REINVESTING IN LOUISIANA:
Identifying and Combating the Root Causes of Blight

Proceedings from the November 13, 2019
Mayor's Workshop

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WORKSHOP ORGANIZER AND HOST

CENTER for PLANNING EXCELLENCE

Center for Planning Excellence champions the power of good planning to build healthy, sustainable communities in Louisiana through our work as smart growth policy advocates, educators and planning practitioners. We collaborate with community leaders, scientists, government officials and other nonprofits to drive positive change at all scales, from our vulnerable coast to rural towns, diverse neighborhoods, and our busiest cities.

WORKSHOP TECHNICAL EXPERTISE

Center for COMMUNITY PROGRESS
Vacant Spaces into Vibrant Places

Founded in 2010, the Center for Community Progress is the only national nonprofit dedicated to building a future in which vacant, abandoned and deteriorated properties no longer exist. Community Progress is America's leading resource for urban, suburban, and rural communities seeking to address the full cycle of property revitalization.

CONTENTS

DEFINING BLIGHT

The presence or concentration of vacant, abandoned, dilapidated, underutilized or mis-utilized buildings, spaces or lots, non-jurisdiction specific. Underutilized or misused spaces include recreation centers, schools, churches, houses, or retail storefronts. Generally, vacant properties are spaces that are not occupied and may or may not be maintained. An abandoned property is a space which no longer has a steward.

INTRODUCTION

On November 13, 2019, municipal and parish leaders and staff representing 11 communities along with REALTORS® from across Louisiana gathered to discuss issues related to vacant, abandoned, and underutilized properties. These leaders explored how to strengthen policies, regulations, and practices to address vacant and abandoned properties.

The workshop started with an introduction by Center for Planning Excellence (CPEX) Board Chair, Preston Castille, Jr. and a discussion by Jessica Kemp, CPEX Vice President, of the components and importance of healthy communities, followed by short presentations by the mayors on their biggest challenges related to vacant, adjudicated, and blighted properties. Mayors also discussed policies and programs they would like to change.

Kim Graziani and Frank Alexander of the Center for Community Progress then presented a survey of successful approaches to address vacancy and abandonment and identify and combat the root causes of blight. These presentations are provided in the appendix.

Workshop attendees then participated in a facilitated discussion which was guided by input from Brenda Breaux, New Orleans Redevelopment Authority; Chris Tyson, Build Baton Rouge; and James Gilleylen, JQUAD Planning Group. Participants discussed tools, best practices, legislative changes, property tax enforcement, and the complexity of adjudicated properties. The session ended with a discussion of next steps.

The workshop focused on two broad topics:

1. Successful strategies to address vacancy and abandonment

2. Addressing local barriers including adjudicated properties, housing and building code enforcement, and land banking

This report summarizes the input provided during the workshop and lays out next steps to begin addressing problem properties, strengthen actions, and improve regulations and tools for addressing vacancy and abandonment in Louisiana communities.

Participating Communities

CPEX circulated a Call for Entries to Louisiana mayors, and Baker, Baton Rouge, Bogalusa, and Denham Springs were selected to participate. Representatives from Alexandria, Lafayette, New Orleans, Opelousas, Patterson, Pineville, and Ville Platte also attended the workshop.
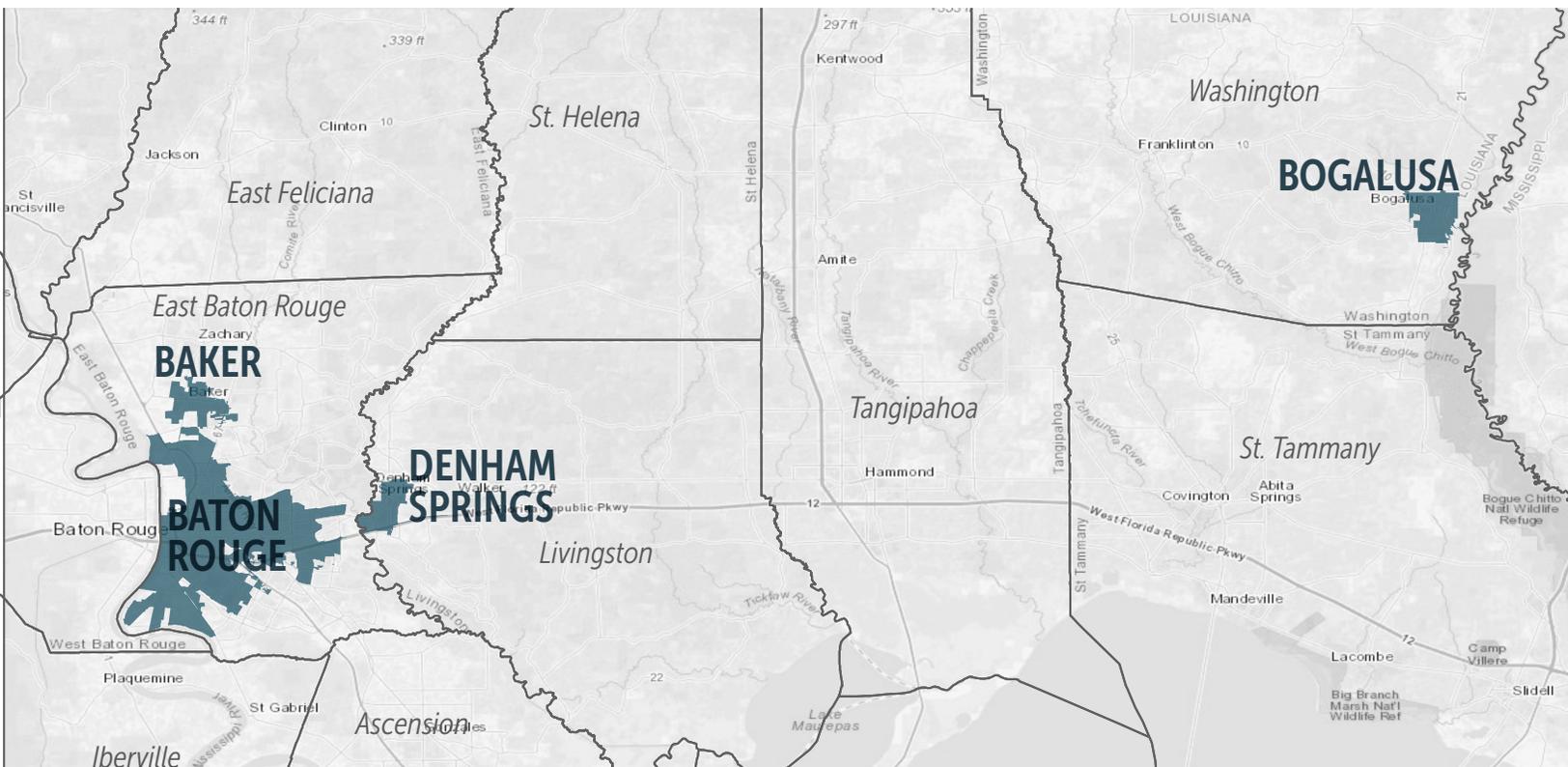
Baker, Baton Rouge, Bogalusa, and Denham Springs represent a diverse range of Louisiana communities in population, geographic location, blight and revitalization issues, and internal capacity.

