



City of Albuquerque **VACANT & ABANDONED HOUSES TASK FORCE**

1.17.2018

*FINDINGS & RECOMMENDATIONS
PRESENTED TO THE CITY COUNCIL*



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1. EXECUTIVE SUMMARY

1.1 INTRODUCTION

The City of Albuquerque estimates that there are approximately 1,200-1,300 residential properties that are vacant, abandoned, and/or substandard spread throughout the City, with a few neighborhoods or areas where these properties are concentrated. Foreclosure has started on some of these properties, leaving them in a state of limbo, and many are tax delinquent. Other contributing factors include reverse mortgages, probate or the heirs are unknown, catastrophic damage to the structure, lack of homeowners' insurance, and general poverty and the high rate of drug abuse in our community. These conditions have a negative impact to neighborhoods, families, and individuals who are seeking safety and security in their homes and maintenance of their property values. Enforcement on these properties have created a drain in City resources. This report is a summary of the Vacant and Abandoned Houses Task Force findings and recommendations for the City Council to consider in abating these conditions.

The City's Uniform Housing Code defines the following terms that are used throughout this report:

- **Vacant Building** - A dwelling, dwelling unit, efficiency dwelling unit, habitable space, residential building, or structure lacking the continuous habitual presence of human beings who have a legal right to be on the premises for a period of 90 days or longer but excluding property under a listing agreement with a real estate agent licensed in New Mexico.
- **Substandard Building** - Any building or portion thereof, including any dwelling unit, guest room or suite of rooms, or the premises on which the same is located, in which there exists any of the following listed conditions [set forth in §§ 14-3-4-2 et seq.] to an extent that endangers the life, limb, health, property, safety or welfare of the public or the occupants thereof shall be deemed and declared a Substandard Building.



1.2 VACANT AND ABANDONED HOUSES TASK FORCE

In September 2017, the Albuquerque City Council adopted R-2017-185, which created a 7-member task force to explore options and make recommendations for addressing vacant and abandoned houses within the City of Albuquerque. The Resolution acknowledged the myriad of challenges in addressing this issue including:

- Enforcement of minimum health and safety requirements for vacant or abandoned residential properties;
- The City staff and resources needed to monitor over 600 properties that are either already a public nuisance or are in danger of becoming a public nuisance, and the arduous process of nuisance abatement enforcement that is presently overwhelming available resources; and
- The potential negative impact on property values and resale of homes and the disruption of the quality of life in Albuquerque's neighborhoods due to dilapidation and potential attraction of illicit activities.

The Task Force, comprised of City staff from Code Enforcement, Family and Community Services, Legal Department, Council Services, Mayor's Office, two community members, and one planning consultant (Consensus Planning), was asked to explore alternative methods of addressing vacant and abandoned houses that would ultimately help reduce property crime and better leverage City resources. Specific issues explored were as follows:

- Options for efficient enforcement methods to address the most pressing problems

associated with vacant and abandoned houses;

- Options for collaborative and proactive programs to prevent the dilapidation or deterioration of such houses;
- Options for the City to help facilitate recommissioning such houses for people and families; and
- Any other relevant and helpful options relating to this issue.

The Task Force held eight meetings starting on October 25, 2017. Two of the meetings included conference calls - one with the Philadelphia Land Bank and one with the Center for Community Progress, a national non-profit organization that provides technical assistance to communities grappling with transforming blighted, vacant, and other problem properties back into productive use to support neighborhood vitality.

The Task Force acknowledges that the work completed since October is just the beginning steps for addressing these issues, and is ready and willing to continue working on behalf of City Council.

2. RECOMMENDATIONS

2.1 INTRODUCTION

The Task Force created a series of recommendations for the City Council to consider in addressing the issues associated with vacant, abandoned, and substandard properties. The recommendations are based on research of best practices from other municipalities, discussions with other governmental entities and non-profit organizations, and the fact that the City's Uniform Housing Code has not been updated in many years. The recommendations are listed in the categories of legislative, administrative, enforcement, and technology improvements.

2.2 LEGISLATIVE RECOMMENDATIONS

1. Explore the establishment of a City-managed land bank for acquisition and disposition of vacant and abandoned properties. This should include an initial assessment and technical assistance from the Center for Community Progress (see *Section 3: Land Banks*).
2. Revise violations of the Uniform Housing Code provisions to allow for imposing civil penalties instead of criminal penalties to expedite the process. If civil procedures are found to be insufficient, two additional methods for addressing non-compliance include: (1) appointment of a receiver or conservator where a judge appoints someone to repair or rehabilitate a problem property; and (2) injunctive relief where the hearing officer or administrative judge requires the responsible party to take a specific action or face serious consequences.
3. Pursuant to Section 14-3-5-15, amend the complaint system that includes both a hotline and a website component for reporting violations of the Property Maintenance Ordinance.
4. Explore legislative options at the State level for extending the statute of limitations regarding collection of municipal liens.
5. Explore legislative options to allow receivership statuses and/or appointment of a conservator for parties of interest, such

as non-profit organizations, recognized neighborhood associations, community development corporations, and other interest groups. (*Pennsylvania's Abandoned and Blighted Property Conservatorship Act, which allows the court to appoint a conservator to rehabilitate and be responsible for bringing the deteriorating building into compliance, is a model to follow*).

6. Add new definitions to the City's Uniform Housing Code (see *Glossary in Appendix*).

2.3 ADMINISTRATIVE RECOMMENDATIONS

1. Implement and maintain a Substandard Property Registry that is coordinated with the City's existing Vacant Property Registry.
2. Establish a progressive fee for registration of vacant and abandoned houses to help recover the cost of Code Enforcement. In establishing the registration fee, consider the following:
 - ◇ The registration fee should not be set so high that it discourages people from registering; and
 - ◇ Establish a progressive fee structure that increases each year the property remains vacant.
3. Redirect Code Enforcement fees collected by the City from the General Fund to the Code Enforcement Division budget to recover enforcement costs and to increase staffing levels.
4. Waive fees after one year if the owner or responsible party demonstrates that they are adequately maintaining and securing a vacant property.
5. Focus Code Enforcement activities in the neighborhoods and districts with the most problematic properties by utilizing the Vacant Building Registry and the new Substandard Property Registry and on-line map (see *Recommendation 2.5.1*).
6. Through the Office of Neighborhood Coordination, provide resources, support, and training to neighborhood associations on the procedures for notifying the

Code Enforcement Division of vacant, abandoned, or substandard properties (*see Recommendations 2.5.1 and 2.5.2*).

7. Increase partnership and coordination between different agencies, departments, established neighborhood groups, and local non-profits with an interest in issues pertaining to vacant, abandoned, and substandard properties, such as:
 - Code Enforcement Division
 - County Assessor's Office
 - City Department of Technology and Innovation
 - Environmental Health Department
 - Albuquerque Police Department
 - COAST
 - Safe City Strike Force
 - Albuquerque Fire Department
 - Housing Advisory and Appeals Committee (HAAC): This Committee acts as an advisory body to the Department of Human Services in the administration and enforcement of the Uniform Housing Code and provides other functions that may be provided for elsewhere.
8. The Office of Neighborhood Coordination should coordinate with the Neighborhood Watch Program to conduct "neighborhood sweeps" to identify problem properties.

2.4 ENFORCEMENT RECOMMENDATIONS

1. Adopt a new policy that prohibits building permits or business registrations being issued by the City for any property that has outstanding City of Albuquerque liens. This applies to any liens for board-up, clean-up, Solid Waste, and Certificate of Substandard liens until they are paid in full or the property owner or responsible party agrees to a payment plan that is signed and approved by the City.
2. Enforce registration of vacant properties and provide penalties to owners/responsible parties of vacant properties for non-compliance.
3. Impose civil penalties on mortgage holders for maintenance of "zombie properties" and increase their exposure for premises liability

claims related to those properties. This approach could be modeled after the State of New York legislation (2016), which imposes a daily penalty for non-compliance by state and federally-chartered banks, savings banks, savings and loan associations, and credit unions. The penalty only applies to the first lien mortgage holder that is authorized to accept payment of the loan.

4. Require owner or responsible party of vacant property to maintain liability insurance. (This is similar to the City's HEART Ordinance, which requires dog owners to maintain insurance for dogs that have been declared dangerous).
5. Require owner or responsible party to create a detailed property plan that includes a timeline for maintaining, rehabilitating, reoccupying, or demolishing the problem property.
6. Impose civil penalties on property owner or responsible party for the cost imposed on the local government as a result of increased fire, police, and building inspection actions at the property. Require the assessment to be paid upon the filing of a foreclosure deed.
7. In collaboration with Bernalillo County, identify vacant or abandoned properties with delinquent taxes to force transfer of ownership through a number of methods, such as expedited judicial foreclosure process, court appointed receivership, or automatic sale or transfer to a land bank.

2.5 TECHNOLOGY IMPROVEMENT RECOMMENDATIONS

1. Create, maintain, and update an on-line map of vacant, abandoned, and substandard properties. The Code Enforcement Division should manage and make this map available to neighborhood association representatives upon request. The on-line map should include aggregated data from the City's Vacant Building Registry and Substandard Property Registry to identify the most problematic areas of the City, but not show individual properties. Once this system is in place, Code Enforcement and the Office of

Neighborhood Coordination should work on advertising this new complaint system to the public in the Neighborhood Newsletter.

2. Expand the use of the Planning Department's software tracking system to allow the public to view the status of vacant, abandoned, and substandard buildings.
3. Consider allowing the Vacant Property Registry to be managed by a third party. Pro Champs, based out of Florida, is an example of a third party company that partners with municipalities to manage vacant properties and provides technical assistance on assessing housing stock and market, drafting property registration ordinances, identifying responsible parties and ensuring compliance with registry requirements, maintaining the registry, and collecting data to quantify cost savings in time and resources.



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3. LAND BANKS

3.1 INTRODUCTION

The Center for Community Progress estimates that as of June 2017, there are approximately 170 land banks operating across the United States (see *Appendix E: Land Banks - Frequently Asked Questions*). There is a concentration of land banks

“The essential function of a land bank is the ability to streamline tax foreclosure proceedings and clear title to property that reverted to public ownership. This function allows communities to plan for the reuse of properties that previously were difficult to acquire and redevelop, and to protect neighborhoods from the blight and decline often associated with tax-foreclosed properties.” US Environmental Protection Agency, Land Revitalization Fact Sheet, Land Banking.

in the rust-belt states of Ohio, Illinois, Michigan, and New York, most of which were established at the state level by their Attorneys General. There are also land banks established

or in the process of being established in New Mexico for the purpose of addressing the need for affordable housing, including the City of Las Cruces which is scheduled for adopting legislation this month (January 2018), and the Village of Ruidoso.

Described in the article “What is a Land Bank” (*Dan Kildee and Amy Hovey, Center for Community Progress*), land banks can sell or convey acquired property as follows:

- Sell through negotiated sales;
- Convey property for other than monetary consideration;
- Sell, lease, or manage property with terms deemed to be in the interest of the land bank;
- Utilize land bank financing tools for tax foreclosed and other targeted properties; and
- Support local planning decisions by adhering to local priorities as to use and transfer of land bank owned properties.

The article lists the four critical elements to creating a successful land bank initiative:

- Connect the land bank to the tax collection and foreclosure system (delinquent property tax is a first priority debt, higher than mortgage debt).
- Scale the land bank at the metropolitan level, or around the most diverse real estate market possible (i.e., land banks are most effective

when they are not relegated to ownership of only the worst of the foreclosed or abandoned properties).

- Ensure a land bank is policy driven and transparent in policies and transactions.
- Emphasize community engagement and participation (i.e., Albuquerque neighborhood associations).

