



# Columbus Land Bank Program

# Overview of City Land Bank Program

- Started in 1994
- Big increase of holdings since 2008 due to increase of foreclosures and abandoned properties.
- Like all land banks:
  1. We acquire vacant and abandoned property, primary through Tax Foreclosure;
  2. Demolish/maintain property (clear trash and debris, board to code, cut grass, etc.);
  3. Dispose of property to non-profits, investors, homeowners who want to renovate a property to occupy.
- Often, the Land Bank is the owner of last resort and the only way ownership of an abandoned property can be resolved;
- However, like all tools City's have to address abandoned property, Land Banking has its shortcomings and is not answer by itself

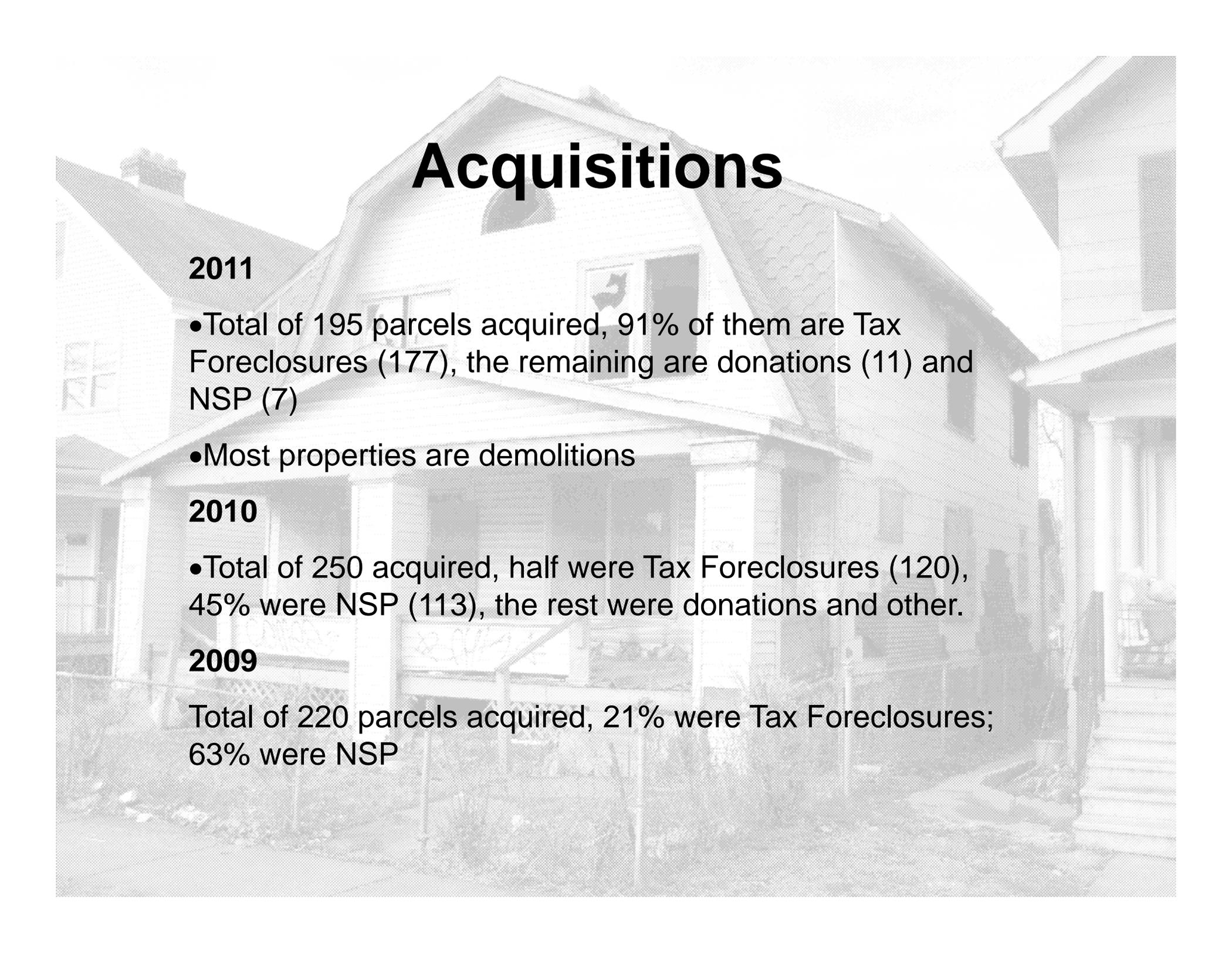
# Overview of City Land Bank Program

- Since 2008, has aggressively pursued properties for two general reasons:
  1. Support community redevelopment projects
  2. Acquire vacant and abandoned properties that can not be resolved by other means

What allowed us to do this:



Neighborhood  
Stabilization  
Program



# Acquisitions

## 2011

- Total of 195 parcels acquired, 91% of them are Tax Foreclosures (177), the remaining are donations (11) and NSP (7)
- Most properties are demolitions

