

Wednesday, January 27, 2016 - 3:00 p.m.  
City Council Chambers, 125 E. Avenue B, Hutchinson, Kansas

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**1. CALL MEETING TO ORDER**

|                              |                          |                    |
|------------------------------|--------------------------|--------------------|
| _____ G. Binns               | _____ M. Clark           | _____ K. Bleything |
| _____ A. Finlay (Vice Chair) | _____ L. McConaughy      | _____ S. Cooley    |
| _____ R. Greever             | _____ S. Poltera (Chair) | _____ S. Kiblinger |
| _____ L. Gleason             | _____ A. Patterson       |                    |

Ex-Officio Members:

|                   |               |                 |
|-------------------|---------------|-----------------|
| _____ S. Gonzales | _____ D. Hart | _____ R. Fisher |
|-------------------|---------------|-----------------|

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**2. APPROVAL OF MINUTES – December 16, 2015****3. ANNOUNCEMENTS****4. ELECTION OF 2016 OFFICERS****5. UPDATES**

- a. Avenue A CDBG (Amy Denker, Housing Program Coordinator)
- b. Rental Registration and Inspection Program (Jana McCarron, Director of Planning & Development)
- c. Avenue G Test Build (Ron Fisher, Interfaith Housing Services)
- d. Hutchinson Healthy Neighborhood Initiative – Schubert Visit
- e. Dodge City Housing Website
- f. Rural Housing Incentive District approval

**6. NEW BUSINESS**

- a. 2015 Annual Reports
  - i) Department of Planning & Development
  - ii) Land Bank

**7. OLD BUSINESS**

- a. 15-HOU-22 2016 Residential Rehabilitation Loan Program

**8. OTHER**

- a. The next Housing Commission meeting is scheduled for Wednesday, February 24, 2016; 3:00 p.m.

**9. ADJOURN**

|                 |                 |              |                   |              |
|-----------------|-----------------|--------------|-------------------|--------------|
| Staff Contacts: | Jana McCarron   | 620-694-2681 | Casey Jones       | 620-694-2667 |
|                 | Amy Denker      | 620-694-2638 | Stephanie Stewart | 620-694-2617 |
|                 | Charlene Mosier | 620-694-2639 |                   |              |

# Minutes

Wednesday, December 16, 2015 - 3:00 p.m.  
City Council Chambers, 125 E. Avenue B

# Housing Commission

City of Hutchinson, Kansas

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## 1) CALL TO ORDER, ROLL CALL

The following members were present: Greg Binns, Aubrey Patterson, Richard Greever, Luke McConaughy, Lisa Gleason, Ron Fisher, Anthony Finlay, and Sue Poltera. Shelley Kiblinger, Scott Cooley, Kevin Bleything, Mark Clark, Shara Gonzalez, and Dianna Hart were absent. Steve Dechant, City Councilmember, was also in attendance. Staff in attendance were Casey Jones, Senior Planner; Amy Denker, Housing Program Coordinator; and Charlene Mosier, Planning Technician.

## 2) APPROVAL OF MINUTES

The minutes of the November 18, 2015 meeting were approved as corrected on a motion by Greever, seconded by Binns, passed unanimously.

## 3) ANNOUNCEMENTS

### 3a. Introduction of New Housing Commission Member

Denker welcomed Lisa Gleason as the newest member of the Housing Commission. Gleason works for United Way and has been attending meetings regularly.

Jones said Stephen Hughes, Associate Planner, is no longer employed

## 4) UPDATES

### 4a. Avenue A CDBG

Denker

McCarron said the City Council reviewed the Housing Needs Analysis as a requirement to approve the RHID submittal, which has been approved. Once it is published it goes to the Secretary of Commerce. Upon approval from the State, developers can begin to apply for individual RHIDs. Staff is still developing a policy for City Council. City Council was in agreement with applying the RHID to homes in the \$100,000 to \$200,000 range; however, they were unsure about applying the RHID to homes over \$200,000.

Eaton said this program should be for residential uses only and not commercial. The biggest need is homes in the \$100,000 to \$200,000 range. Patterson and Poltera said if the program applies to homes over \$200,000 it still opens up homes in the ranges below that amount and puts more homes on the tax role. Binns said the more homes there are to support infrastructure and economic development, the better the program would be. McCarron said she is working with the Engineering Department on the process and she will let the commission know when the policy will be considered. This should be done in January.

### 4b. Avenue A CDBG

Denker said half of the next round of houses have been approved by the City Council. The remainder will be brought before the City Council on December 1. Thirteen of the

18 required houses have been either approved or in the process of approval. SCKEDD is preparing the last bid round for the grant. Denker updated the group on the Avenue A playground that will be located east of the George Pyle Park. Justin Combs, Parks and Facilities Director, will be working with the Hutchinson Community Foundation, through a foundation grant, and a donor to create a park for kids to play. This should be completed next spring.

Patterson said a Rice Park splash play area will also be developed with funds from the Hutchinson Community Foundation, a private donor and the City contributing.

(Bleything arrived).

#### 4c. Rental Registration and Inspection Program

McCarron said a workshop was held on November 6 and 7 on the IPMC with an inspector from the Kansas City area giving the presentation. The software for Staff to register rental properties is scheduled to be ready this week. Landlords can come to City Hall or pay online before March 31, 2016. A temporary employee has been brought in to help with the mailing and registrations. Interviews for an inspector have been conducted and an offer has been made. The position will be filled by the end of the year.

Greever handed out an article he obtained about on-going legal cases in Ohio questioning rental inspection programs. McCarron said she has referred this information to our City Attorney and he said this is a different district with different rulings. Lawrence and Lenexa also have a rental inspection program. McCarron said she will ask Paul Brown to come to a future meeting to discuss this topic.

## 5) NEW BUSINESS

### 5a. Housing Initiatives 2016 Proposals

#### Interfaith Housing Services Revolving Loan Fund

McCarron reviewed that City Council approved \$70,000 for the 2016 calendar year for discretionary funding for housing initiatives. Interfaith Housing Services, Inc. has approached the City with a proposal for a Revolving Loan Fund. The money would be used for acquiring and rehabbing deteriorated homes in Hutchinson. Interfaith would then sell the property, and profits would go to the Interfaith Housing Services REPAIR program, which administers housing repair for low-income elderly homeowners. The \$50,000 would then be paid back into the fund to be used for the next rehab job. Staff recommended establishing a pilot program for three years. Interfaith Housing is proposing an interest free loan and Staff recommended a low interest loan. Interfaith Housing proposed funds go to acquisition and rehabilitation of properties and staff recommended funds for rehabilitation only and that a maximum of \$30,000 be used per housing unit.

