

June 2016

# DEVELOPING A SHARED VISION AND STRATEGIES TO ADDRESS VACANCY AND ABANDONMENT IN THE CITY OF ST. LOUIS

Center for Community Progress Report to the Land Reutilization Authority and City of St. Louis, a 2016 Technical Assistance Scholarship Program Recipient



This report was prepared by the Center for Community Progress. For additional information, please contact the authors listed below.

Kim Graziani

Vice President and Director of National Technical Assistance, Center for Community Progress kgraziani@communityprogress.net

Frank Alexander Co-Founder and Senior Advisor, Center for Community Progress Sam Nunn Professor of Law, Emory Law School frank.alexander@emory.edu

Center for Community Progress - National Office 1001 Connecticut Avenue N.W. Suite 1235 Washington, D.C. 20036 877-542-4842 www.communityprogress.net

Support for the Center for Community Progress' Technical Assistance Scholarship Program is provided by the JPMorgan Chase Foundation.

#### ABOUT CENTER FOR COMMUNITY PROGRESS

Founded in 2010, the Center for Community Progress is the only national 501(c)(3) nonprofit organization solely dedicated to building a future in which entrenched, systemic blight no longer exists in American communities. The mission of Community Progress is to ensure that communities have the vision, knowledge, and systems to transform blighted, vacant, and other problem properties into assets supporting neighborhood vitality. As a national leader on solutions for blight and vacancy, Community Progress serves as the leading resource for local, state, and federal policies and best practices that address the full cycle of property revitalization. Major support for Community Progress is generously provided by the Charles Stewart Mott Foundation and the Ford Foundation.



# TABLE OF CONTENTS

l.	Introduction	4
II.	Background and Context	6
III.	Developing a Shared Vision and Strategies to Address Vacancy and Abandonment	7
IV.	Next Steps	16
V.	Conclusion	17
VI.	Appendix A: List of Local Stakeholders Convened During the TASP Engagement	18
VII.	Appendix B: Presentation from Vision and Strategy Sessions	

# I. INTRODUCTION

In September 2015, the Center for Community Progress (Community Progress) selected the Land Reutilization Authority (LRA), also referred to as the Land Bank, of the City of St. Louis as one of three successful applicants for the Technical Assistance Scholarship Program (TASP). TASP is a competitive merit scholarship program for communities that are ready to engage in a forward-thinking technical assistance process to assess, reform, develop, and/or implement systems to address large-scale vacancy and abandonment in their communities. As the nation's oldest land bank established in 1971, the LRA requested support in evaluating the policies and systems impacting their inventory of properties, which has remained steady in size over the past four decades with approximately 11,000 properties, although the physical and marketable quality of the inventory has continued to decline.

During an initial two-day site visit, the Community Progress team met with the LRA, the City of St. Louis (City), and community stakeholders<sup>2</sup> to better understand the unique challenges presented by vacancy and abandonment<sup>3</sup> in the city. Community Progress also reviewed various state and local statutes and policies related to delinquent tax enforcement, housing and building code enforcement, and land banking. As a result of this first visit and research, a few observations surfaced that influenced the final scope of work:

- 1. **Vision:** There is no unified City vision regarding the elimination of vacancy and abandonment.
- 2. **Leadership:** There is no executive-level point person responsible for ensuring consistency in communication and collaboration within and outside of City Hall regarding vacant and abandoned properties.
- 3. Capacity: There are capable and committed individuals within the LRA, City, community, and nonprofit sectors who care about the issue of vacancy and abandonment and have a deep understanding of why this needs to be a priority of the City.
- 4. Coordination: Different stakeholders are managing a multitude of vacant and abandoned property-related initiatives and data points, but these efforts are not being coordinated.

<sup>&</sup>lt;sup>1</sup> For more information on Community Progress and TASP, please visit our website at: <a href="http://www.communityprogress.net/technical-assistance-scholarship-program-tasp--pages-494.php">http://www.communityprogress.net/technical-assistance-scholarship-program-tasp--pages-494.php</a>

<sup>&</sup>lt;sup>2</sup> A full list of LRA, City, and community stakeholders can be found in Appendix A.

<sup>&</sup>lt;sup>3</sup> For the purpose of this report, "vacancy" is defined as "real property which is not lawfully occupied and not lawfully subject to occupancy." "Abandoned" is defined as "vacant property which has multiple years of property tax delinquency, unresolved code violations, and/or delinquent water, sewer or utility charges."

- 5. Nature of Problem: The inventory of the LRA has held steady at 11,000 properties due to a variety of factors, some of which include challenging market conditions, deteriorating physical state of properties, and lack of marketable and insurable title for potential transferees.
- 6. **Legal and Policy Barriers:** Most properties acquired by the LRA through tax enforcement proceedings have been tax-delinquent and abandoned for up to seven or more years and have not received constitutionally adequate notice of enforcement proceedings. Therefore, they do not have a marketable and insurable title for potential transferees.