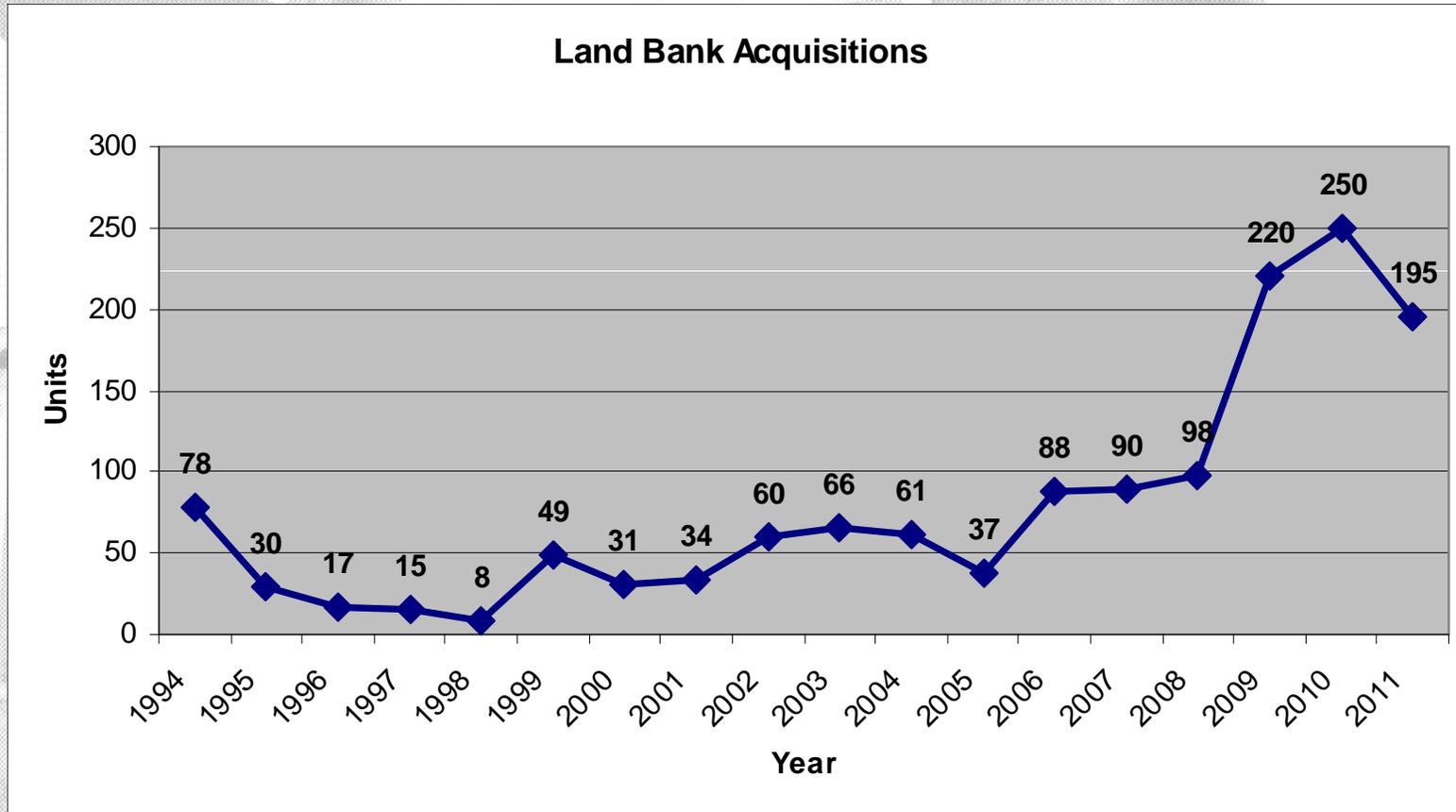
## 2010

- Total of 250 acquired, half were Tax Foreclosures (120), 45% were NSP (113), the rest were donations and other.

## 2009

Total of 220 parcels acquired, 21% were Tax Foreclosures; 63% were NSP

# Acquisitions



# Acquisitions

Current inventory- approximately 900 parcels

- 60% received through Tax Foreclosures
- 10% through donation, deed in lieu of foreclosure, etc.
- 10% are properties we maintain for City redevelopment projects
- 20% received through the NSP programs

Break down:

- 31% (270) have structures either for sale, being evaluated, or held for a project
- 16% are pending demolition
- 53% are vacant lots without structures

# Demolitions 2010-2011

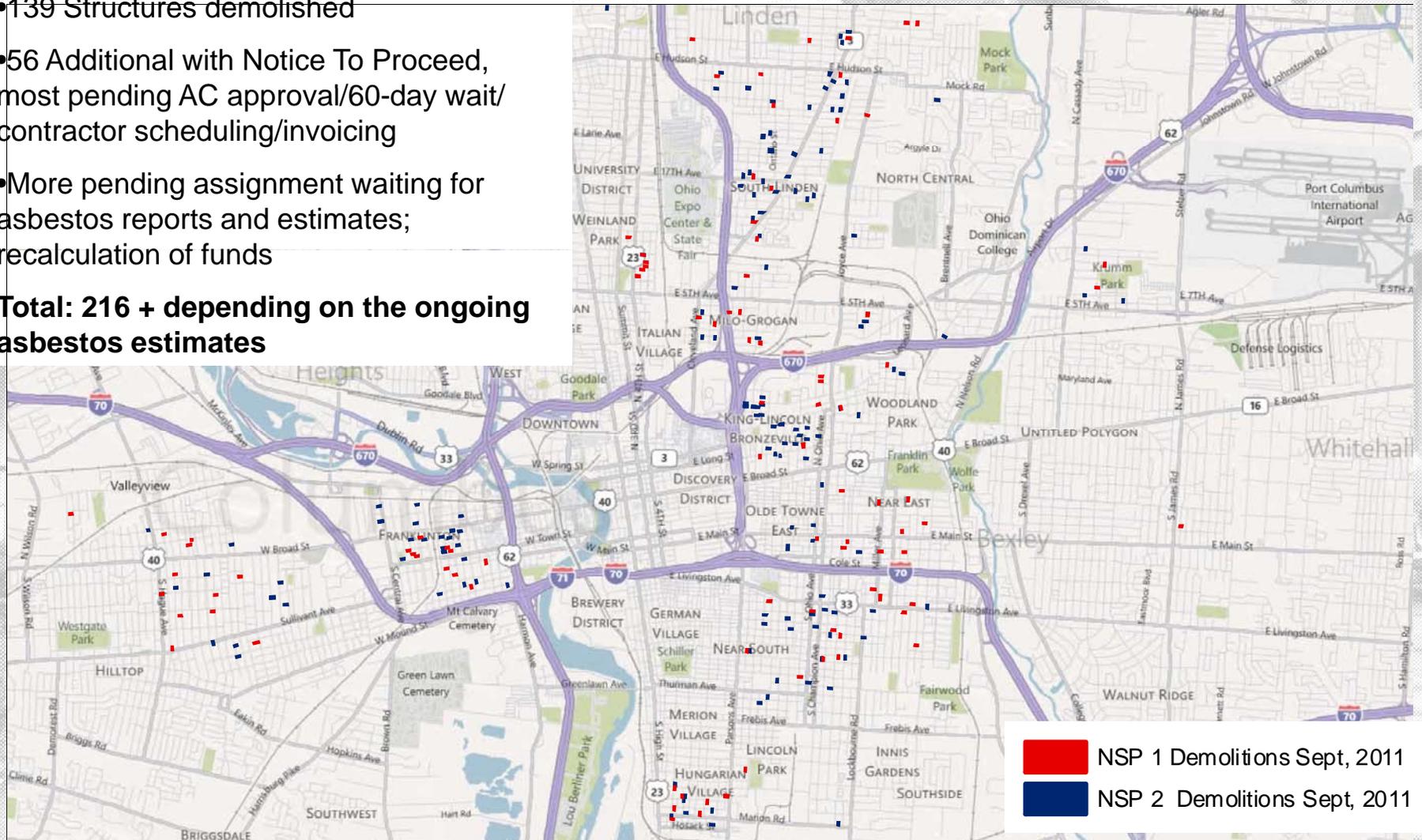
- Land Bank began demolitions in the spring of 2010, under NSP 1.
- Since then we have 139 structures down and an additional 57 structures have an issued notice to proceed (NTP) more waiting for asbestos evaluation.
- NSP 1 (\$1.3 million)
  - Declared 113 blighted (eligible for demolition under the NSP)
  - NTP to demolish 95 houses (90 demolished)
  - Total estimates: \$1,356,556 or \$14,279 per structure; Price range: \$48,088 (172 E. Long St) to \$4,135.
- NSP 2 (\$1.5 million)
  - 170 blighted, almost all are tax foreclosures;
  - Issued 101 NTPs; 49 are demolished
  - Have an additional properties to assign, pending asbestos survey and estimates;
  - Total number will depend on asbestos estimates, should hit about a total of 110 demos (less than \$14,000 per structure).
  - Price range: \$69,114 (905 E. Long St) to \$3,816; Average for single-family is less than \$10,500 (\$8,800 for demo, rest for abatement).
- NSP 3 (\$480K)
  - Will start in spring and have 50% expended by Spring 2013.

