

SOLVING ST. LOUIS' VACANCY CHALLENGE

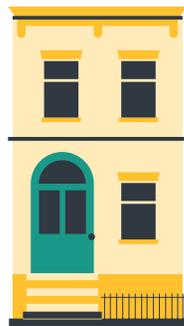
FUNDING RECOMMENDATIONS TO INCREASE LOCAL CAPACITY



BACKGROUND

Since 2018, the St. Louis Vacancy Collaborative has assembled diverse stakeholders to support and advocate for effective solutions to vacancy and property abandonment. Our City has a robust set of tools to reduce vacant and abandoned property, but to be effective the tools require coordinated efforts from the public and private sectors. A combination of public and private funding will enable us to ramp up our capacity to return vacant properties to productive reuse.

OVER 10,000
VACANT
BUILDINGS



HIGH VACANCY LEADS TO:

- ^ INCREASED CRIME
- v DECREASED PROPERTY VALUES
- v SMALLER TAX BASE
- v DECLINING HEALTH OF NEIGHBORHOOD RESIDENTS

OVER 14,000
VACANT LOTS



THE ROOT CAUSES ARE COMPLEX AND ENTANGLED WITH THE CITY'S LEGACY OF **RACISM, SEGREGATION, AND DISINVESTMENT.**

THE OPPORTUNITY

NFL settlement proceeds and American Rescue Plan Act (ARPA) funds present a once in a generation opportunity to address our vacancy challenge and make a lasting impact.

Additional private funding will enable the City to maximize its impact. **The St. Louis Vacancy Collaborative recommends our public and private partners invest these funds as follows to reduce vacancy by one half over the next 5 years.**

COMMUNITY PARTNERS

Community partners are critical in helping the City address vacancy by providing resident engagement and data informed decisions. The vacancy challenge is beyond the ability of a single agency or sector to address on its own, and sustained collaboration is essential.

DATA COORDINATOR

\$70K/YR

Through volunteers, the St. Louis Vacancy Collaborative has created the St. Louis Vacancy Explorer (www.stlvacancytools.com). Maintaining and improving the functionality of this portal will provide the City the data needed to effectively combat vacancy, whether through strategic code enforcement, targeted demolitions, or prioritization of vacant properties for special tax sales. Funding for a full-time data coordinator would help the City and community partners make data-informed decisions.

OUTREACH, COLLABORATION, & FACILITATION

\$200K/YR

The St. Louis Vacancy Collaborative has grown into a centralized hub for connecting the private and public sectors to solve the vacancy challenge. Sustained funding for the St. Louis Vacancy Collaborative to continue facilitating engagement, collaboration, and concrete solutions is essential to solving the problem.

MAYOR'S OFFICE

EXECUTIVE VACANCY MANAGER

\$100K/YR

A meaningful response to the City's vacancy challenge requires ongoing inter-department coordination and engagement with private, for-profit, nonprofit, and philanthropic partners. The Mayor's Office should create a position dedicated to vacancy within the executive branch to ensure accountability and maintain cross-sector engagement.

BUILDING DIVISION

BUILDING STABILIZATION FUND

\$7 MILLION/YR

Many of the City's privately owned vacant buildings can be returned to productive use. The City should increase efforts to stabilize and secure salvageable privately owned vacant buildings.

LOT MAINTENANCE

\$12 MILLION/YR

Studies show that a relatively modest investment in the maintenance of vacant lots can reduce crime and prevent future vacancies.

DEDICATED INSPECTORS & TRAINING

\$920K/YR

Code enforcement is the front line against vacancy. The Building Division should transition from complaint-based code enforcement to proactive and strategic enforcement with inspectors dedicated solely on vacant buildings. In addition to dedicated inspectors, additional resources need to be allocated to assist the Building Division in identifying and locating owners of vacant buildings for enforcement, either through administrative citations or court enforcement. New Building Division staff must be quickly and effectively onboarded and provided with initial training. Funds should also be dedicated to support ongoing training for staff.

DEMOLITION & DECONSTRUCTION

\$11.5 MILLION/YR

A large number of the City's 10,000 vacant buildings are likely unsalvageable. Hazardous structures require demolition at a cost of \$15,000 per building, while less hazardous structures can be deconstructed, stored, and made available for local reuse at a cost of at least \$25,000 per building. The City should budget to demolish at least 600 buildings a year and deconstruct 100 buildings each year for the next five years.

