
EVANSVILLE LAND BANK CORP. 2019 PROGRESS REPORT



Evansville Mayor Lloyd Winnecke takes the first swing to demolish the initial house razed by the Evansville Land Bank Corp. on September 21, 2016.



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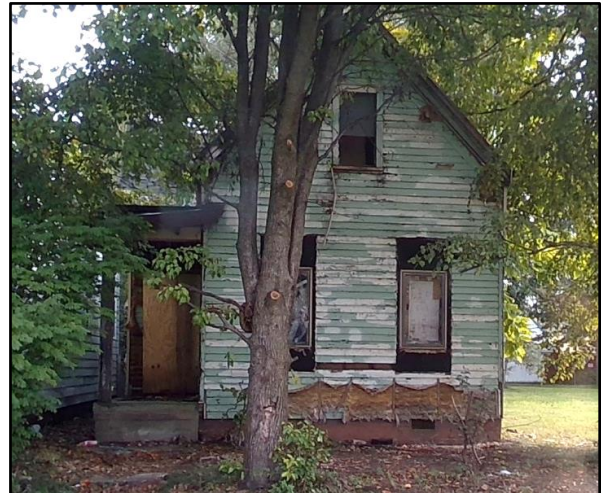
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INTRODUCTION

In 2015, Mayor Lloyd Winnecke recognized that Evansville, like many other cities was suffering a crisis of residential blight in many older neighborhoods and the need for more infill housing in the city core. He directed the Department of Metropolitan Development to explore these issues and develop a plan to address them. After months of research, meetings and consultations with experts in the field of land banking, the concept of forming a land bank to address neighborhood blight in Evansville was born.

The State of Indiana did not enact land bank-enabling legislation until 2016, when it passed Senate Enrolled Act No. 232 adding Indiana Code 36-7-38, which became effective July 1, 2016. This code dictated how local land banks in Indiana must be formed and operate. The City of Evansville was poised to react quickly when the legislation became effective. On July 25, 2016, the Evansville City Council passed Evansville Municipal Code G-2016-23 establishing an Evansville land bank, to initially be operated under the direction of the Evansville Brownfields Corporation, until such time a new land bank entity could be formed according to the new state statute.



The Evansville Land Bank Corp. (Land Bank) subsequently filed Articles of Incorporation with the Indiana Secretary of State on September 13, 2016 and held its initial meeting on January 27, 2017. The entity's non-profit status as a 501(c)(3) tax-exempt organization was approved by the Internal Revenue Service on December 3, 2018.

In compliance with Indiana state statute, various government entities appoint seven members and the Land Bank bylaws dictate two members who are on the board by virtue of their positions.

The Mayor appoints three members of the board, the City Council appoints three, and the County Treasurer appoints one. The Land Bank bylaws dictate that the board of directors appoints two: one of whom shall be the executive director of the Department of Metropolitan Development and the another shall be a resident of the City of Evansville at-large.

Appointing Body	Appointments
Mayor	3
City Council	3
County Treasurer	1
Land Bank Board of Directors	2

The list of the list 2019 Evansville Land Bank Corp. Board of Directors, with the appointing bodies designated, is attached as Appendix B.

Why a Land Bank?

The City of Evansville, through the Evansville-Vanderburgh Building Commission Department of Code Enforcement, has for decades, routinely demolished blighted and abandoned structures. However, simply razing a structure does not convey title to a property. It is a common misconception that if the City demolishes a structure, it has the ability to transfer the property. This is not the case.

The City has the power to raze a structure as a public nuisance but that does not grant the City title to the property. The City of Evansville's desire was to find a mechanism to demolish blighted and abandoned residential properties, without cumbersome legal processes, and quickly get the properties back into productive use, as side yards, new infill housing, and other purposes. This goal necessitated the formation of an entity that could acquire vacant and abandoned properties. It was concluded that a land bank was the most effective path to accomplish these goals.

Land Bank Funding and Acquisitions

The Mayor and City Council have fully supported the work of the Land Bank, providing annual funding of \$1 million per year since inception to conduct demolitions, maintain vacant lots, and perform other essential tasks required to hold properties for future use or transfer parcels for productive reuse.

