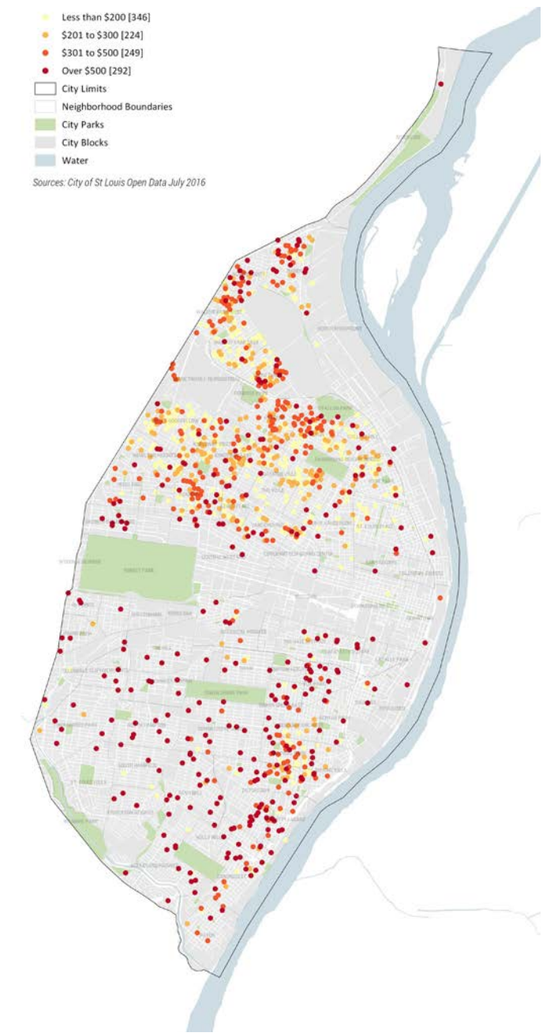
MAP 1:
LRA and Privately-Owned Vacant Properties

Tax Delinquency & LRA Acquisition

The vast majority of the LRA's properties are acquired after becoming vacant and tax-delinquent for at least three years. After the requisite three-year waiting period, the Collector of Revenue commissions a title report and an appraisal and eventually lists each property for tax sale. Between the waiting period, the Collector of Revenue's workload, and the time required to process each property, properties can sometimes sit vacant for six to seven years before going to tax sale. Private bidders are able to purchase properties at the tax sale; those that are not sold are transferred to LRA ownership and become part of the LRA inventory.

The LRA is therefore constrained at the acquisition phase on a number of levels: it cannot choose how many properties to accept into its inventory; it has little say in which properties are brought to tax sale at any given time; and it will often lose the most promising properties to private tax sale purchasers. The CCP recommendation on reducing the time frame for delinquent property tax enforcement is meant to address some of these issues.

An analysis of overall tax delinquency data at the citywide level shows approximately $12 million in delinquent tax debt spread across many properties, with a greater concentration on the North Side but with a substantial number of delinquent properties on the South Side as well; the average delinquent property owes approximately $750. (See Map 2 for an overview of 2015 tax-delinquent properties sorted by total balance owed.)



MAP 2:
Properties by 2015 Balance of Tax Delinquency

LRA Maintenance Practices

The range of current LRA maintenance interventions includes securing vacant structures, mowing vacant properties, and removing trees as needed.

MAINTENANCE OF STRUCTURES

LRA field staff conducts the initial boarding of vacant structures and the Building Division (City of St. Louis) responds to any subsequent public complaints regarding breached structures. The Building Division re-boards breached structures as a courtesy to the LRA but does not have a formal agreement with the agency or a specific budget for re-boarding activities. It is estimated that the Building Division re-boards 2,500 to 3,000 LRA structures each year despite not having a formal agreement with the LRA related to these services.

DEMOLITION AND STABILIZATION OF STRUCTURES

The LRA currently relies on the Building Division to perform limited stabilization activities (securing of structures via boarding) and all demolition activities on behalf of the agency. Boarding activities performed by the Building Division have been discussed in greater detail in the consultant team's recommendations regarding maintenance. The Building Division has an annual demolition budget of $1 million, which is derived from a fund that is generated by a surcharge attached to building permit fees. The building commissioner is ultimately responsible for administering the condemnation/demolition process, and a Demolition Board actively participates in the process by serving the building commissioner in an advisory capacity.

The Building Division will demolish LRA structures at the agency's request, and in rare instances has demolished LRA structures as an emergency measure. The Building Division tasks contractors with performing demolition activities. Currently, contractors are allowed to leave certain construction debris on-site and to use the basements of demolished structures to store debris. Contractors are also not required to regrade demolition sites. It is estimated that developers spend an average of $3,000-$4,000 to completely clear and regrade a site after purchase, which constitutes an additional cost that may make LRA properties less competitive with greenfield sites in surrounding suburban counties.However, public-sector demolition resources are limited, and clearing and regrading every LRA site after demolition would reduce the number of total demolitions that the Building Division can perform each year. The consultant team's recommendations study opportunities to apply "enhanced" demolition, including clearing, filling of basements, and regrading of sites, on a targeted and limited basis as a potential incentive for redevelopment.

The Building Division has explored alternatives to demolition. Deconstruction and salvaging building materials have merit, particularly since there is a strong market for historic architectural elements and the recycling of bricks. However, the additional costs associated with the deconstruction process and a lack of capacity to store and manage salvaged materials have been barriers to implementing this alternative. The EPA is presently working with the city to develop plans to establish a deconstruction program.

Current LRA Demolition Procedures and Processes

The LRA's procedures for determining which properties to demolish rest with the LRA's demolition coordinator, who applies a "1-5" ranking (including sub-rankings) to building quality, safety, and surroundings in order to determine the agency's priorities for demolition. This process has been documented previously but has not been adopted as a formal LRA policy, which means that the prioritized list of demolitions may be vulnerable to outside political pressure and the most dangerous structures may be de-prioritized in favor of alternative structures.

There is a strong need to define a set of internal LRA policies/procedures detailing how the agency might strategically utilize available stabilization/demolition resources for the purposes of maintaining public safety while encouraging and directing redevelopment. These policies and procedures will be discussed further in Recommendations 3.3, 3.5, and 3.6.

MOWING OF VACANT PROPERTIES

The Forestry Department (City of St. Louis) is responsible for mowing vacant LRA properties. The department receives an annual allocation of $225,000 from the LRA for mowing activities, in addition to a pass-through CDBG allocation of an additional $300,000 per year. LRA vacant lots are mowed seven times per year, while structures can only be mowed three times per year due to the need to use handheld mowing equipment rather than riding lawnmowers.

LRA Disposition and Productive Reuse

DISPOSITION PROCESSES

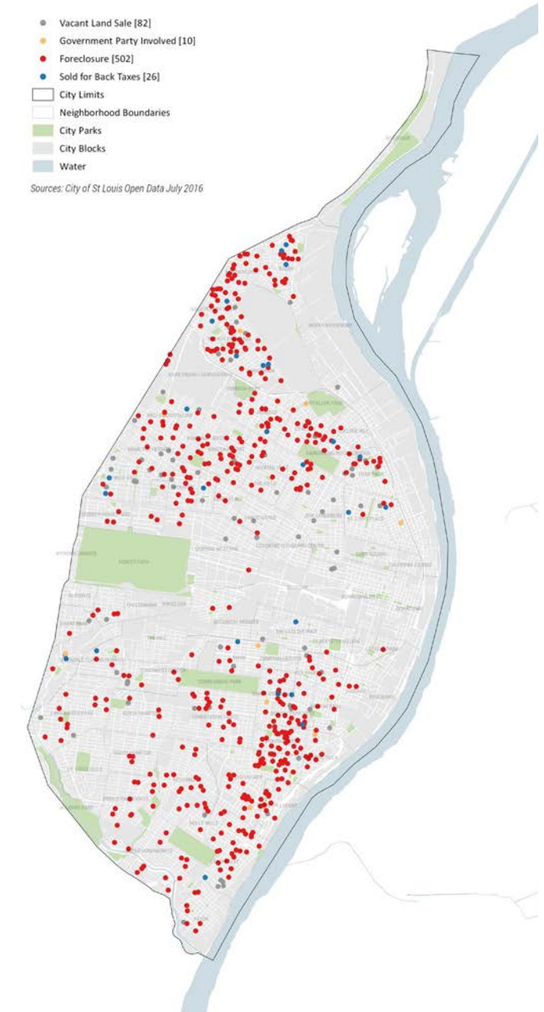
One of the LRA's cornerstone strategies for disposing of property is to assemble large tracts of land and dispose of it to large purchasers who commit to generating redevelopment and jobs. However, there seem to be fewer programs that target complementary small-scale redevelopment opportunities that local residents and small developers can access.

Currently, the overarching LRA disposition strategy for smaller-scale purchasers appears to rely primarily on potential purchasers to find a property they are interested in via the LRA website and submit an application via a number of forms found on different web pages on the City of St. Louis website. It appears from the Property Search page that all properties are made available at all times, although some media coverage documents a perception that properties are often held back for strategic purposes. Bringing more clarity to the organization of application forms online (or even instituting an initial online application process which can be formalized through an offer when an application is found to be complete) could help build interest from new applicants.

Market-based disposition strategies, such as auction of properties in areas of greater market activity and/or coordination of disposition with redevelopment funds, could also be of assistance in generating more revenue for the LRA and bringing targeted improvements to areas that have market potential. Finally, understanding the potential for implementing "deed of trust" sales like the program described below in the Kansas City Land Bank case study will be important to consider how structure rehabilitation can be monitored and targeted in selected areas.

ALTERNATIVE LAND USE PROGRAMS

The LRA and its City partners have developed a number of alternative land use strategies, including garden leases, Mow To Own, commercial uses such as tree farms, and a new stormwater management partnership with the Metropolitan Sewer District. These strategies are a critical component of a market-based disposition process because they are best suited to areas where there is little market activity and redevelopment pressure. Promoting these alternative land use programs and continuing to enhance and grow partnerships is a very promising direction for the LRA.



MAP 3:
Selected LRA Sales since 2000

benchmarking the LRA

The LRA stewards its land banked properties with markedly fewer staff and funding resources than comparable land banks nationwide. The LRA's inventory of 12,000 properties is greater than that of many larger cities; as mentioned previously, Philadelphia and Cleveland have fewer properties in their land banks.

Few Staff for the Inventory Size

Table 1 below displays a comparison of staffing and inventory for the LRA and five national land banks. The LRA has the lowest ratio of professional staff to total inventory except for the Detroit Land Bank Authority (DLBA). However, the DLBA has an extraordinary number of properties and maintains 41 professional staff, which may allow for enough speclalization that the level of staff needed per property declines overall.

The organizational charts on the following page show a comparison between the LRA and the Genesee County Land Bank (GCLB) in Flilnt, MI. The GCLB has the most similar inventory size to the LRA of all the comparison land banks; they hold 13,120 properties, while the LRA has approximately 12,000. However, the LRA has only 8.5 total professional staff, and its executive staff share duties with other agencies. In contrast, the GCLB has 26 professional staff, including an executive director exclusive to the land bank, five additional executive staff, and twenty other professional staff members. Because of this disparity in staff capacity, budget, and resources, the GCLB is able to implement more projects than the LRA.

A Small Budget and Ongoing Deficit

The LRA's only dedicated source of revenue for its operations is the revenue that the agency brings in from sales, which was approximately $800,000 on average during the 2015 and 2016 fiscal years.

In contrast, the Kansas City Land Bank receives 85% of its approximately $2 million annual operating budget from the City's general fund; it makes up the other 15% in sales. This means that the Kansas City Land Bank's budget is more than double the LRA's approximate annual budget, even though it manages less than half the number of properties that the LRA does.

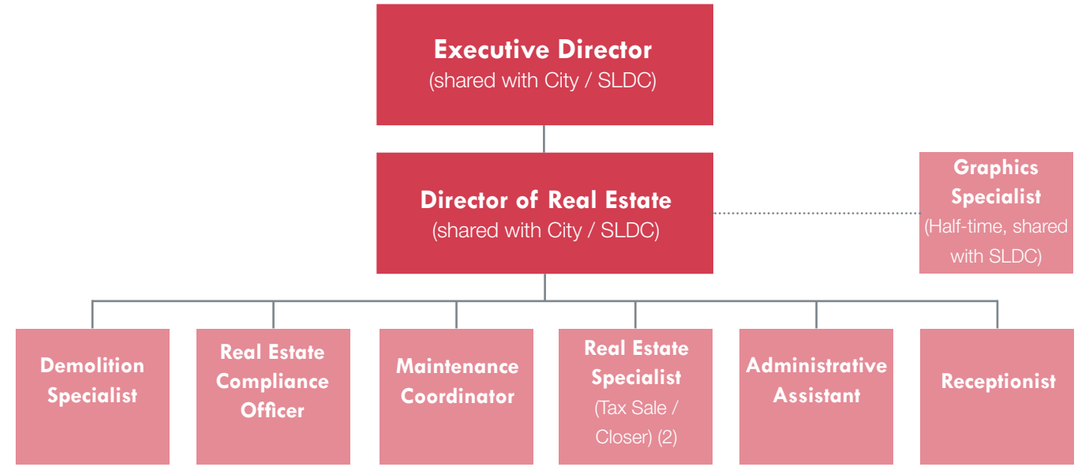
This situation helps explain the fact that the LRA has operated at a deficit of about $300,000 per year since the large sale of Northside properties to Paul McKee in 2011. At present, this deficit is absorbed by the SLDC until the LRA makes a large sale and can make the SLDC whole. Key areas that drive expenditures each year are:

- Insurance: $334,000 per year
- Title fees paid to Collector of Revenue: $100,000 per year (approx.)
- Appraisals for all acquired properties: $140,000 per year (approx.)
- Maintenance: $300,000 per year (approx.)
- Staff: $300,000 per year to SLDC (which does not entirely cover staff salaries and benefits)