PROJECT MANAGEMENT

\$300K/YR

The City must also fund the staffing and technology needed to oversee and support these investments.

PLANNING & REDEVELOPMENT AGENCIES

LAND REUTILIZATION AUTHORITY (LRA)

\$1.1 MILLION/YR

LRA is one of the most underfunded land bank agencies in the country. A 2017 assessment of the LRA concluded that staffing be at least tripled and that the following positions be created within the LRA to increase its effectiveness: Director of Strategy; Marketing and Communications Director; Community Engagement Coordinator; Greening Coordinator (housed at either LRA or in PDA). Funds should also be allocated for legal assistance to quiet title to LRA-owned property.

DATA COORDINATOR

\$250K/YR

To effectively manage vacant properties and strategically apply the interventions described above, funding and staff are needed for data collection and analysis.

STABILIZATION FUNDING (PROP NS)

\$6.3 MILLION/YR

Currently \$6 million a year is available to stabilize LRA-owned vacant properties. This amount needs to be doubled per structure to truly make an impact and stabilize LRA's existing inventory. The City must also fund the staffing and technology needed to oversee and support these investments.

RESIDENTIAL RENOVATION LOAN COMMISSION (RRLC)

\$85K/YR

Existing law allows the City to siphon off tax delinquent properties from public auction for redevelopment purposes. This existing vehicle should be activated by appointing a board and adding a dedicated staff person to help the City strategically acquire vacant foreclosed properties for redevelopment.

PLANNING AND DESIGN AGENCY (PDA)

\$700K/YR

PDA plays an essential role in coordination between City agencies, neighborhood planning, and public engagement. PDA should facilitate the City's collaboration with neighborhoods to set demolition and deconstruction priorities that ensure the City's vacancy interventions reflect the input and vision of existing residents, public feedback, and available data. In addition, PDA should support and facilitate neighborhood organizing efforts that are foundational to building stronger neighborhoods equipped to take collective action on neighborhood issues such as vacancy and abandonment.

JUDICIAL REMEDIES

When administrative code enforcement fails to compel action, court intervention is necessary. Court action need not be overly punitive, but must be determinative and compel owners to sell, donate, demolish, or repair vacant properties.

CITY-INITIATED LEGAL INTERVENTIONS

\$700K/YR

The Law Department's Problem Properties Division needs to be bolstered to support the Building Division through municipal and circuit court interventions. Fines and fees against non-compliant and absentee owners should be sent for collection as taxes on an annual basis and their foreclosure expedited through a reinstated annual special tax sale for vacant properties. Problem Properties' involvement is critical to reviving the special tax sale and enforcing the building code through court intervention when administrative citations are ineffective.

NEIGHBORHOOD-INITIATED LEGAL INTERVENTIONS

\$700K/YR

For vacant properties where owners block foreclosure through minimum payments of fines, fees, and taxes, other legal remedies must be deployed. Section 82.1026, RSMo, should be amended to enable the Board of Alderman to create a forced-sale receivership process. Until then, funding private, neighborhood-initiated legal interventions under Missouri's Abandoned Housing Act, Receivership, and Nuisance laws supplement existing enforcement actions.

CONCLUSION

These interventions, if funded consistently for five years, would help the City reduce the number of vacant and abandoned buildings by half - an outcome which should be a stated goal of the administration. In addition, the City should continue to fully fund the following vacancy prevention strategies at or above existing levels: home repair, foreclosure assistance, and basic estate planning.

FUNDING SUMMARY

Public data coordination	\$70,000
Outreach, collaboration, facilitation	\$200,000
Executive position	\$100,000
Stabilization of privately owned vacant buildings	\$7,000,000
Lot stabilization	\$12,000,000
Vacant building inspectors	\$920,000
Demo and deconstruction	\$11,500,000
Tech & staff support	\$300,000
LRA staffing	\$1,100,000
City data coordination	\$250,000
Supplemental Prop. NS	\$6,300,000
RRLC	\$85,000
PDA	\$700,000
City-initiated legal interventions	\$700,000
Neighborhood-initiated legal interventions	\$700,000
PER YEAR TOTAL	\$41,925,000
5 YEAR TOTAL	\$209,625,000

*** Rough estimates