The Land Bank acquires the bulk of its properties through the tax sale process. Vanderburgh County holds an annual tax sale each fall. Approximately one-half of the parcels offered at the annual tax sale are not sold,



which implies that no one is interested in investing in the property. The vast majority of the “no sales” are located within the Land Bank focus area: South of Diamond Ave. between US Highway 41 and Pigeon Creek.

The Land Bank has an agreement with Vanderburgh County to acquire selected residential properties that are not sold at the annual tax sale. Typically, approximately 100 parcels are transferred to the Land Bank on an annual basis through this process.

Returning Properties to Productive Use

Since inception through the end of 2018, the Evansville Land Bank has transferred parcels for a wide variety of uses. Currently, the Land Bank holds title to approximately 400 parcels; 96 percent are located in Pigeon Township.

Additionally, the Land Bank has transferred 320 parcels from mid-2016 through the end of 2018 for a wide variety of purposes to individuals, non-profit organizations, business, etc. The Land Bank generally gives priority to owner-occupied applicants who wish to acquire a vacant lot adjacent to their home for a side yard. The end use purpose of 47 percent of the properties sold to date was for side yards, 76 parcels have been sold for future construction of affordable houses, 17 for construction of market-rate homes, 30 parcels were sold for business uses and the remaining properties were sold for other uses. A complete listing of end uses for properties sold by the Land Bank is included in Appendix D.

The opportunity for property owners to expand their property increases equity immediately by raising their property value. The positive impact of acquisition is reflected through enhanced pride in the neighborhood, reduction of criminal activity, and lower stress levels provided by the increased sense of security.



“Since the Land Bank has been working in the Jacobsville neighborhood you can see a lot of improvements. Getting rid of the boarded up vacant houses is providing not only safety and better eye appeal, but in our case an additional lot on each side of our house. This is being used for a garden and flowering plants. The addition of sunlight is wonderful! Keep up the awesome work not only in Jacobsville but throughout Evansville!! Thank you.” - Judy G.



The owners of this property has planted trees and flowers in their new side yard.



This homeowner, who acquired a formerly blighted parcel, planted a garden and installed a fence.



This large, renovated historic house now has a yard to complement the scale of the structure.

Demolitions, Rehabilitations, Sales

After properties are acquired by the Evansville Land Bank Corp. they are evaluated to determine if the structure can be reasonably financially rehabilitated. If not, the structure is designated as a demolition. Since inception through the end of 2018, the Land Bank has demolished 249 structures; 136 located north of the Lloyd Expressway and 113 were south of the Expressway. A map reflecting the locations of the demolitions that have occurred can be found in Appendix C. The average cost of a demolition is \$10,609, excluding the cost of pest abatement, asbestos testing, sealing, etc.

After structures are razed, the Land Bank accepts applications to purchase the vacant lots. The board of directors considers all applications to purchase Land Bank properties and has the sole discretion to decide which properties will be sold or held for future development opportunities.



The Land Bank has transferred 25 properties for rehabilitation. Properties sold for rehabilitation are transferred contingent upon execution of a development agreement requiring the purchaser to bring the property into compliance with city building code within 12 months.



In addition, the Land Bank requires an escrow deed at the time of transfer, enabling the Land Bank to reclaim a property if the purchaser defaults on the development agreement. As an assurance, the Land Bank inspects rehabilitated properties every six months during the escrow period.

These pictures depict just one of the 25 properties sold by the Evansville Land Bank for rehabilitation. Exemplary restoration of the house and property was completed by the new owner.





End Uses by Non-Profit Organizations

Several not-for-profit organizations have purchased vacant lots from the Land Bank for construction of affordable homes, while many others have acquired lots to create auxiliary uses such as parking lots and gardens.

In Evansville, there is a vast gap of affordable housing units available versus the existing need. To help meet the need, to date 76 parcels have been transferred for the construction of new affordable housing units. Soon, HOPE of Evansville will acquire more than 50 parcels to begin construction of 60 affordable housing units including single-family homes, duplexes, and an apartment building.

