

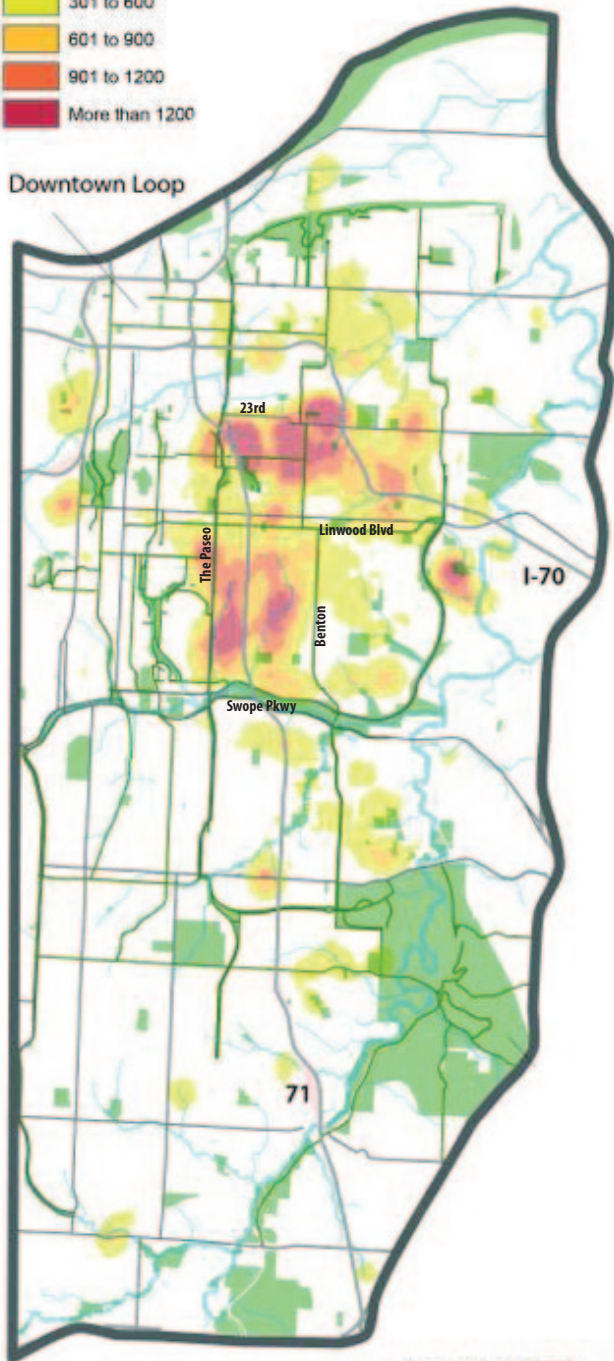
LINC Commission Meeting

July 21, 2014

Vacant Parcels per Square Mile



Downtown Loop



Department of ARCHITECTURE
URBAN PLANNING - DESIGN
UMKC



Looking At Kansas City's Vacant Land As Opportunity.

We take a closer look at post-foreclosure and the impact of vacant lots in our community.



Local Investment Commission (LINC) Vision

Our Shared Vision

A caring community that builds on its strengths to provide meaningful opportunities for children, families and individuals to achieve self-sufficiency, attain their highest potential, and contribute to the public good.

Our Mission

To provide leadership and influence to engage the Kansas City Community in creating the best service delivery system to support and strengthen children, families and individuals, holding that system accountable, and changing public attitudes towards the system.

Our Guiding Principles

1. **COMPREHENSIVENESS:** Provide ready access to a full array of effective services.
2. **PREVENTION:** Emphasize “front-end” services that enhance development and prevent problems, rather than “back-end” crisis intervention.
3. **OUTCOMES:** Measure system performance by improved outcomes for children and families, not simply by the number and kind of services delivered.
4. **INTENSITY:** Offering services to the needed degree and in the appropriate time.
5. **PARTICIPANT INVOLVEMENT:** Use the needs, concerns, and opinions of individuals who use the service delivery system to drive improvements in the operation of the system.
6. **NEIGHBORHOODS:** Decentralize services to the places where people live, wherever appropriate, and utilize services to strengthen neighborhood capacity.
7. **FLEXIBILITY AND RESPONSIVENESS:** Create a delivery system, including programs and reimbursement mechanisms, that are sufficiently flexible and adaptable to respond to the full spectrum of child, family and individual needs.
8. **COLLABORATION:** Connect public, private and community resources to create an integrated service delivery system.
9. **STRONG FAMILIES:** Work to strengthen families, especially the capacity of parents to support and nurture the development of their children.
10. **RESPECT AND DIGNITY:** Treat families, and the staff who work with them, in a respectful and dignified manner.
11. **INTERDEPENDENCE/MUTUAL RESPONSIBILITY:** Balance the need for individuals to be accountable and responsible with the obligation of community to enhance the welfare of all citizens.
12. **CULTURAL COMPETENCY:** Demonstrate the belief that diversity in the historical, cultural, religious and spiritual values of different groups is a source of great strength.
13. **CREATIVITY:** Encourage and allow participants and staff to think and act innovatively, to take risks, and to learn from their experiences and mistakes.
14. **COMPASSION:** Display an unconditional regard and a caring, non-judgmental attitude toward participants that recognizes their strengths and empowers them to meet their own needs.
15. **HONESTY:** Encourage and allow honesty among all people in the system.



Monday, July 21, 2014 | 4 – 6 pm
Kauffman Foundation
4801 Rockhill Rd.
Kansas City, Mo. 64110

Agenda

- I. Welcome and Announcements
- II. Approvals
 - a. **June minutes (motion)**
- III. Superintendent's Report
- IV. LINC Summer Update
- V. Kansas City, Mo. Vacant Properties
- VI. School lunch program
 - a. Community Eligibility Provision
 - b. Parent fees out-of-school time
- VII. Other
- VIII. Adjournment

There is no LINC Commission meeting scheduled for August



THE LOCAL INVESTMENT COMMISSION – JUNE 19, 2014

The Local Investment Commission met at the Kauffman Foundation, 4801 Rockhill Rd., Kansas City, Mo. **Jack Craft** presided. Commissioners attending were:

Bert Berkley
Sharon Cheers
Aaron Deacon
Herb Freeman
Rob Givens

Bart Hakan
Tom Lewin
Sandy Mayer
David Ross

Marge Randle, Missouri Family Support Division, introduced **Reggie McElhannon**, Missouri Department of Social Services, who will be assisting in FSD's statewide implementation of Family Resource Centers.

Craft introduced **Eileen Weir**, Mayor of Independence, Mo.

LINC Community Organizer introduced members of the Truman High School and Pioneer Ridge Middle School Caring Communities site council. **Vickie Brock** reported on site council efforts to develop and expand a student service club.

A slide show LINC produced in honor of Center School District superintendent **Bob Bartman** was shown. Bartman is retiring as superintendent this summer but will continue to work with LINC as director of the Education Policy Forum Program.

A motion to approve the May 19, 2014, LINC Commission meeting minutes was passed unanimously.

Superintendents' Report

- **John Tramel** (Director of Family Services, Independence School District) reported 7,800 students are enrolled in the district summer school program. Start times this fall will be adjusted so that all students will be in school the same number of minutes while pick-up/drop-off times can be better coordinated.
- **Ralph Teran** (Superintendent, Grandview School District) reported 600-700 students are enrolled in the district summer school program. Over the summer teachers are preparing for fall by benchmarking curriculum to Common Core standards.
- **Gayle Wood** (Before & After School Liaison, Hickman Mills School District) reported the district is preparing for expansion of its pre-K program by getting building space ready and hiring teachers. LINC Caring Communities staff will be supporting the expanded program.
- **Terry Ward** (School Board Member, North Kansas City School District) reported 8,600 students are attending the district summer school program, and 900 teachers will be attending a voluntary teacher training. The district is monitoring possible consequences, including withholding of education funding, of state income tax cuts passed by the Missouri legislature.
- **Gayden Carruth** (Executive Director, Cooperating School Districts of Greater Kansas City) reported on possible outcomes for 25 students in the Kansas City Public Schools who have requested transfers. Should the district regain accreditation, the basis for the transfer requests be removed.

Bill Dent, Missouri Family and Community Trust (FACT) director, reported FACT will be the new representative in Missouri for the Annie E. Casey Foundation's Kids Count initiative. Dent gave a

presentation on the new role, which is aligned with FACT's history, scope, infrastructure, mission, leadership and sustainability. FACT Kids Count coordinator **Laurie Hines** outlined the next steps, which include meeting with state agency directors, collecting and analyzing data, building a website, and collecting success stories. For LINC, the effort will be an opportunity to develop a new data agenda with school districts, city government, and nonprofits.

A video on the LINC summer school program in the Kansas City Public Schools was shown. Meeting the request for a summer school program required flexibility, responsiveness, and the ability to develop new processes including hiring of certified teachers. Discussion followed.

Lucinda Noches Talbert of Healthy Kids KC reported on a partnership with LINC to promote healthy lifestyles in two Kansas City, Mo., communities: Historic East Neighborhoods Coalition and Marlborough Community Coalition. An \$86,000 grant by the Health Care Foundation of Greater Kansas City (HCF) will support efforts to improve access to affordable fresh food and advocate for policy and environmental changes in the two neighborhoods.

LINCWorks director **Tom Jakopchek** reported the work participation rate of Temporary Assistance for Needy Families clients has declined in recent months across the state, including the Kansas City area, while total caseloads also are on the decline.

A video on a June 18 reading event at Crispus Attucks Elementary School was shown. Kansas City Mayor **Sly James** read to the students at the event, which was organized by Turn the Page KC and supported by LINC.

Sharon Cheers reported on community support for North Kansas City School District student **Charles Askew** in his efforts to develop as a pianist. The story was featured in the Kansas City *Star* on June 14.

The meeting was adjourned.



Looking At Kansas City's Vacant Land As Opportunity

By [Laura Spencer](#)



Vacant lots are a problem for cities across the country. They're costly for city budgets, as the lots have to be mowed and cleared of trash. For neighborhood residents, they can affect quality of life, and decrease property values.

There are thousands of vacant lots in Kansas City, Mo., including at least 3,000 parcels in the city's [Land Bank](#), and most of them are located east of Troost Avenue. A team of University of Missouri-Kansas City students spent the semester investigating vacancy and mapping out creative solutions.

Visualizing vacancy

Jacob Wagner, associate professor in the Architecture, Urban Planning & Design department at UMKC, says he asked his students to reframe vacancy, and take a look at vacant lots as an asset or opportunity.

"The students are young, they're creative, so put them on the hardest problem out there, which is what do you do with all this vacant land," says Wagner, who also serves on the Environment Management Commission's vacant lot task force.

This semester, about a dozen seniors in Wagner's urban planning and design studio class, co-taught by Daniel Dermitzel, were given a task: to focus on the thousands of parcels of vacant land, predominantly in Kansas City's urban core.

"Most of the vacancies that we've found have been east of Troost and north of Brush Creek and basically from about 18th Street south, running east to the Blue River," says Wagner.

Rather than looking at one lot or one neighborhood at a time, the students took what's called a systems approach. They collected data and mapped it to come up with ideas for creative re-use.

Making a new design

The senior studio is in a large room in Katz Hall on the UMKC campus. It looks like you might expect in the final weeks of a semester: water bottles and coffee mugs, papers and maps, all strewn across tables.

Kerri Kneller stands next to a colorful map, pinned to a cork board. Blocks of red trace major roads, and large swaths of green show new infrastructure.

"This is the Blue River, Country Fingers district," Kneller says. "The idea behind it is these green spaces connect through the urban spaces and form fingers, country fingers, that go through the urban space."

There's a food forest and an urban orchard, and a focus on restoring natural systems, such as the city's streams, through the use of vacant land. The students focused on two major ideas: re-building density and urbanism, and enhancing ecosystems.

Sean Partain, also a senior, says there's a clear connection between urban planning and ecology.

"We often use terms that are derived from ecology or botany – like blight, it's a disease that infests plants, but we use it to define the urban realm," says Partain. "Because the patterns are similar in many instances."

