



# City of Jonesboro

Municipal Center  
300 S. Church Street  
Jonesboro, AR 72401

## Meeting Minutes City Council

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Wednesday, October 11, 2017

12:00 PM

Municipal Center

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### Special Called Meeting

#### 1. CALL TO ORDER BY MAYOR PERRIN AT 12:00 P.M.

#### 2. ROLL CALL BY CITY CLERK DONNA JACKSON

Councilmember Ann Williams arrived at the meeting at approximately 12:55 p.m.

**Present** 6 - John Street; Gene Vance; Charles Coleman; Joe Hafner; David McClain and LJ Bryant

**Absent** 6 - Ann Williams; Charles Frierson; Chris Moore; Mitch Johnson; Chris Gibson and Bobby Long

#### 3. SPECIAL PRESENTATIONS

*Mayor Harold Perrin stated that we are very pleased to have here today Doug Tapp who is the Redevelopment Administrator for the Land Bank for the City of Little Rock, Arkansas. We have been visiting with Doug probably close to a year. We went to the conference in Little Rock at the Marriott and we met with them. Little Rock has had a Land Bank for some time now. As many things as we have going on with CDBG and a lot of other things, we thought it would be good that you all look at this so we could make a decision if we want to have a Land Bank. Doug is from Northeast Arkansas, a Newport native.*

##### [COM-17:071](#)

Land Bank Presentation by Doug Tapp

**Attachments:** [Preliminary 2017 Land Bank PowerPoint Presentation \(Jonesboro\).pdf](#)  
[Land Bank Presentation.pdf](#)

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*Doug Tapp said he has been with the City of Little Rock for about five years. I did grow up in Newport, but I have been in Little Rock for about 20 years. I am a graduate of Arkansas State University so Jonesboro is near and dear to me.*

*The City of Little Rock started a Land Bank in 2008. Mayor Stodola, our current Mayor,*

spearheaded that program. They got city laws passed and the process that the city went through to start the Land Bank involved all different departments of the city. They started an informal group of self-appointed volunteers, including representatives from legal, planning, real estate, banking professions, neighborhood associations, Commissioner of State Lands, County Assessor and Treasurer, and other interested parties. The group met and worked for about two years prior to Little Rock's adoption of a Land Bank Commission Ordinance in early, 2008.

*The Working Group Studied: State laws relating to quieting title, city liens, and tax delinquency; the system of dealing with delinquent real estate taxes; Process; Time; the system of code enforcement & city liens on properties the city is forced to maintain; and City Ordinances.*

*A couple of reference materials that the city used at that time was Land Bank Authorities: A Guide for the Creation and Operation of Local Land Banks by Frank S. Alexander and The Impacts of Targeted Public and Nonprofit Investment on Neighborhood Development by the Community Affairs Office of the Federal Reserve Bank of Richmond. They went to other states across the country and cities that had Land Banks to help get that started. Since the program's inception in 2008, it has been led by Little Rock City Director Joan Adcock, who has been in her position for about 25 years.*

*The City of Little Rock took formal steps to authorize the creation of the Land Bank Commission ("LBC"). In 2008, the city passed ordinance 19,911 authorizing Land Bank Commission ("LBC"). Its goals were to reverse urban blight, increase home ownership, improve the stability of property values, provide affordable housing, improving the health and safety of the neighborhoods while maintaining the architectural fabric of the community in different parts of the City of Little Rock. You have the Quapaw area, you have south on Main, you have west Little Rock, you have west of 430 which is completely different than the Heights area and Hillcrest, north of Cantrell. There are several different neighborhood types across the City of Little Rock.*

*Our Land Bank in Little Rock is made up of eleven volunteers. We meet once a month on the third Wednesday of the month. The people who make up the Land Bank Commission are comprised of four at-large positions from different wards in the city, three real estate professionals, a representative from the Community Housing Advisory Board, a banker, two title and escrow agents from local title companies, Public Housing representatives, and two City Directors.*

*The goal of the Land Bank in Little Rock is to take these properties that have issues of city liens, tax delinquent parcels, unsafe or vacant structures, vacant lots, lots that have been mowed and cleaned up by the city. Lots that otherwise nobody would ever do anything with. We have lots in our focus area that have an appraised value of \$1,000, but they have \$5,000-\$10,000 of city liens and judgements. Those sit there for years and nobody ever touches them. Our goal is to acquire those properties, get the title cleaned up, and turn those over back to get them back on the tax rolls. Some of the ways we do that*

