

Land Bank- San Diego

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City/County Reinvestment Task Force

a catalyst for economic progress

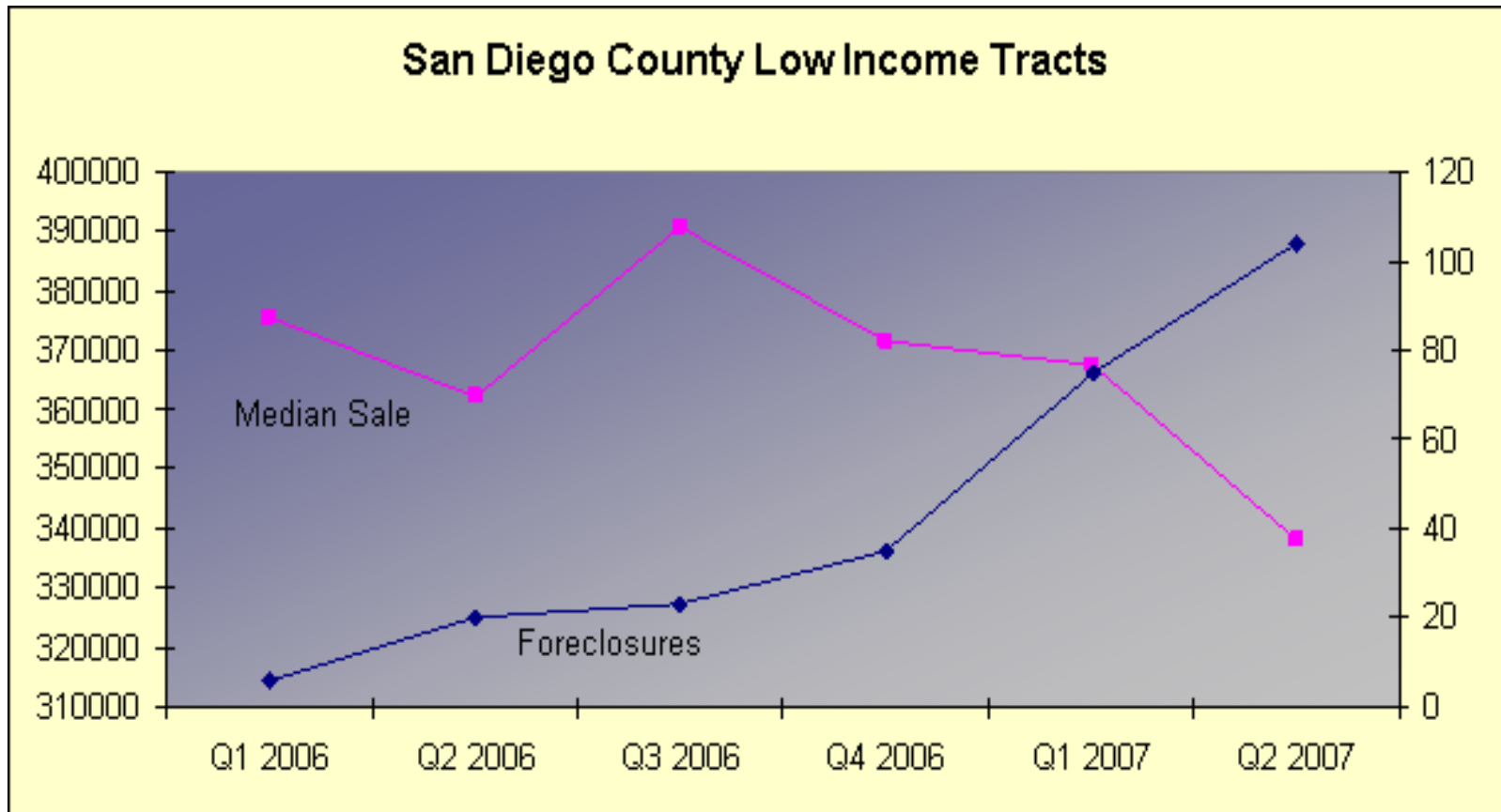


CITY-COUNTY REINVESTMENT TASK FORCE

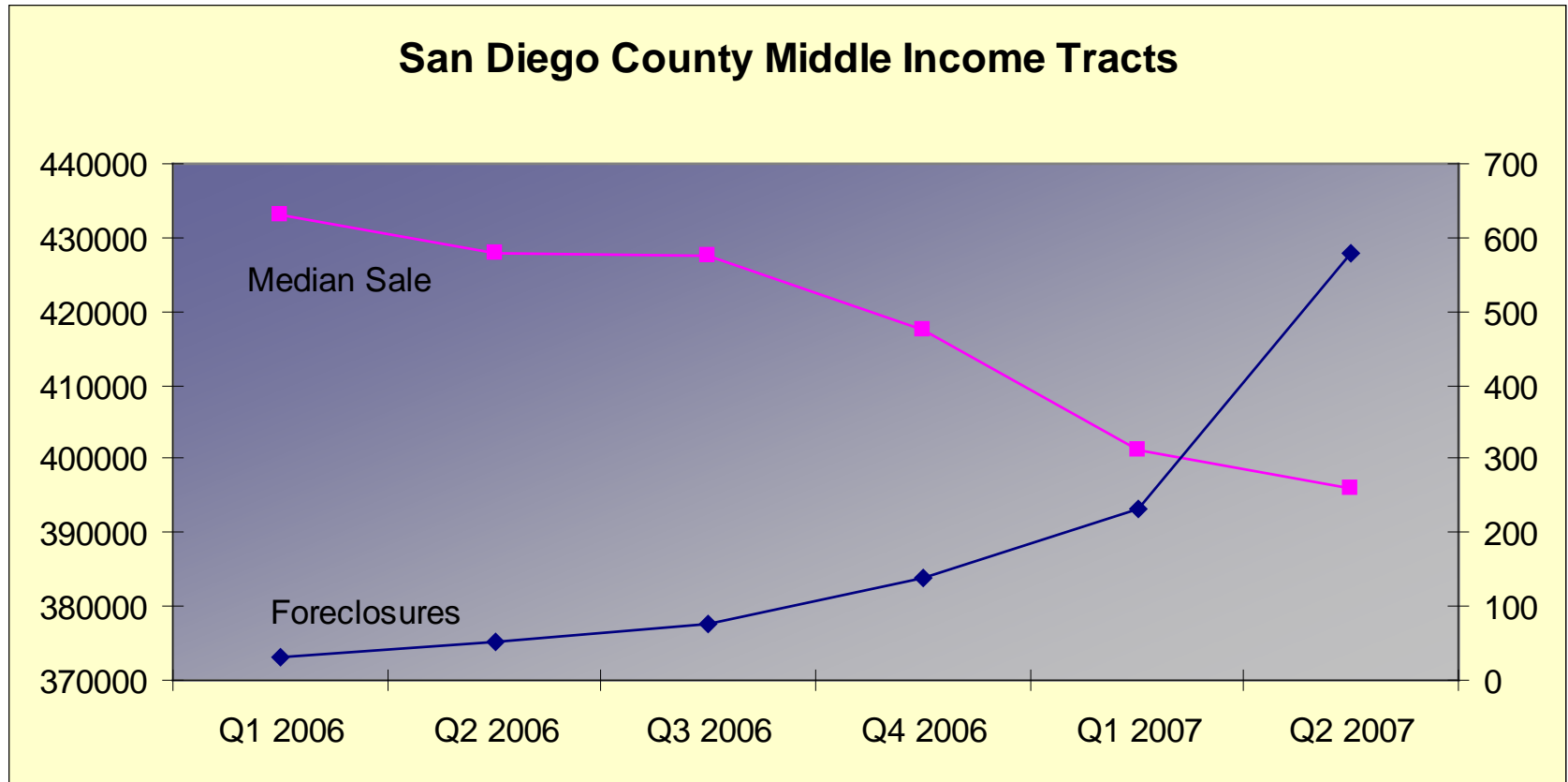
Current Conditions

- There is a need for affordable housing not being met by available funding.
- High foreclosures in low-mod neighborhoods, inhibit stability and escalate decline.
- Foreclosures increase relative to equity decrease.
- Purchases at the bottom of the market stabilizes the market.
- Federal laws establish a national fund (\$3.5) for local land banks.
- Hedge funds purchases at reduced rates do not fully contribute to neighborhood economic stability and may prolong market instability.