Fisher said if a demolition list house were to be donated, Interfaith Housing could rehab a two or three bedroom house for \$20,000 to \$40,000. A larger home would be \$40,000 to \$60,000. A similar fund was established in Dodge City. Fisher said this is a proposal and they are open to other possible options.

Eaton commented the fewer strings attached the easier the program will be. Interest free would require less paperwork.

Bleything said repairing homes and getting them back on the tax role helps everyone. Fisher said he has volunteer groups that can help with the rehabilitation. There is a home on 1<sup>st</sup> Ave. and another on 11<sup>th</sup> Ave. that are ready to rehab.

Dechant said Interfaith Housing can do two houses in six months with AmeriCorps volunteers that are supervised by Jeff Thomson. There are clients in the Cash program and Circles of Hope who would be interested in purchasing these homes.

Gleason said when houses are rehabilitated, the surrounding homes tend to be improved also because it creates a domino effect and then home values in the entire neighborhood tend to go up.

The Commission members decided to continue this topic at the next meeting when a quorum is present.

#### 5b. Remaining Proposals

Patterson said she discussed the Hutch Rents website with Shara Gonzales. The website needs updating and maintaining. It is a great tool that could be a one-stop-shop for housing information and is used for the entire community, not just listing lower cost rentals that are available. Options could be added to this program such as paying on line for a rental. Up to 160 of 250 Landlords have used this site. Gonzales is open to changes and suggestions. This website has value but could use additional funding to redesign it and maintain it. Currently the cost is \$25 to list a home for rent.

Bleything said it would make sense to use some housing funding for the website. Denker said Dodge City has a similar website but has more information on housing.

Poltera asked Staff to show us the website for Dodge City at the next meeting.

### 6) OTHER

#### 6a. Housing Commission Vacancy

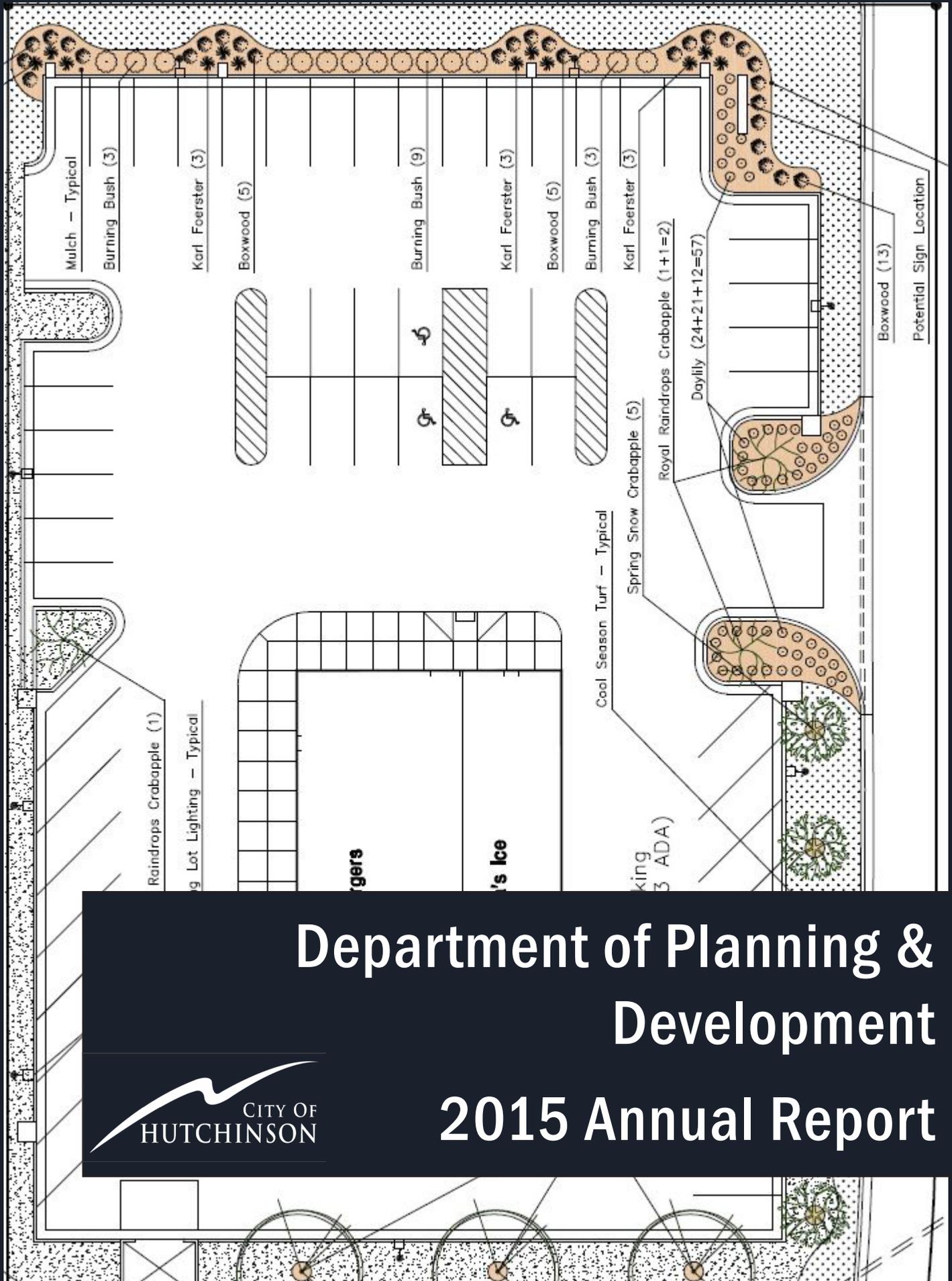
McCarron said Lisa Gleason has applied to serve on the Housing Commission to fill the vacancy of Amelia Boyd.

6b. The next Housing Commission meeting is scheduled for December 16, 2015 at 3:00 p.m.

### 7) ADJOURN

The meeting adjourned at 4:20 p.m.