3.2 CASE STUDIES

A description of several land banks are described below:

- City of Las Cruces - The City of Las Cruces is scheduled to adopt legislation referred to as the “Affordable Housing Land Bank and Trust Fund Policies” on January 16, 2018. The City’s intent is to establish a Land Bank and a Housing Trust Fund that is geared to address the “full continuum of housing needs from the homeless to the homebuyer, especially in the area of affordable housing”. The ordinance provides the land bank with the authority to acquire real property or interests in property by gift, transfer, exchange, foreclosure, condemnation, lease, purchase, or with other terms or conditions that the land bank considers appropriate. The land bank’s authority also includes acquisition through purchase contracts, lease purchase agreements, installment sales contracts, and land contacts, and transfers. The ordinance includes a provision for determining whether to acquire a property, that the land bank considers a wide range of qualitative, quantitative, physical, and property status factors listed in the ordinance. The ordinance also provides guidance for disposition of the acquired properties (*for more detail on the City of Las Cruces Land Bank, see Appendix F: Case Study: City of Las Cruces Affordable Housing Land Bank & Trust Fund Policies*).
- State of New York - Established in 2013, the “Land Banks Community Revitalization Initiative” is a grant program administered by the State Attorney General of New York that distributes funds from a settlement with banks involved in the mortgage crisis. New York land banks have reclaimed at least 1,995 properties from abandonment, returned

over 700 properties to the market and into productive use, and have demolished (or are in the process of demolishing) over 400 unstable structures.

- State of Ohio - Established by the State of Ohio's Attorney General in 2012, the "Ohio Attorney General's Moving Ohio Forward Program" was initiated following a settlement with mortgage lenders. Land banks from across Ohio partnered with Habitat for Humanity, NeighborWorks, and other organizations to demolish blighted structures, rebuild, and turn them back into property tax generating, productive use. Officials noted that neighboring property owners began taking better care of their property after restoration had occurred.
- State of Illinois - The Illinois Attorney General used funds obtained through a 2012 settlement with mortgage companies to assist housing efforts throughout the state. The Cook County Land Bank was seeded with \$6M and has since acquired over 300 properties, most of which are blighted homes. Before selling these properties, the Land Bank cleans liens, fines, and other red tape off the property's title. The Land Bank sold over 230 of these blighted homes to rehab companies, who in turn, have revitalized them into productive use. The Cook County Land Bank has become self-sustaining and does not use taxpayer funds for operations.
- Michigan - Established in 2004, the "Land Bank Fast Track Legislation" was intended provide communities with better legal and financial tools to put vacant and abandoned properties back into productive use. The law established state land bank authority and enabled the establishment of city and county land bank authorities. The law allows these local authorities to expedite quiet title on its properties, thereby eliminating all liens and past claims, and make them available at a nominal price. The Genessee County Land Bank Authority is the largest operating land bank in the country with over 10,000 acquisitions of properties and structures since its inception. There are many other land banks in Michigan that operative with much smaller

inventory and only use the land bank tools on a few properties each year.

- Fort Collins, Colorado - Adopted by the City of Fort Collins in 2001, the purpose of the Fort Collins Land Bank is to acquire, hold, and sell property to assist affordable housing developers to build housing for low income households at or below 50% average median income (AMI). This program is much smaller in scope than the previous examples from New York, Ohio, Illinois, and Genessee County.

3.3 MOVING ALBUQUERQUE FORWARD

The Task Force recommends that the City further explore the establishment of a land bank as one of the most important changes that the City of Albuquerque could implement to address the return of vacant, abandoned, and tax-delinquent properties into productive use. As a home rule municipality, the City has the ability to adopt new legislation to establish a land bank without the requirement of state-enabling legislation (*see Appendix F: Case Study: City of Las Cruces Affordable Housing Land Bank & Trust Fund Policies*).

It is acknowledged that a future land bank for Albuquerque would likely be modest in scale relative to the number of properties in its inventory at any one time. As a first step, the City should engage with the non-profit, Center for Community Progress for technical assistance in creating a land bank that is specifically crafted to legal and administrative conditions, and fiscal constraints in Albuquerque.

The Task Force recommends that the City Council, as part of adopting legislation that establishes a land bank, establish an appointed advisory board that is tasked with identifying and acquiring targeted, tax-delinquent and foreclosed properties, as well as receiving donated properties. Membership is recommended to include, but not be limited to, City staff from the Code Enforcement and Real Property Divisions of the Planning Department and Community Development Division of the Family and Community Services Department; neighborhood representatives; representatives from a locally-owned bank, locally-owned mortgage company, and a non-profit community development corporation that specializes in housing rehabilitation and development.

The Task Force recommends that the land bank establish a process for assessment and acquisition that includes:

- Collecting data on property condition, ownership status, tax history, utility information, emergency calls, foreclosures, occupancy status, existing liens, Code Enforcement costs, etc.
- Based on the data collected, determining priorities for acquisition of properties that pose the greatest harm to the neighborhoods in which they are located.
- In addition to acquisition, structuring the land bank to receive donations of problem properties (land and/or structures)

3.4 POTENTIAL FUNDING SOURCES

- Foundation grants - land banks are typically eligible for foundation grants due to its corporate structure or governmental status.
- Land sales revenue - generated when the land bank sells properties for more than the acquisition cost incurred by the land bank. Land banks are able to acquire property at below market value in a variety of ways:
 - ◇ Land banks are able to accept donated land. Property owners may want to donate their land for the tax benefits or even to relieve themselves of the maintenance obligations for the property. It is advisable that the land bank conduct proper due diligence prior to accepting donated property. It is appropriate for a land bank to provide a letter of acceptance for donated properties, but not to designate a donative value to the donor - rather it should advise donors to consult their tax professional for assistance in determining the tax implications for the donor.
 - ◇ A land bank may purchase low value properties at auctions, although it would be bidding against other buyers.
- Civil penalties and registration fees - civil penalties and registration fees for vacant and substandard buildings collected by the City could be directed to the Albuquerque Land Bank.
- Charitable contributions - coordinate with Bernalillo County on a provision that allows entities to be eligible for a property tax credit (dollar for dollar reduction) or tax deduction (lowers taxable income equal to the percentage of the entity's marginal tax bracket) when they make charitable contributions to the Albuquerque Land Bank.
- City General Fund - the City Council could include a line item for seeding the land bank.

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A. GLOSSARY

The following list of terms do not appear in the City of Albuquerque's Code of Ordinances. The Task Force recommends including these terms in the City's Uniform Housing Code for the purpose of strengthening the vacant and abandoned property abatement process. Suggested definitions below are examples from other municipalities.

Abandoned property (see Problem properties below)

Abate - to bring to a halt, eliminate or, where that is not feasible, to suppress, reduce, and minimize substandard conditions or blighting related to residential properties.

Deteriorated property (see Problem properties below)

Distressed property (see Problem properties below)

Evidence of vacancy - any visual cues that determine if a property is unoccupied. Such visual cues include, but are not limited to, overgrown and/or dead vegetation; accumulation of mail; accumulation of trash, having one (1) or more of the required utilities inactive, etc.

Foreclosure - the system by which a party who has loaned money secured by a mortgage or deed of trust on real property requires sale of the real property to recover the money due, unpaid interest, plus the costs of foreclosure, when the debtor fails to make payment.

Foreclosure sale - the forced sale of real property at a public auction (often on the courthouse steps following public notice posted at the courthouse and published in a local newspaper) after foreclosure on that property as security under a mortgage or deed of trust for a loan that is substantially delinquent. The lender who has not been paid may bid for the property using its own unpaid note toward payment, which can result in a bargain purchase.

Land bank - a governmental or non-profit entity that specializes in the conversion of vacant, abandoned, and foreclosed properties into productive use. 1) Land banks act as a legal and financial mechanism to transform vacant, abandoned, substandard, and tax-foreclosed

property back to productive use. Generally, land banks are funded by local governments' budgets or the management and disposition of tax-foreclosed property. 2) In addition, a land bank is a powerful incentive that can encourage redevelopment in older communities generally with little available land and neighborhoods that have been blighted by an out-migration of residents and businesses.(3) While a land bank provides short-term fiscal benefits, it can also act as a tool for planning long-term community development. Successful land bank programs revitalize blighted neighborhoods and direct reinvestment back into these neighborhoods to support their long-term community vision.

Lien - any official claim or charge against property or funds for payment of a debt or an amount owed for services rendered. This includes vacant properties that have been found to be in violation of the City's Anti-Weed and Litter Ordinance or the Uniform Housing Code Ordinance, the violation has not been corrected in the time given, a work order is created to have the work completed, and a lien is filed with the County Clerk's Office against the property for the cost of the work performed. A lien carries with it the right to sell property, if necessary, to obtain the money. Most liens are enforceable in the order in which they were recorded or filed, except tax liens which have priority over a private citizen's claim.

Lis pendens - a written notice that a lawsuit has been filed and then recorded with the County Clerk's Office concerning the title to real property or some interest in that real property.

Local agent (see Problem properties below)

Local property management company (see Stakeholders below)

Owner - (see Stakeholders below)

Problem properties - properties that destabilize neighborhoods, create fire and safety hazards, drive down property values, and drain local tax dollars. This includes any structure being used for sleeping, eating, shelter, etc. no matter the intended use of the structure. Below are examples of such properties and suggested definitions:

- **Abandoned property** - any vacant residential building which is frequented by persons who are not lawful occupants of such

structure; or any vacant residential building due to lack of maintenance or by boarding up of its doors and windows, or other reasons, has a substantial adverse effect on the value of property in the immediate neighborhood; or a residential building where the principal use has ceased and that no longer has any function or use.

- **Deteriorated property** - any dwelling unit located in a deteriorated neighborhood; a dwelling unit which has been, or, upon request, is certified by a health, housing or building inspection agency as, unfit for human habitation for rent withholding, or other health or welfare purposes; or a dwelling unit which has been the subject of an order by such an agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinances or regulations.
- **Distressed property** - any property that is subject to a current notice of default and/or notice of trustee's sale, pending tax assessors lien sale and/or any real property conveyed via a foreclosure sale resulting in the acquisition of title by an interested beneficiary of a deed of trust, and/or any real property conveyed via a deed in lieu of foreclosure/ sale, regardless of vacancy or occupancy by a person with no legal right to occupancy.
- **Zombie property** - a property that is (1) at least three monthly payments are past due on the mortgage or the mortgagor has advised in writing that he or she does not intend to occupy the property; and (2) there is a reasonable basis to believe that the property is unoccupied (the law provides these visual cues to determine if a property is unoccupied) or the property is a health risk on account of evidence of vandalism, loitering, criminal conduct or destruction/ deterioration of the property. The second element also can be satisfied by a governmental agency's declaration that the property is unfit for occupancy.

Responsible party (see Stakeholders below)

Stakeholders - being able to address problem properties largely depends on a municipality's ability to properly define local stakeholders who either own, manage, or assume liability over those properties. Below is a list of potential stakeholders and suggested definitions:

- **Local property management company** - a property management company and/ or certified property manager that is either based or maintains an office within 20 miles of City limits and has a current business tax certificate issued by the City.
- **Owner** - any person who alone, jointly or severally with others - shall have legal title to any premises, or dwelling units, with or without accompanying actual possession thereof - shall have charge, care or control of any premises, dwelling or dwelling unit as owner or agent of the owner, or an executor, administrator, trustee, or guardian of the estate of the owner.
- **Responsible party** - a locally identified agent, property manager, or similar entity responsible for or having the authority to make decisions and required expenditures concerning a property.
- **Zombie property** - (see Problem properties above)

Vacant Building Registry - a database of vacant/ foreclosed properties that is maintained by the City of Albuquerque Code Enforcement Division. Once a property owner/responsible party applies to the Code Enforcement Division for a Vacant Building Maintenance License, (Note: language should be added in the Uniform Housing Code to include "responsible party").

Vacant Building Maintenance License - a license that is issued by the City of Albuquerque Code Enforcement Division to the owner of a vacant building and renewed annually by the owner, which lists all measures to be taken to ensure that the vacant building will be kept secure and free from nuisance. (Note: language should be added in the Uniform Housing Code to include "responsible party").

B. DEFINING THE PROBLEM

This section provides an overview of existing conditions with regard to substandard, vacant, and properties with the most liens. Maps that illustrate the location of these properties are provided on pages 16-18, and are followed by a flowchart that illustrates the current abatement process for vacant and abandoned properties on page 19.