Based on the above observations, the local leadership team and Community Progress decided to focus the technical assistance on the following:

- 1. Developing a general vision as well as prioritizing strategies to address vacancy and abandonment; and
- 2. Assessing the property acquisition (intake) systems of the LRA.

The following sections of this report will provide additional background and context regarding the City of St. Louis' opportunities and challenges, as well as the process and outcomes of developing a vision and strategies with City, LRA, and community stakeholders. In addition, the report will highlight one strategy that expedites and modifies the delinquent property tax and housing and building code lien foreclosure proceedings to result in a more efficient transfer of new ownership as well as marketable and insurable title, thus helping to address the LRA inventory.

This report is written for both local stakeholders in St. Louis as well as other communities across the country who are interested in creating a bold vision, implementing strategies and tactics to tackle vacancy and abandonment, and developing a framework by which City and community leaders can sit at the same table, collaborate, and share ownership of the process. One goal of TASP and our other technical assistance engagements is to effect positive change in the lives of people living in communities most impacted by vacancy and abandonment. This can only happen if trust, communication, and coordination occur across the various governmental systems that hold the most leverage to eliminate these liabilities. To that end, our time on the ground in St. Louis, as well as the hours spent providing remote support, we hope, have helped to increase the levels of comfort and coordination between LRA and City leadership, for the ultimate benefit of St. Louis residents.

# II. BACKGROUND AND CONTEXT

The City of St. Louis has experienced setbacks similar to those of other Rust Belt cities across the country: job loss, population loss, and deteriorating housing stock, to name a few. For certain sections of the city, particularly north of Delmar Boulevard, these setbacks, along with historically unjust, racist public policies, have resulted in concentrated poverty, racial segregation, crime, vacancy, and abandonment.<sup>4</sup> It is primarily within these areas north of Delmar Boulevard, as well as pockets south of Delmar Boulevard, that the majority of the LRA inventory is located.

With these challenges also come great opportunities. As the nation's oldest land bank, there is a real opportunity for the LRA and partners to reflect on the lessons learned from its four decades of existence and develop a strategy that reflects the great responsibility of being one of the largest landowners in the most challenged areas of the city.

Another opportunity worthy of highlighting is the willingness of the City and LRA leadership to embrace honest dialogue about perceived entrenched, sensitive challenges. For example, many public leaders across the country are reticent about discussing issues such as racism and poverty and their relationship to vacancy and abandonment. Since March 2015, when Community Progress first met a delegation of St. Louis stakeholders at the Community Progress Leadership Institute (CPLI),<sup>5</sup> and throughout this engagement, we have witnessed critically important conversations among City and LRA stakeholders. These conversations have acknowledged that "City Hall" may not have all of the answers related to the problems of and solutions for vacant and abandoned properties and that it is okay, and even beneficial, to admit this to partners outside of City Hall in order to develop a path to move forward together.

<sup>&</sup>lt;sup>4</sup> For a comprehensive review of the various federal, state, and local policies that have contributed to racial segregation and disadvantage in the City of St. Louis and its suburbs, please take a few moments to read Richard Rothstein's report entitled "The Making of Ferguson: Public Policies at the Root of its Troubles" available on the Economic Policy Institute's website at: <a href="https://www.epi.org/publication/making-ferguson/">https://www.epi.org/publication/making-ferguson/</a>.

<sup>&</sup>lt;sup>5</sup> CPLI is a four-day convening at Harvard that provides local leaders with in-depth technical knowledge on the systems impacting vacancy and abandonment as well as a forum to coalesce with other local leaders to take action once they return to their community.

# III. DEVELOPING A SHARED VISION AND STRATEGIES TO ADDRESS VACANCY AND ABANDONMENT

During our second site visit in January 2016, Community Progress facilitated a series of meetings with three goals in mind: 1) develop a shared vision and prioritize strategies to address the inventory of vacant and abandoned properties; 2) support and build off of existing initiatives; and 3) improve communication among the LRA, City, and community stakeholders. In an effort to promote honest and candid dialogue, the decision was made to facilitate two separate meetings, one with City and LRA leadership and then the second with community stakeholders. The visit concluded with a combined meeting with both groups to reach consensus on a vision statement and prioritize strategies. Participants from the LRA and City were identified based on their departmental role and whether they had a direct impact on the identification, prevention, acquisition, and productive use of vacant and abandoned properties. Community stakeholders were identified based on their involvement with and connection to the neighborhoods that are most impacted by vacancy and abandonment, including those stakeholders that live, work, invest, organize, and/or worship in these neighborhoods.