Respectfully Submitted,  
Charlene Mosier



# Department of Planning & Development

# 2015 Annual Report



# Executive Summary

The 2015 Calendar year was a busy one for the Hutchinson Planning and Development Department. Achievements include:

- Launched Healthy Neighborhoods Initiative
- Adopted new Subdivision Regulations
- Implemented electronic packets for Planning Commission
- Developed an Historic Preservation Action Plan
- Designed and partially implemented a Rental Registration & Inspection Program
- Developed a Rural Housing Incentive District program
- Rehabilitated 5 properties using CDBG funds, with another 7 approved
- Painted 6 houses using Brush Up Hutch Paint funds
- Transferred 3 properties from the Land Bank and acquired 7 additional lots

# 2016 Work Plan

- Complete Avenue A CDBG grant
- Begin Comprehensive Plan process
- Adopt revised Historic Preservation regulations
- Seek Historic Preservation Foundation grant for architectural consulting services
- Implement Rural Housing Incentive Districts
- Implement Rental Registration and Inspection Program
- Implement CitizenServe

# Department

Jana McCarron, AICP - Director of Planning & Development  
Casey Jones, AICP - Senior Planner  
Amy Denker - Housing Program Coordinator  
Charlene Mosier - Planning Technician  
Stephanie Stewart - Planning Technician  
Vacant - Associate Planner

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# Department Overview

## Department Realignment

After evaluating operations and departmental needs, the Department created two Planning Technician positions in October 2015. This was accomplished by upgrading a Secretary position and downgrading one of the Associate Planner positions. The technicians perform technical components for planning and landmarks cases – mapping, mailings, legal notices, etc. – as well as clerical support functions. The technicians also serve as Planner of the Day, answering basic Planning & Development questions and issuing minor permits. The City has been divided geographically, with each technician responsible for zoning code enforcement in a given portion of town.

## CitizenServe Installation

In August 2015, the Planning & Development Department, in collaboration with the Inspections & Information Technologies Department, began installation of a new permitting software package - CitizenServe. This program is web-based and allows for resident access to records via a web portal. Employees can record the results of inspections, upload photos and perform other activities from the field. The Rental Registration & Inspection module was launched in November 2015. Code enforcement is expected to be up and running by February 2016, with building permits available in April 2016. Planning is expected to be completed by June 2016.

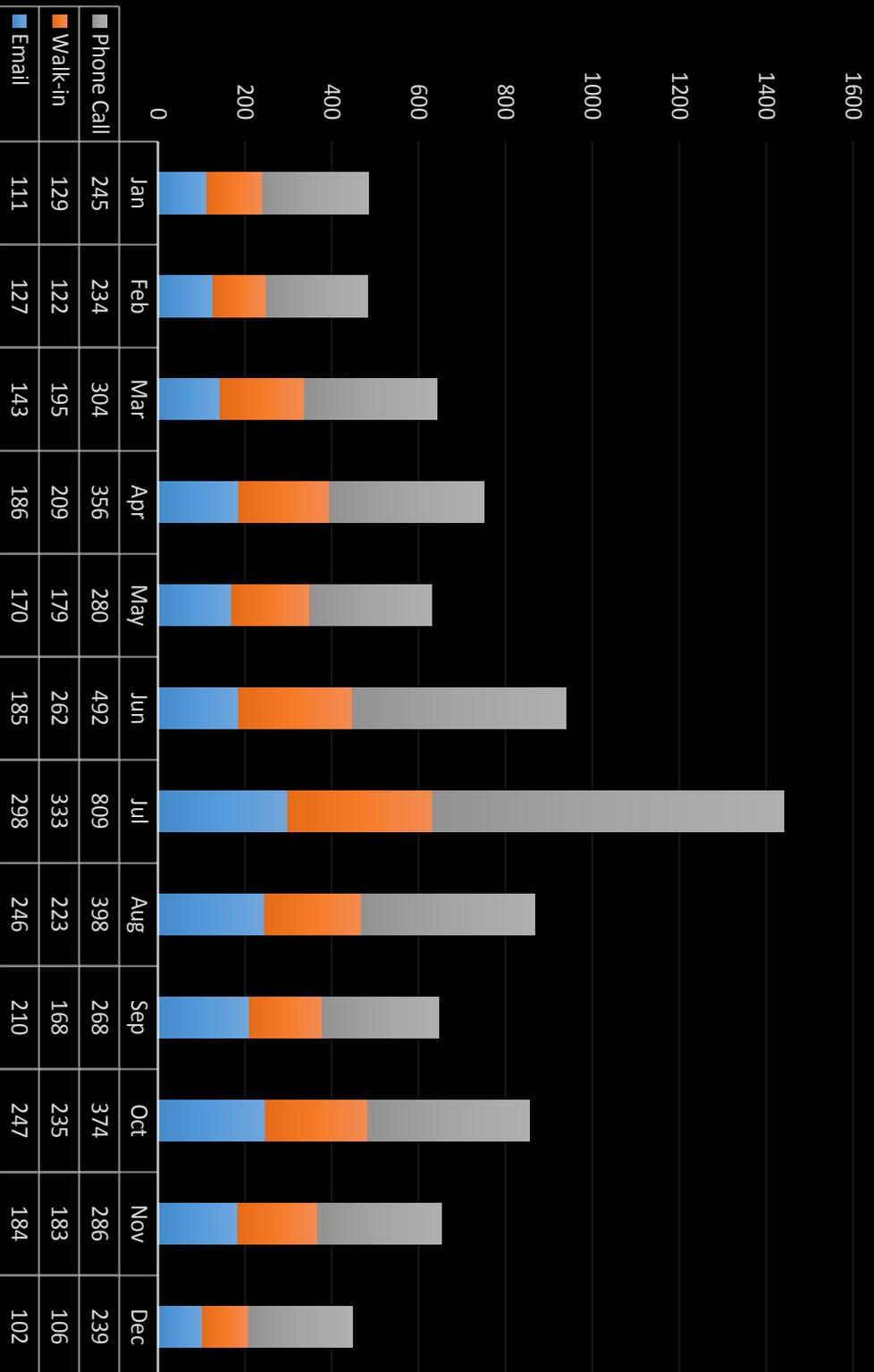
## Electronic Packets

In April 2015, the Department purchased I-Pads for the Planning Commissioners in order to implement electronic packets. The transfer to electronic packets has saved staff time, photocopying & postage costs. Total estimated savings for 2015 were \$2,716.

## Customer Contacts

In October 2014, the Department began tracking external customer contacts. This was in response to a perceived increase in development activity. From October through December 2014, there were 1,333 customer contacts made. During the same timeframe in 2015, 1,956 (1500+ in just Oct-Nov) contacts were made. This represents a 36% increase from 2014 and does not include the rental registration contacts handled by the Department's temporary employee. Total contacts for 2015 were 8,838. This is an average of more than 1400 customers per employee, which is remarkable considering we had seven months without full staffing. The chart below shows customer contacts by month and type.

## Planning & Development Department 2015 Customer Contacts



# Housing & Neighborhoods

The Department made great strides in the Housing and Neighborhoods Division, including launching three major efforts to improve housing: the Rental Registration & Inspection Program, Rural Housing Incentive Districts and the Healthy Neighborhoods Initiative. Each of these is described below, along with other department achievements.



## Avenue A CDBG Grant

In 2015, bids were awarded for repairs to 13 houses (5 in April 2015, 3 in November 2015 and 4 in December 2015). In July of 2015, the target area was expanded east to Lorraine Street and north and south to sections of E Sherman St and E Avenue B. Expansion of the project area allowed for the addition of 4 rental homes, which are required by the grant. The grant is anticipated to be completed April 2016.