PARTICIPANTS

Frank Alexander, Center for Community Progress

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Brenda Breaux, New Orleans Redevelopment Authority

Susan Broussard, City of Alexandria

Preston Castille, CPEX Board Member

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Gerard Landry, Mayor of Denham Springs

Camille Manning-Broome, CPEX

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Julie McCulloch, City of Baker

Marsha McGraw Barbera, Greater Central Louisiana REALTORS® Association

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Cynthia Tarver, Northshore Area Board of REALTORS®

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David Trusty, Greater Baton Rouge Association of REALTORS®

Chris Tyson, Build Baton Rouge

Jennifer Vidrine, Mayor of Ville Platte

Darnell Waites, Mayor of Baker

Sharon Weston Broome, Mayor-President, City of Baton Rouge & Parish of East Baton Rouge

BARRIERS TO ADDRESSING VACANT AND ABANDONED PROPERTIES

Mayors identified the following problems encountered in efforts to address vacancy and abandoned properties in their communities:

- Large number of adjudicated properties

- High vacancy rates and numerous properties with code violations

- Difficulty getting properties demolished

- Small (or no) budget for enforcement, maintenance, and condemnation

- Small budget for grass cutting and debris removal without ability to recoup expenses

- Concentrations of adjudicated properties in some communities; others with adjudicated properties scattered throughout

- Regulatory structures have created extensive and unmanageable bureaucracy around adjudicated properties

- Need for updated state and local codes

- Need for staff training and more staffing/increased budgets

- Difficulty enforcing codes

- Multiple conflicting ordinances create conflicting processes

- Properties are often not improved due to lack of enforcement

- Uncertainty about what to do with flooded and abandoned houses

Mayor Darnell Waites discusses Baker's blight issues

BLIGHT AND HEALTHY COMMUNITIES

The healthy community ideal is a community that provides all residents access to the things they need to live a healthy lifestyle and brings groups from all parts of the community together to promote inclusive, equitable, and broad participation in community life.

Features of healthy communities

Residents of a healthy community have access to:

- fresh and healthy foods

- appropriate health facilities (ranging from primary care providers to urgent and emergency care)

- quality housing that they can afford

- safe neighborhoods

- air and water that is safe to breathe and drink

- green space and opportunities for outdoor recreation

- safe, complete streets that provide reliable active transportation choices

- safe, attractive, low-crime public spaces for social gathering

Ways that blight detracts from healthy community aspirations

There are several ways that a blighted property or area can detract from a neighborhood's ability to provide access to a healthy community:

- Perhaps the most significant is the impact that blighted properties have on residents' comfort level when it comes to walking, biking, playing, or socializing in the area. Studies have shown that the signs of neglect such as those common to blighted properties encourage crime and illicit behavior – while signs of care and maintenance have the opposite effect. Basically, the physical environment signals to people expectations for behavior.

- A significant contributor to health disparities between those who live in more affluent areas and those who live in disinvested areas is the street-level conditions that are not conducive to regular physical activity. When people are worried about crime and dangerous structures, they are far less inclined to take a walk for exercise, choose to walk to a nearby destination rather than drive, or allow their children to walk, bike, and play in the neighborhood.

- They may also feel uncomfortable using transit in their neighborhood if they don't feel safe waiting at the stop and walking to and from their home – and this can interfere with access to other necessities.

- When blight is present – when sight lines are obscured by overgrown vegetation, boarded up buildings, trash, dark lots, poorly lit areas – people don't want to be there.

- Blight and its impacts also affect the social cohesion of a neighborhood. When residents don't feel safe in the streets of their neighborhoods, they keep to themselves, they don't get to know their neighbors like they might, and they miss out on building relationships and trust with the people they live close to. Having a sense of community and social cohesion is key to mental wellbeing and to resilience – social networks are really important.

Ways that blighted properties can be transformed into healthy community assets

There are many ways blighted properties can be used to contribute to healthy community design once the property is acquired. Opportunities to turn an eyesore into a community asset include:

- Safe, affordable housing

- Community garden providing social gathering opportunities and healthy food

- Healing garden/tranquility garden providing a space for reflection and outdoor wellness activities

- Green space or rain garden providing stormwater management and educational opportunity

- Pocket park that also includes green space

- Public art installation

Louisiana REALTORS® *offer their perspective on blight solutions for Louisiana Communities*

Key considerations for building healthy communities when acquiring properties

- Understanding that all properties are not the same and should be dealt with individually

- Involvement of neighborhood residents and consideration of their desires and needs

- Features of the lot – size, location, previous uses, etc.

Acquisition of blighted properties provides an opportunity for community engagement from the start, to let residents know that the city is working to address the problem, and to engage them in creative thinking about the possibilities for the property once it is ready to be put back into use.

COMMUNITY STRATEGIES TO ADDRESS VACANCY AND ABANDONMENT

The following information is a compilation from the Center for Community Progress's presentations (provided in the appendix), workshop materials and discussions, and additional CPEX research.

Key Takeaways

Understanding the problem and acknowledging the historical background and context is the first step of addressing vacant and abandoned properties. Not all blight is the same, and the condition of properties can be affected by both seen and unseen issues. For example, property owned by an aging resident on a fixed income presents a different case than a property that is owned by an out-of-town investor. In addition to ownership issues and history, other factors contribute to a property's story, including the state of market demand, tax payments, code

enforcement activities and public safety issues. Historical inequitable practices such as outdated laws, economic policy, and public services and investment have resulted in a concentration of vacant and abandoned properties in disadvantaged neighborhoods.

Setting community goals that are customized to a community's context is important so that implementation strategies can be directed toward achieving a shared set of goals. Goals should guide a comprehensive approach across all systems from prevention to acquisition and maintenance to reuse of properties. Ideally, goal setting should be aligned with or part of broader community planning efforts such as a comprehensive planning process.

Establishing shared community goals ensures that the many required participants (local governments, nonprofit organizations, real estate professionals, community-based groups, businesses, schools, universities, foundations, etc.) are all working together towards a common goal. Otherwise, these multiple agencies and stakeholders may work in discord and less efficiently, with competing goals and objectives.

Community goals and strategies for remediating property issues can vary widely, depending on the context, the community's culture and resources, and a myriad of other factors. The following examples of community goals and objectives show how many different approaches are possible and why it is important to clearly understand a community's goals and drivers. Some of the examples are very broad, while others address more specific issues.