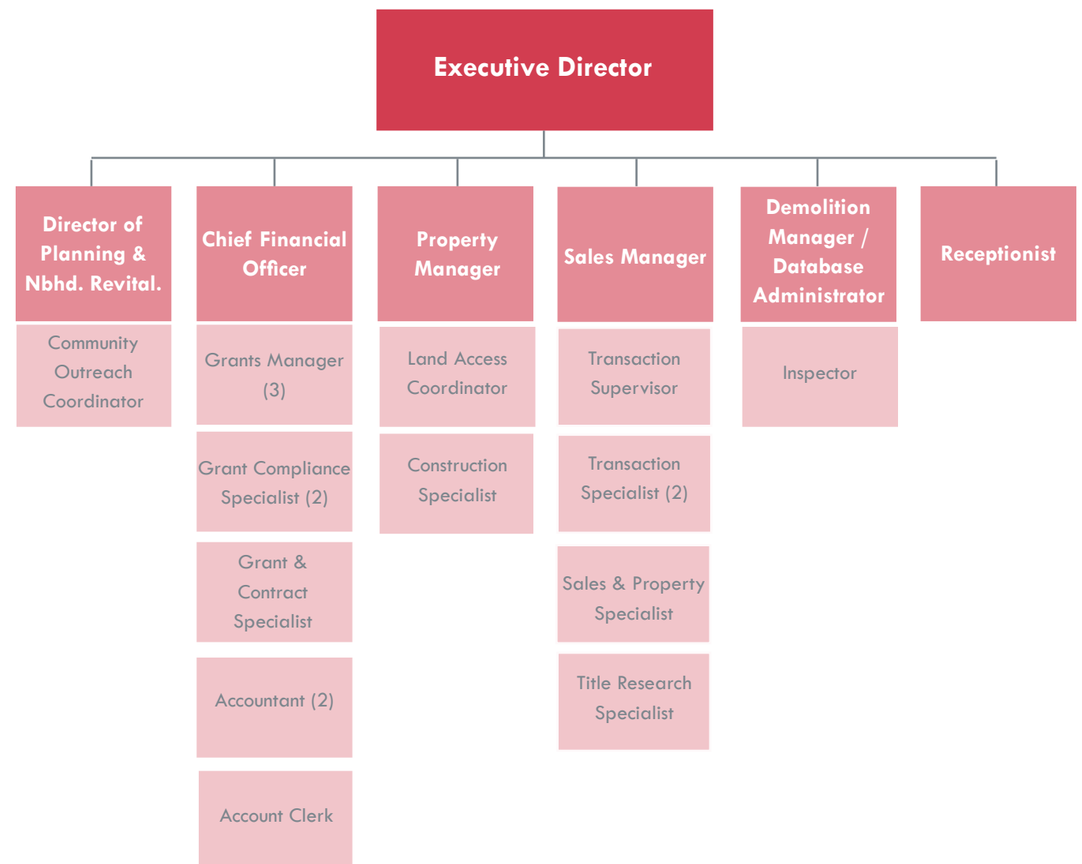
TABLE 1: *Staff Capacity and Inventory of LRA and Comparable Land Banks*

	Flint, MI (Genesee County Land Bank Auth.)	**Cuyahoga County, OH (Cuyahoga Cty. Land Reutilization Corp.)**	**New Orleans, LA (New Orleans Redevelopment Authority)**	**Detroit, MI (Detroit Land Bank Authority)**	**Kansas City, MO (The Land Bank of Kansas City, Missouri)**	**St. Louis, MO LRA**
Professional Staff Members	26	28	38	41	4	**8.5**
Properties in Land Bank Inventory	13,120 (as of 2015)	1,156 (as of 2013)	2,200 (as of 2016)	95,387 (as of 2016)	5,000 (approx., as of 2016)	**12,000 (approx., as of 2016)**
Properties per Staff Member	504	41	58	2,327	1,250	**1,412**

LRA Professional Staff



Genesee County Land Bank Professional Staff



RECOMMENDATIONS

ASSESSMENT RECOMMENDATIONS AND OPTIONS

The Recommendations section of this report was developed through extensive interviews with local stakeholders, including LRA and SLDC staff, public agency partners, non-profit organizations working in community development and greening. The consultant team also conducted extensive research on best practices developed by land banks around th country, including information generously shared by the Land Bank of Kansas City, Missouri. The consultant team is also indebted to the work of the Center for Community Progress, who conducted visioning exercises with St. Louis public and private stakeholders in early 2016 and developed strategies that helped shape many of the priorities and recommendations in this report.

GOALS

The Recommendations section is divided into six goals that represent core strategic priorities for the LRA to address over the next five years. The goals are as follows:

1. Define a forward-looking, inclusive LRA mission and vision.
2. Formalize LRA policies and procedures.
3. Manage vacant properties comprehensively.
4. Foster clear communication and transparency to build trust.
5. Grow the LRA's staffing and financial resources.
6. Build and solidify partnerships that benefit the LRA.

Each general goal is followed by specific operational recommendations, some of which can be carried out quickly and easily, and others that require significant time and effort in order to produce a good long-term result. The Action Plan in the Executive Summary is a helpful reference to show how these goals fit together and should be carried out over time.

goal 1:
Define a forward-looking, inclusive LRA mission and vision.

The LRA's mission, as defined by state statute, requires the authority to "foster the public purpose of returning land which is in a nonrevenue generating nontax producing status, to effective utilization in order to provide housing, new industry, and jobs for the citizens of any city operating under the provisions of sections 92.700 to 92.920 and new tax revenues for said city."[1] The statute therefore defines "housing, new industry, and jobs" as the key outcomes that the LRA should be striving for when disposing of property.

During the Center for Community Progress visioning process that took place in January 2016, participants defined a community vision for vacancy reduction that reads, "Our vision is building a legacy of inclusiveness, resilience, and prosperity for all St. Louis neighborhoods by eliminating the negative impacts of vacancy and abandonment."[2] This vision defines a much broader and more encompassing array of desired outcomes: "inclusiveness," "resilience," "prosperity," and "eliminating negative impacts."

The LRA must work to tie new approaches to vacancy that have been established as best practices across the country - including the use of vacant land for community greening and food access activities; stormwater management; intentional mixed-income housing; art and community activities; and addition to neighboring properties - as core parts of the LRA mission that actually work to produce the outcomes of "housing, new industry, and jobs." Adopting these activities as a part of the LRA's mission will help ensure that the LRA can continue to demonstrate its value to the residents of St. Louis, and will open the way for the LRA to receive governmental and philanthropic grants that often reward agencies that are able to effectively execute a comprehensive approach to vacancy reduction.

The recommendations in this section focus on opportunities for the LRA to tie its statutory mission to the broad vision for vacancy reduction expressed by public-sector and community stakeholders.

Recommendation 1.1: As the Center for Community Progress (CCP) recommends, produce a study defining the costs of vacancy to the City of St. Louis, and linking increased development and increased stewardship of vacant property to increases in economic activity and jobs.

The Center for Community Progress recommends that the City of St. Louis "quantify the true financial costs of vacancy and abandonment. This would include the direct and indirect costs of (a) criminal activity and law enforcement, (b) fire department activity, (c) nuisance abatement, boarding, and demolition, as well as (d) lost property taxes from each vacant and abandoned property, and (e) loss in values of adjacent properties and corresponding lost property taxes."[3]

Documenting the costs of vacancy is a critical first step toward public awareness, and awareness by policymakers and other stakeholders, of the importance of the LRA's work. The report should also include information on how these costs can be mitigated through a "toolkit" of solutions, including selling property for redevelopment, promoting community greening and land stewardship, and using land for stormwater management. For example, a 2012 study by researchers at the University of Pennsylvania found that community greening projects were associated with reduced gun violence. [4]

PARTNERS:
Potential collaboration with Chief Resilience Officer

RESOURCES:
Staff time from LRA and partner agencies

Recommendation 1.2: Partner with stakeholder organizations on an analysis of the economic and social benefits of greening projects.

In cities like Pittsburgh and New York City, greenspace and community greening projects have been proven to have quantifiable economic benefits for surrounding property values, as well as social benefits for community health, safety, and well-being. A study considering the benefits of greening projects in St. Louis could help the LRA understand where and how to promote these uses for maximum effect and could show how greening uses conform with the LRA's mission. The LRA does not necessarily need to lead this study but should be willing to partner with greening stakeholder organizations and/or City agencies that might lead this study if appropriate grant funding became available.

Without a clear picture of the economic benefits of greening uses, their value can be questioned by stakeholders who would rather see redevelopment on LRA land. While redevelopment is a clear priority for the LRA, more than enough publicly-owned land is available for long-term greening uses as well. Defining the benefits of these uses may help other individuals see the benefits of combining greening and redevelopment in the LRA's strategy for its inventory.

PARTNERS:
Greening organizations; City of St. Louis Urban Vitality & Ecology

RESOURCES:
Leadership from greening partners; potential grant funding; LRA staff time

Farming on St. Louis Vacant Land
Credit: Paul Sableman, Flickr

goal 2:
Formalize LRA policies and procedures.

The LRA's operations have evolved over time to fit the organization's current practices, staffing levels and staff capacity, and relationships with other public agency stakeholders in vacancy reduction. However, many of these processes are not documented in a formal manner, leaving the LRA vulnerable to unexpected changes in its relationships, political forces that can hamper the LRA's ability to use its limited resources strategically, and hamper its ability to share information with the public about how the authority determines its priorities.

The consultant team highly recommends that the LRA work to formalize a number of policies, procedures, and operational relationships, with assistance from the SLDC, Mayor's Office, and potential private and pro-bono consultant assistance. The following recommendations document specific areas identified by LRA leadership, as well as local public, private, and non-profit sector stakeholders, where creating more formal guidance for LRA's staff and partners would be beneficial.

Recommendation 2.1: Create an LRA policies and procedures manual.

The LRA should establish a formal policies and procedures manual and have the LRA board adopt it. A draft of some policies and procedures has already been prepared by a previous legal intern; in addition, there are a number of existing board resolutions and staff-developed documents that speak to policies and procedures. The LRA should seek assistance from a consultant, or potentially from a local law school that could provide pro-bono hours, to help gather and index these documents and use them as a basis for developing the draft manual. The board of commissioners can subsequently address any gaps by passing additional resolutions in the future.

This policies and procedures manual is the basis of a data-driven operation that allows the LRA to demonstrate both its effectiveness as an organization, and the constraints under which the LRA operates (funding, staff, etc). The policy manual provides a foundational level of transparency for the public and for other governmental entities, generates trust and confidence in LRA procedures, and allows the LRA to operate more efficiently by providing a structure that is proactive rather than reactive. Many of these policy elements are further developed in the recommendations throughout this document.

The policies and procedures manual should generally be available to the public in order to facilitate greater understanding of LRA operations and procedures. Internal Human Resources and employment-related policies may be included in a separate Employee Handbook.

PARTNERS:
Hired consulting firm, or pro-bono assistance from local law school

RESOURCES:
Staff time; Approximately $25,000-$100,000 depending on ratio of consultant time to staff time utilized, and pro-bono assistance available

The scope of work below was created to assist the city in developing a scope for contractor use.

SCOPE OF WORK: LRA POLICIES AND PROCEDURES MANUAL

The consultant(s) shall assist the LRA in producing a Policies and Procedures Manual by aggregating existing policies adopted by the Board of Commissioners, and working with LRA and SLDC staff to document additional policies that are relevant to the efficient, transparent, and successful achievement of the LRA's mission. Relevant policies to be documented shall include the following.

PLANNING AND ACQUISITION

- Preparation of an Annual Operating Plan and issuance of an Annual Report for the LRA
- Preparation of an Inventory Analysis that is updated annually as part of the Operating Plan

PROPERTY MAINTENANCE AND STABILIZATION

- Stabilization and boarding procedures for vacant buildings
- Maintenance and mowing standards for vacant lots
- Demolition procedures that assist the LRA to keep their criteria consistent and formalize what properties get to move to the top of the list. This could include an adaptation of a formal points-based checklist like Kansas City's based on the process that the demolition supervisor is already using at the LRA, including acknowledgment of the Cultural Resources Office's criteria for demolition approval of buildings under preservation review.

DISPOSITION

- Pricing policy, including:
  - Policies and procedures that outline how appraisals are completed and how long they are valid
  - Ability for potential purchasers to provide an alternative appraisal to accommodate, e.g., properties that are appraised at commercial value but are going to be re-used and re-zoned for residential use
- Soil testing and remediation policy

COMMUNICATIONS

- Establishment of formal procedures for Board of Aldermen comment on LRA processes
- Visual identification of LRA properties with signs and contact information
- Marketing process for LRA properties
- Sales and leasing criteria for LRA properties, which should correspond with inventory analysis and planning efforts. This should include a clear flowchart of the sales process and sales criteria to help the public understand the application and evaluation process, as well as all checklists and materials that are to be provided to purchase and leasing applicants.

Recommendation 2.2: Perform an LRA Inventory Analysis in the immediate term, and update it annually.

An LRA Inventory Analysis is a clear framework for designating LRA properties for certain programming. The goal of the Inventory Analysis is to help inform the LRA's strategies for property acquisition, maintenance, and disposition. The Inventory Analysis is a critical step in order to accomplish other recommendations within this report, including the creation of a comprehensive maintenance plan; the definition of strategic focus areas for site assembly and redevelopment incentives; and the administration of potential new stabilization and demolition pilot programs.