## Bravo Awards

The Bravo Awards were revised to include fewer properties and to make the awards more meaningful by providing gift certificates in addition to recognition by the City Council. Nine awardees were recognized in 2015, including:

- 2722 Heather Parkway
- 213 W 7th Ave (Interfaith)
- 3201 E 4th Ave (Fire Science Building)
- 213 W Avenue B
- 130 E 13th Ave
- 821 N Pierce St
- 828 N Lee St
- 633 W Sherman Ave
- 1901 N Main St



## Brush Up Hutch Paint Program

Funding from the Brush Up Hutch Paint Program was used for matching funds for the CDBG Avenue A Grant as well as to partially fund a Project Coordinator position with Interfaith Housing. In November 2015, the Community Improvement Commission formally adopted program guidelines. A total of 6 houses were painted in 2015.

## Hutchinson Land Bank

The Hutchinson Land Bank acquired 7 vacant lots in 2015. Four vacant lots were sold or transferred to local property owners or organizations. The lots will be used for new housing and a public park expansion. For further information regarding the Hutchinson Land Bank, please refer to the 2015 Hutchinson Land Bank Annual Report.



## Rural Housing Incentive Districts

In May 2015, a local developer approached the City hoping to establish a Rural Housing Incentive District (RHID) for construction of a new housing project. RHIDs allow for the taxes associated with new development to pay for the infrastructure costs of that development. The State of Kansas requires all local jurisdictions planning to use RHID financing to prepare a Housing Needs Analysis. The Housing Needs Analysis and resolution establishing RHID areas were adopted by City Council on November 17, 2015. Staff is working on a City Council Policy, which should be ready for Council review in January 2016. Following State approval of the Needs Analysis, RHID financing should be available as another tool to facilitate housing development in Hutchinson.

## Spring Clean Up

Spring Clean Up was held on April 25 and 26, 2015. Dumpsters were placed at 15 locations around the community, and were monitored by City and Stutzman staff. In addition, TECH accepted E-waste. In total, 185.4 tons of waste was collected, including 4.25 tons of E-waste. This program will be administered by the Public Works Department in the future.



## Moderate Income Housing Grant

In March 2015, the Hutchinson City Council accepted a Moderate Income Housing grant in the amount of \$225,000 from the Kansas Housing Resource Corporation for completion of phase 2 of the Townhomes at Santa Fe Project (200 blk W 5th Avenue). The local match for the project is \$54,500. A total of 10 units will be constructed.

## Rental Registration & Inspection Program

In March 2015, City Council authorized establishing a mandatory rental registration and inspection program to begin operating in January 2016. The Planning & Development Department has worked in concert with the Inspections Department on program implementation. Milestones associated with program include:

|                                                             |                |
|-------------------------------------------------------------|----------------|
| Select vendor for Sungard replacement                       | May 2015       |
| Develop draft list of rental properties                     | May 2015       |
| Field verify multi-unit addresses                           | June 2015      |
| Send initial letter to landlords                            | July 2015      |
| Develop exemption and registration forms                    | August 2015    |
| Conduct Fair Housing and Landlord/Tenant Act training       | August 2015    |
| Develop job description and advertise for Housing Inspector | September 2015 |
| Send second letter/invite to IPMC workshop                  | October 2015   |
| Conduct IPMC Workshop (3 sessions)                          | November 2015  |
| Hire temporary Rental Registration Assistant                | November 2015  |
| Send invoices to landlords with smaller holdings            | November 2015  |
| Send invoices to landlords with larger holdings             | December 2015  |
| Hire Housing Inspector                                      | December 2015  |

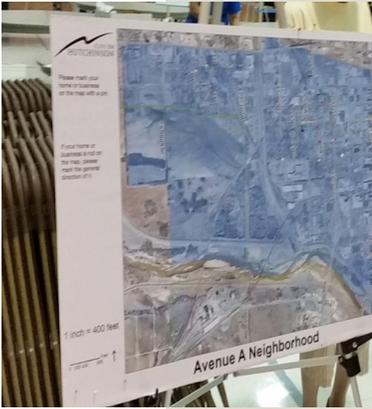
As of the date of this report 808 rentals have been registered, with 153 of those registrations occurring online. The deadline for registration is March 31, 2016.

## Healthy Neighborhoods Initiative

In June 2015, the City launched the Healthy Neighborhood Initiative. Funded in part by a grant from the Hutchinson Community Foundation, the initiative has used the experience of two nationally-recognized experts in neighborhood revitalization. This effort looks at neighborhoods as markets in order to help strengthen and empower neighborhoods. The following milestones were achieved in 2015:

- Neighborhoods Director Hired (Hutchinson Recreation Commission) – March 2015
- Healthy Neighborhoods Training – March 2015
- Healthy Neighborhoods Workshop – June 2015
- Neighborhood Block Walks conducted – July 2015
- Healthy Neighborhoods Steering Committee established – March 2015
- Neighborhood Tours – Steering Committee – August 2015
- Selection of Feature Neighborhoods – Steering Committee – August 2015
  - o Avenue A School Neighborhood (W Avenue A)
  - o Graber/Farris School Neighborhood
- One-on-One Interviews – Neighborhoods Director – August-October 2015
- Avenue A School Visioning Meeting – August 2015
- Graber/Farris School Community Meeting –October 2015

# NeighborWorks America Grants



As a partnering entity with NeighborWorks America, the City received funding to conduct housing and neighborhood efforts. Partnering entities cannot obtain an “affiliate” status and receive on-going funding, however, Interfaith Housing is in the process of becoming an affiliate organization. The following funded was awarded or finalized in 2015.

## Community Leadership Institute Grants

The Allen School neighborhood group attended a CLI in 2012 and 2013. The group received, \$4,000 to fund a community garden and a alleyway clean-up project. All funds have been expended and the grant was closed out in December 2015.



The Avenue A (E Avenue A) neighborhood group attended a CLI in 2014. The group received \$2,000 in funding for a neighborhood social. The social was held at George Pyle Park in April 2015. All funds have been expended and the grant was closed out in 2015, however, the group has been successful in attracting funding from the Hutchinson Community Foundation, the City of Hutchinson and a private donor for the installation of playground equipment in George Pyle Park. The playground is expected to be built in Spring of 2016.

