Community Progress Launched January 2010, funded by C.S. Mott Foundation and Ford Foundation

Takes to scale the efforts of the nation’s leading organizations and individuals on issues of revitalization and reuse of vacant, abandoned, and underutilized properties.

The mission: to create vibrant communities through the reuse of vacant property in America’s cities and towns. To transform the systems that affect how the community development, government, and private development fields repurpose these properties and communities.

The Center focuses on: Technical Assistance & Capacity Building, Policy & Research, Coalition Building, and Communications.
### What is the problem?

**Chronic Abandonment**
- Antiquated systems
- Weak economic conditions
- History of population loss
- Obsolete housing stock
- Disconnected systems
- Contagious blight

**Mortgage / Housing Crisis**
- Predatory products
- Greed
- Market destabilization
- External effects of sales
- Few bankable purchasers
- Deterioration of property

**Similarities and differences of the chronic and acute crises**
What is a Land Bank?

A land bank is a public authority created to efficiently acquire, hold, manage and develop foreclosed property, as well as other vacant and abandoned properties.
What Can A Land Bank Do?

- Sell or convey property through locally developed policies that reflect the county’s priorities
- Sell through negotiated sales
- Convey property for other than monetary consideration
- Sell, lease, manage property with terms deemed to be in the interest of the Land Bank
- Land Bank financing tools for tax foreclosed and other targeted properties
- Code enforcement and nuisance abatement
Essential elements of an effective Land Bank:

① Connected to the tax collection and foreclosure process

② Scaled at the metropolitan level, or most diverse real estate market possible

③ Policy driven – transparent in policies and transactions

④ Emphasis on community engagement and participation
Tax Lien Sales and Tax Auctions

- What is their purpose?
- What is the result?
- When was this all started?
- Why do the buyers buy?
- Under what authority do they act?
The system generates revenue, connect the revenue to the problem being addressed: delinquency and foreclosure.

Auctions are not the purest form of the free market – and there is no free market.

Internalize the externalities: tax collectors need to focus on tax collections, not just the returns associated with delinquent taxes.
Scaled at the metropolitan level, or the most diverse real estate market possible

• Connect *weak* and *strong* properties, neighborhoods, and communities

• Don’t disaggregate the economics of the land inventory

• Use equity and tax capture (TIF) creatively

• Demonstrate benefits to diverse areas within the area served
Priorities, Policies and Procedures

- Priorities as to the Nature of the Transferee
- Priorities for Use of Property
- Factors in Determining Consideration
- Acquisition Policies
- Disposition Policies
- Side Lot Disposition Policies
- Land Banking Policies
A New Pathway for Property

- Foreclosure Prevention
- Side Lot Transfer
- Property Maintenance
- Planning
- Rental Management
- Clean & Green / Urban Gardens
- Demolition
- Development
Genesee County Land Bank Authority

Progress since 2003...

• 11,000 foreclosures (16% of Flint)
• 2,950 foreclosure prevention cases
• Over 1,400 demolitions
• Over 7,000 sites maintained
• Over 900 properties in “Clean and Green” program
• 68 urban gardens
• 318 new units of housing
• 536,000 commercial square feet
• $60 million of redevelopment
• Over 3000 tons of debris removed since summer 2004
Barbara Drive
Flint

Sold in 2005 to first-time Homeowner

What is the effect on neighbors?
What is the effect on surrounding values?

Tax foreclosed in 2003

Acquired for $3,100

Rehabilitation cost: $42,000
Durant Hotel
Durant Hotel
Internalizing externalities…

MSU Land Policy Institute

• 400 Genesee County Land Bank properties
• 2-year study of the impact of intervention on surrounding property values
• 26,000 properties affected
• $3.5 million invested (demolition, cleanup)
• $112 million in increased private value

http://www.geneseeinstitute.org/reports/index.html
6th Annual Land Bank Conference

June 5-7, 2011

Detroit, Michigan

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