There was some initial apprehension from the local leadership team about bringing together LRA and City leadership with community stakeholders. There had not been many outlets for open and honest discussion about vacancy and abandonment, and most knew there was no silver bullet solution. However, the discussions were both constructive and rewarding, and resulted in general consensus around a common vision and priority strategies. Participants also recognized that there may not always be consensus moving forward, but that possibility should not deter parties from continuing engagement. There were discussions about bringing additional people to the table from the community. Not only did the stakeholders agree to be more inclusive, but they discussed bringing the conversation to more community residents and holding meetings in some of the neighborhoods north of Delmar and in other areas of the city.

The open and honest dialogue between the LRA, City, and community stakeholders resulted in the development of a new vision statement and nine specific strategies. It is important to note that some of the strategies have specific quantifiable goals that still need to be contemplated based on additional data collection. For the purpose of this report and our engagement, the LRA, City, and community stakeholders agreed that the numbers listed in the strategies are simply a starting point for additional discussion.

<sup>&</sup>lt;sup>6</sup> A full list of LRA, City, and community stakeholders can be found in Appendix A.

#### **VISION STATEMENT**

Most of the participants around the table had been part of visioning sessions before and had mixed feelings about their experiences. For some, the experience harkened back to prior exercises spent sitting around a table for hours, debating the tense and tone of every word in a vision statement and still not ever reaching consensus. In order to avoid this potentially painful experience, Community Progress started each meeting by establishing a common definition of a vision statement and then presented five sample vision statements that were intended to solicit reactions and discussion.<sup>7</sup> Below is the final statement that was agreed upon by all participants.

"Our vision is building a legacy of inclusiveness, resilience, and prosperity for all St. Louis neighborhoods by eliminating the negative impacts of vacancy and abandonment."

Vision: A one-sentence statement describing the clear and inspirational long-term desired change.

Although general consensus was reached relatively quickly in each of the three meetings, conversations about the definition and utilization of words such as "inclusiveness," "resilience," and "prosperity" were robust and signified a general desire to positively affect residents who stakeholders described as "left behind" and negatively impacted by vacancy and abandonment. Conversations also included poignant deliberations on whether long-term desired change should be for the benefit of neighborhoods, the entire city, or possibly even the greater St. Louis region, and whether any particularly constituency should be prioritized over another, such as residents or businesses. These types of discussions require a delicate balance of facilitation, keeping participants on task while encouraging dialogue about chosen words and their implications.

#### **STRATEGIES**

Strategy: A plan of action or policy designed to achieve vision.

Sample strategies were presented by the Community Progress team to initiate discussions and a total of nine strategies were developed by the stakeholder groups. Four strategies have been prioritized by the LRA and City leadership as short-term goals that will be most critical to tackle vacancy and abandonment in St. Louis. With the newly formed Vacancy and Abandonment Task Force (Task Force), the other five strategies will be revisited and serve as more

<sup>&</sup>lt;sup>7</sup> A copy of the PowerPoint presentation for the vision and strategy meetings (that includes the definitions and samples of vision and strategies) can be found in Appendix B.

intermediate and long-term goals. The tactics identified are suggestive in nature and are not designed to be either essential or sequential. The tactics are also not intended to be exclusive of other tactics that the Task Force may identify for strategic implementation.

# Strategy #1: Create a Task Force and commit to the elimination of vacancy and abandonment as a top City priority.

This strategy was developed in response to a few of the key observations gleaned early on in this technical assistance engagement. Namely, there were many complementary initiatives taking place across the city that addressed vacancy and abandonment yet there was no one physical or electronic source that integrated this information, no one point person was responsible for ensuring coordination, and there was no clear consensus that the elimination of vacancy and abandonment was a top City priority. In many communities across the country, the creation of a task force comprised of local government and community stakeholders is a successful means of coordinating initiatives, increasing communication among all parties, and developing a common understanding of the problem in order to create quantifiable goals to support the vision.

#### Tactics for further consideration:

- 1.1 Formally announce the creation of the Task Force with representation of key LRA, City, and community stakeholders who participated in the series of vision and strategy meetings in January 2016.
- 1.2 Designate an executive-level representative from the Mayor's Office to lead the Task Force and have full authority to hold City departments accountable and transparent in their actions to support the vision and strategies to address vacancy and abandonment.
- 1.3 Quantify the true and full financial costs of vacant and abandoned properties.<sup>8</sup> This would include the direct and indirect costs of (a) criminal activity and law enforcement, (b) fire department activity, (c) nuisance abatement, boarding, and demolition, as well as (d) lost property taxes from each vacant and abandoned property, and (e) loss in values of adjacent properties and corresponding lost property taxes.
- 1.4 In alignment with the vision and strategies, identify short-term and long-term goals for the Task Force. Early actions might be to share and map relevant GIS and other datasets regarding vacancy and abandonment. The Task Force should also be charged with monitoring performance of any new investments, initiatives, and policies that are implemented as part of the City's comprehensive and coordinated approach to vacancy and abandonment.