*There are parcels that have been turned over to the State Land Commissioner for back taxes. They are also in the same area as the blighted structures are located. After lands have been with the State Land Commissioner for three years, they go up for auction. We acquire properties through the State Land Commission.*

*Councilmember Joe Hafner asked about the legend on some of the maps presented.*

*He wanted to know what the magnets stood for. Mr. Tapp said that the magnets are anchor sites in the city like Children's Hospital, UAMS, Baptist Hospital, the state capitol. Mayor Harold Perrin said he thinks this is the pool area where you have a lot of volume of traffic to all of these areas. Who would have thought you would have so many homes in that area that is on the blighted list.*

*When the Land Bank started in 2008, it wasn't open citywide. It was concentrated in a focus area between MLK and Fair Park south of 630. That is pretty much the Central High neighborhood. This became the focus area that they wanted to concentrate on in improving the area. For years, they concentrated on reducing blight in that neighborhood. When people outside of that focus area tried to donate their property, the city rejected it because they wanted to stay in a focus zone. Within the focus area, the Land Bank Commission chose two smaller areas of concentration called Focus Zones. Concentrating the Land Bank Commission's efforts on a smaller area allowed it to maximize the impact of its revitalization efforts.*

*In late 2016, our Land Bank Commission voted to approve changing that focus zone from the small area of town to citywide. Now, when you come into Little Rock, the John Barrow area, east Little Rock over by the airport, a new development east of I-30 in east Little Rock, we are taking properties in those areas and trying to improve those neighborhoods. We have a project over by Jericho Way which is a homelessness resource center where we are trying to get some property for them. It has really changed the dynamic with the Land Bank. When people come to us and want to donate their property, we don't have to turn them away or tell them there is nothing we can do for them. Now, citywide, we can take in a lot anywhere in the city.*

*To implement its revitalization efforts, the LBC adopted a set of Priorities and Policies for Property Acquisition and Disposition. In doing so, they came up with a Land Transfer Application so when someone either wants to buy a property or sale a property, this is the first thing I get them to do. It gives me all of their contact information, puts their offer price or the property that is going to be donated with an address on there. That way, I can get in touch with them and stay in touch with them throughout the entire process. We also have a Property Donation Application and a Side Lot Application. We developed a Letter of Interest that I send out. There is a copy of that letter in the presentation.*

*The ways that the city acquires properties are donations, city lien foreclosure actions, tax delinquent sales, voluntary purchases. We take in two to five a month via donation. Last month, we took in 15-20. Sometimes, people will donate several at a time, but typically on average, we take in 4-10 a month. With city lien foreclosures if we are doing redevelopment in an area where we are rehabbing a house and the two parcels next door are in bad condition and we see that we have liens on those, we will get our City attorneys to foreclose on those and try to get possession of those so that we can improve two or three lots on the same block. We have taken in 50 since August 2016.*

*The way that we get rid of properties is through Disposition of Properties. We donate a lot of properties once we get their title quieted if they had liens or judgements on them. We donate to local Community Housing Development Organizations. We have three in Little Rock. They build new construction housing, affordable housing to low income. There are programs that buyers can go through that will allow them to get down payment assistance. They will put them in touch with us to get the property and they will build a house on it. We will take a property that has been sitting there empty for years and the city is paying \$250 to cut the grass and clean that every month to now it is a property that is on the tax rolls and improving the neighborhood. We also sale to*

developers. We have five lots on the same block right now that we are trying to get rid of it to a developer. We do have a lot of developers that will come, get property next to one that they have built in the past, at a low cost and then build on it. Our Side Lot Program is a program that if you live in the City of Little Rock and the lot next door to you is owned by the Land Bank, we will sell you that lot for \$500 as long as you agree to maintain it and take care of it. You can have it become part of your parcel so the size grows and your value goes up. If it is between two neighbors, they can each take half of it or if only one person wants it, they can take the whole lot. That has been a pretty good program for us. We also have a program for the City of Little Rock employees and Little Rock School District employees. If they want to build a primary residence on a Land Bank property, we will give them the lot. The Invest Health Program involves all of the hospitals in the 630 corridor, if you are a hospital employee that program will extend to you as well. We will give you a property to build on as long as it is your primary residence.

Mayor Perrin asked if they had done over 140 since 2016. Mr. Tapp said that he has sold or donated over 140 properties in the last 13 months in total for the Land Bank. If I had to put a number on the employees part, it would be less than 10. Councilmember Hafner asked if there had ever been an incidence where instead of selling land to a developer, that you have donated land to a developer. Mr. Tapp said if the developer is using government funds to help the buyer, then yes we will. Typically, if not, the developer buys the property. If they are using home funds or government grants, then we will typically give them the property.

