Introduced by _____ Council Bill No. _____R 106-13_____

A RESOLUTION

authorizing the Neighborhood Stabilization Program (NSP) Land Bank Plan; authorizing the City Manager to submit the Land Bank Plan to the Missouri Department of Economic Development – Division of Business and Community Services.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City of Columbia Neighborhood Stabilization Program (NSP) Land Bank Plan (hereinafter the "Plan"), a copy of which marked "Exhibit A" is attached to this resolution, is approved.

SECTION 2. The City Manager is authorized to submit the Plan to the Missouri Department of Economic Development – Division of Business and Community Services and to execute and submit all other documents necessary or incidental to carry out and comply with the terms of the Plan.

ADOPTED this _____ day of _____, 2013.

ATTEST:

_____ _____

City Clerk Mayor and Presiding Officer

APPROVED AS TO FORM:

_____

City Counselor

Exhibit A

Neighborhood Stabilization Program Land Bank Plan
4-19-2013

Overview

The purpose of this document is to establish a Neighborhood Stabilization Program Land Bank Property Plan. This plan includes a description of the NSP properties currently in land bank status and proposed plans for reuse.

Land Bank Definition

A land bank is a governmental or nongovernmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. For the purposes of the NSP, a land bank will operate in a specific, defined geographic area. It will purchase properties that have been abandoned or foreclosed upon and maintain, assemble, facilitate redevelopment of, market, and dispose of the land-banked properties.

An NSP land bank acquires foreclosed properties that do not have a designated specific, eligible redevelopment use in accordance with NSP requirements. HUD does not believe the benefits of holding property are sufficient to stabilize most neighborhoods or that this is the best use of limited NSP funds absent a re-use plan. Therefore, a land bank may only hold the property up to ten years before it obligates the property to an eligible NSP use.

HUD Guidelines

Land banks are not allowed in regular CDBG or HOME funding due to risk in time needed to meet a national objective. NSP funds can be used for land banking and must correlate with an eligible activity under 24 CFR 570.201 (a) Acquisition & (b) Disposition.

a) *Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of Sec. 570.207.*
b) *Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in Sec. 570.504. (Temporarily managing includes maintenance, assembly, facilitating the redevelopment of, and marketing of land banked properties. NSP funds may be used for basic, reasonable maintenance intended to stabilize the property.)*

Proposed Plan for City of Columbia Neighborhood Stabilization Land Bank Properties

The City of Columbia currently has 4 properties in land bank status. A list of the land bank properties and summary of their reuse is as follows:

106, 108, and 110 West Sexton

The City of Columbia will donate these 3 properties to the Columbia Housing Authority for the purpose of developing affordable housing. These properties will be a part of a larger affordable housing development with potential funding sources of low-income housing tax Credit (LIHTC) financing, Federal Home Loan Bank of Des Moines, City HOME funding, and City Community Development Block Grant (CDBG) funding.

603 North Fourth Street

The City of Columbia will maintain this cleared lot until title issues are resolved. Upon resolving title concerns, City staff will develop a plan for reuse of the property.

Citizen Input for Land Bank Property Reuse

The Department of Housing and Urban Development (HUD) requires NSP grantees to obtain citizen input in the development of the land bank plan. The following timeline details opportunities provided for citizen input:

1. April 18, 2013: Community informational meeting for the Garth/Sexton affordable housing project, including a survey of attendees.

2. April 21, 2013 through May 20, 2013: 30 day comment period to allow gain public comments on City NSP Land Bank Properties Plan, and provide a report to Council.

3. May 6, 2013: Council resolution to set hearing for NSP Land Bank Plan.

4. May 20, 2013: Comment period ends.

5. June 3, 2013: Council hearing on resolution to approve City of Columbia NSP Land Bank Properties Plan.

6. June 17, 2013: Council meeting 2nd and 3rd read of City Ordinance to donate NSP properties to the Columbia Housing Authority for affordable housing development.

