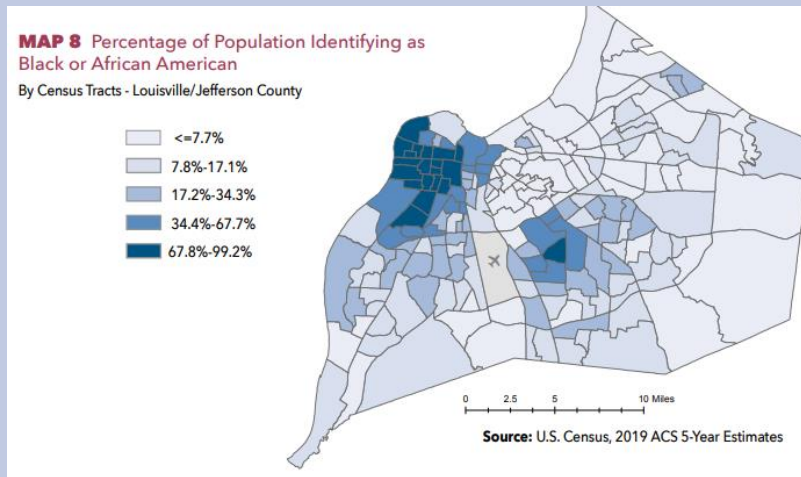


An aerial photograph of the Louisville, Kentucky skyline, featuring the Ohio River and several large bridges. The city's skyline, including the Kentucky State Capitol, is visible in the background. The image is overlaid with a semi-transparent purple filter.

Special Meeting of the Louisville and Jefferson County Landbank Authority, Inc. May 24, 2022

LOUISVILLE

Landbank Programs: Racial Equity Review Background



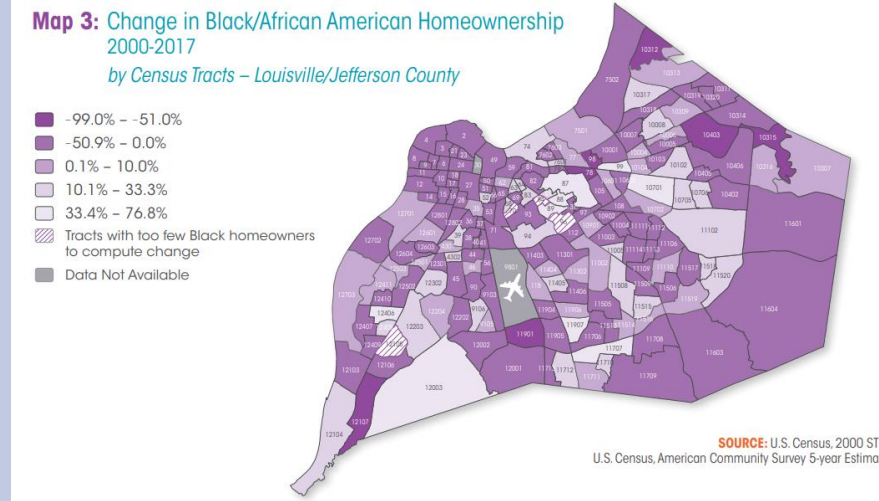
Why conduct the review?

- Nearly all the Landbank's properties and real estate transactions are located in neighborhoods with predominantly Black/African American households.
- Over last two decades in those neighborhoods, Black/African American homeownership rates decreased.

Why now?

- Increased questions asking **WHO** is benefiting from Landbank transactions.
- Availability of Racial Equity Toolkit to facilitate program review.

Source: Metropolitan Housing Coalition 2020-2021 State of Metropolitan Housing Report



Landbank Programs: Racial Equity Review Process

1. Landbank approved resolution requiring Racial Equity Toolkit applied to each new program and all existing programs. (2020)

2. Identified stakeholder groups, created racial equity vision, and performed initial racial equity analysis. (Early 2021)

3. Updated Landbank Board on progress and presented initial recommendations. (Approved October 2021) [Link to Resolution](#)

4. Implemented initial recommendations, drafted final recommendations, and obtained stakeholder input. (Oct 2021 – Mar 2022)

5. Recommend proposed sales program changes to Landbank board. (Apr/May 2022)

6. Present suggested organizational and sales program changes to Landbank board. (May 2022)

Landbank Racial Equity Review

Stakeholder Identification and Racial Equity Vision

Stakeholder: Landbank Buyers

Racial Equity Vision:
Landbank programs decrease the racial wealth gap by selling directly to an increased number of Black/African American buyers.

