

Illinois Land Bank Technical Assistance Program

Illinois Housing Development Authority

Homeownership: Home Improvement and Rehabilitation

HFA Staff Contact

Andrew Field

afield@ihda.org

No Home Stands Alone

An average individual abandoned house will:

- Contribute \$0 in tax revenue,
- Cost taxpayers \$2,000-3,000 per year in board-up, grass cutting and debris removal,
- Decrease property values on neighboring property (within 500 feet) by 4%-15%¹,
- Decrease quality of life for neighboring families; increase crime, and
- Discourage investment in surrounding properties.

Across Illinois, some communities are forced to make tough decisions whether they have enough funding to maintain a fire department, force layoffs, etc. due to financial disinvestment in the community, loss of tax roll revenue, and many other factors. Others are governed by part-time mayors who simply do not have the capacity to handle the vacant and abandoned properties that traditionally follow economic decline.

As a result, the Illinois Housing Development Authority (IHDA) created the Land Bank Technical Assistance Program (LBTA) to provide targeted support, advice, and training to units of local government presently in, or interested in, forming, or joining a land bank to address home improvement and broader community revitalization.

LBTA, among other things, creates the platform to address older homes that often have good bones, and are in good proximity to many community assets including jobs, transportation, medical facilities, parks, and schools. All the things that make a community, well, a community. And putting a vacant and abandoned home back on the market reduces crime, increases public safety, and puts more tax dollars back into the community coffers that are needed to fund these resources a community needs.

Why Regional Land Banks?

Land banks are governmental agencies that focus on converting abandoned, vacant, and tax-delinquent properties back into productive assets. Land banks work to acquire abandoned properties before they deteriorate, and then connect these properties to owners that will maintain them and pay taxes. At the same time, land banks help communities clear out the structures that are beyond repair, creating an environment where new investments can thrive.

The core reasons to establish a land bank is:

- **Property Acquisition:** Land banks acquire distressed properties through various means, including tax foreclosure, donations, and purchases from public entities. By consolidating ownership of blighted properties, land banks prevent further deterioration and create opportunities for redevelopment.
- **Property Disposition:** Land banks facilitate the disposition of acquired properties through sales, transfers, or redevelopment agreements. They prioritize reuse strategies that align with

¹ Griswold, N., Calnin, B., Schramm, M., Anselin, L. and P. Boehnlein, "Estimating the Effect of Demolishing Distressed Structures in Cleveland, OH, 2009-2013: Impacts on Real Estate Equity and Mortgage-Foreclosure" 2014; Dynamo Metrics LLC, "Estimating Home Equity Impacts from Rapid, Targeted Residential Demolition in Detroit, MI: Application of a Spatially-Dynamic Data System for Decision Support," 2015.

community priorities, such as affordable housing, green space creation, and commercial revitalization.

- **Property Management:** Land banks manage acquired properties to prevent vandalism, illegal dumping, and other nuisances. They may engage in maintenance activities, secure vacant structures, and implement beautification projects to improve the aesthetic appeal of neighborhoods.
- **Community Engagement:** Land banks engage with residents, community organizations, and other stakeholders to identify priorities, solicit input, and foster partnerships. They conduct outreach efforts, host public meetings, and seek feedback to inform decision-making and ensure transparency.

The justification for a Housing Finance Agency or other governmental entity to invest in land banks is clear:

- Land banks allow investors to leverage their investment with private investment and program income generated by sales of restored properties.
- Land banking activity creates a healthier, broader tax base that will generate future tax revenue and defray mowing, board-up and demolition costs in future years.
- Land banks allow municipalities to share services and achieve economies of scale to reduce costs when addressing blight across the region.

Illinois Land Bank History

In 2017, IHDA created the Land Bank Capacity Program with a small award from the national foreclosure settlement to target communities outside of the Chicago metropolitan area that have a high need and local interest to address property abandonment in a systemic and strategic manner. IHDA recognized that land banks are vital partners for IHDA's future investments in Illinois housing as they address two core goals simultaneously:

1. Acquire and stabilize abandoned, deteriorating houses; and
2. Create low-cost opportunities for new developers and families to rehabilitate their houses for affordable housing.

Program grantees, comprised of newly formed land banks and local jurisdictions involved in land banking work, expended \$1.6 million in program funds through two rounds. The success of the program resulted in over 280 residential properties impacted statewide through property acquisitions, rehabilitations, redevelopments, or demolitions. These funds were supplemented by over \$500,000 awarded to the newly created LBTA, which provided assistance for the creation and operation of land banks from technical assistance experts in the field of land banking.