<sup>&</sup>lt;sup>8</sup> For an example of a recent Cost of Blight study completed for the City of Toledo, please visit the Community Progress website at: <a href="http://www.communityprogress.net/filebin/160630">http://www.communityprogress.net/filebin/160630</a> TASP LCLRC Toledo Cost of Blight Study Final.pdf.

- 1.5 Launch a public campaign that would help raise awareness about the true and full financial costs of vacancy and abandonment, and articulate a clear and direct message that the City will no longer tolerate vacant and abandoned properties. One possibility might include announcing that all owners of such properties must move to "Fix it Up" (bring the property into compliance with housing and building codes), "Pay it Up" (pay all delinquent taxes, public charges, and fines), or "Give it Up" (transfer ownership to a new entity).
- 1.6 Create a dedicated page on the City's website to explain and promote the Task Force; list all partner agencies and participating organizations; post GIS maps of ongoing investments and activities; and provide reliable updates on campaign goals, accomplishments, and challenges. Every action carried out under the public campaign referenced in Tactic 1.5 should be featured on this centralized page to reinforce the comprehensive and coordinated nature of the City's efforts.

The above tactics represent actions taken by some of the more successful vacant and abandoned properties task forces across the country. The appointment of an individual from the executive-level of government to lead the Task Force helps ensure that there is direct communication and buy-in from the Mayor as well as the myriad of City departments and LRA staff that must be coordinated to effectively tackle vacancy and abandonment. The Task Force must also be clear and concise in establishing short and long-term goals, as residents and other stakeholders will need to witness incremental changes to build trust that the City is serious about the charge at hand. In addition, without tangible goals, there is no way to evaluate progress and ensure accountability by the respective Task Force members. The outcomes of the Task Force will be limited if there is not a purposeful effort to share information with the broader public, make the case of why vacant and abandoned properties are hurting the community, and present opportunities for others to participate and support the Task Force's efforts.

The Task Force has been created and held its first official meeting in April 2016. Mayor Slay's Deputy Chief of Staff and the Community Affairs Manager of the Equifax Foundation are cochairing the Task Force. In addition, a preliminary analysis of the direct and indirect costs of vacant and abandoned properties is underway.

# Strategy #2: Reduce the time frame for delinquent property tax enforcement and housing and building code enforcement by 75%.

This strategy addresses another key observation from preliminary discussions with local stakeholders: most properties the LRA acquires through tax enforcement proceedings have been tax-delinquent and abandoned for years—some as many as seven years, or more—and have not received constitutionally adequate notice. Therefore, they do not have a marketable and insurable title for interested transferees. This strategy is designed to reduce the time frame for transferring a property that is tax-delinquent and has unabated housing and building code violations to responsible ownership. For those properties where the market is challenged and a

private purchaser is not identified, the LRA will be able to acquire and prevent further physical deterioration of these properties. Furthermore, modifying the sections of the state statute to include provisions that ensure constitutionally adequate notice during the delinquent property tax enforcement process will ensure marketable and insurable title at the back end of the foreclosure process, enabling the LRA to transfer to responsible owners.<sup>9</sup>

#### Tactics for consideration:

- 2.1 Create baseline data for tax enforcement proceedings initiated in 2010-2015, determining average number of days between date of delinquency and date of filing of enforcement proceedings. Differentiate between vacant properties and other properties.
- 2.2 Create and define a joint policy approach in a memorandum of understanding between Collector of Revenue and City Law Department to identify categories of properties for filing of enforcement actions at earliest possible date.
- 2.3 Amend MO. Rev. Stat. §\$92.755 to 92.760.1 to maximize notice to meet constitutional standards in a form that yields insurable title. Amend MO. Rev. Stat. § 92.755.1; 92.805 to include specific finding on the adequacy of notice in judicial order and judgment.
- 2.4 Amend MO. Rev. Stat. §92.810.3 to eliminate the second notice requirement, or limit the second notice requirement to be simply public notice of the sale.
- **2.5** Amend MO. Rev. Stat. §92.810.1 and 2 to eliminate the six-month waiting period after judgment and before notice of sale.
- **2.6** Amend MO. Rev. Stat. §92.840.1 to eliminate the separate notice of confirmation and to provide that confirmation is within thirty days of the sale of the sale.
- 2.7 Amend MO. Rev. Stat. §92.840 to eliminate judicial upset of sale price.
- **2.8** Amend MO. Rev. Stat. \$92.855 to eliminate two-year statute of repose entirely, or have period commence at date of delinquency, or amend it such that it is not applicable to properties that are not occupied not lawfully subject to occupancy as of date of filing of petition.