Included in the presentation is a Letter of Interest. I send out 10-20 of these a week to folks that have property near other Land Bank properties that appear to be neglected or overgrown. They can of course get a tax deduction of the appraised value of that if they do that. Some of our current projects include the Love Neighborhood Pilot Project. They took probably the most blighted neighborhood in Little Rock, south of 630 and the UAMS area. There was really no revitalization, lots of overgrown lots, lots of boarded up houses and lots of homeless people living in those houses. Police were inundated with calls for this neighborhood every week. That became a focus area for Director Adcock. I think initially she got about \$200,000 from the city to start developing properties in that area. She came to the Land Bank and said let's try to get some of your properties to help these folks build new houses. What we have seen over the last seven or eight months, we have rehabbed four or five houses in that neighborhood. We can track our results by permits pulled at the Planning Department. We have rehabbed four and we have seen twenty permits in that same area be pulled. What we are seeing is that when we go in and do work on homes, then neighbors see that and start doing the same thing. The permit may only be for a new roof or an air conditioner, but it was a house that was boarded up or had a renter in it that was neglected which is now getting work on it because they are taking a little pride in their neighborhood.

Councilmember Dr. Charles Coleman asked if they worked with Habitat for Humanity. Mr. Tapp said that they did.

Crump Park is something I am helping our Parks and Recreation with. They are always looking to expand the parks if there are vacant lots near that. There are seven adjacent lots. Some are up on their taxes and some are not. I have put in an application with the State Land Commissioner to buy those for the city park. Once we get that done, that will transfer ownership over to them.

Jericho Way is a Day Resource Center in Little Rock over in the east end for

homeless. We are looking to purchase several lots for them. I have been trying for a couple of months now so they can build some duplexes for people that graduate from their program to get them back into the community.

In the last year, we have donated six lots to Community Housing Development Organizations. All six of those were presold new construction affordable housing near Central High. In the same area that was originally the focus area.

Just recently, our Land Bank Commission approved a sale of 30 lots for new home construction duplexes and all 30 of them will be handicapped accessible. That is the Springer Project. Two of them just got City Board approval last Tuesday. The remaining 28 will hopefully get approval in the next couple of months. When you put 30 new structures in an area that is suffering, this is going to spur some really, really nice revitalization in the south of 630 area in Little Rock.

As of today when I looked at my board yesterday, we have about 15 properties on the docket that are being donated to the city, have already gotten approval, and are ready to close. One thing I wanted to show you is that when I have a property for sale, I have these signs up. If you stick one of these up on a Land Bank property, your phone will ring off the hook. I put out ten a couple of months ago and probably got 15-20 calls on each lot. If you put one of those signs up, folks start calling and you can move some lots.

You can see here throughout this whole process, the Land Bank Commission is citizen focused. Our Land Bank Commission meetings are open to the public. Each month we usually have three or four people that will sit in on the meeting just to learn about what is going on and try to get involved. We are trying to build the best relationship with these neighborhood organizations and associations that we can. Communication and involvement are key issues.

The Land Bank Commission fosters communication through transparency at each phase of the Land Bank Commission process; public access to records, both paper and electronic; open public meetings and citizen comments; and open committee meetings. We do put our minutes and our agendas online so you can go to the Little Rock website and keep up with what is going on.

Earlier I mentioned that we have 11 positions on the Land Bank Commission. We have two openings right now. People are applying for those. Hopefully in the next month, our Mayor will appoint two more people and we will have a full commission. Our Commission has been really good with attendance. Over the last 12 months, I probably only had one or two meetings where we had a person out. We have always had a quorum. Everyone is really eager to stay involved. I am open for any questions.

Mayor Perrin stated that some of us have been thinking about this for about two years. If you go back to your first line, it tells you the mission and vision of why you would want to consider a land bank. That land bank is to take care of blighted areas like we have here in Jonesboro. Some of the lots that the city is mowing have \$6,000 in liens and you are not going to sell it for that. Also, as Dr. Coleman mentioned, you are going to have a lot of partners, but what you are doing is creating homes for people. We can go through CDBG and have the down payment if they qualify. You put these houses back on the tax base. The biggest thing you are doing is cleaning up your entire area or neighborhood that you concentrate on. I think that is the key. Two weeks ago, I attended the Habitat for Humanity office where they received several million dollars in grants. I have talk to Mike Sullivan who would obviously be a partner that would come in here and take some of this land from us or that we could sell to him or give to him.