B.1 SUBSTANDARD PROPERTIES LIST

The current status and metrics of the Substandard Properties List is as follows:

- There are 596 properties currently on the list (see *Substandard Properties List, page 16*)
- The majority of registration dates were listed between 2013-2017 (many entries do not list a date)
- The oldest registration date is January 9, 2012
- The neighborhood associations with the greatest number of substandard properties:
 - ◇ La Mesa: 31
 - ◇ South San Pedro: 24
 - ◇ South Broadway: 23
 - ◇ Trumbull Village: 17
 - ◇ West Mesa: 27
- City Council Districts with the greatest number of substandard houses, including houses that are not within the boundaries of a neighborhood association):
 - ◇ District 6 (mostly within NAs)
 - ◇ District 7 (mostly not within NAs)
 - ◇ District 3 (mostly within NAs)
 - ◇ District 1 (mostly not within NAs)

B.2 VACANT BUILDING REGISTRY

The current status and metrics of the Vacant Buildings Registry is as follows:

- There are 393 properties currently on the Vacant Building Registry (see *Vacant Building Registry map, page 17*)
- There are 179 “active” properties (a building is listed as “Active” after the owner applies for a Vacant Building Maintenance License and the required inspection has been completed)
- There are 39 properties pending (a building is listed as “Pending” after the owner applies for a Vacant Building Maintenance License,

but the required inspection has not been completed)

- There were 131 properties that were denied (a building is listed as “Denied” after the owner applies for a Vacant Building Maintenance License, but the property is already boarded up)
- There were 44 properties that were deregistered (a building is listed as “Deregistered” if the building has been put back on the market and/or has been reoccupied)
- The Neighborhood Associations currently with the most vacant buildings include:
 - ◇ Westgate Heights
 - 5 approved
 - 10 denied
 - 2 deregistered
 - ◇ Route 66 West:
 - 4 approved
 - 3 denied
 - 2 deregistered
- The City Council Districts currently with the most vacant buildings (includes buildings that are not within the boundaries of a neighborhood association):
 - ◇ District 3 (many are not within an NA)
 - ◇ Districts 7, 8, and 9 (lightly distributed throughout these three districts)
 - ◇ District 5 (many north and outside of Ventana Ranch and Paradise Hills)

B.3 CURRENT PROPERTIES WITH THE MOST LIENS

Per Sections 3-36-1 through 3-36-7 NMSA 1978, a variety of liens may be assessed against the personal and real property of any owner providing lodging. The following types of liens be enforced:

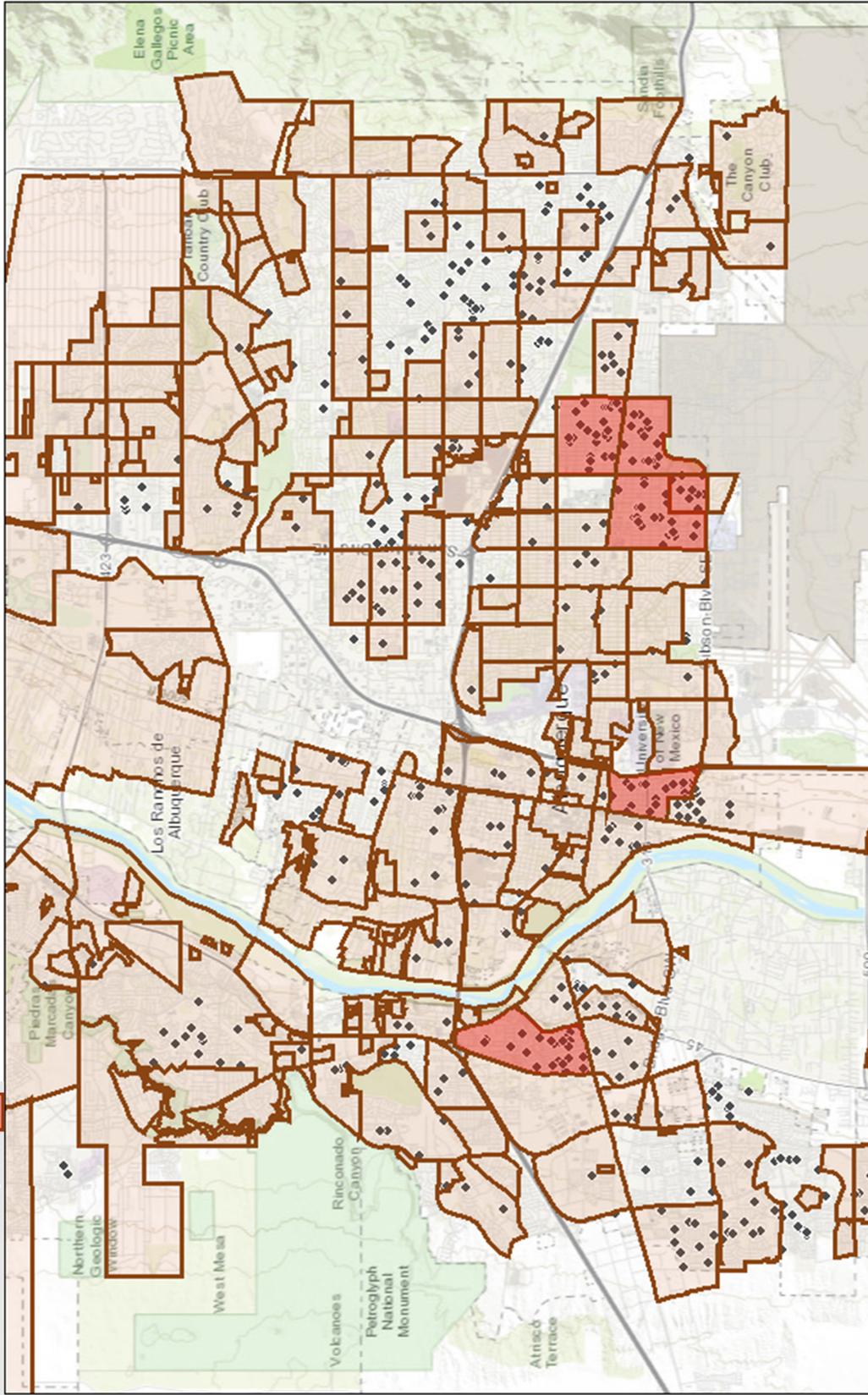
- Clean up lien
- Boarding and securing lien
- Substandard lien
- Water and electricity lien
- Tax delinquent lien (per section 4-4-12 of the City’s Code of Ordinances, the City can file a lien for tax with the Bernalillo County Assessor’s Office on a property owner)

The properties that have been identified as the most problematic due to the liens that have been filed are located throughout the City (see *Properties with the Most Liens map, page 18*).

Legend

- Substandard Property
- NAs w/ Most Substandard Properties

Substandard Properties List - Final



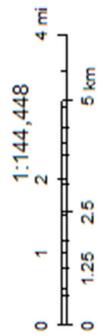
Total Properties: 596

Majority of Registration Dates Listed: 2013-2017

Oldest Registered Property: 228/230 56TH ST NW - 1/9/2012

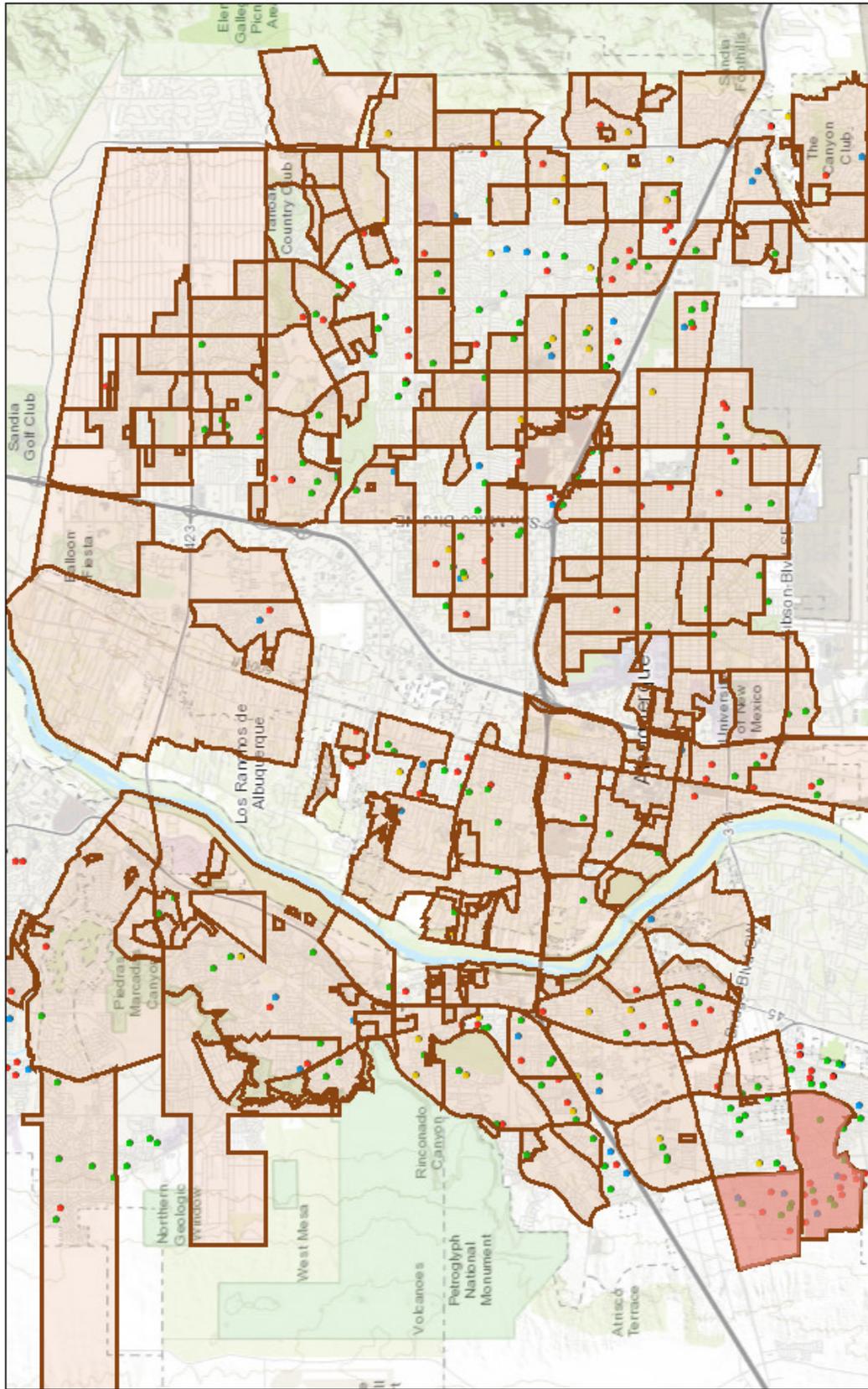
NAs w/ Most Substandard Properties:

- La Mesa: 31
- South San Pedro: 24
- South Broadway: 23
- Trumbull Village: 17
- West Mesa: 27



Source: Esri, HERE, DeLorme, Intermap, Incorp. P. Corp., GEE CO., USGS, FAO, NPS, NRCAN, GEBCO, IGN, Kartchner, Ordnance Survey.