IHDA's technical assistance resulted in the creation of the following land banks:

- Central Illinois Land Bank Authority (CILBA)
- Kankakee Regional Land Bank Authority
- Northern Illinois Land Bank Authority (NILBA)
- Peoria Land Bank Authority
- Two Rivers Regional Land Bank Authority
- Quad Cities Regional Land Bank Authority

Land Bank Technical Assistance Program

National headlines regularly report that the stock of affordable housing is extremely low. It is no secret that the United States is in an affordable housing crisis. Putting more vacant and abandoned properties back on the tax rolls and back into the hands of local residents where they can live, work, and thrive, is a win/win/win situation – for the new homeowner, for the neighborhood, and for the community and local tax base.

When the national foreclosure settlement funds were exhausted, the IHDA Board recognized the value land banks were having in Illinois and supported the extension of LBTA through an award from the Illinois Affordable Housing Trust Fund. Despite the lack of a statewide funding source, the IHDA Board acknowledged addressing vacant and abandoned residential properties should be a priority.

LBTA now operates as its own independent grant program and provides critical support for the creation and operation of land banks in Illinois. IHDA's Board approved funding to two technical assistance providers, Denzin Soltanzadeh, LLC and Teska Associates, Inc., through 2024. They were chosen as they have specific knowledge and experience in building the capacity and sustainability of local communities and land banks through responsible partnerships.

These two organizations work with local governments that are part of a land bank to help maintain local control over their housing stock and provide positive prospects for their community going forward. As municipal budgets are struggling nationally, unlocking dormant properties, and returning them to tax-paying assets help local governments through an increase in public safety, improvement in the quality of life for neighboring residents, and increased tax revenues.

Results

Land banks are invaluable assets in Illinois' efforts to revitalize distressed communities, promote economic development, and create equitable, sustainable neighborhoods. By acquiring, managing, and repurposing vacant properties, land banks address blight, stimulate investment, and improve quality of life for residents across the state. As Illinois continues to confront urban and rural challenges, land banks will play an increasingly important role in shaping the future of our communities.

In 2023, IHDA's investment in land banks through LBTA have led to the acquisition and rehabilitation of more than 100 abandoned houses in communities across Illinois. The Northern Illinois Land Bank Authority's work with its county tax trustee program and municipal abandonment program, their team has helped acquire and repurpose nearly 1,000 properties to date, with hundreds more targeted in 2024.

IHDA is proud of our work to help improve communities and neighborhoods by providing resources for land banks to revitalize distressed properties and put them back into the community and are currently exploring additional funding vehicles to expand the program as vacant and abandoned housing continues to plague certain communities throughout Illinois. IHDA is up for the challenge and looks forward to continuing to finance the creation and preservation of affordable housing.



Land Bank Technical Assistance 2022-2024

Teska Associates, Inc. was retained by the Illinois Housing Development Authority for a two-year contract to provide technical assistance to Illinois land banks and/or units of local government interested in joining or creating a land bank. These services focused on providing individualized planning, real estate services and other assistance related to but not limited to the formation or expansion of land banks, strategic planning and feasibility studies.

During this critical time, land banks were formalized, hired their first staff, and undertook their first real estate projects. Each of the land banks that were formed were based on feasibility studies previously conducted by Teska Associates and Denzin.

During this time period we were also able to connect land banks to the strategies and recommendations of IHDA's **Housing Blueprint 2022** and provide assistance regarding IHDA programs such as the Strong Communities Program (SCP). Since many of the land banks did not have staff, or were in the process of hiring and training staff, these resources were critical to help identify properties, set up systems and procedures to more efficiently administer these grant programs.

Below are highlights of assistance provided over the past 15 months:

Central Illinois Land Bank Authority (CILBA)

CILBA greatly expanded its capacity during this period of time and was able to administer multiple grants on behalf of a variety of small rural, mid-size municipalities, counties, and large cities. Teska's assistance included individualized assistance on financial reporting, conducting interviews with all Board members to resolve governance issues, and investigating the possibility of creating a development partner organization to pursue affordable housing. Highlights included:

- Assisting staff with financial reporting on grants
- Providing strategic guidance to the Board of Directors and staff including interviewing fifteen Board members and preparing a report providing strategic direction to governance reforms. This has led to a change in the Land Bank's Bylaws that now call for local contributions and active participation on the Board.
- Conducting a **feasibility study** to create a community development corporation. This question was being asked by the Board and staff to determine whether the creation of a development entity could create a partner organization that could pursue projects such as the development of affordable housing. The issue is still being considered whether such an entity would be financially viable.

