



LAND BANKS AND COMMUNITY LAND TRUSTS

Partnering to Provide Equitable
Housing Opportunities Now
and for Future Generations



CONTENTS

Introduction	3
Evolution of Land Banks and Community Land Trusts	5
Overview of Land Bank and Community Land Trust Partnerships	8
Albany County Land Bank and Albany Community Land Trust in New York	12
Metro Atlanta Land Bank and Atlanta Land Trust in Georgia	16
Central Ohio Community Improvement Corporation-Franklin County Land Bank and Central Ohio Community Land Trust in Ohio	20
Key Considerations Moving Forward and a Call to Action	24
Endnotes	25



AUTHOR

Kim Graziani, Senior Advisor for National Technical Assistance
Center for Community Progress

Center for Community Progress
111 E. Court Street, Suite 2C-1
Flint, MI 48502 (877) 542-4842
www.communityprogress.org

© 2021, Center for Community Progress
All rights reserved.

Design by BLANK / blankblank.com

ACKNOWLEDGEMENTS

The Center for Community Progress would like to thank the Albany County Land Bank, Albany Community Land Trust, Metro Atlanta Land Bank, Atlanta Land Trust, Central Ohio Community Improvement Corporation - Franklin County Land Bank, and Central Ohio Community Land Trust for their contributions to this report.

An abbreviated version of this publication appears in "Tackling Vacancy and Abandonment: Strategies and Impacts After the Great Recession," a 2021 joint publication from the Center for Community Progress, the Federal Reserve Bank of Atlanta, and the Federal Reserve Bank of Cleveland.

ABOUT Center for Community Progress

The mission of Center for Community Progress is to foster strong, equitable communities where vacant, abandoned, and deteriorated properties are transformed into assets for neighbors and neighborhoods. Founded in 2010, Community Progress is the leading national, nonprofit resource for urban, suburban, and rural communities seeking to address the full cycle of property revitalization. The organization fulfills its mission by nurturing strong leadership and supporting systemic reforms. Community Progress works to ensure that public, private, and community leaders have the knowledge and capacity to create and sustain change. It also works to ensure that all communities have the policies, tools, and resources they need to support the effective, equitable reuse of vacant, abandoned, and deteriorated properties.

INTRODUCTION

Leveraging the unique powers of a land bank to acquire, stabilize, and transfer VAD properties to a CLT to create long-term community benefit exemplifies the different yet complementary missions of these two entities and how they can be used to support a more resilient and equitable recovery in neighborhoods across America.

COMMUNITIES NATIONWIDE, continue to struggle with inventories of properties that are causing harm—properties that are vacant, abandoned, and deteriorated (VAD).¹ Many of these properties are underwater in value, meaning the amount of delinquent taxes, public liens, and repair costs exceed the property's worth. Often these properties are concentrated in communities located in historically redlined neighborhoods that reflect an intentional history of racist policies resulting in denied homeownership for many Black families—a loss of wealth that has compounded across several generations.²

These same communities—whether urban, suburban, or rural—also need quality, affordable housing. But, rehabilitating existing structures or building new construction to create affordable housing is an arduous task. Moreover, taking on the added time, capacity, and cost required to acquire and get a marketable and insurable title to these VAD properties can make affordable housing development challenging, if not impractical. Thus, while this nation continues to suffer from a severe shortage of quality, affordable housing, more disparities are increasingly present in housing options in Black communities.

Unfortunately, the COVID-19 pandemic has exacerbated these racial disparities, and while much is still unknown about its long-term impact, many neighborhoods are anticipating an increased inventory of VAD properties as a result of evictions and mortgage and tax foreclosures. Furthermore, as was seen in the Great Recession, another wave of outside investor activity will likely cause dramatic changes in land ownership in communities nationwide.³ As a result, profound systemic changes and

resources will be needed to ensure that residents can control the capital and capacity required to stabilize and control land in their communities.

Land banks and community land trusts (CLT) are two entities that, in concert, can help reverse the trajectory of disinvestment and unlock a pipeline of VAD properties to provide much needed quality, affordable housing for future generations that prioritizes community ownership and control. Through special powers granted by state-enabling legislation, land banks can more flexibly and efficiently acquire and sell VAD properties than other governmental or nonprofit entities. In many communities, long-term, affordable housing has been identified as a top community goal which creates an ideal opportunity for a land bank to prioritize the transfer of property to a CLT.⁴ In some communities, land banks and CLTs work together above and beyond a transaction or sale of property and formalize partnerships to proactively identify and develop properties to support mutual goals.



Over the past few years, Community Progress has collaborated with Grounded Solutions Network to: 1) better understand the potential of land banks and CLTs to support a more equitable and sustainable approach to community development; 2) provide clarity and education on the different yet complementary roles of land banks and CLTs; and 3) catalyze models of land bank and CLT partnerships based on local community conditions, available powers and resources, and political and community leadership.⁵ A key takeaway from this emerging line of work is the potential to leverage the unique missions of both entities to transform properties that are causing harm and create safe, quality, affordable housing and wealth-building opportunities now and for future generations.

The purpose of this publication is to: 1) provide basic education on land banks and CLTs; 2) present emerging and promising models and examples of land bank and CLT partnerships from across the country; and 3) make a case for what is needed to evolve and expand this work, particularly given the imperative to address historical and growing disparities in Black communities while taking advantage of key funding opportunities.⁶



While there are few examples of land banks and CLTs coordinating *effectively and in a sustained manner*, places like Albany, New York; Atlanta, Georgia; and Columbus and Franklin County, Ohio are pioneering models of how these partnerships can support neighborhood stabilization and prevent displacement of vulnerable residents. And, although not every community may have or need a land bank or CLT, many cities and towns share a common desire to address the affordable housing crisis and racial inequities across the country. We hope that this publication will encourage honest discussions and advance the path forward to more inclusive and equitable communities.

Land banks are public entities with unique governmental powers, created pursuant to state-enabling legislation, solely focused on converting VAD properties into productive and equitable uses according to local community goals.

Community land trusts are nonprofit organizations, governed by CLT residents, community residents, and nonprofit and public representatives, that provide permanent community control of land and affordable housing.



EVOLUTION OF LAND BANKS AND COMMUNITY LAND TRUSTS

OVER THE YEARS, land banks and CLTs have proven to be resilient tools that address both long-standing systemic injustices and more current crises like the Great Recession and the COVID-19 pandemic that undermine a community's equity and inclusion goals. While land banks focus on intervening in the broken systems that contribute to VAD properties and serve as an intermediary for more productive and equitable use, CLTs serve as the perpetual stewards to ensure properties remain affordable and serve a community purpose. Their missions are different yet complementary, designed to respond to varied systemic challenges and do so in different ways and for different time frames in any given community.