Currently, the LRA has a statutory classification system for its properties established by MO Rev. Stat. §92.900.2 that remains listed on sale agendas but is relatively uninformative to the agency and the public about the specific future use of any parcel in the inventory. The three categories established by statute are:

> "(a) Suitable for private use;
> (b) Suitable for use by a public agency;
> (c) Not usable in its present condition or situation and held as a public land reserve." [5]

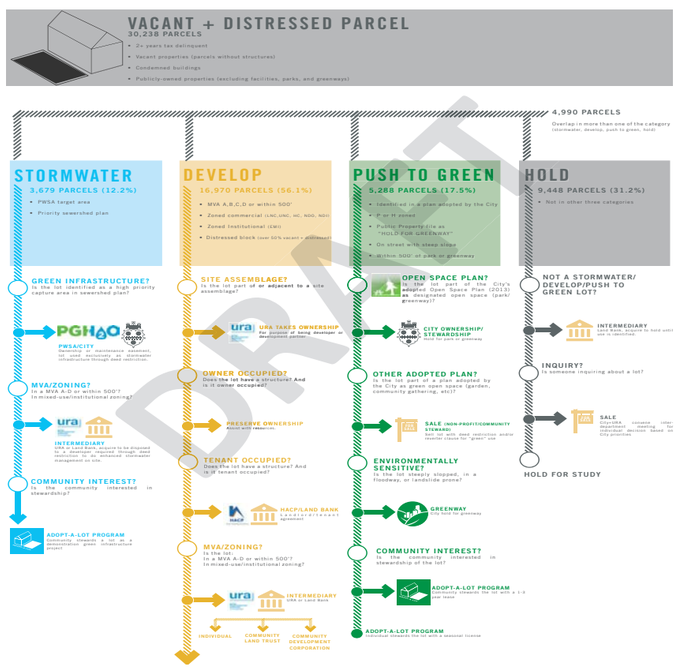
The goal of the Inventory Analysis is not to eliminate this required categorization system for LRA properties, but to refine it and generate a more definite set of "preferred uses" for any given property, including housing or mixed-use redevelopment, industrial redevelopment, holding for site assembly, greening (e.g. community gardens, habitat-based planting, beautification), stormwater management, or Mow-to-Own disposition. Establishing this set of preferred uses, which can then be made public, will help clarify the LRA's selection criteria for property sales and facilitate market-based acquisition of properties slated for redevelopment.

Due to the scope and scale of this effort, and the limited amount of LRA, SLDC, and Planning Department staff time available for such an effort, the study team recommends that public funds or potential philanthropic funding should be made available to support a private consultant who will be responsible for the initial Inventory Analysis. The private consultant should be guided by the LRA, SLDC, and Planning Department with input from the Chief Resilience Officer.

Data and analysis provided by the Planning Department should be a cornerstone of the Inventory Analysis. The Planning Department has already begun identifying areas for potential LRA site assembly by examining the concentration of privately-owned vacant and LRA-owned vacant properties across St. Louis. Their access to additional data and GIS information will make them an invaluable partner to the LRA, SLDC, and consultant team engaged for this process. The Strategic Land Use Plan, which the Planning Department oversees, should also play a critical role in the Inventory Analysis.

PARTNERS:
Hired consulting firm; Planning Department

RESOURCES:
Staff time; Approximately $100,000-$150,000 depending on ratio of consultant time to staff time utilized, types and quality of data made available to consultant



City of Pittsburgh land recycling process based on a clear inventory of public land assets - in draft form.
Source: City of Pittsburgh Department of City Planning

SCOPE OF WORK: LRA INVENTORY ANALYSIS

TASK 1: PLAN REVIEW The consultant team will review essential plans, strategic documents, and major capital projects and public investments projected in St. Louis in areas with large concentrations of vacant land. These documents will include, but not be limited to, the following:

- St. Louis Residential Market Analysis (2014)
- Strategic Land Use Plan of the St. Louis Comprehensive Plan (2005 - as amended)
- Comprehensive Economic Development Strategy (CEDS) (in progress)
- Relevant CDC plans and initiatives (to be provided by Planning Department)
- National Geospatial Intelligence Agency plans and project boundaries
- City Shed boundaries
- North-South MetroLink planned route(s) and stops
- Great Rivers Greenway information

TASK 2: SITE VISIT 1 AND DATA REQUEST The consultant(s) will visit St. Louis to meet with SLDC and LRA staff, Planning Department staff, Mayor's Office staff, the Chief Resilience Officer, and other key agencies and stakeholders, potentially including CDCs and community organizations. While in St. Louis, the consultants will work with SLDC, LRA, and Planning Department staff to prepare and submit a data request for information including:

- Full LRA inventory list with addresses, including information on structures vs. vacant lots
- GIS data: parcels, roads, parks, topography
- Tax delinquency data
- Other information about property ownership and occupancy, including any available information on privately-owned vacant property (e.g. Loveland data collection results)
- Information and addresses for existing greening leases and MSD stormwater management properties

TASK 3: DRAFT INVENTORY ANALYSIS The results of the Inventory Analysis should develop a priority list of uses for each property in the inventory, including:

- Considering adjacencies and external pressures/ opportunities that define priority areas for stabilization, demolition, redevelopment, and greening.
- Identifying citywide what parcels should be removed from LRA inventory and/or categorized in a separate part of the inventory dedicated to greenways, parks, open space and green infrastructure.
- Identifying undevelopable lots and creating a strategy for removing them from the LRA inventory through greening uses or addition to public rights-of-way.
- Identifying undevelopable lots that can be sold or gifted to adjoining parcel owners (to expand yards, etc).
- Identifying structures that have redevelopment potential, versus structures where the cost of redevelopment is likely prohibitive given property condition and surrounding market conditions.
- Designating certain parcels/areas to hold for site assembly and future RFP disposition.
- This step should include identification of preferred outcomes of site assembly for property recommended to be held, e.g. "Hold for potential assembly and mixed-use development adjacent to future transit stop"
- Designating certain parcels/areas to dispose of individually for smaller-scale redevelopment, or in "6-pack" bundles of six properties made available for simultaneous redevelopment

TASK 4: SITE VISIT 2 AND PRESENTATION The consultant(s) will visit St. Louis to meet with key stakeholders and display the results of the draft inventory analysis in two formats: a streamlined and accessible presentation including clear graphics, and a draft report document. The team will accept comments and revise the report accordingly.

TASK 5: FINAL REPORT The consultant(s) will submit a final Inventory Analysis report, presentation, and data file. The presentation will incorporate all relevant comments from Task 4. The report will:

- Incorporate all comments and revisions from Task 4
- Include an Executive Summary that summarizes key points and is easily shared
- Include a methodology appendix that summarizes all methods of analysis to make future yearly updates feasible
- Include a complete GIS geodatabase and additional data files in Excel/Word that will enable future updates of the relevant strategies and maps.

Recommendation 2.3: Redefine the structure of the Vacancy Task Force to include separate venues for coordination between public sector departments and agencies, and coordination with external community stakeholders.

Currently, there are two groups in St. Louis focused on vacancy: a Mayor's Vacancy Task Force and a SLACO Vacancy Committee. The Vacancy Task Force includes City officials as well as some members of local organizations; the SLACO Committee has external community organizations and institutions only. Meanwhile, the City does not have an internal committee of agencies and stakeholders focused on vacancy, other than the Mayor's task force which also includes external participants. The Vacancy Task Force was originally recommended by the Center for Community Progress, and with some restructuring, can be an excellent forum for sharing LRA plans for innovation and improvement and valuing the input of key stakeholders.

Our recommendation, based on interviews with participants in the current Vacancy Task Force, includes two key components. First, we believe that the Mayor's Office should designate a group of public agencies involved in defining a comprehensive vacancy reduction strategy, and that this group should establish a standing monthly meeting of public-sector employees for coordination and to move forward key vacancy-related items. This group would include the SLDC and LRA; Mayor's Office; Problem Properties / Special Tax division; Planning Department; Building Division; Forestry; Cultural Resources Office; and Collector of Revenue, as well as any other relevant agencies (e.g. IT Department) needed for specific initiatives. Each meeting should be run by the Mayor's Office and should have an agenda with defined goals related to immediate initiatives and ongoing coordination efforts around property acquisition, maintenance, and disposition.

Second, the Mayor's Task Force should be restructured as an "advisory committee" on vacancy that includes key private and non-profit leaders; public officials would attend these meetings to discuss upcoming initiatives, operating plans, and annual reports and receive feedback. The Advisory Committee should include leaders from key sectors that complement the LRA's efforts including philanthropic, realty, corporate, non-profit, and community development leaders. This could be modeled on the City of Austin's pedestrian or bicyclist advisory committee, in which the newly-hired Director of Strategy would play a key role in setting the agenda of the meetings and in facilitation. The advisory committee would take a proactive role in commenting on things like the LRA Annual Operating Plan, tools for reducing privately owned vacancy, etc. This could be modeled on Austin's advisory committees and would likely involve integrating members of the SLACO and Mayor's Task Forces. It is important to note that this advisory committee would, as assumed by the name, play an advisory role, but would not have statutory oversight of any agency.

Regardless of the organization of the committee meetings, initial tasks of the committee or task force should include a role in providing public comment on the LRA Policies and Procedures Manual (Recommendation 2.1), the Annual Operating Plan (Recommendation 4.5) and play an active role in reviewing and recommending outreach materials and approaches (Recommendation 4.4). Taken together, these actions will provide the task force or advisory committee with an in depth knowledge of both the role and resources of the LRA, and the challenges they face. Having this role should create a bond between the committee and the LRA and will increase the ability of the committee to act as a champion of the LRA in public settings.

PARTNERS:
Vacancy Task Force public-sector members; Vacancy Task Force private & non-profit sector members

RESOURCES:
Mayor's Office convening resources and staff time; LRA and other public agencies' staff time; time devoted by private, non-profit, philanthropic, and academic stakeholders

Recommendation 2.4: Adopt an LRA Operating Plan and release an LRA Annual Report each year.

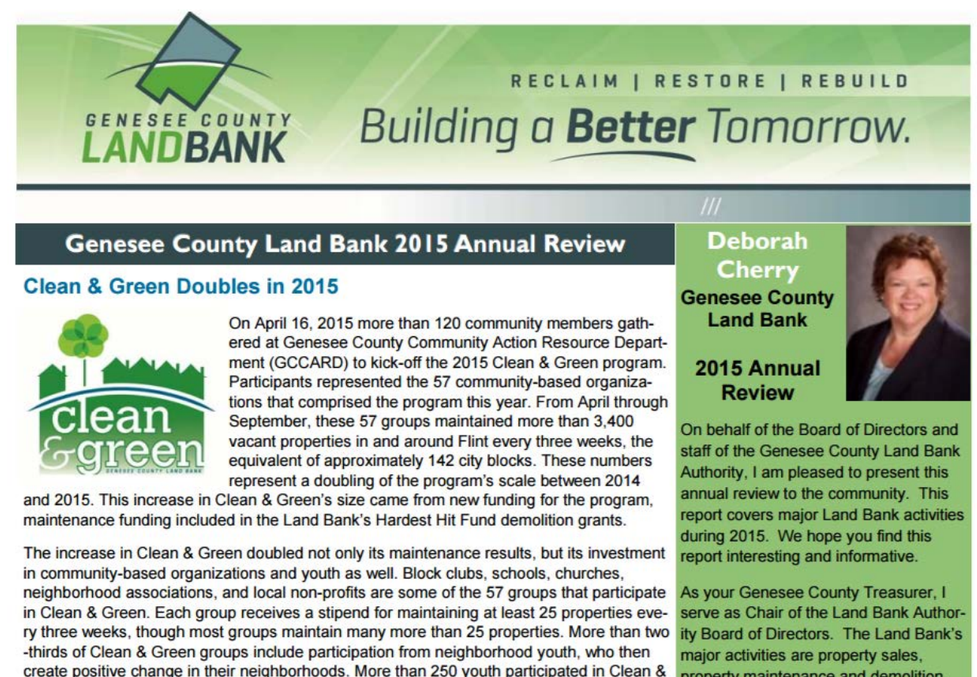
The LRA should adopt an Annual Operating Plan each year that enumerates the agency's goals and performance measures, memorializes the programs that are going to be in place to address these goals and priorities, and describes the budget available for each program. The Annual Operating Plan will show the public how LRA decisions are being made in accordance with adopted policies and procedures and will provide a level of transparency that will facilitate investor confidence and resident approval of LRA actions. In the long term, the Annual Operating Plan should assist the LRA to attract resources for its programs by demonstrating and publicizing the results of the LRA's work.

Goals and performance measures within the Annual Operating Plan should include an update to the Inventory Analysis with a maintenance plan that reflects prioritization of areas primed for redevelopment versus areas that need longer-term maintenance plans and more greening intervention. The Operating Plan should be posted publicly on the LRA's website and announced in a media release each year.

To demonstrate the results of the Annual Operating Plan, the LRA should release an Annual Report at the end of each year that describes the actions taken through each program throughout the course of the year and the progress on the annual goals and priorities. Numerical performance measures and metrics, as well as specific stories about LRA successes, should be included. This Annual Report will continue to foster transparency and trust in LRA operations and assist the LRA to attract resources by publicly demonstrating results.

PARTNERS:
N/A

RESOURCES:
LRA staff time; ultimately led by LRA Marketing Director (new staff)


GENESEE COUNTY LANDBANK

RECLAIM | RESTORE | REBUILD

Building a Better Tomorrow.

Genesee County Land Bank 2015 Annual Review

Clean & Green Doubles in 2015

On April 16, 2015 more than 120 community members gathered at Genesee County Community Action Resource Department (GCCARD) to kick-off the 2015 Clean & Green program. Participants represented the 57 community-based organizations that comprised the program this year. From April through September, these 57 groups maintained more than 3,400 vacant properties in and around Flint every three weeks, the equivalent of approximately 142 city blocks. These numbers represent a doubling of the program's scale between 2014 and 2015. This increase in Clean & Green's size came from new funding for the program, maintenance funding included in the Land Bank's Hardest Hit Fund demolition grants.

The increase in Clean & Green doubled not only its maintenance results, but its investment in community-based organizations and youth as well. Block clubs, schools, churches, neighborhood associations, and local non-profits are some of the 57 groups that participate in Clean & Green. Each group receives a stipend for maintaining at least 25 properties every three weeks, though most groups maintain many more than 25 properties. More than two-thirds of Clean & Green groups include participation from neighborhood youth, who then create positive change in their neighborhoods. More than 250 youth participated in Clean & Green in 2015.

Deborah Cherry
Genesee County Land Bank

2015 Annual Review

On behalf of the Board of Directors and staff of the Genesee County Land Bank Authority, I am pleased to present this annual review to the community. This report covers major Land Bank activities during 2015. We hope you find this report interesting and informative.

As your Genesee County Treasurer, I serve as Chair of the Land Bank Authority Board of Directors. The Land Bank's major activities are property sales, property maintenance and demolition.

Cover page of Genesee County Land Bank 2015 Annual Report. Source: Genesee County Land Bank.

goal 3:
Manage vacant properties comprehensively.