The above tactics were identified as specific points for statutory amendments. Without having a multi-year baseline understanding of the average time frame by which a property (vacant and occupied) becomes delinquent to a tax enforcement proceeding, it will be difficult to make the

<sup>&</sup>lt;sup>9</sup> The state statute that provides the framework for delinquent property tax enforcement in St. Louis is located in Chapter 92 of the Missouri Revised Statutes ("MO. Rev. Stat.") and can be found here: <a href="http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex092.html">http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex092.html</a>

case to the state legislature, as well as other critical local players such as the Collector of Revenue, of the need to expedite the process to avoid additional abandonment. Alternative approaches would include drafting a new subchapter to MO. Rev. Stat. Title 92, or a new chapter capable of being adopted by multiple local governments in Missouri. These tactics are currently being discussed by the Mayor's Office, LRA, and Collector of Revenue, and it will be up to these local stakeholders to determine which approach makes the most sense to address the problem and is the most likely to earn support in the State legislature.

# Strategy #3: Increase the recovery of public expenditures for housing & building code enforcement by 75% over next three years.

This strategy addresses the costs local government incurs for abating nuisances on vacant and abandoned privately owned properties, such as boarding, mowing, and trash removal, in order to protect public health and safety. According to preliminary statistics provided by the City's Planning and Urban Design Agency, there are approximately 25,000 vacant properties (18,000 vacant lots and 7,000 vacant buildings) and the majority are privately owned (53%).

The City of St. Louis has a Problem Properties Unit that is housed within the City Law Department. This unit utilizes Special Tax Bills, as allowed for in Chapter 67 of the Missouri Revised Statutes, to add the costs of public nuisance abatement directly to the tax bill and as a priority lien. This is a very powerful tool to target privately owned properties that are causing harm to the community and force a transfer to a responsible owner through a tax enforcement proceeding. The Problem Properties Unit is not able to utilize these Special Tax Bills for all problem properties given their lack of staff and sufficient resources. Therefore, the below tactics enumerate several options for statutory reforms to expand the use of these Special Tax bills and recover more public expenditures to provide the requisite additional resources.

#### Tactics for consideration:

- **3.1** Expand use of Special Tax bills, MO. Rev. Stat. § 67.398, from City as a trigger to initiate judicial enforcement actions.
- **3.2** Amend MO. Rev. Stat. § 92.715.2 to clarify that redemption includes taxes, costs, and all municipal liens.
- 3.3 Clarify statute, through amendment to MO. Rev. Stat. § 92.865 if necessary, that taxes due and owing include all taxes and public liens that become due and owing subsequent to the date of filing the initial proceedings.
- 3.4 Amend MO. Rev. Stat. § 92.825 to increase and define Minimum Bid.
- **3.5** Amend MO. Rev. Stat. § 92.825.3 to provide that publication costs are added to the Minimum Bid and not deducted from taxes.

3.6 Amend MO. Rev. Stat. § 92.770.2 to add attorney's fee as transactions costs.

The Mayor's Office, City Law Department, and the Collector of Revenue are discussing the above tactics to determine the most effective way to proceed with the menu of statutory reforms that are necessary to recover more public expenditures for nuisance abatement.

# Strategy #4: Reduce private inventory of vacant and abandoned properties 20% per year for each of four years.

This strategy also acknowledges that private individuals/entities own vacant and abandoned properties in addition to the LRA, and that these privately owned problem properties require a different set of tactics. The below tactics enumerate a more in-depth process of collecting data on these privately owned vacant properties to ascertain the level of abandonment and other factors that will be needed to strategically prioritize which to focus on through the Problem Properties Unit and the collective efforts of the Task Force.

#### Tactics for consideration:

- 4.1 Create a baseline number of privately owned vacant and abandoned properties for the years 2010 to 2015. Define "vacant" as "real property which is not lawfully occupied, and not lawfully subject to occupancy." Define "abandoned" as "real property which has two or more years of (i) property tax delinquency, (ii) unresolved code violations, or (iii) delinquent water, sewer or utility charges."
- 4.2 Categorize inventory list according to key variables which will inform priority action list. These variables could include, but are not limited to, the following: (i) nature of current land and improvement conditions; (ii) common ownership of multiple parcels, (iii) extent of property tax delinquency, (iv) extent of code violations, (v) adverse impact on adjoining properties; (vi) police and fire calls related to subject property, (vii) extent of boarding and boarding fees, (viii) probability of near term market demand, and (ix) historic structure considerations.
- **4.3** Create Priority Action list for immediate enforcement actions (combined property tax, and special tax bills) by the Problem Properties Unit.

The City's Planning and Urban Design Agency is currently working on this data collection and analysis and will be sharing the information with the Task Force to create a priority action list for the Problem Properties Unit.

#### **ADDITIONAL STRATEGIES**

The following strategies will be further discussed and fleshed out by the newly formed Task Force. Although some have tactics listed with them, others do not yet, given the time limitations of our TASP engagement.