For over 40 years, most land banks have been created across the country as public entities with unique governmental powers—usually public, nonprofit corporations or public authorities—solely focused on converting VAD properties into productive and equitable uses according to local community goals.⁷ Today, over 250 land banks are in operation across the country, many of which were created in the last decade as a direct response to the Great Recession and the resulting increase in vacancy and abandonment.⁸ Land banks are one of several tools in a larger

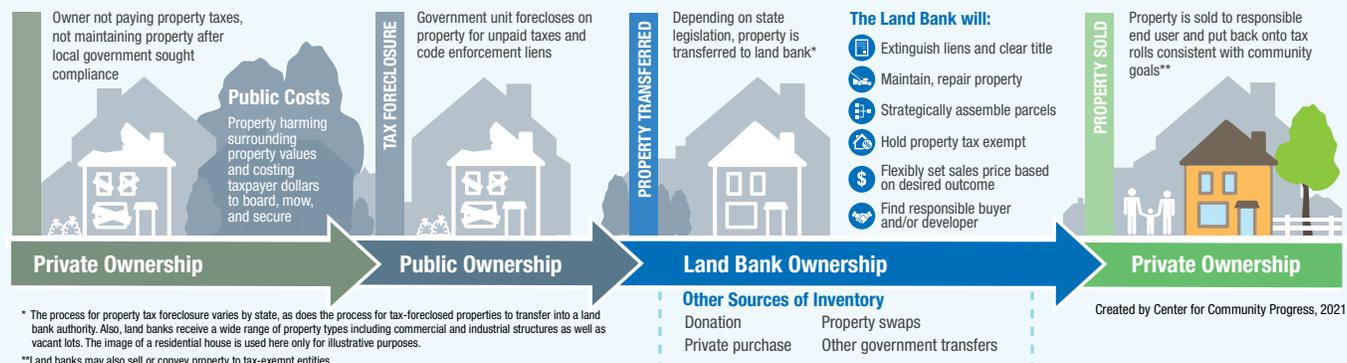
FIVE Essential Elements of Land Banks

1. Connected to the tax foreclosure process
2. Aligned with other strategies and systems impacting VAD properties
3. Scaled in response to local land use and community goals (such as affordable housing)
4. Driven by policy, transparency, and accountability
5. Authentically engaged with communities most impacted by vacancy and abandonment

system that seeks to break the cycle of vacancy and abandonment in any given community, which includes preventing properties from going into decline through tools such as the enforcement of housing and building codes and delinquent property taxes.

Most land banks focus on a subset of VAD properties that cause the most community harm. For example, properties that create public health and safety hazards, drive down property values, and erode generational home equity. In addition, these properties drain local tax dollars through repeated service calls for police,

Graphic 1: How a Land Bank Works



fire, and housing and building code enforcement.⁹ The targeted inventory of land banks usually consists of properties rejected by the private market due to various legal and financial barriers, such as tax or other public liens that exceed the value of the property, or the costs to repair the property exceed what potential revenue could be generated from it, or both.

Many of the most effective land banks around the country have special powers granted by state-enabling legislation. This authority allows land banks to undertake their work effectively, efficiently, and with greater flexibility than other governmental or nonprofit entities, to focus on more equitable outcomes aligned with local community goals. From state to state the laws vary, but generally state-enabling legislation can allow a land bank to use the tax and lien enforcement process to acquire tax-delinquent property for substantially less than the amounts due on the property, extinguish past liens, get marketable and insurable title, and hold property in a tax-exempt status until it is sold.¹⁰ These laws also allow land banks to market and convey properties more flexibly than local governments, prioritizing the best outcome over the highest offer.

The best state-enabling legislation also identifies sources of dedicated funding to help pay for land bank operations.¹¹ Examples range from state to state but can include a small portion of the delinquent property taxes, interest, and penalties collected

on all properties annually. Or, for those properties a land bank strategically places back on the tax rolls and into productive use, a small amount of the property tax can be remitted back to the land bank for a limited number of years. Other common sources of land bank funding include proceeds from property sales, contributions from local, state, or federal government programs, and philanthropy.

The community land trust model in the United States was pioneered by Black farmers during the civil rights movement to ensure land tenure for their families.¹² Thus, the historical roots of the CLT model are aligned with many of the goals of the national civil rights movement: supporting ownership and control of land and achieving greater economic security for Black individuals and families.¹³ As more communities realized the potential of CLTs to preserve permanent access to land for additional uses, such as affordable housing, the number of CLTs across the country inevitably grew, with some sources estimating more than 270 today.¹⁴

Although many variations on the model exist, CLTs most often focus on providing permanently affordable housing. CLTs are different from other nonprofit, affordable housing developers in a few ways. Most critically, a CLT separates the ownership of the land and structure. The CLT retains ownership of the land and enters a 99-year renewable ground lease with the homeowner. The homeowner purchases the structure on the

TABLE 1: COMPARISON OF LAND BANKS AND COMMUNITY LAND TRUSTS

	LAND BANKS	COMMUNITY LAND TRUSTS
Mission	Stabilize and revitalize VAD properties, guided by local community goals	Primarily, but not exclusively, supports local community goal of lasting affordability
Structure	Public entity (nonprofit or public authority) with limited governmental powers	Private nonprofit
Governance	Board defined by state statute or local ordinance, usually a mix of elected and public officials, professionals with relevant subject matter expertise, and community representatives	Tripartite board including CLT residents, community residents, and nonprofit and public representatives
Property Acquisition	Through special acquisition powers via state-enabling legislation (generally through tax or lien foreclosure, no eminent domain)	No special acquisition powers, although nonprofit status may allow for some preferred access
Tenure of Ownership	Generally short-term, but able to hold long-term	Perpetual ownership of the land
Property Disposition	Sell property in a diligent yet expedited manner for a flexible price to achieve the best outcome for the community	Sell structure only to an income-qualified buyer while land ownership remains with CLT

Graphic 2: How a CLT works



Created by Center for Community Progress, 2021

* CLTs subsidize the cost of new construction or rehabilitation primarily using philanthropic or governmental funding, which is how CLTs are able to offer homeownership at an affordable price. This subsidy stays with the property forever, underwriting the purchase price again and again for generations to come.

land at a subsidized price, pays the mortgage on the structure, and is responsible for the upkeep and maintenance of the entire property (land and structure).

The CLT ground lease ensures that most of the cost savings realized by the original CLT homeowner are passed on to future purchasers and owners by placing limits on the future sales price of the property while also providing an opportunity for owners to build wealth from the home sale based on the increase in value. This approach, a type of shared-equity homeownership, ensures that the home remains accessible and affordable for low- to moderate-income homebuyers in perpetuity. Typically, the development, rehabilitation, or purchase of CLT homes is subsidized through public or philanthropic funds. This subsidy stays with the property forever, underwriting the purchase price repeatedly for multiple generations of owners.

Critical to its success, CLTs offer many pre- and post-home purchase services to their homebuyers. Examples include pre-purchase counseling, down-payment assistance, foreclosure prevention, and ongoing community organizing. These long-term “stewardship” services fall under the category of “perpetual responsibility,” one of the key features of the classic CLT model.

Across America, the impacts of land banks and CLTs are impressive. Communities with land banks are showing incredible signs of progress by demolishing hundreds of blighted structures, stewarding pipelines of properties in support of local ownership, reducing absentee landlordism and speculation, increasing the supply of quality affordable housing, and attracting private investment to neighborhoods where most financial institutions still fail to lend.¹⁵ As the number of CLTs has grown, more Black families are taking advantage of this shared equity model of homeownership and promising signs of progress can be seen of a racial wealth gap narrowing.¹⁶ The CLT model has proven

to be resilient as well. As the Great Recession's impact rippled through communities, the mortgage foreclosure rates of CLT homeowners were significantly lower than those of conventional homeowners.¹⁷ When land banks and CLTs are aligned and properly capitalized, they create a model that can transform decades of disinvestment into long-term community investment, notwithstanding the next crisis.

Across the country, the impacts of land banks and CLTs are impressive. Land banks have improved resident health and safety, increased municipal revenue, bolstered economic growth, reduced municipal service costs, increased quality affordable housing options, and preserved and improved residents' home equity. Through their work, CLTs have increased Black homeownership and provided more stable, affordable homeownership options, with lower foreclosure rates for owners in CLT properties.

More details on these impacts can be found in the reports cited at the end of this publication.

OVERVIEW OF LAND BANK AND COMMUNITY LAND TRUST PARTNERSHIPS

Partnership is defined as an acknowledgment by both entities' governing bodies of the importance of working together, the goals of the partnership, the strengths of each entity and how they can be leveraged, and identification of some level of support, incentive, or resource to help ensure the partnership's success.