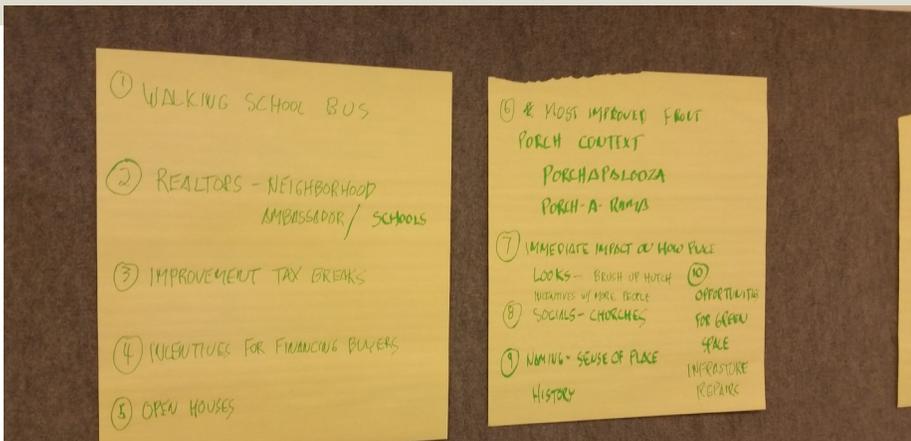
## InterFaith Housing Test Build

In 2014, Interfaith Housing moved their focus from the Lincoln Gardens Project to a test build on E Avenue G. Two of the lots associated with the test build were donated to Interfaith by the Hutchinson Land Bank. The test build project will consist of the construction of two modular homes on infill lots. Building permits for the structures were issued in December 2015. A total of \$23,000 in NeighborWorks funding was provided for the project.



## Schubert Training

The Healthy Neighborhood Initiative described above was also partially funded by NeighborWorks America. This organization provided \$10,000 toward the total project budget to support training efforts.



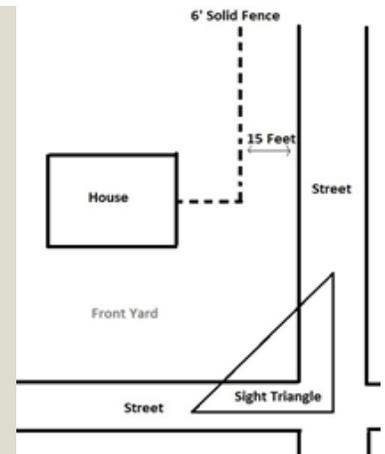
# Planning & Development

The Planning & Development Department saw a continued heavy caseload for 2015. Notable accomplishments were adoption of subdivision regulations and development of an historic preservation action plan.

## 2015 Zoning Regulation Amendments

In February 2011, the City adopted new zoning regulations. The regulations are supposed to be reviewed by the Planning Commission on an annual basis. Notable amendments made in 2015 include:

- Expanded the list of structural features allowed in setback areas
- Reduced the rear yard setback required in the R-3, R-4 and R-5 zones
- Prohibited sale, manufacture or storage of explosives, including ammunition, as a home occupation



## Subdivision Regulations Adoption

In May 2014, staff began the process of drafting new subdivision regulations. The regulations were needed in part because Reno County removed themselves from joint review in 2012. The former regulations were not part of City Code, but part of a joint resolution with Reno County adopted in 1991 and last updated in 1998. A part of the review and approval process, 50 meetings were held with staff, developers, the Planning Commission, a steering committee and other stakeholders. On October 20, 2015 the new subdivision regulations were adopted by City Council to be included as Chapter 9 of the Hutchinson Municipal Code.

## 2015 Planning Cases

The Planning Division experienced a continued high caseload for 2015, with the total of all cases, including violations being 267. While this is slightly less than 2014, it still represents a 47% increase over 2009 levels with the same staffing levels. In 2015, the Department began tracking a number of planning activities that were not previously tracked, including: # of fence permits issued (94); # of occupancy inspections performed (10); # of occupancy permits reviewed (60); # of residential accessory buildings reviewed (52); # of residential additions reviewed (43); # of residential duplexes reviewed (2); # of single family dwellings reviewed (17); # of residential swimming pools reviewed (4); and # of sign permits issued (68). The other activities represent a significant amount of planning staff time, totaling 350 customer contacts.

## 2015 Planning Cases cont...

|                                        | 2009       | 2010       | 2011       | 2012       | 2013       | 2014       | 2015       |
|----------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Board of Zoning Appeals                | 4          | 6          | 11         | 10         | 9          | 4          | 8          |
| CERT                                   | 18         | 36         | 29         | 33         | 34         | 67         | 34         |
| Comprehensive Plan                     | 1          | 0          | 0          | 0          | 0          | 0          | 2          |
| Conditional Use Permit*                | --         | --         | 11         | 8          | 7          | 11         | 12         |
| Fence Permits***                       | --         | --         | --         | --         | --         | --         | 94         |
| Floodplain Permit                      | 1          | 0          | 0          | 0          | 1          | 0          | 1          |
| Landmarks                              | 57         | 47         | 82         | 89         | 64         | 27         | 24         |
| Landmarks Appeal                       | 2          | 0          | 1          | 3          | 1          | 2          | 3          |
| Lot Split                              | 5          | 7          | 4          | 2          | 1          | 1          | 5          |
| Occupancy Inspections***               | --         | --         | --         | --         | --         | --         | 10         |
| Occupancy Permits***                   | --         | --         | --         | --         | --         | --         | 60         |
| Plan Review**                          | --         | --         | --         | --         | --         | 4          | 7          |
| Pre-Submittal Analysis**               | --         | --         | --         | --         | --         | 24         | 18         |
| Residential Accessory Buildings***     | --         | --         | --         | --         | --         | --         | 52         |
| Residential Additions***               | --         | --         | --         | --         | --         | --         | 43         |
| Residential Duplexes***                | --         | --         | --         | --         | --         | --         | 2          |
| Residential Single Family Dwellings*** | --         | --         | --         | --         | --         | --         | 17         |
| Residential Swimming Pools***          | --         | --         | --         | --         | --         | --         | 4          |
| Subdivision                            | 4          | 11         | 7          | 6          | 15         | 1          | 7          |
| Sign Permits***                        | --         | --         | --         | --         | --         | --         | 68         |
| Site Plan Review*                      | --         | --         | --         | --         | 6          | 17         | 11         |
| Special Use Permit                     | 17         | 13         | 7          | 2          | 2          | 2          | 4          |
| Subdivision Variance**                 | --         | --         | --         | --         | --         | 1          | 0          |
| Temporary Use Permit                   | 19         | 18         | 23         | 32         | 21         | 19         | 16         |
| Vacation                               | 4          | 3          | 5          | 4          | 0          | 3          | 6          |
| Zoning Amendment                       | 5          | 5          | 4          | 7          | 5          | 5          | 10         |
| Zoning Violation                       | 44         | 49         | 38         | 44         | 65         | 101        | 103        |
| <b>Total</b>                           | <b>181</b> | <b>195</b> | <b>222</b> | <b>240</b> | <b>231</b> | <b>289</b> | <b>621</b> |

CERT= Home Occupation, Wireless Telecommunication and Zoning Certifications

\*Implemented in 2011.

