

# Minutes

## Quad Cities Land Bank Authority Board Meeting

*City of Moline, City of Rock Island and City of East Moline*

**Monday, September 26, 2022, 10:30 a.m.**

**Moline City Hall**

**Committee of the Whole Room**

**619 16 Street**

**Moline, Illinois 61265**

### 1. CALL TO ORDER

Chair Brainard called the meeting to order at 10:40 am

### 2. ROLL CALL

Board Members: KJ Whitley, Annaka Whiting, Miles Brainard

Others present: Brent Denzin (remote), Mary Chappell

BOARD MEMBER	Aye	Nay	Abstain
Brainard, Miles	X		
Whitley, KJ	X		
Whiting, Annaka	X		
Chappell, Mary	X		

### 3. PUBLIC COMMENT

N/A

### 4. LAND BANK BOARD MINUTES

K. Whitley motioned to approve of the minutes from the September 12, 2022, meeting as presented. Motion was seconded by A. Whiting and passed 3-0.

BOARD MEMBER	Aye	Nay	Abstain
Brainard, Miles	X		
Whitley, KJ	X		
Whiting, Annaka	X		

### 5. FINANCIAL REPORT

#### 5.1 Funding Status

A. Whiting reported she gained access to the bank account today. She will provide a Reconciliation Report for future meetings. She noted the previously approved expenses for the tokens at \$56.00 and the \$24.00 cost for new checks. She referenced the provided Reconciliation Report dated September 15, 2022, which reflects the deposit of the leftover Capacity Grant funds at \$90,070.25. With the addition of \$8.88 in interest earned, in the account as of August 31, 2022, totaled \$90,079.13.

K. Whitley asked about the ability to earn interest on the Land Bank account? B. Denzin noted that the Land Bank draws its authority from municipalities so interest can be earned.

K. Whitley also asked about the Land Bank being tax exempt? B. Denzin confirmed the Land Bank was tax exempt, and explained that most importantly it has status with the property tax code to take in properties, if done with a deed in lieu of foreclosure or a judicial deed, and abate all back taxes, which is something that only municipalities and counties can do. B. Denzin also confirmed that the EIN number A. Whiting secured provides for tax exempt status for income tax. Will work through property tax exemption status when a property is acquired.

#### **5.2 Checks and Approvals**

A. Whiting referenced the only check request which related to M. Chappell's Conference expenses. Reimbursement covers conference registration, hotel and parking expenses, totaling \$1,332.74. A motion was made by K. Whitley and seconded by A. Whiting to approve the reimbursement request. Motion passed 3-0.

### **5.3. Purchase of Quick Books**

A. Whiting noted that using Quick Books will provide a better financial tracking system and reporting for the Land Bank. She asked the Land Bank to approve the reimbursement to City of East Moline for the monthly \$30.00 expense. K. Whitley motion for approval of this expense. M. Brainard seconded. Motion passed. A. Whiting abstained from the vote.

K. Whitley reported she is waiting on an internal response regarding the frequency that the City of Moline wants to be reimbursement for payroll and to confirm preference for ACH or a check.

## **6. LAND BANK PROGRAM MANAGER REPORT**

### 6.1 Municipal/County Meetings Update

M. Chappell reported on the two introductory meetings held on Friday, September 23, 2002, with the Cities of East Moline and Rock Island. She noted that the agenda for each meeting included introductions, a review of the QCLBA mission, and a request to review priorities and goals of the community as it related to the land bank.

Each City was also asked to provide a list or map of city owned properties, information on vacant, foreclosed, and abandoned properties, and those properties on the Counties' Tax Auction list. If time allowed, each community was asked about partnerships, planning efforts underway, and any neighborhood directed programs.

The first meeting was held with the City of East Moline. A. Whiting, QCLBA Board member and Director of Finance for the City of East Moline, guided the meeting which was also attended by City Administrator D. Maxeiner. A list of 18 properties with photos was presented and directed part of the discussion. Property Maintenance Inspector D. Johnson joined the meeting and provided additional comments on the properties presented. There was a brief discussion on some long term community development projects. M. Chappell will follow-up with GIS/CAD Coordinator Joseph Miller for assistance with map requests and look to the city's website for additional community planning information.

The second meeting was held with members of Rock Island's CED department managers, led by QCLBA Board Chair and City of Rock Island CED Director Miles Brainard. Each manager provided comment on current programs, status of housing and vacant lots, and community plans that are underway. Although familiar with the terrain, insights were gained on current situations and long term goals. M. Chappell will also follow-up with Rock Island's GIS Specialist Kathy Douglass for assistance with map requests.

M. Chappell noted that the introductory meeting with the City of Moline will be scheduled in a few weeks. A key staff person is on vacation. Meetings with various county officials will also be scheduled in the near future.

K. Whitley asked board member to confirm how the land bank will be utilized with each city. With East Moline, A. Whiting stated the hope is to utilize the land bank to acquire, rehab and dispose of properties. For Rock Island, M. Brainard confirmed that the marketing of vacant lots is still important but also interested in any new programming and joint ventures with the land bank. In particular he noted collaboration with Inspections to identify properties that can be saved.

K. Whitley asked if the land bank is still only considering residential properties or also commercial? All agreed residential properties should be the focus for now. M. Brainard noted that in time, when a

capacity level is reached, he felt that commercial properties, especially smaller neighborhood storefront properties, could be considered. The land bank could have a positive impact on these properties.

K. Whitley mentioned the upcoming HUD visit scheduled on Wednesday, October 5th. Representatives from the local entitlement communities along with and representatives from quad city housing programs will participate in a panel discussion on impediments to affordable housing. The schedule will also include a tour of various HUD funded projects in Moline, Rock Island, and Davenport followed by a luncheon.