ALTHOUGH APPROXIMATELY 250 land banks and 270 CLTs are operating across the country, many of which are working in shared geographies, there are limited examples of formalized partnerships between the two entities. Therefore, it is important to explore how a partnership could address each entity's mutual challenges and provide context into the various partnership models, including what makes these partnerships successful. Snapshots are also presented of three communities leading the way in creating models of land bank and CLT partnerships in Albany, New York; Atlanta, Georgia; and Columbus and Franklin County, Ohio.

Although land banks and CLTs each have their strengths, they also bring their own sets of challenges to the table. Given that the typical inventory of land banks includes VAD properties located in disinvested neighborhoods, many land banks are challenged with finding responsible transferees that have the capacity and commitment to returning these properties to productive and equitable uses in a manner consistent with local community

goals. CLTs generally have difficulty with land assembly given the significant legal and financial barriers associated with the acquisition of VAD properties, as well as the competitive level of activity, capital, and capacity of private investors, particularly in stronger housing markets. Nevertheless, more communities are recognizing the value of a strategic partnership between these two entities and that one may be a solution to the other's challenge.

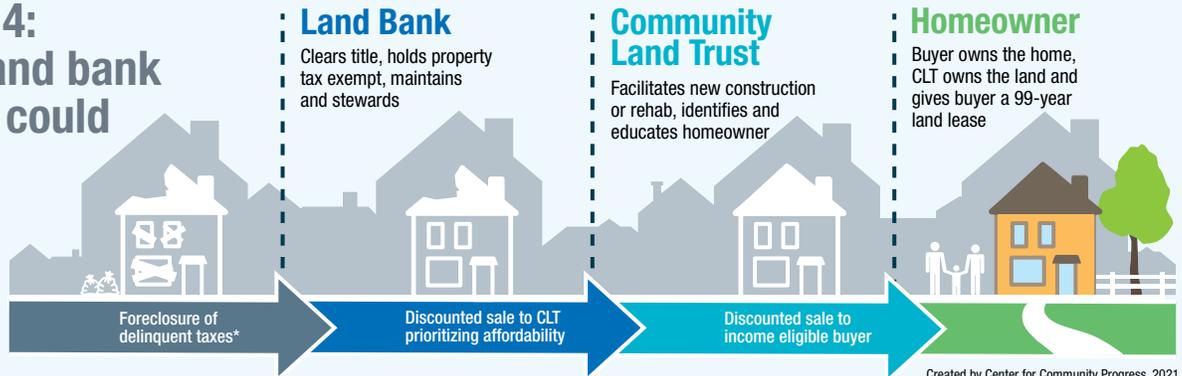
Communities that have mixed housing markets also present an opportunity for land bank and CLT partnerships, despite the common misconception that land banks and CLTs operate exclusively at opposite ends of the housing market spectrum: land banks in weaker housing markets where demand is low and CLTs in stronger housing markets where escalating property values threaten affordability. While a land bank may focus primarily on driving investment to disinvested neighborhoods, it could also ensure that VAD properties acquired in areas with stronger housing markets are directed toward end uses that meet critical community needs, such as quality, affordable housing.

Graphic 3: Potential shared service areas of land banks and CLTs and featured partnerships

[Explore a working map of
land banks and CLTs >](#)



Graphic 4: How a land bank and CLT could partner



* While property tax and lien enforcement processes are the most common method, dependent on state law, land banks may also acquire properties through a variety of mechanisms such as governmental transfer, donation, property swap, and private market purchase.

Created by Center for Community Progress, 2021

Similarly, in neighborhoods with weaker housing markets where the promise of unlocked potential remains, particularly where large-scale public and private investments are being proposed, CLTs could be engaged to support permanently affordable housing choices before the market heats up, preventing the all too familiar pattern of displacement. Finally, for those cities and towns whose housing markets are damaged by a climate change disaster or a public health crisis like COVID-19 but can reasonably expect investment activity to return and property values to rise, an active partnership between a land bank and a CLT could be instrumental in ensuring that the recovery yields equitable development and inclusive neighborhoods.

There are various ways land banks and CLTs engage and partner with each other across the country, from simple property transactions to becoming a program or subsidiary of the other. There are also various ways these engagements and partnerships can be categorized; however, the most common categories of (or models for) these engagements and partnerships are listed below:



TRANSACTION

There is no formal acknowledgment of a partnership, but rather the land bank and CLT engage with each other through direct transactions or property transfers. In these circumstances, the CLT generally does not receive preference over another interested and qualified buyer nor gets the property at a discounted rate from the land bank. Most land banks and CLTs that work in a shared geography fit into this category, noting these types of transactions can build trust between the two entities and set the stage for a more formalized partnership down the road.



AGREEMENT

The partnership between a land bank and CLT is formalized through a memorandum of understanding or other agreement and approved by both entities' governing bodies. The agreement identifies the mutual goals of the partnership and provides some level of support, incentive, or resource to



PROGRAM

A programmatic partnership between a land bank and CLT generally happens in one of two ways. The first being that both the land bank and CLT partner to support a specific program, usually driven by a third party like a local unit of government or philanthropic funder. For example, in Houston, Texas, the land bank and CLT agreed to partner and receive funding to support the New Home Development Program, an initiative of City government to develop permanently affordable housing in targeted neighborhoods where additional public resources are being prioritized.¹⁸ The second example is that either the land bank or CLT becomes a program of the other. In the case of Richmond, Virginia, the land bank became a program of the CLT based on a unique clause in the state-enabling legislation that allows existing nonprofits to be designated as land banks.¹⁹



SUBSIDIARY

This partnership occurs when either the land bank or CLT becomes a legal subsidiary of the other, acting as one organization with shared staff, budget, and a streamlined pipeline of property from the land bank to the CLT. In the case of Columbus and Franklin County, Ohio, the CLT became the subsidiary of the land bank, which will be further described in the next section.



What are the biggest obstacles to building stronger partnerships between land banks and CLTs?

Misunderstanding and Misperception:

Land bank and CLT leaders alike may not fully grasp the mission and purpose of the other party. For instance, some land bank leaders doubt the utility of CLTs in weaker housing markets or question why affordability should be preserved in disinvested neighborhoods. Meanwhile, some CLT leaders fail to understand the magnitude of VAD properties with which the land banks contend or why land banks may minimize the need for permanent affordability because a weaker market might already have a surplus of low-cost housing. Explicitly discussing the relevant applications and limitations of both tools greatly benefits practitioners in shaping and support partnerships.

Different yet Complementary Objectives:

Land banks are focused on addressing large inventories of VAD properties, which usually relegates their work to weaker housing markets and disinvested neighborhoods. CLTs, with a primary focus on preserving affordability, are typically found in stronger housing markets. While the primary objectives

may differ, there is a clear overlap of priorities and opportunities to advance mutually inclusive and equitable community development goals. Each party must acknowledge each other's objectives and priorities and proactively identify opportunities that may result in shared wins.

Mutual Challenges and Constraints:

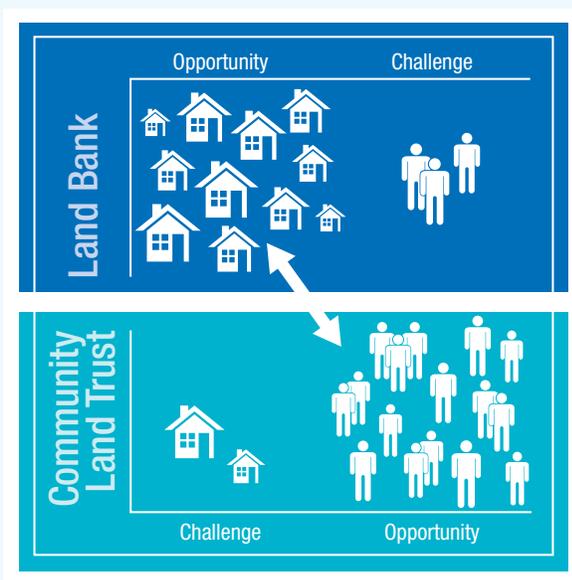
Undoubtedly, land banks and CLTs tend to lack adequate capacity or resources. Due to resource limitations, land banks may have to work more with for-profit or nonprofit developers rather than hold properties for use by a CLT. Meanwhile, CLTs may be limited in their ability to promptly cobble together the resources for acquisition, rehabilitation, and subsidization of land banked properties in order to convert them to quality, affordable housing or other community use. If land banks and CLTs acknowledge these mutual challenges and constraints, they have the potential to leverage the existing resources and strengths of each more efficiently—and attract new funding—to overcome these barriers.