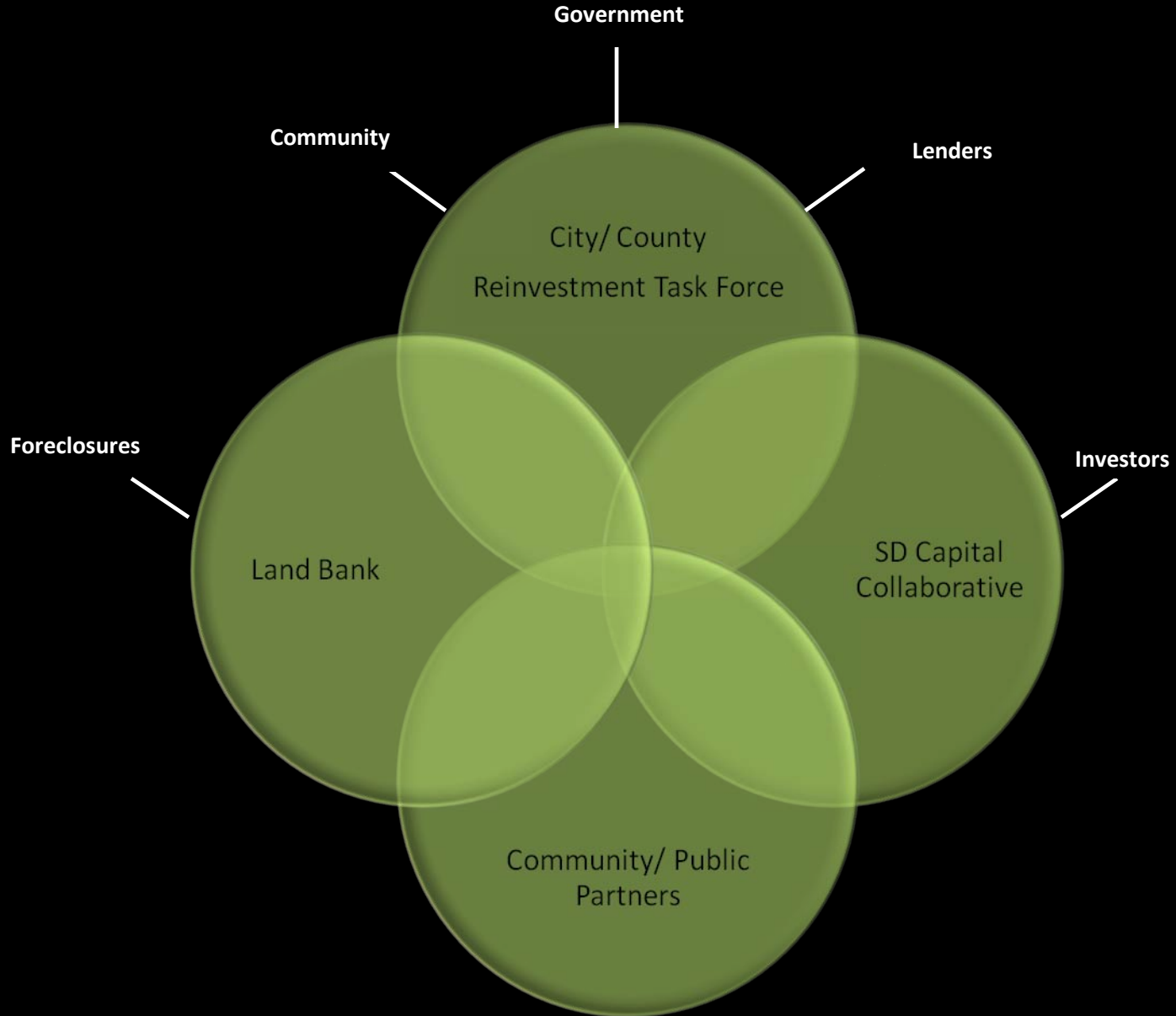
Low Income



Middle Income



San Diego Structure



Structural Characteristics

- Oriented to large scale acquisition with discount creating affordability
- Established for response to foreclosure environment with long term Land Trust as permanent entity
- Funded largely by private investment offering measured return with public and foundation subsidies;
- Linked to community organizations for rehabilitation, down payment assistance as well as maintaining long term affordability;
- Likely quasi public non-profit with for profit subsidiary;
- Ongoing partnership with for profit sub contractors for acquisition property identification, rehabilitation, management and financing;

Getting Ready- Organizational Response

- Data to Identify
 - Volume
 - Geography
 - Ownership
 - Value
- Assess Multi-level Response Capability
 - Foreclosure counseling
 - Homebuyer programs/ pre-qualification strategy
 - Rehabilitation resources (non-profit/ public/ private)
 - Funding opportunities

Getting Ready- Organizational Response

- Assemble stake holders to plan strategy, scale and targeting
 - Multi-level Response
 - Community
 - City
 - Region
- Stabilize Organizational Structure
 - Public/ private/ community overlay
- Identify production capability
 - Acquisition
 - Appraisal
 - Rehabilitation
 - Resale