\*\*Implemented in 2014, or began tracking in 2014.

\*\*\*Implemented in 2015 or began tracking in 2015.

### The following projects of note were approved during 2015:

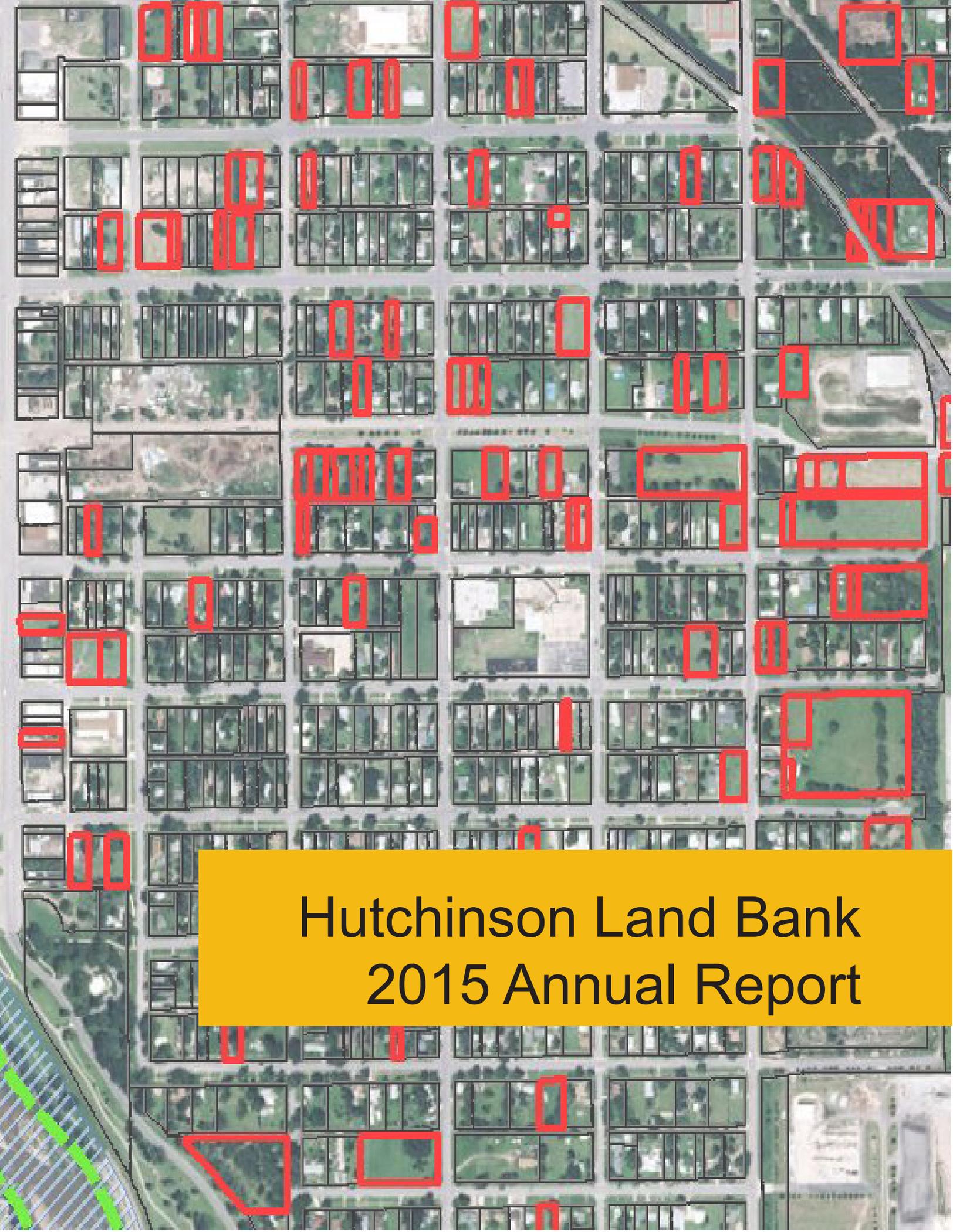
- Panda Express
- Five Guys Burgers and Fries
- Pie Five Pizza
- Commerce Gardens
- Fire Station #3 reconstruction
- Murphy Oil
- Rib Crib
- Mattress Firm
- Buffalo Wild Wings
- The Alley
- Pro Pak addition
- Lampton Welding
- Helena Chemical expansions
- Rita's Italian Ice



## 2016 Preservation Action Plan

In September 2015, the Landmarks Commission and City Council held a study session to discuss the City's historic preservation priorities. Following the study session, staff and the Landmarks Commission worked on developing an action plan to address issues of concern. The plan was adopted by the Landmarks Commission in December 2015 and is slated for City Council consideration in early January.





**Hutchinson Land Bank  
2015 Annual Report**

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## 2015 LAND BANK BOARD OF TRUSTEES

Mark Eaton, Chairperson  
Sue Poltera, Vice-Chairperson  
Lynn Lackey, Treasurer (deceased)  
James R. Gilliland  
Luke McConnaughy  
Dan Garber

### **TECHNICAL ADVISORS/STAFF**

Paul W. Brown, City Attorney  
Frank Edwards, Chief Financial Officer  
Trent Maxwell, City Building Official  
Jana McCarron, Director of Planning & Development  
Brad Wright, Reno County Appraiser  
Amy Denker, Housing Program Coordinator  
Stephanie Stewart, Planning Technician

# LAND BANK GOALS

- To strengthen and improve Hutchinson neighborhoods
- To promote construction of infill housing
- To reduce and eliminate blight
- To operate efficiently and effectively
- To advance the economic and social interest of the City and its residents



300 W Sherman Ave For Sale, 2014

# 2015 IN REVIEW

The Hutchinson Land Bank Board of Trustees has continued their mission of acquiring vacant and under-utilized properties and converting them into productive use. The Land Bank achieved success in 2015 by partnering with local organizations and offering support for the Hutchinson Healthy Neighborhood Initiative. The Board intends to build on this year of successes and continue their efforts for 2016.

## ACQUISITIONS

The Land Bank acquired 7 properties in the 2015 calendar year. All seven properties were purchased at the Reno County Tax Sale. The properties include:

- 00000 N Walnut St. (0781211204014015000)
- 728 E 5th Ave.
- 00000 E 8th Ave. (0781330703015003000)
- 00000 E Avenue C (0781261304003014000)
- 00000 E Avenue C (0781261304003015000)
- 00000 E Avenue C (0781261304003016000)
- 00000 E Avenue C (0781261304003017000)



E Avenue C Properties, 2015



00000 N Walnut St, 2015



00000 E 8th Ave & 728 E 5th Ave., 2015

## POTENTIAL ACQUISITIONS

The Land Bank actively pursues land acquisitions that meet the goals of the organization. The Land Bank Board reviewed several properties, including requests to donate and tax sale properties, throughout the year. If the property did not meet the criteria of the Land Bank Board, those properties were not pursued.