Over the past few years, several discussions have been facilitated with land bank and CLT leaders across the country.²⁰ In a humble attempt to distill these robust and informative discussions, below are five actions undertaken in communities building successful land bank and CLT partnerships:

- **Leading with Racial Equity:** Strong political and community leadership that demonstrates a commitment to racial equity and acknowledges the impact systemic racism has and continues to have on communities that suffer from disinvestment and pledges their shared responsibility to address this inequity moving forward. Establishing multi-racial leadership that is actively engaged with, learning from, and seeking to share and turn over power and resources to Black leadership and Black-led organizations begins to address the needed systemic changes.
- **Committing to Quality, Affordable Housing:** Strong political and community leadership that not only acknowledges the importance of quality, affordable housing but also leverages its power and influence to direct critical resources towards its production and preservation. This intentional commitment enables the level of support and resources needed to transform disinvested properties into affordable housing.

- **Prioritizing Authentic Engagement and Partnerships:** The engagement of residents and community stakeholders is critical, particularly in disinvested neighborhoods. Holding explicit discussions about the challenges facing their community is vital and how land banks and CLTs are both tools that must be aligned within a larger network of partners and resources. Open and honest discussions like these build trust yet manage expectations about what is needed to stabilize and revitalize communities.
- **Leveraging Unique Powers and Strengths:** When land banks have comprehensive state and/or local land banking authority, they can leverage unique powers to unlock a specific subset of properties that are causing the most harm to a community and prioritize the transfer of these properties to a CLT. Likewise, one of the unique strengths of CLTs is the long-term stewardship of land and ensuring the pipeline of properties acquired from a land bank continues to serve the community in perpetuity—directly aligned with the land bank’s core mission.
- **Dedicating Flexible Funding and Capital:** When properly capitalized, land banks and CLTs can have the necessary capacity to bring their work to scale and consider additional mechanisms to acquire property before the market heats up. This type of flexible financial support, particularly in the form of direct grants, can also leverage subsidy on the back end, given the costs associated with transforming VAD properties into quality, affordable housing for generations to come.

Graphic 5: Land banks and CLTs can help with each others challenges



In the following examples, each of these five actions is present in varying degrees with these emerging land bank and CLT partnerships in Albany, New York; Atlanta, Georgia; and Columbus and Franklin County, Ohio. These examples serve as models still emerging for other land banks and CLTs to consider and make a case for how more dedicated, flexible funding and capital could advance these partnerships to ensure a more resilient, inclusive, and equitable recovery for neighborhoods across America.



ALBANY COUNTY LAND BANK AND ALBANY COMMUNITY LAND TRUST IN NEW YORK

TABLE 2: 2021 ORGANIZATIONAL INFORMATION
Albany County Land Bank and Albany Community Land Trust

	Albany County Land Bank albanycountylandbank.org	Albany Community Land Trust albanyclt.com
Year Founded	2014	1987
Number of Staff	7 FT, 2 PT	2 FT, 1 PT
Current Inventory	<ul style="list-style-type: none"> • 12 buildings for sale • 197 lots for sale • 169 properties banked for further evaluation or redevelopment • 130 pending sales 	<ul style="list-style-type: none"> • 36 owner-occupied homes • 54 rental units in 36 buildings • 6 homes under development
Annual Operating Budget Estimate (2021)	\$887,500	\$650,000

IN 2017, the Albany County Land Bank (ACLB) and the Albany Community Land Trust (ACLT) signed a memorandum of understanding that formalized lengthy discussions for how both organizations can collaborate to achieve their shared community goals of addressing vacancy and abandonment and preserving affordability.²¹ The primary objectives of their partnership have focused on how to address the racial wealth gap and provide permanently affordable homeownership to financially underserved individuals in Albany’s more stable neighborhoods with stronger housing markets. Both organizations are also working in weaker markets where quality, affordable housing is needed.²²

Through the Equitable Ownership Program and the Inclusive Neighborhoods Program (described later), ACLB is tapping into its special powers to efficiently unlock a targeted pipeline of properties, while ACLT is tapping into its expertise in developing permanently affordable housing along with leveraging the

decades-long relationships with some of the most vulnerable residents in Albany. This partnership has also been integral in working with the City of Albany to create a more comprehensive and coordinated approach to vacant land that brings together various government agencies, local community stakeholders, and connects residents to vacant land in more productive and sustainable ways.²³

Leading with Racial Equity

In addition to being the capital of New York, Albany is home to the second-largest gap in homeownership between Black and white households of any city across America.²⁴ In June 2020, the Underserved Communities Committee was established by ACLB’s Board of Directors to address racial disparities created by decades of discriminatory housing and lending practices that continue to be exacerbated by the COVID-19 pandemic.

ACLB developed the Equitable Ownership Program to increase homeownership rates in underserved communities that have historically experienced discriminatory and inequitable practices and policies.²⁵ The program draws upon ACLB’s flexibility, partnerships, and available resources to eliminate many first-time homebuyers’ barriers when purchasing real estate in disinvested neighborhoods. Through the Equitable Ownership Program, ACLB seeks to reduce the amount of capital needed for lower-income individuals or families by implementing the following: selecting properties that need less rehabilitation; selling the property for 50% or less of the market value; and partnering with a regional community development financial institution (CDFI), Home Headquarters, Inc., to pre-qualify buyers, serve as the lender for both the purchase and rehabilitation financing, and/or provide closing cost assistance.²⁶ ACLT and other local organizations identify eligible program participants who are provided with a scope of work and access to a building specialist to assist with the rehabilitation of the vacant building. The Equitable Ownership Program serves as a model for how land banks and CLTs can leverage their missions and networks to foster equitable development and promote homeownership in disinvested communities.



Through the continued advocacy of both ACLB and ACLT, the Restorative Housing Justice Fund has also been created and funded by the Touhey Home Ownership Foundation, which provides \$10,000 grants for homebuyers who identify as “Black/African American,” to be used for any direct or indirect costs associated with purchasing a home in Albany. This fund explicitly states its mission as “undoing the historic and continuing injustice and inequality created through redlining and discriminatory housing practices.”²⁷ Through these partnerships and programs, honest and tough discussions about racial inequity in Albany have advanced words into action.

Committing to Quality, Affordable Housing

While there is consensus on the need for quality, affordable housing in Albany, the goal of *permanently* affordable housing was not initially shared by all Albany stakeholders. Some advocates argued that permanently affordable housing denied families the chance to build wealth, which led to important clarifying discussions regarding how the CLT model works. Upon the sale of an ACLT home, owners receive all the equity they have invested in the home (down payment and mortgage principal write down) plus a 25% share of any appreciation of the property. CLTs are *one* of the significant steps toward stable homeownership, enabling many families to create generational wealth through the next home purchase.

Some City officials pointed to excessive vacant properties to indicate that Albany was not in danger of “pricing out” residents any time soon. However, after a series of thoughtfully planned and well-attended stakeholder meetings, local partners in Albany determined that any effort to intentionally drive investments into disinvested neighborhoods should also aim to preserve some

amount of permanent housing affordability from the onset of planned investments. Intentional preservation of permanently affordable housing stock early on can prevent displacement, close the affordability gap when it is minimal, and strike a balance between individual wealth creation and multigenerational benefit.