“The Evansville Land Bank is integral to the beautification and stability of our inner-city neighborhoods. Our city would not be able to meet its affordable housing needs without the Land Bank’s support. Clear lots at affordable prices ensures affordable housing can be constructed at decent prices.” - Joshua Case, Executive Director, HOPE of Evansville



“The Land Bank helps Memorial in a variety of ways and has been tremendously helpful in obtaining land and lots to increase our physical footprint; in particular in the center city of Evansville. We plan to do a variety of things with our lots with the majority of them pegged for housing development of single-family homes. However, we hope to do some additional exciting things like planting community gardens and making small pocket parks on some of the smaller lots as well.” - Karma Green Johnson, Memorial Community Development Corporation

Memorial Community Development Corporation recently constructed several new, single-family homes on parcels purchased from the Evansville Land Bank as shown in the below photograph.



“The impact Habitat for Humanity of Evansville is able to make in neighborhoods has been greatly enhanced by the assistance of the Land Bank. They have been able to expedite the process of removing blighted homes and allowing us to build a new home on the property. The removal of the blighted homes combined with a new Habitat home is a reversal not only of the individual property but a big step in reversing the fortune of a block or neighborhood.

“When we can do this in concentration, the residual effects on the existing homes is significant. Peer pressure of new or renovated homes in a neighborhood has a very positive effect, exactly the opposite of a blighted property allowed to remain. We have utilized property obtained from the Land Bank and combined it with some of our property to make a transformational change in

the Jacobsville, Glenwood, STAR, and Ballard neighborhoods.”
- Steve Smith, Construction Director, Habitat for Humanity

Habitat for Humanity of Evansville recently constructed new homes during a building blitz on Garfield Street on land purchased from the Evansville Land Bank.



The Evansville Dream Center purchased one of the lots cleared by the Land Bank to use for its many youth recreational programs in the Jacobsville neighborhood.



“The Evansville Land Bank is a powerful, innovative initiative driven towards making our neighborhoods better. Dream Center Evansville has seen the landscape of our neighborhood improve through the elimination of blighted eyesores. We’re excited to use the space we’ve acquired for outdoor play space and garden space.” - Jeremy Evans, Executive Director, Dream Center Evansville, Inc.

A local non-profit organization purchased this lot from the Evansville Land Bank and is in the midst of transforming the lot into a nicely landscaped parking lot for its clients.



Businesses Expand on Vacant Lots

Although Indiana state law restricts land banks from owning commercial properties, many businesses have had the opportunity to acquire vacant lots from the Land Bank because the businesses are adjacent to residential uses.



“The property that we purchased from the Evansville Land Bank has helped with our congestion in our parking lot, which has helped

our business. We are extremely happy to get rid of the dilapidated house behind us. Lots of compliments. A great program. Thank you Mayor Winnecke and the Land Bank program.” Dan Hardesty, Zesto Drive-In Riverside Drive



“The Land Bank reached out to me to make me aware of a vacant lot available that would help me connect some lots that I owned. This was a great help in letting me develop and clean up a corner of the city near our business. Very helpful.” - Jeffery W. Schneider, Schneider Heat and Air Inc.

Overall Neighborhood Benefits

Razing a dilapidated structure is only one benefit to a residential block. Removal of abandoned houses eliminates shelter for vagrants, which can be a safety stressor for neighbors. The work of the Land Bank also enhances neighborhoods through rat abatement prior to demolition, removal of abandoned vehicles, and maintenance of properties with routine mowing and trash removal.

Derelict structures and vacant lots create multiple problems in neighborhoods, and this picture clearly depicts two of the problems.

FIRES IN ABANDONED HOUSES

A fire in an abandoned house caused damage to each of the structures on either side of it, then after the fire-gutted building was demolished, its abandoned lot became overgrown.

In this case, the adjacent fire-damaged structures soon became abandoned, as well. This type of blight grows like a cancer in neighborhoods. Neglected and overgrown yards are a haven for vermin. Simple mowing of the grass regularly eliminates hospitable environments for rats and other undesirable animals.

Today, the same properties are well-maintained and await future development.



DUMPING ON ABANDONED PROPERTIES

Abandoned properties literally become a dumping ground. Unfortunately, the Evansville Land Bank must spend tens of thousands of dollars every year to remove illegally dumped trash and debris.