# Strategy #5: Transfer 20% of existing LRA inventory to new ownership each year for the next four years.

Given that the inventory of the LRA has remained steady over the years, stakeholders discussed the need to adopt a clear strategy to reduce this inventory and dedicate more resources to ensuring these properties are put back on the tax rolls and in the hands of responsible ownership. The following tactics anticipate the need for an analysis focused on the quality of LRA inventory over the years, specifically the quality of title for properties coming into LRA ownership, the costs and methods of maintaining and stabilizing the inventory, and the barriers associated with transferring LRA properties into new responsible ownership. In addition, the analysis would also quantify the impacts of the LRA inventory on adjacent properties and homeowners. This supplemental, empirical analysis would also provide tangible recommendations to the dedicated leadership of the LRA as well as other stakeholders committed to the elimination of vacancy and abandonment throughout St. Louis.

#### Tactics for consideration:

- 5.1 Evaluate the quality of LRA inventory over the years, specifically the quality of title for properties coming into LRA ownership, the costs and methods of maintaining and stabilizing the inventory, and the barriers associated with transferring LRA properties into new responsible ownership.
- 5.2 Quantify the impacts of the LRA inventory on adjacent properties and homeowners.
- 5.3 Identify and confer with comparable land banks across the country that have been successful in transferring large inventories of property to new ownership.

# Strategy #6: Reduce the number of vacant "boarded" properties by 50% over three years.

This strategy was developed based on numerous concerns raised by stakeholders given the abundance of boarded up vacant properties and the perception of abandonment in the community. The following tactics use data to support the need to create disincentives to keeping properties vacant and boarded and recoup public expenditures necessary to continue boarding these properties.

#### Tactics for consideration:

- 6.1 Create baseline of privately owned properties for which boarding was ordered (or voluntarily done) for 2010-2015. Determine average number of days between date of boarding, dates boarding no longer effective, subsequent notice to board, and dates boarding removed due to rehabilitation or demolition. Create parallel data set for publicly owned properties.
- 6.2 Research and identify nature and extent of local authority to enact by ordinance new requirements related to boarding and progressively increasing fees.
- 6.3 Enact new ordinance which establishes a single fee ("X") for initial boarding order, applicable for a period of time not to exceed six months. If boards are not secure at any point during the initial period, a new order may be issued at a fee of 1.5X. During the second period of six months, the "boarding fee" is 2X. During the third period of six months, the "boarding fee" is 3X. During the fourth period of six months, the "boarding fee" is 4X.
- **6.4** Provide by ordinance the terms and conditions of adequate, secure, and attractive boarding.
- **6.5** Provide by ordinance that all "boarding fees" shall be added as a lien to the Special Tax Bill and are given the same senior priority as a property tax lien.

The remaining three strategies respond to concerns regarding public safety and its relationship to vacant and abandoned properties, the ability to reuse vacant lots as productive green space, <sup>10</sup> and the need to transfer these vacant properties into tax-producing status and stem the decline in home values and equity across certain areas of the city. It is anticipated that the Task Force will develop tactics for the below strategies.

Strategy #7: Reduce the number of fire (excluding ambulance) and police calls by 25% over the next two years.

Strategy #8: Increase the total acreage within St. Louis devoted to green space by 50%.

Strategy #9: Increase total assessed values by 25% over the next three years.

<sup>10</sup> For examples of productive green spaces, please refer to recent work in the City of Baltimore: <a href="http://www.fs.fed.us/nrs/baltimore/local-resources/downloads/nrs">http://www.fs.fed.us/nrs/baltimore/local-resources/downloads/nrs</a> inf 32-15-green-pattern.pdf

## IV. NEXT STEPS

During the course of this engagement, significant progress has been made to unify and improve efforts related to vacancy and abandonment through the creation of the Task Force. Strong City, LRA, and community leadership along with a unified vision and set of strategies to address vacancy and abandonment in St. Louis are two critical ingredients to success. In order to ensure the continued momentum of this effort, the Task Force should consider the following next steps.

- Create a schedule for standing monthly meetings.
- Establish committees to tackle each strategy made up of City, LRA, and community leadership to ensure accountability and a shared level of ownership.
- Develop an Implementation Plan that outlines the Task Force's priorities and tactics for each strategy, manages resources (committees, time, funding, etc.), and details ways to track progress and measure success.
- Engage the larger community through a combination of neighborhood-based dialogues and a dedicated webpage to share information on the performance measures of the Task Force, the inventory of vacancy and abandoned properties, and ways to get involved.

It is particularly encouraging that the City, LRA and Collector of Revenue have acknowledged the importance of expediting the timeframe for transferring vacant, abandoned, and tax-delinquent properties into responsible ownership. This will prevent adjacent property owners from being negatively impacted by potential public safety concerns and loss of equity. Transferring these properties into responsible ownership will most likely include a combination of private purchasers and well as public ownership through the LRA. All parties should consider the following:

- Review the Georgia in rem legislation as a potential reference model for a new statutory approach to property tax enforcement.<sup>11</sup>
- Share draft legislation with Collector's office to address questions and assess level of consensus moving forward.
- Share revised draft with one or more title insurance companies to assess legal risk.
- Share final draft with stakeholders in Kansas City and State governmental partners to assess interest in joining the legislative effort.
- Consider having the Task Force create a targeted list of properties that are vacant, tax
  delinquent, and substandard to be considered priorities for this effort.