Example goals:

- Reduce local government response costs
- Ensure compliance with applicable codes
- Eliminate threats to health, safety and welfare
- Improve quality of life
- Reduce threats to safety, particularly children's safety
- Rehabilitate problem properties
- Restore distressed real estate markets
- Facilitate community and/or economic development
- Combat decreases in property values
- Maintain and grow the tax base

- Protect homeowners and other property-owners who invest in and care for their properties
- Protect aging homeowners
- Stabilize declining neighborhoods
- Improve neighborhood appearance
- Address flooded housing
- Build affordable housing
- Empower community-based organizations
- Reduce crime and enhance social benefits and the environment
- Change the culture of vacant, neglected properties
- Engage residents to take action to reduce blight
- Prevent future blighted properties

Inventorying properties and maintaining a database of properties enables cities, towns, and parishes to have access to detailed data about problem properties that helps them better understand the background and needs of each property. This also allows local governments to identify properties at risk of becoming problem properties. An example of a survey conducted by Denham Springs is provided in the Appendix.

Collecting, understanding, and sharing property and neighborhood data provides the basic information needed to address blight and revitalize neighborhoods. Data helpful in understanding and addressing properties in need of attention include the following information that can be collected and managed on a property-by-property basis, by neighborhood, and ideally community-wide.

- Lot and building size, number of units
- Year built
- Land use
- Ownership (individual, public, nonprofit, absentee)
- Owner or renter-occupied
- Assessed value
- Tax exemptions
- Tax arrears

- Mortgages, liens, and foreclosures

- Lien amount and status

- Adjudicated

- Receivership status

- Visual evidence of neglect

- Type of code enforcement actions taken

- Type of nuisance abatement actions taken

- Sheriff's sales

- Building Permits

- Complaints

- Citations

- Condemnations

- Mail stops and forwarding

- Utility shut offs

- Crime and fire reports

Collecting and managing data on properties assists communities in communicating the problem in a clear and transparent way; helps policy makers make decisions regarding needed abatement and investment actions; and provides transparent and open information that helps residents become involved in problem solving and interventions.

A coordinated and comprehensive effort that includes all stakeholders is needed to address vacant and abandoned properties. Often multiple agencies are involved in addressing these properties: code enforcement, public works, police, fire, sheriff, community development, utilities, transportation, planning economic development, REALTORS® associations, neighborhood associations, assessors, information services, and others. All departments, outside agencies and community leaders that play a role in acquiring, maintaining, holding, or disposing of vacant and abandoned properties should be a part of developing and implementing strategies. All of these governmental and community representatives are critical participants in maintaining and improving residents' quality of life. The New Orleans Blight Status Committee is an example of an effective structure that serves to bring the city's numerous

Brenda M. Breaux of the New Orleans Redevelopment Authority shares successful strategies from New Orleans

representatives together and manage an accountable, transparent process.

Calculating and understanding the costs and impacts

– both economic and human – of vacant and abandoned properties helps decisionmakers prioritize actions to address these properties for the economic and social benefit of residents, businesses, and governmental entities.

Economic Costs

- Lost property value in surrounding community

- Lost tax revenue

- Increased police dispatch costs

- Increased fire dispatch costs

- Housing and building code enforcement costs

Human Costs

- Safety risks around schools and to children

- Safety risks to first responders

- Safety risks to neighbors from dangerous property conditions

- Relationship to poor public health outcomes

- Decrease in community wellbeing, social fabric and pride

From the LCAA/LMA Blight Guidebook: "Fight the Blight – A Guide to Addressing Common Public Nuisances:"

Mayor's courts are vested with jurisdiction over violations of municipal ordinances and may impose fines, imprisonment or both as authorized in such ordinances. Mayor's courts have jurisdiction to conduct trials, determine guilt, and impose sentences including fines and imprisonment for breach of municipal ordinances, according to the Louisiana Supreme Court.

If the municipality has adopted ordinances that prohibit the particular blight or nuisance and provide penalties therefore, violations of those ordinances may be prosecuted in a mayor's court.

For more information on mayor's courts and the due process requirements necessary to successfully use this tool to fight blight, please refer to the Mayor's Court Handbook available at www.lma.org.
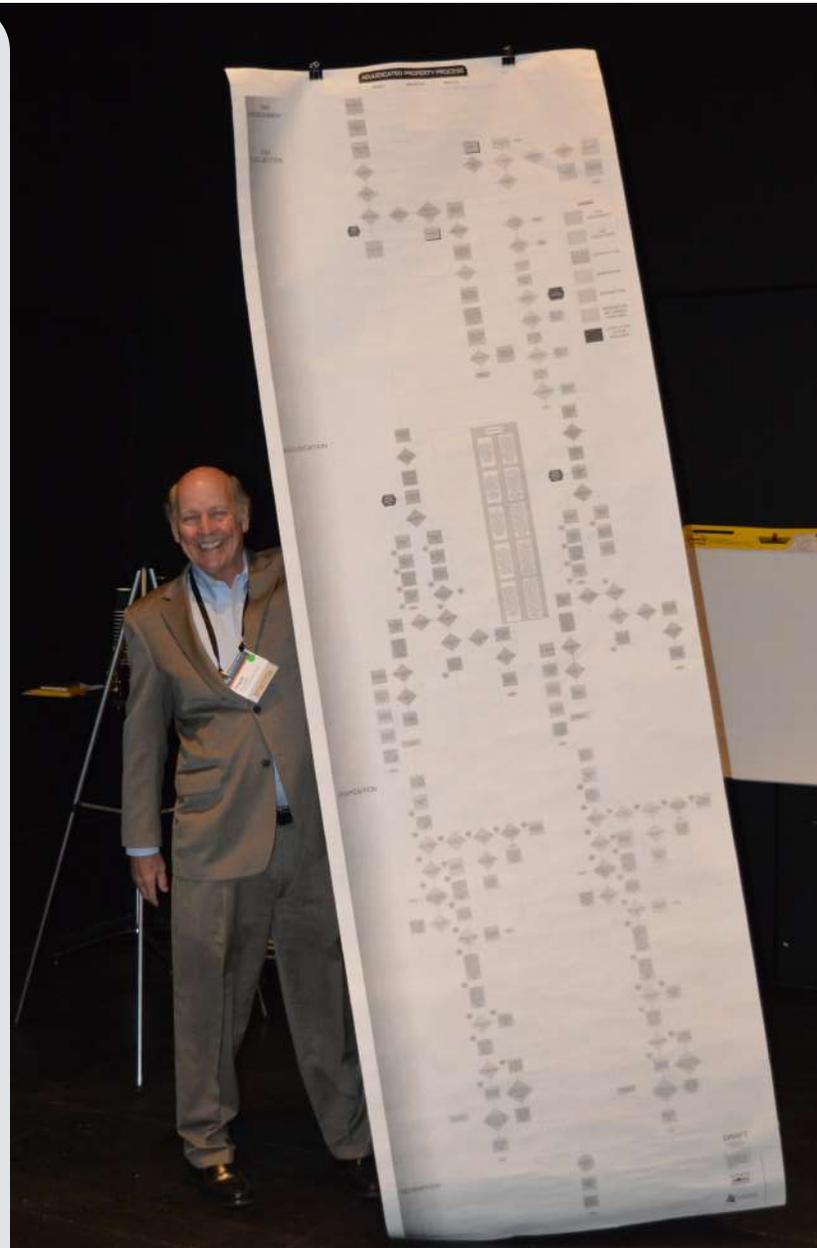
Facilitator Frank Alexander of the Center for Community Progress displaying Lafayette Consolidated Government's analysis of the complexity of Louisiana's property adjudication process.

