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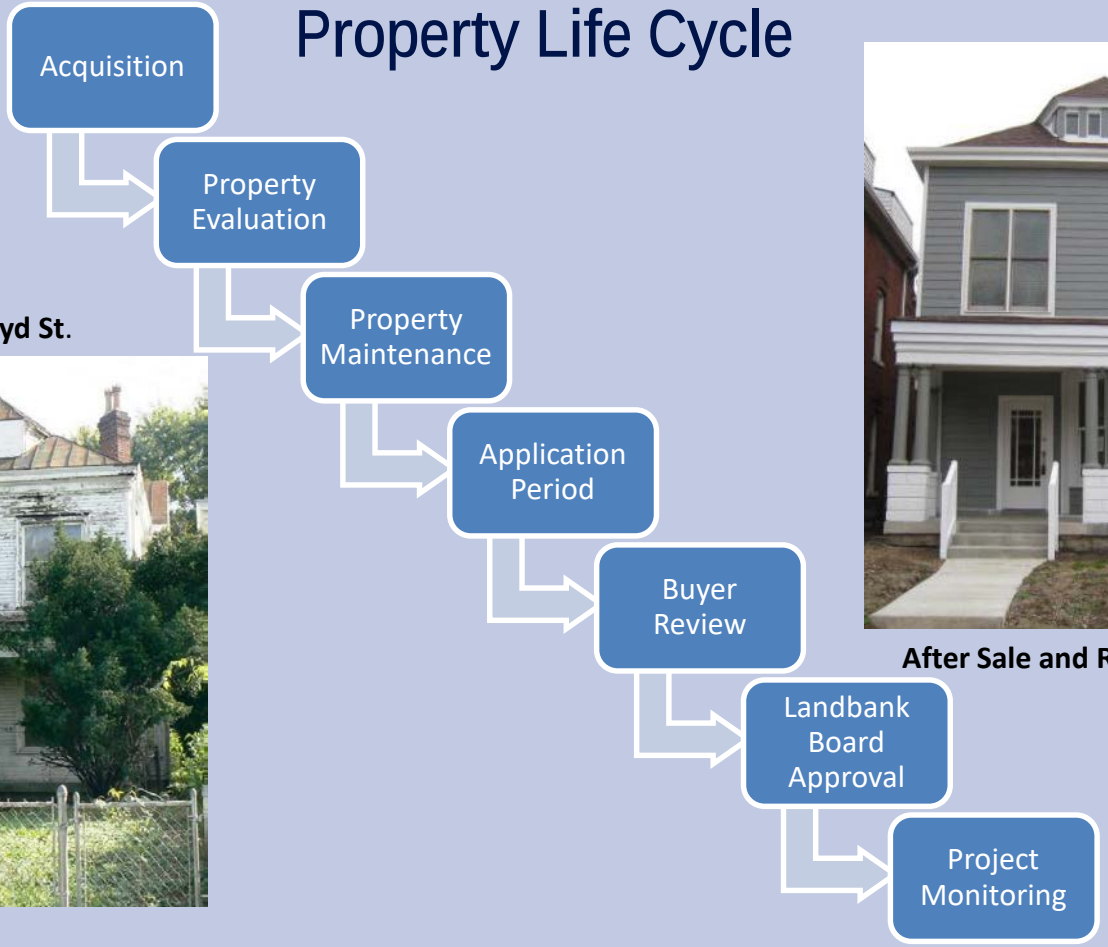
Landbank Updates
Community Affairs and Housing Committee
October 17, 2018

Louisville/Jefferson County Landbank Authority
Purpose and History

- Formed in 1989 as partnership between taxing entities – JCPS, Commonwealth of Kentucky, and Louisville Metro Government (formerly City and County).
- Purpose is to turn vacant properties into tax-producing properties.
- Intended to be **one** part of a larger solution to the complex problem of vacant and abandoned properties.
- In control of approximately 600 vacant parcels. Louisville Metro has approximately 5,000 vacant and presumed abandoned parcels.
- FY18 included the introduction of several new sales program, which produced the highest sales year on record – 125 sales!