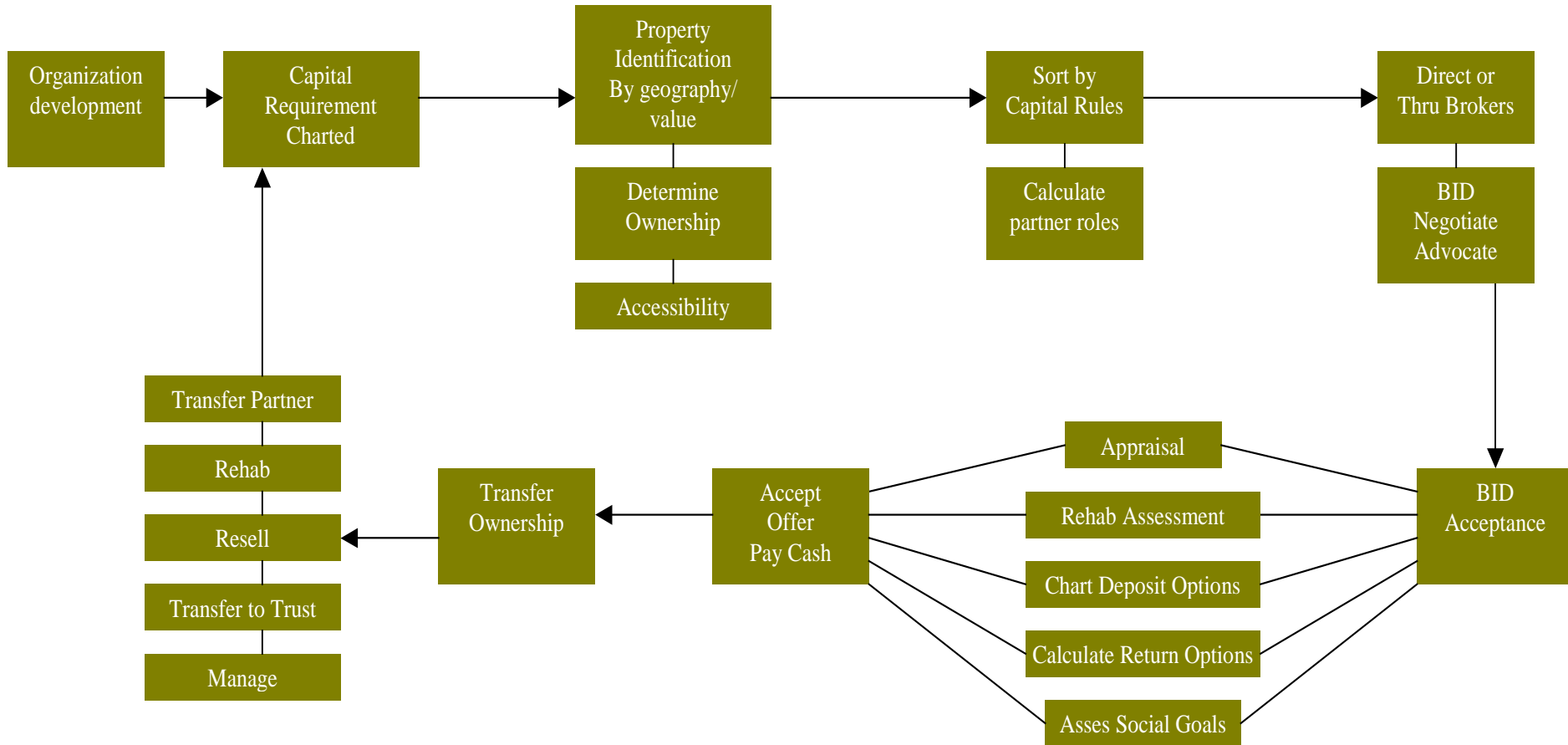
Getting Ready- Organizational Response

- Implement funding actions/ commitments
 - Public
 - Bonds
 - Redevelopment
 - CRA Investments
 - State/ Federal funds
 - New Market Tax Credits
 - Grants
 - Private
 - Program Related Investments
 - Pension funds (linked to homebuyers)
 - Private Investors

Getting Ready- Organizational Response

- Pursue Discounted Acquisitions
 - Brokers
 - Agents pre trained on priorities
 - Lenders
 - Government Secondary Markets
 - Advocacy

Structure



Lender

Incentives / Benefits

- Assist in maintaining value of non foreclosed properties in high concentration markets;
- Potential tax benefits from property transfer to non-profit organization;
- Potential for back end new home buyer lending;
- CRA investment opportunity with reasonable return;
- Removal of foreclosed properties from balance sheets as non-performing loans;
- Reduction of cash reserve obligations related to foreclosed properties;

Evaluation

- Tracking sales prices, property values, and sales volume
- Diversification of exit outcomes related to return
- Assessment of process (acquisition, preparation and distribution)
- Achievement of socio-economic benefits (jobs, improved units, homeownership, etc)