Stakeholder: Landbank End Users

Racial Equity Vision:
Landbank programs through their end uses regularly support displacement prevention, improved homeownership rates, and/or improved condition of affordable rentals.

Stakeholder: Neighboring Residents

Racial Equity Vision:
Neighboring residents are positively impacted by Landbank property transfers. Residents receive consistent communication about Landbank properties, programs, and projects through various channels.

Stakeholder: Contractors/Professionals

Racial Equity Vision:
Landbank programs decrease the racial wealth gap by contracting directly and indirectly to an increased number of Black/African American-owned companies.

Landbank Racial Equity Review: Recommendations



Landbank Racial Equity Review: Recommendations



Recommendations

- Develop Landbank-specific logo and associated marketing materials.

Purpose

- To improve community awareness and engagement around the Landbank and its mission.

Targeted Stakeholder Group

- Neighboring residents

Landbank Racial Equity Review: Recommendations

Recommendations

- Develop a community engagement program similar to Omaha's Ambassador Program
- Developing a partnership with a technical school

Purpose

- To improve community awareness and engagement around the Landbank and its mission.

Targeted Stakeholder Group

- Neighboring residents



Omaha Landbank Ambassador Program Details

- ❖ Goals are to help with challenge of limited staff capacity for outreach, to increase pool of board applicants, and focus on listening to and prioritizing needs of residents from redlined communities
- ❖ Cohort of applicants chosen for 1-year program with monthly meeting
- ❖ Meetings include site visits and discussions on public processes, affordable housing, redlining, tax and other liens, construction/rehab, and neighborhood data.

<https://omahalandbank.org/programs/>

Landbank Racial Equity Review: Recommendations

Recommendations

- Revise Landbank disposition programs

Purpose

- Incorporate racial equity goals into disposition program design to improve racially equitable outcomes

Targeted Stakeholder Groups

- Landbank buyers
- Landbank end users

Program Revision Overview

- ❖ Create a program solely dedicated to supporting homeownership
- ❖ Revise scoring criteria in multiple programs to favor neighborhood residents and homeownership
- ❖ Replace first-come, first-served application process with scoring criteria
- ❖ Revise applicant eligibility to include long-term renters to purchase vacant lot on the block
- ❖ Revise program names and goals with more accurate descriptions

Landbank Racial Equity Review: Recommendations

All Approved Landbank Applicants

- All staff approved applicants must attend the Landbank meeting at which their resolution is being presented.
- Any projects not completed within the time stated on the deed will be prohibited from future Landbank purchases for a period of up to 2 years unless an extension has been granted.
- Applicants not adhering to the proposed end use of the property (see Value to Community) will be prohibited from future Landbank purchases for a period of up to 2 years.
- Applicants may not have more than 1 incomplete project in order to be considered for additional Landbank properties.

Landbank Racial Equity Review: Recommendations



Current Disposition Program

Cut It Keep It

- Applicant can be any property owner of either a vacant lot or a structure within the block

Proposed Program Revision

Lot on My Block

- **Applicant must be an owner-occupant or long-term renter(5yrs ≥)**
- **Program goal is to transfer Landbank properties to neighborhood residents**

Note: Adjacent Side Yard program remains unchanged currently.