Making a Difference

“The removal of vacant and dilapidated houses has made a great improvement where I had dealt with squatters, narcotics complaints, and graffiti.” Eric Krogman, CPO, Crime Prevention Unit, Evansville Police Department

HOUSE ON RIGHT SLATED FOR DEMOLITION



PROPERTY AFTER DEMOLITION



“I’m a resident in the 400 block of Linwood. I bought some property next door to my home and I appreciate everything. The neighborhood is looking good and is starting to look better, so I just want to say thank you.” Nikia Ware

HOUSE SLATED FOR DEMOLITION



PROPERTY AFTER DEMOLITION



“I appreciate the opportunity to participate in the rebuilding of the center city thanks to the Land Bank initiative. The property I recently acquired for rehab. I am confident will complement the area upon completion in providing quality housing with the endeavor of transforming our community to a higher living standard.

“It’s exciting to be able to take advantage of the opportunity of Land Bank houses needing rehab offered by the city in our neighborhoods close to the downtown area and restoring them to their original beauty. With the revitalization efforts and new construction downtown with hotspots around Haynie’s Corner and the casino nearby make this an even more desired area in which to invest. It’s all about revitalizing Evansville.” Sandra Vinyard

“[Adandoned houses] draw rodents, and I'm just so glad to see them come down. They are dragging the neighborhood down greatly. There have been homeless people living in there, getting drunk, and tearing up the neighborhood. There has been drug use in both of them and trash all inside of them.” -Karen Bottoms, Jacobsville resident commenting about vacant houses in her neighborhood

“Now that these dwellings have been removed our families will be safe.” states Christian Borowiecki, Director Environmental Division, Vanderburgh County Health Department, in reference to removal of structures that were labeled “meth houses.”

“By acquiring these properties our plan to build has moved forward. We would like to thank the Land Bank for opportunities to transform and grow our city for the betterment of the residents of Evansville.” Maurice and Gail Coates, Jr.

First Responder Training

Both the Evansville Police Department and the Evansville Fire Department utilize structures slated for demolition to train personnel for emergencies in the benefit of a lifelike environment.

According to Evansville Fire Department District Chief Mike Ewald, “The ability to team up with the Evansville Land Bank affords EFD the opportunity to conduct this training on suitable properties just prior to demolition and provides valuable, realistic training opportunities for our firefighters.

This training results in lower property losses due to fires, fewer fire fatalities, and increased fire protection for the citizens of Evansville.”



EVANSVILLE
EFD
FIRE DEPT.

“The Evansville Fire Department Training Division is constantly trying to make the training we do for our new recruit and incumbent firefighters as realistic as possible. Realistic training is always a challenge, especially when it comes to destructive firefighting tactics such as ventilating a roof to let smoke and heat out of a structure or forcing doors to gain entry into a structure,” says Mike Ewald, District Chief.

The Evansville Police Department SWAT team frequently utilizes structures awaiting demolition for training purposes.



“The use of these structures is invaluable to us in that it allows us to train with a real floor plan, doors and windows. Practicing our team movements and tactics in real structures is very beneficial to our success and safety. This has also been very instrumental in the continuing development of our breaching program in that it allows us to practice and test our skills on real doors, walls and windows.”

Nick Sandullo, Evansville Police Department Crime Prevention Officer / SWAT Officer

Summary

The Land Bank continues to change the streetscape of Evansville’s inner core neighborhoods creating visually appealing environments by razing dilapidated structures. As removal of blight takes place, neighborhood residents have begun to invest in their own properties by painting, repairing, cleaning, and making overall improvements. These upgrades enhance the community, increase property values, lower stress levels, and decrease crime to improve quality of life for all citizens.

Ownership changes frequently as properties are sold and new parcels are acquired, and the Land Bank website features a map depicting property ownership: <https://www.evansville.in.gov/landbank>.

Appendix F in this Progress Report is the same map showing the location of properties currently owned by the Land Bank.



Contact

Evansville Land Bank Corp.