Louisville/Jefferson County Landbank Authority
Property Life Cycle



Acquisition - S. Floyd St.

After Sale and Rehab - S. Floyd St.

Louisville/Jefferson County Landbank Authority Acquisition

Alford Ave. at acquisition

Acquisition

- Foreclosure or Donation of vacant lots or vacant structures. Once in Landbank's ownership, they are no longer "abandoned."
- Both processes clean the title of tax and code enforcement liens.
- Foreclosure cleans title of other liens as well.
- Structures are moderately to severely distressed.
- Each foreclosure costs $4,000-$6,000.

Louisville/Jefferson County Landbank Authority
Property Disposition

Disposition Program for Structures:

Requests for Proposals (RFP)

- Properties are safe enough to walk through.
- Applications are scored on various criteria.
- Open houses are held for potential buyers to view.
- Generally finished within 6-12 months.

Disposition Program for Structures:

Last Look

- Properties are demolition candidates and are in severely distressed shape.
- Phase 1: Save the Structure
- Phase 2: Demo for Deed

Disposition Programs: Vacant Lots

- Budget Rate
- Flex Rate
- Cut it Keep it
- Side Yard

Louisville/Jefferson County Landbank Authority Application Review and Sale

- VPPA staff reviews that buyers:
  - Have proof of funds
  - Have no unpaid taxes
  - Have no open code enforcement liens on any of their properties
- Sales are approved monthly by Landbank Authority board members.
- Deeds are restricted by terms of sale.

S. Preston after rehab

Louisville/Jefferson County Landbank Authority
Project Monitoring

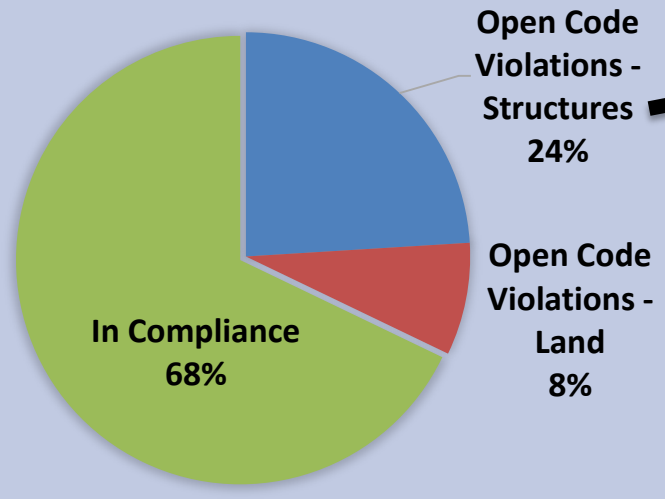
- Each project is monitored by VPPA staff through project completion.
- When unexpected delays occur, buyers and VPPA staff work through extension requests.
- It is the goal of the Landbank to see projects completed successfully, even if it takes longer than expected. Alternatives are costly to LMG.

S. 28th St. after rehab

Foreclosure Cost	**$4,000-$6,000**
Average Demo Cost	**$9,000**

Louisville/Jefferson County Landbank Authority
Sales Update

LANDBANK SALES 2010-2018



Structures with open code violations:

- 90% have been sold in 2017-2018 and are being monitored
- Almost half of those structures were sold from Last Look program. Most are in-progress and some have received approved extensions.

Louisville/Jefferson County Landbank Authority Success Stories

Allen St. after rehab

New Habitat homeowner on Parthenia Ave.

Wilson Ave. after rehab

AKA and Landbank celebrating AKA's future Dixie Hwy headquarters

S. 41st after rehab

Louisville/Jefferson County Landbank Authority
What's Next?

- Small developer initiatives
- Improving donation process to increase Landbank acquisitions
- Continued process improvements to increase efficiency
- Coordinating on historic building survey to prevent loss of historic structures

Questions?

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