

Memorandum
Community and Economic Development Department

To: Rock Island City Council

Subject: Land Bank Funding

Date: April 14, 2023



The Quad Cities Regional Land Bank Authority has been in existence on paper for about a year. In that time, a number of things have been accomplished as part of the organization's start up period. Following adoption of the intergovernmental agreement (IGA) that created the organization, a board of directors was established with one voting representative from each of the member jurisdictions: Rock Island, Moline, and East Moline. The board began working with technical assistants funded by the Illinois Housing Development Authority (IHDA) to develop a work plan and budget. After a few months, however, the board chose to forego their assistance and take a more self-directed approach. Looking at other land banks in Illinois and across the country, the board focused in on what would really be necessary for long term financial stability. This has resulted in a slower, but much more thorough budgeting process.

That process is reflected in the two attached two documents. First is the land bank's work plan which includes its goals. Second is a ten-year pro forma budget which estimates costs and revenues in alignment with the goals. Each member community has slightly different needs which are reflected in these documents. Rock Island needs the most assistance breaking the abandonment cycle, Moline needs the same but to a lesser degree. East Moline, not being a home rule community, needs help with both abandonment and demolition. Over time, activity is projected to increase and additional funding secured through new members, grants, and property sales.

At a previous study session, Council members indicated that they preferred that funding for the land bank be taken out of the \$250,000 in ARPA funds that had previously been allocated for housing rehabilitation. The reasoning was that the work of the land bank is more aligned with the effort to rehabilitate and revitalize neighborhoods. The City's annual membership contribution is \$36,571 and so three years totals \$109,713. Staff propose paying Moline back for 2022 as well as paying for both 2023 and 2024. This will ensure budget stability as the organization becomes better established.

Recommendation:

The Community & Economic Development Department recommends that the City Council approve three years of land bank funding totaling \$109,713 using ARPA funds previously allocated for housing rehabilitation.

Submitted by: Miles Brainard, Community & Economic Development Director

Approved by: Todd Thompson, City Manager



What is the Quad Cities Land Bank Authority?

The Quad Cities Land Bank Authority (QCLBA) is an intergovernmental agency formed in April 2022 by the City of Moline, City of Rock Island, and City of East Moline.

Land Banks work to combat community deterioration by returning property to productive use in order to support open space, housing, businesses, and employment for citizens.

The **mission** of the QCLBA is to strategically acquire vacant, abandoned, tax delinquent properties, address title liabilities, and facilitate the revitalization of those properties to a productive use consistent with local government plans and priorities.

How is the QCLBA funded?

The QCLBA is currently funded by local government grants and State of Illinois grants specifically designated for land banks. Each member municipality contributed funds to establish the QCLBA.

Additional funding to start the QCLBA was secured through the Illinois Housing Development Authority (IHDA) Land Bank Capacity Program. This program was created to help communities gain access to funding and technical assistance to develop land banks in Illinois.

Moving forward additional funds will come from real estate activities, private contributions, program services, and new municipal partner contributions.

How does the land bank work with member communities?

The QCLBA operates in service to its member communities to identify properties deserving attention, and develop strategies to improve properties according to community plans and priorities.

Under its bylaws, the QCLBA can only accept a property or work on a property with approval from the board of directors.

Who is responsible for the governance and operations of the QCLBA?

The QCLBA is governed by a board of directors that consists of representatives from member communities. Program bylaws allows for additional expert directors to be added. Meeting agendas and minutes are available on the program website.

How does the land bank acquire property?

The QCLBA acquires properties in accordance with its policies & procedures. The main source of properties are surplus properties, properties acquired via the Tax Trustee, and donations from private parties. The land bank can also purchase properties or accept properties via conveyance from a member community.

Who owns the property once it is acquired?

The land bank is the owner of the property and is responsible for the maintenance of properties that it owns. If you are concerned about a property, but are unsure of who is the owner, please contact the land bank manager who can help locate the owner. If there is property you believe QCLBA should acquire, please submit information such as address and pictures, via **email**.

Does the land bank focus on residential and commercial properties?

At this time, the QCLBA is focused primarily on residential properties. Commercial properties will be added in the future. The land bank is interested in acquiring or partnering on the redevelopment of vacant land.

Does QCLBA accept donations?

Yes! The QCLBA welcomes the donation of cash contributions and property. It is especially interested in receiving recently abandoned or vacated properties. Donated or real estate owned properties from financial institutions are also of interest.

How can I get property through the land bank?

The QCLBA posts all properties available for conveyance (sale/donation/transfer) on its website. If interested in acquiring a listed property, please submit an **application** and review the Disposition Policies prior to submitting. Once the application is received, the board will review the information to determine if the intended use supports land bank policies.

How long does it take to acquire property?

Applications are processed on a first come/ first-served basis. Properties will be conveyed to eligible and approved applicants as quickly as possible. It can take as little as 45 days or can take longer, depending on the circumstances. The more complete the required application is the faster the processing.

Is property free?

No. Under our policies, the land bank is required to collect any costs incurred while holding or managing the property. Under certain circumstances and with approval of the board, a property can be conveyed or donated to support a specific project.