The recommendations in this section focus on creating opportunities for the LRA and its partners to manage vacant properties comprehensively, across the "property lifecycle." This means taking steps to create processes and procedures that address properties when they first become vacant and tax-delinquent; acquisition by the LRA; ongoing decisions about maintenance, stabilization, and demolition while the properties are in the LRA inventory; and disposition or alternative land use procedures that bring properties back into productive, beneficial uses for the neighborhoods and residents of St. Louis.

Recommendation 3.1: Work with the Land Bank of Kansas City, Missouri to advocate with the Missouri State Legislature to implement Center for Community Progress recommendations related to insurable title and waiting periods for tax-delinquent property.

The Land Bank of Kansas City, Missouri (KCMO Land Bank) has worked with a local law school program to create a draft piece of legislation dedicated to addressing several of the issues with notice requirements and waiting periods that the Center for Community Progress (CCP) enumerates in their report. These issues originate even before the LRA acquires their properties, based on two key factors. First, the lengthy notice process and waiting period regulations that the Sheriff's Office must follow allows properties to sit vacant for years before the LRA can act, leading to ongoing quality of life issues and deterioration in building condition over time. Second, there are questions as to whether the current noticing process, as administered by the Sheriff's office, conforms to the State requirements and "Mennonite notice" requirements originating from the Supreme Court's 1983 decision in *Mennonite Board of Missions v. Adams*, which held that notice to a property owner was a necessary precondition for a tax sale to occur. Defining the State stature more closely to ensure that "adequacy of notice" is well-defined will help purchasers of LRA property obtain title insurance (which is a prerequisite for mortgages or other financing to occur).

CCP's recommendations for statutory change at the state level are as follows:

- "Amend MO. Rev. Stat. §§92.755 to 92.760.1 to maximize notice to meet constitutional standards in a form that yields insurable title. Amend MO. Rev. Stat. §92.755.1; 92.805 to include specific finding on the adequacy of notice in judicial order and judgment.
- Amend MO. Rev. Stat. §92.810.3 to eliminate the second notice requirement, or limit the second notice requirement to be simply public notice of the sale.
- Amend MO. Rev. Stat. §92.810.1 and 2 to eliminate the six-month waiting period after judgment and before notice of sale.
- Amend MO. Rev. Stat. §92.840.1 to eliminate the separate notice of confirmation and to provide that confirmation is within thirty days of the sale of the sale.
- Amend MO. Rev. Stat. §92.840 to eliminate judicial upset of sale price.
- Amend MO. Rev. Stat. §92.855 to eliminate two-year statute of repose entirely, or have period commence at date of delinquency, or amend it such that it is not applicable to properties that are not occupied not lawfully subject to occupancy as of date of filing of petition." [6]

The LRA and City of St. Louis should work to examine and modify or approve the proposed draft legislation generated by the KCMO Land bank, and should determine which of the above issues and tactics are addressed by the legislation. They should then create a plan for legislative action, including a designated St. Louis representative or representatives to take action in partnership with KCMO representatives to push for the adoption of the legislation during the 2017 Missouri state legislative session.

LIFECYCLE STAGE: Acquisition

PARTNERS: The Land Bank of Kansas City, Missouri; Mayor's Office; Board of Aldermen; Sheriff's Office; Collector of Revenue

RESOURCES: LRA and other public agencies' staff time

LRA Featured Property: 4561 St Louis Avenue
Credit: St. Louis Land Reutilization Authority

Recommendation 3.2: Work with the Collector of Revenue to understand the full tax-delinquent property inventory and develop strategic enforcement mechanisms to shape the properties acquired by the LRA each year.

The Collector of Revenue is responsible for administering the tax sale process and bringing properties to tax sale each year. According to interviews that the project team conducted with City staff, properties do not always come up for tax sale immediately following the required noticing procedures and required waiting periods; some properties do not come up for sale for a number of additional years. This implies that there is a selection process by which certain properties are selected to come up for tax sale each year, rather than bringing every eligible property into the tax sale.

LRA staff have expressed an interest in having a better understanding of what properties are likely to enter their inventory each year after tax sales are conducted. The study team recommends that the LRA and Collector of Revenue actively work together to target delinquent property tax enforcement strategically in particular areas of the city where the LRA is working to assemble land and work with other agencies like the LCRA and Building Division to stimulate redevelopment. While the LRA is unlikely to receive every property auctioned through a tax sale (as some will sell to private buyers), this collaboration will introduce additional predictability into the process and will help reduce the timeframe for delinquent tax enforcement in areas that are receiving substantial investments of public resources.

LIFECYCLE STAGE: Acquisition

PARTNERS: Collector of Revenue

RESOURCES: LRA and Collector of Revenue staff time; LRA Director of Strategy (new staff)

Recommendation 3.3: Define a comprehensive maintenance program that includes target standards for maintenance and stabilization for all properties in the LRA inventory.

The LRA should develop and implement a comprehensive maintenance program, based on the completed Inventory Analysis, that should be designed with three primary purposes in mind.

1. In strategic redevelopment target areas, focus on stabilizing properties, implementing "enhanced" demolition that promotes redevelopment, and preparing properties for reactivation in the near term;
2. In areas that have less real estate activity and fewer investments in local public assets, provide a set of sustainable long-term maintenance strategies;
3. Recognize community concerns about maintenance and promote effective communication between the agency and community stakeholders about resources required to implement more frequent or intensive maintenance strategies.

LIFECYCLE STAGE: Maintenance & Management

PARTNERS: Building Division; Forestry; SLDC

RESOURCES: LRA and other public agencies' staff time; Inventory Analysis; potential increased funding for maintenance and stabilization programs

The maintenance program should include both a current annual target and a long-term goal for each component of the program that enumerates the resources currently available for maintenance, and the resources that would be needed to reach the long-term goal. The below table provides an example of a potential way to present this information.

Maintenance Program Element	Current Annual Target	Long-Term Goal
Mow all vacant lots on a regular basis to preserve community quality of life and safety.	Mow all vacant lots seven times per year. *Resources Required:* Existing resources of $225,000 per year, plus additional financial resources contributed by the Forestry Department.	Mow all vacant lots twelve times per year to reduce overgrowth. *Resources Required:* An increase in budget of $200,000 per year for the LRA, plus additional resources of $400,000 per year and potential maintenance partnerships for the Forestry Department.

EXAMPLE

Establishing and memorializing a maintenance plan and budget in this manner would allow the LRA to recognize community input on the need for increased property maintenance, while being clear about the resources currently available and how they are used.. Since maintenance resources are limited, the maintenance plan and budget would also provide tools for prioritizing LRA investments and leveraging additional resources.

Based on the size of the LRA inventory and its limited resources, it is clear that keeping properties in compliance will continue to be a challenge for the agency going forward. However, the LRA does have opportunities to become more strategic in how it maintains its inventory. Two case studies have been provided on the following page for the purpose of illustrating how some other land banks have approached maintenance.

CASE STUDY 1: GENESEE COUNTY LAND BANK (FLINT, MI)

The Genesee County Land Bank (GCLB) owns approximately 13,120 vacant properties. The agency estimates that it would cost $7 million/year to mow and remove debris from every lot in its inventory plus an additional $845,000 to board all unsecure structures. The actual GCLB maintenance budget in 2016 was $1.7 million, which amounts to fewer than one-quarter of the actual cost to maintain the entire inventory. Consequently, the GCLB must be very strategic with its annual maintenance budget.[7]

The GCLB publishes a property maintenance plan each year. Highlights of the plan include a summary of the scope of maintenance duties performed by the agency and a set of annual projected service targets for the upcoming year. The GCLB also includes a map and schedule for the upcoming year, in addition to a summary of its ongoing maintenance programs and opportunities for the community to become more engaged in maintenance activities. The agency is forthcoming about its limited resources and only commits to performing maintenance activities on each lot in the inventory once per year.

The GCLB 2016 Vacant Property Maintenance Plan also describes the agency's rationale for engaging in various types of maintenance interventions in different areas. For example: the GCLB completely mows vacant properties that are adjacent to occupied properties, but will only mow a perimeter strip on agency-owned properties that abut other vacant properties. It is clear that the GCLB has found interesting ways to maximize its limited funding while protecting property values and preserving quality of life to the extent possible.

CASE STUDY 2: DETROIT LAND BANK AUTHORITY (DETROIT, MI)

The Detroit Land Bank Authority (DLBA) held title to over 75,000 vacant properties as of January 2016. Despite the overwhelming burden of managing so many vacant properties, the agency has successfully leveraged maintenance resources through the City of Detroit's General Services Department (GSD). The GSD mowed vacant DLBA properties in designated target areas three (3) times and mowed all other vacant DLBA properties two (2) times during the 2015 growing season. Additionally, the GSD assisted the DLBA with tree removal services throughout the year. The DLBA administers its own boarding program for vacant structures, visiting an average of 300 structures on a bi-weekly basis. Such visits are typically limited to structures that are being prepared for disposition.[8]

The DLBA presents the City Council with quarterly reports summarizing the agency's activities and financial status. While the DLBA also compiles separate reports for several of its disposition programs, it is unclear whether the agency produces any reports specifically for property maintenance activities. However, it is clear from the quarterly reports that the DLBA's relationship with the GSD is a critical component of the agency's maintenance program.

Recommendation 3.3: continued

As the LRA considers developing and adopting a set of internal policies and procedures and an annual operating/reporting mechanism, the consultant team makes the following recommendations with respect to maintenance:

- Develop a clear set of maintenance goals and objectives. These should accurately reflect the agency's priorities and include a set of measurable performance metrics. Maintenance goals should include: (1) maintaining LRA properties in a manner that makes the agency's inventory attractive for disposition; (2) mitigating the negative impacts of vacancy by keeping LRA properties in compliance with the code of ordinances; and (3) effectively communicating and coordinating with community stakeholders regarding maintenance activities.
- LRA maintenance goals and objectives should form the basis of a comprehensive maintenance program that is incorporated into the agency's internal policies and procedures and annual operating plan. The maintenance program should account for the complete range of maintenance interventions and how those are to be applied inventory-wide. The annual operating plan should also include a maintenance budget, schedule, and map.
- The LRA should consider additional types of maintenance interventions as it develops its maintenance program, including alternative strategies such as: (1) strip-mowing; (2) groundcover shrub and/or seasonal wildflower planting; and (3) tree planting. The agency should also maximize efficiency by developing a maintenance schedule that focuses resources on neighborhoods where occupancy is high and/or where near-term redevelopment is most likely.
- The LRA should formalize its relationships with maintenance partners, including the Building Department and Forestry Department, in order to fully leverage available resources and ensure that administration of the maintenance program is reliable and sustainable. Such relationships may be established via intergovernmental memoranda of understanding and/or cooperative endeavor agreements. The agency should also consider engaging new maintenance partners, including nonprofit organizations, schools, and faith-based groups.
- The LRA should closely monitor maintenance activities and report performance on an ongoing basis. Monitoring and reporting have utility not only for budgeting purposes, but also for effectively communicating with community stakeholders. Promoting the LRA's level of investment in maintenance activities will establish maintenance as a core function of the agency and build public confidence.

Recommendation 3.3a: Develop partnerships to stabilize properties, focusing on those with historic tax credit eligibility.

The LRA should work to prioritize stabilization of historic properties with redevelopment potential One key step will be working with the Cultural Resources Office and other relevant stakeholders to identify buildings eligible for use of historic tax credits by contributing to historic districts, and prioritize their stabilization. The availability of historic tax credits should be included in marketing and MLS listings for these properties.

In addition, the LRA should develop partnerships with alderpersons who are willing to spend ward capital funds on building stabilization, as has been done on a limited basis in some wards; community development corporations that may have access to private funding; and preservation organizations that have funds specifically for preservation.

PARTNERS: Cultural Resources Office; alderpersons; CDCs

RESOURCES: Director of Strategy (new staff)

Recommendation 3.4: Promote and facilitate alternative land uses and greening.

Greening and alternative land uses are an important complement to the LRA's emphasis on redevelopment of vacant property. With over 12,000 properties in the LRA inventory, it is clear that many vacant lots are unlikely to see redevelopment in the next 5-10 years, and that allowing those properties to be utilized for other purposes that benefit local communities can ultimately help meet local goals for health, ecosystem restoration, stormwater management, and more. Greening and alternative uses may include community gardens; pocket and/or large parks for recreation; urban farming; beautification and flower gardens; wildflowers and other uses of ecological benefit; community gardens; tree farming and orchards. The recommendations in this section complement the Center for Community Progress' recommendation that St. Louis should increase its total acreage devoted to green space.

LIFECYCLE STAGE: Maintenance & Management

3.4a: Identify a subset of LRA lots that are eligible for long-term greening uses and institute a long-term greening program, including a set of requirements for organizations to show they are good candidates for these leases.

Through the Inventory Analysis process, the LRA should identify a subset of vacant lots (perhaps 5% of the overall inventory, spread across different neighborhoods) that can be made available to community groups who want to implement long-term greening of properties and desire a 5-10 year lease arrangement without a 30-day retraction clause. Organizations who desire a long-term lease should have a good track record with greening, a strong financial and organizational plan for maintaining the property over the lease period, and support from the local community. Criteria for selecting these vacant lots could include:

- Irregular or undevelopable lots
- Sites that already house successful long-term greening projects
- Adjacent land uses
- Low future development potential
- Connection of green spaces and creation of habitat opportunities
- Parcel size
- Soil test results (should be gathered when interest is expressed in a property)

Identifying properties for long-term greening will help stakeholders like community gardeners and urban farmers justify their up-front and long-term investment in planter boxes, soil quality improvement, and irrigation / water installation. It is difficult for greening groups to commit to these uses if they don't have some level of assurance that they will not be required to leave in 30 days if necessary.

One example the consultant team heard where long-term assurance is needed is investment in greenhouses or hoophouses to grow winter vegetables, which have strong market value at local restaurants. Another example is the Fresh Coast Capital long-term lease that was recently negotiated.

PARTNERS: Greening organizations

RESOURCES: LRA staff time for property identification and program administration (by a new Greening Coordinator)

3.4b: Formalize the community engagement process for greenspace leases.