Vacant Buildings Registry - Final



Legend

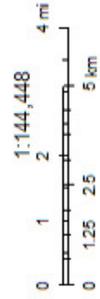
- Active: 179
- Pending: 39
- Denied: 131
- Deregistered: 44

NAs w/ Most Vacant Buildings:

- Westgate Heights: 5 approved, 10 denied, 2 deregistered
- Route 66 West: 4 approved, 3 denied, 2 deregistered

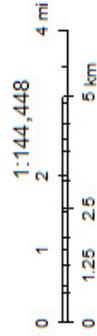
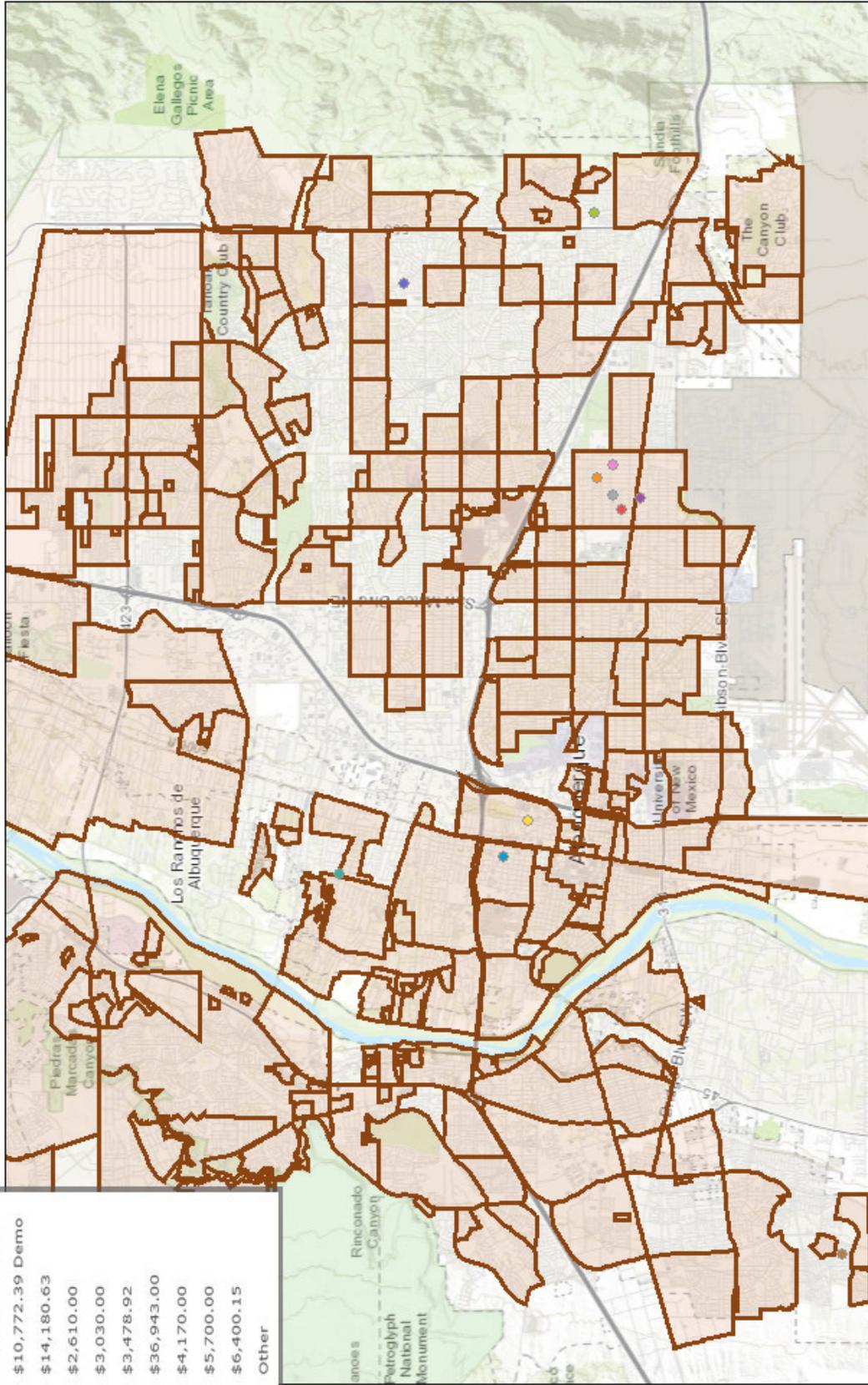
City Council Districts w/ Most Vacant Buildings (includes buildings that aren't within an NA):

- District 3 (many are not within an NA)
- District 7, 8, and 9 (lightly distributed throughout these three districts)
- District 5 (many north and outside of Ventana Ranch)



Sources: Esri, HERE, DeLorme, Intermix, IGN, GDB, GEBCO, USGS, FAO, NPS, NRCAN, GEBCO, IGN, Karttunen, Ordnance Survey.

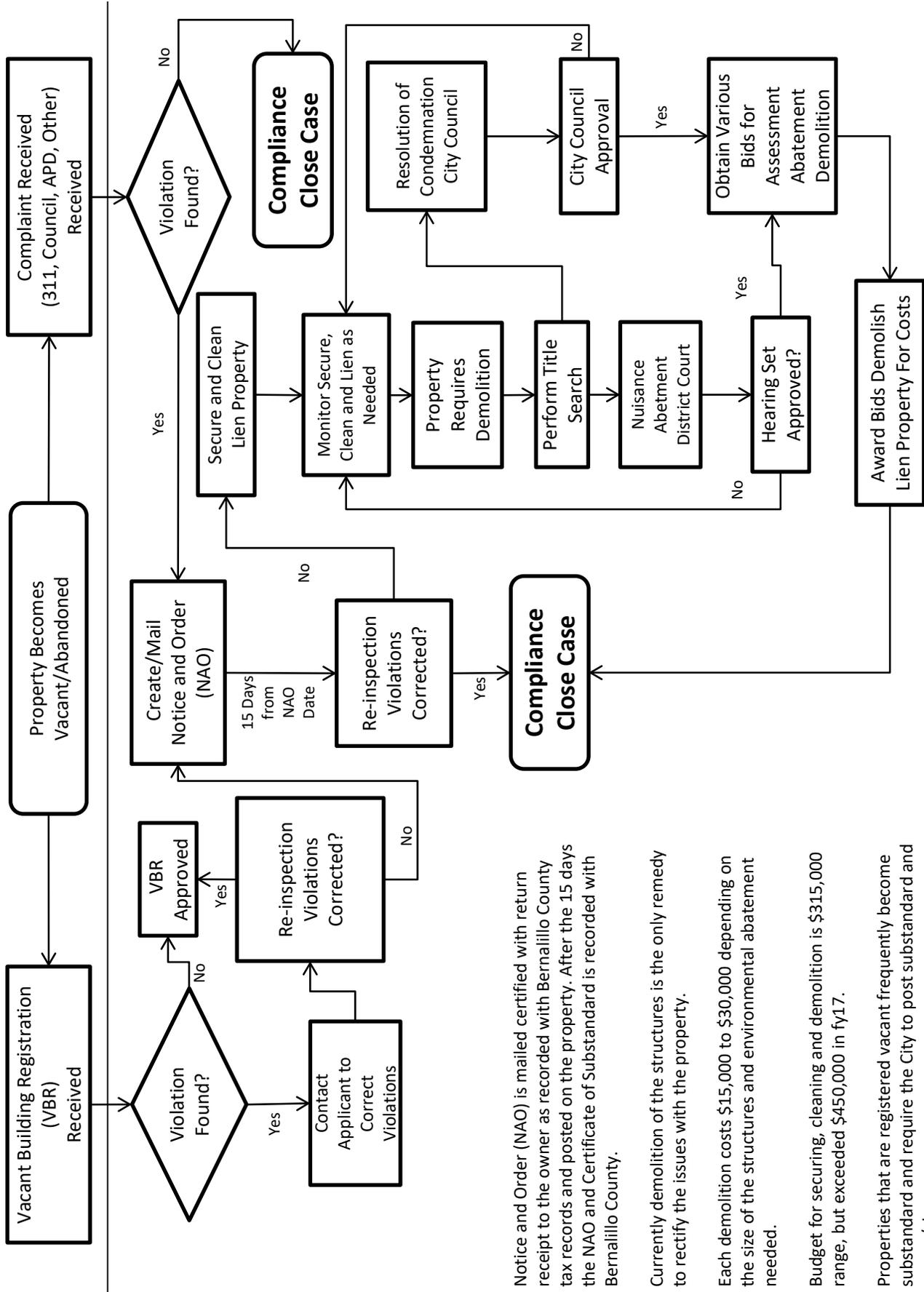
Properties with the Most Liens



1:144,448

Source: Esri, HERE, DeLorme, Intermap, Inetram P. Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey,

B.4 CURRENT ABATEMENT PROCESS FOR VACANT AND ABANDONED PROPERTIES



Notice and Order (NAO) is mailed certified with return receipt to the owner as recorded with Bernalillo County tax records and posted on the property. After the 15 days the NAO and Certificate of Substandard is recorded with Bernalillo County.

Currently demolition of the structures is the only remedy to rectify the issues with the property.

Each demolition costs \$15,000 to \$30,000 depending on the size of the structures and environmental abatement needed.

Budget for securing, cleaning and demolition is \$315,000 range, but exceeded \$450,000 in fy17.

Properties that are registered vacant frequently become substandard and require the City to post substandard and secure/clean.

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C. RECOMMENDED AMENDMENTS TO THE UNIFORM HOUSING CODE

14-3-5-14 VACANT BUILDING MAINTENANCE AND DEFAULT MORTGAGE PROPERTY REGISTRATION

- A. The owner of a vacant building shall apply to the Albuquerque Code Enforcement for and obtain a Vacant Building Maintenance License 15 days prior to vacating the premises. The Business Maintenance License shall be renewed annually. The owner shall pay an annual fee to renew the business maintenance license. Albuquerque Code Enforcement shall establish the amount of the fee by regulation.
- B. Application for a Vacant Building Maintenance License shall be made on a form provided by Albuquerque Code Enforcement and verified by the owner. The application shall disclose all measures to be taken to ensure that the vacant building will be kept weather tight and secure from trespassers, safe for entry by police officers and firefighters in times of emergency, and, together with its premises, free from nuisance and in good order.
- C. At the time of application, the owner shall arrange for inspection of the vacant building by Albuquerque Code Enforcement. If the owner fails or refuses to consent to and arrange for an inspection, Albuquerque Code Enforcement shall first obtain a search warrant from a court of competent jurisdiction to authorize inspection of the vacant building.
- D. Albuquerque Code Enforcement shall inspect the vacant building for the purpose of determining the structural integrity of the vacant building; the repairs necessary to ensure its structural integrity; that it will be safe for entry by fire fighters and police officers in time of emergency; and that the vacant building and its contents do not present a hazard to the public during the time that the building remains vacant.
- E. Albuquerque Code Enforcement shall issue any orders for work needed to:
 1. Adequately protect the vacant building from intrusion by trespassers and from deterioration by the weather; and
 2. Insure that allowing the vacant building to remain will not be detrimental to the public health, safety and welfare, will not unreasonably interfere with the reasonable and lawful use and enjoyment of other premises within the neighborhood, and will not pose any extraordinary hazard to police officers or fire fighters entering the vacant building in times of emergency
- F. Within 45 days of the issuance of any orders, the owner shall bring the vacant building into compliance with any orders that may have been issued as conditions for the issuance of the license.
- G. Albuquerque Code Enforcement shall issue a vacant building maintenance license only after inspecting the building and concluding that the building complies with the Uniform Housing Code. The Mayor is authorized to administer and enforce the Uniform Housing Code as provided in §§ 14-3-5-1 et seq. if the vacant building does not comply with any other provisions of the Uniform Housing Code. Albuquerque Code Enforcement shall have the authority to inspect the vacant building at any time.
- H. The owner shall notify Albuquerque Code Enforcement 15 days before a vacant building becomes inhabited so that Albuquerque Code Enforcement can inspect the vacant building prior to occupancy.
- I. **Registration to the Default Mortgage Property Registry is required for any real property located in Albuquerque, whether vacant or occupied, that is encumbered by a mortgage in default, is subject to an ongoing foreclosure action by the Mortgagee or Trustee, has been the subject of a foreclosure action by a Mortgagee or Trustee and a Judgment has been entered, or has been the subject of a foreclosure sale where the title was transferred to the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/ sale. The designation of a property with a defaulted mortgage as "registrable" shall remain in place until the property is sold to a non-related bona fide purchaser in an arm's length transaction or the foreclosure action has been**

dismissed and any default on the mortgage has been cured.