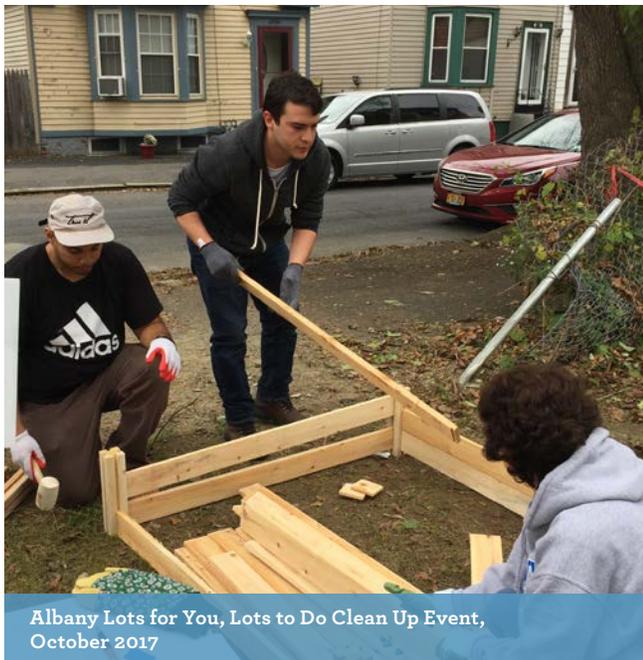
Prioritizing Authentic Engagement and Partnerships

Both ACLB and ACLT have committed to engaging residents and community stakeholders as one of their top priorities. ACLB holds monthly community roundtable meetings that serve as a resident forum to share ideas and information related to the land bank. ACLT is governed by a tripartite board, which means that one-third of the members are ACLT residents, elected by ACLT residents. The other two-thirds of the members represent other stakeholders from the community as well as nonprofit and public representatives. This governance structure ensures that ACLT residents not only have a seat at the table but also help guide all aspects of the organization.

In addition to the need to transform VAD properties into permanently affordable housing, ACLB and ACLT recognized an opportunity to work together alongside other City and community partners on vacant land. First among their efforts was to work with the City to create the Vacant Land Working Group, which joined various government agencies, neighborhood associations, community gardening groups, and other interested stakeholders to develop a more comprehensive and coordinated approach to the maintenance and ultimate reuse of vacant land. Several parcels of vacant land that were adjacent to current CLT homeowners and renters and owned by ACLB were identified as a good starting point. Community clean-up events were hosted on these parcels. Through the Mow to Own Program, ACLB sold over 20 vacant lots to ACLT for \$1 each to CLT homeowners and renters interested in community gardening and more green space.²⁸ With the support of the City and the Affordable Housing Partnership, the Albany Vacant Lot Tool Kit was developed as a resource to help build interest in the program and help educate the broader public.²⁹

Leveraging Unique Powers and Strengths

Through the New York Land Bank Act, ACLB, like most land banks, acquires the bulk of its inventory through the tax foreclosure pipeline along with strong support from Albany County. In 2019, a state law passed shortening the redemption period from two years to one year for tax-foreclosed properties certified by local code enforcement agencies as vacant and abandoned, allowing



Albany Lots for You, Lots to Do Clean Up Event, October 2017

the land bank to access these properties quicker to prevent further decline.³⁰ ACLB also makes limited open-market purchases and receives donated properties. Of the tax-foreclosed properties received from the County, more than 80% are in the city of Albany’s most disinvested neighborhoods or weaker housing markets, which correspond to ACLB’s Focus Neighborhoods.

For those tax-foreclosed properties received from the County that are *outside* of the Focus Neighborhoods, ACLB and ACLT developed the Inclusive Neighborhoods Program, which is focused on creating opportunities for low to moderate-income residents to purchase quality, affordable housing in these stronger markets within the city of Albany. This program provides the opportunity for ACLT to have the first right of refusal for 45 days and purchase the property at a discounted rate. The ACLB Board of Directors approved this program in September 2017 and amended its disposition policy accordingly. To date, ACLT has purchased five buildings (a combination of single-family and multifamily) for homeownership and rental, with several more in the pipeline. Without the Inclusive Neighborhoods Program, ACLT would be unable to afford these properties and even though the actual number of homes added each year may be minimal, over a 20- or 30-year period, this program could make significant contributions to seeding permanently affordable housing choices throughout the stronger market areas of Albany, consistent with the community and political leadership’s long-term goal of building a more inclusive city.

Dedicating Flexible Funding and Capital

The Underserved Communities Committee identified limited access to capital as the largest barrier for Black homebuyers and contractors purchasing and rehabilitating vacant buildings from ACLB. This barrier led to an expanded partnership with Home HeadQuarters, Inc., which provides more flexibility in their underwriting standards for purchase and construction financing and serves as a one-stop shop for a wide range of educational resources for individuals, families, contractors, and investors seeking to purchase and develop properties from ACLB. In addition, the Restorative Housing Justice Fund’s \$10,000 grants also provide a critical and flexible source to fill common funding gaps of many homebuyers.

An additional resource that has been created by the State of New York Mortgage Agency is “GIVE US CREDIT,” a mortgage program specifically designed to “redefine creditworthiness and to increase first-time homeownership in historically underserved markets, by expanding the criteria used to evaluate responsible, financial management, increasing eligibility to families and individuals who rely on non-traditional savings and sources of income, and by offering greater flexibility for potential borrowers who have overcome past financial hardships.”³¹ This program has become the go-to mortgage source for most ACLT homebuyers.

Both ACLB and ACLT recognize the need for dedicated, flexible funding and capital to build the necessary capacity to continue their collective work and adequately build their acquisition pipeline, particularly given the demand from out-of-town and institutional investors continues to escalate. This increased level of interest from outside investors is reminiscent of what happened during the foreclosure crisis, and ACLB and ACLT are committed to working with legacy residents and business owners to prevent displacement and another wave of outside investors wresting control of properties from local and community ownership.



Can Vacant Lot Stewardship Create a Path to Ownership?

In the case of Albany, yes, is the simple answer. While vacant lots were not the only reason for ACLB and ACLT to formalize their partnership, it was undoubtedly one of the influencing factors. As with many land banks across the country, ACLB struggled to maintain its inventory of vacant lots. However, instead of viewing this only as a challenge, they viewed it as an opportunity to build relationships with residents and create opportunities to transfer property to responsible ownership.

The first step was to map all vacant lots owned by ACLB and determine which were located adjacent to ACLT homes and rental units. The decision was then made to create a pilot Mow to Own Program for residents affiliated with ACLT to conduct stewardship services on a vacant lot in proximity to their residence. Land bank lots would be sold to the ACLT and then ultimately transferred to the ACLT homeowner or tenant for \$1. Contracting with community-based organizations, like ACLT, to conduct stewardship and basic stabilization services in targeted areas to prevent decline and neglect reduces ACLB's holding and maintenance costs of an expanding inventory of vacant land and increases community participation in the property disposition process. The announcement of this new pilot program was made in conjunction with a large

community event named "Lots to Do, Lots for You," on those same targeted lots owned by the land bank adjacent to several CLT homes.

Community members showed up in force to assist with the lot clean up and provide input on the proposed pilot program, as well as several other complementary vacant land initiatives being coordinated with the City of Albany. Through the course of the event, the vacant lots were cleared, cleaned, and beautified by residents and neighbors young and old. The lot was dotted with various activity stations that offered something for everybody, such as found art installations, face painting, games, garden bed installation, and interactive exhibits featuring designs from the Albany Vacant Land Toolkit. Several residents expressed interest in helping to steward and maintain vacant lots. Both ACLB and ACLT were able to speak briefly about planned neighborhood investments and their desire to work more closely with residents in shaping the future.