Next Steps for Communities to Address Blight and Abandonment

Following the facilitated discussion, the group recommended the steps below to help communities begin to address the problem of vacant and abandoned properties.

Understanding the Problem

1. Recognize that all blighted properties are not the same. Many factors are in play that should be considered when addressing vacant and abandoned properties.

2. Understand the extent, location, and depth of the problem through collecting and managing data on blighted properties. Incorporate 311 service reports into the process.

3. Maintain a detailed inventory of properties to be addressed and/or redeveloped.

4. Start small. Identify the 3-5 biggest problem properties in the community and start with those. These are properties that receive many calls and are known to have consistent issues and impacts on the neighborhood. Addressing these properties will help gain community support and interest.

Setting Community Goals and Building Partnerships

5. Establish a community goal to address vacant and abandoned properties so that all governmental agencies, nonprofits, and organizations are working towards a common goal.

6. Create an inter-departmental task force, similar to New Orleans "Blight Status" task force that reports to the mayor or parish president for the purpose of addressing vacant and abandoned properties. This task force should include representatives from all city and/or parish departments and agencies and hold weekly meetings to establish action items and report on progress toward completion. Both high-tech and low-tech processes can work in addressing a community's blight issues. Keep it simple and build on the successes achieved in addressing problem properties.

7. Partner with resident and business groups, realtors, nonprofits, and religious institutions to educate and team with the city and/or parish on blight remediation programs.

8. Establish practices to prevent blight from the beginning–by building strong, healthy communities that have transparent communication and resident and stakeholder support.

Updating Regulations and Tools

9. Inventory regulations, tools, and practices to ensure agencies are aware of all of the tools they have available to them and are making best use of those tools. It is important to ensure that regulations are not conflicting and are all working to efficiently address the specific issues. Convene municipal attorneys and planners at the local and state levels to explore potential tools, focusing on communities with innovative approaches who can teach others.

10. Attend workshops on guides, model codes and best practices held by organizations such as the LMA, PJA, and Center for Community Progress.

11. Convene local governments to share changes they have made internally. Make model ordinances and procedures available to communities.

12. Prepare model ordinances and practice guides on code enforcement and how to address vacant and abandoned properties. Develop a toolkit and a resource guide to assist mayors of smaller communities with limited resources.

Evaluating and Improving Key Systems Impacting Vacancy and Abandonment: Housing and Building Code Enforcement, Tax Adjudication, Property Acquisition, and Land Banking

13. If adequate tools are not available, amend regulations and practices to enable municipalities and parishes to efficiently and effectively address the community's blight issues. Ensure that established practices are transparent so that decision makers, residents and stakeholders are able to support remedial efforts.

14. Enforce liens–ordinance guidance is provided in the LCAA/LMA Blight Guidebook: "Fight the Blight–A Guide to Addressing Common Public Nuisances."

15. Create a mayor's court for administrative hearings in nuisance abatement as allowed by state law. The LCAA/LMA Blight Guidebook mentioned above provides the steps to establish administrative courts and model legislation.

16. Ensure that proceeds from tax liens and other collections from blighted properties are placed in a fund to support code enforcement actions.

17. Create a repository for properties such as a land bank or nonprofit focused on being a good steward of the properties prior to clearing titles and putting them back on the tax roll through sheriff sales or other means.

ACHIEVING LEGISLATIVE REFORM

Louisiana's adjudicated property statutes are incredibly complex, requiring years to navigate properties through the system. Louisiana is one of the only states that does not curtail heirship. Workshop participants discussed strategies to enable communities to put properties back into commerce more quickly than is currently possible. While legislative reform may appear obvious, there are many deep political and cultural issues that are associated with changing the state's legislation. Communities across the state need to work together to initiate and support legislative reform. Changing legislation will take the concerted effort of municipalities working together.

1. Recognize that adjudicated properties negatively impact neighboring properties, and in many cases entire neighborhoods.

2. Establish a common goal of bringing property back into commerce so that titles are quickly cleared without title defects. This benefits local governments, property owners and the state.

3. Convene a working group that includes the LMA, LaMATS, the PJA, REALTORS® and experts to address legislative reform. This group should chart a path of appropriate/ achievable legislative amendments and build support among municipalities and parishes.

4. Consider a range of options to cleanse adjudicated property titles faster including:

   a. Limit heirship at 18 months (currently unlimited).

   b. Establish an 18-month redemption period for the category of vacant, abandoned-or deteriorated tax-delinquent properties. This would establish that at the end of 18 months, property may be sold on open market.

Mayor-President Sharon Weston Broome and her staff shared blight challenges and strategies from Baton Rouge.

    c. Require cases to go through civil courts rather than criminal court.

5. Consider eliminating the practice of adjudicating properties, so that properties will no longer be burdened by a procedural quagmire. This would allow communities to focus on clearing titles of existing adjudicated properties.

6. Review practices to improve efficiency and transparency:

    a. Create a standard single point of billing and enforcement of city and parish taxes through a memorandum of understanding.

    b. Ensure that assessors, sheriffs and other entities update data at the same time and that their systems match one another.

    c. Align city and assessor parcel definitions and allow data sharing.

    d. Record deeds as soon as possible.

7. Build a coalition of municipal and parish advocates across the state to achieve desired reform.

8. Convene the LMA, PJA and realtor associations to build a coalition to seek reforms to state laws regarding vacant and abandoned properties.

9. Secure resources to assist in developing desired amendments. Build a coalition dedicated to seeking legislative amendments.

CONCLUSION

Successfully addressing all of the issues discussed at the workshop requires leadership and collaboration by Louisiana communities. A number of organizations are available for communities to participate in to move blight work forward: LMA, PJA, LaMATS, LCAA, Louisiana REALTORS®, as well as other business and nonprofit organizations.

Appendix

Denham Springs Flood Damaged/Blighted Structure Matrix." City of Denham Springs

Presentation: "National Perspective: Successful Approaches to Address Vacancy and Abandonment." Kim Graziani, VP and Director of National Technical Assistance, Center for Community Progress

Presentation: "Vacant, Abandoned, and Deteriorated Properties: Identifying and Combating the Root Causes of "Blight." Frank S. Alexander, Co-founder & Senior Advisor, Community Progress and Sam Nunn Professor of Law Emeritus, Emory Law

Reference

LCAA/LMA Blight Guidebook: "Fight the Blight – A Guide to Addressing Common Public Nuisances. (2019)." This recently prepared guide identifies nuisances, relevant state law and processes to address the nuisance. It also provides model local codes.