## REHABILITATED PROPERTIES

In 2015, the Land Bank redistributed 4 vacant lots back into the community through purchase and transfers of title.

- 300 & 00000 E Avenue G

The Hutchinson Land Bank partnered with Interfaith Housing Services on a Housing Test Build project on Avenue G. The Land Bank transferred the title of 2 vacant lots to Interfaith Housing, who is conducting a test build of two manufactured housing units on the lots. The intended goal is to analyze the costs of developing housing in distressed neighborhoods. The project has an expected completion date of January 2016.

- 1212 E 5th Ave.

The Hutchinson Land Bank sold this property to a local property owner who rehabilitates homes in the neighborhood. The owner plans to build a new home on the vacant lot to help boost local property values in the neighborhood.

- 300 W Sherman St.

The Hutchinson Land Bank partnered with the City of Hutchinson in the on-going efforts of the Hutchinson Healthy Neighborhood Initiative. The vacant lot on Sherman is located next to Ashmeade Park, a small city park with limited programming capabilities. Through community work occurring in the neighborhood by local partnering agencies, the neighbors expressed interest in obtaining more park space in their neighborhood. The Land Bank transferred the property to the City with the intended plan to expand Ashmeade Park and develop the vacant lot with input and assistance from the residents of the neighborhood.



# CURRENT LAND BANK INVENTORY

The list below contains an itemization of properties that are currently owned by the Hutchinson Land Bank as well as properties that are being processed into the Land Bank's inventory.

| Land Bank Inventory of Property |        |        |                |
|---------------------------------|--------|--------|----------------|
| ADDRESS                         | CLASS  | ZONING | LOT SIZE       |
| <b>AVAILABLE FOR PURCHASE</b>   |        |        |                |
| 00000 E Avenue C                | Vacant | R-4    | 30' W x 165' D |
| <b>ACQUIRED</b>                 |        |        |                |
| 00000 E Avenue C                | Vacant | R-4    | 30' W x 165' D |
| 00000 E Avenue C                | Vacant | R-4    | 30' W x 165' D |
| 00000 E Avenue C                | Vacant | R-4    | 30' W x 165' D |
| 00000 E Avenue C                | Vacant | R-4    | 30' W x 165' D |
| 00000 N Walnut St               | Vacant | R-4    | 49' W x 165' D |
| 728 E 5th Ave                   | Vacant | R-4    | 37' W x 140' D |
| 00000 E 8th Ave                 | Vacant | R-4    | 50' W x 140' D |

# 2015 ANNUAL FINANCIAL REPORT

## 2015 ESTIMATED EXPENSES

The Land Bank Board estimated expenses for 2015 were:

|                                                  |         |
|--------------------------------------------------|---------|
| Insurance (D&O, property liability)              | \$2,000 |
| Legal and other fees (5 x \$200)                 | \$1,000 |
| Title Search (5 x \$150)                         | \$750   |
| Publication expenses (5 x \$50)                  | \$250   |
| Property Maintenance (Mowing: 12 x \$150, other) | \$1,800 |
| Audit (Included in the City of Hutchinson Audit) | \$0     |
| Administration (Trustee travel and training)     | \$1,000 |
| Property Acquisition                             | \$6,500 |

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Total: \$13,300

## 2015 LAND BANK FINANCIAL LEDGER

| 2015 Land Bank Financial Ledger |                                                 |             |             |             |
|---------------------------------|-------------------------------------------------|-------------|-------------|-------------|
| Date                            | Item                                            | Income      | Expenses    | Status      |
| 1/1/2015                        | 2015 Starting Balance                           | \$22,151.25 |             |             |
| 1/30/2015                       | Closing Costs and Filing Fees (300 E. Avenue G) |             | -\$435.00   | Paid        |
| 2/5/2015                        | General Liability Insurance                     |             | -\$1,000.00 | Paid        |
| 2/11/2015                       | Annual Report Inventory Public Notice           |             | -\$62.30    | Paid        |
| 5/11/2015                       | Directors & Officers Liability                  |             | -\$1,061.00 | Paid        |
| 5/11/2015                       | Warnken- Mowing Charges                         |             | -\$105.00   | Paid        |
| 5/15/2015                       | Warnken- Mowing Charges                         |             | -\$150.00   | Paid        |
| 5/29/2015                       | Warnken- Mowing Charges                         |             | -\$150.00   | Paid        |
| 6/15/2015                       | Warnken- Mowing Charges                         |             | -\$300.00   | Paid        |
| 7/8/2015                        | Warnken- Mowing Charges                         |             | -\$150.00   | Paid        |
| 7/8/2015                        | City-Public Notice Fee                          |             | -\$27.56    | Paid        |
| 7/26/2015                       | Warnken- Mowing Charges                         |             | -\$300.00   | Paid        |
| 8/19/2015                       | City-Public Notice Fee                          |             | -\$27.56    | Paid        |
| 8/19/2015                       | Warnken- Mowing Charges                         |             | -\$80.00    | Paid        |
| 9/2/2015                        | Sale of 1212 E 5th Ave                          | \$473.00    |             | Deposited   |
| 10/1/2015                       | Warnken- Mowing Charges                         |             | -\$80.00    | Paid        |
| 10/1/2015                       | Warnken- Mowing Charges                         |             | -\$80.00    | Paid        |
| 10/1/2015                       | Warnken- Mowing Charges                         |             | -\$45.00    | Paid        |
| 10/1/2015                       | City-Filing Fee                                 |             | -\$20.00    | Paid        |
| 10/15/2015                      | Warnken- Mowing Charges                         |             | -\$45.00    | Paid        |
| 10/27/2015                      | Reno County Tax Sale                            |             | -\$2,270.00 | Paid        |
|                                 |                                                 | \$22,624.25 | -\$6,388.42 | \$16,235.83 |