*Crowley's Ridge Development Council is here. I met with their Directors yesterday and they are going to be a partner or could be a partner on this deal. There is a multitude of people that you are going to reach out to in this community and tie in to be a partner on this thing. We have been studying this thing. Jessica Coleman has been doing a lot of legal work. You don't have to have 11 members on the commission. You could have any number that you want. But, it is smart to take that guideline and look at those like title companies and real estate people. Councilmember John Street, Chief Operations Officer Ed Tanner, City Engineer Craig Light, and Grants Director Kimberly Marshall attended one of their commission meetings in Little Rock a few months ago. They came back and said that it was extremely well run, the agenda was followed, and they absolutely knew what they were doing.*

*What they are doing in Little Rock is taking these blighted areas and converting those into giving these people a home. That is the whole deal I think right there. It is getting it back on the books. I have been studying this thing for two years. Councilmember Street and I met with Mr. Tapp and several others at the Marriott at one of our AML meetings. We just took about 2 ½ hours out of some of our time and set back. They were gracious enough to come over. I had called Mayor Stodola. I told him I kept reading about this land bank and I want to talk to the people that have boots on the ground. I want to talk about how this thing operates and all of that stuff. He set it up at our conference in Little Rock so we were there anyway. They came over and we spent 2-2 ½ hours talking. I just wanted to give you an idea of why he is here today and why are we even thinking about this. It has been a dream of mine and some others. We have a lot of areas. We are demolishing 50 homes a year and have done so over the last nine years. If you can tear down the blight and build a new home while getting partners involved that you will have hundreds of homes that people are in and have down payments for and can start living there. That is incredible to me.*

*Councilmember Street stated that the Land Bank took some of their focus areas and started building homes to help jump start revitalization. That was one of the impressive parts. They started taking rehab able homes, actually finish it out and make it a very nice home for sale. When you build the house, you get the revitalization started and jump start that and other people are beating on your doors wanting to develop next to it.*

*Councilmember Coleman said that he was looking at it more from the community based instead of the organizational base. He asked if there were classes once these homes are put on the market to help people with the procedure on building and input like Habitat for Humanity on how to build and restructure a home. Mr. Tapp said that it depends upon the builder. Our local Community Housing Development Organization's and we have three of them. They do that. If we sell it to a private developer, there really is no program in place for them to stay in touch. Councilmember Coleman said there are a lot of people who would love to have homes and they don't have a lot of money for a down payment, but at the same time having a home and caring for a home is two different things. That is one reason we have a lot of blighted places now because people don't know how to take care of their home. Mr. Tapp said we don't want to set them up for failure. We have a system in place to prequalify those folks and make sure they are not going to be there for just six months. Mayor Perrin said that could be an excellent program Dr. Coleman for CDBG. That money comes in to a program that would teach this and to have these classes on how to keep it up and how to maintain a home. Councilmember Coleman said especially the outside area.*

*Mayor Perrin said you saw what Little Rock has done. They started very small. They looked at a certain area and tried to focus on that one area and then they started moving outward. If I asked Code Enforcement Officer Michael Tyner to come up here*

*right now or Lt. Baxter, of all the places that we tore down that we should have on a map, and you start looking at this with Code Enforcement and Quality of Life, it won't take you long to figure out exactly where ours is going to be. We really have a map like this. It's just the activity that we have already done on that on demolition and all of that stuff. And, it's not just in one area. It is all over the City of Jonesboro. Now, I am sure there are more in some areas, but that is a map that I am going to get together and send to you all.*