To date, over a dozen land bank lots have been transferred to the CLT for the Mow to Own Program, with several more in the pipeline.



METRO ATLANTA LAND BANK AND ATLANTA LAND TRUST IN GEORGIA

TABLE 3: 2021 ORGANIZATIONAL INFORMATION
Metro Atlanta Land Bank and Atlanta Land Trust

	Metro Atlanta Land Bank metroatlantalandbank.org	Atlanta Land Trust atlantalandtrust.org
Year Founded	1991	2009
Number of Staff	6 FT	3 FT
Current Inventory	<ul style="list-style-type: none"> • 210 vacant structures and lots with plans to acquire 1,600 over the next 60 months 	<ul style="list-style-type: none"> • 13 owner-occupied homes • 130 homes in the pipeline over the next 12 months • 75 lots (includes single-family lots and large parcels that will be subdivided)
Annual Operating Budget Estimate (2021)	\$972,000	\$580,000

THE PARTNERSHIP BETWEEN the Metro Atlanta Land Bank (MALB) and the Atlanta Land Trust (ALT) is one of the longest-standing examples of land bank and community land trust partnerships across the country and has recently benefitted from a strong commitment to affordable housing by City leadership. However, many neighborhoods in Atlanta still feel the negative impacts of the foreclosure crisis, and the level of interest from outside investors has increased over the last decade. Therefore, if properly capitalized, the land bank and CLT partnership in Atlanta can continue scaling up and use its acquisition powers and long-term stewardship to ensure protections for legacy residents while creating new opportunities for quality, affordable housing for future generations.

As this partnership has evolved over the last decade, both entities formalized their commitment in 2020 by executing a memorandum of understanding, which lays out the partnership's

goals, geographic focus, and the roles of each organization.³² The partnership's primary purpose is to streamline the conveyance of land bank parcels to the CLT in neighborhoods adjacent to the BeltLine. The BeltLine is transforming a 22-mile loop of historic rail lines into a new transit system, multiuse trails, and green space. One of the results of this massive public and private investment has been an enormous increase in market demand and prices in several neighborhoods adjacent to the BeltLine in the urban core.³³

In its earlier years, the land bank and CLT partnership was focused on a place-based initiative in the Pittsburgh neighborhood in southwest Atlanta, and more recently has evolved with the *One Atlanta: Housing Affordability Action Plan* (One Atlanta Plan). Both MALB and ALT are listed as key stakeholders in the plan, which sets forth ambitious goals to create and preserve 20,000 affordable homes by 2026.

Leading with Racial Equity

As one of the epicenters of the Great Recession, Atlanta saw one of the largest declines in homeownership rates among Black households between 2005-2015.³⁴ In neighborhoods like Pittsburgh, many Black homeowners were targets of subprime lending. As a result, the rate of mortgage foreclosures skyrocketed, leaving over 35% of properties vacant and crime magnets, often ending up in the hands of absentee landlords and institutional investors.³⁵ Coupled with increasing rates of gentrification and displacement in neighborhoods adjacent to the BeltLine, both MALB and ALT have recognized that racial equity and inclusive growth must be at the forefront of the partnership's guiding framework to ensure affordable housing opportunities go to legacy residents of color. Both organizations have recognized that intentionality and a strategic approach are needed to operationalize this commitment. The strategic planning frameworks for both the land bank and CLT have begun to institutionalize racial equity and justice in their policies and operations and range from adopting equity as one of the core values for MALB to engaging a consultant for coaching and investing in Diversity, Equity, and Inclusion (DEI) training for all staff and board members of ALT.³⁶



BeltLine, Atlanta Georgia
Credit: Felix Mizioznikov / Shutterstock.com

Committing to Quality, Affordable Housing

In 2019, the One Atlanta Plan was launched. The cornerstone of this plan is the creation and preservation of 20,000 affordable homes by 2026, along with an investment of \$1 billion from public, private, and philanthropic sources.³⁷ Rent and home prices in many neighborhoods have skyrocketed because of investments made by the City, including the BeltLine and the new Westside Park. Therefore, the local government has recognized its obligation to do more to support legacy residents who have been most impacted by the tremendous change and rapid growth that Atlanta has experienced. MALB has been integrally involved in these planning discussions and has been designated as one of five organizations charged with implementing many of the One Atlanta Plan recommendations. ALT has also been identified as the primary entity for executing the community land trust model.

MALB created the Permanent Affordability Pilot Program in response to continued market shifts and more energy needing to be focused on transferring homes to ALT and other nonprofits, given the risk of gentrification and the benefit of keeping the subsidy with the house. Traditional affordable homeownership models typically use a forgivable lien to cover any subsidies and loosen income restrictions after a few years or when the homeowner sells the home. This new program sets forth guidelines for selling and pricing a residential property and vacant lots to neighborhood nonprofit organizations like ALT to support permanently affordable housing. Currently, 14 properties are in the pipeline, which will be eventually sold at a discount to ALT for permanently affordable housing and will be a mix of new construction and rehabilitation. Both MALB and ALT are hopeful that their partnership will continue to benefit from the land bank's strategic acquisition powers and ability to sell property at a discounted rate to ALT – one of many ingredients needed to provide a range of quality, permanently affordable housing options.

Prioritizing Authentic Engagement and Partnerships

The City's current approach to affordable housing has been informed by HouseATL, a comprehensive and diverse group formed in 2017, of respected business, nonprofit, government, and philanthropic leaders to brainstorm how Atlanta could tackle its affordability challenges.³⁸ This task force, which includes MALB and ALT, has defined the issues, identified the barriers to success, and engaged in thoughtful problem-solving so that civic leadership in Atlanta will have a shared, comprehensive set of policies and adequate funding to address housing affordability. Five working groups were created to develop specific recommendations on 1) community retention and anti-displacement; 2) preserving existing affordable housing; 3) scaling strategies and resources for under 50% area median income (AMI); 4) using public resources for production; and 5) harnessing the power of private resources to increase production and fill funding gaps.³⁹ Given growing affordability needs, the HouseATL task force will be transitioning from a "coalition of the willing" to a stand-alone organization with dedicated staff and will be fundraising for dedicated community engagement, among other priorities.

Both the land bank and the CLT have used different engagement strategies over the years; however, ALT has recently established a Community Partnership and Engagement Committee of its board of directors, which includes community representatives. The purpose of this committee is to make recommendations for increasing community participation and engagement, improving the well-being of the communities served by the ALT, and advocating for CLTs. This Committee will establish and maintain partnerships with the neighborhood groups and organizations; coordinate community education, economic empowerment, and advocacy events; and sponsor programs and activities directed at youth and adults residing in communities served by the ALT.⁴⁰



874 Welch
Credit: Metro Atlanta Land Bank

Leveraging Unique Powers and Strengths

Through the Georgia Land Bank Act, MALB uses its strategic acquisition powers to take title to vacant, abandoned, and tax-delinquent properties; extinguish past due tax liens; and receive marketable title for new responsible ownership. In addition to acquiring properties through tax and/or code lien foreclosure, donation, and market purchase, MALB also has a Land Banking Depository Program whereby nonprofit affordable housing developers (including ALT) can deposit property in the land bank's inventory and the property becomes tax exempt and maintained by the land bank. This program has become a valuable tool for many nonprofits as they proceed with site assembly and financing for affordable housing development.

One of the earlier examples of how MALB and ALT leveraged their unique powers and strengths is through a place-based initiative in the Pittsburgh neighborhood—recognizing that one of the biggest obstacles to providing affordable housing is the cost of purchasing the property when in competition with private investors. The Annie E. Casey Foundation purchased 53 vacant homes while values were low—the average cost of acquisition in 2009 was approximately \$30,000—and the homes are now selling for closer to \$100,000.⁴¹ MALB's Land Banking Depository Program served as the steward of the vacant houses during pre-development. ALT became the final transferee for several homes to ensure permanent affordability and community benefit for future generations. Now the Permanent Affordability Pilot Program will serve as the foundation for continuing a pipeline of properties from the land bank to the CLT.

