

**NOTICE OF SPECIAL MEETING  
OF THE BIRMINGHAM LAND BANK AUTHORITY BOARD**

As Chairman of the Birmingham Land Bank Authority Board, I am calling a special meeting of the Board to occur:

**Date: Thursday, April 23,  
2020 Time: 2:00 p.m.**

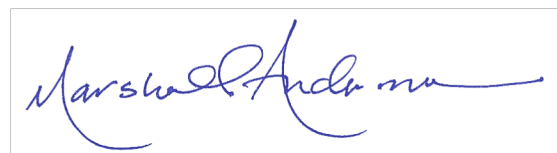
The purpose of and agenda for the meeting will be to deliberate matters necessary to respond to COVID19, including a change of payment process for Tiffany and Bosco and quiet title attorneys used by the Birmingham Land Bank Authority (BLBA) in order to reduce person-to-person contact, to adjust timeframes consistent with the Court's available schedules, and to encourage other efficiencies during the State of Emergency. The BLBA Board will accomplish other limited business that is necessary to perform essential minimum functions of the BLBA, including, but not limited to, the approval of acquisitions from the Alabama Department of Revenue that must occur before the next tax sale, the adoption of the BLBA's budget request from the City of Birmingham that constitutes the major source of the BLBA's funding on an annual basis, and to receive an operations update.

On March 18, 2020, Governor Ivey issued a Proclamation authorizing the BLBA Board to meet by telephone conference under certain circumstances. In accordance with the Governor's Proclamation, I am directing that the meeting be held by telephone conference through the LoopUp platform as set forth below, which shall serve as the place of the meeting:

**Dial in (by joining, you agree to the privacy policy at loopup.com):  
USA: +1 (312) 212-3078  
Guest Dial-in Code: 2345889#**

The communication equipment identified above allows all persons participating in the meeting to hear one another at the same time. Public comments will not be allowed. Anyone other than a member of the Board or an official or employee recognized by the Chairman is asked to mute their telephone.

The BLBA Administrator is directed, no less than twelve hours following the conclusion of the meeting conducted pursuant to this notice, to post a summary of the meeting in a prominent location on the BLBA's website. The summary shall recount the deliberations conducted and the actions taken with reasonable specificity to allow the public to understand what happened.



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Marshall Anderson, Chairman

# BIRMINGHAM LAND BANK AUTHORITY

Board of Directors  
MARSHALL ANDERSON, *Chairman*  
CHRISTOPHER CUMMINGS, *Vice  
Chairman*  
ROB BURTON, *Secretary*

City of Birmingham  
710 North 20<sup>th</sup> Street, City Hall  
Birmingham, Alabama 35203

BRADLEY P. GREEN  
JASON EPPENGER  
GWENDOLYN BATES CALHOUN  
(\*1946-2020)  
LYORD WATSON

## Memorandum

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**DATE:** April 23, 2020

**TO:** Board of Directors of the City of Birmingham Land Bank Authority

**Jason Eppenger**  
**Lyord Watson**  
**Chris Cummings**  
**Brad Green**  
**Robert Burton**  
**Marshall Anderson**

**FROM:** Eric Fancher, Administrator

**SUBJECT:** Agenda for the Special Meeting of the Birmingham Land Bank Authority Board of Directors via telephone, 2:00pm. on Thursday April 23,2020.

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## ROLL CALL

## AGENDA

**4.23.1 Authorizing a Request to the Land Commissioner for the transfer of the state's interest of thirty one (31) tax delinquent properties located in the corporate limits of the City of Birmingham to the Birmingham Land Bank Authority– Action.**

**4.23.2 Resolution approving the contract form and terms for Attorneys currently performing quiet title actions on behalf of the Birmingham Land Bank Authority-Action.**

**4.23.3 Authorizing official budget request to the City of Birmingham for the fiscal year 2020-2021.- Action.**

**OLD BUSINESS**  
**NEW BUSINESS**  
**ADJOURNMENT**

**RESOLUTION 4.23.3 AUTHORIZING OFFICIAL BUDGET REQUEST TO THE CITY OF BIRMINGHAM FOR THE FISCAL YEAR 2020-2021**

WHEREAS, the Birmingham Land Bank Authority (the “Authority”) is a local land bank authority created and organized by the City pursuant to Act. No. 2013-249 of the Alabama Legislature (the “Act”) (Code of Alabama (1975) § 24-9-1 et seq.) and Resolution No. 928-14 of the Birmingham City Council to acquire tax delinquent properties in the City of Birmingham in order to foster the public purpose of rehabilitating land which is in a nonrevenue-generating, nontax-producing status to an effective utilization status in order to provide housing, new industry, new commercial and economic development, other productive uses, jobs for the citizens, and to assemble parcels of real property for redevelopment, stabilize property values, and remove blight; and

WHEREAS, staff for the Authority will investigate requests made of the Authority by individuals, non-profits, for-profits, and others for compliance with the Authority’s adopted Policies & Procedures, including investigation of a requestor’s Maintenance/Development Plan, and for recommendation to the Authority’s Board of Directors for approval in requesting tax deeds from the Alabama Department of Revenue; and