<sup>&</sup>lt;sup>11</sup> O.C.G.A. § 48-4-76.

# V. CONCLUSION

Mayor Slay recently announced that he is not going to seek a fifth term, which presents both an opportunity and a challenge. During the course of this engagement, the Community Progress team has witnessed an honesty and openness in addressing the serious scale of vacancy and abandonment, willingness to challenge the status quo, an urgency to engage stakeholders outside of City Hall, and a recognized need to develop goals that are quantifiable and therefore accountable. It is through monthly Task Force meetings and continued forums for communication that trust continues to develop and the wrongs from the past become opportunities for the future. The time is now to ensure that a legacy is built of inclusiveness, resilience, and prosperity for all St. Louis neighborhoods by eliminating the negative impacts of vacancy and abandonment.

# VI. APPENDIX A: LIST OF LOCAL STAKEHOLDERS CONVENED DURING THE TASP ENGAGEMENT

#### Community

- 1. Phil Valko Washington University
- 2. Michael Allen Preservation Research Office
- 3. Dave Ervin Rebuilding Together
- 4. Nancy Thompson St. Louis Association of Community Organizations
- 5. Jason Deem Southside Spaces
- 6. Kimberly McKinney Habitat for Humanity
- 7. Karl Guenther University of Missouri St. Louis Public Policy Research Center
- 8. Mike Fitzgerald Incarnate Word Foundation
- 9. Megan Armentrout St. Louis University Social Work and Incarnate Word Foundation
- 10. Jessica Eiland Northside Community Housing
- 11. Stephen Acree Rise STL
- 12. Carrick Reddin Washington University
- 13. David Stiffler Equifax Foundation
- 14. Sean Spencer Tower Grove Community Development Corporation

#### City

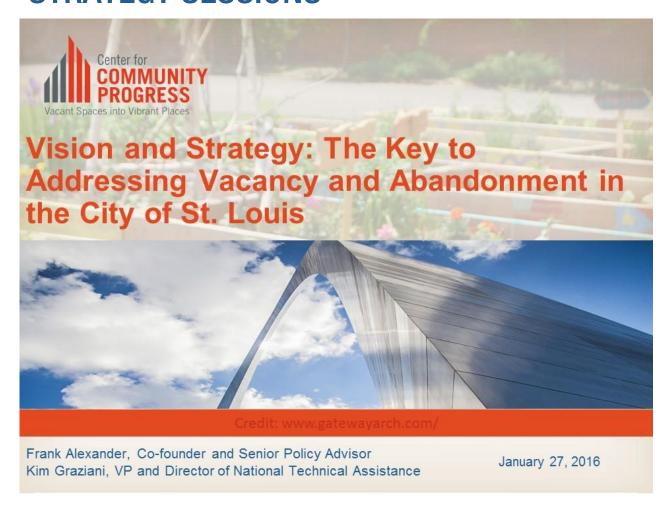
- 1. Don Roe Planning and Urban Design Agency
- 2. Otis Williams St. Louis Development Corporation/LRA
- 3. Frank Oswald Building Division
- 4. Charlie Foley UEPA
- 5. Matt Moak City Counselor's Office, Problem Property Division
- 6. Rich Gray Public Safety
- 7. Dotti Pennington Citizen's Service Bureau
- 8. Catherine Werner Sustainability
- 9. Greg Hayes Parks Department
- 10. Nauhel Fefer Mayor's Office
- 11. Tracy Boaz Missouri Dept. of Conservation
- 12. Mary Ellen Ponder Mayor's Office
- 13. Patrick Brown Mayor's Office

#### 14. Laura Costello – LRA

#### Aldermen

- 1. Jeffrey Boyd  $22^{nd}$  Ward
- 2. Cara Spencer 20<sup>th</sup> Ward
- 3. Chris Carter 27<sup>th</sup> Ward

# VII. APPENDIX B: PRESENTATION FROM VISION AND STRATEGY SESSIONS



### About Us



## **Center for Community Progress**

- We are the only national nonprofit solely focused on building a future in which entrenched, systemic blight and vacancy no longer exist.
- We serve communities through policy development, technical assistance, leadership development, education, and research.
- Since 2010: Technical assistance has been provided in more than 150 communities in 30 states, and trainings have reached 1,000s of professionals.
- Our Reclaiming Vacant Properties Conference, "In Service of People and Place", will be held in Baltimore on September 28 – 30, 2016.

## **Definition of Vision Statement**



: a one-sentence statement describing the clear and inspirational long-term desired change.