1. Any Mortgagee who holds a mortgage on real property located within Albuquerque shall perform an inspection of the property to determine vacancy or occupancy, upon default by the mortgagor. The Mortgagee shall, within ten (10) days of the inspection, register the property with the Albuquerque Code Enforcement Division, or its designee, on forms or other manner as directed, and indicate whether the property is vacant or occupied. A separate registration is required for each property, whether it is found to be vacant or occupied.
2. Registration pursuant to this section shall contain the name, direct mailing address, a direct contact name, telephone number, and e-mail address for the Mortgagee/Trustee, and the Mortgage Servicer, and the name and twenty-four (24) hour contact phone number of the local property management company responsible for the security and maintenance of the property who has the authority to make decisions concerning the abatement of nuisance conditions at the property, as well as any expenditure in connection therewith. Registrations will include a local agent's name, mailing address, telephone number, and email address. Mailing addresses may not be post office boxes.
3. Mortgagees who have existing registrable property on the effective date of this ordinance have 30 calendar days from the effective date to register the property with the Code Enforcement Division, or its designee, on forms or other manner as directed, and indicate whether the property is vacant or occupied. A separate registration is required for each property, whether it is vacant or occupied.
4. If the mortgage on a registrable property is sold or transferred, the new Mortgagee is subject to all the terms of this Article. Any previous unpaid registration fees are the responsibility of the new Mortgagee or Trustee and are due and payable with their initial registration. Except if it is determined that the transferee is exempt from paying fees then the previous mortgagee will not be released from the responsibility of paying all previous unpaid fees and fines, regardless of who the mortgagee was at the time when registration was required, including but not limited to unregistered periods during the foreclosure process. The provisions of this section are cumulative with and in addition to other available remedies. Moreover, Albuquerque Code Enforcement Division is authorized and empowered to refer the previous Mortgagee's non-payment of previous fees and fines to a court of competent jurisdiction for disposition.
5. If the servicing rights for a mortgage on a registrable property are sold or transferred, the registration must be updated to include all the new Servicer information within 10 days of the servicing transfer.
6. If the Mortgagee owner of a foreclosed real property sells or transfers the property to a non-arm's length related person or entity, the transferee is subject to all the terms of this Article. Any previous unpaid registration fees are the responsibility of the new Registrable property owner and are due and payable with their initial registration. Except if it is determined that the transferee is exempt from paying fees then the previous mortgagee will not be released from the responsibility of paying all previous unpaid fees and fines, regardless of who the mortgagee was at the time when registration was required, including but not limited to unregistered periods during the foreclosure process. The provisions of this section are cumulative with and in addition to other available remedies. Moreover, Albuquerque Code Enforcement Division is authorized and empowered to refer the previous mortgagee's non-payment of previous fees and fines to a court of competent jurisdiction for disposition.
7. As long as the property is Registrable it shall be inspected by the Mortgagee, or designee, monthly. If an inspection shows a change in the property's occupancy status the mortgagee shall, within ten (10) days of that

inspection, update the occupancy status of the property registration.

8. Properties subject to this section shall remain under the semi-annual registration requirement, and the inspection, security and maintenance standards of this section as long as they are registrable. Semi-Annual registration shall mean 6 months from the date of the first action that requires registration, as determined by the Albuquerque Code Enforcement Division or its designee, and every subsequent 6 months. The date of the initial registration may be different than the date of the first action that required registration.
9. A non-refundable semi-annual registration fee of \$250.00 shall accompany each semi-annual registration pursuant to this section.
 - i. If a lis pendens, deed-in-lieu of foreclosure, or other public notice of foreclosure is filed on a property and the property was not registered and the registration fee paid at least 30 days prior to the filing date, a late \$100 shall be charged per property and shall be due and payable with the registration. This section shall apply to the initial registration and 30 day delinquent registration renewals. Registrations delinquent greater than 30 days are also subject to additional fines as described herein.
 - ii. All registration fees must be paid directly from the Mortgagee, Trustee, Servicer, or Owner. Third Party Registration fees are not allowed without the consent of Albuquerque Code Enforcement Division and/or its authorized designee.
10. Until the mortgage or lien on the property is satisfied, or legally discharged, the desire to no longer pursue foreclosure, the filing of a dismissal of lis pendens and/or summary of final judgment and/or certificate of title, voluntary or otherwise, does not exempt any Mortgagee holding the defaulted mortgage from all the requirements of this article as long as the Mortgagee is in default.
11. Any person or legal entity that has registered a property under this section must report any change of information contained in the registration within ten (10) days of the change.
12. Failure of the Mortgagee to properly register or to modify the registration information from time to time to reflect a change of circumstances as required by this article is a violation of the article and shall be subject to enforcement and any resulting monetary penalties and/or property liens.
13. Pursuant to any administrative or judicial finding and determination that any property is in violation of this article, Albuquerque Code Enforcement may take the necessary action to ensure compliance with and place a lien on the property for the cost of the work performed to benefit the property and bring it into compliance.
14. Properties subject to this chapter shall be maintained in accordance with §§ 14-3-5-14 and other applicable City of Albuquerque code(s).

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D. CASE STUDY: CITY OF TUCSON CODE

EMERGENCY ABATEMENT

- (a) Notwithstanding any other provision of this chapter if, in the opinion of the code official, the conditions at a property constitute an imminent hazard, the code official may order immediate abatement of the hazard without notice. Such abatement of an imminent hazard shall be limited to the minimum work necessary to remove the hazard, and may include disconnection of utilities.
- (b) The city shall pay the cost and expense of such abatement from any appropriation made available for that purpose.
- (c) A lien shall be recorded with the Pima County Recorder's Office and shall address the same costs and procedures identified in section 16-61, entitled abatement by the city.
- (d) Whenever the code official finds that any structure contains an imminent hazard or health hazard, the code official may declare such structure unfit for human occupancy and order it to be vacated or to remain vacant. A structure declared unfit for occupancy and ordered vacated or to remain vacant under the provisions of this section shall not be leased, rented or occupied, and the utilities cannot be reconnected, until it has been inspected and deemed fit for occupancy by the city. The city shall reinspect, for the purpose of reoccupancy, within three (3) business days of the receipt of a written request by the owner.

AUTHORITY AND INSPECTIONS; RE-INSPECTION FEES; APPEAL

- (a) The code official is authorized to make inspections of property to determine compliance with this chapter. Interior inspections will be done with approval of the owner, occupant or responsible party, or by a court order or as otherwise authorized by law.
- (b) Except as expressly provided in section 16-27 or elsewhere in the Tucson Code, no fee shall be charged for an initial inspection to determine the existence of a violation of this chapter. Any person who neglects,

fails or refuses to correct the violations contained within a notice of violation issued pursuant to section 16-45 may be assessed a re-inspection fee for inspections that occur after the compliance date specified in the Notice, where such re-inspection demonstrates the failure to comply. The fee for these re-inspections shall be set by resolution or ordinance adopted by mayor and council. Failure to pay re-inspection fees within fourteen (14) days of assessment is a violation of this section. Re-inspection fees may be collected in any manner as provided by law, including as a lien against the real property where the violation occurred.

- (c) A person may appeal the imposition of a re-inspection fee to the code official through an administrative conference in the manner provided in section 16-71. The administrative conference shall be the only administrative appeal of a re-inspection fee, and no appeal may be made to the board of appeals.

REGISTRATION OF RESIDENTIAL RENTAL PROPERTY

- (a) An owner of residential rental property shall maintain with the assessor in the county where the property is located information required by this section in a manner to be determined by the assessor. The owner shall update any information required by this section within ten (10) days after a change in the information occurs. The following information shall be maintained:
 - (1) The name, address and telephone number of the property owner.
 - (2) If the property is owned by a corporation, limited liability company, partnership, limited partnership, trust or real estate investment trust, the name, address and telephone number of the statutory agent, if applicable, and the name, address and telephone number of any of the following:
 - (a) For a corporation, a corporate officer.
 - (b) For a partnership, a general partner.
 - (c) For a limited liability company, the managing or administrative member.

- (d) For a limited partnership, a general partner.
 - (e) For a trust, a trustee.
 - (f) For real estate investment trust, a general partner or an officer.
- (3) The street address and parcel number of the property.
- (4) The year the building was built.
- (b) An owner of residential rental property who lives outside this state shall designate and record with the assessor a statutory agent who lives in this state and who will accept legal service on behalf of the owner. The owner shall designate the agent in a manner to be determined by the assessor. The information shall include the name, address and telephone number of the agent.
 - (c) Residential rental property shall not be occupied if the information required by this section is not on file with the county assessor. This subsection does not affect any lease existing on August 6, 1999.
 - (d) All records, files and documents that are required by this section are public records.
 - (e) A person who fails to comply with any provision of this subsection is responsible for a civil infraction and shall be assessed a civil penalty of one thousand dollars (\$1,000.00), plus an additional one hundred dollars (\$100.00) for each month after the date of the original violation until compliance occurs. The court shall not suspend any portion of the civil penalty provided by this subsection.
 - (f) Notwithstanding subsection (e) of this section, if a person complies within ten (10) days after receiving the complaint that notices the violation, the court shall dismiss the complaint and shall not impose a civil penalty.

E. LAND BANKS – FREQUENTLY ASKED QUESTIONS

The following section is an excerpt of frequently asked questions (FAQs) from the Center for Community Progress website in regard to land banks:

How are land banks created?

Typically, land banks are created as public entities by a local ordinance, pursuant to authority provided in state-enabling legislation. Land banking programs can also be developed within existing entities, such as redevelopment authorities, housing departments, or planning departments.

How many land banks are operating throughout the country?

As of June 2017, the Center for Community Progress estimates there are approximately 170 land banks and land banking programs in operation throughout the country. Michigan, Ohio, and New York currently have the greatest number of active land banks.

How does land banking work?

Land banks are designed to acquire and maintain problem properties and then transfer them back to responsible ownership and productive use in accordance with local land use goals and priorities, creating a more efficient and effective system to eliminate blight. To accomplish these tasks, land banks are granted special powers and legal authority pursuant to state-enabling statutes. Though these statutes differ widely from state to state, the more recent examples of comprehensive land bank legislation generally grant to land banks the following powers:

- Obtain property at low or no cost through the tax foreclosure process
- Hold land tax-free
- Clear title and/or extinguish back taxes
- Lease properties for temporary uses
- Negotiate sales based not only on the highest bid but also on the outcome that most closely aligns with community needs, such as workforce housing, a grocery store, or expanded recreational space

The Center for Community Progress cautions that a land bank is not a “silver bullet” for communities struggling with blight. Though land banks are uniquely designed to help reduce problem properties, the policies, priorities, and activities of a land bank *must* complement other community strategies and activities, such as code enforcement, planning and community development, and effective tax collection and enforcement.

Aren't land banks competing with the private market with an unfair advantage?

No, a land bank is a direct response to a growing inventory of problem properties that the private market has rejected. Most vacant and abandoned properties have serious legal and financial barriers that detract responsible, private investors. For instance, many abandoned properties have a clouded title, which introduces a level of uncertainty and liability few responsible investors, if any, are willing to assume. Also, many tax-foreclosed properties have accumulated years of back taxes that far exceed the market value of the property. Similarly, many properties left vacant and abandoned for too many years require an investment in repairs that greatly exceeds what the market could ever return. A land bank, therefore, is designed specifically to address the inventory of problem properties the private market has discarded, and to convert these neighborhood liabilities into assets that advance community-based goals.

When does it make sense to use land banking?

Any community considering the creation of a land bank should assess numerous factors to determine if a land bank is needed or likely to be successful. Some common triggers for creating a land bank include:

- Large inventories of vacant and abandoned property;
- Properties with little to no market value;
- Properties with delinquent taxes in excess of fair market value;
- Properties with title problems;
- Inflexible policies that dictate the disposition of public property, denying local governments the chance to be strategic and nimble; and
- The speculation and uncertainty inherent in the auction sale of tax-foreclosed properties.