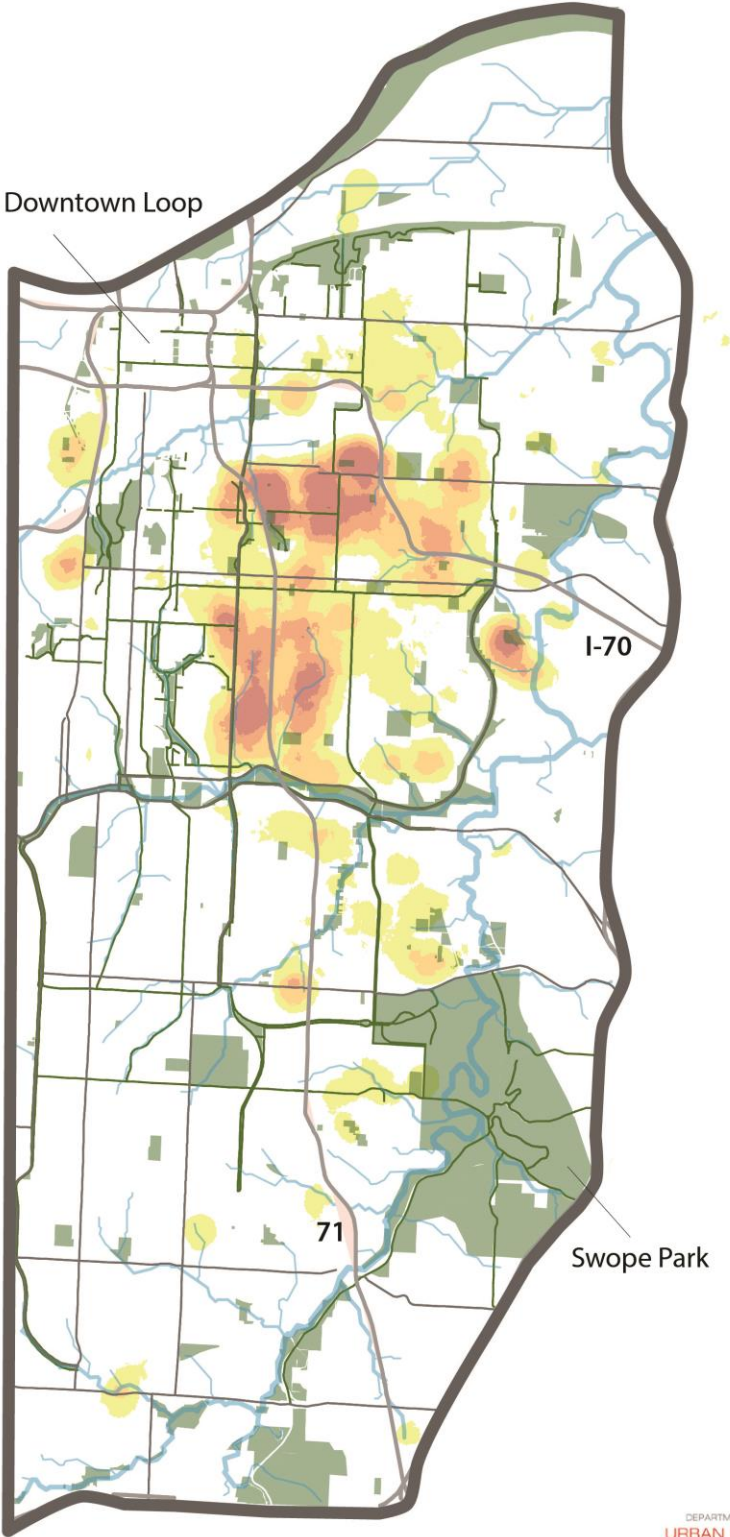
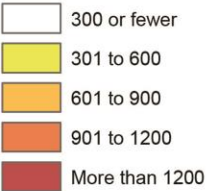
From ideas to implementation

The students' maps lined the walls in April at [Front/Space](#), a small gallery with a bank of windows along 18th Street in the Crossroads Arts District. This spring and summer, the space is hosting monthly exhibitions, including two more about vacancy from artists' perspectives, leading up to a publication called [The Civilian](#).

"It's supposed to be a unified term for civically engaged people, community organizers, and artists that are choosing to, or have been interested in filling in the gaps," says co-director Kent Szlauderbach.

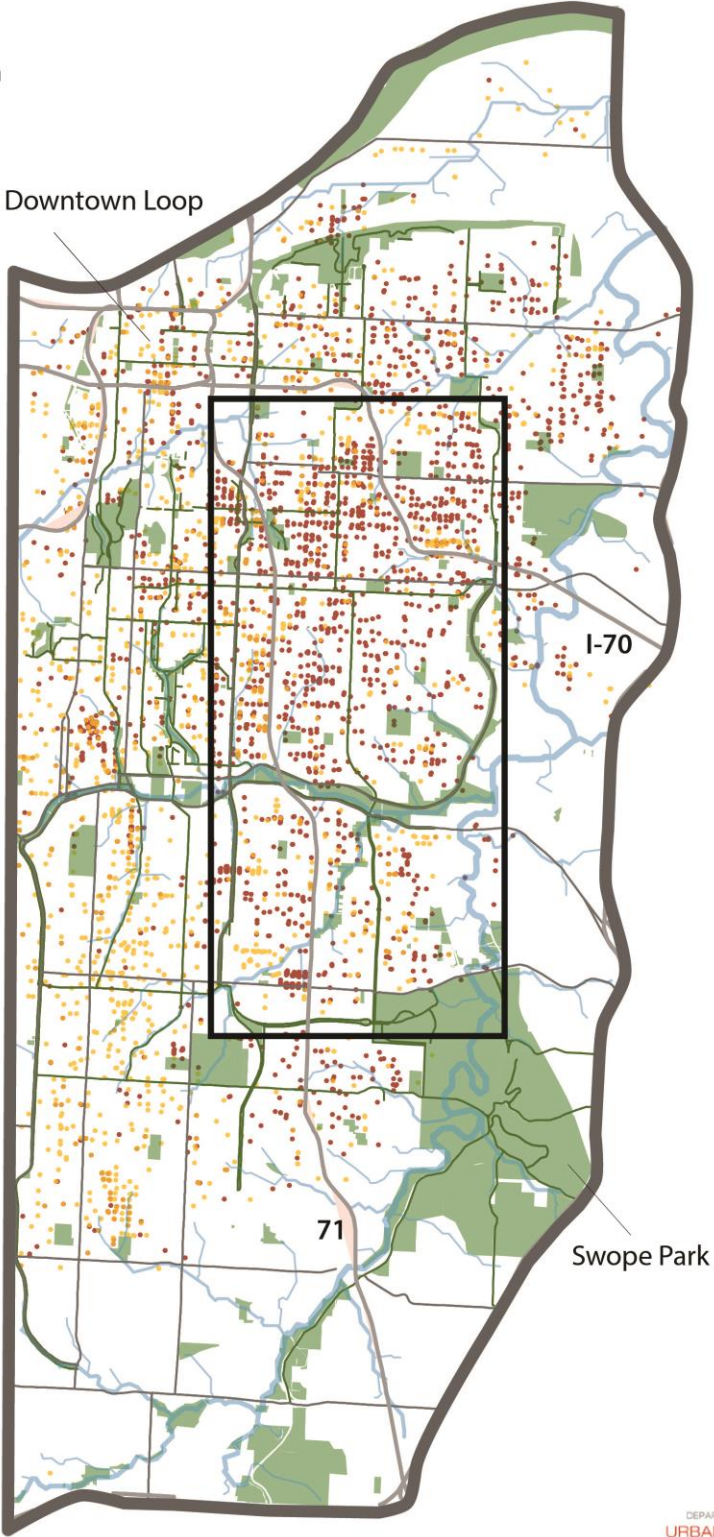
Filling in the gaps, such as vacant lots. Jacob Wagner says his class is hopefully providing the foundational ingredients to do just that. The goal is that others also will see the potential, choose some projects, and see them implemented.

Vacant Parcels per Square Mile



Construction Permits 2000 - 2010

- Demolition
- New Construction
- Area of Focus



Solutions to Vacant, Blighted Homes in Kansas City

Recommendations by Post Foreclosure Committee

Rank	Votes	#	
Proposed State Law Changes			
1	8	(5)	<i>Change Land Bank statute to exempt all past taxes and special assessments on its homes.</i>
2	6	(8)	<i>Change state law which now allows landlords to evict tenants and leave their possessions on the curb.</i>
3	5	(17)	<i>Seek state income tax credit of \$5,000 for owner/occupant buyers of blighted homes, targeted in distressed areas.</i>
	4	(20)	<i>Seek state change in tax foreclosure law requiring Jackson County to give proper notice to delinquent property owners.</i>
	4	(18)	<i>Seek state change in LLC law, making them annually register a local agent if they own real estate.</i>
	3	(2)	<i>Land Bank should sell vacant homes for a dollar.</i>
	1	(16)	<i>Seek state authorization for City to impose vacant property registration fee, based on length of vacancy.</i>
Proposed City Policy & Ordinance Changes			
1	9	(4)	Land Bank should clear title defects before selling vacant homes.
2	8	(12)	Target a select few neighborhoods at a time for intense city remediation efforts.
3	4	(1)	Offer easy tax abatement to rehabbers of vacant homes, including exemption from prior taxes and assessments.
4	4	(3)	Speed up Land Bank transfer of titles to buyers.
5	3+	(22)	Require absentee landlords to post bond with City to cover city abatement costs.
	3	(9)	City should increase abatement of yard trash, litter, illegal dumping.
	3	(11)	Create loan fund to assist homebuyers with purchase loans.
	3	(15)	Hire more code enforcement officers.
	3	(21)	Create a dedicated funding mechanism for the Land Bank, so they can market their 800 vacant homes.
	2	(24)	Clearing center for neighbors to register vacancies.
	2	(27)	Protect neighbors from liability if they fix neighbor's yard.
	1	(6)	Streamline title transfer for inherited, vacant homes: beneficiary deeds, probate assistance.
	1	(14)	Strengthen the City's landlord licensing ordinance, and expand it to contract-for-deed sellers.
	1	(19)	Have Water Dept. get local registered agent from absentee landlords before water service is started.
	1	(25)	Expand ability of neighborhood associations to help code enforcement.
	1	(7)	Focus abatement and enforcement efforts on higher profile problem property owners.
	1	(28)	Give rehabbers 90 day moratorium from codes.
	0	(10)	City should improved the card system for cleanups.
	0	(13)	Reestablish the City's rehab loan corporation.
	0	(23)	Reinstitute <i>systemic</i> code enforcement, to supplement existing <i>complaint</i> based enforcement.
	0	(26)	City to hire neighborhood associations to do abatement work.



Advocacy in Action: The Story of the Kansas City Land Bank

A CASE STUDY JANUARY 2013
GREATER KANSAS CITY LISC

Executive Summary

A seed planted in 2010 at a LISC Vacant Properties Symposium grew into one of Kansas City's most important legislative victories in recent memory.

In 2012, the Missouri legislature overwhelmingly passed a bill to establish the Kansas City Land Bank, culminating two years of behind-the-scenes efforts by Greater Kansas City LISC, legislative representatives and community leaders.

"Due, in part to LISC's leadership, the community was able to consider all the options available to us and determine the best course of action," said Crystal Williams, Jackson County Legislator.

For many years, the Greater Kansas City metropolitan area has suffered from the effects of thousands of vacant and abandoned properties – many of them concentrated in Kansas City, Missouri's urban core. By 2010, the situation had reached a crisis point and Greater Kansas City LISC decided to take action.

LISC played an instrumental role in working behind the scene as the primary intermediary, objective facilitator, thought leader and trusted advisor. LISC shared best practices, brought together groups for engagement and consensus, helped write the legislation and advocated for its passage. While there were hurdles to overcome, the process was remarkably smooth and efficient with the land bank legislation garnering bi-partisan sponsorship and overwhelming support in both the Missouri House and Senate.

Some people called it the perfect storm; others have said the time was right for change. "The success of the legislative efforts was indeed surprising to me in its speed and effectiveness," said Frank Alexander, law professor at Emory University and Co-Founder of the Center for Community Progress, who helped write the 2012 bill. Whatever the case, LISC achieved this public policy victory without alienating constituents; and Kansas City is well on its way to addressing a serious blight problem.

This case study was developed to document the journey to establish the Kansas City Land Bank and the valuable role that LISC played. It serves as a tool, as well, for other communities to utilize in their efforts to bring about change in their urban landscape.



Dumping

Abandoned houses and vacant lots scattered throughout the Kansas City urban core attract many problems and cost millions of dollars to the neighborhood and the city.

Land Banks: A National Perspective

For more than 40 years, communities have struggled with the growing challenges of vacant and abandoned properties and their devastating effects. Among the most visible effects to neighborhoods are increased crime and vagrancy; property damage, dumping and code enforcement issues; lower property values; and the flight of tax-paying residents who leave for better neighborhoods in which to live, work and raise families. What's more, municipalities face higher costs associated with these vacant and abandoned properties including greater police protection and surveillance, maintenance of the neglected properties, code enforcement services, and judicial needs.¹

Cities from around the country have documented the costs:

- In Flint, Michigan an analysis revealed property within 500 feet of a vacant and abandoned structure lost an average of 2.26% of its value.
- A study commissioned by Philadelphia in 2010 revealed that vacant and abandoned properties reduced the value of the city's homes by an average of \$8,000, incurred \$20 million in annual maintenance costs and deprived the city of \$2 million a year in tax revenues.
- In Austin, Texas, blocks with vacant buildings had 3.2 times as many drug calls to police, 1.8 times as many theft calls, and twice the number of violent calls as blocks without vacant buildings.