# NSP Demolitions

As of Oct. 28, 2011:

- 139 Structures demolished
- 56 Additional with Notice To Proceed, most pending AC approval/60-day wait/contractor scheduling/invoicing
- More pending assignment waiting for asbestos reports and estimates; recalculation of funds

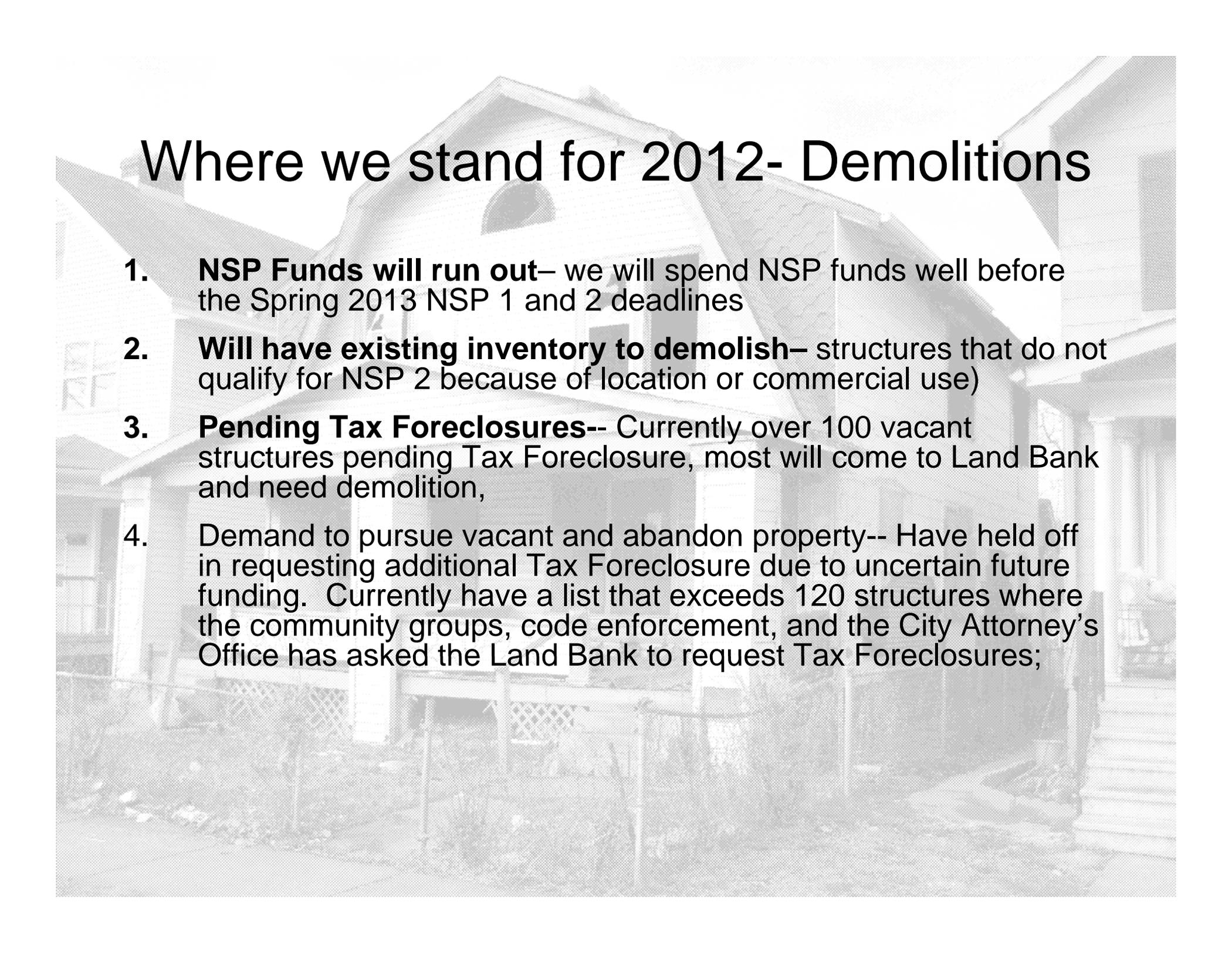
**Total: 216 + depending on the ongoing asbestos estimates**



# NSP Demolitions



Before and after picture, 444-446 N. Garfield Avenue



# Where we stand for 2012- Demolitions

1. **NSP Funds will run out**– we will spend NSP funds well before the Spring 2013 NSP 1 and 2 deadlines
2. **Will have existing inventory to demolish**– structures that do not qualify for NSP 2 because of location or commercial use)
3. **Pending Tax Foreclosures**-- Currently over 100 vacant structures pending Tax Foreclosure, most will come to Land Bank and need demolition,
4. Demand to pursue vacant and abandon property-- Have held off in requesting additional Tax Foreclosure due to uncertain future funding. Currently have a list that exceeds 120 structures where the community groups, code enforcement, and the City Attorney's Office has asked the Land Bank to request Tax Foreclosures;

# Sales

**2010**

We sold 128 properties, Project types:

Single Family New Build	46
Multi-Family New Build	2
Single Family Rehab	62
Multi-Family Rehab	6
Side Yard	12

108 went to Non-profit organizations- 84%

Examples:

Habitat For Humanity

Franklinton Development Association/NRP Boulevard Homes

Hilltop Homes (Homes on the Hill CDC)

Whittier Landing (CHP)

HNHF (CD4AP)

CHP- NOBO Project

# Sales

**2011**

Sold 77 Parcels:

Single Family New Build	28
Multi-Family New Build	1
Single Family Rehab	23
Multi-Family Rehab	5
Side Yard	20

39 sales went to non-profits or 50%

2011—Land Bank goal to increase private sector investment in our properties, from 20 parcels to 39 (difficult due to lack of funding and surplus of REO property)

Another 5 are scheduled for Council approval at the next Council meeting.