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Evansville, Indiana 47708

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www.evansville.in.gov/landbank

APPENDIX

Appendix A – Indiana Code 36-7-38

Below is the first section of Indiana Code 36-7-38 establishing land banks, which became law on July 1, 2016. The full context can be found on the Indiana General Assembly webpage on the State of Indiana website: <http://iga.in.gov/legislative/laws/2018/ic/titles/036/#36-7-38>

Chapter 38. Land Banks

IC 36-7-38-1

Definitions

Sec. 1. The following definitions apply throughout this chapter:

(1) "Distressed real property" includes real property in a neglected or unmarketable condition.

(2) "Eligible unit" means:

(A) a county;

(B) a consolidated city; or

(C) a second class city;

to which IC 36-7-9 applies.

(3) "Land bank" means an entity established by or in accordance with an ordinance adopted under section 2 of this chapter.

(4) "Person" means an individual, a corporation, a limited liability company, a partnership, or other legal entity.

As added by P.L.211-2016, SEC.1.

IC 36-7-38-2

Establishment of a land bank

Sec. 2. (a) The legislative body of an eligible unit may adopt an ordinance:

(1) establishing a body corporate and politic; or

(2) directing the executive of the eligible unit to organize a nonprofit corporation under IC 23-17; as an independent instrumentality exercising essential governmental functions. The primary purpose of an entity established under this subsection is to manage and improve the marketability of distressed real property located in the territory of the eligible unit.

(b) The legislative body shall specify the following in the ordinance:

(1) The name of the entity.

(2) The number of board members, subject to section 3 of this chapter.

(c) The territory of a land bank established by a county is all the territory of the county, except for the territory of any second class city in the county that has established a land bank.

As added by P.L.211-2016, SEC.1.

IC 36-7-38-3

Bylaws

Sec. 3. The bylaws of the land bank must require the board of the land bank to:

(1) approve any purchase, transfer, or lease of real property held by the land bank in an open meeting of the board; and

(2) consider any pertinent information before approving the Indiana Code 2016 purchase, transfer, or lease including:

(A) the assessed value of the real property;

(B) any factors that may affect the current value of the real property; and

(C) the financial ability of the person to fulfill the conditions of the purchase, transfer, or lease.

As added by P.L.211-2016, SEC.1.

IC 36-7-38-4

Boards generally

Sec. 4. (a) A land bank is governed by a board of at least seven (7) and at most nine (9) directors.

(b) A director of a land bank appointed under this section must have demonstrated competency in an occupation or discipline that is relevant to the primary purpose of a land bank.

(c) Except as provided in this chapter, the term of a director of a land bank is for three (3) consecutive calendar years.