Does the land bank work with investors?

Yes! The land bank is interested in working with investors, private individuals and community organizations. As long as the person or entity acquiring property agrees to return the property to productive reuse under the terms of our conveyance agreement and/or policy.

Joining the land bank

The land bank is currently open to governments located in Rock Island County, IL. The land bank can expand, pending available resources to support such expansion.

If your community is interested in joining the QCLBA or learning more, please contact Mary Chappell, the Quad Cities Land Bank Program Manager, at 309-524-2043, or at mchappell@moline.il.us

Are there other land banks like QCLBA?

The QCLBA is one of nine Illinois land banks and one of approximately 250 (as of 2021) organized across the United States. QCLBA is organized through an intergovernmental agreement of its members, just like the **South Suburban Land Bank and Development Authority** in the south Chicagoland region, the **Northern Illinois Regional Land Bank Authority** in the greater Rockford area, and the **Central Illinois Land Bank Authority**, and the Two Rivers Land Bank Authority in Vermilion County. Other lands banks in Illinois include **Cook County** and **Lake County**.

For more information on land banks and land banking in general, visit the Center for Community Progress FAQ page found on their website, [FAQ | Center for Community Progress](#)



Work Plan 2023-2033

Vision Statement

The Quad Cities are communities of opportunity, where vacant and abandoned properties are transformed into neighborhood assets.

Mission Statement

The Mission of the Quad Cities Land Bank Authority is to strategically acquire vacant, abandoned, tax delinquent properties, address title liabilities, and facilitate the revitalization of those properties to a productive use consistent with local government plans and priorities.



Quad Cities Land Bank Authority
City of Moline - City of Rock Island - City of East Moline

Goal #1: Financial Stability

Build long-term financial sustainability with diverse funding sources to support ongoing mission

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Build relationships with donors (public/private) to secure major gifts and or grants in alignment with mission.			Ongoing					# of gifts or grants secured. # of donors secured.	Staff and Board	
Develop a budget that sets sustainable targets and reduces operational inefficiencies.			Ongoing					Budget created and monitored	Staff and Board	
Build strong relationships with key city and county departments and state leaders.			Ongoing						Staff	
Prepare annual report that features program activities, property inventory, and financial statements.			Ongoing					Annual Report created	Staff	



Goal #2: Acquire Properties

Strategically acquire properties to facilitate long-term community development.

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Communicate acquisition priorities with the public. Revisit protocols annually.		Ongoing						Maintain information on website and in general marketing.	Board and Staff	
Impact a gradually increasing number of properties in accordance with municipal plans and priorities.		Ongoing						# of purchases based on community plans and priorities.	Board and Staff	
Review properties identified through County Delinquent Tax program.		Ongoing						Secure list and review options.	Board and Staff	County Staff
Evaluate property acquisitions outside of established policies.		Ongoing						Develop list to track other properties.	Board and Staff	
Meet regularly with partners and developers to determine how QCLBA can support project.		Ongoing						# of meetings scheduled.	Staff	Developers, Real Estate Contacts



Goal #3: Prepare Properties

Maintain properties and prepare inventory for sale to the community.

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Maintain database of property assets; include cost to maintain.			Ongoing					Data base developed.	Staff	
Establish efficient processes to acquire and sell properties.			Ongoing					Process and forms created.	Staff	Legal Services
Explore opportunities to maximize GIS database for internal and external use.			Ongoing						Staff	City and County GIS Staff.
Create developer/contractor orientation to review program opportunities.		X						Program created. Orientation held.	Staff	Partner with inspection departments
Promote sustainable practices related to property maintenance.			Ongoing					Provide information on best practices	Staff	Work with vendors, organizations.



Goal #4: Return to Community
 Return properties to the community in alignment with disposition priorities.

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Return properties to the community in accordance with identified priorities.		Ongoing						Number of properties sold in priority areas.	Board and Staff	
Create Communication and Marketing Plan to inform public about the Land Bank Program. Maintain content of all marketing tools.		Ongoing						Plan created. Program content is monitored.	Staff	Augustana Web Guild,
Gather and track data on potential buyer demographics and plans according to priorities.		Ongoing						Data base created.	Staff	
Monitor formerly owned properties' adherence to development plans.		X						Date base created.	Staff	
Explore options for technical assistance or one-stop resources for potential buyers.		Ongoing						Options and Resources identified.	Staff	



Goal #5: Internal Development

Invest in internal development to optimize work and support team engagement.

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Identify team performance standards and implement performance review process.	X							Professional development goals achieved; Staff is retained.	Board and Staff	
Recruit new directors (up to 5) to join board based on area of expertise. <i>Add members with expertise in real estate, finance, community development, urban planning, and housing.</i>	X							New members secured.	Board and Staff	
Identify professional development and training opportunities to support staff and board education and retention.								Training topics identified. Onboarding materials created.	Board and Staff	
Review the organization's mission and vision statements.			X		X			Revisit in years 5 and 10.	Board and Staff	



Goal #6: Diversity Reach

Cultivate community awareness and partner network to strengthen transparency and impact.