DENHAM SPRINGS FLOOD DAMAGED/BLIGHTED STRUCTURE MATRIX

This document shall be used to establish the current condition of flood damaged, blighted or condemned structures within the City of Denham Springs.

STAGE	CONDITION
1.	Structure meets all code requirements and is occupied. There are no known code violations.
2.	Structure meets all code requirements but is not occupied. There are no known code violations.
3.	Structure with permit for repairs/improvements issued. Repairs/improvements near completion. Temporary occupancy granted for structure.
4.	Structure with permit for repairs/improvements issued. Repairs/improvements started.
5.	Structure with permit for repairs/improvements issued. No repairs/improvements started. (If Flood-Damaged, structure must be gutted) **Owner selling structure "AS IS"**
6.	Permit application and scope of work received and under review for repair/improvements to flood-damaged or blighted structure.
7.	Flood-Damaged structure with some repairs/improvements started. -NO PERMIT ON FILE- **STOP-WORK order to be issued. Owner to submit permit application and scope of work for review and approval. Hold Harmless affidavit may be required before permit approval. (Utility services may be suspended until structure brought into compliance.)**
8.	Flood-Damaged structure with completed repairs/improvements. NO PERMIT ON FILE- **Owner to submit permit application and scope of work for review and approval. Hold Harmless affidavit SHALL be submitted before permit approval. (Utility services may be suspended until structure brought into compliance.)**
9.	Flood-damaged structure gutted but abandoned. No permit for repairs/improvements. **Ensure all utility services terminated.**
10.	Existing structure in extreme disrepair and occupied or Flood-Damaged structure not gutted but occupied. Does not meet minimum housing standards. **Placard structure. Ensure all utility services terminated.**
11.	Existing structure in extreme disrepair and abandoned or Flood-Damaged structure not gutted and abandoned. Does not meet minimum housing standards. **Placard structure (Unfit for Human Habitation). Ensure all utility services terminated.**

National Perspective: Successful Approaches to Address Vacancy and Abandonment

CPEX Workshop
November 13, 2019

Kim Graziani, *VP and Director of National Technical Assistance*
Center for Community Progress

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About Us

Center for Community Progress

- **Mission**: To foster strong, equitable communities where vacant, abandoned, and deteriorated properties are transformed into assets for neighbors and neighborhoods.

- **Services**: Technical assistance, education and training, policy, and research. Focus on _systems-level change_.

- **Snapshot**: In 2018, fielded 200+ technical assistance inquiries, supported policy/programmatic change in dozens of communities, reached 4,350 through education, distributed 1,000s of publications.

- **Leadership & Education:** Be on the lookout for upcoming webinars, leadership programs, and place-based trainings.

Presentation Outline

I. What is the <u>problem</u>?

II. What are the <u>costs</u> of vacancy and abandonment?

III. What are <u>successful strategies</u> to address vacancy and abandonment?

IV. What are some <u>key practice tips</u> and examples?

V. What are <u>key takeaways</u>?

VI. Discussion

Section I

What is the problem?

What is the Problem?

What problems do you see? What worries you?

What is the Problem?

What you see….

✓ Ownership?
✓ Market demand?
✓ Inefficient, ineffective laws (e.g., tax lien sales, code lien priority)?
✓ Property taxes paid?
✓ Status/cost of code enforcement activities?
✓ Public safety risks and costs for police and fire?

…and what you don't

Section II

Center for **COMMUNITY PROGRESS**
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What are the costs of vacancy and abandonment?

Economic and Human Costs

Center for COMMUNITY PROGRESS
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Economic Costs of Vacant, Abandoned, Deteriorated Properties

- Lost property value in surrounding community
- Lost tax revenue
- Increased police dispatch costs
- Increased fire dispatch costs
- Housing and building code enforcement costs

Human Costs of Vacant, Abandoned, Deteriorated Properties

- Safety risks around schools and to children
- Safety risks to first responders
- Safety risks to neighbors from dangerous property conditions
- Relationship to poor public health outcomes
- Decrease in community wellbeing, social fabric, and pride

What are successful strategies to address vacancy and abandonment?

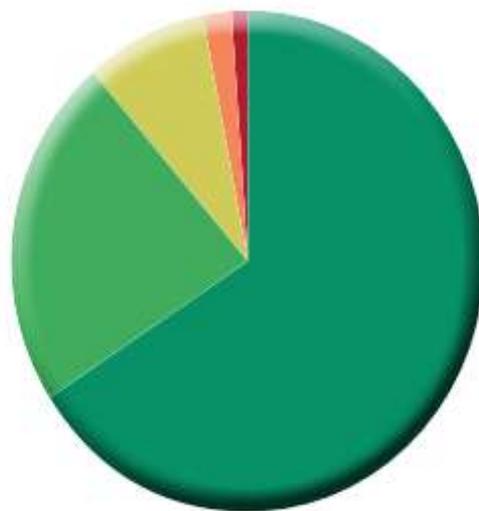# Define the Problem: Understand your inventory

Citywide Parcel Surveys
City of Toledo, OH and Cleveland, OH

Lucas County Land Bank led effort to survey all **121,798 parcels** in City of Toledo.

Western Reserve Land Conservancy led effort to survey all **158,854 parcels** in Cleveland.

The Toledo Survey – Condition Grade

- **A** - Very Good
  63,021
- **B** - Good
  21,740
- **C** - Fair
  7,948
- **D** - Deteriorated
  1,829
- **F** - Hazardous
  864

85% Of Occupied Structures are in Excellent or Good Condition.

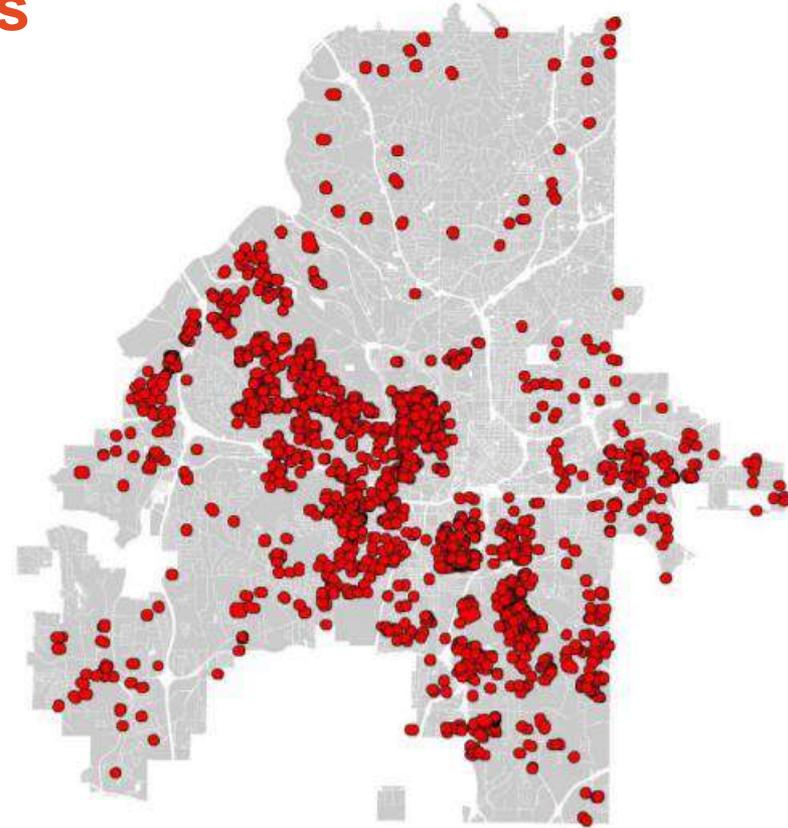Only 1,528 occupied structures were rated as "Deteriorated." 107 occupied structures were rated as "Unsafe."