Currently, there seems to be little formal community engagement requirement for leasing of LRA properties for greenspace uses, other than a non-formal but often-suggested request for groups to run potential projects by their local alderman for support. (Gateway Greening projects require engagement through Gateway's process, but this is not required by the LRA.) If aldermanic approval is actually a requirement for greening project approval, this should be formalized as part of the application process; if the alderman's approval is not required, then it should not constitute grounds for denial of a project. In addition, the LRA should consider requiring that groups proposing greening projects hold a community engagement meeting or at minimum contact adjoining property owners about the project.

Community support for greening projects is a key element to ensure that the LRA's efforts in this arena are appreciated and that neighborhood residents feel they will be heard by the LRA if a greening project ceases to be maintained or cared for under an existing lease. It also provides opportunities to explain to residents why these uses can help lead to redevelopment and improve health, and help overcome the perception that these projects constitute tradeoffs with redevelopment. Adjacent property owners should always be notified of potential greening uses next door.

PARTNERS:
N/A

RESOURCES:
N/A

3.4c: Work with greening organizations to examine opportunities to expand affordable insurance coverage to more greening uses.

Insurance coverage is a critical requirement for greening organizations to allow them to lease LRA properties. While Gateway Greening affiliate gardens are able to access affordable insurance, and other community gardens may be able to afford it through group contributions, passive greening projects (e.g. native plant or habitat-focused projects) have a more difficult time finding and affording insurance coverage for their projects.

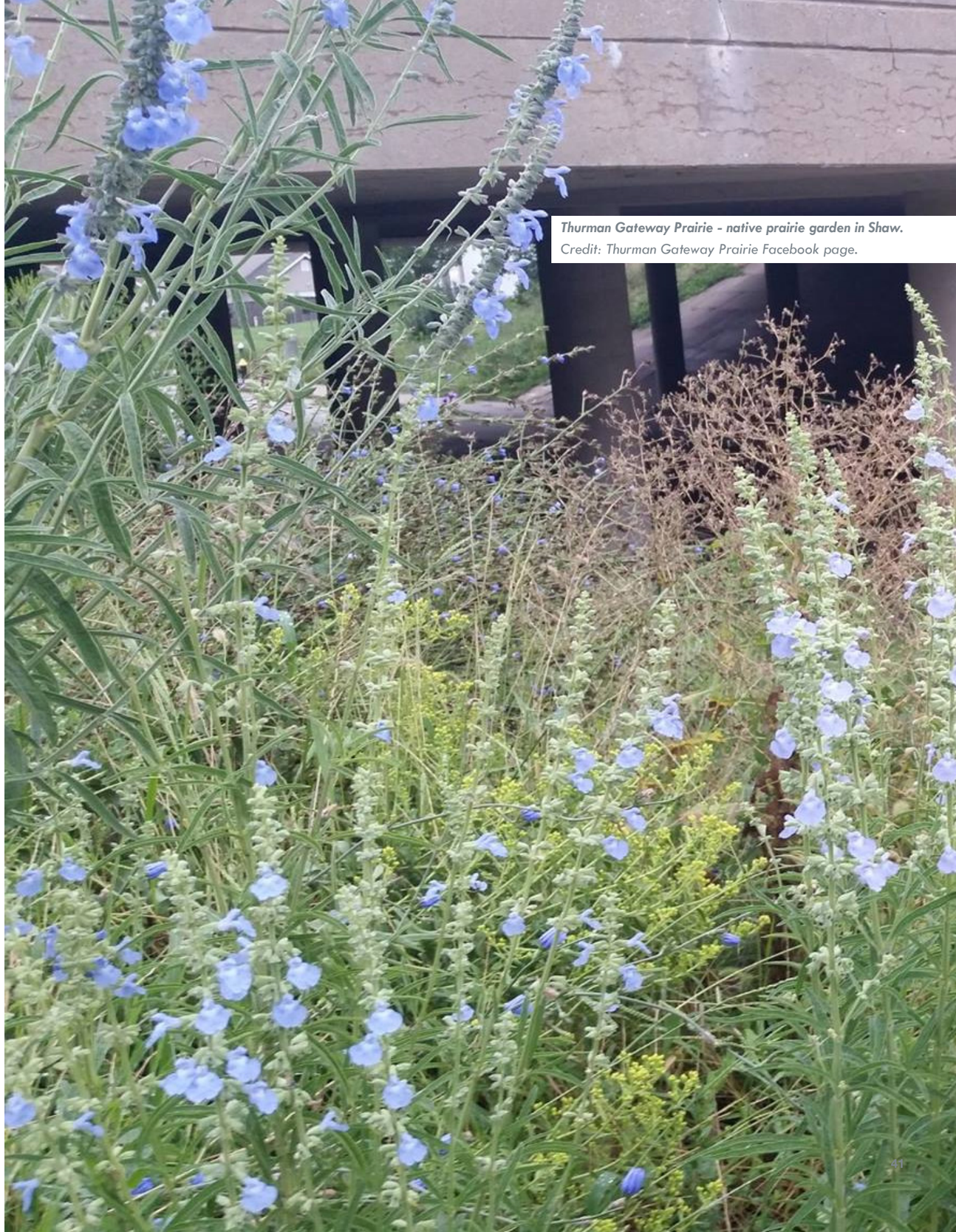
- The LRA should consider working to create an informal list of insurance agencies that have written policies for greening projects in the past.
- The LRA should examine and consider less-onerous insurance requirements that could be made available for passive greening projects that rarely have people present on the site after the planting stage, in order to encourage projects like native planting/habitat and beautification efforts.

Providing a list of insurance agencies will help facilitate more productive greening uses for LRA land, and reducing insurance requirements for passive greening will encourage valuable uses like habitat connections, native planting, and beautification which have benefits for the local ecosystem and for neighborhood quality of life.

The photo of Thurman Gateway Prairie at right shows one passive greening project composed of native prairie plants in the Shaw neighborhood; this type of project could spread to additional LRA properties and serve as both beautification and habitat restoration if insurance requirements on passive greening projects were decreased.

PARTNERS:
Greening organizations; insurance agencies

RESOURCES:
Greening Coordinator (new staff)



Thurman Gateway Prairie - native prairie garden in Shaw.
Credit: Thurman Gateway Prairie Facebook page.

3.4d: Work with the Planning and Urban Design Agency to update the zoning code to include vacant land uses and facilitate on-site sale of produce.

The LRA should work with the Planning and Urban Design Agency to Include alternative uses such as community gardens, urban farming and farmstands, and beautification or planting projects in the City's zoning code as permitted or conditional uses where appropriate. In addition, farmstands and sale-on-site of produce are currently not allowed within the zoning ordinance. The LRA should work with Planning staff to figure out what changes would be needed to allow farmstands and sale-on-site in commercial and residential areas (possibly as a conditional use in residential areas). Regulations can be tied to the regulations that Missouri uses for rural farm stands (which usually relate to sales of non-prepared food under a certain dollar amount in a year).

Developing zoning revisions that incorporate these uses will help make the process for alternative land use and long-term greening uses more transparent and facilitate engagement by community groups and residents.

In addition, permitting the on-site sale of fresh produce can help greening organizations raise funds and contribute to the financial sustainability of community gardens and urban farms. It can also act as an important fresh food access measure in neighborhoods that currently have inferior access to fresh food stores. This could be a quick win for the LRA and the City with very little cost other than staff time.

PARTNERS:
Greening and urban agriculture organizations

RESOURCES:
Greening Coordinator (new staff)

3.4e: Consider instituting creative food-access projects for communities located in food deserts using LRA property.

Creative food-access projects, such as planting fruit orchards on vacant lots, are an opportunity to gain productive use from LRA property with little additional maintenance required as long as fruit is picked rather than allowed to fall on the ground. Greening organizations indicated that community members already pick fruit in orchards they have planted; many do this before the fruit is ripe.

Working with greening organizations to manage potential public orchards on LRA properties and advertise to community organizations when the fruit is ripe and available for picking (or even organizing picking days) could assist in ensuring that residents are able to enjoy maximum benefit from these orchards. In addition, because fruit trees (unlike leafy greens or root crops) filter out most toxins before they reach the fruit, soil quality is likely less of a concern for these orchards, though soil should still be tested before planting.

Fruit orchards and other creative food-access partnerships are opportunities to provide fresh produce in underserved neighborhoods while improving the LRA's image as a neighborhood partner that cares about community health and well-being.

PARTNERS:
Greening and urban agriculture organizations

RESOURCES:
Greening Coordinator (new staff)

3.4f: Continue to provide LRA land at reduced or no cost for community-based and non-profit greening uses in target areas identified by the Inventory Analysis, while defining a separate "Commercial Greening" program for large for-profit uses.

The LRA has been providing reduced- or no-cost leases on LRA properties for community gardens and other community greening uses. This practice should continue for community-based and non-profit greening uses, and should be administered by a Greening Program Coordinator. Eligible greening uses, and a program outline that explains the greening program and eligibility for reduced-cost leases, should be enumerated clearly on the LRA's new website. Greening uses may include:

- Community gardens
- Urban agriculture
- Beautification (e.g. flower gardens)
- Actively managed habitat restoration projects
- Greenways
- Pocket parks and community recreational uses (may need special insurance requirements)
- Stormwater management (e.g. rain gardens)
- Orchards and/or tree-planting projects

COMMERCIAL GREENING

The LRA should work to define a separate "commercial greening" program for uses that aim to generate income; the Fresh Coast Capital tree-planting project is a good example of a for-profit venture that utilizes LRA vacant property; another example might be a large-scale urban farming project. These commercial ventures may need tailored lease structures and/or sale options in order to successfully meet their revenue goals and potentially access financing for their operations.

Generally, a small farmstand or other on-site sale of produce may not meet the size standard to fall into the "commercial greening" program; a yearly projected income threshold should be defined for projects to receive reduced-cost or no-cost leases.

PARTNERS:
Greening organizations

RESOURCES:
LRA staff time; Greening Coordinator (new staff)

Shiloh Farmstand in Pittsburgh, PA. *Credit: Grow Pittsburgh.*

Recommendation 3.5: Adopt a set of demolition standards for prioritization of demolition funds based on existing internal standards and best practices.

Adopting a formal policy to categorize agency-owned structures in order of priority for demolition will allow the LRA to establish a set of stabilization/demolition policies and procedures that: (1) guide how agency stabilization/demolition resources (both internal and leveraged) are allocated in its annual operating plan; and (2) establish stabilization/demolition activity performance metrics for monitoring and reporting throughout the year. Performance metrics and targets should be established for stabilization, demolition, demolition site-clearing and deconstruction (if applicable). Performance should be monitored and reported to community stakeholders on a regular basis in order to establish stabilization/demolition as a core function of the LRA.

Demolition priority should be based on a clear list of demolition criteria, including a formal ranking or point-based system for demolition prioritization. As noted in the Existing Conditions section of this report, an informal points-based system is already in use by the LRA's Demolition Coordinator, and the LRA also at some point has drafted a demolition policy that was not officially adopted. A demolition ranking system adapted from these efforts, and based on national best practices, should be adopted as an official LRA policy in order to ensure that the LRA staff can perform their duties effectively and demolish the highest-priority structures first. This system should refer to best practices like those adopted by the Land Bank of Kansas City, Missouri, including the adoption of a demolition "checklist" that includes points-based criteria that account for both public safety issues and redevelopment potential of structures.

- In terms of condition, strong consideration should be given to the immediate stabilization or demolition of structures posing an imminent threat to public health and safety. Such efforts should be closely coordinated with the Building Division and the Cultural Resources Department (when applicable).
- The location of each structure should be evaluated based on their proximity to occupied neighboring structures; proximity to other ongoing or planned community development activities; existing or planned public infrastructure; area market value analyses; proximity to historic/cultural districts; and proximity to hazards such as the floodplain. Much of this evaluation may be included within the Inventory Analysis scope defined in Recommendation 2.2.
- The redevelopment potential of each structure should ultimately be evaluated based on the above two criteria (condition and location) in addition to whether: (1) the structure could be utilized in some external community development activity; (2) there is an appropriate LRA disposition program that is suitable for the redevelopment of the property; and (3) whether historic tax credits and funding for stabilization may facilitate redevelopment of historic structures.
- Each structure in the LRA inventory that is not going to be demolished should be assigned a stabilization and maintenance priority, and should be featured on the LRA's new website and interactive map (see Recommendation 4.1) with as much information as possible for potential purchasers about property condition, local incentives and tax credits (including historic tax credits and the 10% federal credit available for non-historic, pre-1936 properties) available, and local neighborhood assets.
- As mentioned in Recommendation 3.3a, the LRA should partner with alderpersons, CDCs, and nonprofits that can provide additional sources of funds for stabilization and repair for historic structures to improve marketability.

LIFECYCLE STAGE:
Maintenance & Management

PARTNERS:
Building Division

RESOURCES:
Demolition Coordinator; LRA staff time

CASE STUDY 1: THE LAND BANK OF KANSAS CITY, MISSOURI

The KCMO Land Bank has established a set of internal policies and procedures related to demolition, including a 50-point checklist for each structure that categorizes structures into one of three categories. Structures receiving 35 points and above are slated for top-priority demolition; structures receiving 15-35 points may be demolished based on the availability of resources and may also be sold for less than 2/3 market value, based on the value of repairs required; and structures receiving less than 15 points will be maintained and must be sold for 2/3 market value or more. The checklist includes the following criteria:

- Has been declared a dangerous building (5 points)
- Significant damage due to fire, water, or deterioration (up to 10 points)
- Block condition
  - Good – demolition will remove primary blighting factor (5 points)
  - Fair – some blight would remain after demolition (3 points)
  - Distressed – significant blight will remain after demolition (1 point)
- Located in a historic district (-10 points)
- Is a contributing structure in a historic district (-10 points)
- Registered neighborhood association preference:
  - Demolition (5 points)
  - Repair (-5 points)
- A neighbor will purchase vacant lot after demolition (5 points)
- The structure impedes the sale of other properties (5 points)
- Vacant lot can be combined with adjoining Land Bank property (5 points)
- Repair cost to value ratio (based on Repair Estimate form adopted by KCMO)
  - Under 100% (-10 points)
  - 100% to 150% (5 points)
  - Over 150% (10 points)

CASE STUDY 2: GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION (SYRACUSE, NY)

The Greater Syracuse Property Development Corporation (GSPDC) has incorporated a number of stabilization/demolition considerations into its internal policies and procedures. Perhaps most importantly, the GSPDC sets some general standards for when stabilization/demolition activities should be exercised as tools to encourage and direct redevelopment. The agency also accounts for taking the condition and location of structures into consideration when making stabilization/demolition decisions. Finally, the GSPDC recognizes that its stabilization/demolition activities should be exercised within the broader context of other community development activities in the city, including those being executed by its partners in municipal government.