Dedicating Flexible Funding and Capital

As part of the One Atlanta Plan, Atlanta City Council passed legislation in January 2020 to create a \$50 million Housing Opportunity Bond Program to preserve and create 3,500 affordable housing units.⁴² This money will fund various initiatives, including homeowner renovations, multifamily developer loans, nonprofit development loans, and land assemblage. Both MALB and ALT, along with other organizations, will be leveraged to support acquisition and help ensure that final transferees for several units are kept affordable in perpetuity.

Given the projected budget shortfalls of many local governments across the country from the COVID-19 pandemic, this bold move will help ensure that those most vulnerable and disproportionately

impacted by decades of disinvestment and predatory lending practices will have the opportunity to access grant dollars and low-interest renovation loans as well as new, affordable housing.

It is important to highlight the critical need for grants and not just loans, given the reality that even the savviest, affordable housing developers still need direct cash subsidies to make the numbers work in any project. Equally important is the need for more subsidies to create deeper affordability and provide options for households at 50% AMI or lower.



Park Place South
Credit: Metro Atlanta Land Bank



900 N. Eugenia: Putting the Partnership into Practice and Making the Street Safe Once Again

The cost of vacant and abandoned property in any community is significant in terms of public health and safety of residents, resources needed to mitigate any immediate harms (fire, police, emergency medical services, etc.), lost tax revenue, and loss of equity for adjacent homeowners, to name a few. For example, in the case of 900 N. Eugenia Place in the Westside of Atlanta, the public safety threat had become so severe that the City of Atlanta law enforcement had to call in various state and federal agencies for assistance.

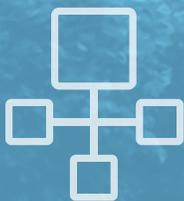
For years, this property was just one of several in the Grove Park neighborhood that was purchased to conceal profits from drug smuggling. Eventually, these properties were forfeited, and the Department of Justice identified MALB as the transferee of the property. As in the case of Atlanta, many land banks across the country have become trusted and capable partners to respond to a myriad of timely challenges and find

themselves at the center of many important decisions, particularly when it comes to a need for timely, flexible, yet diligent land acquisition, stewardship, and disposition.

The property located at 900 N. Eugenia Place is near the new Westside Park, part of the BeltLine, and in a community where home prices have skyrocketed, given this major investment of green space, transit, and infrastructure. This area and others adjacent to the BeltLine are also the targeted geographies where MALB and ALT have focused their partnership. This property was transferred from the land bank to the CLT. Significant renovations were completed, thus transforming a liability into a community asset that will stay affordable for future generations.



900 N. Eugenia Place: Before (left) After (right) Credit: Atlanta Land Trust



CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION-FRANKLIN COUNTY LAND BANK AND CENTRAL OHIO COMMUNITY LAND TRUST IN OHIO

TABLE 4: 2021 ORGANIZATIONAL INFORMATION
Central Ohio Community Improvement Corporation-Franklin County Land Bank and Central Ohio Community Land Trust

	Central Ohio Community Improvement Corporation - Franklin County Land Bank cocic.org	Central Ohio Community Land Trust coclt.org
Year Founded	2012	2018
Number of Staff	9 FT	Shares staff with land bank
Current Inventory	<ul style="list-style-type: none"> • 902 single residential lots, all vacant lots, except for 10 structures 	<ul style="list-style-type: none"> • 38 owner-occupied homes, with 23 in construction pipeline (10 ready by end of 2021) • 10 units of rental housing in the pre-development phase
Annual Operating Budget Estimate (2021)	\$1,557,660	\$713,333

THE STRUCTURE of the land bank and CLT partnership in Columbus and Franklin County is unique given that the Central Ohio Community Land Trust (COCLT) is a subsidiary of the Central Ohio Community Improvement Corporation – Franklin County Land Bank (COCIC); therefore, they essentially act as one organization with shared staff and office space. In addition, another land bank operates within the city of Columbus, which is the City of Columbus Land Bank. All three entities work together and are housed in the same building. As properties come into both land banks, they are immediately assessed to determine whether to be transferred to the CLT, creating one of the most streamlined systems for moving land bank inventory to a CLT. Taking the lead from the City and County governments, COCIC and COCLT are the implementers of local housing plans and

benefit from dedicated funding to land banks (described later), which has allowed a steady pipeline of properties committed to permanently affordable housing.

The number of abandoned properties in central Ohio spiked during the Great Recession. Many neighborhoods in Columbus saw the impact of these foreclosures firsthand as properties became abandoned and turned into public safety hazards. Over the past decade, considerable progress has been made to reduce the number of vacant and abandoned properties in Columbus and throughout Franklin County through the work of COCIC and COCLT and its collaborating partners. As a result, many neighborhoods have not only rebounded, but the area now faces a significant shortage of affordable housing across the region, which the City and County governments have recognized.

Leading with Racial Equity

In 2019, the Franklin County commissioners released the report, *Rise Together: A Blueprint for Reducing Poverty in Franklin County*. Structural racism was identified in this report as one of the greatest challenges facing the region.⁴³ Although central Ohio has experienced steady growth, there are still great disparities in employment, education, incarceration, homeownership, and educational attainment rates among Black residents.⁴⁴ Several steps and action items were identified in the report that range from a declaration of racism as a public health crisis to a \$25 million commitment to address the causes of poverty and the racial wage gap. COCIC and COCLT have been identified as key partners in addressing the regional housing affordability gap.

Significant sources of private and public capital have been raised to address this regional housing affordability gap (described later). One particular partner that is responsible for managing the majority of this capital—the Affordable Housing Trust for Columbus and Franklin County (AHT)—made some recent and bold moves in addressing racial inequities in the region. AHT, which serves as the local CDFI, conducted an internal evaluation of their policies and practices to address the history of systemic racism and its impacts on housing disparity in the central Ohio region and recognized that small changes in their

lending practices and underwriting requirements could have a ripple effect across the region. This evaluation culminated in seven tangible actions that were adopted by their board and implemented immediately, which range from investing solely in projects that deconcentrate poverty, requiring greater transparency from borrowers regarding the demographics and pay for their employees, to increasing AHT's spending and investments in minority business enterprises (MBE).⁴⁵

Committing to Quality, Affordable Housing

Affordable housing preservation is a major focus for the City of Columbus and Franklin County as central Ohio's population continues to rise and rents increase due to demand while incomes for certain populations are not keeping pace with housing costs.⁴⁶ These trends are expected to continue as population numbers increase in central Ohio. Organizations such as the Affordable Housing Alliance of Central Ohio (AHACO) and Greater Ohio Policy Center (GOPC) have helped analyze the needs and advocate for solutions that helped influence the creation of COCLT as well as raise significant sources of capital (described later) from the private and public sector that has resulted in the preservation and development of over 1,000 units of affordable units in Columbus and Franklin County.

Working closely with the City of Columbus Land Bank, COCIC has committed to addressing this affordable housing challenge in multiple ways. Since its creation in 2012, COCIC has worked hard to build a solid track record with local government and community partners and was able and willing to create the CLT as its subsidiary to support some of the immediate affordable housing goals identified by the City and County and its regional partners. In addition to leveraging its strategic acquisition powers, COCIC has also been involved in several tax credit developments on land bank properties in tipping point neighborhoods, as well as financing and funding construction and rehabilitation of affordable owner-occupied units to address the appraisal gaps common in disinvested communities.

COCIC has a countywide land use initiative whereby affordable housing is developed with COCLT in stronger and weaker housing markets, suburban and city communities, as well as undercapitalized areas with a majority of Black residents. In addition to providing the development gap financing for the CLT homes, COCLT also writes down the purchase prices for each homebuyer to ensure that the homes are affordable and gives more opportunity for lower-income households to qualify for financing and become homeowners.