For full report, see https://tinyurl.com/y87tcy95

To learn more, visit http://co.lucas.oh.us/2783/The-Toledo-Survey
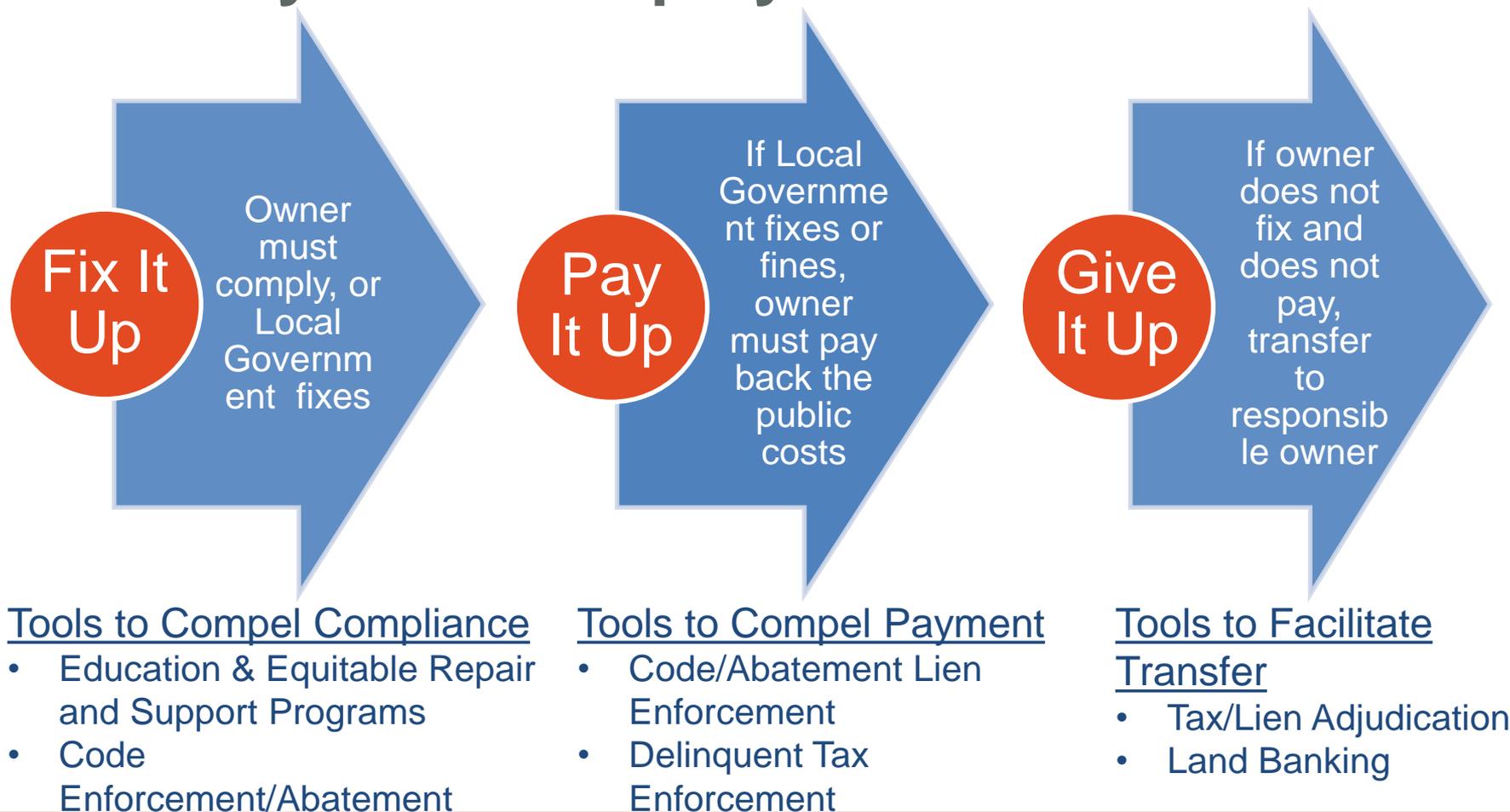
Define the Problem: Calculate the Costs

Cost of Blight Studies
City of Atlanta, GA (2016)

✓ **$1.67 to $2.96 million** in annual Code Enforcement, Fire, and Police direct service costs, incurred by the City of Atlanta, that are related to vacant properties

✓ **$55 to $153 million** reduction in single-family property values in the City due to distressed, vacant properties.

✓ **$985,000 to $2.7 million** lost in property tax revenue annually due to the decline of property values

Map of Vacant Properties in City of Atlanta

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For full report (Immergluck, 2016): http://tinyurl.com/jbyfk8d

Assess the tools you have and understand how they can be deployed

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Fix It Up → Owner must comply, or Local Government fixes

Pay It Up → If Local Government fixes or fines, owner must pay back the public costs

Give It Up → If owner does not fix and does not pay, transfer to responsible owner

Tools to Compel Compliance
- Education & Equitable Repair and Support Programs
- Code Enforcement/Abatement

Tools to Compel Payment
- Code/Abatement Lien Enforcement
- Delinquent Tax Enforcement

Tools to Facilitate Transfer
- Tax/Lien Adjudication
- Land Banking

Process must be Equitable, Efficient, and Effective!

Reform and Improve Coordination of Tools

Alternative to Criminal Enforcement: *New Orleans, LA (2010 – 2013)*

Problem: Owners of blighted and vacant properties (40,000+) had little incentive to pay code liens, since City had no effective and efficient way to compel compliance or transfer of ownership.

Solution: Give code lien super priority status (required reform of state law), streamline enforcement process, and enforce lien via Sheriff's sale or demolition.

Result: help continuation

MEDIAN TIME FROM INITIAL INSPECTION TO HEARING IN
2011: 160 DAYS
2013: 80 DAYS

$3.4 MILLION
COLLECTED THROUGH LIEN FORECLOSURE PROCESS.