*Councilmember Hafner asked if the Land Bank focused primarily on single-family residences. Is there any commercial property or multifamily? Mayor Perrin said it was strictly residential. Councilmember Hafner asked if there had been incidences where four or five houses in a row are all available for purchase by the Land Bank and developers came in and bought all of that land and changed it into multifamily or anything like that? Mr. Tapp said they have had that happen. Duplexes and Triplexes are hard because our lots in the City of Little Rock in this area are 50 x 150. It is a 7,000 square foot lot. It is harder to put anything bigger on that. It would require approval. Councilmember Hafner asked if that happened very often. Mr. Tapp said no. Councilmember Hafner said the houses are usually not in a row unless it is a really bad neighborhood or something. Mr. Tapp said we are seeing a lot of new patio homes in Little Rock where lots are smaller than that. In the area where we are seeing these tax delinquent properties, they are all small lots. Originally the Land Bank in Little Rock focused on the Central High area and just this year opened it up, but still most of the work that we do is in that area. You probably want to do it city-wide because we had two City Directors in the two wards where we were mainly doing all of this work and receiving all of this money and then you had people trying to donate property in other wards in the city that wasn't happening. As a result, we opened it up. Most of the work we do is still in that original area, but we can take a property. Just in the last twelve months, I have taken a couple in southwest Little Rock via donation and sold those, one for \$5,000 and one for \$3,500. That is money we would not have gotten had they not donated the property. I will say that most of the properties that we get that come in with all of these liens and we do this quiet title work on, we may have \$2,000-\$3,000 in them and sell it for \$1,000. It is not a moneymaker. It does get the property back on the tax rolls. It improves the neighborhood and we see the neighbors in that neighborhood start doing the same thing. It is better overall for the city. With some of the houses that we sell, we may have \$80,000-\$90,000 in it that we rehabbed and we turn around and sell it for \$70,000. You will lose a little on the front, but it gets the property where you are not paying \$250 a month to cut and clean that thing and haul off dump waste and board the property. Even though we lose a little when we sell it, we make it up over not having to continually maintain that property.*

*Mayor Perrin said the list that is on there amazes him because you are talking about having guidelines on everything they do is unbelievable. If I come in and ask Mr. Tapp to take a lot or a home I've got, there is a major list they go through on that and sometimes they will come back and tell you no we don't want it. It is not in our area. You have liens on it or whatever it might be, but they go through that whole checklist before they will ever accept that property. Mr. Tapp said that was correct. With every property, I will sit down and present the history on that property, the plans for the property to the Land Bank Commission. They discuss it and vote. Most of them we take, but some of them they turn down.*

*Councilmember Street said it does foster rehabilitation and new construction. Director Adcock had that one neighborhood in particular and I think maybe you all had 13 lots and had built three houses and a developer came in and bought four or five lots beside the ones you did or in between them. It was filling out with new construction. It was*

*making it very desirable and then people were actually seeking properties over there to rehab and build. Mr. Tapp said that a neighborhood two or three years ago a particular buyer may not have even considered, but now when they drive through there and see three or four new construction brick homes on that block and there is a vacant lot between them, that is a property that they would target now. Mayor Perrin said to start this, you can take money out of the general fund and you can take some money out of CDBG as well and put it in here, but you have to keep up with all of that too. Mr. Tapp said originally they just took their money out of the general fund. Mayor Perrin said Mayor Stodal just started taking money out of general funds. If I told you what we are paying to mow lots in this city in one year, you would fall out. We file a lien. The question is how often do you get your money. Up until this year, they were still sitting on the books when I called accounts payable and you didn't get anything. Then, Wes Eddington, our tax collector, said you are not going to pay your property taxes until you pay the liens and now we are getting some of those liens. Up until then, you had a lot of money setting out there that we have done on that deal. We spend close to \$15,000 a year on mowing alone.*

*Mayor Perrin said that Pam Alexander is well experienced and has worked with the East Arkansas Planning Development District and now has her own company. Pam Alexander, 4501 Mt. Carmel Road, said she has a process question which is kind of related to what Councilmember Hafner brought up about developing commercial properties. I am thinking of your Land Use Plan and if a property came to your Commission, does it look at the Land Use Plan and then what would happen if your Land Use Plan is suggesting that maybe that's a transition property that maybe had been residential but might become commercial. How does that work? You have a piece of property that you are considering taking on and then the Commission has to make that decision. Is part of that decision making process, are you looking at your Land Use map and where does Land Use come into play or when is that part of the decision because it may be that that residential property might be better used as commercial?*

*Mr. Tapp said properties like that would have to go through our Planning Commission to get approval first. Our primary focus is residential. Councilmember Hafner said that is where he was confused. I thought they had commercial and residential. Ms. Alexander asked if these could be sold for commercial development. Councilmember Hafner said not without being redeveloped. I mean rezoned. Mr. Tapp said that he has sold a couple of commercial properties in the last twelve months that were donated to us, but the property was already zoned commercial. If it is donated as a commercial property, then we sell it as a commercial property. Mayor Perrin said her concern is if R-1 comes in donated to the city land bank, and then they turn around and sell it somebody and they put commercial on it. The city has a Master Land Use Map. When do they start looking at that land map? I would say that before you accept a donation in my opinion in the way that I have seen things run, he is not going to take it unless he is just going to try to sell it back but in this case, it was already zoned as commercial. There wasn't any of this going from here to here.*

*Mr. Tapp said he does have planners that he can call in to discuss that with and get their input and help us make a decision. That is not something we normally do. Mayor Perrin said that this program is set up for residential for blighted areas for homeowners to get back into rehabbed homes. If you look at that mission statement that is in here on that first page, that is what it is.*

*Ms. Alexander said what my question goes to is that a mission that we want to stick to for our city or do we need to consider whether commercial might be more appropriate.*



Mayor Perrin said that would be something the commission making that decision and then the Council working with that. Councilmember McClain asked if it wouldn't just go through the rezoning process. Mayor Perrin said yes.