Kankakee Regional Land Bank Authority (KRLBA)

KRLBA has progressed from a volunteer board relying on donated staff to a dedicated Executive Director, adopting policies and procedures, and acquiring and disposing of its first properties. While there was a significant learning curve, the land bank is now well-positioned to both acquire and dispose of abandoned properties as well as coordinating with Kankakee County, the City of Kankakee and other municipalities in the county pursuing similar goals, including Hopkins Park. Highlights of accomplishments have included:

- Providing start-up assistance to the Land Bank Board including several in person and virtual training assistance, identifying properties, supporting grant development, and advising grantees to spend down their grant funds.
- Developed several rounds of property acquisition lists based on County Trustee and properties that would likely qualify for abandonment.
- Participating in a public event with approximately 50 local developers, Realtors and partners introducing how to work with KRLBA
- Facilitated and prepared the **Kankakee Regional Land Bank Authority Three-Year Strategic Plan** which lays specific strategies, projects, and key project indicators in the areas of acquisition of properties, disposition of properties, management, and governance.
- Worked with staff and Board members to prepare a new **three-year budget** both for KRLBA and County and City dedicated ARPA funds.
- Assistance to the **Village of Hopkins Park** on the administration of their SCP2 grant and coordination with KRLBA on common strategies between the land bank, Kankakee County's SCP2 grant and Hopkins Park SCP2 grant.

Quad Cities Land Bank Authority (QCLBA)

QCLBA was the first land bank in Illinois formed with a commitment of annual funding from the local governments forming the land bank: City of Rock Island, City of Moline and Village of East Moline. This early progress has led to a more sustainable business model that is now being emulated by other land banks, such as CILBA. Highlights of work have included:

- Assistance in policies and procedures to identify properties
- Targeted assistance with land bank members as they tailored their approach and coordination with the land bank
- Drafting and facilitating milestones for the next three years for their **Strategic Work Plan** that was updated and adopted by the QCLBA Board in February 2024 which includes targets for acquisition and disposition for the next three years
- The land bank is currently acquiring ten properties through SCP2 for the City of Rock Island through abandonment or foreclosure and will pursue demolition of five properties for the Village of East Moline.
- The Village of Silvis is in the process of joining the land bank under the same contribution formula as the original members. Rock Island County is also in the process of joining the land bank under the same terms.
- Next steps include designing the Strategic Work Plan into a public-facing document that can be used to educate partners in the community.

Lake County Land Bank Authority (LCLBA)

Teska provided technical assistance in compiling materials and documentation for a Lake County ARPA application. Additional assistance would be needed to support the land bank that currently has no dedicated staff and relies on its member communities for staffing and resources.

UPCOMING TECHNICAL ASSISTANCE

Two Rivers Land Bank Authority (TRLBA)

Our TA team has been in continuous contact with TRLBA staff regarding TA needs. With limited staff it has been difficult to prioritize needs. Recent conversations have focused on working with the land bank to help the City of Quincy take advantage of the resources. They recently transferred vacant land to the land bank which will work on ways to dispose of these properties to new users. We will identify opportunities for a strategic plan and ways to raise funding for a dedicated staff person, such as through a contribution from each municipal member to core operations. Target completion date: August 2024

Northern Illinois Land Bank Authority (NILBA)

NILBA has greater capacity with support from Region 1. They have expressed interest in further assistance in documenting their impact and coordination with economic development resources. Target completion date: September 2024

South Suburban Land Bank and Development Authority (SSLBDA)

SSLBA has expressed interest in hosting TA activities across other Illinois land banks. By being housed at the Southland Development Authority, it has backbone support and has increased its effectiveness and production. The land bank has extensive experience in economic development and is expanding its staff to be able to reach the need for its services. TA will likely focus on selecting a core set of services to determine ways to deepen their impact. Target completion date: October 2024

TECHNICAL ASSISTANCE NEEDS

1) Core staffing and infrastructure support

Northern Illinois Land Bank Authority (NILBA), City of Peoria Land Bank, and CILBA are working on ways to create a financially sustainable program that can support the core staffing and infrastructure of the land banks. Other land banks - KRLBA, TRLBA, QCLBA, only have one staff person or a portion of a staff person. They will need critical support over the next two years to scale up to the level of having enough revenue to cover staffing expenses. The *Tyler* Supreme Court decision makes this more challenging as many county trustees have suspended offering tax sale parcels without going to auction first.

2) Economic Development Linkages

Several land banks have expressed interest in seeking economic development resources and taking a balanced approach between housing and economic development. Denzin has been working extensively with NILBA on these issues. KRLBA has pursued a commercial property with non-IHDA resources. CILBA and South Suburban Land Bank have also worked on commercial and institutional properties. Having a broader array of financial resources would lead to greater viability over time, as well a more impactful program responding to the needs of local communities. We expect to be able to provide planning and strategic support to these land banks pursuing both housing and economic development portfolios.

3) Documentation of Community Impact

Several land banks, such as Cook County Land Bank Authority (CCLBA), SSLBA, and NILBA have been working to document and quantify the impact of their land bank activities. We plan to provide services to other Illinois land banks (such as KRLBA, QCLBA and CILBA).

