The Land Bank of Indianapolis

Summary of Proposed Land Banking Activities 2011 – 2012

4 November 2010

1. Through a contractual relationship with the City of Indianapolis (i.e., Indy Land Bank/MDC, Treasurer’s Office, DPW) made possible through Indiana statutes, the Land Bank of Indianapolis (LBI) will **address immediate and serious capacity challenges related to the identification, examination, classification, management, and disposition of five sets of property**:

|  |  |  |  |
| --- | --- | --- | --- |
| **no.** | **property category** | **approx. no. of properties** | **key challenges to be addressed by LBI** |
| **1** | **Indy Land Bank properties** (as of October 2010)  *What sufficient authority is Indy Land Bank lacking? Indy Land Bank as governmental entity seems to have more authority than non-profit Land Bank of Indianapolis?* | **1,200** | The Indy Land Bank program does not have the capacity to manage all of these properties. It is a program of DMD without sufficient authority or resources to carry out land banking functions on the scale necessary to truly deal with vacancy and abandonment in Marion County. Also, Indy Land Bank works well for neighborhoods served by a CDC but has no mechanism by which to work in neighborhoods that are not served by a CDC. |
| **2** | **“Surplus” property tracked by the Treasurer’s Office** (as of October 2010 tax sale) | **8,100** | The Treasurer’s Office has requested help from LBI to analyze, categorize, and make strategic recommendations regarding disposition of “surplus” properties. No entity currently takes control of “surplus” properties, and there is no longer term strategy for what to do with them. |
| **3** | **Unsafe Building Program properties where structures will be removed** (2011 – 2012)  *Is this essentially the Rebuild Indy demo list?* | **2,500 – 3,800** | The removal of several thousand unsafe structures over 2 years poses a logistical and public relations challenge for the City of Indianapolis. Logistically, there needs to be a solid plan regarding the future of what will become thousands of vacant lots. From a PR perspective, that plan needs to be clearly defined, articulated, and carried out. |
| **4** | **National Community Stabilization Trust: Single lender REO + pre-REO** (2011) | **200 – 300** | NCST is serving as an intermediary between a single lender and the Indianapolis community to address a particular set of pre-REO properties immediately. A land bank specializes in this work. |
| **5** | **Other properties, as requested:**   1. **properties in neighborhoods not served by a CDC/nonprofit;** 2. **brownfields;** 3. **properties to support regional transit planning and implementation**   *Note that this is somewhat of a subset of the above categories with exception of #3* | Thousands in category 01  **1,600** in category 02  Hundreds in category 03 | No entity exists with the authority or capacity to work with neighborhoods that are not represented by a CDC or nonprofit to which Indy Land Bank properties can legally be disposed, to effectively deal with brownfields that blight neighborhoods, or to support regional planning efforts. |
| **Estimated Total** | | **13,600 – 15,000** identified above  + properties in neighborhoods not served by CDC  + properties to support regional transit  **> 18,000+** | |

1. The Land Bank of Indianapolis will work with **DMD to immediately enhance the capacity of the municipal Indy Land Bank** by:
2. examining, classifying, managing property;
3. examining deficiencies;
4. serving as an appointed receiver;  *clearly this needs to include maintenance*
5. advising on and undertaking strategic redevelopment approaches to existing Indy Land Bank property. *implies extensive internal capacity to redevelop property or manage redevelopment*
6. The Land Bank of Indianapolis will work with the **Treasurer’s Office to deal with Marion County’s serious “surplus” property problem**:
   1. secure all tax data, tax delinquency data, transaction cost data, and data regarding other administrative costs associated with conducting tax sales and managing “surplus” property and “surplus” property valuation;
   2. identify longer term financing options for land banking that bundle the assets that are these “surplus” properties and use them as collateral under various financing mechanisms currently used for land banking throughout the country;
   3. advise on and undertake strategic redevelopment approaches to existing “surplus” property. *what exactly*
7. The Land Bank of Indianapolis will work with **Rebuild Indy to strategically manage Unsafe Building Program-associated properties** by:
8. advising on and undertaking strategic redevelopment approaches to the thousands of vacant lots produced through the planned removal of 2,500 – 3,800 unsafe structures in 2011 – 2012;
9. serving as an appointed receiver.
10. The Land Bank of Indianapolis will work with the Indianapolis Neighborhood Housing Partnership and the **National Community Stabilization Trust to structure a pilot initiative with a single lender that has expressed their interest in the same in order to immediately address 200 – 300 properties** that are in mortgage distress (i.e., pre-REO) and at risk of foreclosure.
11. The Land Bank of Indianapolis will address other properties, as requested:
    * 1. properties in **neighborhoods that are not served by a CDC or nonprofit housing development entity** – a serious void in the current legal structure and practice of land banking in Marion County;
      2. **brownfields** – the Land Bank of Indianapolis will work with the City of Indianapolis’ brownfields coordinator who manages the following [PROVIDE CH’S NUMBERS HERE]
      3. properties that need to be secured to **support the City’s redevelopment objectives** – for instance, properties that will need to be secured to support regional transit planning and implementation.
12. The Land Bank of Indianapolis will advise on and coordinate the proposal of **amendments to Indiana statutes that are necessary to improve land banking functions in Marion County** and throughout the state.