Source: Community Development - CDBG/Home Agenda Item No:

To: City Council
From: City Manager and Staff

Council Meeting Date: Jun 3, 2013

Re: Approving the City of Columbia Neighborhood Stabilization Program (NSP) Land Bank Plan

EXECUTIVE SUMMARY:

In January of 2009, the City of Columbia was awarded $610,806 in NSP funding through the U.S. Department of Housing and Urban Development (HUD) to assist in stabilizing distressed neighborhoods. Eligible activities in the City of Columbia's NSP budget include: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration. Staff has developed a proposed plan for re-use of the City's 4 NSP properties in land bank disposition status. HUD guidelines require citizen input through a public hearing for the approval of the Neighborhood Stabilization Program Land Bank Plan. Staff has prepared a resolution setting a public hearing to consider the proposed City of Columbia NSP Land Bank Plan.

DISCUSSION:

The NSP is funded through HUD and administered by the Missouri Department of Economic Development (MoDED). The NSP provides funds to assist in stabilizing neighborhoods impacted by foreclosure. The City of Columbia budgeted funds for five NSP eligible activities including: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration.

A land bank is a governmental or nongovernmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. The NSP allows properties to be held in land bank status for 10 years. The City utilized NSP funds to purchase vacant, abandoned, or foreclosed upon properties. Each land bank property purchased by the City contained dilapidated structures, which have since been demolished with Community Development Block Grant (CDBG) funds. The City currently maintains 4 properties in land bank status through the NSP: 106 W. Sexton, 108 W. Sexton, 110 W. Sexton, and 603 N. Fourth. 106-110 W. Sexton were purchased in December of 2010, and 603 N. Fourth was purchased in July of 2012.

The attached NSP Land Bank Plan (Exhibit A) describes proposed plans for use of the 4 land bank properties. Proposed plans for 106, 108 and 110 W Sexton include donating the properties to the Columbia Housing Authority (CHA) for development of affordable housing. The CHA currently owns several adjoining properties on the same block. The Columbia Community Development Corporation (CCDC) will also be donating 3 adjoining properties to the project. The CHA will be applying to a variety of funding sources to complete this project. Potential funding sources for the project include, City of Columbia CDBG and HOME funds, Missouri Housing Development Commission (MHDC) low-income housing tax credits, Federal Home Loan Bank of Des Moines, and tax exempt bonds. Total development costs for the project are estimated to be $3,413,010 and will consist of 21 affordable housing units (6 single family residential, 3 three-plexes, and 3 two-plexes). Construction is projected to begin in the fall of 2014, with completion projected for fall of 2015. A brief summary of the CHA's proposed affordable housing project is included as attachment a. This summary is taken directly to the CHA's CDBG application that will be presented at the next Community Development Commission meeting on June 5, 2013.

The Columbia Housing Authority held a public informational meeting for the proposed Garth and Sexton affordable housing development on April 18, 2013 at Oak Towers. City staff presented the proposed NSP Land Bank Plan as a part of the public informational meeting. The presentation included a description of City NSP land bank property proposed reuse, as well as opportunities for public input. A survey was collected at the meeting, followed by a 30 day public comment period through May 20, 2013. 15 of the 20 survey respondents were "Very Supportive" of the City donating 106, 108, and 110 W. Sexton to the Columbia Housing Authority for the development of affordable housing. The other 5 survey respondents were

"Somewhat Supportive", while zero survey respondents responded as being "Not Supportive." A full report of public responses is included as attachment b.

The proposed NSP Land Bank Plan also includes plans for 603 N. 4th. This property was purchased by the City in August of 2012, and contained a dilapidated structure. The City has since demolished the structure and is currently holding the property in land bank status. Redevelopment of the property will be delayed due to title concerns. City staff was aware of these title concerns before purchasing the property, and moved forward with purchase and demolition due to the structure being a hazard to the surrounding neighborhood. The proposed NSP Land Bank Plan maintains 603 N. 4th in land bank status until title concerns are remediated.

The attached resolution approves the City's NSP Land Bank Plan.

FISCAL IMPACT:

Approval of the Land Bank Plan has no fiscal impact.

VISION IMPACT:
http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php

The proposed reuse further Goals 2.3 and 11.2 through providing additional housing choices for low and very low income owner occupants. Implementation Task 18 will be addressed through the provision of additional affordable housing units.