Some jurisdictions may already have an entity or agency (e.g. a redevelopment authority) that is empowered with tools to effectively take control of large inventories of problem properties and return them to productive use, obviating the need for a land bank. In some cases, however, such entities are focused primarily on development, rather than on blight elimination and stabilization strategies in more distressed neighborhoods. Where this is the case, the community may still want to consider creating a land bank or land banking program.

What does a typical land bank program look like?

While all land banks exist to serve the same primary purpose of acquiring problem properties and returning them to productive use, they are quite diverse in their structure and operations. Land banks vary greatly in terms of the types of cities, regions, and economic conditions in which they operate, the size of their inventories, their staff capacity, their legal authorities, and their goals and programs. Despite this diversity, the experience of the Center for Community Progress has shown that successful land banks exhibit some similar characteristics:

- **Strategic links to the tax collection and foreclosure process.** Tax delinquency is often the most significant common denominator among vacant and abandoned properties, which explains why nearly all land banks have established strategic links to the tax foreclosure process as a primary source of acquisitions. This is particularly in communities where (a) a primary cause of vacancy and abandonment is an ineffective tax foreclosure process and (b) where there are statutory powers, intergovernmental agreements or policies in place for a land bank to acquire properties through the tax foreclosure process at little to no cost. Though auctions can generate positive outcomes for marketable properties, the speculative auction rarely if ever leads to positive outcomes for problem properties. Land banks can and should play a key role in acquiring and converting tax-foreclosed properties to productive use.
- **Operations scaled in response to local land use goals.** Successful land banks have established acquisition and disposition strategies that directly support the implementation of local land use goals and meet community needs. Some land banks tackle massive inventories of extremely unsafe and abandoned properties as part of an urgent stabilization and public safety strategy, while others operate selectively with extreme deliberation. Regardless of the scale of operations, land banks should always make decisions based on a strong understanding of community priorities and goals, and guided by neighborhood, local and regional revitalization plans.
- **Policy-driven, transparent, and publicly accountable transactions.** The acquisition and disposition of properties – especially those that have long been harmful eyesores – is an important and sensitive endeavor. Successful land banks have gone to great lengths to build and maintain trust with the public through complete transparency in the establishment of priorities, policies, and procedures that govern all actions. Land banks should make sure these ground rules and policies are established prior to any transactions, and annually revisited with public input to maintain a high standard of transparency and accountability. Moreover, land banks should strive to create websites that offer members of the public full access to accurate, up-to-date information pertaining to all land bank operations, programs, policies, and activities, including sales listings and past transactions.
- **Engagement with residents and other community stakeholders.** There is no substitute for engaged community stakeholders who understand a community's history and goals, and whose lives are most directly by a land bank's work. Successful land banks have found creative and consistent ways to inform, engage, and empower these active residents to help prioritize land bank interventions and develop long-term solutions. Whether establishing a community advisory board or regularly hosting neighborhood meetings, land banks should explore and

implement practices that affirm a strong commitment to inclusiveness, engagement, and empowerment.

- **Alignment with other local or regional tools and community programs.** Because a land bank is a tool to support locally developed land use goals, and not a goal in and of itself, it is important to coordinate with other blight prevention tools and programs. Successful land banks have helped facilitate and work within diverse collaborations across the public, private, and nonprofit sectors that share similar economic and community development goals. The Center for Community Progress states that in order to truly be effective, land bank activities must complement existing blight prevention efforts, including effective tax enforcement, strategic code enforcement, neighborhood investments, and community-based planning.
- **Recurring, reliable source of funding.** A land bank's focus is on the inventory of problem properties the local property market has basically rejected, and therefore will always require some level of public support - whether cash or in-kind - that is proportional to the scope and scale of vacancy the land bank is expected to help resolve. With a recurring and reliable source of funding, land banks can focus on the types of creative interventions and community partnerships that are required to transform liabilities to productive use that meet and advance community goals.

What are some of the core powers of a land bank?

Depending on state and local law, land banks often have unique legal powers to support their activities and facilitate the return of problem properties to productive use. Though these statutes differ widely from state to state, they generally grant the following powers:

- Obtain property at low or no cost through the tax foreclosure;
- Hold land tax-free;
- Clear title and/or extinguish back taxes;
- Lease properties for temporary uses;
- Negotiate sales based not only on the highest bid, but also on the outcome that most

closely aligns with community needs, such as workforce housing, a grocery store, or green space; and

- Using these special powers, land banks can streamline blight removal and create a nimble, accountable, and community-driven approach to returning problem properties to productive use.

How is a land bank different from a redevelopment authority?

In a few states, legislation has been passed that grants redevelopment authorities many of the same powers as land banks. In Louisiana, for example, some redevelopment authorities can also function as land banks. However, in most states, redevelopment authorities and land banks differ both in terms of their legal powers and their mission. Land banks typically implement disposition policies that allow greater flexibility than a redevelopment authority in terms of transferees and consideration. However, unlike many redevelopment authorities, land banks do not have the power of eminent domain, nor do land banks have the power to tax. As for mission, many land banks are focused on acquiring, stabilizing, and returning to productive use those properties that are considered to have the most blighting influence in a community. These are properties that may not have an immediate redevelopment opportunity, but are destabilizing neighborhoods and undermining quality of life. In comparison, a redevelopment authority is typically focused on properties with near-term redevelopment potential and on large scale development projects that align with highly visible and long-term economic development goals.

How is a land bank funded?

Land banks are generally funded through a variety of sources, which may include revenue from the sale of properties, foundation grants, general fund appropriations from local and county governments, and federal and state grants. Land banks in certain states have received significant funding from the federal Hardest Hit Funds (e.g., Michigan and Ohio) and the National Mortgage Settlement Funds (e.g., New York and Illinois).

Financing mechanisms unique to land banks have been included in state-enabling legislation. For instance, in Michigan and New York, land banks are able to recapture 50% of the taxes on

properties returned to the tax rolls for five years. In Ohio, special fees imposed on delinquent taxpayers provide a dedicated source of funding for land bank operations. Finding consistent and preferably dedicated funding sources is critical to the success of land banks, as they incur significant costs converting unsafe liabilities the private market has rejected into assets that improve neighborhood vitality. Several of the more successful land banks from around the country are also capitalized by their local units of government either through yearly budget allocations or in-kind assistance such as shared staffing.

How many properties do land banks generally have in their inventory at any given time?

Land bank inventories vary greatly from jurisdiction to jurisdiction. Inventory sizes range anywhere from a few properties to thousands of properties. Reasons for this variation include the size of the community in which the land bank is located, the level of distress and disinvestment in each community, the land bank's property acquisition process, strategy, and authorities (including whether state law grants the land bank the authority to pick and choose which properties to acquire out of tax foreclosure), and the mission and goals of the land bank.

What kinds of properties do land banks acquire?

Most land bank acquisitions are vacant, residential, tax-delinquent properties. In addition to tax foreclosed parcels, land banks can acquire Real Estate Owned (REO) properties and receive private donations and public land transfers. Although most properties are typically vacant residential single-family homes or vacant lots, land banks also acquire multifamily dwellings, commercial and industrial properties, and in rare cases, occupied rental properties. In fact, some land banks even have well-developed brownfields programs through which they acquire large scale, formerly industrial properties.

F. CASE STUDY: CITY OF LAS CRUCES AFFORDABLE HOUSING LAND BANK & TRUST FUND POLICIES

The City Council of Las Cruces is scheduled to consider adoption of its Affordable Housing Land Bank and Trust Fund Policies on January 16, 2018. The purpose of the Land Bank is to create more housing in the City that is affordable to persons at or below 80% of the area median income (AMI).

I. INTRODUCTION:

The City of Las Cruces established the Affordable Housing Land Bank (AHLB) and Affordable Housing Trust Fund (AHTF).

II. GOALS

- a. The City of Las Cruces Affordable Housing Land Bank (AHLB) and the City of Las Cruces Affordable Housing Trust Fund (AHTF), are established to acquire or finance the development of properties within the City of Las Cruces to advance the public purpose for the creation of a comprehensive housing services delivery system that addresses the full continuum of housing needs from the homeless to the homebuyer, especially in the area of affordable housing. This goal is furthered through sales of the acquired properties to responsible parties who will properly develop, redevelop, maintain, or otherwise provide for productive use of the properties.
- b. Overarching goals for the acquisition/financing of property on behalf of the AHLB/AHTF include but are not limited to:
 - i. Permit advance acquisition of potential development sites in anticipation of rapidly rising land prices;
 - ii. Facilitate pre-development planning, financing, and structuring;
 - iii. Hold parcels of land for future strategic governmental purposes of affordable housing;
 - iv. Eliminate significant barriers to the creation and preservation of affordable housing including the cost of financing and the lack of affordable capital;
 - v. Prioritize critical needs while continuing to adhere to collective long term housing goals for City of Las Cruces;
 - vi. Provide funding based on principles of fiscal responsibility and demonstrated value to the taxpayer;
 - vii. Explore opportunities for strengthening local partnerships and increasing capacity of local agencies engaged in fulfilling housing element goals;
 - viii. Access funding in a manner that reflects a degree of competitiveness among partnering agencies for the development of affordable housing;
 - ix. Utilize tools that enable City of Las Cruces to invest AHTF monies with quality development teams developing soundly underwritten projects; and
 - x. Minimize or eliminate violations of housing and building codes and public nuisances on properties to be developed for affordable housing.

III. DEFINITIONS

- a. **Administering City Department** is the Community Development Department.
- b. **Adjusted for family size** shall mean adjusted in a manner which results in an income eligibility level that is lower for households having fewer than four people, or higher for households that have more than four people, than the base income eligibility based upon a formula established by HUD for the Las Cruces MSA.
- c. **Affordable housing** is decent, safe, sanitary and appropriate residential housing primarily for persons or households of low- moderate income
- d. **Affordable Housing Act** shall mean the New Mexico Affordable Housing Act, NMSA 1978, § 6-27-1 et seq., as amended.
- e. **Affordable housing projects** shall mean the same as defined within the City's Affordable Housing General Oversight Ordinance or as defined with Article II section 13-102, of this Municipal Code, as amended.
- f. **AHLB** is the Affordable Housing Land Bank of the City of Las Cruces, NM.
- g. **AHTF** is the Affordable Housing Trust Fund of the City of Las Cruces, NM.
- h. **Allowable uses** means those uses for the AHLB or AHTF which are set forth in sections 13-203, 13-206 and 13-207.
- i. **Annual gross income** shall mean the annual anticipated income from assets, regular cash or noncash contributions, and any other resources and benefits determined to be income by HUD, as defined in 24 CFR Section 5.609;
- j. **Area Median income (AMI)** is an estimate from the Department of Housing and Urban Development (HUD) of how much money families in a given area earn on average for the Las Cruces Metropolitan Statistical Area (MSA), adjusted by household size.
- k. **Committee** means the City's Affordable Housing Trust Fund and Land Bank Advisory Committee, who serve the City Council, in accordance with and as established In Article IV, Division 3, Subdivision X, of Chapter 2 of this Municipal Code, as amended.

Community housing priorities means priorities established from time to time by the City Council of the City of Las Cruces to guide the allocations of funds from the AHTF or selling, leasing, or granting of land from the AHLB.
- l. **Family** shall mean, but not limited to, a single person, a group of persons consisting of the head of a household; his or her spouse, if any; and children, if any, who are allowable as personal exemption for federal income tax provisions and/or under 24 CFR Section 5.609; and
- m. **Persons of low or moderate income** shall mean one or more persons or a family who has/have a total annual gross income for the household that does not exceed 120 percent of the median annual income adjusted for family size for households

within the Las Cruces Metropolitan Statistical Area (MSA), which include the City, as determined by HUD, on an annual basis, and with the following conditions. For purposes of this definition:

- i. Persons of Very Low Income shall mean persons in households with annual gross incomes below 60% of Area Median Income for Las Cruces as approved and published each year by MFA and verified by the City.
 - ii. Persons of Low Income shall mean persons in households with annual gross incomes between 60% and 80% of Area Median Income for Las Cruces as approved and published each year by MFA and verified by the City.
 - iii. Persons of Moderate Income shall mean persons in households with annual gross incomes between 80% and 120% of Area Median Income for Las Cruces as approved and published each year by MFA and verified by the City.
- n. **Market rate units** means dwelling units in a residential project which are not affordable units or target units.

