



BALL BROTHERS FOUNDATION

Q&A with Muncie Land Bank

In 2018, Ball State University Professor John West, who had been working with the City of Muncie to start a land bank under new State legislation, approached Ball Brothers Foundation for assistance in making the new institution as effective as possible. West, along with collaborators Zane Bishop, Brad King and Heather Williams had worked together to learn about best practices. The challenge was to make it happen in Muncie. The proposed Land Bank would acquire, maintain, and dispose of abandoned property. In turn this work would improve public safety, put properties back on the tax roll, and contribute to neighborhood renewal. In 2019, Ball Brothers Foundation provided a seed grant which allowed a small group of committed community members and Ball State University students to explore how land banks got started, and how they functioned in other Midwestern cities like Cleveland, Toledo, and Flint. Funding also allowed the team to hire consultants affiliated with one of the country's leading land banks to help establish policies and procedures necessary to get the Muncie Land Bank off to a strong start.

Five years later, the Muncie Land Bank is doing just what it envisioned—and more. It is now a 501(c)(3) nonprofit organization staffed by two professionals who work tirelessly to acquire abandoned and blighted property, preserve it, and provide it to the public for strategic redevelopment.

Check out our latest Q&A with Muncie Land Bank's Executive Director, Nate Howard, to learn more:

HOW BIG OF A PROBLEM IS ABANDONED AND BLIGHTED PROPERTY IN MUNCIE? CAN YOU GIVE US A SENSE OF THE SCALE AND SCOPE OF THE ISSUE?

As of 2017, there were approximately 2400 vacant lots, 1300 vacant structures, and 750 blighted structures in Muncie.¹ The external costs of vacant, abandoned and deteriorating (VAD) properties are far reaching and occur across a number of categories:

- Decreased property values of adjacent properties
- Decreased property tax revenues from nonpayment of taxes
- Decreased property tax revenues from declining property values of adjacent properties
- Increased costs of police and public safety for surveillance and response
- Increased incidence of arson resulting in higher costs of fire prevention
- Increased costs of local government code enforcement activities
- Increased costs of judicial actions

VAD properties cost Muncie and Delaware County approximately \$2.3 million in lost tax revenue per year. The City of Muncie pays for the effects of vacant properties through code enforcement and public safety. Residents of Muncie also pay because the value of land around abandoned property is depressed by an estimated \$66 million dollars.

¹<https://scoutmuncie.wordpress.com/>



Muncie Land Bank Executive Director Nate Howard, speaking

*Up to date data collection about housing conditions is a major challenge for the City of Muncie. The Muncie Land Bank (MLB) is in the process of creating an internal system that better tracks real numbers about vacant, abandoned and deteriorating properties. We consider being a repository of data related to housing as one of our important roles in Muncie.

HELP US UNDERSTAND THE MECHANICS OF HOW THIS WORKS—HOW DOES A PROPERTY END UP AT THE LAND BANK? AND WHAT DOES THE LAND BANK ULTIMATELY DO WITH THE PROPERTY IT ACQUIRES?

The MLB is a non-profit organization that specializes in the conversion of vacant, abandoned and deteriorating properties

into productive use. The properties we acquire are distressed properties, many of them tax delinquent and encumbered, that have been rejected by the open market and left as growing liabilities for Muncie neighborhoods and communities. The first task is the acquisition of title to such properties. Most of the properties acquired by the MLB since its inception in 2017 have been via interlocal governmental agreements with the Muncie Redevelopment Commission and the Delaware County Commissioners, and as donations from Habitat for Humanity. We have also received a handful of properties as donations from individuals, and in some cases have purchased distressed properties in the marketplace.

Second, upon acquisition, the MLB manages, maintains and works to clear liens and encumbrances on these properties. We secure and mow them, address any safety issues, and prevent further deterioration. We also negotiate with lienholders to reduce or remove outstanding debts, satisfy liens through payment when necessary, or pursue legal actions to clear titles.

The third task is to find appropriate and sustainable reuses for the acquired properties. We transfer or sell properties without the burden of existing liabilities, to local developers, community organizations, or individuals that rehabilitate or repurpose the land and/or houses. Additionally, we are in the process of assembling clusters of abandoned houses and vacant land to facilitate medium-scale development projects with an emphasis on salvaging Muncie's housing stock and creating affordable housing opportunities.



HOW MANY PROPERTIES DOES THE LAND BANK DEAL WITH OVER THE COURSE OF A YEAR?

In all, the MLB has acquired 71 properties and sold 51.

In 2021, the MLB acquired 55 properties and sold 32.

In 2022, the MLB acquired 14 properties and sold 13.

Currently our property inventory is at 20, 10 of which are available to the public for purchase, while the other 10 we are holding for identified end users via special agreements.