SUGGESTED COUNCIL ACTIONS:

Approve the attached resolution to set the a public hearing on June 3, 2013 to consider the NSP Land Bank Plan.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		**Program Impact**		**Mandates**	
City's current net FY cost	$0.00	New Program/ Agency?	No	Federal or State mandated?	Yes
Amount of funds already appropriated	$0.00	Duplicates/Epands an existing program?	No	**Vision Implementation impact**	
Amount of budget amendment needed	$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		**Resources Required**		Vision Impact?	Yes
One Time	$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	2 and 11
Operating/ Ongoing	$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	2.3 and 11.2
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	FY12Task18

Narratives

Divided into two major sections (Project Description & Organizational Description).

Project Description

1. **Provide a 250-500 word summary describing the proposed project.**

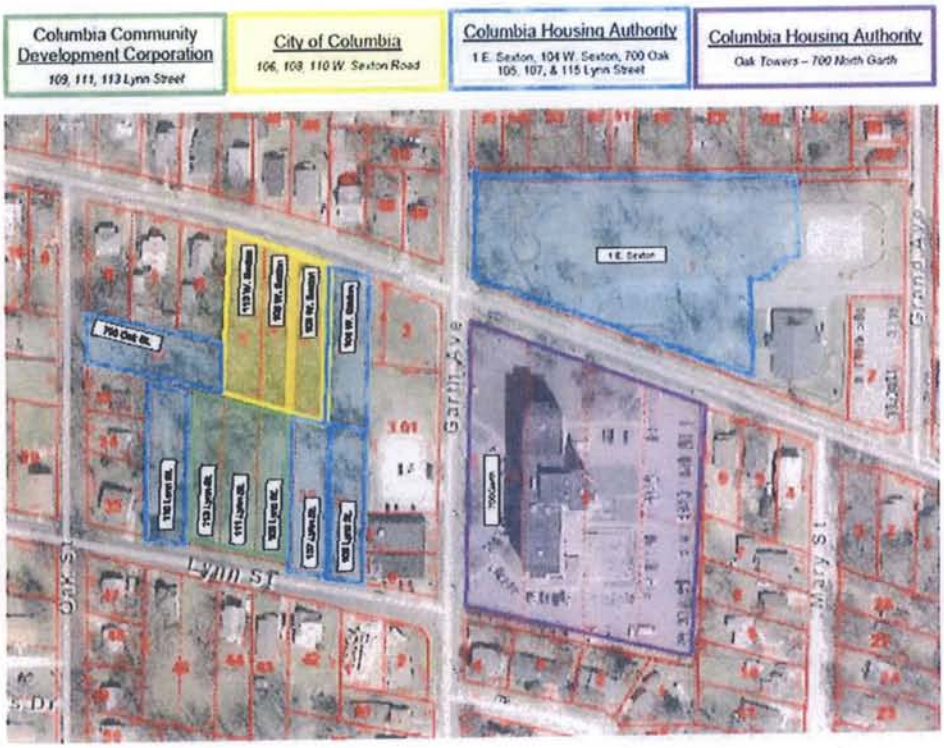
In December 2012, the Columbia Housing Authority (CHA) acquired several properties located in the vicinity of the intersection of Garth Avenue and Sexton Road for the purpose of developing new affordable housing to serve low-income families and individuals.

The purchase of these properties is part of the CHA's Affordable Housing Initiative which was launched in May 2012 with the goal of preserving and developing affordable housing in the heart of Columbia and surrounding neighborhoods. See attached goals and objectives.