WHEREAS, the Authority will enter into agreements with law firms for legal assistance in filing quiet title actions on properties for eventual sale to citizens, non-profits, for-profits, and others; and

WHEREAS, the Birmingham Land Bank Authority wishes to authorize a budget for fiscal year 2020-2021 to provide funds for activities in order that the Birmingham Land Bank Authority may clear title to such properties and return them to productive use; and

WHEREAS, the adoption of the BLBA’s budget request from the City of Birmingham constitutes the major source of the BLBA’s funding on an annual basis is necessary to perform essential minimum functions of the BLBA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Birmingham Land Bank Authority as follows:

1. The Birmingham Land Bank Authority authorizes the budget described in Appendix “A”.
2. This Resolution shall be effective immediately upon passage.

**4.23.3 Appendix A**

**Total Operating Expenses in FY2021 Budget Request**

**Total Professional Services Expenses- \$220,000.00**

**Total Administrative Expenses - \$114,500.00**

**Total Property Maintenance and Evaluation- \$115,988.00**

**Total Acquisition Costs- \$1,100,000.00**

***Total Request- \$1,550,488.00***

Financials	2020 Actual	2020 ENCUMBERED	2020 Budget	2020 Amended	2021 Budget
<b>Revenues</b>					
QTA Earnest Money	-	-	-	-	-
QTA Base Closing Proceeds	278,228		-	-	-
Administration Fees	-	-	-	-	-
Redemptions	-	-	-	-	-
Neighborhood Subsidized QTA Proceeds	-	-	-	-	-
<b>Program Income</b>	278,228	-	-	-	-
<b>EXPENSES</b>					
<b>Professional Services</b>					
General Counsel	11,967	45,000	75,000	45,000	50,000
Complex Quiet Title Actions	-	50,000	100,000	50,000	100,000
Governmental Affairs		30,000	0	30,000	10,000
Consulting			0	0	20,000
Property Management Software/Training	26,204	40,000	43,489	43,489	30,000
Financial Services			0	0	5,000
Independent Audit			10,000	10,000	5,000
<b>Administrative Expenses</b>					
Conference/Prof Development/Membership	2,950	2,950	5,000	5,000	5,000
Office Supplies	47	47	7,000	7,000	7,000
Vehicles	-	-	0	0	60,000
Events/Marketing/Website	-	-	10,000	10,000	10,000
Furniture	-	-	0	0	10,000
Technology/Equipment			0	0	20,000
Petty Cash			0	0	500
Travel/Mileage	4,841	4,841	20,000	10,000	2,000
<b>Property Maintenance and Evaluation Expenses</b>					
Inspections and Field Asset Management			100,000	50,000	50,000
Appraisals	-	-	0	0	5,000
Surveyor Fees	-	-	10,000	10,000	5,000
Stabilization					50,000
Storm Water Fees/Property Taxes	4,673	6,000	5,988	5,988	5,988
<b>Acquisition Costs</b>					
General Request/Quiet Title Program	298,868	1,285,000	0	1,285,000	
Strategic Acquisition/Site Assembly		723,523	613,523	723,523	1,000,000
Neighborhood Subsidized Quiet Title Program					100,000
<b>Total Expenses</b>	<b>349,550</b>	<b>2,187,361</b>	<b>1,000,000</b>	<b>2,285,000</b>	<b>1,550,488</b>
<b>Operating Surplus / Deficit</b>	<b>(71,322)</b>	<b>(2,187,361)</b>	<b>(1,000,000)</b>	<b>(2,285,000)</b>	<b>(1,550,488)</b>
<b>Other Financing Sources</b>					
City of Birmingham Budget Allocation	1,000,000	1,000,000	1,000,000	1,000,000	1,550,488
Grants	-	-	0	0	0
Prior City of Birmingham Transfer In	1,421,112	1,421,112		1,421,112	136,112
<b>Total Other Financing Sources</b>	<b>2,421,112</b>	<b>2,421,112</b>	<b>1,000,000</b>	<b>2,421,112</b>	<b>1,686,600</b>
<b>Fund Balance</b>	<b>2,349,789</b>	<b>233,750</b>	<b>0</b>	<b>136,112</b>	<b>136,112</b>
<b>Acquisition Costs</b>	<b>298,868</b>	<b>2,008,523</b>	<b>613,523</b>	<b>2,008,523</b>	<b>1,100,000</b>
	<b>2020 Actual</b>	<b>2020 ENCUMBERED</b>	<b>2020 Budget</b>	<b>2020 Amended</b>	<b>2021 Budget</b>

## **Line Items**

The line items below represent services necessary to carry out the operations of the Birmingham Land Bank Authority. To the extent that the Authority can identify and utilize in-kind services and space, it can expend more of its allocation on property acquisition and assembly for redevelopment.