Ms. Alexander asked if a developer would have a deadline. What if they buy a property and it just sits there? Mr. Tapp said we do put a restriction on it. We do deed restrictions sometimes. We will put in the offer and acceptance that you have two years to do something. If nothing has happened by then, we will vote to give you a two-year extension. That is hard to sell to folks who want to buy property for investment purposes just because they may not intend to do anything with it for the first two years. Our Mayor does like for that to be on there so I try to negotiate that as part of the sale. Some go for it and some don't. Mayor Perrin said he would agree. If you are going to do this in this program, action should be taken on that deal and put a restriction on it. This is not a speculative deal. Mr. Tapp said he doesn't want to donate or sell property to someone who is not going to do anything with it within the next five years. We want them to do something with it in the next twelve months.

Ms. Alexander said she is guessing that some of these people get these properties at less than market value. Mr. Tapp said that is correct. Ms. Alexander said they have gotten a good deal so is there room in here for this city then to ask in return to not develop things that we really don't want in our future as a residential neighborhood. Could the city exercise any leverage in asking for something a little nicer to insure that that neighborhood really is enhanced going forward such as architectural features or more green space? Mr. Tapp said our neighborhood associations in different parts of the city have requirements that supersede what I can let them do. Ms. Alexander said we don't have neighborhood associations. Mr. Tapp said that would fall on the neighborhood. Mayor Perrin said they have ordinances in Little Rock that is doing a lot of what you are talking about. Ms. Alexander said we need those ordinances. Mayor Perrin said that is exactly what they are working on right now in which you will see between now and December of the duplexes, triplexes, and all of the multifamily stuff. You don't want to destroy a neighborhood. Mr. Tapp said you want to maintain the architectural fabric of the neighborhood depending upon what part of town it is in. If you have a neighborhood in east Little Rock that is two years old, then they are going to be under the same guidelines as a neighborhood that is 100 years old in downtown Little Rock.

City Attorney Carol Duncan said one of the things that Mr. Tapp said is that they have neighborhood associations which is not by ordinance. That is sort of like property associations that can control what can be built there. That is a little different than what we have here. We have a few of those, but not very many. Mr. Tapp said they had National Night Out last week. We have over 50, maybe 75 neighborhood associations. Keeping those folks together and connected with the city is something that we focus on. We stay involved. Ms. Alexander said we need to do more of that.

Ms. Alexander asked if any of that land gets set aside for parks, would the park be owned by that neighborhood association or would it become a city park? I know we have areas of our city where we need parks and while this doesn't get it back on the tax rolls per say, it could be an opportunity for us to set aside land for parks. Mr. Tapp said we have both. We buy property around current established city-owned parks and we also sell to neighborhood associations that are responsible for the land that they make into a park. Their neighborhood association will own the park, but it will be under the guidelines of the city parks maintenance. There will be some stipulations on it. It is not a free for all on what they can build. It is neighborhood owned, but under the guidelines of the city parks department.

*Ms. Alexander asked Mr. Tapp if he was a part of this getting set up from the outset in Little Rock. Mr. Tapp said no. He said he has been with the city for five years and the land bank has been around about ten years. Ms. Alexander said she was curious as to how this was set up in comparison to other cities do it. This is a commission that is part of the city. Do other cities have a non-profit 501 structure? Mr. Tapp said the other cities around the country that have these and there are not a lot, but they are very similar. I've been to conferences where I have talked with their land bank administrators and discussed the things that Little Rock does and the things that other cities do and it is very similar. Ms. Alexander asked if basically every structure was the same. Mr. Tapp said from what he can take. Mayor Perrin said they have commissioners along with the people that were on the list of that commission. You don't have to have the eleven. You could have a certain amount. Obviously, you would want to have enough on there to have professional experience on there so that when they look at these things, they can make good quality decisions. The Little Rock Land Bank Commission has been highly successful. It is in it's tenth year.*

*Ms. Alexander asked how this was different from a land trust. Mr. Tapp said he couldn't answer that question. I don't know the ends and outs. I have worked with trusts, sold trusts, bought from trusts. In a prior career, I bought and sold land timber. In my experience with a land trust, it is not the same.*