+4000 UNITS DEMOLISHED

+2000 UNITS BROUGHT INTO COMPLIANCE AT ADMINISTRATIVE HEARINGS

Create an Efficient, Effective, and Equitable Tax Enforcement System

Efficient — Clarity in lien priority, redemption amounts, time frames for each stage of enforcement, and in the final disposition

Effective — Maximum payments and redemptions in as short a time as possible; avoids abandonment and decline; *in rem;* constitutionally adequate notice to interested parties by mail, posting, and publication; transfer insurable and marketable title

Equitable — Based on assessment system with built-in circuit breakers for vulnerable; hardship payment programs; focused outreach

Acquire, Maintain, and Transfer Properties into Responsible Ownership

Spotlight on Mobile, Alabama

- City of Mobile, with Community Progress support, led efforts to pass a new state law in 2017 to elevate the priority of certain code enforcement liens and allow the City to establish a judicial *in rem* code lien foreclosure system

- The city can now foreclose on existing code liens and transfer abandoned, tax-delinquent properties to a new owner with insurable and marketable title

See more about NRP on the City's website at: https://www.cityofmobile.org/departments/neighborhood-development/neighborhood-development-programs/neighborhood-renewal-program/

Start small and scale up

Manage expectations and be nimble.

- Prioritize projects that are highly visible and demonstrate action

- Evaluate your outcomes and adjust accordingly

- Respond quickly and thoughtfully as opportunities and challenges arise.

- Do not reinvent the wheel – operate under local land use and community plans

City of Waterbury
Nuisance
Enforcement Team
@WaterburyNET

Engage and cultivate community

- Identify communities most impacted by vacancy and abandonment and give them a seat at the table

- Understand history and sensitivities around land use law and policy, as well as public acquisition of property and "blight removal"
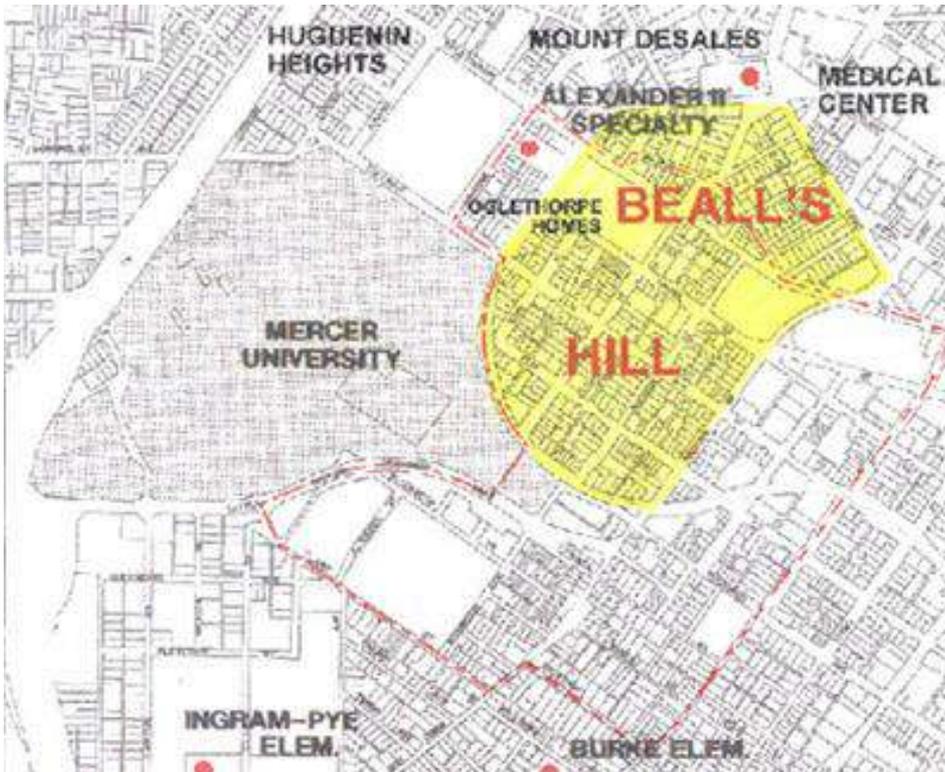
- Be authentic or just don't do it

Source: https://www.theadvocate.com/gambit/new_orleans/news/article_e0b3b32e-19e4-11e9-8850-ebd36b3c414d.html

Partner, Partner, and Partner some more

Macon-Bibb County Land Bank: Beall's Hill Coalition

Key Partners

- Macon County & County Tax Commissioner

- City of Macon Econ Dev & Code Enforcement

- Macon Housing Authority

- Habitat for Humanity

- Historic Macon

- Mercer University

- Knight Foundation

Embrace transparency, it is your friend

What people don't know…they don't trust.

LAND BANK AUTHORITY
Columbus, GA

Adopted April 4, 2019

Land Bank Authority of Columbus, GA

Administrative Policies and Procedures
As approved and adopted by the Board of Directors on April 4, 2019

These policies and procedures are a consolidation of and codification of all prior policies and procedures of the Columbus Land Bank Authority (hereinafter "LBA") and supersede all such prior policies and procedures. Notwithstanding the foregoing, these policies and procedures are intended solely for guidance purposes only and shall not be binding upon the LBA and its Board of Directors, and the LBA specifically reserves the discretion and authority to deviate from the policies and procedures contained herein as it deems necessary, provided that all such activities remain in compliance with applicable laws, regulations and ordinances.

Section 1. Role as a Public Authority.

1.1 Public Authority. The LBA is a public entity authorized by state law and created pursuant the Columbus, Georgia Code of Ordinances Chapter 2, Article XIII as amended on August 28, 2012. It is governed by a Board of Directors, four of whom are appointed by the Columbus Council and three of whom are nominated and approved by the LBA and confirmed by the Columbus Council.

1.2 Governing Authority. The core governing documents of the LBA are Sections 48-4-100 *et seq.* of the Official Code of Georgia Annotated (hereinafter the "Land Bank Act"), the Columbus, GA Code of Ordinances, Chapter 2, Article XIII, the Articles of Incorporation, and the By-laws.

1.3 Purposes. The LBA is established to acquire the tax delinquent properties, surplus properties of the local governments, and other properties in order to foster the public purpose of returning land

Policies and Procedures

Adopted April 4, 2019

LAND BANK AUTHORITY
LOTS OF GOOD USE

Programming and Pricing Strategies

Overview. The Land Bank Authority of Columbus, GA administers programs designed to achieve its public purpose of returning unproductive properties to good use. These programs and prices were approved by the board on April 4, 2019. Programs are in accordance with:

- Policies and Procedures[1], adopted on April 4, 2019, consistent with best practices across the US.
- Funding source requirements and constraints. The Land Bank's main funding sources are—
  - *Land Bank funds.* These flexible funds are earned through fees and transaction profits. They are used primarily to operate the Land Bank.
  - *Locally-administered Community Development Block Grant[2] (CDBG) funds.* These funds are allocated to the Land Bank by the Columbus Consolidated Government (CCG). CCG, in partnership with the Land Bank, ensures the use of CDBG funds to expand housing and economic opportunities primarily for persons with low-moderate income[3].
  - *Applicant funds.* These funds are paid by an applicant prior to the Land Bank acquiring property through the judicial tax sale process.