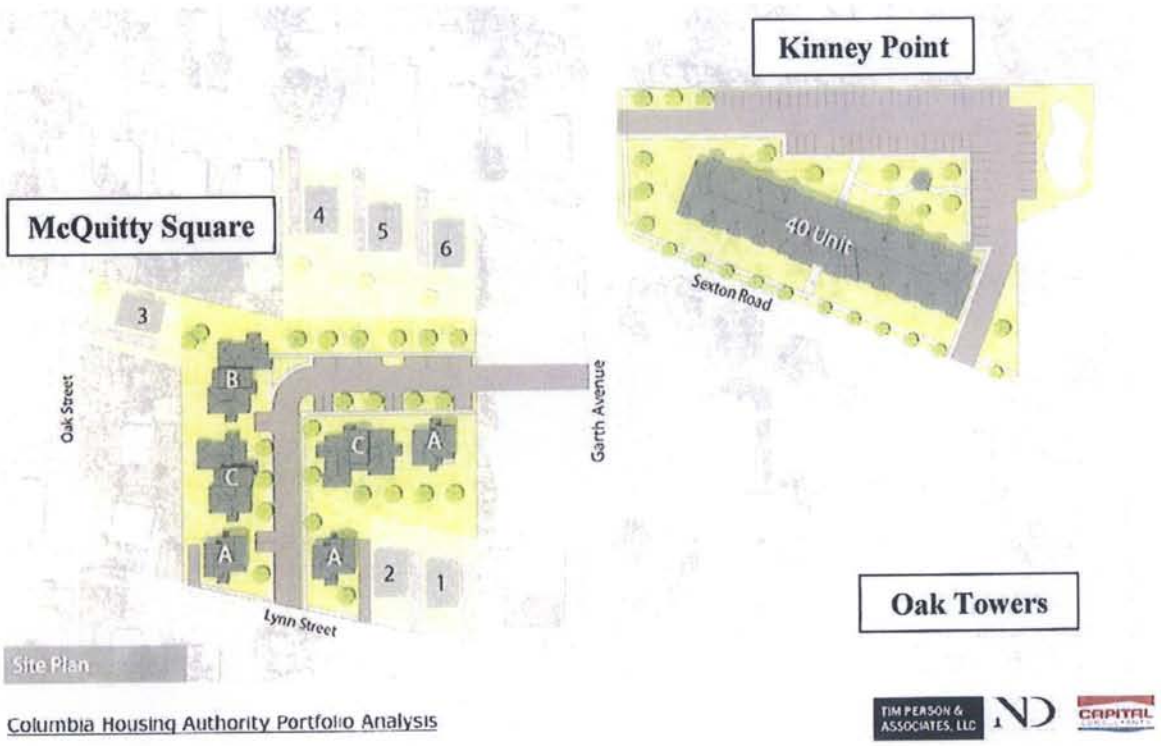
The properties acquired by the CHA are located across from Oak Towers and in close proximity to other CHA properties that makes this a very desirable location for the CHA to develop additional affordable housing options. These properties are as follows and highlighted in blue in the map below.

Address	Lot Size	Sq. Ft.
1 East Sexton Road	1.96 Acres	85,377
104 West Sexton Road	59'x202.8'	11,965
700 Oak Street	60' x 198'	11,880

Address	Lot Size	Sq. Ft.
105 Lynn Street	50' x 202.8'	10,140
107 Lynn Street	50' x 204.6'	10,230
115 Lynn Street	50' x 211.5'	10,575