*Mayor Perrin said these are very good questions. He appreciates CRDC and others who came here today. Habitat for Humanity has enough money just coming in that they desperately needs some of these lots. There are certain lots that their board can go ahead and chose to get. You could have construction on this pretty quick. I don't know about CRDC and JURHA is a whole different deal. My deal as Mayor is to present this idea, this vision of taking these things that are blighted areas that need to become healthy and need to be placed back on the books. It will be amazing for what it will do for your city and more importantly for the people we represent, the citizens. I think it is our job if there is any way that we can take a blighted area and build a home and for someone to have a home is unbelievable. Just look at Habitat for Humanity. The last lady who got into a house I think had four children and it was amazing to see what happened through that. Habitat for Humanity is a strong organization. It had to be organized.*

*Councilmember Coleman said he has no problem with the land bank, but he is concerned with people getting homes and not being able to maintain and upkeep them. Education is a key factor. We have local people who can't even add up their books on writing checks. If you are going to deal with a land bank, there needs to be education on finances, adding structure to the infrastructure, and taking care of their homes. I don't mean a book either. It needs to be common sense statements. We need to find better and more common terms that people understand. I think if we have a more structural education component with this, I think these type things will go a whole lot faster. Mayor Perrin said we could add that into our deal on this land bank that Jessica and Craig are working on. We have 16 banks in town. Each one of those say that they go out and talk about the financial part you are talking about. You are not just talking about finances, you are talking about the basic common deals of life of helping and working and teaching people. Councilmember Coleman said how to be consistent. You have a Habitat House, but the next thing you know is that Code Enforcement is back out there because the grass hasn't been cut. They are thinking just that they want a house and not of all the things involved with owning a house. The city as a whole has not understood this concept and needs better education on those types of things. Councilmember McClain asked Mr. Tapp if they had trouble with that*

in Little Rock. Mr. Tapp said that he hears that quite a bit from people who come to the meetings. I think that responsibility falls more on the organization that gets the end user into the house. The Land Bank's role is more for acquiring property that is riddled with issues, clearing those up, and finding people to donate to sell the properties to. I know a couple of organizations in Little Rock that do a day long class on all of those things. They will sit through a class on finance, home inspection, appraisal, title work. They will have plumbers, roofers, electrician, maintenance folks come in and talk to them about how to maintain a home. I think that is not going to be part of your land bank. Mayor Perrin said we could work with them. Councilmember Coleman said that is still a component. I think it is the Land Bank's responsibility to work with them because if you don't, it will become another land bank issue later on down the road because nobody knows how to take care of their issues. Mr. Tapp said in the last five years he hasn't seen those properties that they have rehabbed coming back as problem houses. Issues like you are describing and I'm not saying it doesn't happen, but I have not experienced it. Mayor Perrin said we could look at that. There are plenty of people in this town that would volunteer to help put these classes on. Probably, some of these people are already doing these classes. I know as an old banker, the finance part is being done. However, I don't know about the big part that you are talking about of how to take care of and maintain your home.

Councilmember Street asked Mr. Tapp what kind of budget he has. Mr. Tapp said it varies from year to year. Right now, we have \$400,000 in our land bank. We started with \$100,000. I think our city manager looks at it each year to see how much and it varies from year to year. Last year I sold land for a subdivision that was donated to the city so that was a big piece of money that was unexpected. It varies year to year.

Councilmember McClain said if you had to guess what type of investment it would take from the city to get this started, what would it be? Mr. Tapp asked if it was for year one. Councilmember McClain said yes. Mr. Tapp said probably \$125,000-\$150,000 depending on how aggressive you are in acquiring properties or donated properties. Your budget on one property could be \$4,000. Attorney work, demolition is another \$4,000. You need to look at how many properties you want to work on your first year and back out the per lot costs. Mayor Perrin said if we do this, then I want to sit down with all of these groups that we just talked about, but also let them know that we are not going to take off real fast. We are going to go slow. We are going to go very methodical. We are going to cover our base. You are going to have to hire someone to be in charge of this. I don't think we have anybody in the city that has this knowledge or experience to run something like this land bank. I do have it in the budget for 2018. Again, I don't know what I put in there, but I put the salary and stuff in there. I think he is right that it will take less for Jonesboro. Mr. Tapp said it will be less for Jonesboro.