- Conditions-Based Asset Management: The GSPDC bases its decisions about utilization of stabilization and demolition funding on property condition and likelihood of future redevelopment of a particular vacant structure.
- Coordination Policy with Other Public Agencies: The GSPDC has a policy of intentional coordination with the Planning & Sustainability Department and the Department of Neighborhood and Business Development to ensure that Land Bank efforts are consistent with City efforts on code enforcement, demolition, and capital improvement investments.

Recommendation 3.6: Pilot an "enhanced" demolition program that facilitates redevelopment, in partnership with the Building Division.

Currently, the Building Division administers the contracting process for all demolitions of LRA property. Contractors are allowed to leave certain construction debris on-site and to use the basements of demolished structures to store debris. Contractors are also not required to regrade demolition sites. It is estimated that this adds an average of $3,000-$4,000 in site preparation costs for a developer to completely clear and regrade a site after purchase, which constitutes an additional cost that may make LRA properties less competitive with greenfield properties in St. Louis County.

Using "enhanced" demolition, including clearing, filling of basements, and regrading of sites, on a targeted and limited basis, can be used as an incentive for redevelopment in areas that need a small push to get market activity going again. The Ranken demolition project, which used a similar process to demolish 26 homes and ultimately resulted in construction of a senior center, provides proof of concept for this idea in St. Louis. This "enhanced" demolition process should be considered for sites that the LRA would like to dispose of via an RFP (see Recommendation 3.7) and should also be considered for areas where other major public investments are underway, such as the proposed North-South MetroLink rail line.

The LRA will need to absorb additional labor and materials costs for each property that undergoes enhanced demolition (generally, crews have to return at least once after initial grading to re-grade each site due to subsidence over the former property's foundation). Given the fact that public-sector demolition resources are limited, and clearing and regrading every LRA site after demolition would reduce the number of total demolitions that the Building Division can perform each year, the consultant team recommends creating a pilot enhanced demolition program that can be expanded if it generates returns in terms of increased sales revenue for the LRA.

LIFECYCLE STAGE: Maintenance & Management

PARTNERS: Building Division

RESOURCES: Demolition Coordinator; LRA staff time

Vacant home in St. Louis.
Credit: Google.

Recommendation 3.7: Define strategic redevelopment areas for site assembly and disposition through individualized RFP processes, with RFP criteria that emphasize neighborhood planning and development goals.

The Center for Community Progress report calls for the LRA to step up its efforts to transfer existing LRA inventory to new ownership over the next four years. One mechanism that the LRA has utilized successfully is crafting RFPs to sell larger pieces of property. The advantage of an RFP process over indiscriminate sales is that the RFP allows the LRA to define criteria for successful development, such as mixed-income housing provision, job generation, stormwater management, and others; and then to create a specific package of incentives to help developers reach these goals. Administering RFPs at any scale, however, will require additional staffing capacity for the LRA as they are more time- and cost-intensive than the LRA's traditional disposition model.

A critical step in the creation of successful RFPs will be community engagement in the definition of RFP criteria. The community engagement process should include community meetings and the use of neighborhood plans (where available) to prioritize desired outcomes — whether those are increased job opportunities, commercial development, increased access to open space, new retail and services, community health assets, or other priorities that local residents will help define.

RFPs should be made highly visible by sharing with partners and community stakeholders, posting on the LRA website and the front page of the City website, sent to local development organizations like the Urban Land Institute, and forwarded to the LRA's email list.

LIFECYCLE STAGE: Disposition

3.7a: Use the Inventory Analysis and data from Planning to target RFP incentives in accordance with community development goals.

The size of the LRA inventory and the vacancy issues on the North Side have historically made it difficult to generate market interest because few or no areas have reached a tipping point for market-motivated redevelopment (with the semi-exception of the NGA project). The City must use planning to determine an evolving set of priority areas for coordination of resources and facilitation of reinvestment. Resources that should be applied in priority areas include:

- Tax abatements (must be coordinated with Aldermen's offices)
- LIHTC resources (must advocate at state level to change the QAP priorities)
- Philanthropic resources leveraged by the InvestSTL framework
- Historic tax credits (if in a historic district).

Currently, the uncertainty of the City's priorities and process reduces the potential for private investment; if every lot can potentially redevelop into a house, but there is little market interest across the board, then there's no way to develop a coordinated strategy of prioritizing limited incentives. City plans and strategic efforts led by the Planning and Urban Design Agency can help the LRA and its partners prioritize resources and investment in a fair, equitable, and transparent manner.

PARTNERS: Planning and Urban Design Agency; Board of Aldermen

RESOURCES: Inventory Analysis; LRA and partner staff time; Director of Strategy (new staff); public incentive programs

3.7b: Coordinate RFPs and site assembly strategies with major areas of public and private investment, including the NGA facility, the Choice Neighborhoods zone, and areas surrounding the proposed North-South MetroLink stops.

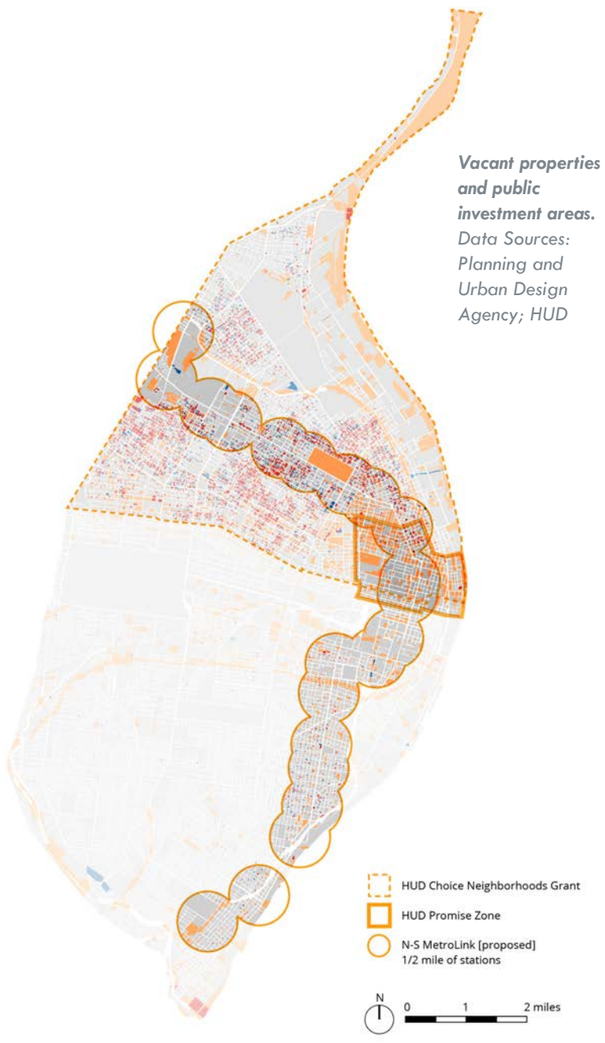
RFPs and site assembly strategies should be designed to enhance redevelopment momentum by complementing other public and private investments that are underway or planned. The North-South MetroLink is a good example of an planned project that could fuel a concentrated site assembly strategy by the LRA; the map at right displays areas for potential assembly near MetroLink stations and within the Choice Neighborhoods and Promise Zone boundaries.

An example of an RFP strategy that the LRA might choose to pursue near the North-South MetroLink is to offer tax abatements for mixed-use, mixed-income redevelopment of larger sites in areas within a quarter-mile of proposed stops, while offering separate "packages" of 4-6 structures in the surrounding area for rehabilitation and redevelopment. The combination of large-scale and smaller-scale redevelopment in these areas can help fuel balanced redevelopment that maintains neighborhood character while offering new housing and job opportunities for local residents.

LIFECYCLE STAGE:
Disposition

PARTNERS:
Planning and Urban Design Agency; Board of Aldermen; Collector of Revenue

RESOURCES:
Inventory Analysis; LRA and partner staff time; Director of Strategy (new staff); public incentive programs



Vacant properties and public investment areas. *Data Sources: Planning and Urban Design Agency; HUD*

3.7c: Coordinate with existing historic districts, and consider advocating for additional historic district designations to make tax credits available where appropriate.

Historic tax credits for rehabilitation of historic structures are an important part of the development capital stack that can help revitalize the LRA's inventory of vacant structures. Both federal and state historic tax credits are available, for a total of 45% tax credit on substantial rehabilitation projects for buildings that qualify for both sets of credits. However, buildings must be individually listed in the National Register of Historic Places, or be a contributing element of a National Register district or local historic district, in order to qualify for these credits.[9] As the LRA works to create site assembly and redevelopment strategies, using the Inventory Analysis to identify historic structures that are not currently located in historic districts may show opportunities to define new historic districts that can facilitate redevelopment.

While local historic districts come with demolition and design review requirements that can discourage redevelopment, National Register districts make state and federal rehabilitation credits available without these requirements. Therefore, defining new National Register districts may create opportunities for historic rehabilitation of vacant structures in targeted areas that will coordinate with redevelopment priority areas.

LIFECYCLE STAGE:
Disposition

PARTNERS:
State Historic Preservation Office

RESOURCES:
Inventory Analysis; LRA and partner staff time; Director of Strategy (new staff)

Recommendation 3.8: Continue and expand the practice of listing high-value properties on the MLS.

The LRA's Director of Real Estate and staff already work to identify high-value properties that should be listed on the Multiple Listing Service (MLS), which expands the market for these properties by ensuring they are displayed to realtors and potential buyers. This practice should be continued and potentially expanded in development opportunity areas to ensure that buyers are aware of high-quality inventory in neighborhoods experiencing redevelopment momentum. As a licensed realtor, the Director of Real Estate has the capacity to continue this practice.

The LRA should also consider providing seminars to realtors to help them understand how their clients can purchase LRA property and deal with any title issues in the process; and should continue to collaborate with high-capacity community organizations who have resources to market LRA properties to developers and other potential buyers.

LIFECYCLE STAGE:
Disposition

PARTNERS:
N/A

RESOURCES:
LRA staff time; Marketing Director (new staff)

Recommendation 3.9: Continue to promote and administer the Mow to Own program.

The Mow to Own program encourages St. Louis homeowners to take ownership of vacant, LRA-owned properties that are adjacent to their homes. For a fee of $125, homeowners receive a deed to the next-door property with a maintenance lien that requires them to maintain the property for two years. After the two-year timeframe elapses, the lien is removed and the neighbor owns the property outright.

This program, which began in 2016, provides an opportunity for dedicated neighbors to build their local ownership and become stewards of vacant property, which will help meet the Center for Community Progress-defined goal of moving more LRA properties into new ownership.

The LRA should continue to administer and market this program to local residents to ensure that residents are aware of the program and its low cost. Community engagement sessions, discussions at neighborhood meetings, and additional media coverage of the program's achievements at its one-year anniversary in 2017 may all help fuel continued interest in and awareness of the program.

LIFECYCLE STAGE:
Disposition

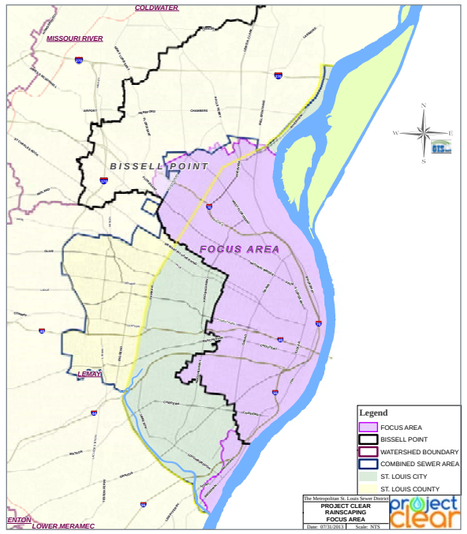
PARTNERS:
N/A

RESOURCES:
LRA staff time

Recommendation 3.10: Continue to partner with the Metropolitan Sewer District to identify lots appropriate for stormwater management purposes and transfer ownership to the MSD for ongoing projects.

The Metropolitan Sewer District has been developing stormwater management projects utilizing LRA property to create neighborhood-scale "rainscaping" for stormwater management and water quality purposes. These projects benefit the MSD's need to address stormwater and wastewater overflow issues, while also beautifying neighborhoods.

The LRA owns properties that have had issues with "basement backup" flooding in heavy rainstorms; these properties are less likely to be redeveloped in the long term and may be good candidates for additional MSD water management projects. Because the MSD is funded regionally, these projects also represent an opportunity to leverage regional resources for the benefit of St. Louis neighborhoods.



LIFECYCLE STAGE:
Disposition

PARTNERS:
Metropolitan Sewer District

RESOURCES:
LRA staff time; Inventory Analysis

Left: MSD rain-scaping focus area in purple.
Credit: MSD / Project Clear.

Old North St. Louis rain garden created by MSD.
Credit: Metropolitan Sewer District - Project Clear STL

goal 4:

Foster clear communication and transparency to build trust.

Clarifying and publicizing LRA decision-making systems, and creating clear understanding about the LRA's inventory, programs, requirements for purchasers, and public meetings will help build public trust and support. Recommendations in this section focus on best practices for Web presence that can assist in marketing LRA properties; signage to distinguish LRA's ongoing projects and existing inventory from privately owned vacant properties; and mechanisms such as automated emails and public Annual Operating Plans and Annual Reports to help the public better understand the LRA's work. Seminars and learning sessions for community members will assist residents of St. Louis to understand how the LRA evaluates applications for property purchases, and the resources needed to successfully rehabilitate LRA properties. These steps will help address a perceived lack of transparency reflected in media coverage and community feedback on the LRA, and will help the LRA publicize its achievements while also conveying a clear sense of the legal and operational constraints on the LRA's work.