IV. AFFORDABLE HOUSING LAND BANK ACQUISITION

- a. The AHLB shall not acquire or own any real estate that is located wholly or partially outside the City of Las Cruces, New Mexico.
- b. The AHLB may acquire real property or interests in property by:
 - i. Gift, transfer, exchange, foreclosure, condemnation, lease, purchase, or otherwise on terms and conditions and in a manner the AHLB considers proper.
 - ii. Purchase contracts, lease purchase agreements, installment sales contracts, and land contracts, and may accept transfers from upon such terms and conditions as agreed to by the AHLB.
- c. In determining which, if any, properties shall be acquired, the AHLB shall give consideration to the following factors:
 - i. Acquisition of properties supports the mission of the AHLB.
 - ii. Proposals and requests by governmental, non-profit and for-profit entities that identify specific properties for ultimate acquisition and redevelopment.
 - iii. Properties that are available for immediate occupancy without need for substantial rehabilitation, and will generate operating resources for the functions of the AHLB/AHTF.
 - iv. Properties located in reinvestment areas that would support strategic neighborhood stabilization and revitalization plans.
 - v. Properties that meet the criteria for demolition, and such demolition will support blight elimination and neighborhood revitalization plans. This activity is contingent upon the funding available for the AHLB to facilitate demolition.

- vi. Properties that would form a part of a land assemblage development plan by either the AHLB or partnering entities.
 - vii. Properties that will generate operating support for the functions of the AHLB/AHTF.
 - viii. Properties that will result in a planned development that benefits the community and are supported by the local government.
 - ix. All properties should be absent of any financial liabilities. The AHLB must be aware of any environmental conditions. If any adverse conditions are determined, a remediation plan must be in place.
 - x. Bank-foreclosed properties which are located in a neighborhood that is an area of focus, or with the purpose of preventing the further decline of a neighborhood.
 - xi. Exceptions may be considered by AHLB/AHTF Advisory Committee with final approval by City Council.
- d. In determining the nature and extent of the properties to be acquired the AHLB/AHTF shall also give consideration to:
- i. Underlying values of the subject properties;
 - ii. The financial resources available for acquisitions; and
 - iii. The projected length of time for transfer of such properties to the ultimate transferees.
- e. In addition to the factors listed above, the AHLB/AHTF may accept offers from property owners who wish to donate property when:
- i. The property owner does not have the resources to properly care for the property or to comply with orders to correct code violations that are present and evidence of the hardship has been presented.
 - ii. There are either:
 - 1. No delinquent taxes owed for the property; or
 - 2. Arrangements are made to pay the taxes by a purchaser of the property following demolition or abatement actions.
 - iii. The property is located in an area targeted for redevelopment efforts.
 - iv. The AHLB/AHTF has agreed to fund the demolition, nuisance abatement, or similar action that may be needed.
 - v. An Environmental Assessment and/or Phase I Environmental Site Assessment as determined by the AHLB/AHTF is completed prior to the donation if deemed warranted.

- f. The administering City department will work with the Land Management Department and City Attorney's Office on any offers of donated property or acquisitions.

V. AHLB PROPERTY DISPOSITION

- a. The disposition of properties shall be based upon a combination of three different factors.
 - i. The first factor involves the intended or planned use of the property.
 - ii. The second factor considers the nature and identity of the transferee of the property.
 - iii. The third factor addresses the impact of the property transfer on the short and long term neighborhood and community development plans.
 - iv. The disposition of any given parcel will be based upon an assessment of the most efficient and effective way to maximize the aggregate policies and priorities. The Committee and staff of the AHLB shall at all times retain flexibility in evaluating the appropriate balancing of the priorities for the use of property, priorities as to the nature of the transferee of properties, and priorities concerning neighborhood and community development.
- b. Priorities for Use of Property:
 - i. Creation of safe, decent and affordable housing for existing and future residents;
 - ii. The assemblage of property for future development in a manner consistent with the purposes of the City's consolidated and similar City plans, particularly in designated low to moderate income areas or City designated target areas for revitalization;
 - iii. Homeownership;
 - iv. Opportunities for revitalization of deteriorating residential neighborhoods;
 - v. Return of the property to productive taxpaying status;
 - vi. Long term "banking" of properties for future strategic uses;
 - vii. Provision of financial resources to sustain the operations of the AHLB/AHTF to allow it to fulfill its responsibilities; and
 - viii. Supports the objectives of the City's 5-year Consolidated Plan and similar City plans.
- c. Land Transferee Priorities:
 - i. Qualified non-profits corporations that will hold title to the property on a long-term basis (primarily rental properties) or hold title to the property for purposes of subsequent re-conveyance to private third parties for home ownership.

- ii. Governmental entities.
- iii. Entities that are a partnership, limited liability corporation, or joint venture comprised of a private non-profit corporation(s) and a private for-profit entity with the purpose of creating affordable housing.
- iv. Demonstration of capacity and resources to complete the project proposed for the property in question. For entities, this may include copies of financial audits and similar records demonstrating the necessary financial strength. For individuals, this may include evidence of access to financing or funding available for the project.
- v. When required, entities must possess a City of Las Cruces Business License.
- vi. The following render a transferee ineligible:
 - 1. An individual subject to a current or lifetime registration requirement under the state Sex Offender Registration Program.
 - 2. Any household member evicted from a federally assisted site for drug-related criminal activity within the last three years. Any household member currently engaging in illegal drug use.
- d. Priorities Concerning Neighborhood and Community Development:
 - i. The preservation of existing stable and viable neighborhoods.
 - ii. Neighborhoods in which a proposed disposition will assist in halting a slowly occurring decline or deterioration.
 - iii. Neighborhoods which have recently experienced or are continuing to experience a rapid decline or deterioration.
 - iv. Targeted geographic areas for which an area or development plan has been identified and approved.
- e. Public Review of Inventory:
 - i. The inventory of all real property held by the AHLB/AHTF will be made available on the City's website and information will include at a minimum:
 - 1. Whether the parcel is available for sale;
 - 2. Address of the parcel, if one has been assigned;
 - 3. Parcel number; and
 - 4. Year that the parcel entered the inventory.
- f. Pricing of Properties for Sale:
 - i. The fair market value or appraised value of a parcel of property may be determined by an appraisal, done by a licensed or certified appraiser.
 - ii. If a property is valued above \$150,000 a second appraisal by a different licensed or certified appraiser.

VI. LAND TRANSFERS

- a. Residential and Multifamily Land Transfer Policies
 - i. The transferee must not own any real property that has any un-remediated citation of violation of local codes and ordinances.
 - ii. The transferee must not own any real property that is tax delinquent.
 - iii. The subject property must not have been used by the transferee or a family member of the transferee as his or her personal residence at any time during the twelve (12) months immediately preceding the submission of application (except in rental cases or tax foreclosure cases that have been granted an exception by the AHLB/AHTF Advisory Committee).
 - iv. The transferee must not have been the prior owner of any real property that was transferred to AHLB/AHTF as a result of tax foreclosure proceedings unless the AHLB/AHTF Advisory Committee approves the anticipated disposition prior to the effective date of completion of such tax foreclosure proceedings. An exception to this requirement may be granted by the AHLB/AHTF Advisory Committee after receiving a staff report describing the circumstances that lead to the foreclosure, the amount owed at foreclosure, and other liens or mortgages that were in place at the time.
 - v. All development projects should be started and completed within a time frame negotiated with AHLB/AHTF.
 - vi. A precise narrative description of future use of the property is required.
 - vii. Transactions shall be structured in a manner that permits the AHLB/AHTF to enforce recorded covenants or conditions upon title pertaining to development and use of the property for a specified period of time. Such restrictions may be enforced, in certain cases, through reliance on subordinate financing held by the AHLB. See Article VIII of these Policies for possible conditions.
 - viii. The transferee must agree to pay future property taxes from time of transfer.
 - ix. If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements shall specify a maximum period of time for elimination or correction of such violations, with the period of time established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
 - x. The proposed use must be consistent with current zoning requirements or legal non-conforming provisions as a condition precedent to the transfer.
 - xi. The transferee must notify the registered neighborhood organization if applicable and provide an opportunity to comment on the proposed use whenever new construction, demolition, or a use other than the most recent use of the property is proposed. Administering City department staff must be

copied on the notice to the neighborhood organization and the notice shall indicate that their comments may be directed to the staff or the AHLB/AHTF Advisory Committee.

- xii. Where rehabilitation of a property by the transferee is a condition of the transfer, the requirement for such rehabilitation, timeframe, corrective action, or alteration shall be in compliance with all current adopted building codes.
- xiii. For owner occupied housing, in circumstances where the transferee is a non-profit organization, administering an affordable homeownership program, the organization must sell the home to an owner-occupant within a time frame negotiated by the AHLB/AHTF, and ensure the owner-occupant maintain ownership for specified period of time.
- xiv. For rental property, in circumstances where the transferee is a non-profit organization, administering an affordable rental program and must have a Housing Management Plan approved by Administering City Department staff.

VII. AHTF FINANCING ASSISTANCE

- a. Types of Assistance
 - i. Assistance can be provided in a grant or loan or combination of both.
 - ii. The AHTF expects its funds to be leveraged with other resources that may include City, county, state and federal programs and loans from commercial lending institutions. The AHLB/AHTF are not intended to be the sole sources of land or funding for eligible project.
- b. Detailed loan terms and underwriting criteria are set forth in the underwriting guidelines.
- c. Due to the contingent nature of commitments made by the AHTF, loan agreements generally will not be executed until all project funding is in place and until construction closing is imminent. However, in no event will the AHTF be required to execute a loan agreement if, after any specified funding cycles have elapsed, a funding gap exists for any reason, including cost increases, withdrawal or reduction of a previous commitment, or deferred costs or fees.
- d. The funding commitments made by the AHTF will be subject to the project receiving an award from its identified leveraging source(s) within two years of the City Council approval date. The total development project must be completed within 4 years from the executed agreement. Requests for exceptions to the requirement must be submitted in writing to, and approved by, the AHLB/AHTF Advisory Committee
- e. The application process is open and commences when the AHTF releases a Request for Proposals (RFP). RFPs will identify the amount of loan and/or grant funds available and will further specify the type of development sought by the

Trust Fund. Selection criteria may designate a specific housing need to be met, a particular location, or other policy goals that the City of Las Cruces desires to achieve. The duration of an RFP may be time limited or may be until the funding is fully awarded.

- f. Following the release of an RFP, there is a multi-stage loan/grant application review process that is set forth in Article IX of these Policies. In brief summary, there is a Letter of Intent and Qualifying Grantee Application, application process, and then a formal approval. Approval of qualifying grantee status and completion of Letter of Intent is necessary to move forward to the application process. The application process entails submitting all of the materials on the Fund Checklist, including documentation of all project funding sources. Projects anticipating the use of LIHTCs and/or loans or grants from HUD or USDA must submit copies of completed applications for those funding sources as part of their application to the AHTF, when applicable

VIII. CONDITIONS THAT MAY BE PLACED ON LAND BANK OR TRUST FUND ASSISTANCE

- a. Affordability Restrictions.
 - i. To be considered affordable and eligible for assistance from the AHTF, at least 80% of the proposed units shall be affordable to households whose incomes do not exceed 80% of Las Cruces AMI, adjusted for household size and 20% of the proposed units may be affordable to households whose incomes do not exceed 120% of Las Cruces AMI, adjusted for household size.
- b. Affordability Period.
 - i. As a condition of any funding award or AHLB/AHTF assisted project, the AHLB/AHTF will impose restrictions on the use, rental and/or resale of units assisted by the AHLB/AHTF to ensure a required period of affordability.
 - ii. If the fair market value of any housing assistance grant or land provided from the AHLB/AHTF or the total amount of affordable housing funds that have been or will be awarded, loaned, donated, or otherwise conveyed to the qualifying grantee is from:
 1. \$1.00 to \$14,999.99, then the affordability period shall be not less than five years;
 2. \$15,000.00 up to and including \$40,000.00, then the affordability period shall be not less than ten years;
 3. \$40,000.01 up to and including \$100,000.00, then the affordability period shall be not less than 15 years; and
 4. Greater than \$100,000.00, then the affordability period shall be not less than 20 years.