When the economy faltered and the foreclosure crisis erupted in 2008, the dramatic increase in vacant and abandoned properties quickly led to a full-blown disaster with lingering effects that many communities will struggle with for years to come.



The first generation of land banks as tools to address vacant and abandoned properties emerged in the early 1970s in St. Louis. Cleveland launched one in 1976. Louisville and Atlanta followed with land banks in 1989 and 1991 respectively.² Since those early days and with lessons learned, new generations of land bank legislation have evolved and led to the proliferation of land banks to address the complex and growing inventory of properties. Today, at least 23 states have one or more land bank agencies.³

In 2008, for Neighborhood Stabilization Program funding purposes, HUD defined a land bank as “a governmental or nongovernmental entity established with the purpose to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging reuse or redevelopment of urban property.”⁴

The Kansas City Land Bank was established in 2012 as a public entity within the City of Kansas City, Missouri. It is considered a third generation land bank that has the authority and flexibility to acquire, maintain and sell properties as well as the capacity to raise revenue and even issue bonds in order to cover the cost of maintaining and rehabbing properties.

The Kansas City Landscape

On a quiet street in the Ivanhoe neighborhood located in mid-town Kansas City, Mo., the charm of the historic block is overshadowed by a vacant lot adjacent to two other abandoned houses. Trash is strewn throughout the three yards, and a smoldering campfire burns on another vacant lot across the street. This block is a prime example of what happens to a neighborhood when properties are abandoned and clear titles to the real estate are unobtainable.

The Ivanhoe Neighborhood Council has been fighting to rid this street of the eyesores and transitory visitors for many years. “Some residents have just moved away,” said Margaret May, executive director of the Ivanhoe

Ivanhoe

Residents fight a continual battle of dumping in their neighborhoods. Here, Margaret and Walt May of the Ivanhoe Neighborhood Council, inspect tires left on the sidewalk adjacent to a vacant school.

¹ Frank S. Alexander, *Land Banks and Land Banking June 2011*, pages 14-15, Center for Community Progress.

² Frank S. Alexander, *Land Banks and Land Banking June 2011*, pages 18-19, Center for Community Progress.

³ Alexander, *op. cit.*, pages 90-94.

⁴ Alexander, *op.cit.*, page 23.

Neighborhood Council. “We need residents to speak out against these conditions but understandably many are reluctant to do so.”

Like Ivanhoe, this situation occurs daily in many urban core neighborhoods in Kansas City. Neighborhood stakeholders believe that the new land bank is an encouraging step in the fight to regain control of their blocks.

Throughout Kansas City, Mo., there are approximately 7,000 vacant and abandoned properties and 5,000 vacant properties that are not considered abandoned for the total of 12,000 troubled properties, according to David Park, Deputy Director of Neighborhood and Housing Services, and Executive Director of the Kansas City Land Bank. The City spent approximately \$1.8 million in 2012 in upkeep and maintenance of these properties. It relies on collaborative partnerships, and maintenance and abatement programs with neighborhoods for care and upkeep.

Over the years, neighborhoods worked creatively with the City to mow and maintain the properties in the summer, conduct clean-ups to combat the continual dumping on vacant properties, and operate neighborhood watch networks to enhance law enforcement efforts. Today, the City collaborates with 10 neighborhoods. “I applaud the City and especially David Park for his sensitivity to these issues and the creative solutions that are being employed in Ivanhoe and other neighborhoods,” said May.

Until now, the Land Trust of Jackson County served as Kansas City’s only Missouri land bank, and its capacity has been limited. (There are land banks located across the state line in Kansas City, Kan., Olathe and Overland Park). The Land Trust is a



governmental corporation established by state law to sell properties that have failed to sell on the courthouse steps to satisfy unpaid taxes. It accepts only properties that go unsold at tax sale auctions. It can only sell properties to private investors willing to pay at least two-thirds of the appraised value. Nor does the Land Trust have a budget to maintain or rehab properties. In 2012, the Land Trust added more than 700 properties to its inventory but only sold 24.⁵

Discussion about establishing a new land bank for Kansas City, Mo., began in 2008 when Congress passed legislation recognizing land banks as a viable funding option through the Neighborhood Stabilization Program. For several years, the City and other groups gathered in task forces, and held summits, educational workshops and meetings to address vacant and abandoned properties.

Yet, it wasn’t until Greater Kansas City LISC launched the Vacant Properties Symposiums that the community support for a new and improved land bank gained serious momentum.

Vacant Properties Symposiums

By 2010, LISC recognized that the neighborhoods it served were handcuffed by the current environment, lack of information and critical data, and tools to reclaim properties. The situation was not going to change without community intervention. LISC answered the call by launching a series of informational symposiums designed specifically for community leaders. “LISC takes on an issue because we see that one or more tools are missing and the neighborhood groups on the ground are not able to be effective,” said Julie Porter, LISC Executive Director.

Over the next two years, LISC organized and facilitated the “Vacant Properties Informational Series” bringing to Kansas City the country’s leading experts to present best practices and stimulate discussion about the issues

Hampered by vacancy

While new home construction is a welcome site in the urban core, the sale of new homes is hampered by the abandoned and vacant properties which surround them.

⁵Jason Hancock, *The Kansas City Star*, “Bill giving authority to set up land bank awaits Nixon’s signature,” May 18, 2012.

“THE SUCCESS OF THE LEGISLATIVE EFFORTS WAS INDEED SURPRISING TO ME IN ITS SPEED AND EFFECTIVENESS. I ATTRIBUTE THIS IN LARGE MEASURE TO THE TWO YEARS OF GROUND WORK, EDUCATION, AND COALITION BUILDING THAT WAS UNDERTAKEN BY OR ON BEHALF OF LISC.” Frank Alexander, Center for Community Progress Co-Founder

and challenges related to vacant properties. The four symposiums were:

- **Vacant Properties Overview** – An open-ended workshop designed to inform participants and generate dialogue. Joseph Schilling, from the National Vacant Properties Campaign and one of the nation’s leading experts on vacant properties, led a discussion about activities around the country and the challenges Kansas City was facing.
- **Vacant Properties: Rethinking Code Enforcement** – This second informational session featured Doug Leeper, Code Solutions CEO, who led a discussion on code enforcement. Participants learned about strategic code enforcement and problem solving, discussed the tough challenges at the local level and identified future action steps that could be taken.
- **Vacant Properties and Reuse: Urban Agriculture** – This educational forum featured a panel of experts from Detroit who discussed the urban farming movement in their city. The panelists were: Malik Yakini, Chairman of the Detroit Black Food Community Network; Dan Carmody, President of the Eastern Market Corporation; and Karla Henderson, Group Executive-Planning and Facilities at the City of Detroit. Their presentation was followed by a local response featuring Katherine Kelly, Executive Director of the Kansas City Center for Urban Agriculture and Ben Sharda, Executive Director of the Kansas City Community Gardens to discuss how to harness local policies, practices and citizens to support the production and distribution of food systems that promote regional health, economic and land use opportunities.
- **Vacant Properties: State Policy and Vacant Property** – Frank Alexander, a law professor at Emory University and Co-Founder of the Center for Community Progress (CCP) who has worked on abandoned and vacant properties for 20 years, discussed municipal and state codes and ordinances, enforcement challenges and issues, alternatives and solutions to abandonment, and changes that should be made to the system.

At this last symposium, Alexander introduced the land bank as a viable tool for addressing vacant and abandoned properties. “The LISC symposiums were helpful in bringing together interested people to learn about the issues and potential solutions,” said Park. “LISC was an educated and objective observer that served a key role in moving the legislation forward.”

Moving Forward: KC Takes Action

In order to move the land bank beyond a conceptual idea, LISC took on a welcome and familiar role as an intermediary and facilitator. Its job was to create an inclusive environment in which all parties affected by a potential land bank could voice their opinions and concerns and, at the same time, move the community towards action and eventually consensus.

LISC also helped develop a realistic budget and identified additional funding to help pay for land bank consultants and legislative staff activities. Unprecedented support came from the Health Care Foundation of Greater Kansas City, which helped fund high-quality presentations about the land bank and policy development to mobilize the Kansas City delegation.

Critical negotiations occurred between the City of Kansas City, Mo., and Jackson County, Mo., which currently operated the Land Trust. It was important for both parties to agree that a land bank was a good solution for Kansas City, and to work together to write legislation that would not only be supported by a Kansas City delegation but, in the end, pass the General Assembly with its language intact.

To help with the bill writing process, LISC brought back the land bank legal expert Frank Alexander. “My role was to explain land banks and land banking; listen to local stakeholders as they identified and explained issues; and then craft legislation designed to address the barriers to dealing with vacant, abandoned and tax delinquent properties,” said Alexander.

Because of the particular structure of existing Missouri tax foreclosure laws, the existence of the Jackson County Land Trust, and the relationship between the City and the County, a formulaic land bank structure would not work. LISC and Alexander worked closely with all parties involved to craft legislation that specifically met Kansas City's needs.

"The community felt a sense of urgency," said Porter. "All stakeholders recognized that we were at a critical juncture and something had to be done — and done quickly."

Porter recalls a critical moment when everyone came together. It was at a meeting where approximately 25 stakeholders from the City, County, and others met with LISC and CCP to review an early draft of the land bank legislation written by CCP. "There was a lot of tension in the room," recalled Porter. "The only way to dispel that tension was to acknowledge that it was there and that it was understandable that there would be tension. We all wanted what was best for Kansas City. Once everyone aired their concerns, we were able to move forward."

Once the legislation was finalized and approved, the Kansas City delegation banded together in support of the bill. Bi-partisan sponsorship of the bill came from Rep. Noel Torpey (Republican – District 52) and Rep. Michael Brown (Democrat – District 50) in the House and Sen. Victor Callahan (Democrat – District 11).

"The passage and signing of the landmark land bank legislation culminated countless hours of hard work by elected officials and staff of the City of Kansas City,

Jackson County and the State of Missouri, and by community organizations," said Ed Stoll, Jackson County Deputy Chief Administrative Officer. "This cumulative effort stands as a perfect example of what positive, significant change can be achieved when state and local governments and community organizations work together."

"The land bank is just one tool to help Kansas City fight blight issues in neighborhoods. It will be good for all of Jackson County because it will increase property values, increase tax rolls, reduce crime and address related problems," said Rep. Torpey.

Vocal and visible support from key leaders and constituents worked. Kansas City Mayor Sly James traveled to the Missouri Capitol in Jefferson City to advocate for the legislation. LISC employed its Northwest Missouri Policy Network members to contact legislators urging them to support the land bank legislation. One of two LISC policy networks, the group is a coalition of interested individuals from around Kansas City and Northwest Missouri committed to effective community development and economic policy.

When the bill was endorsed by a Missouri House of Representatives standing committee, the LISC staff went into overdrive and worked diligently to educate legislators and the public about the benefits of a land bank. LISC worked with The Kansas City Star to inform readers through a guest column about the land bank and interviews with reporters. The Star's Editorial Board followed up with a supportive opinion article that quoted Porter. Finally, the LISC staff prepared materials including a land bank fact sheet and Q&A that were distributed to the media, interested individuals and legislators.

In March, the Missouri House overwhelmingly passed the bill and a Senate committee soon followed with its approval of a nearly identical draft. The bill passed the General Assembly on May 17, 2012.

Dangerous Structures

A land bank would help residents like Walt May, Ivanhoe Neighborhood Council, tackle abandoned houses that become dangerous structures.



Behind the Scenes

ABOUT GREATER KANSAS CITY LISC

As the local site for the nation's largest community development organization, Greater Kansas City LISC supports redevelopment in more than 100 square miles of Kansas City metro area neighborhoods. LISC is dedicated to revitalizing urban communities; transforming them into healthy, sustainable neighborhoods in partnership with their residents. Through partnerships, collaboration and strategic alliances, LISC brings financial resources, policies and programs to achieve neighborhood goals and create lasting change.

What's more, LISC plays a valuable role by mobilizing the community to tackle tough issues and implement smart solutions. For example, because distressed urban-core neighborhoods need public policies to help them rebuild and become better communities, Greater Kansas City LISC maintains an active public policy presence at the federal, state and local levels. LISC's approach is to build broad support for policies that create holistic change. They bring substantial resources and awareness to housing, economic development, education and other critical issues. The results are much-needed tools and expertise that are helping improve local policies and conditions.

Since beginning an active policy program in 2006, Greater Kansas City LISC has become the leading neighborhood advocate voice in Missouri and Kansas having:

- Secured over \$2.7 million in state and federal funding to support neighborhood projects.
- Initiated and passed 15 pieces of legislation in Kansas and Missouri.