She noted that following the luncheon, Mayors from various Illinois Land Bank communities and board members will participate in a phone call to advocate for additional funding. B. Denzin reported that at this time, Mayors from Rockford, Kankakee, and Moline, and the Executive Director of the Mayor and Managers Association of the South Suburbs, will speak on the importance of the land bank as a tool. A two page overview of the Benefits of Creating a Land Bank will be sent to participating Mayors prior to the call.

B. Denzin noted that there are two goals for the call:

1) The allocation of money to IDHA in next year's state budget did not include a direct designation of funds to re-fund the Land Bank Capacity program that would give grants to land banks. IHDA did receive a large allocation to support other programs. Will now push IHDA to bring over money in their budget to help support land banks immediately.

2) Second goal is to drive IHDA to be the main state agency to support the land banks. The hope is to build a supportive team with IHDA as they see the connection that land banks have to affordable housing.

## 6.2 Data Collections

M. Chappell reported that at this time, the collection of data from the various GIS departments within each city is going well. Additional data, such as adding boundaries for a neighborhood planning efforts, will be asked for in the future.

## 6.3 Property Inspector Discussion

M. Chappell referenced the pilot program B. Denzin described at the last meeting that involves hiring a property inspector to help complete property inspections. Wondering if, in time, is it better to hire a contractor on an as needed basis – or work with each municipality's property maintenance person. Should there be a separation between the land bank and municipal partners?

B. Denzin noted that it depends on the situation and the level of support available from each municipality. He explained that we need the teams on the ground to assist with identifying local properties for the land bank and provide the background information. M. Brainard noted that as the program moves forward and properties are secured, there may be a need to contract so as to not burden the local inspections/property maintenance staff.

## 6.4 Land Bank Policies

M. Chappell noted that she has been researching various land bank policies and has found several good examples. Will reach out to B. Denzin for a conversation in the near future. Goal is to have policies ready for board review by end of October.

There was a brief discussion about Rock Island County's upcoming Auction of Surplus Properties. M. Chappell confirmed the auction is held by sealed bid and will close October 21, 2022. A review is being made of properties available noting that some can be acquired by municipalities outside the sale.

## **7. OLD BUSINESS**

### 7.1 Update on Financial Institution Account

A. Whiting referenced a recent email and passed out the token to be used when logging into the bank account to approve transactions. The bank contact will be calling each board member to review how to use the token.

### 7.2 RFP Update

M. Chappell noted that the RFP's document will be developed as we work on the Land Bank policies.

### 7.3 Municipal Contribution Timeline/Plan

K. Whitley mentioned this was placed on the agenda to as a reminder to all members. There was considerable discussion regarding the need for a mechanism to use to measure or breakdown how much time the Land Bank manager spends in each city.

A. Whiting noted that the original city contributions covered all things related to the Land Bank – not just time and salary. City contributions were based on population and would cover a three year time frame. When presented to EM Council the contribution covered for a three year period. A bigger impact would happen with the partnership which would benefit the community. Hope was that after third year, the Land Bank will be self-sustaining.

B. Denzin confirmed that the budget was set to cover all of the activities of the land bank. Budget is covered by city contributions (based on population and formula) and grants. The \$90,000 grant would also support initial costs.

B. Denzin also stated that down the road addressing any imbalances will be important. It may be a portion of your work at year three that is self-sustaining. The degree to which the land bank can assist in other areas will also be reviewed at the three year mark to determine focus. Plan is to launch land bank and develop into a useful tool for all partners.

M. Brainard agreed with all comments. At the three year mark and with success, the hope is that a smaller contribution will be required by each city. If Rock Island should want additional services it would pay for them. It may also be that with successful state advocacy efforts, additional funds may become available.

B. Denzin asked if there was any sense on what an average property sells for in the area. Gaining site control is the key, but knowing how much money the land bank can earn after expenses are paid and property is sold is important. M. Chappell referenced the current Hauman Housing program underway in the City of Moline. Program supports the City's partnership with the Moline Community Development Corporation (MCDC).

Moline's Neighborhood Improvement Officer B. Hauman will identify a property that can be saved. He acquires for the City by foreclosing on a lien. A scope of work is developed to bring the property up to code. The Moline City Council approves the sale to the MCDC who places the property out for bid, with conditions. All responders must be licensed, bonded, and registered with the City.

They are required to develop a scope of work based on the original with costs. They also place a bid to acquire the property. In most cases, the highest bidder is selected. Over the past six years, property bids have ranged from \$1,000 up to a recent sale in April of \$25,000. Funds used to support programming funding for the MCDC. B. Denzin noted that it is important to keep an eye on what properties are being sold for as the program moves forward.

**7.4 Update on Program Branding/Website**

M. Chappell reported that she is moving forward with different ideas. Also noted that in addition to placing information on the website, she feels the need to develop talking points about the Land Bank that can be shared. M. Brainard mentioned a short paragraph is needed to place on the City of Rock Island website that briefly describes the function of the land bank and also provides a link to the Moline site where the meeting information is housed.

**8. NEW BUSINESS**

N/A

**9. OTHER MISCELLANEOUS BUSINESS**

N/A

**10. EXECUTIVE SESSION (IF NECESSARY)**

N/A

**11. ADJOURN**

Motion made by K. Whitley, seconded by A. Whiting to adjourn at 11:31 a.m. Motion Passed 3-0

BOARD MEMBER	Aye	Nay	Abstain
Brainard, Miles	X		
Whitley, KJ	X		
Whiting, Annaka	X		