Credit: Kim Graziani hiking in the Grand Tetons not thinking about vacancy and abandonment

# "Our Vision is..."



Creating an effective, efficient and equitable City in which all residents experience well-being and economic prosperity.

# "Our Vision is..."



Moving St. Louis from vacancy to vibrancy, for each person, in each neighborhood.

# **Definition of Strategy (vs. tactic)**



: a plan of action or policy designed to achieve vision.

(Tactic: how to execute strategy)



Credit: http://areyouthereason.com/does-your-pr-budget-stress-tactics-or-strategy/

# **Sample Strategies**



- 1. Identify the elimination of vacancy and abandonment as a top City priority.
- 2. Create an interdepartmental blight task force, broadly representational, with authority to implement strategies.
- 3. Reduce timeframe for delinquent tax enforcement and code enforcement by 75%.

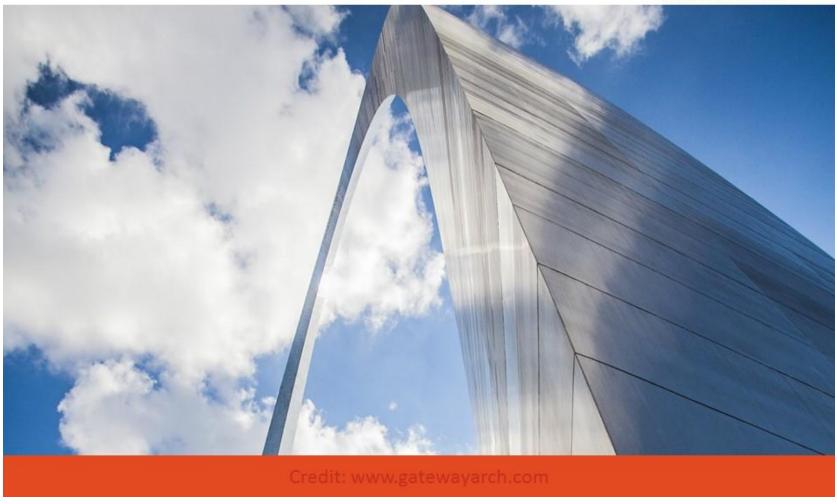
# Sample Strategies (cont'd)

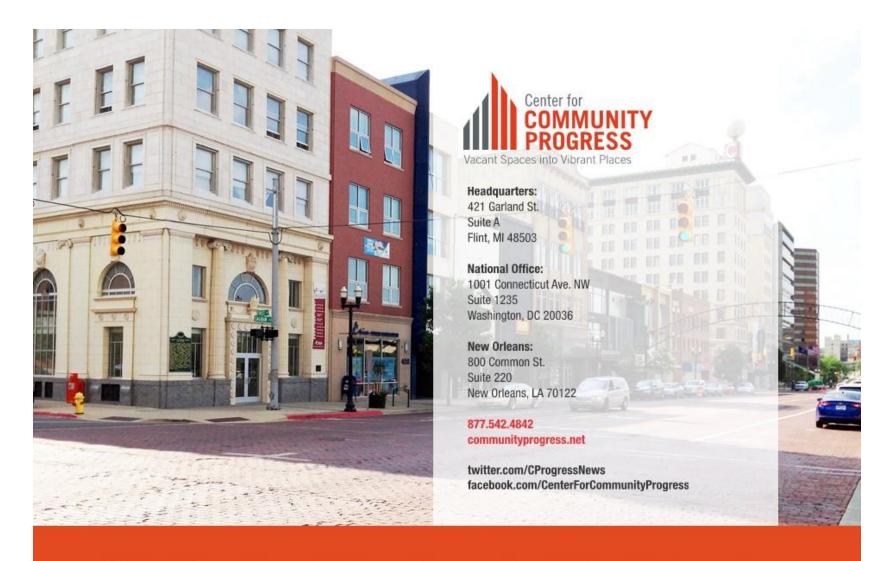


- 4. Transfer 20% of existing LRA inventory to new ownership each year for the next four years.
- 5. Increase the total acreage within St. Louis devoted to Greenspace by 50%.
- 6. Reduce private inventory of vacant and abandoned properties 20% each year for the next four years.

# **Debrief and Next Steps**







©2015 Center for Community Progress. Center for Community Progress owns all copyright for this presentation. You may reproduce copies of this presentation for non-commercial use to share with colleagues at your organization. This presentation may not be copied or reproduced for other purposes without the express written permission of Center for Community Progress.



HEADQUARTERS 111 E. Court St. Suite 2C-1 Flint, MI 48502

NATIONAL OFFICE 1001 Connecticut Ave. NW Suite 1235 Washington, DC 20036

(877) 542-4842

http://www.communityprogress.net/

- @ @CProgressNews
- @CProgressNews
- facebook.com/CenterForCommunityProgress