MEMORANDUM

TO: Nicki Pecori Fioretti, IHDA Community Affairs

FROM: Brent Denzin

DATE: March 19, 2024

SUBJECT: Land Bank Capacity Program Technical Assistance Network
2024 Annual Report

Background

IHDA’s Land Bank Capacity Program Technical Assistance Network (“TA Program”) was established to help regional land banks serve as catalysts for neighborhood stabilization, community revitalization and housing creation. Housing development is dependent on community stabilization. In the right hands, an abandoned home provides an opportunity to create new housing for a fraction of the cost of new construction, while strengthening the existing neighborhood. Left alone, abandoned and blighted homes destabilize neighborhoods and undercut neighborhood investments.

In addition to neighborhood stabilization, land banks help IHDA take advantage of new housing opportunities in communities across the State. Using land banks, IHDA can deploy capital to a team of dedicated local housing and development experts that can connect IHDA’s funding to high-impact projects.

Over the past six years, TA providers Teska & Associates (“Teska”) and Denzin Soltanzadeh LLC (“Denzin”) have worked with the following Illinois municipalities and counties to establish and operate land banks:

Municipalities (among many other smaller neighboring municipalities)

Rockford	Decatur	Peoria	Round Lake
Belvidere	Danville	Kankakee	Zion

Freeport	Moline	Waukegan	Quincy
Woodstock	Rock Island	North Chicago	Jacksonville

Counties

Winnebago County	Kankakee County	Adams County	Boone County
McHenry County	Champaign County	Morgan County	Vermilion County
Cook County	Rock Island	McHenry County	Will County

IHDA’s TA assistance resulted in the creation of following land banks, via an Intergovernmental Agreement and Bylaws adopted by each municipal/county council and board:

Northern Illinois Land Bank Authority	Peoria Land Bank Authority	Central Illinois Land Bank Authority
Quad Cities Land Bank Authority	Kankakee Regional Land Bank Authority	Two Rivers Land Bank Authority

Additionally, IHDA TA providers assisted the Lake County Land Bank Authority and the South Suburban Land Bank and Development Authority to help broaden their impact.

Impact of 2022-2024 Technical Assistance

Building off the successes outlined in the 2022 LBCP TA Network Annual Report, Teska and Denzin focused 2023-24 TA services on strategic planning and operational expansion. The following report highlights operational successes over the past year using IHDA’s 2020 TA “long-term goals” as a guide:

2020 Long-Term Goal: Develop an efficient, cost-effective system to connect abandoned housing to new developers and owners at scale.

Success: IHDA’s TA Program is working with South Suburban Land Bank Authority and Kankakee Regional Land Bank Authority to pilot an “end to end” Land Bank intervention strategy. The strategy starts with Land Bank staff surveying housing

conditions, collecting utility and code enforcement data, and mapping targets for interventions. The “end-to-end” intervention plan allows Land Bank staff to leverage their investments by focusing on blocks and neighborhoods instead of parcel-level analysis. Land Banks will be better equipped to identify abandoned properties without relying on local code enforcement capacity. Using the Land Banks’ sales infrastructure, new developers will be able to scale up scattered-site development with greater comfort knowing that there are other targeted investments in the neighborhood.

2020 Long-Term Goal: Create a stable, professional partner for State and local investment in community revitalization and affordable housing investments.

Success: In Belvidere, Illinois, the Northern Illinois Land Bank Authority (NILBA) demonstrated how strong regional land banks can bolster the State’s efforts to secure manufacturing jobs and position Illinois for greater economic growth. Stellantis’ Belvidere Assembly Plant was slated to close in 2024 and the State’s tax incentives were insufficient to convince Stellantis to shift course. However, using NILBA, the State was able to quickly secure land contracts for 300+ acres of land adjacent to the Belvidere Plant, and offer Stellantis a unique opportunity to construct an electric vehicle battery manufacturing plant next to the existing vehicle production plant. The offer of land convinced Stellantis to expand the Belvidere Plant and increase its investment in Boone County.

Land banks have created similar opportunities for State investments in housing. Through its Strong Communities Program, IHDA investments in land banks have led to the acquisition and rehab of over 100 abandoned houses in communities across Illinois—in 2023 alone. Land bank partnerships allow IHDA to direct funds to street-level projects to create and support housing investments.

Highlighted examples of Land Bank impacts with TA support include:

Northern Illinois Land Bank Authority

Through NILBA’s work with its county tax trustee program and municipal abandonment program, NILBA’s team has helped acquire and repurpose nearly 1,000 properties to date, with hundreds targeted in 2023 alone.

Central Illinois Land Bank Authority

CILBA has secured over \$1,000,000 in grants to rehab deteriorating houses—both abandoned and low income, owner-occupied. CILBA continues to expand the reach of its abandonment program in Decatur and assists small towns throughout Champaign and Vermilion Counties with demolition grants. CILBA is now beginning the process of selling its first rehabbed abandoned home as part of CILBA’s Decatur Abandonment-to-Rehab program, with 20 or more properties on their way. With only

one employee, CILBA relies heavily on Denzin to develop and implement legal strategies for acquisitions and sales.