Principles. Land Bank Programs should:
1. Enable strong partnerships.
2. Value equitable development.
3. Be transparent and clear.
4. Be honestly priced and easy to use.

Applicant Requirements.
- Carefully read the Policies and Procedures.
- Submit preliminary application and other documents as needed.
- Provide income eligibility documents if needed.
- Submit cashier check payment if using applicant funds.
- Able to close within 60 days after board approves disposition.
- Demonstrate progress or completion of project or activity by agreed upon dates.

Program and Price Strategies

Adopted April 4, 2019

Section IV

Center for **COMMUNITY PROGRESS**
Vacant Spaces into Vibrant Places

What are key takeaways?

Key Takeaways

- **Understand the problem** and acknowledge the historical context and current implications.

- Inventory **existing powers and tools** and identify new resources needed.

- **Define goals and strategies** to guide a comprehensive approach across all systems: from **prevention** to **acquisition and maintenance** to **reuse.**

- **Political leadership** and **deep, diverse partnerships** are key ingredients for successful implementation of a comprehensive, systems-based, data-driven approach to vacancy and abandonment!

Section V

Discussion

Center for COMMUNITY PROGRESS
Vacant Spaces into Vibrant Places

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Center for COMMUNITY PROGRESS

Vacant Spaces into Vibrant Places

Vacant, Abandoned, and Deteriorated Properties:

Identifying and Combating the Root Causes of "Blight"

Center for Planning Excellence
Baton Rouge, Louisiana
November 13, 2019

Frank S. Alexander, Co-founder & Senior Advisor, Community Progress
Sam Nunn Professor of Law *Emeritus*, Emory Law

The Mysterious Meaning of "Blight"

Occupied unlawfully

Utility cut-offs

Depressing values

Trash

Substandard

Abandoned

Criminal Activity

Better uses

Overgrown with weeds

Deteriorated

Police Calls

Dilapidated

Unpleasant activity

Code Violations

Tax Delinquency

Unoccupied

Boarded

Unpleasant appearance

Burned

Fire Calls

"Blight is that which is aesthetically displeasing."   ???

The Louisiana Approach to Blight

85 statutory references

30 different code sections

2 separate constitutional articles

Louisiana Land Reform in the Storms Aftermath, 53 Loyola L. Rev. 727 (2007)

Contributing Factors:
Social and Environmental

- ➢ Economic decline: losses in employment, population

- ➢ Natural disasters

- ➢ Racism & Discrimination

- ➢ Biases in capital and financial markets

- ➢ Cultural attitudes towards property

Contributing Factors: Legal and Policy Systems

➢ Lack of public minimum standards for property conditions: Housing & Building Codes

➢ Lack of enforcement mechanisms for code violations

➢ Property tax systems which are inefficient, ineffective, and inequitable

➢ Ownership fragmentation: judgments, liens, heir property, shell corporations

Conceptual Clarity

Defining the thing itself
- Raw unimproved land
- Improvements but unoccupied and not lawfully occupiable
- Improvements but unoccupied yet lawfully occupiable
- Improvements, residential owner occupied
- Improvements, tenant occupied

Defining and calculating the costs
- Quantify direct costs of police and fire calls; GIS
- Quantify lost tax revenues
- Quantify property value declines
- Quantify cost enforcement activities (inspections, citations, expenditures)

Pondering the Activities
- Criminal activities of individuals; not the property itself
- Who is in control, or has power to remediate
- People and Cultures are not the "blight"

The Barriers

Defining the problem **(lack of Conceptual Clarity; go back one step)**
  - ➢ Lack of adequate housing & building code

Identifying owners
  - ➢ Comprehensive Title examination
  - ➢ Heir Property
  - ➢ Multiplicity of Liens

Lack of Enforcement Leverage
  - ➢ Ineffectiveness of criminal citations for code violations
  - ➢ Lack of lien priority
  - ➢ Sale of Tax Liens

Difficulty of Judicial Process
  - ➢ False premise of personal jurisdiction and service of process
  - ➢ Statutory time frames
  - ➢ Sale of tax liens

Lack of Data and Tracking Efficiency

The Two Key "Systems" in Louisiana

I. Housing and Building Code Enforcement
  - When was your Code last revised? International Property Maintenance Code.
  - Procedures for inspections
  - Procedures for citations and hearings
  - Municipal expenditures and Liens
  - Code Lien Enforcement: Judicial In Rem; or "Mortgage"

II. Property Tax Enforcement
  - Data on delinquent property taxes, but paid prior to enforcement (parcels and dollars)
  - Sales to third party purchasers at initial auctions
  - Adjudicated Properties: Additional time periods and restrictions
  - Redemption Periods: 3 year constitutional; but 1.5 for "blighted" in NOLA
  - Revolving Delinquent Tax Sales
  - Lack of insurable and marketable title

Potential Strategies and Tactics

Adjudicated Properties: Eliminate Entirely

- Data on current inventory: year received, property conditions
- Stop all future adjudicated properties

Property Tax Enforcement

- Remove constitutional redemption period by shifting it to legislative determination
- Shorten redemption period for certain categories such as no-bid properties and properties with code violations
- Create optional judicial in rem enforcement procedure
- Maximize constitutional notice to be given – once (instead of 5 or 6 times).
- Make recording of tax deeds mandatory at time of tax sale

Code Enforcement

- Include all code liens in tax bills
- Maximize use of LRS 13:2575, 13:2576, and amend if necessary
- Strategic programmatic decisions on enforcement actions

Identifying Early Wins

- ✓ **Target Top Ten Properties**

  Long term vacancy; significant deterioration; delinquent taxes; multiple code violations; highly fractured title; maximum costs to neighbors

  Identify specific legal and administrative tools, where they are broken, and fix them for these properties.

  Power of signaling effect.

- ✓ **Identify Tools in need of Systemic Reform**

- ✓ **Begin Drafting Systemic Reforms and Building Coalitions**

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About the Center for Planning Excellence

Mission

We champion the power of good planning to build livable, resilient communities throughout Louisiana through our work as policy advocates, educators, and planning experts.

CPEX is a non-profit organization that coordinates urban, rural and regional planning efforts in Louisiana. We provide best-practice planning models, innovative policy ideas, and technical assistance to individual communities that wish to create and enact master plans dealing with transportation and infrastructure needs, environmental issues, and quality design for the built environment. CPEX brings community members and leaders together and provides guidance as they work toward a shared vision for future growth and development.

Since our founding in 2006, CPEX has been involved with the planning efforts of more than 30 Louisiana cities, towns and parishes. We have also leveraged more than $6 million on behalf of communities all over the state.

CENTER *for* PLANNING EXCELLENCE
www.cpex.org