Land Banking 101: Turning Vacant Spaces into Vibrant Places

Amy Hovey, Interim President / CEO
A New Pathway for Property

- Sales / Land Contracts
- Side Lot Transfer
- Property Maintenance
- Planning
- Environmental Clean-Up
- Rental Management
- Urban Gardens and Agriculture
- Demolition and Deconstruction
- Development
Demolition – Case Study
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
Maintenance

Standards
- Boarding
- Mowing
- Trash removal
- Fencing
- Planting

Strategies
- Work force development
- Urban gardens
- Adopt a lot
- Community groups
- Planting
- Grass
- Succession landscapes
- Government cooperation
One Size Does *Not* Fit All

1) Match different strategies with different types of properties
2) Create different standards of care depending on location of the property
3) Questions to ask:
   - Which investment zone is this property located?
   - What is the typology of the property?
   - Do partners exist to help with maintenance?
   - What standard does this property need to be kept?
Work Force Development

- Genesee County, Michigan
- New Orleans, Louisiana

Both programs utilize federal work force development dollars to hire employees for property maintenance.
Public agencies should work together in an organized effort to maintain publicly owned properties.

For example: If the school district is already mowing a property that is directly next to vacant property owned by the city, they should just mow the city’s property, as well. And vice versa. It is more efficient.

A map could be drawn to give each agency a territory to maintain.
Adopt – A- Lot

- Adopt-A-Lot agreements are no costs to the public agency
- Individual or organizations
- Typically one year agreements
- Used by those who seasonally mow grass or develop short term gardens
- Genesee County had 309 lots managed in 2011
Community Group Collaborative

- Weed and Seed Program
- Michigan Prisoner Re-entry Initiative (MPRI)
- Community Based Organization
  - Genesee County Clean and Green
    - 42 participating groups collectively maintained 1,326 vacant lots or roughly 48 city blocks in 2011
Landscape Types

**Recreation + Traditional Open Space**
- NEIGHBORHOOD PARKS
- SPORTS FIELDS
- REGIONAL PARKS
- PLAZA
- RECREATION CENTERS
- TRAILS/GREENWAYS
- CAMPING
- CEMETERIES

**Cultivated Landscapes**
- COMMUNITY GARDENS
- ORCHARD
- GREENHOUSES
- AQUACULTURE

**Working & Innovation Landscapes**
- COMPOSTING
- REMEDIATION FIELDS
- SOIL MANUFACTURING
- RESEARCH FIELDS
- ALGAE-CULTURE
- TEMPORARY EVENT LANDSCAPES

**Successional Landscapes**
- SUCCESSIONAL MEADOW
- SUCCESSIONAL FOREST
- SUCCESSIONAL PARK
- SUCCESSIONAL ROAD
- ROADS TO RIVERS

**Time Frame and Maintenance Cost**
- PERMANENT $$$
- PERMANENT $$
- TEMPORARY $
- TEMPORARY/PERMANENT $
Land Banks Case Study - Interim Use Strategies

- Long-term Planning
- Community Engagement
- Investment Zones
- Public Land Ownership
- How to treat vacant land?
Development Tools

- Clear Title
- Low Acquisition Costs
- Land Assembly Vehicle
- Equity Partnerships
- Neighborhood Stabilization Program
- Developers Readiness
- Proactive Property Disposition
- Brownfield Eligible / Cross Collateral TIF
**Project:** Blight elimination

**Role:** Demolition, Ownership, Maintenance

**Tool:** Code enforcement/Acquisition

**Costs:** Acquisition/Demolition/Maintenance

**Risk:** Moderate; Potential liability.

**Benefit:** *A blighted property is turned into a neighborhood playground.*
Project: Foreclosed gas station (contaminated)
Role: Land Bank facilitated EPA environmental assessment and MDEQ to clean-up
Tool: Brownfield, Site Remediation
Cost: Covered mostly by EPA Funds
Benefit: Clean lot available to McDonalds which allows them to upgrade restaurant
Environmental Clean Up/Economic
Fenton & Hill Gas Station
**Project:** Development of a 10,000 sq. ft. grocery store

**Role:** EPA grant pass-through for petroleum tank removal and assessment.

**Tool:** Environmental Assessment and Clean-Up.

**Cost:** Covered by EPA funds

**Risk:** Low – No additional role required of the land bank.

**Benefit:** Total project development costs were decreased by the use of these funds, enabling the project to be completed on time and on budget.
Economic Development
Witherbee’s Market and Deli
Land Banks Case Study - Infrastructure

Assist in Implementing Community Master Plans
Land Banks Case Study - Infrastructure

- **Need:** Build a new north/south corridor and pathway

- **Partners:**
  - Land Bank Authority – Eligible Activities Property Purchase, infrastructure
  - Brownfield Authority – TIF reimbursement
  - City of Traverse City – Government Entity to own, operate and maintain Avenue and pathway
  - State of Michigan (MEDC) – TIF reimbursement
Land Banks Case Study - Infrastructure
Land Banks Case Study – Redevelopment

- Occupied “flop house” with 99 rooms; very blighted interior
- Magnet for crime
- Historic neighborhood targeted for redevelopment
- Prevented redevelopment of the area
- 18 sources of funding
- Land Bank lead developer

**Results:** Historic rehabilitation resulting in 21 residential and 2 commercial units
Project: Occupied “flop house” with 99 rooms; very blighted interior; Magnet for crime; Prevented redevelopment of the area.

Role: Managing partner in nonprofit partnership.

Tool: Brownfield TIF.

Cost: TDC - $6.2 million. 18 funding sources. Brownfield; Historic and MBT Credit; Affordable housing; Foundation.

Risk: High risk – Neighborhood targeted for redevelopment; Unknown market demand. Community perception. Total remaining land bank debt - $1,385,000.

Benefit: Historic rehabilitation resulting in 21 residential and 2 commercial units. Cross-collateralized Brownfield TIF.
Land Banks Case Study – Redevelopment
Upcoming Event

October 14th-16th

Register at:

www.communityprogress.net