Two Rivers Land Bank Authority

TRLBA has filed 35 petitions for abandonment and lien foreclosure, with one part-time staff member. As capacity increases, the TA Network will work with TRLBA to incorporate operational strategies used by larger land banks.

Quad Cities Land Bank Authority

In QCLBA's first full year of operation, TA providers helped QCLBA's lone employee build connections with county tax trustee programs and target abandoned houses using strategies that have worked for larger land banks, like NILBA and SSLBDA. QCLBA begins to acquire properties, it will rely heavily on TA support to build out its sales program.

TA Network Focus for 2024 and Beyond

To establish a high-functioning land bank in Illinois, communities need dedicated staff and a thoughtful strategy for intervention. Land banks with 3+ employees produce 90% or more of the rehabbed land bank properties in the State. Land banks with 2 or fewer employees continue to struggle to adequately identify, acquire and revitalize properties. IHDA's TA support is designed to bolster land banks with limited staff to help them maximize their impact and position their land bank for growth. To this end, Denzin and Teska remain focused on the following services:

- Using data to identify abandoned properties and connect them to Land Bank acquisition strategies.
- Fill key operational roles until Land Banks can hire and support staff.
- Connect Land Bank inventory to affordable housing initiatives, community health initiatives and other community development goals.
- Help land banks set up acquisition, maintenance, and disposition programs that can be scaled up as staffing levels increase.
- Build a network of land banks to share strategies and resources.
- Strengthen the connection between land banks and State programs targeting housing, economic revitalization, crime and other symptoms of neighborhood disinvestment.

Please contact us if you have any questions about IHDA's TA activities. We look forward to another year of building Illinois' land bank infrastructure.

How a \$17M land option landed Belvidere the deal of a lifetime with Stellantis



Jeff Kolkey

Rockford Register Star

Published 4:07 a.m. CT Nov. 8, 2023 – Updated 4:07 a.m. CT Nov. 8, 2023

AD

0:12

SKIP

With a \$4.8 billion investment and thousands of jobs hanging in the balance, Illinois Gov. JB Pritzker's office in March placed an urgent call to local officials: At least 300 acres were needed for there to be any hope of saving the Belvidere Assembly Plant.

The land would give Stellantis — maker of Chrysler, Dodge, RAM and Jeep — the space it needed for expansion and construction of a battery production facility.

They turned to the Northern Illinois Land Bank Authority to secure what turned out to be a \$17 million option to purchase a pair of parcels west of the Belvidere facility, said Region 1 Planning Council Executive Director Mike Dunn Jr.

"If they couldn't secure that land and tell Stellantis that it was secured, then Stellantis was going to look elsewhere," Dunn said. "We had to move quick, and that's the beauty of the Land Bank. It's a five-county board, so you're saying, 'Hey, this is important for all of us. This has an impact on all of our communities.' These are 3,500 new jobs."

Members of the United Auto Workers Local 1268 will gather this week to vote on whether to ratify a new labor agreement with Stellantis that not only

includes raises and cost of living adjustments, but also a bright future for Belvidere including a new midsize truck to build, a battery production facility and a "megahub" product distribution center.

And it comes after several months of uncertainty. Stellantis idled the plant, laying off 1,200 workers, in February.

More:\$5B UAW, Stellantis deal could include construction of two more Belvidere plants



State and local officials worked to develop a package of tax and cash incentives in an effort save jobs and revive the auto plant. Led by Rockford Mayor Tom McNamara, Belvidere Mayor Clint Morris and the Northern Illinois Council of Governments, they obtained commitments for property tax abatements.

The state is providing tax credit incentives, workforce development training and more through the Re-Imagining Electric Vehicles Act championed by state

Rep. Dave Vella, D-Rockford, and state Sen. Steve Stadelman, D-Loves Park. Pritzker pushed a \$400 million "deal closing fund" through the General Assembly that gives him access to cash needed to consummate large investments and compete with other states.

And while state and local officials provided a carrot, the United Auto Workers brought the hammer.

UAW President Shawn Fain and thousands of union workers embarked on a strategic "Stand-up Strike" that placed enormous pressure on Stellantis and the other Detroit automakers to share a portion of the billions in profits they had made in recent years with workers. The union made reviving the Belvidere plant a major point of negotiations.

Pritzker's office on Tuesday would not say how it will pay for the \$17 million in land acquisition that would be required for the Stellantis expansion. His office said details of the deal would be revealed once it was finalized.

The state also will reimburse the Land Bank the \$200,000 that was needed to secure the purchase options, Dunn said.

Jeff Kolkey can be reached at (815) 987-1374, via email at jkolkey@rrstar.com and on Twitter [@jeffkolkey](https://twitter.com/jeffkolkey).