Recommendation 4.1: Develop a new, stand-alone website for the LRA based on national best practices.

The LRA should seek funding to develop a website that helps members of the public and potential purchasers of LRA property easily navigate available properties and programs and understand the requirements for existing programs. The website should be modeled on best-practice examples including websites of land banks in Kansas City (MIssouri), Philadelphia, and Detroit.

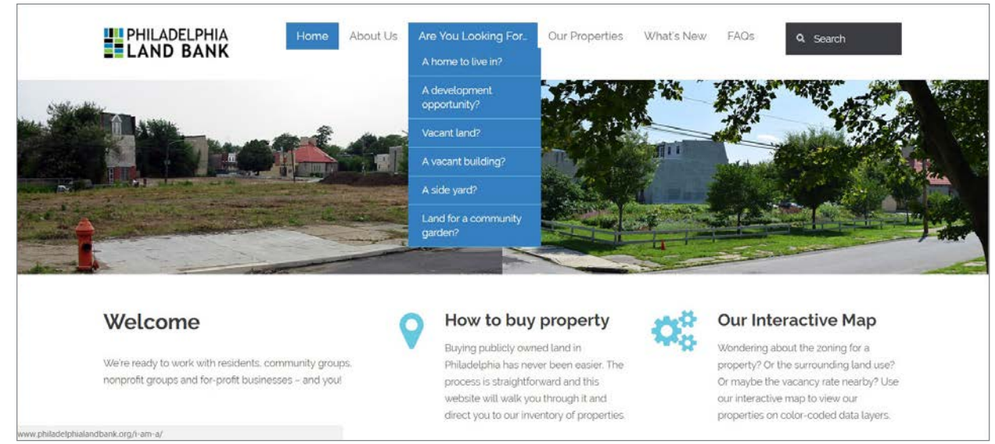
The existing LRA Web portal accessible on the City of St. Louis website is difficult to navigate; critical forms are located in different areas and menus, and there is no interactive map that shows which properties are available in a clear geographic format. There is an address lookup function, but this presumes that potential buyers know what properties may be available in their neighborhoods or that multiple properties are available on specific blocks. An interactive map would be a superior way of graphically representing the full inventory and noting which properties are available for certain uses in order to quickly funnel people to appropriate properties and programs. In addition, an independent LRA website would help the public quickly locate news and publicity related to LRA programs and successes.

Critical elements of the website will be:

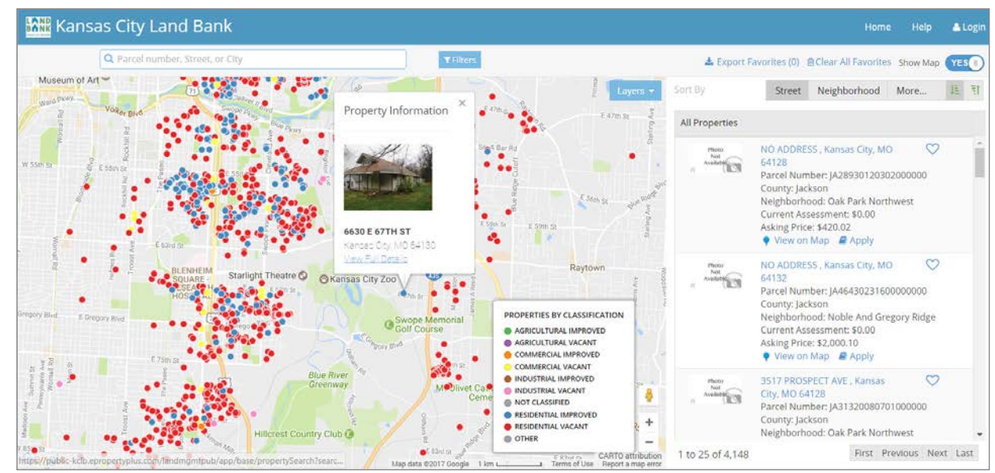
- Interactive map with "pop-up" property information that includes availability of property for particular uses (based on the Inventory Analysis), address, picture. Even properties that are not currently available for purchase should be shown on the LRA interactive map with their proposed uses (hold for assembly, stormwater mitigation, or other purposes. The map should also include key items like historic districts that make properties eligible for state and federal historic tax credits
- Photography for each structure and lot that is standardized in terms of angles of view and number of views (back, front, interior, exterior, etc)
- Description of LRA programs
- Simple, streamlined application process for purchase of LRA properties that includes all forms in order on one page of the site. The LRA should consider creating an online form that can be submitted by potential purchasers, rather than forms that need to be printed.
- Online FAQ for applicants for different types of uses (greening leases, purchase, etc)
- News / publicity related to LRA programs and properties; select five "success stories"

PARTNERS:
IT Department;
Consulting
Web design assistance

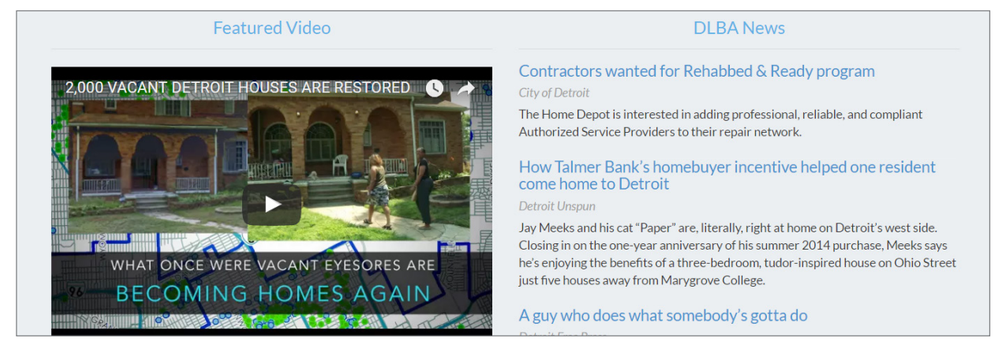
RESOURCES:
LRA staff time;
philanthropic or other funding for design consultant



Philadelphia Land Bank website front page - with clear menus for all types of purchasers. Credit: Philadelphia Land Bank.



Kansas City Land Bank interactive ePropertyPlus mapping - note the photos of structures and the "apply" link for each property at right. Credit: Land Bank of Kansas City, Missouri.



Detroit Land Bank Authority "featured video" and "DLBA News" sections at the bottom of each webpage. Credit: Detroit Land Bank Authority.

Recommendation 4.2: Institute an immediate signage policy for LRA properties that have been sold and are undergoing rehabilitation, and active community greening projects on LRA land. In the next five years, expand this policy to include signage on all LRA properties.

The LRA does not currently designate the properties it owns through dedicated signage, messages on the boards of boarded structure, or spray paint on the curbs of vacant lots. Therefore, there is no clear way for a resident of St. Louis to distinguish LRA properties from other vacant properties in the City. This means that the LRA often gets blame for the condition of properties they do not own, while they receive too little credit for the success of projects they have facilitated. A comprehensive signage policy will address this challenge and help residents understand how to connect with the LRA around properties in their neighborhoods.

Dedicated signage for all 12,000 LRA properties may not be achievable in the immediate term due to cost considerations and the need to test products to see if they are easily removed or stolen. Therefore, the consultant team suggests adopting an immediate policy that requires signage on successful LRA projects, including active greening projects; structures undergoing stabilization activities; and structures that have been sold for redevelopment. These signs should have strong graphic design standards and be easily recognizable through the use of an LRA-specific logo (either the one previously in use, or a newly-designed logo). The signs at right provide examples of potential signage that will help identify successful LRA projects for the public.

Over the next five years, the LRA should work toward a goal of designating all of its properties with signage that includes a Web link or phone number for neighbors to express interest in purchasing a property and/or file complaints about maintenance, dumping, or unlawful activity.

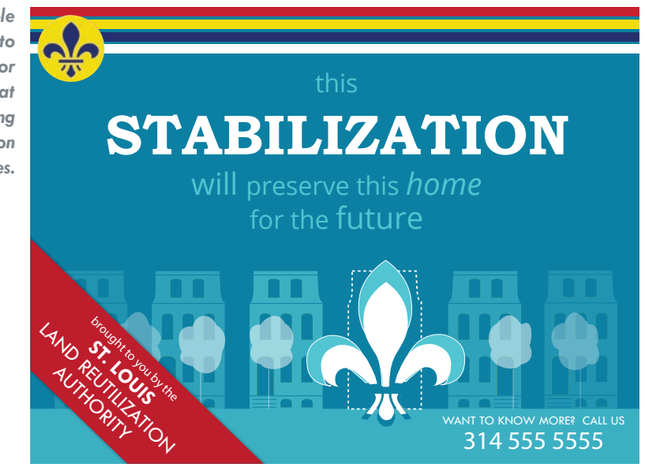
If permanent signage is infeasible for all properties due to cost, stencils on boarded buildings and spray painted addresses on the curbs of LRA vacant lots may suffice as initial identification measures. Identifying LRA properties will help neighbors understand that not all vacant properties are LRA-owned, and hopefully reveal the fact that LRA properties are held to a higher standard of maintenance than privately-owned vacant properties.

PARTNERS:
Purchasers of LRA property; contractors for stabilization activities; greening organizations

RESOURCES:
LRA staff time; funding for signs

Example signage to require for properties that have been sold for redevelopment.

Example signage to require for properties that are undergoing stabilization activities.



Example signage to require for community gardens and native plant / habitat projects.

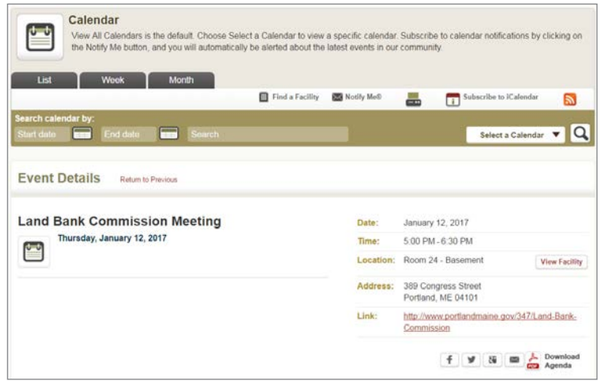
Recommendation 4.3: Allow the public to sign up for email notifications of LRA public meetings.

Currently, notices about LRA public meetings are posted on the LRA website and in the 1520 Market St. building. We recommend additionally allowing members of the public to sign up for email notifications of LRA meetings that would include the meeting agendas.

Signup could occur through the LRA website and emails could be automated. This action would be another clear step in the direction of greater transparency and inclusion that would require very few resources to implement.

PARTNERS:
N/A

RESOURCES:
LRA staff time; and/or automated online RSS feed on LRA website



Portland, Maine Land Bank RSS feed system that allows residents to sign up for automated board meeting notifications and download agendas.
Credit: Land Bank of Kansas City, Missouri.

Recommendation 4.4: Develop tailored materials to provide seminars or learning sessions about requirements for purchase and rehabilitation of LRA property to groups of varying levels of capacity.

Community members in St. Louis neighborhoods may be interested in or have the skills to rehabilitate LRA properties, but some are unaware of the opportunities or are intimidated by the requirements. Outreach sessions to explain the financial and construction experience requirements, and the reasons behind these requirements, may assist more local residents to participate in the process. These sessions could focus particularly on underserved areas and areas with lower market activity. The LRA should also consider taping these sessions and making them available on the LRA website.

Residents of neighborhoods who wish to help improve their neighborhood and have local connections and social capital can be a major asset in making small-scale neighborhood improvements over time. However, even basic requirements like having construction expertise or having a bank account can seem like a major challenge to residents who do not have experience in real estate development. While some of these residents may simply not be eligible or qualified to purchase and rehabilitate LRA properties, other might be able to enhance their capacity and partner with other residents to rehab properties given a basic opportunity to learn and ask questions from LRA staff.

PARTNERS:
Possible pro-bono assistance from local university; possible assistance from SLACO

RESOURCES:
LRA staff time; Community Engagement Coordinator (new staff)

Recommendation 4.5: Ensure the Annual Report, website, and news articles publicize LRA's strategic plans and successful programs in order to increase community understanding of LRA activities.

The consultant team heard that the LRA rarely receives credit for successes, whether in terms of sales of properties that lead to historic rehabilitation or new development, or in terms of leases that generate community gardens, urban farms, or other greening activities. Publicizing the LRA's successes will ensure that the agency's programs are valued for the results they generate. This should include regular website postings and pursuit of local publicity for things like the Annual Operating Plan, demolition of dangerous structures, and successful greening projects. It should also include working with national publications like NextCity or CityLab to bring attention to past successes and current policy efforts (e.g. the Inventory Analysis).

Having the resources and staff time to track and publicize these successes in the media and on the LRA website will show how the LRA contributes to community revitalization and build a base of support for long-term resource campaigns for the LRA.

PARTNERS:
N/A

RESOURCES:
LRA staff time; Marketing Director (new staff)

Putting Property Back on the Tax Rolls

Revenue from the sale of tax-foreclosed properties is the primary source of funding for the operation of the Genesee County Land Bank (GCLB) and the maintenance of vacant properties. Fiscal year 2014/2015 has turned out to be the second best year for sales at the GCLB with 943 properties sold generating a total of $4.2 million in gross revenue. Approximately half (425) of these sales were houses sold on land contracts, primarily to first time home owners. 269 of these properties were vacant lots sold to adjacent homeowners or businesses. The remainder were commercial and cash sales of structures.

The GCLB currently has 1,495 active land contracts with a balance of $7,826,230.00. In addition to generating funds for Land Bank operations and property maintenance, these properties generate tax revenue for local, regional and state government. During the 2014/2015 fiscal year, 186 land contracts were paid off and deeded to the purchasers.

- By Phil Stair

The Genesee County Land Bank's 2015 Annual Report includes clear demonstrations of program successes.
Source: Genesee County Land Bank 2015 Annual Report.

goal 5:
Grow the LRA's staffing and financial resources.