Landbank Racial Equity Review: Recommendations



Current Disposition Program

Budget Rate/Flex Rate

- Applicant selected on a first-come, first-served process

Proposed Program Revision

Build Back our Blocks

- **Application review process to use new scoring criteria designed to encourage homeownership and resident purchases**
- **Program goal is to encourage new construction by neighborhood residents and/or organizations**

Landbank Racial Equity Review: Recommendations



Current Disposition Program

Last Look – Save the Structure

- Applicant selected on a first-come, first-served process

Proposed Program Revision

Last Look – Save Our Structures

- **Application review process to use new scoring criteria designed to encourage homeownership**
- **Program goal is to save structures from demolition**

Landbank Racial Equity Review: Recommendations



Current Disposition Program

Request for Proposals (RFP)

- Scoring criteria favors cash buyers which puts most neighboring residents at a great disadvantage

Proposed Program Revision

Homeowners First Program (HOF)

- **New scoring criteria used to determine buyers**
- **Application window open for 30 days to owner-occupants only**
- **Developers will be eligible to purchase starting at day 31 if committed to selling to owner-occupants**
- **As needed, Landbank will make exterior repairs to properties to aid potential homeowners in obtaining financing**
- **Program goal is to improve homeownership rates**
- **Rentals are not an option for the Homeowners First program (HOF)**

Landbank Racial Equity Review: Recommendations

Agricultural Projects for Community or Market Gardens

- **Programs are currently under review in partnership with UK Extension Office. Recommendations expected Summer 2022**



Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Program Review (Max 15)

Landbank Class = 15

No Class = 0

- The purpose of this class is to educate and notify applicants of the responsibilities of ownership of Landbank properties.
- This class will also be made available online for applicants that are not able to be present in person.
- Items to be discussed in this class will include but are not limited to:
 - Maintenance of the property
 - Expectations of completion
 - Permits and licenses required prior to deed release
 - Extension requests
 - Right of Entry
 - Contacting Codes and Regulations upon ownership
 - Application process
 - Program descriptions
 - Timelines
 - End user demographics

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Applicant Residing Zip Code (Max 20)

Same as Property = 20

Adjacent to Property = 15

Within Metro including Louisville Metropolitan Statistical Area = 10

Outside of Metro - 5

- Business/Organization zip code will be determined by tax billing address or principal address from KYSOS.

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Value to the Community (Max 40)

Owner/Occupy = 40

Sell as Affordable Housing = 30

***Rent as Affordable Housing = 20**

Sell at Market Rate = 15

***Rent at Market Rate = 10**

- All point allocations of Value to the Community will be used in determining the approved applicant on Budget/Flex Rate and Save Our Structures.

***Rentals are not an option for the Homeowners First program (HOF)**

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Sustainability (Max 25)

3 or more = 25

2 = 15

1 = 5

0 = 0

- Sustainability are improvements to the property that can be passed down to the buyer and have longevity benefits to the structure.
- Examples include but are not limited to: Triple Pane Windows, TUFF application, Solar Panels, Energy Efficient HVA and/or water system, Smart Thermostat, Metal Roof, etc.

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Construction Budget (Max 15)

85% = 15

70% = 10

60% = 5

- Construction budget is determined by the percentage of the proposed construction budget submitted by Concepts21.
 - Ex. Concepts21 budget proposed as \$110,000. Applicant submits a budget of \$95,000 equaling 86% of the proposed budget.

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Completion Time Frame (Max 15)

0 - 12 months = 15

12 - 18 months = 10

> 18 months = 0

- Completion time frame point total given to encourage timely completion of Landbank rehab projects

Landbank Racial Equity Review: Recommendations

Proposed Scoring Criteria

Scoring Example – Save Our Structures

Program Review

Landbank Class = 15

Applicant Residing Zip Code

Adjacent to Property = 15

Value to the Community

Sale as Affordable Housing = 30

Sustainability

2 = 15

Construction Budget

70% = 10

Completion Time Frame

12-18 months = 10

Total = 95/130

Landbank Racial Equity Review: Next Steps

Task	Responsible Office	Timeline
Present resolution to Landbank board formally recommending program changes	OHCD Landbank Board	Summer 2022
Develop and implement communication plan around program changes	OHCD LF Comm Team	Summer 2022
Launch Landbank Homeownership Fund	OHCD Financial Institutions	Summer 2022

Office of Housing and Community Development



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<https://www.facebook.com/DevelopLouisville/>