- iii. For owner-occupied units, if the property ceases to be the primary residence of the owner during the affordability period, applicable City resale/recapture requirements will be enforced.
 - c. Affordability period extension.
 - i. The City, in its discretion, may increase the affordability period in any contract, note, mortgage, loan agreement, land use restriction agreement, restrictive covenant agreements and/or any other agreement which the City may enter into with any qualifying grantee or beneficiary of the affordable housing land bank or affordable housing trust fund properties or monies.
 - d. General conditions
 - i. Purchaser will develop or renovate a property consistent with their plan incorporated into and a part of their accepted offer; and
 - ii. The obligations to pay:
 - 1. Outstanding real property taxes for any property owned by the recipient, or entities in common control with recipient, within the City, including but not limited to property acquired from the AHLB/AHTF.
 - 2. All installments of special assessment for public improvements then due and owing.
 - 3. Any outstanding or unsatisfied fines, fee, special assessments or liens (collectively referred to as "financial obligations") imposed.
 - 4. No household shall be permitted to occupy an affordable rental unit, or to purchase an affordable unit for owner-occupancy, unless the administering City department has approved the household's eligibility.
 - e. Mortgage/Agreement/Deed Restriction
 - i. A Mortgage/Agreement/Deed Restriction gives the AHLB/AHTF the right to foreclose on a property if the buyer does not fulfill obligations contained within the document.
 - ii. A Mortgage/Agreement/Deed Restriction may be used when title is transferred to the purchaser while requirements of the sale remain unsatisfied. The mortgage/agreement, which will be subordinate to the lender's deed of trust, will allow for the AHLB/AHTF to foreclose and take back the property if the repairs are not completed.
 - iii. A Mortgage/Agreement/Deed Restriction may also be used when the AHLB/AHTF is financing the acquisition or wants to ensure required repairs are completed before title is transferred. The transferee may be required to make a down payment, to pay installments towards an agreed upon purchase price, and/or complete agreed upon repairs or improvements.
 - f. Reversion Clause

- i. A reversion clause is language contained within the mortgage/agreement/Deed Restriction that provides for ownership to revert back to the AHLB/AHTF if certain requirements are not satisfied.
 - ii. Reversionary clause may be used when title to the property is being transferred to the transferee before required repairs are completed. The clause may contain an expiration date or the AHLB/AHTF may file a document releasing the reversionary clause following completion of repairs. A reversionary clause may also be used in transfers of unimproved properties to ensure requirements associated with maintenance, construction, lot combination, etc. are satisfied.
- g. Environmental Review
- i. The type of project will dictate the level environmental review.
 - ii. Projects that involve land acquisition and new construction of more than 4 single-family homes, or a single 4 unit structure will require a Phase I Environmental Site Assessment (Phase I ESA) before purchase of the land, and a complete Environmental Assessment to comply with the regulations at 24 CFR Part 58 and the National Environmental Policy Act (NEPA) of 1969
 - iii. If the project involves the acquisition of an existing structure(s), a Phase I ESA must be completed to identify potential hazards and liabilities before the purchase is completed. If the project would also involve rehabilitation, the project would require further environmental review, the level of which would be determined by the number of units in the project.
 - iv. The environmental review process must be complete prior to the expenditure of any AHLB/AHTF funds to the project.
 - v. Projects up to 4 units can be categorically excluded, but are still subject to 58.5 review and its requirements.

IX. Application Process

- a. Three-Part Application Process
 - i. There is a three-part application process. The three parts of the application process are the letter of intent and qualifying grantee application, the application submission process and the award letter approval process.
 - ii. The following Criteria will be used to evaluate proposed projects submitted to the AHTF
 - 1. The number of affordable units to be provided;

2. Proposal provides a range of affordability within the permissible income ceilings;
3. Proposal provides justification for requested financial assistance and demonstrated need for the project and units;
4. Total project cost: cash flow statements document the economic feasibility of the project;
5. The relative amount of AHTF dollars per affordable unit;
6. The proposal leverages funding from other funding sources;
7. The applicant and/or applicant team has the experience and administrative capacity to successfully implement the proposal;
8. The applicant and/or applicant team has experience in providing affordable housing;
9. The applicant demonstrates the ability to fiscally manage and monitor the requested funds;
10. In the case of homeownership proposals, the proposal provides support services such as home-buyer counseling for applicants for affordable units;
11. The proposal does not result in permanent displacement of low- or moderate income residents from the community;
12. Favorable Market Analysis; and
13. The timeframe for development, construction, and completion clearly identifies milestones and is realistic.

b. Step 1-Letter of Intent and Qualifying Grantee Application

- i. Applications are accepted only if there is an open RFP. Once an RFP has been issued, prospective applicants must submit a Letter of Intent and be certified as a qualifying grantee. Qualified Grantee Applications are available upon request and must be submitted annually.
- ii. After certification of qualified grantee status and completion of letter of intent, the administering City department will provide the applicant with the project application.
- iii. Letter of intents will be reviewed and evaluated as they are received. Letters of intents must be received by the deadline, no RFP will be considered after the deadline.
- iv. Staff will conduct an analysis of each Letter of Intent for feasibility and consistency with these policies and procedures, applicable underwriting guidelines, the Affordable Housing General Oversight Ordinance, and any other relevant documents. Based on the availability of AHTF monies, project readiness, and lending priorities as determined by the AHLB/AHTF Advisory

Committee, staff will make a recommendation to reject the Letter of Intent or invite the qualifying grantee to submit an application.

c. Step 2 – Submission of an Application

- i. A completed application by a qualifying grantee must be submitted prior to RFP deadline.
- ii. If there are significant changes between the Letter of Intent and the completed application, the application may be rejected. Incomplete applications will not be considered for further review.
- iii. Applications need to be submitted in-person or by mail to the following:

City of Las Cruces City Hall
Community Development Dept.
Planning and Neighborhood Services
700 N Main St. Las Cruces, NM 88001

d. Step 3 – Final Approval Process

- i. A completed application for funding must first be approved by the administering City staff. Staff will then present the project to the AHLB/AHTF Advisory Committee for recommendation to City Council for final approval. Approval may be conditioned on a number of provisions that must be met by the qualifying grantee.
- ii. After final approval by City Council, an Affordable Housing Agreement will be executed between the City of Las Cruces and the qualified grantee with appropriate mortgage/agreements, and shall be recorded against parcels having such affordable units and shall ensure that each affordable unit remains affordable to the same income level for the affordability period determined in Section

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G. RESOLUTION 17-230

**CITY of ALBUQUERQUE
TWENTY SECOND COUNCIL**

COUNCIL BILL NO. R-17-230

ENACTMENT NO. R.2017.085

SPONSORED BY: Diane G. Gibson

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RESOLUTION

CREATING A TASK FORCE TO EXPLORE OPTIONS AND MAKE RECOMMENDATIONS FOR ADDRESSING VACANT AND ABANDONED HOUSES IN THE CITY.

WHEREAS, the City presently administers several local ordinances aimed toward enforcement of minimum health and safety requirements for vacant or abandoned residential properties; and

WHEREAS, the City's enforcement agencies are presently monitoring over 600 properties across the City that already are, or are in danger of becoming, public nuisances; and

WHEREAS, these hundreds of vacant or abandoned houses across the City impact the home values in their respective neighborhoods and the resale opportunities for Albuquerque families; can disrupt quality of life in our city's neighborhoods; and can present safety threats because of dilapidation and attraction of illicit activities; and

WHEREAS, because of the property rights and other issues involved the City's process for enforcement and nuisance abatement enforcement against these properties can take several months to years and be very resource intensive; and

WHEREAS, given the intensive nature of enforcement efforts the sheer volume of these properties overwhelms the City's resources such that City staff can focus on only a handful of problem properties at a time on this list of hundreds; and

WHEREAS, while nuisance abatement and zoning enforcement is and will remain a key mechanism to address these properties, other more proactive methods of dealing with this issue may be available; and

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1 **WHEREAS, exploring ways to address this issue in a well-reasoned and**
2 **methodical way could help address the problems associated with vacant and**
3 **abandoned houses in the city, help reduce property crime, and better leverage**
4 **city resources.**

5 **BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF**
6 **ALBUQUERQUE:**

7 **Section 1. A seven (7) member Vacant and Abandoned Houses Task**
8 **force is established.**

9 **Section 2. The Task Force shall be made up of the following members:**

10 **A. One City staff member from the City’s Zoning Enforcement**
11 **Department knowledgeable in the area of residential nuisance abatement and**
12 **enforcement;**

13 **B. One City staff member from the Family and Community Services**
14 **Department knowledgeable in housing and housing related needs in the City;**

15 **C. One City Staff member from the City Legal Department**
16 **knowledgeable in nuisance abatement and zoning enforcement against vacant**
17 **or abandoned residential properties;**

18 **D. One Staff member from each the City Council Services Department**
19 **and Mayor’s Office; and**

20 **E. Two community members appointed by the Council with special**
21 **knowledge or interest in issues and community impacts associated with**
22 **vacant or abandoned residential properties.**

23 **Section 3. This Task Force shall explore: a) options for efficient**
24 **enforcement methods to address the most pressing problems associated with**
25 **vacant and abandoned houses; b) options for collaborative and proactive**
26 **programs to prevent the dilapidation or deterioration of such houses; c)**
27 **options for the city to help facilitate re-commissioning such houses for people**
28 **and families; d) and any other relevant and helpful options relating to this**
29 **issue. This Task Force shall prepare a list of recommendations for potential**
30 **programs or legislation that could help address issues related to vacant and**
31 **abandoned houses in the City by no later than January 1, 2018. This list of**
32 **recommendations shall be made available to all Councilors and the Mayor.**

1 Section 4. This Task Force is a fact finding and recommending body and
2 not a final policy making body; accordingly, any meetings of this Task Force
3 are not subject to the New Mexico Open Meetings Act.
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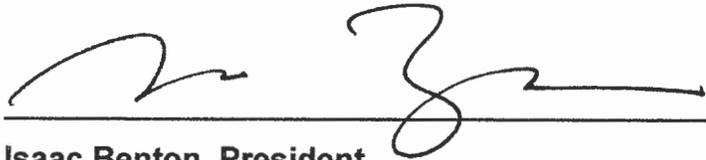
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1 PASSED AND ADOPTED THIS 6th DAY OF September, 2017
2 BY A VOTE OF: 7 FOR 0 AGAINST.

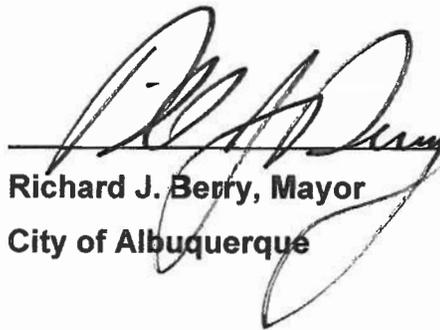
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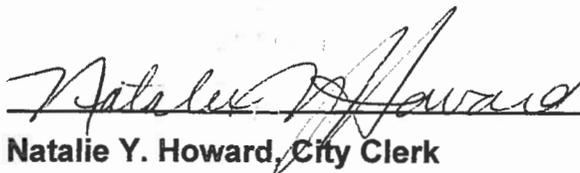
9 Isaac Benton, President
10 City Council

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13 APPROVED THIS 19th DAY OF September, 2017
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18 Bill No. R-17-230

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21 _____
22 Richard J. Berry, Mayor
23 City of Albuquerque

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25 ATTEST:

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29 Natalie Y. Howard, City Clerk

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