What is a Land Bank?

A land bank is a public authority created to efficiently acquire, hold, manage and develop tax-foreclosed property, as well as other vacant and abandoned properties.
Flint’s Story...

• Birthplace of GM and the UAW

• 1970 population: 193,000

• GM employment peaked at 76,000 in the late 70’s

• 2000 population: 120,000

• 12% of housing stock abandoned – “Roger and Me”

• City government incapacitated – receivership 2002-2004
<table>
<thead>
<tr>
<th>Former Foreclosure Law</th>
<th>PA 123 of 1999</th>
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<tbody>
<tr>
<td>• 4-7 year process</td>
<td>• 1-2 year process</td>
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<tr>
<td>• No clear title</td>
<td>• Clear title judgement</td>
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<tr>
<td>• Hundreds of owners</td>
<td>• Property titled to county</td>
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<tr>
<td>• Low-end speculation</td>
<td>• Tax liens eliminated</td>
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<tr>
<td>• Indiscriminate foreclosure</td>
<td>• Hardship postponements</td>
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<tr>
<td>– homeowners at risk</td>
<td>• Intervention</td>
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<td>• Contagious blight</td>
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Michigan’s New Land Bank Law

- Created Michigan Land Bank Fast Track Authority
- Allows counties that foreclose to create Land Banks through intergovernmental agreement with state Authority
- Allows the City of Detroit to create a Land Bank
- Defines all Land Bank properties as “Brownfields”
- Land Bank properties are tax-exempt
- Provides 90-day expedited quiet title action
- Can sell at less that fair market value
- Can lease, sell, demolish, maintain, rehab, improve
- 5yr/50% tax capture
The Genesee County Land Bank

- Michigan’s first land bank
- Created in 2002, modified in Dec. 2004
- 7 member Board of Directors
- 15 staff, including sales, rehab., property management
- Land development team
- Planning team *(University of Michigan faculty and staff)*
- Funding: tax foreclosure fees: $5.7 million over 4 years,
- Land sales revenue, tax capture *(Brownfield and 5yr/50%)*
The Genesee County Land Bank

- Foreclosure Prevention
- Housing Renovation
- Side Lot Transfer
- Property Maintenance
- Planning
- Rental Management
- Clean & Green
- Demolition
- New Development
The Genesee County Land Bank

*Progress since 2003…*

- 5,400 foreclosures (9% of Flint)
- 1,350 foreclosure prevention cases
- 596 Demolitions
- 1,300 sites maintained
- 550 properties in “Clean and Green” program
- 54 single family rehabs (17 LBA, 37 private)
- 16 infill underway, 18 more initiated
- $3.8 million mixed-use redevelopment of 30,000 sq. ft downtown building – The Land Bank Center
- 600 tons of debris removed since summer 2004
BEFORE

Barbara Drive
Flint

Tax foreclosed in 2003

Acquired for $3,100

Rehabilitation cost: $42,000
Sold in 2005 to first-time homeowner for $55,000
BEFORE
This is the type so far

AFTER
Land Bank Brownfield Redevelopment Plan

- Approved December 2004
- $5 million financing
- Cross-collateralized scattered site TIF district
- 2900 parcels included
- 400 demolitions
- Environmental remediation for rehabilitation
- 600 major cleanups
- Title clearance/insurance
- Site preparation/infrastructure development
The Genesee Institute

• Formed in 2004
• Executive Director: Professor Bob Beckley, Dean Emeritus, UM School of Architecture and Urban Planning
• Mission: research, training, and technical assistance regarding land banking, smart growth, and regional land use policy
• Funding: Genesee County, C.S.Mott Foundation
• National Vacant Properties Campaign Technical Assistance Project
• Michigan Land Bank Technical Assistance Project (Saginaw, Ingham, Calhoun, Jackson, Grand Traverse, Berrien, Muskegon)
Land Bank Technical Assistance Project

Saginaw County
...similar to Flint/Genesee, over 500 foreclosures in 2005

Ingham County
...stronger market, some abandonment

Calhoun County
...stable market, some abandonment, focus on prevention

Jackson County
...stronger market, some abandonment, focus on prevention

Grand Traverse County
...strong market, focus on conservation and affordable housing

Berrien County
...a tale of two cities

Muskegon County
...signs of decline, focus on careful reuse
Questions....

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www.thelandbank.org