Critical Actions	1-2 Years	3-4 Years	5-6 Years	7-8 Years	9-10 Years	Priority	Funding Source	KPI	Lead	Partner
Build relationships with leaders in focal neighborhoods. Develop network of advocates for future board positions.			Ongoing					# of neighborhood meetings held with leaders	Board and Staff	Neighborhood organizations
Make website and other program materials accessible in multiple languages and formats.			Ongoing					Schedule set to review website content	Staff	Augustana Web Guild
Seek partnership opportunities with various organizations/cultural liaisons to identify needs of immigrant and refugee residents.			Ongoing					# of formalized partnerships secured	Staff	Local agencies, school districts.
Represent the Land Bank program at various meetings and forums.			Ongoing					# of presentations completed.	Board and Staff	

10-YEAR PROFORMA - WORKING DOCUMENT, SUBJECT TO CHANGE

REVENUE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Balances/Carryover	\$0.00	\$73,477.01	\$275,839.91	\$285,346.52	\$291,726.03	\$255,037.77	\$228,762.89	\$203,523.15	\$167,188.16	\$144,067.33	\$126,083.98
Member Contributions											
East Moline	\$21,065	\$21,065									
Moline	\$42,364	\$42,364									
Rock Island	\$36,571	\$36,571									
Rock Island County				\$15,445	\$15,445						
Silvis	\$7,367	\$7,367									
Milan	\$4,919	\$4,919									
Grant Proceeds											
IHDA	\$90,070.25										
Other Grants											
Property Sales											
Sale of Property	\$108,000.00	\$132,000.00	\$156,000.00	\$180,000.00	\$204,000.00	\$228,000.00	\$252,000.00	\$276,000.00	\$300,000.00	\$300,000.00	\$300,000.00
Property Donations											
Miscellaneous											
Interest Earned	\$42.24	\$180.00	\$170.00	\$160.00	\$150.00	\$140.00	\$130.00	\$120.00	\$110.00	\$100.00	\$90.00
City of Moline Investment	\$200,000.00										
TOTAL REVENUE	\$111,177.47	\$408,180.00	\$232,170.00	\$262,461.95	\$207,881.18	\$231,871.18	\$248,494.26	\$252,120.00	\$276,110.00	\$300,100.00	\$300,090.00
EXPENSES											
Personnel											
Salary Reimbursement	\$56,102.52	\$109,337.10	\$115,558.39	\$118,352.44	\$121,214.44	\$124,146.06	\$127,149.00	\$130,224.99	\$133,375.83	\$136,603.34	\$139,909.41
Supplies & Materials											
Office Supplies	\$133.96	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00	\$135.00
Travel Expenses											
Training	\$1,332.74	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Misc.	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Continuing Education	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Accounting Software											
Software Membership	\$131.24	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
Debt Service											
City of Moline Reimbursement	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
Property Costs											
Acquisition											
East Moline	\$3,200.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00
Moline	\$4,800.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00
Rock Island	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00	\$6,400.00
Rock Island County				\$1,600.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00
Silvis				\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00
Milan				\$1,600.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00	\$3,200.00
Demolition											
East Moline	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
Moline	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rock Island	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rock Island County				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Silvis				\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00
Milan				\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00
Professional Services											
Legal Services	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Property Maintenance											
Mowing	\$5,650.00	\$7,150.00	\$8,450.00	\$9,750.00	\$11,050.00	\$12,350.00	\$13,650.00	\$14,950.00	\$16,250.00	\$17,550.00	\$18,850.00
Trees	\$11,250.00	\$13,750.00	\$16,250.00	\$18,750.00	\$21,250.00	\$23,750.00	\$26,250.00	\$28,750.00	\$31,250.00	\$33,750.00	\$36,250.00
Cleaning/Securing	\$13,500.00	\$16,500.00	\$19,500.00	\$22,500.00	\$25,500.00	\$28,500.00	\$31,500.00	\$34,500.00	\$37,500.00	\$40,500.00	\$43,500.00
Insurance											
Milan	\$2,700.00	\$3,300.00	\$3,900.00	\$4,500.00	\$5,100.00	\$5,700.00	\$6,300.00	\$6,900.00	\$7,500.00	\$8,100.00	\$8,700.00
Miscellaneous											
Marketing	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00
Vehicle Expense	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00	\$525.00
TOTAL EXPENSES	\$ 37,700.46	\$ 206,817.10	\$222,643.39	\$236,082.44	\$244,639.44	\$258,126.06	\$276,754.00	\$285,454.99	\$299,220.83	\$318,083.34	\$316,414.41
NET INCOME CURRENT YEAR	\$ 73,477.01	\$ 202,362.90	\$ 9,526.61	\$ 4,379.51	\$ (36,758.26)	\$ (26,254.88)	\$ (28,259.74)	\$ (33,334.99)	\$ (23,120.83)	\$ (17,983.34)	\$ (16,324.41)
ENDING BALANCE	\$73,477.01	\$275,839.91	\$285,346.52	\$291,726.03	\$255,037.77	\$228,762.89	\$203,523.15	\$167,188.16	\$144,067.33	\$126,083.98	\$109,759.57