FEATURED

City & Land Bank partner to renovate abandoned homes

Alyssa Patrick
Sep 15, 2023

DECATUR, Ill. (WAND) — The City of Decatur and the [Central Illinois Land Bank Authority](#) are teaming up to clean up the city one block at a time. Decatur City Council voted to invest millions of dollars, from federal COVID funds and state housing grants, into home rehabilitation. The program helps renovate abandoned houses.

"My thought is — instead of demolishing a whole bunch of properties, why don't we try to find the diamonds in the rough, take the ones that can be saved," Mike Davis, the Director of the Central Illinois Land Bank Authority, told WAND News.

Davis transformed a rundown house into an updated three bedroom home.

"After this house today, we have contracts lined up for another 4 rehab projects that we hope to sign this month. Hopefully in the spring, I'll have another four houses like this to sell to first time home buyers in Decatur," Davis explained.

The Land Bank hopes to see some of the 42% of Decatur renters, who have a high rent burden, move into their first home.

"If we can take one of those renters, and allow them to become homeowners, and they're paying less in their mortgage than they are for rent and they're building equity. That's a huge win for the community and a huge win for the city," David added.

Half a million dollars from the city, and \$200,000 in a state housing grant, is paying for the renovations. But the Land Bank hopes to make this a sustainable program, tackling dozens of blighted homes.

"What we're going to do is, with the sales proceeds, we're going to recycle it into the next rehab and keep this going in Decatur," David said.

[Click here](#) to see the listing and request a tour.

Homeowners will be asked to stay in the house for at least three years and not rent out to tenants.

Copyright 2023. WAND TV. All rights reserved.



The first house renovated by a partnership between the City of Decatur and the Central Illinois Land Bank Authority.

Alyssa Patrick

Decatur's first 'abandonment-to-rehab' home sold

Brenden Moore

Apr 4, 2024

DECATUR — The first home flipped as part of the city's "abandonment-to-rehab" initiative has sold.

The city confirmed in a news release that the 1,005-square-foot ranch-style home at 439 E. Maffit St., **which was placed on the market last September**, sold for its listed price of \$64,900.

It comes more than two years after the city council approved allocating \$500,000 in federal stimulus funds toward the initiative, which aims to rehab vacant properties and prevent them from deteriorating to the point where demolition is necessary. The city has also put some of the more than \$400,000 in Illinois Housing Development Authority grant funds it received for revitalization efforts into the program.

People are also reading...

- 1 **Lincoln police respond to 'swatting' incident at hospital**
 - 2 **17-year-old Decatur driver shot, escapes serious injury, police report**
 - 3 **Brick on gas pedal powered car's crash into Lake Decatur**
 - 4 **Forsyth home daycare operator gets 14 years for fatally injuring baby**
-



Decatur's first abandonment-to-rehab home, located at 439 S. Maffit St., is shown. The city has confirmed that the 1,005-square-foot home has sold for its listed price of \$64,900.

Donnette Beckett

Decatur Mayor Julie Moore Wolfe said the program is "a crucial step toward the City Council's priority goal of community revitalization."

"This home rehab initiative with the land bank allows the city to move from a reactive approach on blighted properties to a proactive one in which we are actively partnering with CILBA to rehab vacant homes, bring them up to code, and provide home buyer opportunities," she said.

In recent years, city leaders have sought to stop and, eventually, reverse the spread of blight in the urban core. Most often, the physical manifestation of this goal has been the wrecking ball.

However, city officials have also started programs, such as abandonment-to-rehab and a separate owner-occupied rehabilitation program.

Under the former, the city identifies and obtains the title to vacant houses that are determined to be rehab-able but are candidates for the demolition list within the next five years without action. Once acquired, they are transferred to the Central Illinois Landbank Authority which manages the rehab and markets the property to first-time homebuyers.

The landbank has four rehabilitation projects in progress that should be completed before summer. Another five projects have been bid out to contractors, with contracts to be signed pending state grant approvals.

Rehab of each home is expected to cost about \$100,000, much lower than the cost of new construction, which can run upward of \$200,000, according to the land bank.



Decatur Deputy City Manager Jon Kindseth answers Councilman David Horn's questions regarding city staff's code enforcement proposals during a Jan. 2023 study session on neighborhood revitalization.

Contact Brenden Moore at brenden.moore@lee.net. Follow him on Twitter at [@brendenmoore13](https://twitter.com/brendenmoore13).

By Brenden Moore

State Government, Decatur Reporter

NEWS

First Jacksonville property hits land bank auction

By **Dave Dawson**, Reporter

Feb 9, 2023



Brian Nyberg, community development director for the city of Jacksonville, stands in front of a house at 1000 Hardin Ave. that is the first Jacksonville property to be listed for auction with the Two Rivers Land Bank Authority. Dave Dawson/Journal-Courier

A modest brick house at 1000 Hardin Ave. is the first Jacksonville property to be listed for auction with the Two Rivers Land Bank Authority.