WHAT IS A TYPICAL DAY LIKE FOR THE STAFF OF THE LAND BANK?

The Muncie Land Bank staff is a team of two: Nate Howard, the Executive Director, and Joe Fillenwarth, Data and Inventory Manager. Nate and Joe work as a team. Nate spends about half his time in the office doing the typical things that an ED does to run an organization. The other half of his time is spent out of the office engaging the community, building partnerships and maintaining relationships with local leaders. Joe's day is filled with all the many tasks that the acquisition, maintenance, stabilization and transfer of property requires. Additionally, as an Urban Planner, he spends time collecting, managing and analyzing data, researching potential properties, conducting site visits, and evaluating their condition and potential for redevelopment or revitalization.

The heart of the MLB is its distinguished and committed Board of Directors. In addition to providing strategic direction, oversees financial and operational matters, ensures legal compliance, and represents the land bank in the community, it has been their collective expertise and willingness to get their hands dirty that has helped the MLB get to where it is today.

SINCE THE LAND BANK WAS ESTABLISHED, WHAT HAVE BEEN SOME OF THE GREATEST "WINS"?

- The unconditional support from the Ball Brothers Foundation – since the beginning until now.
- Through an interlocal agreement, the MLB acquired 36 vacant lots from the Muncie Redevelopment Commission in 2021.
- The MLB acquired its first eight properties with structures in 2022 (seven from the Delaware County Commissioners and one from the Summer Deed Sale). Four of those properties were sold to Muncie residents that are currently being rehabilitated, two will be transferred to local non-profits for rehab development in the fall of this year, and two were demolished at the beginning of this year.

- In 2021, the MLB entered an interlocal agreement with the Muncie Building Commissioner, that allows us to clear liens for 10% of their full amount.
- Muncie is one of ten municipalities across three states that have been selected to send a delegation to the 2023 Vacant Property Leadership Institute (VPLI). VPLI is a training program that equips leaders with the skills to address vacant, abandoned, and deteriorated properties for the benefit of their communities. The delegation from Muncie includes representation from local government, the non-profit sector, Ball State University, and local community leadership. Participating in the VPLI, provides key decision-makers in Muncie to learn about new solutions that address the root causes of vacant, abandoned, and other problem properties. Cities were selected through a competitive application process that the MLB spearheaded. At the in-person training November 7-10 in Austin, Texas, the Muncie delegation will receive hands-on training from top experts on urban policy and equitable community revitalization.
- Just this past week, the MLB entered into a formal partnership with Intend Indiana to do medium-scale mixed income housing development in Muncie. Via access to funding from the US Treasury, more than 1 million dollars of investment could flow into the Muncie community.
- Since October of 2022, the MLB has been facilitating what we call our “First Friday – Property Abandonment and Housing Development Meeting”. As the name indicates we meet the First Friday of each month (from 12:30 to 2pm) to talk about the issues of blight and housing development in the City of Muncie. The meeting is open to the public and has been well attended by a mix of for-profit developers, non-profit leaders, government officials, academics, and other concerned community members. The smaller aim of the First Friday meeting is to expose individuals and organizations to new and innovative models that address the challenges of vacant, abandoned, or deteriorated properties. The larger, long-term aim is to create a space where Muncie folk can have open dialogue about their assumptions and biases, can be vulnerable and listen to one another, can let go of prescribed agendas, and in doing so, discover what is really needed and possible.

HOW DID YOUR PERSONAL AND PROFESSIONAL BACKGROUND PREPARE YOU TO MANAGE THE MUNCIE LAND BANK?

My almost twenty years in Latin America, working in some pretty challenging contexts – slums surrounding megacities, rural areas with no road access, lots of pretty much abandoned and forgotten places – taught me much about the importance of land, housing, and access to it, the necessity of creating mechanisms that seek the common good over private gain and the power of solidarity. In Latin America, though the projects varied, the catch all for the work that I was involved in was collaborative development. Processes that require some type of collaborative, collective effort, a community effort, are challenging. For that reason, I think many of us, individuals and organizations, tend to steer clear from too much collaboration. Nevertheless, there are certain problems that can only be solved through working together. They are either so big, or so complicated, that multiple stakeholders have to be involved if one wants to seriously address them. Like it is in so many other cities in the Rust Belt, blight in Muncie is that kind of a problem. My experience in Latin America learning to facilitate collaboration between folks from different sectors of society with different perspectives, differing amounts of resources and different goals, informs greatly my work with the Muncie Land Bank.

Though I was away for many years, I maintained many longstanding relationships with people and organizations working to make Muncie a better place. Those relationships, in addition to my familiarity with Muncie culture as one of her sons, have helped me greatly in my new role at the MLB.



Ball Brothers Foundation