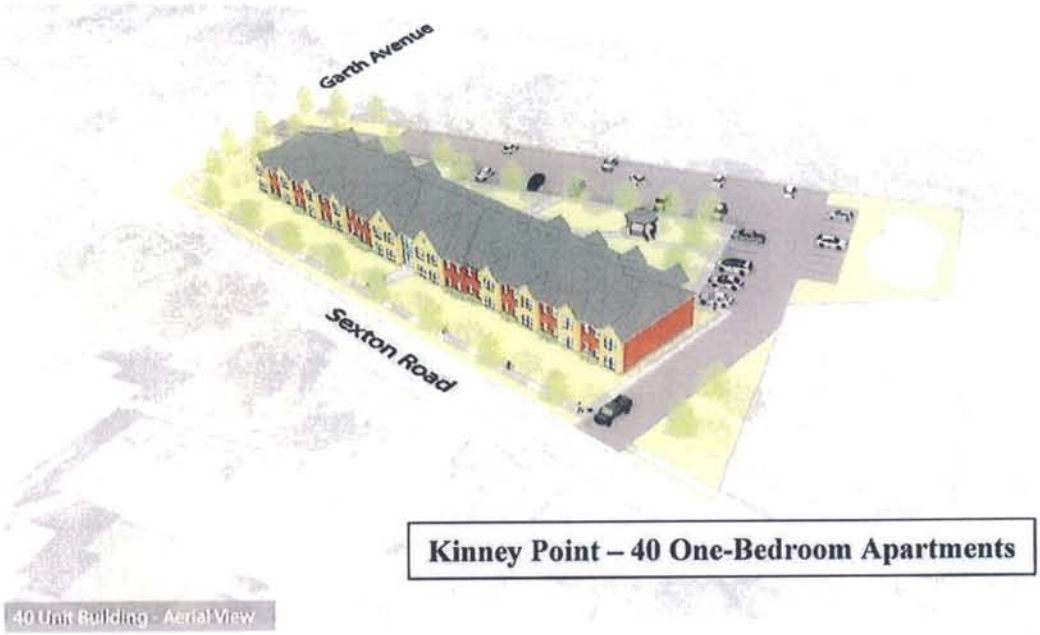


Since acquiring these properties, the CHA has formed a working partnership with the City of Columbia and the Columbia Community Development Corporation (CCDC) to develop affordable housing on CHA owned properties and adjacent properties owned by the City and the CCDC. The City of Columbia owns three adjacent vacant lots located at 106, 108, & 110 West Sexton Road. These lots were acquired by the City of Columbia through its Neighborhood Stabilization Program. The Columbia Community Development Corporation (CCDC) owns three adjacent vacant lots located at 109, 111, & 113 Lynn Street that they acquired with the intention of using for the development of affordable housing.



Garth Avenue and Sexton Road Intersection
Affordable Housing Conceptual Designs

For purposes of the budget of this application, we are only addressing the 15 rental homes on the Southwest plot of the Garth Avenue and Sexton Road intersection for the prospective development we have named "McQuitty Square", although we are also planning a complex that will consist of up to 40 one bedroom units on the Northeast corner for the prospective development we have named "(Marvin) Kinney Point" (in honor of our Board Chairperson of 23 years who recently passed) – below:



Kinney Point – 40 One-Bedroom Apartments

Columbia Housing Authority Portfolio Analysis

The 2.58 acre site is bounded by Sexton Road to the north, Garth Avenue to the east, Lynn Street to the south, and Oak Street to the west. The site is currently overgrown with multiple brush trees and has an open concrete culvert running across the site that is known as Flat Branch. The culvert extends from Oak Street to the west to Garth Avenue to the east. There are existing adjacent single family structures on Sexton Road and Oak Street. The Grace Covenant church is located on the southeast corner of Garth Avenue and Lynn Street and surface parking lots extend the along the west side of Garth Avenue to Sexton Road.

Properties Purchased on Southwest Corner of Garth & Sexton
Dilapidated Structures and Overgrown Foliage

...In which we wish to present

The new development which will have (6) single family structures and (6) multi-family structures. There will be (3) single family structures fronting Sexton Road, (1) single family structure fronting Oak Street, and (2) single family structures fronting Lynn Street. (2) Duplex multi-family structures will front Lynn Street and (4) multi-family structures will front a new street on the interior of the site. The new street will have one curb cut on Lynn Street between the (2) new duplex multi-family buildings. The street will extend north on site with a 90 degree turn and extend to Garth Avenue with a single curb cut. The street will be asphalt paving on granular base and have concrete curbs and 5 foot wide concrete sidewalks. Surface parking for the multi-family dwelling will be a combination of parallel parking along the street and multiple parking pads.

Columbia Housing Authority Portfolio Analysis

Columbia Housing Authority Portfolio Analysis

Attachment B

Columbia Housing Authority

Affordable Housing Initiative

Affordable ❖ Accessible ❖ Energy-Efficient ❖ Healthy ❖ Safe ❖ Well-Maintained

Neighborhood Meeting Comments

CHA Affordable Housing Development
Garth Avenue & Sexton Road

Date: Thursday, April 18, 2013 Place: Oak Towers, 700 N. Garth Ave. Time: 7:00 p.m.

Public Comment Card

Please answer the following questions and include your comments. You may use the back of the card.

	Yes	No	Unsure
I believe that there is a great need for affordable housing in Columbia.	18	1	1
I like the housing concepts and plans presented by the CHA tonight.	13	3	2
I believe the CHA does a good job in managing public housing.	14	2	4
I support the work of the CHA to develop affordable housing.	16	2	3
Describe your level of support for the City of Columbia donating the 106, 108, and 110 W. Sexton properties to the Columbia Housing Authority for the development of affordable housing?	Very Supportive	Somewhat Supportive	Not Supportive
	15	5	0

Concerns or comments regarding 106, 108, and 110 W. Sexton properties:

- Please include gardening plots such as at SE corner of Oak Towers for residents to grow vegetables and such.
- Thanks for donating and helping improve the community.
- Will the cost of 1 bedroom be cack on 30%/HUD?
- My preference would be to see old houses restored.
- Be sure to get the water problems under the properties fixed – drainage, be sure there are no springs underneath BEFORE you build. This area has a lot of problems regarding water.