It has been more than 18 months since the city joined the land bank and Brian Nyberg, community development director for the city of Jacksonville, is excited about the prospects of being able to address the problem of abandoned and neglected properties.

"Our hope is to get these properties back on the tax rolls. It is good for the schools, good for the city, good for the county, and good for fire and police pensions," Nyberg said.

The first Jacksonville property was listed on trlba.org on Tuesday and Nyberg is optimistic that at least three more properties will be listed soon. He said he is working with 13 properties, and he hopes they will all be listed as soon as the city obtains clear titles.

"We went after low-hanging fruit first, so this gets us off to a good start," Nyberg said.

The property at 1000 Hardin Ave. is owned by the city of Jacksonville and is situated between the city's water plant and Reynolds Consumer Products. In August 2013, the city purchased the vacant property as well as 894 Hardin Ave. for \$195,000 from Reynolds for the water plant.

The last year property taxes were collected for 1000 Hardin Ave. was 2013 when the bill was \$3,187.38, according to Morgan County property tax records. No taxes have been collected since the 2013 taxes were paid on the one-story home built in 1930.

"It's all about making properties usable again, getting them back on the tax rolls and cleaning up the city," Nyberg said.

Membership in the land bank makes it more efficient to deal with vacant and abandoned properties that need to be either rehabilitated or demolished.

The money communities put into the land bank go for legal fees to get clear title for vacant and abandoned properties with liens. Once the titles are clear, the land bank can put them up for auction. Money made from the auctions goes back into that community's land bank account.

Nyberg said he has been in touch with Habitat for Humanity and some local contractors have asked about available properties.

"Some will be rehabilitated, but others need to be demolished because they are beyond repair. As the land bank gains clear title, they will be listed on the land bank's website as well as the city's website," Nyberg said.

"Of the 13 we have in the hopper, at least two will be demolished and empty lots will be available. If a house becomes too hard to sell, we have the option to demolish it and sell the lot," Nyberg said.

The ideal situation is bids on the properties are made quickly so they can be accepted or rejected at the next monthly meeting of the land bank board, leaving just a one-month turnaround. The board, which is set to meet in Jacksonville on Feb. 23, can accept or reject any bids.

A land bank also streamlines a governing body's ability to buy derelict property before it cycles through a county's property tax sale process. It is best to get the properties before they enter the tax sale because that is a four-year process and renovations may no longer be feasible by the time of sale, Nyberg said.

"We are looking at tax redemption sales and have interceded on four properties. We will be going to those sales to get them out of the four-year cycle. It is advantageous for us to intercede in the tax cycle," Nyberg said. "We just want to make good homes for people at an affordable cost."

Jacksonville joined the Two Rivers Land Bank Authority in June 2021. The authority includes Morgan County, Quincy, and Adams County.

Jacksonville initially invested \$10,000 to join but Illinois Housing Development Authority reimbursements for demolition work allowed the city to invest \$50,000 in the land bank. This summer the city used \$200,000 of its \$2.5 million in American Rescue Plan Act funding for the land bank.

The bank is funded by government grants, private contributions and proceeds from real estate activities.

Feb 9, 2023



Dave Dawson
ASSISTANT EDITOR

Dave Dawson has been a reporter for the Journal-Courier since May 2022 and was promoted to assistant editor in July 2023. The Des Moines, Iowa, native has a bachelor's degree in journalism and mass communications with a minor in economics from Iowa State University in Ames. He has been a reporter or editor for the Spencer Daily Reporter in Iowa; the Valley City Times-Record in North Dakota; the Columbus Telegram in Nebraska; the Omaha World-Herald; the Marshalltown Times-Republican in Iowa; and the Herald & Review in Decatur. He has won numerous statewide awards for his writing and editing.

Land is one of the most important assets that a person, group or organization can own. It has been called the “original source of all material wealth,” and almost everything we use can be traced to it. I once read that 95 percent of our basic needs and requirements like food, clothing and shelter are obtained from land. Economic prosperity and natural resources have always been closely linked to land.

Consequently, I’m excited about the new Peoria Land Bank. A land bank is an entity created to help manage and dispose of vacant land, abandoned or tax-delinquent properties for redevelopment and better use. Land banks commonly operate where there are high housing vacancies and blight. They help to promote the restoration of problematic housing, especially in distressed areas.

Creating The Authority

A few months ago, the Peoria City Council approved an ordinance creating a Land Bank Authority and I had the pleasure of making initial appointments to the authority in August. The Peoria Land Bank will consist of 11 members of the public, the city and the county to utilize many strategies to help address blight and put vacant and abandoned properties back on the tax rolls. Key strategies will include:

- Demolishing vacant, abandoned and blighted buildings.
- Obtaining judicial deeds via the abandoned property state statute.
- Transferring vacant lots through a side-lot program.
- Salvaging valuable building materials in partnership with local providers and architectural salvage companies.
- Partnering with banks related to bank-owned properties and properties in foreclosure.