The LRA is deeply constrained by the staffing and financial resources available to perform its daily functions. The agency has just two executive staff (who also perform other duties for the SLDC and City agencies) and 8.5 professional staff. As seen in the Introduction to this report, Genesee County Land Bank, which manages a very similar number of properties, has 26 executive and professional staff — approximately three times the LRA's staff capacity. While the current LRA staff are deeply committed to their work, attempting to add additional duties without enhancing the agency's funding and staff capacity will be a very difficult proposition.

Resource constraints are not limited to the LRA; the City of St. Louis generally operates under significant constraints in funding and staff levels, making it difficult to repurpose existing funding sources to supplement LRA sales revenue. However, ensuring that the LRA has the resources to use best practices and promote redevelopment will ultimately help grow the City's tax base and revenue. This may entail looking for new funding options authorized by voters, as well as pursuit of state, federal, and philanthropic dollars to supplement new programs in the immediate term.

Recommendation 5.1: Raise resources to hire at least four new staff in the next one to three years, with a long-term goal of expanding the LRA staff (not including maintenance staff) to approximately 20 staff members in alignment with comparable national land banks.

The consultant team's interviews with public agency stakeholders revealed that the LRA's existing staff are operating at maximum capacity in dealing with the agency's day-to-day operations. Adopting new programs, additional duties, and special projects will therefore require increased staff capacity. The consultant team has identified four key roles that will be of greatest help in implementing many of the recommendations in this report, and that should help drive an increase in sales activity to support additional staff members in the future.

DIRECTOR OF STRATEGY

The Director of Strategy for the LRA will work directly under the Director of Real Estate, and will lead efforts to coordinate with other public agencies like the Planning and Urban Design Agency, the Collector of Revenue, and the Mayor's Office. The Director of Strategy will assist in defining many of the place-based redevelopment programs suggested in this report, including the effort to assemble sites for RFP-based disposition. She/he will also represent the agency on the Vacancy Task Force and will coordinate the agency's Advisory Committee of external stakeholders.

MARKETING AND COMMUNICATIONS DIRECTOR

The Marketing and Communications Director will have responsibility for several types of LRA marketing and communications activities, many of which are enumerated in Goal 4 of this report.

1. She/he will be responsible for marketing activities for LRA properties, such as supervising the website's interactive map and keeping data current, ensuring photos are available for structures, implementing new signage policies, and enabling residents to sign up for LRA emails and meeting agendas.
2. She/he will also be responsible for communications activities, such as maintaining a blog or newsletter related to LRA activities, releasing the Annual Report, and media outreach to ensure that new programs and projects are publicized.

PARTNERS:
N/A

RESOURCES:
Funding resources from City funds; bond issues; potential philanthropic sources on a temporary basis awaiting increased LRA revenue

COMMUNITY ENGAGEMENT COORDINATOR

The Community Engagement Coordinator will be responsible for community engagement related to LRA programs, processes and evaluation criteria for potential purchasers, and coordination with communities around site assembly and RFP processes. She/he will facilitate community meetings, conduct trainings and seminars, and attend meetings within neighborhood associations and wards. She/he will also assist in coordinating responses to complaints related to maintenance and safety of LRA properties.

GREENING PROGRAM COORDINATOR

The Greening Program Coordinator will focus on administering community greening initiatives such as those described in Recommendation 3.4a-f. She/he may be based at the LRA or in the Planning and Urban Design Agency, depending on the availability of funding and staffing in each department. Regardless of the position's official location, the Greening Program Coordinator will work closely with the LRA's Director of Real Estate, Director of Strategy, and Community Engagement Coordinator on programs and policies including:

- Selection of LRA lots for long-term greening leases, and defining criteria for long-term lease eligibility;
- Facilitation of workshops and trainings with community members;
- Standardization of community engagement requirements for greenspace leases;
- Establishment of a "Commercial Greening" program for larger commercial projects like the recent Fresh Coast Capital project;
- Amendment of the zoning code to incorporate greening uses and allow on-site sale of produce in certain instances;
- Implementation of creative food-access projects on LRA vacant lots;
- Creation of an insurance pool, and/or coordination with insurance agencies, to facilitate affordable coverage for greening uses not covered by Gateway Greening's program.

Recommendation 5.2: Eliminate LRA fees paid to all other public-sector agencies.

The LRA pays approximately $100,000 per year in fees to public-sector agencies including the Collector of Revenue and the Recorder of Deeds. Elimination or, at minimum, reduction of these fees will help free up resources for essential staffing and operational needs.

The majority of these fees are paid to the Collector of Revenue for title reports. Each report costs the LRA approximately $150, and the LRA pays for 500-600 of these reports per year, amounting to approximately $75,000-$90,000 on an annual basis. The Collector of Revenue, by law, must commission these title reports before bringing properties to tax sale. Therefore, the fact that the fees are then charged to the LRA is simply moving the burden of this expense to another public agency. The LRA should work with the Mayor's Office and the Collector of Revenue to negotiate an elimination or reduction of these fees.

Alternately, if the Collector of Revenue cannot eliminate the fees, the LRA should commission new title reports for $150 apiece rather than rely on the older reports generated before the properties were sent to tax sale.

Fees paid by the LRA to the Recorder of Deeds for site subdivision or assembly should also be waived or, at minimum, reduced. These activities are conducted for public benefit and therefore should not incur a charge.

PARTNERS:
Collector of Revenue; Recorder of Deeds; Mayor's Office

RESOURCES:
LRA staff time; partner agencies' staff time

Recommendation 5.3: Develop a comprehensive strategy to increase the LRA's revenue and place it on a solid financial footing.

The LRA will ultimately need to have more revenue to meet its needs for increased staffing and effective inventory management. Generally, comparable land banks receive more funding from outside sources than the LRA; the Kansas City Land Bank receives 85% of its approximately $2 million annual operating budget from the City's general fund, and makes up the other 15% in sales. In comparison, the SLDC is currently expected to operate and staff the LRA entirely on its sales revenue of approximately $800,000 per year, but in point of fact the LRA regularly runs a deficit of approximately $300,000 per year which is absorbed by the SLDC until the LRA makes a large sale and can make the SLDC whole. This means that the LRA's total expenditures on a yearly basis for an inventory of 12,000 properties are still only half of Kansas City's expenditures for an inventory of 5,000 properties.

The LRA needs a comprehensive and balanced strategy to increase revenue and capacity over the next ten years. Potential sources of increased funding include: increased sales generated by up-front investments in staffing and programs; an increase in St. Louis building permit fees which could be shared with the Building Division; and new bond issues or other voter-approved revenue increases that should include funding for administration as well as direct program expenses. In addition, the LRA should actively pursue strategic smaller-dollar opportunities such as philanthropic funding for specific projects and initiatives, and ward capital dollars for programs specific to individual wards or cross-ward partnerships.

PARTNERS:
SLDC Comptroller; Mayor's Office

RESOURCES:
LRA staff time; Director of Strategy (new staff); Marketing and Communications Director (new staff)

Recommendation 5.4: Ensure all bond issues and other revenue-raising strategies that increase LRA's program budget come with funds for administration and can be targeted toward strategic redevelopment areas.

Community stakeholders have worked to send a new bond issue for voter approval in 2017; the proposed bonds would be dedicated for stabilization of vacant LRA-owned structures in order to preserve them in better condition for purchase and rehabilitation in the future. While this funding would be a new asset for the LRA and would open up new opportunities for balancing demolition and stabilization in the future, it may also present a severe challenge for the LRA to implement at their current level of professional staff. Projected increases in sales and LRA revenue in the future based on this program may still not address current staff shortages and administrative challenges.

The LRA and City have not taken a position on the proposed bond issue as of the writing of this report. However, it might benefit the LRA to establish what percentage of the bond funds would be available for qualified administrative costs in the event that the bond issue passes, and to work with community stakeholders to clarify the increased staffing needs and administrative work that a stabilization program would require. Even though much of the stabilization work itself would likely be contracted out, contract supervision and property inspection would likely require several new LRA staff members to complete.

PARTNERS:
Community stakeholders; SLDC Comptroller

RESOURCES:
LRA staff time

goal 6:
Build and solidify partnerships to further the LRA's mission.

This goal focuses on LRA partnerships with other public agencies that will help the LRA carry out its mission. These recommendations examine areas in which LRA staff do not necessarily need to lead the effort in order to realize a benefit from the ultimate outcome of the process. Concepts in this section include data coordination, reduction of fees paid to other public agencies, increased resources for neighborhood-level planning efforts, and formalization of an LRA-Building Division agreement related to re-boarding and maintenance of structures.

Recommendation 6.1: Work with the IT department and other agencies to ensure that multiple sources of data related to vacancy can be reliably accessed and utilized with a single database.

The LRA should work with the IT department and Mayor's Office to provide information and databases that can be integrated into a centralized technology platform. The technology platform should allow for tracking relevant property information from the time it becomes tax-delinquent or violations are cited, to when it enters LRA inventory, to ongoing maintenance, to auction from the LRA. This coordination is particularly needed between the LRA, Forestry (maintenance), Problem Properties (Special Tax citations / code enforcement), Housing Court (enforcement), Citizens' Service Bureau (complaints), and Building Division (complaint response). Ideally the Collector of Revenue would also participate, but due to that office's statues as a separate agency, this level of coordination might be difficult.

While some new technology tools, such as Geo St. Louis, have been developed, these tools often have one-way information flows and do not encompass the full range of information that can show where a property fits into the "property lifecycle": tax delinquency and liens, neighbor complaints, maintenance tasks performed, stabilization undertaken, demolition accomplished, bills and notices issued, and other key facts that can help define top priorities for upcoming programs and initiatives. Inadequate information creates inefficiencies and duplications of service. Given the severely depleted staff for dealing with vacancy and blight issues, the City cannot afford to have inefficient data systems holding these staff back from doing their jobs as effectively as possible.

The integrated database should also assist with accomplishing the Center for Community Progress' recommendation to increase recovery of public dollars expended on vacancy issues by ensuring that all City departments can determine whether applicants for public services have any fines or tax delinquency issues related to vacant property ownership. For example, applicants for a business license should undergo a check to see if they have any extant fines or taxes that need to be paid prior to issuance of the license. The cost of developing this database could thus be recovered in the short term, with long-term benefits for the City's budget.

The IT department should work with all of these agencies to create a new database that encompasses these departments' old and new data. Some improvements may be feasible immediately, and some may need to be more long-term; if this is the case, a phased migration plan for each dataset, agency, or department should be created and implemented over time.

PARTNERS:
IT Department; Forestry; Problem Properties; Housing Court; Citizens' Service Bureau; Building Division; Collector of Revenue

RESOURCES:
IT Department or external consultant leadership; LRA staff time; partner agency staff time

Recommendation 6.2: Increase staffing capacity of the Planning and Urban Design Agency and ensure resources for planning are included in all LRA revenue-raising measures.

Resources for planning should be encompassed in all LRA/City revenue-raising measures to address vacancy in order to ensure that these resources can be applied in a prioritized and effective way that leverages other City resources. Without resources to coordinate stabilization expenditures with City priorities and neighborhood or citywide plans, it will be hard to ensure that stabilization or other dollars are spent in effective, data-driven ways. Some opportunities to meet key LRA needs by resourcing the Planning and Urban Design Agency include:

- Neighborhood-based planning efforts: Neighborhood-based planning has been a critical component of successful redevelopment in some areas with concentrations of vacant land. However, these planning efforts are limited by the capacity of local community-based organizations to engage and partner in planning efforts, and by the overall resources and capacity available for community-based planning in the City. Neighborhood plans would provide the LRA with an objective and community-oriented basis for prioritizing its programs and resources to best meet local needs. Ideally, these plans should be conducted by the Planning Department on a rolling basis in an effort to complete plans for all neighborhoods within the next five years (2017-2021) and have them complete in time for the future Alderman transition which will occur after the 2020 Census results are released.
- Redirection of NSOs toward planning work: The City and SLDC should work together to consider redefining the role of the Neighborhood Stabilization Officers (NSOs) by rewriting the Civil Service job description for future hires to encompass planning-related tasks such as community engagement, community mapping, and data collection. The NSOs currently serve as ward-based troubleshooters who report issues back to the Citizen's Service Bureau, but do not have a formal role in planning to deal with and prioritize these issues.

PARTNERS:
Planning and Urban Design Agency

RESOURCES:
Increased funding for neighborhood planning efforts; reclassification of existing staff

Recommendation 6.3: State City priorities related to vacant land and redevelopment strategy in the CEDS.

The Comprehensive Economic Development Strategy that the SLDC is working to create can provide strategic guidance about vacancy priorities and initiatives in the short term. While the City's comprehensive plan provides some tools to shape development and inform the market about public-sector preferences, the CEDS can show how market-based vacancy reduction strategies fit into the City's priorities, and suggest incentives, programs, and funding sources that may be available to leverage. Embodying vacancy reduction as a CEDS priority may also assist in attracting federal funding for LRA and SLDC efforts.

PARTNERS:
SLDC

RESOURCES:
LRA and SLDC staff time

Recommendation 6.4: Formalize agreement with the Building Division.

The Building Division is responsible for administering demolition services, including demolitions of LRA structures, on an official basis. However, Building Division staff also provides services including inspecting and re-securing up to 2,000-3,000 LRA structures per year, though the LRA has no formal agreement with them to provide these services (there is an informal agreement that the Building Division will assist in emergency situations). The current Building Commissioner recognizes that the SLDC has a small maintenance team that cannot match the capacity of his 50+ team members, and therefore considers these services to be part of the Building Division's standard procedure.

These arrangements should be officially memorialized through cooperative agreements as soon as possible in order to preserve the long-term relationship between the LRA and Building Division. The consultant team is concerned that these arrangements are based on a current cooperative atmosphere, but could be vulnerable to change or cancellation in the future unless they are made formal.

PARTNERS:
Building Division

RESOURCES:
LRA, SLDC, and Building Division staff time

endnotes

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3. Ibid., p. 9
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5. Missouri R.S. 92.900.1, accessed online at http://www.moga.mo.gov/mostatutes/stathtml/09200009001.html
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