"The passage of the land bank was arguably the most significant legislation of the entire session for Kansas City," said Sen. Jason Holsman (Democrat – District 45). "The bipartisan effort was designed to have a long-term, positive impact on the blighted properties in the urban core. There were many important advocates, including the preliminary groundwork completed by LISC."

The Kansas City Land Bank

The Kansas City Land Bank legislation went into effect on August 28, 2012, allowing the City of Kansas City, Missouri to form the legal entity for abandoned and foreclosed properties, and to help manage, sell and transfer tax delinquent land in order to return the properties to productive reuse.

Key components of the Kansas City Land Bank are:

- Act as a governmental entity and operate under the umbrella of the City of Kansas City, Mo., and in concert with other city, county and state agencies.
- Governed by a five-member commission; three appointed by the mayor of Kansas City, Mo., one appointed by Jackson County, and one appointed by the Kansas City Missouri School District.
- Within its first year, receive Kansas City, Mo., properties in the Land Trust of Jackson County (approximately 3,500).
- Receive properties that are not sold at the public tax-foreclosure auction and bid on properties offered for sale at the auction within a targeted area. The land bank will pay the amount that exceeds that of delinquent taxes and liens owed.
- Accept donated properties from businesses, such as financial institutions, that have otherwise been foreclosed on and of little value to the institution for redevelopment or sale.
- For the first three years following the sale of a property, the land bank will receive most of the real estate taxes generated by the property.
- May issue bonds in order to generate funds that can be used to make loans to cover the cost of rehabilitating and maintaining vacant and abandoned properties.
- Utilize an expedited quiet title process to facilitate the sale of properties held by the land bank in order to gain clear title on properties.

“IN PART TO LISC’S LEADERSHIP, THE COMMUNITY WAS ABLE TO CONSIDER ALL THE OPTIONS AVAILABLE TO US AND DETERMINE THE BEST COURSE OF ACTION.”
Crystal Williams, Jackson County Legislator

Lessons Learned

Achieving success with any major public policy effort, like the land bank legislation, requires vision, planning and skillful coordination. While each community has unique challenges, there are best practices and lessons learned from the Kansas City Land Bank journey that can be embraced by communities, especially for the facilitator, as they plan a course of action:

- Identify a vision but not necessarily the end-goal. LISC launched the Vacant Properties Initiative and symposiums to help community stakeholders learn about tools and solutions from other cities. Land banking was embraced as a priority by the community first, before LISC, the intermediary and facilitator, accepted it as a solution to pursue.
- Be open to other ideas and outcomes. It’s okay to have an objective in mind, but the intermediary in the process should not force a solution onto the community or be boxed in by their own limitations.
- Be inclusive. Early on, identify all the key groups and organizations that need to be involved. Welcome these groups and encourage open lines of communication. Bring in visionaries as well as experts to help address every angle and need.
- Acknowledge concerns and listen to others’ viewpoints. Although easier said than done, allowing groups to air their concerns and opinions is a critical step toward everyone accepting each other and their role in the process.
- Develop a realistic budget and timeframe. Bringing in expert advice and paying for legislative and advocacy consultants as well as staffers requires money. The legislative effort will most likely require a multi-year commitment.
- Continue to educate. Throughout the journey, share information and data, and create fact sheets, Q&As, testimonials, and progress reports with the growing list of audiences interested in the issue.

What’s New

Once the Kansas City Land Bank was established, it was

initially guided by a Land Bank Implementation Team, led by David Park with the City of Kansas City, Mo. This interim group of community leaders, including Julie Porter with Greater Kansas City LISC, jump-started the Land Bank’s work by providing analysis, guidance and recommendations. Once the commissioners were named in late 2012, the Implementation Committee’s work was completed.

Initial work of the commissioners includes developing the land bank bylaws, policies and procedures, naming the executive director, and determining other operations. In early 2013, the Jackson County Land Trust began the transfer of properties to the Land Bank.

Greater Kansas City LISC continues to provide counsel and technical assistance, assisting other communities as well. In Kansas City, Kan., for example, LISC will provide consultation to its land bank as the capacity for its impact expands.

Another priority is to help ensure a smooth launch of the Kansas City, Mo., Land Bank and how it interacts with the neighborhoods. To that end, LISC immediately organized and hosted two community information workshops about the land bank. It brought back Frank Alexander to present a “what’s next” program and to field questions. A “Land Bank 101” style workshop was held in the Ivanhoe neighborhood to educate residents on basic concepts of land banking and its potential impact in their neighborhoods. Similar educational forums will be held with urban residents in 2013.

In the end, Greater Kansas City LISC helped mobilize community stakeholders to address a tough issue and identified tools to implement solutions. The outcome is the new Kansas City Land Bank and an informed community that can now move forward to reclaim properties and turn around urban-core neighborhoods.

For more information and resources about the land bank process, go to www.lisc.org/kansascity

Acknowledgments

Greater Kansas City LISC is grateful for the information and support from the following individuals who helped make this case study possible:

Frank S. Alexander, Professor of Law at the Emory University School of Law and Co-Founder of the Center for Community Progress • Jason Holzman, Missouri State Senator • Margaret May, Executive Director of the Ivanhoe Neighborhood Council • David Park, Deputy Director of Neighborhood and Housing Services, and Executive Director of the Kansas City Land Bank • Noel Torpey, Missouri House Representative • Crystal Williams, Jackson County Legislator



Vacant Properties

The True Costs to Communities



National Vacant Properties Campaign
CREATING OPPORTUNITY FROM ABANDONMENT

Introduction

The places with the most well known vacant property problems are older industrial cities in the Midwest and Northeast. One leading expert has estimated that roughly ten percent of residential structures are vacant in Camden (NJ), Baltimore, and Detroit.⁶ But with sprawl pushing new development to the edges of many communities, even growing metropolitan areas such as San Diego and Las Vegas pay the costs of vacant and abandoned properties. The Brookings Institution found that in 60 cities with populations over 100,000, there are an average of two vacant buildings for every 1,000 residents⁷ (see table below).

Region	Number of Cities Reporting Abandoned Property Data	Average % of Vacant Land to Total Area	Average Number of Abandoned Structures per 1,000 Inhabitants
Northeast	7	8.3	7.47
Midwest	10	11.3	3.16
South	20	17.1	2.98
West	23	15.7	0.62
All Regions	60	14.8	2.63

Source: Pagano & Bowman p. 7

Properties are often abandoned as a result of metropolitan-wide trends, such as sprawling development, consumer preference, job loss, and demographic shifts. But on an individual level, the most common reason a property is abandoned is that the cost of maintenance and operation exceeds the apparent value of the property. This occurs regardless of “whether the market is intrinsically capable of supporting continued use of the property, or whether market inefficiencies, or inadequate and inaccurate information, lead property owners to that conclusion.”⁸ Most importantly for cities facing abandonment problems, the longer a property remains abandoned, the higher the cost of renovation. This leads to continued abandonment even when market conditions have dramatically improved.

Cities must address the increasing number of vacant properties, not only because of the negative impact they have on the surrounding community, but because of the numerous costs they impose. They strain the resources of local police, fire, building, and health departments, depreciate property values, reduce property tax revenue, attract crime, and degrade the quality of life of remaining residents. In summary, vacant and abandoned properties “act as a significant fiscal drain on already strapped municipalities, requiring disproportionate municipal resources, while providing little or no tax revenue to municipal coffers.”⁹

Costs of Municipal Services

Vacant properties have been neglected by their owners, leaving it up to city governments to keep them from becoming crime magnets, fire hazards, or dumping grounds. In some communities, attending to vacant and abandoned properties can overwhelm city resources. The police and fire departments bear the brunt of the responsibility, along with building inspection and code enforcement units. But most municipalities have staff from several departments addressing the care of vacant properties: legal offices, public works, housing, and real estate services all deal with vacant properties. In Philadelphia, at least fifteen public agencies, not including the police and fire departments, have a role in the management of public land.¹⁰ Vacant property management also demands coordination among local governments, such as county health departments, tax collectors and assessors.

Crime

Vacant properties often become a breeding ground for crime, tying up an inordinate amount of police resources. The City of Richmond, VA conducted an analysis of citywide crime data from the mid-90s. Of all the economic and demographic variables tested, vacant/abandoned properties had the highest correlation to the incidence of crime.¹¹ Another study focusing on crime in abandoned buildings in Austin, Texas found that crime rates on blocks with open abandoned buildings were twice as high as rates on matched blocks without open buildings. The survey also found that “41 percent of abandoned buildings could be entered without use of force; of these open buildings, 83 percent showed evidence of illegal use by prostitutes, drug dealers, property criminals, and others.



Even if 90 percent of the crimes prevented are merely displaced to the surrounding area, securing abandoned buildings appears to be a highly cost-effective crime control tactic for distressed neighborhoods.”¹²

A crime-prevention tactic that has gotten much attention in recent years is directly related to vacant, neglected, and abandoned property. According to George Kelling and James Q. Wilson, “The Broken Window Theory” holds that “If the first broken window in a building is not repaired, then people who like breaking windows will assume that no one cares about the building and more windows will be broken... The disorder escalates, possibly to serious crime.” Wilson and Kelling suggest that it is the nature of the physical environment that leads to an increase in criminal activity.¹³

While the monetary costs of addressing the crime associated with abandoned buildings has not been calculated, it is clear that vacant properties burden police departments.

Neighborhoods in Bloom Fights Crime

Richmond, Virginia’s focus on vacant and abandoned properties through the Neighborhoods in Bloom (NiB) program resulted in a dramatic drop in crime rates. The initiative launched a coordinated, focused effort in seven neighborhoods to restore physical livability and improve neighborhood stability, tackling everything from code enforcement to increasing homeownership rates. Bringing together multiple stakeholders – city council, city staff, community development corporations, neighborhoods residents, and private developers – has been an important factor in the program’s success.¹⁴ In the first three years of the initiative, the targeted neighborhoods experienced a 19 percent reduction in crime compared to a 6 percent reduction citywide.¹⁵

Arson and Accidental Fires

In 1999, firefighters in Worcester, Massachusetts entered a vacant cold storage building that was aflame to search for a homeless couple reported to have been in the building. Two firefighters became disoriented, and others went to their aid. Six became trapped and died in the fire. The homeless couple had left the premises after the fire began.¹⁶ The firefighters’ deaths became national news as one of the major costs of vacant properties became all too clear.

The US Fire Administration reports that over 12,000 fires in vacant structures are reported each year in the US, resulting in \$73 million in property damage annually. Fires are likely in vacant properties because of poor maintenance, faulty wiring, and debris. In the winter, homeless people burn candles for light and heat and may even bring in outdoor grills. But more importantly, vacant buildings are a primary target of arsonists. More than 70 percent of fires in vacant or abandoned buildings are arson or suspected arson. Such fires strain the resources of fire departments. Because vacant buildings often contain more open shafts, pits, and holes that can be an invisible threat to firefighters, the cost of fighting those fires is more than financial. The National Fire Protection Association (NFPA) estimates that 6,000 firefighters are injured every year in vacant or abandoned building fires.¹⁷

Public Nuisances and Health

Vacant and abandoned properties require a disproportionate amount of public maintenance. In addition to securing buildings against criminal activity, local governments must clean and care for them to prevent a buildup of trash, illegal dumping, and rodent infestations. In some cases, abandoned properties contain toxic waste, particularly in the case of abandoned industrial buildings.¹⁸

Most municipalities have adopted ordinances that allow them to clean, board, and secure abandoned buildings. For example, in Roanoke, Virginia, the city has taken a tougher stance on properties deemed health and safety hazards. If a property is deemed a hazard by the city the owner is given thirty days to ameliorate the problem. If no action is taken, the city will solicit input from the neighborhood, do asbestos and lead abatement, solicit demolition bids, raze the house, and place a lien on the property to try to recoup the demolition costs.¹⁹

Cities spend significant funds on these activities. “In Trenton, New Jersey during the 1990’s, these dedicated resources (depending on the amount allocated for demolition) ranged from \$500,000 to well over \$1 million per year.”²⁰ Over a five-year period, St. Louis spent \$15.5 million, or nearly \$100 per household, to demolish vacant buildings.²¹ Detroit spends \$800,000 each year just to clean vacant lots.²²





Demolishing crumbling vacant buildings does not completely eliminate the costs associated with abandonment. The resulting vacant lots still require maintenance. A study of vacant lots in Philadelphia estimated that the city and closely related public agencies spent \$1.8 million annually on cleaning vacant lots. At the current level of activity and assuming a three percent inflation rate, this adds up to \$49.6 million over the course of twenty years.²³ The study only included the costs of five out of the fifteen agencies that have a role in vacant property management.²⁴

Rehabilitation is clearly a better choice. An examination of the St. Paul, Minnesota budget for maintenance and security costs associated with vacant buildings revealed that while demolition saves \$4,697,²⁵ the rehabilitation of a vacant building will save an estimated \$7,141 in maintenance costs over a twenty-year period.