The Peoria Land Bank will provide opportunities for investors or developers to purchase land and properties at a low cost if they have immediate plans to restore and use it. Safe, affordable housing opportunities for all residents in the City of Peoria is a key component of community and neighborhood revitalization efforts. This can be accomplished through code enforcement efforts, leveraging funds to maximize affordable housing development, and a robust land management process. The Illinois Housing Development Agency has worked closely with the City of Peoria and provided \$300,000 in funding to establish the land bank. It is a great opportunity to revive rundown and blighted areas of our city and enhance its overall look and value.



We Are All Connected

I purchased my very first home in 1989 on Peoria's south side, a few blocks from Manual High School. A single working parent at the time, I was approved for an FHA loan for the \$23,000 home. It was a stable neighborhood with majority homeowners, and my neighbors and I took pride in and care of our land and property. Outside of my education, my home purchase was the best investment I'd ever made. For ten years I lived in that home, later getting married and selling it for \$43,000—almost twice more than what I had originally paid. This was the foundation for my purchase of additional, more valuable homes moving forward.

Sadly, today when I ride by my old neighborhood, I'm disturbed to see the decay that has occurred over the years: houses boarded and in disrepair; sagging roofs and unmaintained vacant lots; a grocery, pharmacy and business desert. And while I haven't lived in zip code 61605 for decades, I clearly understand that what happens there affects me and everyone else in the city. That's just a matter of fact. We are all connected.

A New Tool

A former colleague and Bradley University professor has been sending me news articles making the case for housing renovation and green space development over new development in heritage urban neighborhoods. I don't want to rule out new development, as I see contiguous blocks of land dominated by condemned properties that could give way to a new development project. Yet, I see the professor's point for renovating existing houses that still have good bones and, with some level of investment, could make nice homes for area residents. Collaboration is the best approach to neighborhood revitalization, so the idea of partnerships is very appealing with regard to our new land bank initiative.

Housing stock is extremely low in Peoria, and the demand for affordable, quality housing is high in all parts of the city. Affordable housing simply means housing that is affordable for the income a person has—typically not to exceed 30 percent of that income. Quality housing is the same for everyone in that it should be decent, in good working condition, respectable in appearance, and the right fit for the family living there. I want everyone in Peoria to have an affordable, quality home despite their income or geographic location.

The city of Kansas City, Missouri has a successful land bank, and many other cities have used this tool to rebuild vibrant communities, one property at a time. Thanks to the City Council, City staff and our partners at the Illinois Housing Development Agency, Peoria can give this tool a try. I don't expect the Peoria Land Bank to be the single answer to cleaning up and reviving distressed areas of Peoria. But it is one strategy in a multi-faceted approach to city-wide neighborhood revitalization. It's a way to protect one of our most valued resources—our land. **PM**



3 Weather Alerts In Effect ✕

Save not demolish; City of Peoria rehabbing historic homes



By [Brett Brooks, M.A.](#)

Published: Jun. 29, 2022 at 7:51 PM CDT



PEORIA (25 News Now) - Now abandoned and neglected, the City of Peoria is working to preserve and rehabilitate historic homes.

As Brett Brooks reports, one of those dilapidated properties in the historic Randolph-Roanoke District now has a bright future.

"This house was built in 1920. It was abandoned for the last 6 years. It was set to be demolished before the city land bank acquired it and Reagan Leslie bought it last march," explains Brett Brooks

"This sits on the corner of Bigelow and Columbia Terrace so it's really a prominent home and I hope to bring it back to what it was." Said Reagan Leslie, the Principal Designer at Leslie Tyler Design & owner of Black House Seven (the company behind this specific restoration).

With it's overgrown branches and crooked stairs, this property is an eyesore on the outside and inside, but to interior designer Reagan Leslie, it's a part of Roanoke-Randolph's history.

"This house has a lot of it's original windows and it's original siding, original woodwork and those are the elements that I would like to work to preserve," explains Leslie, "some of these homes will never be built again in the way that they were. So if we lose them, we lost them for good."

The City of Peoria was ready to tear it down taking these real wood floors away.

Joe Dulin, the Community Development Director with the City of Peoria worked closely with Leslie as she went through the steps to buy this home. Dulin says, "[I]t would have cost us \$12-13 Grand to demolish it, so why don't we offer a pilot program and offer her a grant of \$12-13 thousand to put back into the property."

Dulin explains further, "connecting it to the right purchaser to actually rehab it and make it more of a viable addition to the neighborhood instead of a vacant lot, that's our goal."