# Sales



**Property received as a donation, sold to a private investor for \$5,000 in March., investor renovated the structure to keep as a rental unit.**

# Property Maintenance

Typical Tax Foreclosure property is vacant for at least a few years, sometimes several;

Most property maintenance costs are for the initial clean up of the property, including: Weed abatement, Trash removal, light demolition, Board to code standards, Tree removal, etc.

2011 Examples:

- Board property to Land Bank specifications:

Average Price per site: \$629

Houses boarded: 161 (several currently pending or previously boarded)

- Removed trash and debris at 310 sites at an average cost of \$490
- Mowing list consists of 660 sites 10 times each, for a total of 6,600 mows (rest of the sites are maintained by City Staff or not cut due to hard surface, woods, etc.)

# Property Maintenance

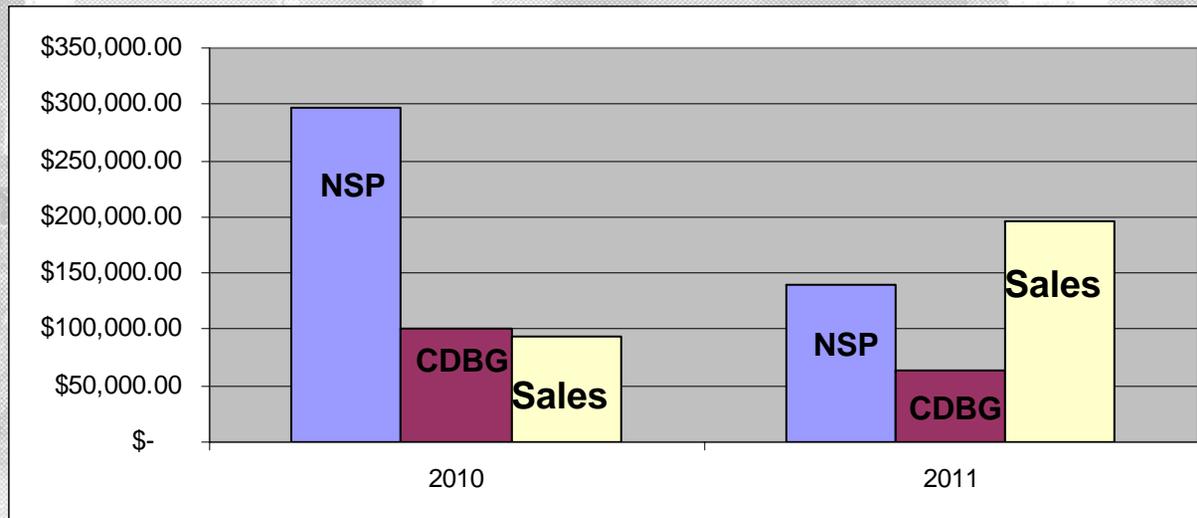


Example of a Land Bank house on the Hilltop

# Property Maintenance

	<u>2010</u>		<u>2011</u>
Lawn Mowing	\$ 127,668	\$	109,999
Board to Code	\$ 157,696	\$	93,778
Trash and Debris	\$ 105,837	\$	115,597
Other	\$ 100,933	\$	80,285
<b>Total</b>	<b>\$ 492,135</b>	<b>\$</b>	<b>399,658</b>

NSP	60%	35%
Proceeds of Sale/Land Bank Fund	19%	49%
CDBG	21%	16%



**In the future, we will  
increasing rely on  
sale proceeds**

# Challenges

- Although the Land Bank can acquire property, disposition will always be challenge for market reasons.
  - The cost to demolish or substantially renovate a property is more than the resulting property is worth.
  - We directly compete with bank owned properties– yet we do a lot more due diligence on the buyer, require a commitment to a construction plan, and deed restriction with a reversion clause.
- ORC 5722.07 requires the sale of property for “fair market value” and continued reliance on sale proceeds to fund property maintenance. For 2012 we will introduce a program to sell lots to entities other than the adjacent property owner (such as community gardens).
- Federal funding will be reduced: NSP will end, HOME/CDBG are facing cuts– fewer opportunities for non-profits to renovate properties. As a response, Land Bank is not requesting new tax foreclosures unless a end user is identified and has the resources to address the property.