Managing vacant properties ties up the time of municipal employees and the resources of municipal taxpayers. At the same time, these properties depress the value of other properties and generate little or no tax revenue themselves.

Lot Clean-Up Programs

Lot clean-up programs offer a means for neighborhoods to reverse the neglect associated with vacant and abandoned properties with sweat equity. Most often, they are efforts run by community volunteers with supplies and dumpsters provided by local government. In St. Louis, Missouri, Project Blitz, puts 75,000 volunteers to work every spring on 100 neighborhood “cleaning and greening” projects. This program has helped clear more than seven million pounds of trash from streets, alleys, and vacant lots.²⁶

Decreased Property Values and Tax Revenues

Vacant properties reduce city tax revenues in three ways: they are often tax delinquent; their low value means they generate little in taxes; and they depress property values across an entire neighborhood. Lower property values mean lower tax revenues for local governments. According to Frank Alexander, Interim Dean and Professor at Emory University Law School and an expert in housing issues, “failure of cities to collect even two to four percent of property taxes because of delinquencies and abandonment translates into \$3 billion to \$6 billion in lost revenues to local governments and school districts annually.”²⁷ Property taxes remain the single largest source of tax revenue under local control, so this loss of income is substantial.²⁸

Lost Tax Revenue

Taxes are often lost on vacant properties because of tax delinquency. Abandoned properties often become delinquent because the cost of paying taxes on the property may well exceed the value of the property. If the property goes into tax forfeiture, a common fate for vacant or abandoned properties, ownership is transferred to the municipality which tries to recover the lost taxes through the sale of the property. But such sales are problematic for several reasons. Simply gaining title is a long and difficult process that consumes government resources (*see From the State House to Your House on page 8*). Once the title is obtained, cities often auction off delinquent properties for the amount of the tax lien, but the reclamation of all of the lost taxes is not guaranteed. One study found that 83 percent of the balance due is lost on foreclosed properties. When cities try to recover delinquent taxes on parcels where homes have been demolished, not only are they not able to recover the taxes, but typically the demolition itself was



costly - in St. Paul, the overall loss to the city for a single demolished house is about \$7,789.”²⁹ And while tax sales provide a source of income for municipalities, they do not ensure that the abandoned property will be put to productive use. The properties are sometimes purchased by speculators without any intent to restore them, and the process fails to assemble marketable parcels of land.

Even if the taxes are being paid, those taxes don't amount to much. In St. Paul, a vacant lot produces \$1,148 in property taxes over 20 years; an unrenovated but inhabited home generates \$5,650, and a rehabilitated property generates \$13,145.³⁰

From the State House to Your House: Reform of Tax Foreclosure Laws as a Tool for Community Revitalization

One of the first barriers cities face in rehabilitating vacant properties is simply gaining control over them. Michigan's legislature responded with Public Act 123, passed in 1999. PA 123 amended the General Property Tax Act to streamline the system for returning tax-delinquent properties to productive use. More efficient than previous foreclosure laws, which could take up to six years to deliver property to new ownership, PA 123 enables county and state governments to reclaim properties in two years with a clear title judgment.³¹ The property is titled to either the county or the state. The law helps local governments move quickly, before a vacant building deteriorates or starts to spread blight. The law also created a fund, paid for through property sales, that helps local governments manage foreclosed land.

Genesee County, home to Flint, has done the most to take advantage of PA 123. The Genesee County Treasurer's Office and the Genesee County Land bank, created in 2002, work in tandem to prevent foreclosure and bring tax reverted properties back into productive use. Since 2002, the Land Bank has acquired more than 4,400 residential, commercial, and industrial properties, from which almost 600 will have been demolished by December 2005, and 248 have been transferred to side yards.³² The Land Bank is completing a \$3.8 million mixed-use redevelopment in downtown Flint, over 40 housing renovations are completed or underway, and they continue to assemble parcels for additional development projects. The county has also received \$200,000 from the U.S. EPA to complete environmental inspections on commercial, industrial, and residential properties. The process is a collaborative one, pulling in partners from a diverse array of local, regional, state, and national agencies.

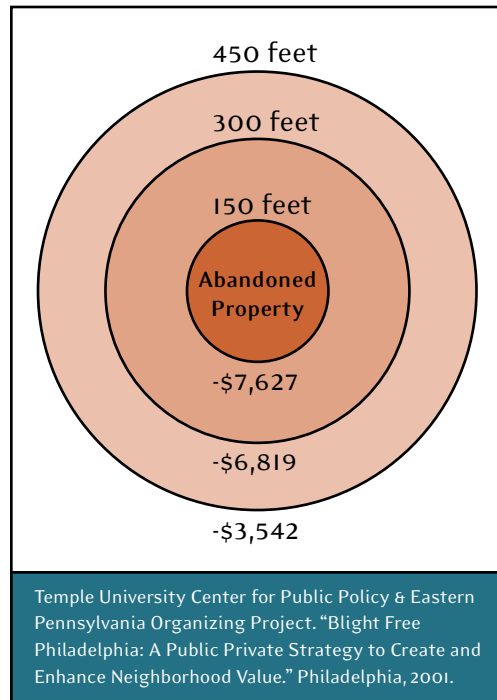
Lower Property Values

Vacant properties generate little in taxes - but, perhaps more importantly, they rob surrounding homes and businesses of their value. In a 2001 study, researchers from Philadelphia found that houses within 150 feet of a vacant or abandoned property experienced a net loss of \$7,627 in value. Properties within 150 to 300 feet experienced a loss of \$6,819 and those within 300 to 450 feet experienced a loss of \$3,542 (see diagram below).

Philadelphia researchers also found “that all else being equal, houses on blocks with abandonment sold for \$6,715 less than houses on blocks with no abandonment.”³³

A University of Minnesota study also evaluated the fiscal benefits the city of St. Paul would receive if it renovated abandoned housing. The study found that vacant properties negatively affected neighborhood property values, reducing the city’s tax base. While a renovated property did not negatively affect surrounding property values, demolishing a vacant building and leaving a vacant lot in its stead led to “\$26,397 in lost property tax revenue over a twenty-year period.”³⁴

These lower property values represent a hit in the pocketbook for both homeowners and the city. But a focused effort to bring vacant properties back can restore value - and taxes - for the city.



Recapturing the Value in Vacant Properties

Richmond's Neighborhoods in Bloom (NiB) program (*see Neighborhoods in Bloom Fights Crime on page 4*) has made a significant impact that goes beyond targeted neighborhoods. Housing prices within the NiB neighborhoods appreciated at a rate 9.9 percent per year faster than the citywide average. Prices in non-targeted blocks, but within 5,000 feet, increased at an annual rate 5.3 percent faster.³⁵ The nearly 400 housing units built or renovated through the program equal an 11 percent increase in the number of occupied homes and apartments in the targeted neighborhoods.³⁶

This increase in property values and sales generated growth in tax revenue. The Federal Reserve estimates that the aggregate value for tax assessments in the targeted areas increased 44 to 63 percent.³⁷ And over the next 20 years, it's estimated that NiB-generated appreciation of single-family homes in the targeted areas will result in an additional \$14.7 million in property tax revenues (in 1997/98 dollars).³⁸

In communities with many vacant lots and a falling population, immediate rebuilding may not be an option. Cleaning up vacant lots and seeding them with grass and plantings can help increase neighborhood property values. A recent report by Susan Wachter, of the Wharton School of the University of Pennsylvania validates what "clean and green" advocates have known for some time - that investment in greening translates not only into increased quality of life benefits, but also into higher property values.

The Pennsylvania Horticultural Society coordinated a vacant land management system with the New Kensington Community Development Corporation that includes clearing abandoned lots of debris, planting grass and trees, regular cleaning and mowing, and transferring parcels to adjacent homeowners as private side yards. Previously, many of the lots in the New Kensington neighborhood had been havens for illegal activity.

Wachter's study, which analyzed more than 3,000 home sales from 1980 to 2003, found that planting trees within 50 feet of houses increased home prices by 9 percent (approximately \$3,400) and that sales prices increased as much as 30 percent when homes were located near vacant lots that had been "cleaned and greened." In the New Kensington area this translates to a \$4 million gain in property value through tree plantings and a \$12 million gain through lot improvements.³⁹



Philadelphia has seen more than a financial payoff from their efforts. By greening many abandoned sites in the same area, the lots have been converted into "green corridors." To further the environmental benefits, the Pennsylvania Horticultural Society has added a stormwater management component to the program, which has been highlighted by the U.S. EPA as a national model for reclaiming and managing vacant urban lots.⁴⁰



July 13, 2014

Cities with the most abandoned homes

Thomas C. Frohlich and Alexander Kent, 24/7 Wall St. 7 a.m. EDT July 13, 2014

While there are a variety of options for homeowners in foreclosure, many have chosen to cut their losses and abandon their property. The housing market has been improving across much of the nation. However, some cities still have a long recovery process ahead of them as the market deals with a glut of homes in foreclosure, which can often stay in the system for several years. Meanwhile, many of these remain vacant.

In Wichita, Kansas, nearly half of homes in foreclosure were abandoned as of the first quarter of 2014. In six of the nation's most populous metro areas, at least a third of homes in foreclosure were vacant. Based on data provided by housing data website RealtyTrac for the nation's 100 largest metro areas, these are the cities where residents are abandoning their homes.

Median housing prices in all but one of the metro areas with the most vacant homes were among the lowest in the country. In addition, housing prices fell during the last 12 months in four of the 10 cities: Boise, St. Louis, Syracuse, and Wichita. Daren Blomquist, vice president at RealtyTrac, explained that this drop in prices creates a problem for both banks and homeowners because neither wants to hold on to a depreciating asset. This increases the likelihood that homeowners will abandon their homes and banks may find that foreclosing on the home could be more expensive than writing it off.

The length of the entire foreclosure process is a major contributor to vacancy rates because homeowners are more likely to give up on their homes the longer they have to wait for a resolution. Blomquist explained that as foreclosure processes stretch on for years and years, homeowners begin to believe they will not be able to save the house and decide to move on with their lives.

In fact, several of these cities with the most abandoned homes are in states with very lengthy average foreclosure times. Palm Bay, for example, is located in Florida, where the average foreclosure process took 935 days to complete in the first quarter, the second-longest time among all states.

While lengthy and exhausting foreclosure processes encourage some homeowners to abandon their homes, in other cases, people intentionally move away early because they don't fully understand the process. With changing housing laws in many states, "homeowners may have more options than they realize to avoid foreclosure," Blomquist said.

24/7 Wall St. reviewed the 10 metropolitan statistical areas with the highest vacancy rates among homes in foreclosure, based on data provided by RealtyTrac for the 100 most populous metropolitan statistical areas. RealtyTrac also provided metro-level median home prices, population, and foreclosure rates, all of which are for the most recent available period. 24/7 Wall St. calculated 12 month average home prices and year-over-year percent change from May of each year. RealtyTrac also provided the average length of foreclosure processes in each state, as of the first quarter of 2014. We also reviewed income data from the Census Bureau's 2012 American Community Survey, and unemployment rates from the Bureau of Labor Statistics.

These are the cities with the most abandoned homes.

1. Wichita, Kan.

- > Pct. foreclosures vacated: 49%
- > Total vacated homes: 146 (30th lowest)
- > Average home price: \$131,292 (39th highest)

There were only 301 properties in foreclosure in Wichita as of the second quarter of this year. Nearly half of those, however, had been abandoned by their owners, the highest vacancy rate among the nation's largest metro areas. Like many metro areas where residents are abandoning their homes, Wichita is located in a state with a judicial foreclosure system, which tends to lengthen the proceedings. The average foreclosure process in the first quarter took 524 days in Kansas, up 34% from the same period a year before and among the higher wait times among major U.S. metro areas. Another factor contributing to the region's high vacancy rate is likely low and depreciating home prices — as the value of a home decreases, the financial pressure of an unpaid mortgage will go up. Home prices in Wichita were 3% lower in May 2014 than they were in May of last year.

2. Portland-Vancouver-Beaverton, Ore.-Wash.

- > Pct. foreclosures vacated: 37%
- > Total vacated homes: 804 (30th highest)
- > Average home price: \$251,888 (12th highest)

Low, declining home prices can lead to higher vacancy rates, as owners are more likely to give up on a property depreciating in value. Prices in the Portland region, however, are exceptionally high. Over the 12 months prior to this past May, a home in the area sold for more than \$251,000 on average, among the most compared to other large metro areas. And prices are rising — the median home price in May was up 22% from the same period a year before, one of the larger increases among metro areas reviewed. While the region's vacancy rate is second only to Wichita, there are signs of improvement for the Portland area. The average length of foreclosure proceedings in Oregon fell 20% over the year prior to the first quarter, which may make homeowners less likely to abandon a property.

