

## Questions and Comments from 4-29-2010 Land Bank Meeting

### 1. Andy Fraizer

- a. How deliberative has conversation been about restricting the LB to Marion County and City of Indianapolis? What does it mean for state-wide organizations?
  - i. Frank: widening the focus shouldn't be that difficult, but we should FIRST do it for Marion County/City of Indianapolis.
    1. Not aware of existing structure that does a LB larger than a county
    2. Gina: NY has statewide mandate and there are 3 regional landbanks for the entire state.
      - a. In order to create LB in IN, must work with state statutory changes made in 2006 – statutes say that county redevelopment authorities may perform. In Indy = that is the Metro Development Commission.
      - b. Can we have MDC provide authority to this nonprofit?
      - c. If there are regional redevelopment objectives – then the LB should be aware of them and willing to operate within those parameters to make a cohesive effort.

### 2. Bill Taft – why is LB integral to redevelopment?

- a. Gina: LBs are ultimately addressing market failures and we have a surplus of properties in MC that result in oversupply and subsequently a decrease in value for houses and neighborhoods. The LB is a tool to address market failure.
  - i. How do you strategically use that tool and where?
  - ii. Who establishes the priorities in the City? What controls? Funding? NSP money?
- b. Baton Rouge – has done something very similar to what we're proposing – for the quasi municipal structure.
  - i. Will be traveling to Baton Rouge end of May to learn about the structure and report back as to whether we want to use same governance or something different.

### 3. Open the Floor:

- a. What are the local issues? What can stop the landbank from happening?
  - i. Maury Plambeck
    - 1. It's all about the money – it can only be operated by the City with the money they have – City sees the only successful way to run it is to create an independent agency that can get other funding.
  - ii. Tyson Domer – working on NSP Projects.
    - 1. The tax sale process is important element of LB function.
    - 2. Investors will continue working in Indy because of the tax sale process – which will negate the LB efforts.
    - 3. Frank:
      - a. Dan Kildee was the county treasurer in Flint – saw the unused land, etc. In Flint, they were able to get land via bundled properties for tax sales. Put toxic assets in bundles and then outside investors don't want them.
      - b. We're going to need to develop partnership with county treasurer here.
  - iii. Mark Stewart: if we are really going to change these neighborhoods, we have to have a more focused approach. Will take several years to identify properties that will actually improve a neighborhoods.
    - 1. LB would free up time of small CDCs who are spending a lot of time, years, trying to acquire the difficult to get properties.
    - 2. To have someone do the acquisition work would be very helpful.
  - iv. Jim Naramore: In terms of redevelopment issues, there needs to be thought put into non-residential properties, vacant land, brownfields, commercial structures – the LB being able to address those properties is crucial.
    - 1. Seeing what they can with regard to zoning and how to address redevelopment in mind of zoning
  - v. Chris Harrell – Brownfield Coordinator for City

1. Right of first refusal for deeds prior to the tax sale = key part of the Flint structure of LB
  2. Commercial properties are important to turning the neighborhoods around. Urban core neighborhood need the focus, but it does have the added issues of higher costs and environmental liability.
  3. The higher cost and liability could lead to fear and ignoring the issue.
- vi. John Marron: Concern that there will be enough consistent money and cash flow for the costs of holding properties for whatever amount of time.
1. Frank: The structure and governance of LB would make sure there's enough in the reserves to maintain the properties in the portfolio and insure them, etc.
- vii. Philip Hooper – City of Indianapolis: Importance of selling housing and relationship with CDCs to cultivate buyers. What will be the marketing strategy – it should be a collaborative approach.
1. Baltimore = Be More Media, links housing etc to urban living marketing.
  2. Data that needs to be collected and assessed: Sale vs. holding – tactics group out of NSP. One of the barriers is the ability acquire mass properties at one time. How we assemble property that clears the slate for private investment addresses holding objective.
  3. Landbank partner with CDCs in some ways. But also consider the idea that there are areas not served by CDCs in the city.
- viii. Tyson Domer: Abandoned properties? Is the LB going to be all things to all properties?
1. Gina: this is about setting local priorities and this group is the one that is going to be setting those.
- ix. Jeff Bennett – Warren Township Trustee: What is the practical application of the stat changes that are already in place? What tweaks can be made to make it better? How does the LB apply to neighborhoods where there is not CDC serving them?

- x. Bill Taft – LISC: Seems like there is no way to have a single priority.  
What do you do with orphan properties that fall through the cracks?
  - a. Strategic property piece = must continue to think about properties that don't fit a strategy but are still a drain on the city
  
- xi. Katy Brett: Governance piece is so closely tied with the city – love the idea of quasi-municipal entity – will lose redevelopment focus if the city is not part of establishing the redevelopment strategies. At the end of the day, can't be everything to everyone – as long as it tight focus.
  
- xii. Phil Smith – board member of PIHDC
  - 1. Things to watch
    - a. Marketing of the properties
    - b. How to get them out of the portfolio
    - c. Patient capital – in real estate world vs. in the funding worlds and greater community
      - i. Looking at what you're doing holding on to properties for so long – must make people realize they are not wasting money.
    - d. Have to market the concept of LB to the greater community and legislative body of Indianapolis and get them to have the same patience as the real estate developers
  
- xiii. William Wagnon – Developer: Would like to see some flexibility in the release of the properties. The orphan properties may have to be available for something other than direct transfer to the CDCs, etc.
  - 1. Legislative changes = effective control on what happens to properties once it is done → the direction the the developer who takes the property is making is good and there is some control or accountability
    - a. Covenants? Don't want it to go to investment group that will sit on it, etc.

- b. What to see a sustainable healthy house that is going to become a safe and clean place to live – with reasonable environmental concerns, etc. How do you do that?
    - i. Frank – Rental is a legit way to get property out of the portfolio
- b. Bud Myers – IHA: Marrying LB with lack of affordable housing problem is important.
- c. Anthony Bridgman – Children’s Museum
  - i. People issue not being addressed
    - 1. How will it be expressed to the people who are living in the neighborhoods, already an issue of suspicion with CDCs and people coming from outside neighborhoods making decisions about redevelopment
    - 2. Important to very transparent and explicit about the WHY. Why is this a good thing and how does this benefit property owners, residents, and business owners in the area.
    - 3. How you message the process is very important. Must understand that this is about people and their neighborhoods.