### **Professional Services**

#### ***General Counsel***

Our General Counsel is Ben Goldman with Hand Arendall Harrison Sale. Hand Arendall has been with the BLBA from the beginning since pushing the drafting of the amendments to create the authority to working to handle our very first closings. They handle all legal affairs of the Authority that go beyond the routine quiet title action that is involved in acquisition.

□ **Counsel:** *Hand Arendall Harrison Sale*

#### ***Complex Quiet Title Actions***

At times, the Authority may come across a quiet title action that requires more significantly more work and detail than the routine quiet title action entails. These actions usually involve actions that are of significant importance to the operation of the Authority.

#### ***Governmental Affairs***

Sewer Liens, Legislative hurdles, interagency cooperation sometimes can require a particular set of tasks beyond what our General Counsel is tasked with performing. This line item exists to fund those tasks and any legislative assistance that may be required in furthering the operations of the Authority. Alabama Laws on property and tax foreclosure are not as conducive to land banking and progressive neighborhood revitalization programming spearheaded by municipalities. We hope to change that.

#### ***Consulting***

The Authority plans to commence the drafting of a strategic plan in 2020. We also work to consult best practices and invite experts to Birmingham to aid in facilitating productive conversations about neighborhood revitalization.

#### ***Property Management Software/Training***

Property and data management software and training for BLBA programming.

#### ***Vendor: Eproperty Innovations***

• Independent Audit

### **Administrative Expenses**

#### ***Conference/Professional Development/Memberships***

Center for Community Progress Reclaiming Vacant Properties Conference  
Professional Memberships

### ***Vehicles***

In late 2019, the BLBA lost access to vehicles. This line item will fund the acquisition of vehicle(s) to allow for the continued forward momentum of the Authority. Quiet Title Actions and Liquidation of unsold properties are now three months behind due to lack of consistent access to go into the field and evaluate suitability of parcels.

### ***Events/Marketing/Website***

This includes Marketing materials, printing, production and communication services. Staff currently produces all marketing materials, website and social media content.

### ***Furniture***

BLBA staff currently operates out of a break area on the 10th floor of City Hall. Appropriate furniture will need to be acquired in the event of a relocation to an area that lacks sufficient accommodations.

### ***Technology/Equipment***

Three new employees are expected to join the staff of the BLBA. Computers and technology along with equipment for existing staff will need to be purchased. Presentation equipment, including a project and screen will also need to be purchased.

## **Property Maintenance and Evaluation Expenses**

### ***Inspections and Field Asset Management***

Services related to evaluating parcel's suitability for acquisition, maintenance, security, post closing compliance, signage and any other tasks deemed necessary for BLBA operations.

### ***Appraisals***

The BLBA must be prepared to properly analyze the value of potential high value parcels.

### ***Surveyor Fees***

BLBA acquisitions routinely run into issues with legal descriptions parcel boundaries. This line item will provide funds to clear up discrepancies on parcels being acquired for site assembly. The BLBA will eventually roll those costs expended into the purchase price.

### ***Stabilization***

Any substantial work that may be required to safeguard a particular property or eliminate a problem. Properties eligible for acquisition through the BLBA have been tax delinquent for at least five years. They are usually targets for vandals, scrappers and squatters. Boarding up of properties that are especially vulnerable protects them from further damage and improves the safety of the neighborhood.

### ***Storm Water Fees***

The BLBA is required to pay City of Birmingham Stormwater fees each year on parcels in its name.

## **Acquisition Costs**

### ***General Request/Quiet Title Program***

Through the Quiet Title Program, the BLBA will file a quiet title action on the property to clear all back taxes, municipal assessments, and any other outstanding claims on the property so that the buyer will obtain full fee simple ownership via a Warranty Deed. Prior to acquiring the property through the program, the buyer must submit an application with details of plans to redevelop and maintain the property. This plan is attached to a contract and the buyer must complete their project or risk having the property taken back by the BLBA. The purchaser must deposit the anticipated costs of the action prior to the BLBA commencing work. In the past, the BLBA has fronted these costs. Because of the large number of defaults, it can no longer afford to cover costs of the quiet title action out of pocket.

### ***Strategic Acquisition/Site Assembly***

The BLBA, in the past, has operated on an as-requested basis for the general public. We have required that purchasers go through an application process before acquiring the tax deed to a property and commencing an action to quiet titles. This creates an issue when purchasers are ready to develop, but must wait through the uncertainty of a quiet title action. BLBA is now devoting much of its funding to identifying, acquiring and clearing title to parcels that have a high potential for redevelopment. This includes rehab ready structures, potential transit oriented development sites, infill housing opportunities, clusters for commercial development and any other parcels identified through collaborative efforts between the land bank and City Departments, partner agencies and organizations.

The BLBA plans to clear title to 200 parcels to have ready for site assembly, development and acquisition in FY2021.

### ***Neighborhood Subsidized Quiet Title Program***

From program inception, it has been the hope to reward citizens that took care of eligible parcels adjacent to their property with the opportunity to acquire full ownership of the parcels at a lower cost. This fund exists to make that possible.