## 2015 YEAR END REPORT

| 2015 Year End Report                              |                    |                   |                   |
|---------------------------------------------------|--------------------|-------------------|-------------------|
| <b>EXPENSES:</b>                                  | Budgeted           | Actual            | Remaining         |
| Insurance (D&O, property liability)               | \$2,000.00         | \$2,061.00        | -\$61.00          |
| Legal and other fees (5 x \$200)                  | \$1,000.00         | \$20.00           | \$980.00          |
| Title search (5 x \$150)                          | \$750.00           |                   | \$750.00          |
| Publication Expenses (\$50 x 5)                   | \$250.00           | \$117.42          | \$132.58          |
| Property Maintenance (Mowing @ \$150 x 12; other) | \$1,800.00         | \$1,485.00        | \$315.00          |
| Audit (part of City Audit)                        | \$0.00             |                   | \$0.00            |
| Administration (Trustee travel and training)      | \$1,000.00         |                   | \$1,000.00        |
| Property Acquisition                              | \$6,500.00         | \$2,705.00        | \$3,795.00        |
| Advertisement                                     | \$0.00             |                   | \$0.00            |
| <b>TOTAL</b>                                      | <b>\$13,300.00</b> | <b>\$6,388.42</b> | <b>\$6,911.58</b> |

# 2016 Land Bank Work Plan

- **Conduct design competition for the redevelopment of the Avenue C parcels**
- **Develop website & marketing strategies**
- **Actively pursue vacant lot acquisition in the Hutchinson Healthy Neighborhood Initiative Feature Neighborhoods**



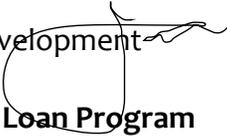
## Housing Commission Staff Report

MEETING DATE: 1/27/2016

January 19, 2016

**TO:** Hutchinson Housing Commission

**FROM:** Amy Denker, Housing Program Coordinator *AD*

**THROUGH:** Jana McCarron, Director of Planning & Development 

**SUBJECT:** 15-HOU-22 2016 Residential Rehabilitation Loan Program

**STAFF RECOMMENDATION:**

Staff recommends approval of this request.

**MOTION:**

Motion to recommend to the City Council (approval / approval with modifications / denial) of the proposed 2016 Residential Rehabilitation Loan Program.

**BACKGROUND:**

During the 2016 Annual Budget process, City Council approved allocating \$70,000 for Housing Initiatives. In November 2015, Interfaith Housing Services (IHS), Inc. proposed partnering with the City to apply for a Moderate Income Housing grant to develop a Revolving Line of Credit program (Exhibit A). The proposal requested using \$50,000 from the Housing Initiatives allocation to use as match dollars for the grant. Due to a current open MIH grant through the City of Hutchinson, it was determined that the grant request would most likely not be funded by the State. IHS and the City have, therefore, decided to proceed with a revised proposal.

**ANALYSIS:**

Staff proposes to loan Interfaith Housing Services, Inc. \$50,000 from the 2016 Housing Initiatives budget with the following requirements:

1. The loan would be a 3-year forgivable loan. Over a three (3) year period, a minimum of three (3) homes must be rehabilitated.
2. A representative from Interfaith Housing Services, Inc. shall report to the Housing Commission upon completion of each project funded by the loan.
3. All funding received from the City shall be used for purchase of materials, supplies and/or labor associated with the renovation of housing.
4. All homes renovated by the loan shall be located in a target neighborhood as determined by the Housing Commission (Exhibit B). Should an opportunity arise outside of the target neighborhood area, Interfaith may submit a formal request to the Housing Commission to include the project.
5. A sign must be placed on each property rehabilitated with 2016 Residential Rehabilitation Loan Program funds indicating sponsorship of the project. The sign will be provided by the City.

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6. Properties rehabilitated using the 2016 Residential Rehabilitation Loan Program funds shall not be eligible for the Neighborhood Revitalization Plan tax rebate funding.

**PERFORMANCE:**

During the three-year loan period, a minimum of three houses shall be rehabilitated using these funds. Should this performance standard not be met, a third of the loan amount shall be repaid to the City for each home not completed.

**NEXT STEPS:**

Following the Housing Commission's positive recommendation of the proposal, the following steps will be taken to formally launch the 2016 Residential Rehabilitation Program:

1. A draft loan agreement will be prepared for review and signature by IHS.
2. The loan agreement and Housing Commission recommendation will be forwarded to City Council for consideration and approval.

**ATTACHMENTS:**

Exhibit A – IHS Proposal to create a Revolving Line of Credit for housing rehabilitation

Exhibit B – Rehabilitation Loan Program Target Neighborhoods Map

**Interfaith Housing Services**  
Proposal to create a Revolving Line of Credit for housing rehabilitation

Last year the City of Hutchinson and the Volunteer Center approached Interfaith Housing Services with a proposal to recruit and manage volunteers in an effort to strengthen the Brush-Up Hutch program. This led to a conversation on how we could expand that concept to incorporate a larger scope of homeowner assistance. Following discussions with the City of Hutchinson, United Way, and the Community Foundation, funding was made available for IHS to hire a full time Projects Coordinator. This was accomplished in the hiring of Jeff Thomson in December of 2014.

The impact of volunteers on housing in Hutchinson continues to grow significantly under Jeff's leadership. In November, IHS will host 10 to 12 full time volunteers through AmeriCorps. In addition the first group from the Conservative Anabaptist Service Program (CASP) will arrive in January and consecutive groups will work through March. It is highly likely we will have AmeriCorps back in May and June. We are also working on hosting an Amish group next November. This is all over and above our local volunteers who have been very supportive.

These volunteers, under Jeff's leadership, have the potential to accomplish a great deal, but only if the resources and houses are in the pipeline to keep them busy. Therefore, we are proposing an approach to acquire and renovate vacant single family homes and increase funding for homeowner occupied repair at the same time.

The Kansas Housing Resource Corporation (KHRC) offers a grant program called the Moderate Income Housing (MIH) program. This is a state-funded program which gives cities latitude to create programs and projects that best fit the needs of their community. IHS is proposing that the City apply for \$50,000 from the MIH program and match that with \$50,000 from City funds that have been budgeted for housing. The \$100,000 of combined funds will create a revolving line of credit for Interfaith Housing Services to acquire and/or renovate vacant single family homes using the volunteer groups mentioned above.

The line of credit will be an interest free loan. Once a house is complete and sold the revolving loan fund will be reimbursed from sale proceeds. Any remaining funds after repaying the loan will stay with IHS and used in the Homeowner Occupied Repair and Rehab program. This will provide funds to serve existing homeowners who for physical or financial reasons cannot make repairs to their own homes. If IHS places a house into their affordable rental pool, then IHS will replenish the borrowed funds through their own resources, which may include any combination of private donations, financing or other grant funds.

IHS has proven capacity and experience with the acquisition and renovation process as well as an existing Homeowner Occupied Repair and Rehab program. In addition, through the Creating Assets, Savings and Hope program we are constantly working with clients wanting to purchase their first home. By working together this could be a great opportunity to create an ongoing funding source that could be grow in the future for addressing some of the more critical housing needs in our community.

# Interfaith Rehabilitation Program