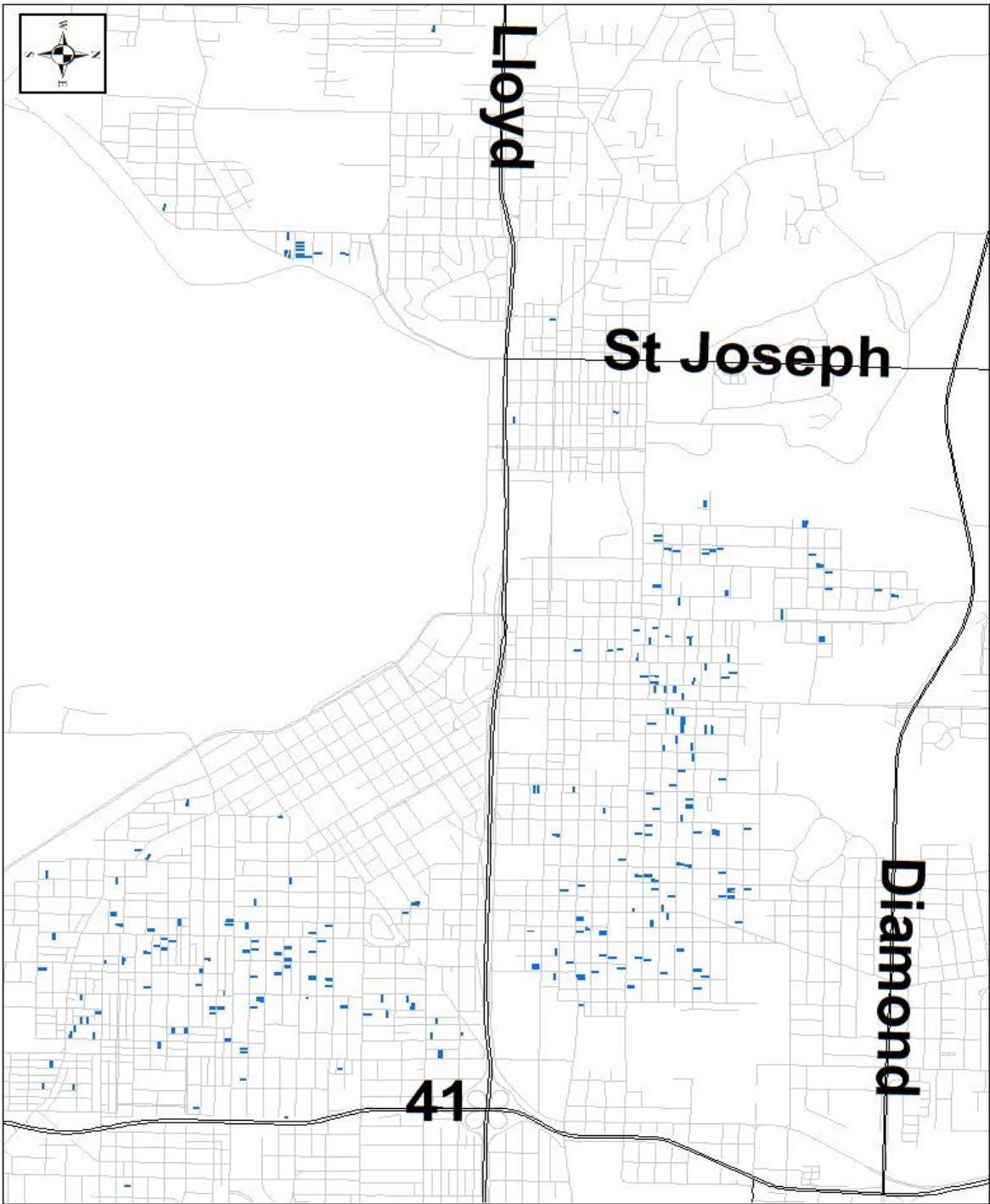
(d) If a director of a land bank is unable to complete the director's term, the authority that appointed the director shall appoint a successor to serve for the remainder of the incomplete term.

As added by P.L.211-2016, SEC.1.

Appendix B – Land Bank Corp. 2019 Board of Directors

Board Member Name	Title	Appointing Body
1. Ted Ubelhor	President	Mayoral
2. Councilman Jonathan Weaver	1 st Vice President	City Council
3. Kevin Axsom	2 nd Vice President	Mayoral
4. Joshua Armstrong		Mayoral
5. Kelley Coures		Land Bank
6. Brad Ellsworth		City Council
7. Jared McIntosh		Land Bank
8. Dottie Thomas		County Treasurer
9. Karan Woods		City Council

Appendix C – Map of Land Bank Demolitions



Appendix D – End Uses of Sold Parcels

Number of Parcels Sold	End Use for Parcel	July 1, 2016 - Dec 31, 2016		2017		2018	
		North	South	North	South	North	South
149	Side Yards	1	3	54	40	38	13
76	Affordable New Homes	1	0	16	10	38	11
30	Business Use	0	0	12	3	11	4
25	Rehabs	1	1	2	5	3	13
19	Non-Profit Entity Uses (parking, gardens, etc.)	1	0	4	4	6	4
17	Market-Rate New Homes	0	0	0	11	0	6
4	Green Space (parks, community gardens, etc.	3	0	0	1	0	0
		3	8	88	74	96	51
320	Grand Total	11		162		139	

Appendix E – Number of Demolitions by Funding Source

Number of Demolitions	Funding Source for Demolitions	July 1, 2016 - Dec 31, 2016		2017		2018	
		North	South	North	South	North	South
212	Land Bank Funded Demolitions	32	27	51	33	32	37
37	Blight Elimination Program (BEP) Funded Demolitions of Land Bank Properties	13	14	1	1	7	1
		45	41	52	34	39	38
249	Grand Total	86		86		77	

Appendix F – Map of Land Bank Properties