3. Birmingham-Hoover, Ala.

- > Pct. foreclosures vacated: 37%
- > Total vacated homes: 428 (43rd highest)
- > Average home price: \$149,682 (44th highest)

The Birmingham-Hoover region was the only metro area on this list where the unemployment rate rose between the first quarters of 2013 and 2014. High unemployment may, in part, contribute to owner vacancies rising 19% between the first and second quarters of 2014 as owners who lost their jobs may have been afraid of going into foreclosure, as Blomquist suggested. In the first quarter of 2014, it took just 193 days to complete foreclosure proceedings. And while area home prices rose in recent years, they still remain among the lowest in the country.

4. Kansas City, Mo.-Kan.

- > Pct. foreclosures vacated: 36%
- > Total vacated homes: 305 (47th lowest)
- > Average home price: \$150,717 (42nd highest)

While housing prices in the country rose over the last two years, housing prices in the Kansas City metro area declined 9%. Additionally, the foreclosure rate in the first quarter of 2014 declined by more than 50% from the same period in 2012. Despite the drop in owner vacated homes and the falling foreclosure rate, home prices in the Kansas City metro area fell 9% since 2012, one of the higher declines in the country. Declining home prices may explain why more than one in 10 foreclosed homes in January 2014 failed to sell at auction and were repossessed by the bank, one of the higher rates on this list. This may be a sign that the housing market has not fully recovered.

5. St. Louis, Mo.-Ill.

- > Pct. foreclosures vacated: 34%
- > Total vacated homes: 847 (27th highest)
- > Average home price: \$96,083 (14th lowest)

The number of vacant homes in the St. Louis area dropped by nearly 50% between the second quarters of 2013 and this year. Despite this, still more than a third of the area's 2,500 properties in foreclosure were vacant as of the second quarter. Residents of the St. Louis area are subject to either Missouri's non-judicial foreclosure process or Illinois' judicial one. The average lengths of proceedings in both states, however, are exceptionally high and have been on the rise in the last year. A complete foreclosure process took roughly one year on average in Missouri and more than 800 days in Illinois, both among the longer proceedings compared to other large metro areas. Long foreclosure procedures in both states likely contributed to the area's 34% vacancy rate.

Citigroup Settles Mortgage Inquiry for \$7 Billion

By [MICHAEL CORKERY](#)

July 14, 2014 7:17 am July 15, 2014 6:21 am

Credit Pablo Martinez Monsivais/Associated Press

Related Links

- [Documents on Citigroup's Settlement](#)

Updated, 8:29 p.m. | The \$7 billion deal that [Citigroup](#) agreed to strike with the Justice Department involves one of the largest cash penalties ever paid to settle a federal inquiry into a bank suspected of mortgage misdeeds.

But another major component of the settlement has little to do with troubled mortgages. As part of the deal, Citigroup has also agreed to provide \$180 million in financing to build affordable rental housing.

The unusual arrangement, which was outlined in the deal on Monday, underscores how difficult it remains for Citigroup to shed its rocky past and how federal prosecutors are getting creative in [holding the nation's big banks accountable for losses](#) that crippled the global financial system in 2008.

Like other settlements the federal government has signed with Wall Street, Citigroup's deal also requires the bank to modify mortgages of struggling homeowners. But Citigroup's mortgage business has shrunk appreciably since the financial crisis, and the bank doesn't service enough troubled mortgages to satisfy the monetary settlement terms for homeowner relief. So the bank agreed to finance affordable rental housing in unspecified "high cost of living areas."

Wall Street watchdog groups and housing advocates said the terms of the \$7 billion settlement highlight how the federal government has fallen short in its effort to hold banks accountable, noting that neither Citigroup nor any of its executives have been criminally charged for the bank's mortgage problems.

In announcing the deal on Monday, Attorney General [Eric H. Holder Jr.](#) said the hard-fought settlement did not absolve the bank or its employees from facing criminal charges. "The bank's misconduct was egregious," he said. "As a result of their assurances that toxic financial products were sound, Citigroup was able to expand its market share and increase profits."

The Justice Department said Citigroup routinely ignored warnings that a significant portion of the mortgages it was packaging and selling to investors in 2006 and 2007 had underwriting defects. In [one internal email cited by prosecutors](#), a Citigroup trader wrote "went thru Diligence Reports and think that we should start praying ... I would not be surprised if half of these loans went down." But the bank securitized the loans anyway.

The Justice Department said it was this type of evidence that enabled prosecutors to extract a \$4 billion cash penalty from Citigroup — the largest payment of its kind. That money will go into the [United States Treasury](#)'s general fund and is not earmarked for any particular use.

The deal also includes \$2.5 billion in so-called soft dollars designated for the financing of rental housing, mortgage modifications, down payment assistance and donations to legal aid groups, among other measures intended to provide relief to consumers.

The [Federal Deposit Insurance Corporation](#)'s portion of the settlement — about \$208 million — will reimburse creditors in three failed banks that owned large mortgage security portfolios — Citizens National Bank in Illinois, Strategic Capital Bank in Illinois and Colonial Bank in Alabama.

State attorneys general in California, Illinois, Massachusetts, New York and Delaware will receive a total of \$291 million. California, for example, will reimburse its two largest public pension funds for mortgage-related losses they suffered during the financial crisis.

The payments to the states are tax-deductible, but the federal penalty is not.

In a boon for Citigroup, the deal with the Justice Department forgoes any potential cases against the bank related to [collateralized debt obligations](#), or C.D.O.s, which were often tied to mortgages. While Citi was a relatively small player in the mortgage securities market, it was a leader on Wall Street in C.D.O.s.

As part of its rental housing commitment, Citigroup will provide financing to projects that may result in a loss to the bank. The Justice Department said the bank's involvement would help fill a gap left by cities and states that cut funding for affordable housing because of the recession.

“We hope this measure will bring relief to families who were pushed into the rental market after losing their homes in the wake of the financial crisis,” said Tony West, the Justice Department's lead negotiator with the bank. But for many borrowers who have already gone through foreclosures, the settlement comes too late, consumer advocates say.

“Seven billion sounds like a lot. But compared to the number of families that lost their homes, it is not very much at all,” said Isaac Simon Hodes, a community organizer with Lynn United for Change, a group that advocates on behalf of Boston-area residents facing foreclosure.

The bank must complete the consumer relief measures by the end of 2018.

In a call with reporters on Monday, Citigroup's chief financial officer, John C. Gerspach, declined to say how much it would cost the bank to satisfy the consumer relief portions of the settlement. “These are hard-dollar costs,” Mr. Gerspach said.

Legal costs associated with the settlement dealt an immediate hit to Citigroup's financial results. The bank took a \$3.8 billion charge in the second quarter, leading profits to tumble 96 percent from a year ago.

Including the charge and one-time items, Citigroup earned \$181 million, or 3 cents a share, compared with \$4.18 billion, or \$1.34 a share, in the second quarter of 2013.

Still, investors drove Citigroup's shares up 3 percent on Monday, relieved that a settlement had been completed and heartened that the bank's latest results were better than expected.

Excluding the mortgage settlement charge, Citigroup beat Wall Street's analysts' profit expectations, as its slumping trading revenue recovered slightly.

But much of that good news was overshadowed by the mortgage deal, which came after months of wrangling between prosecutors and the bank's lawyers.

At the outset, the bank had expected to pay a fraction of that \$7 billion. Citigroup's first offer to settle the case was \$363 million in April, revealing a wide disparity between what prosecutors and bank officials thought was an appropriate penalty.

That disparity stemmed largely from a disagreement over how to calculate the suspected harm that Citigroup's mortgage securities caused investors. Citigroup linked its initial offer to the bank's relatively small share of the market for mortgage securities, people briefed on the talks said. The Justice Department, however, rejected that argument, emphasizing instead what it saw as Citigroup's level of culpability based on emails and other evidence it had uncovered.

The jockeying seemed to continue to the very end. In announcing the settlement, the Justice Department held a news conference in Washington at exactly the same time as bank executives discussed second-quarter results with Wall Street analysts.

FRAC FACTS

Community Eligibility Provision

An Amazing New Opportunity



The new Community Eligibility Provision (CEP) allows high poverty schools to offer both breakfast and lunch at no charge to all students while eliminating the traditional school meal application process. CEP benefits students and the school nutrition department's bottom line—it increases participation in the school nutrition programs by offering breakfast and lunch for free to all; reduces administrative work for school districts by eliminating the need to qualify students for free and reduced-price meals and track which children are participating; and improves the overall financial viability of the school nutrition programs in high poverty schools. CEP has been phased in and is currently available

in the District of Columbia, Florida, Georgia, Illinois, Kentucky, Maryland, Massachusetts, Michigan, New York, Ohio, and West Virginia, and will be available in all states in the 2014-2015 school year.

WHO SHOULD PARTICIPATE?

- Any school with 40 percent or more “identified students” can participate in CEP. Identified students include children who are directly certified (through data matching) for free meals because they live in households that participate in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR), as well as children who are certified for free school meals without submitting a school meal application because of their status as being in foster care, enrolled in Head Start, homeless, runaway, or migrant students.
- Typically, schools with 75 percent or more free and reduced-price certified students will meet the 40 percent identified student requirement. School districts with 40 percent or more identified students may participate district-wide or may group schools together to reach the 40 percent identified student threshold.
- Reimbursements are determined by multiplying the percentage of identified students by 1.6 to determine the percent of meals that will be reimbursed at the free rate. For example, a school with 50 percent identified students would be reimbursed for 80 percent of the breakfasts and lunches eaten at the free reimbursement rate and the remaining 20 percent at the paid rate.

IT'S BEEN A SUCCESS IN THE FIRST SEVEN STATES

Based on an evaluation conducted by FRAC and the Center on Budget and Policy Priorities in the first seven states to implement CEP—the District of Columbia, Illinois, Kentucky, Michigan, New York, Ohio, and West Virginia—in the 2012-2013 school year:

- 2,273 schools participated in CEP;
- More than 960,000 students attended these schools and benefitted from free school meals; and
- About 10 percent of all students in these seven states attended CEP schools.

PARTICIPATION IN SCHOOL MEALS INCREASES

In schools that implemented CEP in the 2011-2012 school year in Illinois, Kentucky and Michigan:

- Breakfast participation increased by 25 percent, from 44 percent in October 2010 to 56 percent in October 2012; and
- Lunch participation increased by 13 percent, from 69 percent in October 2010 to 78 percent in October 2012.

For school districts that implement CEP district-wide, like Detroit Public Schools, the effect is further amplified. In Detroit, during the 2011-2012 school year, compared to the previous school year:

- Breakfast participation increased by 15 percent, or 7,400 additional students per day; and
- Lunch participation increased by 30 percent, or nearly 14,000 additional students per day.

IT IMPROVES THE FINANCIAL VIABILITY OF SCHOOL NUTRITION PROGRAMS

As a result of expanded student participation and reductions in administrative work, many CEP schools have reported increased revenues, resulting in stronger school nutrition programs overall:

- “Our department’s main goal is to feed students healthy meals so that they are ready to learn. Providing breakfast and lunch free of charge to all students through community eligibility has boosted participation by removing barriers like household applications and collecting fees from students. By feeding more children we are benefiting our school, our students, and our community.” – *Leslie Fowler; Executive Director of Nutrition Support Services, Chicago Public Schools, Illinois*
- “Community eligibility has strengthened our school nutrition program financially by expanding participation and increasing revenue. We now have children eating who never ate school meals before, with an increase of approximately 1 million additional meals served over the school year. We have been able to use the increased revenue to improve school nutrition infrastructure and the quality of the food served to our children.” – *Brenda Fish; Director of School Nutrition, Floyd County Schools, Kentucky*

CEP IS FLOURISHING

As more schools learn about the enormous benefits of CEP from schools that have implemented the provision, the number of schools and districts choosing CEP continues to grow. In the first three states to implement, Illinois, Kentucky, and Michigan, participation in CEP nearly doubled between the first and second years of implementation, from 665 schools serving approximately 285,000 students in the 2011-2012 school year to 1,240 schools serving 520,000 students in the 2012-2013 school year. Across these three states, about two-in-five eligible schools now participate in CEP.

FRAC RESOURCES

Community Eligibility: Making High-Poverty Schools Hunger Free,
http://frac.org/pdf/community_eligibility_report_2013.pdf

Food Research and Action Center

Community Eligibility Helps Low-Income Students and Schools

Community Eligibility is the newest, and in many ways best option for offering meals at no charge to all students in schools with high percentages of low-income students. Community eligibility allows schools to feed many more children, and to realize administrative cost savings, thereby making it cost-effective to provide all meals at no charge. Under community eligibility, paper applications are completely eliminated. Instead, schools are reimbursed through a formula based on the number of “Identified Students” - those certified for free school meals without paper applications.

Identified Students are those supposed to be found automatically eligible for free school meals, without a paper application, because they are in foster care or Head Start, are homeless, are migrant, or are living in households that receive SNAP/Food Stamps, TANF cash assistance or the Food Distribution Program on Indian Reservations benefits. Community Eligibility is available in all schools where 40 percent or more of the students meet this definition.