- Water is a problem under these lots. In presentations start out: Not Public Housing and say it several times.
- Need to explain more about it.

General Comments from the Back of the Comment Card:

- Line-work is not affordable housing
- Don't slam "Mexicans" in your presentation
- Unhappy this won't address low income needs for housing.
- I am cautious about the live/work space becoming unaffordable; although I am hopeful it will assist entrepreneur start-ups in the area.
- I like the idea of affordable housing for low income individuals/families. I'm just concerned that we continue to have waiting lists for the lower of below housing eligible people would be good to have facts and figures to make a case for affordable vs. public housing – Could there be a better term for this?
- Especially one bedroom units.
- Very impressed with changes over past couple of years.
- Would the City be able to provide washers/dryers in the 40-unit building?
- It is very hard to find a 1 bedroom apartment. We need this development.
- Obviously a lot of work went into this.
- Absolutely. Other developers are in it for the money. We can trust CHA to think of the community's nee first and foremost.
- I'm enjoying the future plans for housing as mentioned but don't have interest in living outside of Columbia. I feel HUD and CHA should focus on eliminating children and parents, single or young adults, ones ability to community, children and young adults so far stretched and difficult to come to a civil understanding all over America today.
- I believe affordable neighborhoods need more support.
- They are ugly. They could be much prettier.
- I think they do well at Oak Towers. But I have heard they can't get rid of bed bugs at Paquin.
- I think it is very important to be consistent with architectural patterns in neighborhood. (eg. Front porches, grid patterns, no blank walls facing streets etc.)
- Please consider sustainable buildings and not just well insulated but built using net zero and environmental design. Not houses that are always on artificial life support systems.
- You mentioned a meeting every week. Why not invite neighborhood and community representatives to participate?
- I find it hard to believe we can't have porches because MHDC listens to slum lords.
- I like the plan to have parking in back but please have doors and walks to the street.
- I think the live/work idea would work well on Providence but there would have to be specific zoning to that we would not have live/work payday loan businesses.
- The 40 units look like a Red Roof Inn hotel design. It's not attractive, there isn't much green space, and if one unit is infested with bugs then the entire complex would be infested.
- You need one "office" or desk space for 40 units; laundry in the building make it 38. Reality for individual's necessary safety and cleanliness and trash chute.
- Laundry, common entrance ok if monitored. Single elevator for 40 (wheelchair?) escape not enough – Old folks with canes? Visiting grandkids? Should have one laundry on each floor and janitor room for hall – Need a common area – Everyone can't get across the street.

- I noted on my way here, Garth (between Ash and Sexton) has some housing slipping to questionable. I', sure realtors have noticed, too and may be eying it for their developments.
- One laundry mat per floor might be a good idea. 38 units /2 laundries and one common unit/office brings to 37 units.
- Looks expensive.
- Make an area to pull up in front and park to go get people for MD appointments etc.
- One elevator for wheelchairs for tornado warnings? Or hit by lightning (Kelly Ridge).
- Take care of underground water and flow-thru water – SW – the front lots (on Sexton) also have swamp water problems – that's why the lots are as they are – water.
- Back door on the one bedrooms? Fires on stoves can trap folks – One bedroom, single person, or is a couple allowed? Care of one individual by another?
- Don't agree with live/work.
- I think it will be very nice.
- NO comments on those properties. I do feel more explanation/clarity on "Affordable" versus Public Housing for the people attending the meeting. I don't think most attending tonight understand differences. Thank you for a great meeting.
- It appears that the greater need is for housing which has much lower rent than affordable housing.
- Except for people who can afford affordable housing but doesn't meet the enormous need in Columbia.
- I believe indeed it has done better for things over the years but it is this kind of housing which is needed.
- No not when the people in the hundreds and thousands who need housing would not be able to afford affordable housing.
- How can CHA involve themselves in this level of housing when waiting lists for people who can't afford this are in the hundreds and thousands? And CHA is giving so much time and effort to this affordable housing situation and apparently now ignoring the needs for this affordable housing option – it would appear that CHA is deviating dramatically from its major mission.