

MINUTES APPROVED

Time: Wednesday, September 13, 2023

Place: Annex Conference Room, 420 10th St.

Call to Order: 12:13pm

Board Members Present in person: Lance Hemmings (Chair), Steve Anthony

Board Members Present virtually: Deidre Tilley

Board Members Absent: Michelle Williams, Chris Phillips, Sherrie Aaron

Staff Present: Robert Scott (Director), Natalie Bouyett (Real Estate Specialist), Kim Mitchell (Assistant Director)

Guests: Lula Huff (Tax Commissioner), David Britt (Chief Deputy Tax Commissioner)

Members of the Public: 1

1. Announcement from Staff (added to agenda)

Chris Phillips will be leaving the board since he is moving out of the county.

2. Approve Minutes from August 9, 2023

N/A due to lack of quorum.

3. Chairman's Report

Due to COVID, the presentation to City Council had to be moved to September 26.

Board chair stated that the potential Board nominee is Alston Alton, who has some experience with real estate. Carson Cummings' son has expressed an interest in filling a seat being vacated by Chris Phillips. Finance, real estate, legal and construction are some of the areas they want the vacancy to come from. Michelle Williams has also suggested Jake Wallace.

The meeting with the city council is designed to introduce the new council members to the board, what the board does and its successes over the past few years. The land bank board has an opportunity to work with the tax commissioner's office and city real estate. During the council presentation, the Director will talk about the history of the land bank board and re-align the board with the Community Reinvestment Department. The board chair is eager to share the successes of the board.

4. Director's Report

The Director thanked the board for its efforts during his absence. The land bank has grown from a \$20,000 balance. Following a recent internal audit, the Director stated that he will work on the department's vision for the land bank in relationship to the Community Reinvestment Department. This will be addressed before the next board meeting.

At the next Land Bank board meeting, the Director will discuss how the CRD Dept will have a greater role in the Land Bank board.

5. Financial Report

The current balance is \$129,287.

6. Foreclosure Update

There are four properties that the land bank has selected to petition for foreclosure. These will go to tax sale in January.

Board chair inquires with tax commissioner about the in rem process, where liens hold up the process of sale and how the board can assist.

7. Future of Land Bank

There has been a long-term desire not to acquire properties without a strategy. There is currently a form on the website for those who are interested in land bank properties, but it is not pro-active. Staff has created a phased heat map of properties that are 5-years tax delinquent and are eligible for the land bank. There are 8 phases total. There are 7 properties in Phase 1 and 48 properties in Phase 2. These properties are eligible to be petitioned for foreclosure. The map will be embedded in the website. Staff explains the website and the bidding process.

The website will not go live until the 2nd or 3rd week of October. Staff will send certified letters to all property owners to inform them that their property is eligible to be petitioned for foreclosure and that the land bank is interested in the properties.

There will be some marketing of the website. However, since the land bank does not own the properties, real estate agents cannot list the properties as "for sale."

The board chair notes that the newspaper is not the ideal method for advertising anymore, where people are more likely to get their news from social media. Staff suggests other methods including TV news and billboards.

The board chair suggests a flat fee commission for referrals from real estate agents (e.g., \$1,000). The website could offer a space for applicants to list the referring agent in the application.

Other items for the future of the Land Bank:

October is marketing month for the land bank.

In November, staff hopes to have applications for the board to review, with expectations to sell properties in May.

The Director asks if there are 30 – 35 properties they could receive each month from the tax commissioner's office. Tax Commissioner shares that they cannot commit a number of parcels per month. Their priority is properties with double digit dollar value, not parcels with smaller values. The city is focused on recouping money. The Tax Commissioner asks to have an ongoing

conversation with the CRD. The Commissioner asks the staff to identify properties and strategically bring those to the Commissioner's department.

The Director asks for a way to improve the process of communication. Tax Commissioner states that her department is functioning at 33% and therefore her manpower is constantly in flux. They are looking to become less dependent on people through automation. The Commissioner asks for priority properties and the timeframe desired (6 months, 1 year, 2 years). The Commissioner asks CRD staff to have direct conversations with the Deputy Chief Tax Commissioner. Board chair identifies ways to prioritize from the land bank board, including properties in residential neighborhoods that are eyesores.

The deputy tax commissioner states that it would be important for the funds to be available when the property goes to sale. The board chair states that the board has the funds in its own account to cover the expenses. Properties are moving quickly because there is a lack of starter housing in the market. Board chair also suggests that the land bank board may be able to make some larger dollar value purchases to sell at a higher resale value.

Natalie states that the process is set up in a way that the applicant will put the funding for the property into escrow prior to fees being due. This way, financially, the Land Bank is not limited on how many properties it can acquire. However, the messaging will need to change so that buyers know that money will not go into escrow until the property is about to be petitioned for foreclosure.

The board chair states that he hopes the process to petition properties and communicate with the Tax Commissioner's office will be informal. The Tax Commissioner agrees, stating that informal methods are preferred (calls, Teams, etc.). The Commissioner expresses her support for the land bank board.

8. Property Updates

- Inventory – 2
- Property Update, 4019 Hickory Ave – Returned from NeighborWorks and resold this year is underconstruction and has seen significant improvements.

- Donation – 1

1322 20th Street (East Highland)

The Tax Commissioner asks if the land bank can accept donations.

- Bid and Proposals – 2

There are two applications awaiting board approval. Board chair asks staff to schedule a special called meeting. Board chair asks to set up a meeting with planning and zoning or inspections and codes to discuss the possibility of permitting pre-fab homes on narrow lots.

Call to Adjourn: 1:18pm