Councilmember Street said we already have some of it in land already exists in the lots that we are mowing. I'm sure if we get them back on the tax rolls, we will save a couple hundred bucks a month on mowing fees. Mayor Perrin said we have a few that we could foreclose on real quick.

Councilmember McClain asked Mr. Tapp if they were seeing more homes that you have to tear down or are you getting a lot of vacant lots. Mr. Tapp said they are getting mostly vacant lots. Occasionally, we will get a home, but it is mostly vacant lots.

Harold Carter, 902 Tony, said he just heard him elude a little bit to costs. How are these programs paid for? Do you all run a deficit? Do you make money? Maybe this is obvious, but it is not to me. Mr. Tapp said that last year we made money, but that is not typical. The goal of this program is to not be a money maker in my eyes, it is

*neighborhood revitalization. We may sell a home or a property for much less than we have invested into it. That is what it takes to spur the neighborhood fixing up their houses and revitalization in their area.*

*Councilmember Hafner said he thinks this is a program where the money may not show up where the land bank is making money, but overall if someone is moving in that is spending more money on sales tax and the property tax are going up. The department itself may not be making money, but it is hitting other areas of the city's finances. Mr. Carter said he doesn't oppose the program. Does the state still have blighted area laws? I understood they got rid of those. I don't know what they have now, but when I hear areas called blighted, I usually don't respond very well towards it because the people don't want to live in areas that have been designated as blighted and have their property values suffer. I don't doubt there are plenty of blighted areas, but you are not going to get a favorable response from a lot of other people who live near or in those areas when it becomes known that their property is in a blighted area whether it is officially by state law designated that or not.*

*Mayor Perrin said when you are saying you are tearing down 50 homes per year here in this town and over a nine year period that is 450 homes that we have torn down. We are not going to put up with this stuff. If you take a negative and make it a positive, then I think that is what this is all about. It is not for profit. It is just like parks. You tell me what department in the City of Jonesboro that makes a profit. Mr. Carter said I am not asking for a profit, I am just asking to know what it is. Mayor Perrin said he would check on the blighted laws. Mr. Carter said he applauds the city for their efforts to keep as many houses as they can afford to or can manage to do so legally demolished. I am not against this program because Jonesboro has the start of significant slums. If you don't stop it, it's not going to cure itself.*

*Mayor Perrin said that he really appreciates Mr. Tapp coming up and giving the presentation on the Land Bank. Mr. Tapp will be available to visit with the media. Mr. Tapp said his email is on the last slide and if anyone has questions, please feel free to contact him.*

**Read**

#### **4. NEW BUSINESS**

##### **RES-17:163**

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO ENTER INTO AN AGREEMENT WITH THE JONESBORO URBAN RENEWAL AND HOUSING CENTER (JURHA) TO PROVIDE INSPECTIONS SERVICES FOR THE CONTINUUM OF CARE PROGRAM (CoC)

**Attachments:** [Contract for HQS Inspection Services \(CoC Grant\)](#)

*Mayor Perrin said we brought this up yesterday at the Finance Committee meeting. The reason it is on here today is that through our Continuum of Care, we got a \$96,000 grant. That grant is to help people subsidize their rent and etc. We have about three or four landlords now that are waiting for inspections so we can put these people in these homes. You cannot house these individuals under the CDBG regulations and Fair Housing until the homes are inspected. This is entering into an agreement with JURHA which does all of our inspections. They are only \$25 each. We need to get them over there and we need to get the houses inspected. We have already lost one landlord on this. That is why this is on here today so we can get these people into the homes.*

**A motion was made by Councilman John Street, seconded by Councilman Joe**

**Hafner, that this matter be Passed . The motion PASSED with the following vote.**

**Aye:** 7 - Ann Williams;John Street;Gene Vance;Charles Coleman;Joe Hafner;David McClain and LJ Bryant

**Absent:** 5 - Charles Frierson;Chris Moore;Mitch Johnson;Chris Gibson and Bobby Long

**5. ADJOURNMENT**

**A motion was made by Councilman Joe Hafner, seconded by Councilman John Street, that this meeting be Adjourned . The motion PASSED with the following vote.**

**Aye:** 7 - Ann Williams;John Street;Gene Vance;Charles Coleman;Joe Hafner;David McClain and LJ Bryant

**Absent:** 5 - Charles Frierson;Chris Moore;Mitch Johnson;Chris Gibson and Bobby Long

\_\_\_\_\_ **Date:** \_\_\_\_\_

**Harold Perrin, Mayor**

**Attest:**

\_\_\_\_\_ **Date:** \_\_\_\_\_

**Donna Jackson, City Clerk**