Community eligibility has been available in Illinois, Kentucky and Michigan since the start of the 2011-2012 school year. Washington DC, New York, Ohio and West Virginia began offering the option in the 2012-2013 school year. Florida, Georgia, Maryland and Massachusetts were selected to begin in the 2013-2014 school year. Beginning in the 2014-2015 school year, all schools nationwide that meet the 40 percent identified student threshold will be able to participate.

Benefits for Schools and Students

Schools using community eligibility realize the following benefits:

Helps low-income students and families

- Parents are assured that students are getting two healthy, nutrient-dense meals a day at school.
- Families’ financial burden is eased when students eat school meals.
- Families don’t face language, literacy or other issues with access due to application barriers
- Students that have access to better nutrition tend to perform better academically.

Increases efficiency and school meal participation

- Lunch lines move more quickly because students no longer have to enter codes or swipe school ID cards, which results in more students eating, overcoming challenges caused by short lunch periods.
- More students eating school meals reduces stigma experienced by low-income students, encouraging others to participate.
- Increased convenience of alternative service models, such as breakfast in the classroom, enables more students to participate.

Reduces administrative costs

- Staff no longer collect, certify or verify applications.
- Fewer staff are needed in the cafeteria to track who qualifies for free meals or collect meal charges.
- Counting and claiming is simplified because staff no longer have to categorize each meal served as paid, reduced-price, or free.
- Staff no longer need to handle payments or track uncollected fees when students can’t afford to pay meal fees.

Community Eligibility and Alternative Breakfast Service Methods

With community eligibility, the universal free meals and simplified meal counting and claiming make it easier to offer breakfast in the classroom and other alternative breakfast service methods that encourage participation. A wide body of research shows that implementing an alternative breakfast model is the most effective means to increase participation and achieve the gains in academic success linked to school breakfast consumption. Schools can use a variety of methods, including breakfast in the classroom, “grab and go,” and breakfast after first period. Allowing students to eat in the classroom makes it convenient and accessible to all, and incorporating breakfast into the school day helps families whose early morning schedules make it difficult to fit in breakfast at home. Also, it alleviates the problem of students missing breakfast in the cafeteria for any number of reasons, including school bus schedules or long school security lines.

Alternative Breakfast Service Methods

Breakfast in the Classroom: Students eat breakfast in their classrooms, either at the beginning of the school day or early during the day. Typically, breakfast is brought to classrooms from the cafeteria in containers or served from carts in the hallways by food service staff.

“Grab and Go”: All the components of school breakfast are conveniently packaged so students can easily grab a reimbursable meal quickly from the cafeteria line or from carts elsewhere on school grounds. Depending on the school’s rules, students can eat in the classroom, or somewhere else on campus.

Breakfast after First Period or “Second Chance Breakfast”: Usually implemented in middle and high schools, this method allows students time after their first period to obtain breakfast from the cafeteria or carts in the hallway, or to eat in the classroom or cafeteria. Computerized systems ensure that children receive only one breakfast each day.

How Community Eligibility Impacts School Meal Revenue

School districts considering adopting community eligibility will want to calculate its impact on their federal reimbursements and food service revenue. Districts have the flexibility to implement community eligibility district-wide, in individual schools, or in groups of schools. Additionally, the identified student rate (which determines the reimbursement) may be calculated school-by-school, for a cluster of schools, or in the aggregate for an entire school district. School districts may want to run different estimates using various models of implementation.

Federal reimbursements for both lunch and breakfast are determined by multiplying the percent of students certified without paper application (Identified Students) by a 1.6 multiplier. The resulting number is the percentage of meals reimbursed at the “free” reimbursement rate, with the rest being reimbursed at the “paid” rate (see Table below). The Identified Student percentage for a group of schools within a district is calculated by taking the sum of the Identified Students for the group of schools, divided by the sum of student enrollment for the group of schools. Districts should use their most recent Identified Student percentage, and for the following school year must use Identified Student and enrollment data calculated on or before April 1.

Resources and calculators are available to assist schools with estimating reimbursements under community eligibility. When districts estimate their expected revenue, they should include an estimated growth in breakfast and lunch participation. The first three states that implemented community eligibility experienced an average of an 8 percent increase in lunch participation and a 17 percent increase in breakfast participation. For USDA’s most recent calculator go to FRAC’s school meal eligibility page <http://frac.org/federal-foodnutrition-programs/school-breakfast-and-lunch/eligibility/>

Meal Reimbursements with Community Eligibility

Percentage of Identified Students	Percentage Reimbursed at Free Rate	Percentage Reimbursed at Paid Rate
40%	64%	36%
45%	72%	28%
50%	80%	20%
55%	88%	12%
60%	96%	4%

Concerns and Solutions

Concerns	Solutions
Will schools lose Title I funding?	No, the U.S. Department of Education has clarified that schools can use their community eligibility claiming percentage to determine funding, just as schools do that use the similar analogous and longstanding “Provision 2” to offer meals free to all students. To view a copy of the letter : http://frac.org/federal-foodnutrition-programs/school-breakfast-and-lunch/eligibility/
Will schools lose food service revenue?	No, schools that choose to implement the option will either break even or do better. Many school districts that have implemented community eligibility report a net increase in revenue. Increases in participation, coupled with administrative and labor savings, help make up for any lost revenue from paid meals. Because of simplified counting and claiming, and the elimination of charges to students, the line moves more quickly with less staff oversight. Additional administrative savings are realized as schools no longer have to expend time trying to recoup uncollected meal fees.
How can schools determine income eligibility for other programs, such as reductions in fees for text books, sports or college preparatory testing?	States can develop a household income summary form that districts can distribute to all households in community eligibility schools. This information can be used to determine eligibility for all other school programs, but has no effect on school meal eligibility.
Is there a long application process to implement community eligibility?	No, generally the process is very simple and does not require a lengthy application. While it does takes some work to initially set up the program, there are less costs and administrative work in the long run, because school food services no longer has to collect applications or fees from students.

What States and Districts with Community Eligibility are Saying about It

FRAC surveyed school districts in spring 2012 on their experience using community eligibility. Every district recommends this option, and many report increased participation by students and positive feedback from staff and parents. States and districts continue to report positive outcomes in interviews conducted during the 2012-2013 school year.

“Our department’s main goal is to feed students healthy meals so that they are ready to learn. Providing breakfast and lunch free of charge to all students through community eligibility has boosted participation by removing barriers like household applications and collecting fees from students. By feeding more children we are benefiting our school, our students, and our community.”

– Leslie Fowler, Executive Director of Nutrition Support Services, Chicago Public Schools, Illinois

“Community eligibility has strengthened our school nutrition program financially by expanding participation and increasing revenue. We now have children eating who never ate school meals before, with an increase of approximately 1 million additional meals served over the school year. We have been able to use the increased revenue to improve school nutrition infrastructure and the quality of the food served to our children.”

– Brenda Fish, Director of School Nutrition, Floyd County Schools, Kentucky

“Community eligibility has been an unqualified success in Michigan since we first started it in the fall of 2011. Schools have reported increased student participation in school meals along with higher food service revenues, and quicker, streamlined service in the cafeteria. The overwhelmingly positive experiences of the schools that implemented community eligibility in the first two years have demonstrated what a great opportunity this is and have encouraged more and more schools to take advantage of this option.”

–Howard Leikert, School Nutrition Programs, Michigan Department of Education

COMMUNITY ELIGIBILITY PROVISION EVALUATION (SUMMARY)

Background

The Healthy, Hunger-Free Kids Act (HHFKA) provided schools and local educational agencies (LEAs) that predominately serve low-income children with a new option for meal certification. Under the Community Eligibility Provision (CEP), schools do not collect or process meal applications for free and reduced-price meals served under the National School Lunch Program (NSLP) and School Breakfast Program (SBP).

Instead, schools serve all meals at no cost and are reimbursed using a formula based on the percentage of students identified as eligible for free meals using direct certification and other lists of eligible students. Any costs for serving these meals in excess of the Federal reimbursement must be paid from non-Federal sources. CEP is intended to increase low income students' access to nutritious meals while reducing administrative burden.

The CEP is being phased in over a 4-year period, beginning in school year (SY) 2011-12. It will be available nationwide to those that meet the criteria in SY 2014-15. Three States participated in the 1st year (Illinois, Kentucky, and Michigan) with four more States added in each of the following 2 school years (the District of Columbia, New York, Ohio, and West Virginia in SY 2012-13, and Florida, Georgia, Maryland, and Massachusetts in SY 2013-14).

This evaluation, mandated by the HHFKA, examined the implementation and impacts of this new framework for providing free meals to all students in high-poverty schools. Specifically, the objectives of this evaluation were to obtain a better understanding of:

- The acceptability of the Community Eligibility Provision to LEAs,
- The incentives and barriers for LEAs adopting the provision,

- Operational issues that State agencies encounter in administering this provision, and
- Implications and impacts of making use of this provision, including impacts on:
 - NSLP and SBP participation and revenues
 - LEA and school administrative costs and staffing
 - Program integrity including certification error and meal counting and claiming
 - Meal quality and choices.

Methods

The study included an implementation study component and an impact study component in the seven States that implemented CEP in SY 2012-13.

The implementation study used administrative and extant data to examine LEA and school characteristics, and Web-based surveys from a sample of eligible participating LEAs, eligible nonparticipating LEAs, and near-eligible LEAs. State Child Nutrition Directors and staff were interviewed to obtain their perspectives on implementation successes and challenges. In addition, Title I directors in all 51 State education agencies were interviewed to gather data on programs using school meals data and how these programs might be affected by the elimination of free and reduced-price meal applications under the CEP.

The impact study collected and analyzed data on outcomes for matched samples of treatment (participating) and comparison (nonparticipating) LEAs. Program participation and revenue data were collected through a Web-based survey and State administrative data. Data on administrative costs and certification errors were collected through in-person interviews and record abstraction. Onsite observations were used to collect data on meal quality and meal counting/claiming errors.

Findings

Implementation Study Results

A large proportion of eligible LEAs opted to use the CEP in States where it was available, despite uncertainties about its impacts on finances and operations. Across the 7 States, a total of 420 LEAs and 2,312 schools participated in the CEP in SY 2012-13. This represents 32 percent of eligible LEAs and 29 percent of eligible schools.

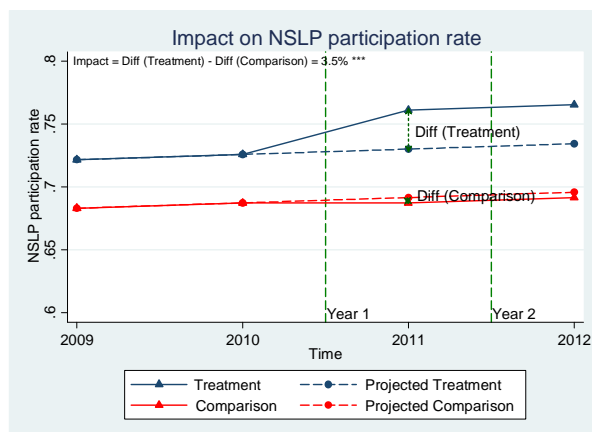
Participating LEAs reported that they were both well satisfied and likely to continue using the CEP.

There were several key challenges at the State level: (1) the limited time to gain a full understanding of the CEP, make decisions about participation, and implement it; and (2) understanding and addressing the implications of the CEP for education programs that use individual student meals certification data such as Title I and E-Rate.

At the LEA level, the biggest reported barriers were financial concerns: uncertainty about the impacts of the CEP on NSLP and SBP participation and the impacts on LEA finances, both within the school foodservice arena and the educational environment as a whole.

Impact Study Results

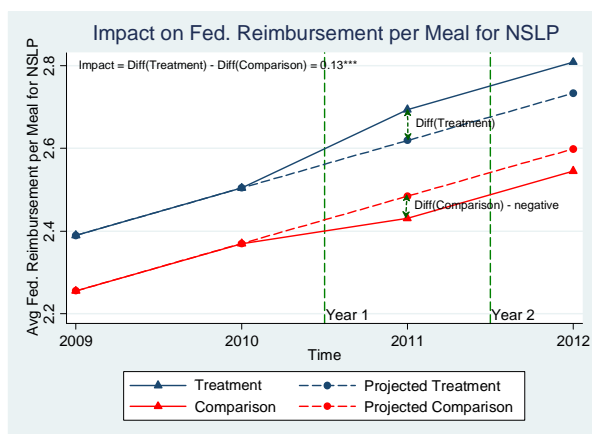
The CEP correlated with significantly higher student participation in both the NSLP and SBP. The average NSLP daily participation rate in CEP LEAs was 5.2 percent higher than comparison LEAs (3.5 percentage points). Similarly, the impact on SBP average daily participation represents a 9.4-percent increase in participation (3.6 percentage points).



The CEP reduced the overall rate of certification errors and had little or no impact on errors in counting meals (at the cashier level) and claiming meals for reimbursement. The CEP eliminated application processing errors that, in the comparison schools, resulted in certification errors in 6.6 percent of applications.

For a broad range of meal quality measures, there was no evidence that the CEP had a significant impact.

Because a higher proportion of meals were reimbursed as free meals, CEP increased average Federal reimbursements per meal significantly—about 6 percent for NSLP meals and 2 percent for SBP meals.



Summary

Implementation of the CEP in its first 2 years was successful with regard to its two most important dimensions. Take-up rates of the CEP were widespread among eligible LEAs, and CEP appeared to increase NSLP and SBP participation and the associated Federal reimbursements. The continuing need for household income data for Federal and State education programs may pose the greatest challenge for broader implementation.

For More Information

C. Logan et al. (2013). Community Eligibility Provision Evaluation Final Report. Prepared by Abt Associates Inc. Alexandria, VA: U.S. Department of Agriculture, Food and Nutrition Service. Project Officer: John Endahl. Available online at: www.fns.usda.gov/research-and-analysis.

For the love of learning: Freedom Schools go above and beyond helping kids grow

By ROXIE HAMMILL

Special to The Star

It's Tuned-up Tuesday in the multipurpose room of Mount Pleasant Baptist Church in Kansas City, a Freedom Schools location. You know it is Tuned-up Tuesday because it is LOUD. Some 80 kids are jumping, clapping and chanting, led by a dozen college interns.

"Tick, tick, tick BOOM, dynamite! Freedom School is tick, tick, tick BOOM dynamite!"

The interns lead the cheers, and the children jump with glee. Just as quickly, they settle down for a slower, inspirational song with motions.

It may look like a summer camp of fun and games, but the Freedom Schools program is serious business.



a reading assignment. Books in the curriculum are written and illustrated by African-Americans. | FRED BLOCHER/The Kansas City Star

Students come here, and to five other sites on both sides of the state line, to improve reading and math skills. Parents get an assessment of how their kids are doing. And the schools are supported by Kansas City Public Schools as part of its summer school program.

"It has absolutely been an excellent supplement to what we're doing," said Superintendent Steve Green.

But it's not only about studying, he said. Along with the words on the page come self-esteem and empowerment, Green said.

"Students get over their fears about reading," he said.

The six-week program, offered through July 18 at the six sites, is for kids ages 4 to 17, but the age limits vary by location. The majority at Mount Pleasant are in elementary school, with some as young as prekindergarten age.

"These babies come in, and they're shy. They don't want to participate, they don't want to be touched. They want to go home," said the Rev. Darren Faulkner, executive director and CEO of the Kansas City Freedom Schools Initiative. "By the end of the second week, they're jumping, singing and dancing. They come out of their shells."

Freeing prekindergartners of their inhibitions is only one item on the sizable to-do list for Freedom Schools. They aim to instill a love of reading and a sense of pride and purpose among kids from sometimes-struggling urban neighborhoods.

Freedom Schools also hold evening supper workshops for the parents, employ college interns (school leaders with minimum 2.5 GPAs and registered voters) and encourage civic involvement and voting.

And this year, in an effort to help kids stay out of gangs, the Freedom Schools Initiative is working with Jackson County Family Court to coach youthful offenders in reading and other subjects, as well as teach them computer repair and entrepreneurial skills.

That program is for young teens who have been charged with or convicted of a not-too-severe crime that may get them suspended from school. It's the first of its kind in the country.

The family court program is only about a month old serving 10 kids, said Theresa Byrd, director of field services for the court. So far, she said, it's gotten rave reviews from staff members, who say the students have evolved into enthusiastic readers willing to read aloud.

"They are totally engaged, not because they have to be, but because they want to be," said Byrd.

Running through it all is community pride. Books in the curriculum are written and illustrated by African-Americans.

"The kids can see themselves in the books, so that adds to their achievement." Faulkner said. "The thing that makes this successful is the cultural element."

The Kansas City Freedom Schools program is 20 years old. But really, it's 50 years old. The program has its roots in the civil rights movement of the 1960s, when predominantly white college students went to the South — Mississippi in particular — to hold voting registration drives in the disenfranchised black community.

In the process, they also set up community centers and summer schools where kids could reinforce their reading skills.

The original freedom schools died out but were re-envisioned by Marian Wright Edelman, founder of the Children's Defense Fund, in 1993. They now operate under the wing of Edelman's organization.

The Freedom School at Mount Pleasant Baptist Church, celebrating its 20th year, is the second-longest-running Freedom School in the country.

There have been setbacks. There was a time when Kansas City Freedom Schools had the largest enrollment of any in the country, said Faulkner. Fifteen hundred scholars, as students are always called, were enrolled at 19 school sites on both sides of the state line.

Then came a series of unfortunate events.

The recession caused churches to cut back on their contributions. Then a multiyear, \$12.9 million grant from the Kauffman Foundation reached the end of its life in 2012. Enrollment has since dropped to about 600, and there's a waiting list every year.

Faulkner is hopeful those times are fading. He cited the partnership with the Kansas City school district and said he sees possibilities ahead for new sources of funding.

"I believe it's very possible for us to build back in the next several years," he said.

The school partnership, for instance, allows state per-pupil funding to come into the Freedom School budget via the Kansas City district. For that reason, students in the district get preference when signing up for class.

The school is also supported by the Children’s Defense Fund and donations to reach the \$500,000 needed to educate the students this year, Faulkner said.

Despite those difficulties, school leaders say, the academics remain strong.

They point to an analysis by the Kansas City Area Education Research Consortium that gives Freedom Schools good marks for reading. The schools had an “overall positive growth rate” in the standardized STAR reading assessment scores, according to the study.

Kansas City Public Schools also has judged it a worthwhile program. Freedom Schools has been a partner since 2005, meaning its programs have been effective enough that kids going through the program get summer school credit.

Green didn’t have figures at hand, but he said the Freedom Schools have included more assessments of proficiency over the years, providing parents with good profiles of how their children are doing.

“It complements what we do,” he said.

There’s even a little natural crossover of Freedom Schools activities into public schools, he said, because some public school teachers also teach summers in Freedom Schools.

The day begins at 8 a.m. with breakfast, followed by what is surely one of the best-loved parts of the day. Harambee.

Part exercise, part motivation, part team building, Harambee is 30 minutes of songs, cheers, stories and shout-outs and a reflective moment of silence. The word means “all push together” in Kiswahili.

The interns lead the familiar cheers, create a silly story from fragments as they pass the mic, and invite students up for “recognition” time, which can be anything from a mention of a cousin’s birthday to a sports team victory. At one point the group sings, with actions, the song “Something Inside So Strong” by Labi Siffre:

“Brothers and sisters, when they insist we’re just not good enough

When we know better

Just look ‘em in the eyes and say

I’m gonna do it anyway.”

Freedom Schools are not like other summer schools, say the staff and people who participate in them. No one wears a uniform, and rows of desks are nonexistent.

Instead, students may sit on rugs on the floor, as they do while reviewing letter sounds in the kindergarten class, or scoot in chairs around the perimeter of a room where third- through fifth-graders learn geography.

The scholars are excited as interns Wycla Bratton and Cedrick Robinson bring around an open laptop with pictures of the globe and people in the traditional dress of their countries.

Who can compare and contrast the kimono with the dashiki? And who can name all the continents?

A collective breath seems to be held as one scholar attempts it. And when he's successful, the group breaks out in the "good job" chant learned earlier for Harambee.

But it's more than just a recitation of facts. The program is faith-based, but it does not preach a particular religion. Instead, an underlying thread of confidence, mutual support and perseverance runs through the lessons.

A class of first- and second-graders draws comic strips to illustrate the lessons they learned from reading "Dancing in the Wings" by Debbie Allen.

Jazmin Atkins, 7, explains that her strip is about a bird that couldn't sing and was laughed at, but eventually got better.

Down the table, Alana Lindsay, 8, has a different story. Hers is about five girls at a shopping mall.

"The person who owns the mall is gonna say she can't shop there anymore. Her friends say, if she can't, we won't. They're going to go to a different mall and shop there."

The kids in Hannah Banks' class are doing a similar exercise on the book "Marisol McDonald Doesn't Match" by Monica Brown. The conversation works around to bullying and how to go about speaking positively to one another.

Cameron Hammond, 7, gets it.

"Don't you know whenever you bully somebody it puts holes through your own heart?" he said.

Teachers and interns are a big part of the program. Interns get extensive training in Knoxville, Tenn., before taking over as class and activity leaders. Once they take their places at school, they are the objects of outright adoration.

At one classroom session discussion on giving compliments, the young scholars had long lists of praise for their interns. Amazing, funny, loving, beautiful, smart, a good teacher. Awesome.

Banks, a fifth-grade teacher in Kansas City, Kan., said her four summers as an intern at Freedom Schools shaped her career path.

"That's where I found my love for teaching," she said.

"Everything has a reason, everything has a focus," Banks said. "I love making a difference in my community with the kids I see each day."

Jessikha Williams, of Kansas City, attended the school as an 8-year-old and now is an intern. She said the schools' focus on giving children a healthy, safe and fair start in life appeals to her.

"I love Freedom School and what Freedom School is doing and our focus with teaching (that) kids wouldn't get in regular school," she said.

Parents at a recent workshop felt the same way.

Robyn Riley of Kansas City has two grown daughters who attended, and now her granddaughter, Lyric Riley-Allen, 5, is enrolled.

"It gives a sense of pride," she said. "It gives them confidence so they can achieve things and encouragement so they have the willpower to try something they might not have had the confidence to do."

Ray Smith of Kansas City put his two children, Ray and Ivori, in Freedom Schools because he wanted a more joyful experience where they could wear summer clothes and not a uniform, as they would have done at his other option, University Academy.

Smith said he likes the emphasis on reading and math and the fact that the program is faith-based.

“I like the energy the interns have with the kids. The kids are more free to be themselves,” he said.

Reggie McKeithen, a Kansas City firefighter and former Freedom School intern, said he wants the same thing for his daughter, 5-year-old Amaiya, that a good suburban school would offer.

“It’s important for African-American children or other minority children to develop a love of reading and books and education,” he said.

So far, the program has had good success with Amaiya.

“She started with her age group but has done so well that she’s moved up to the next class just to be able to challenge her,” he said.

It’s all about providing a welcoming, loving atmosphere, said Faulkner.

“We show our kids we love them. We don’t tell them to sit down and be quiet, or God forbid, shut up,” he said. “When they know we love them and they trust us, they’ll do just about anything we ask them to do.”

Where are Freedom Schools?

The KC Freedom Schools Initiative has six locations this summer in the two Kansas Cities. Two are run by Kansas City Public Schools. The locations:

- Metropolitan Baptist Temple, 853 Washington Blvd., Kansas City, Kan.
- Mount Pleasant Baptist Church, 2200 Olive St., Kansas City.
- St. Peter CME, 1419 N. Eighth St., Kansas City, Kan.
- Arts Tech/Family Court, 1522 Holmes St., Kansas City (14- to 16-year-olds).
- Woodland Early Learning Center (run by KCPS), 711 Woodland Ave., Kansas City (pre-K).
- African-Centered College Preparatory Academy (run by KCPS), 3500 E. Meyer Blvd., Kansas City (pre-K through second grade).

Getting involved

The program will start taking applications in March for next summer. Call 816-483-3717, ext. 12, or visit kcfreedomschools.org for more information.

Prospective interns can learn more at kcfreedomschools.org.

Fort Family Fun Day **FREE!** Back^{to} School Bash!

Sat., Aug. 2

10am - 2pm

Fort Osage Main Campus



Inflatables

Fun!



Family Activities

Face Painting



Much More!

Join us for a free family event featuring lots of activities, health resources, food, entertainment and much more. The event is **FREE** for all Fort Osage families.

FortFamilyFunDay.org



Find us on
Facebook
/FortFamilyFunDay





2014 Summer Programs

District	Location	Before & After Summer School	All Day Summer Program	
Center	Boone Elem.	X		
Fort Osage	Blue Hills Elem.		X	
Grandview	Butcher-Greene Elem.	X		
	Meadowmere Elem.		X	
Hickman Mills	Truman Elem.		X	
	Burke Elem.	X		
	Ingels Elem.			
	Santa Fe Elem.			
	Symington Elem.			
Kansas City, Mo.	Gladstone Elem.	X		
	Paige Elem.			
	ACCPA		X	
	Attucks Elem.			
	Border Star Montessori			
	Garfield Elem.			
	Holliday Montessori			
	Melcher Elem.			
	Pitcher Elem.			
	Trailwoods Elem.			
North Kansas City	Topping Elem.	X		X
Charter	Tolbert Academy	X		