Prioritizing Authentic Engagement and Partnerships

The Land Banks of Franklin County (COCIC) and the City of Columbus formed a unique land banking partnership in Ohio and nationally. They are two separate, fully functioning entities that operate together to eliminate blighted properties, stabilize neighborhoods, reposition land, and restart markets. The City of Columbus' Land Bank has a presence on COCIC's Board of Directors, and as of 2017, the two entities are co-located at the Land Bank Center in the Southside neighborhood of Columbus. The two organizations diligently maximize their partnership while retaining clear distinctions of responsibility based on geographic jurisdiction. The cooperation between these two land bank authorities builds upon their strengths for the greatest possible impact on neighborhood revitalization.

COCIC and COCLT have built strong relationships with local government and community partners. COCIC and COCLT are governed by the same board; however, a Community Advisory Committee has been created to ensure engagement and transparency to guide their work, which currently includes one CLT homeowner and will eventually include multiple CLT homeowners by 2023. COCIC created a Trusted Partner Program, which awards grants to a small list of local, experienced nonprofit housing partners to complete new construction projects as well as rehabilitation of abandoned homes across the county. In an effort to address housing inequality, the COCLT program has been structured to partner with several critical agencies and organizations such as HUD-approved counseling agencies and established community housing development organizations that help address some of the barriers to homeownership.

Central Ohio also benefits from strong, regional public-private partnerships focused on affordable housing, as evidenced by AHACO. AHACO was formed in 2015 by a group of nonprofit organizations that represent the full spectrum of affordable housing development and operations and statewide organizations like GOPC. In addition, the Mid-Ohio Regional Planning Commission, the City of Columbus, Franklin County, and other partners have also focused their efforts on housing challenges facing the region.

Leveraging Unique Powers and Strengths

Through Ohio's land bank law, COCLT uses its strategic tax foreclosure acquisition powers through four different methods. Most common is the regular tax foreclosure process; however, if properties are considered abandoned under the Ohio Revised Code, the foreclosure process can be expedited and the property conveyed to the land bank generally within 6-12 months.⁴⁷ If tax-delinquent properties do not get sold at two public sales, the property is forfeited to the State and COCLT can also purchase the property free and clear of taxes. Last, COCLT has the option of purchasing tax lien certificates from the County Treasurer and foreclosing on the owner's right of redemption to get ownership of the property.

COCLT and the City of Columbus Land Bank serve as the primary acquisition pipeline for COCLT and other nonprofits operating in disinvested neighborhoods. Properties are identified for the CLT based on a series of factors, including priority areas identified by the City of Columbus and Franklin County, whether the neighborhood housing market is at a tipping point, available subsidy and extent of appraisal gaps, and interest from nonprofit lenders.

Dedicating Flexible Funding and Capital

Under Ohio law, land banks are eligible to receive dedicated funding with up to 5% of the County's Delinquent Tax and Assessment Collection (DTAC).⁴⁸ This benefit is another unique aspect of this partnership, given that this dedicated funding allows COCLT and COCLT to maintain strong operational capacity and capital to leverage City and County subsidies for affordable housing development. In addition, this dedicated funding also supports capacity building with local nonprofit housing partners through the Trusted Partner Program.

Since 2019, the City of Columbus, along with Franklin County, corporate partners, and the Columbus Foundation, helped create a \$100 million Housing Action Fund to address the need for affordable housing in Franklin County. Since its inception, the fund has already helped finance over 1,000 units. The fund provides a flexible source of capital dollars managed by the AHT, which offers low-cost loans to developers who commit to specific affordability requirements to preserve and increase the number of units in Franklin County. In addition, the City of Columbus proposed a \$50 million bond approved by Columbus voters and represented the foundation of a comprehensive community approach to filling the gap identified through the work of the AHACO.

The City of Columbus and Franklin County also provide direct funding to COCLT; however, there is still a need for additional grants—in addition to loans—to get more units built for lower-income families, which make up to 60% AMI and to address the steady increases in construction costs.



One of the first 38 CLT homes built and sold to income-eligible homeowner Credit: COCLT



Ready, Set, Go! Launching the COCLT into Action

How to quickly yet thoughtfully scale up the work of a land bank and CLT to address the affordable housing crisis? The quick answer is partners, partners, and more partners.

In the first 15 months of the COCLT becoming a subsidiary of COCIC, almost 40 vacant lots owned by the land bank were identified and transferred to the CLT in areas where housing costs were rapidly increasing. Local nonprofit housing partners and developers were tapped to build new homes on the lots, all of which were sold to families that would otherwise be unable to afford to live in the community.

This type of activity was achievable given that COCIC had six years under its belt working and building relationships with the City of Columbus and Franklin County before the decision was made to create a CLT subsidiary. They wisely utilized their special legal powers as an Ohio Land Reutilization Corporation to acquire a growing tax-foreclosed inventory and received significant demolition dollars from the Ohio Attorney

General's Demolition Grant and the Ohio Housing Finance Agency's Neighborhood Initiative Program to clear the most dilapidated and hazardous structures. This effort resulted in almost 1,800 vacant lots becoming available to support infill projects and other assemblage opportunities for larger housing or mixed-use developments.

In addition, COCIC also built capacity and partnerships with nonprofit housing organizations by creating the Trusted Partner Program. This program allocates a portion of the dedicated revenue that COCIC receives every year from delinquent taxes, penalties, and interest to fund local organizations that share the common goal of addressing the region's affordable housing shortage. These same organizations were also the ones that quickly jumped into action to become the first development partners of the COCLT. Given the growing crisis of affordable housing, history of relationship building, and trust built with local government and community stakeholders and its special legal powers and dedicated funding, COCIC made the bold decision to create the CLT as a subsidiary and hit the ground running.

The City of Columbus and Franklin County were committed to addressing affordable housing and put their money where their mouth is by committing grant funding early on to COCLT to

support this initial development and ensure affordability requirements were met and financial gaps were covered. This funding was leveraged by additional grants secured by the Columbus Metro Housing Authority and capital from the development arm of the Neighborhood Community Reinvestment Coalition (NCRC).

Due to the quick success of the launch, COCLT is now expanding its role to serve as a developer on designated projects and enter into agreements with area builders. The dual approach of working with nonprofit housing organizations and local developers will run parallel to COCLT serving as the developer, creating a consistent delivery of homes throughout the year while maximizing impact.

KEY CONSIDERATIONS MOVING FORWARD AND A CALL TO ACTION

It will take bold leadership and the utilization of every available tool and resource for cities and towns to be models for resilient, inclusive, and equitable rebuilding and recovery. Flexible and nimble capital is needed, partnerships are crucial, and honest discussions must be had about the racist housing, land-use, and lending policies that have helped create the ongoing crises that many neighborhoods continue to experience. Land banks and CLTs must continue challenging themselves to build relationships and trust with the communities most impacted by the lingering effects of racist policies while demonstrating a deeper and more authentic commitment to racial equity.

Much is unknown about the long-term impacts of COVID-19 and whether the pandemic will resemble the after-effects of the Great Recession. However, one thing is clear: Black communities continue to be disproportionately impacted. Drawing from the rich history of the civil rights movement, CLTs can serve as critical partners to land banks to ensure that Black residents control the capital and capacity required to stabilize and control land in Black communities; therefore, resources need to be intentionally dedicated to these emerging land bank and CLT partnerships. Using a land bank's special acquisition powers and a CLT's permanent stewardship for community benefit provides a direct conduit to transferring control of land and creates a pathway for a more resilient, inclusive, and equitable recovery.



Why should ARPA funds be invested in land bank and community land trust partnerships?

The [American Rescue Plan Act's \(ARPA\)](#) \$350 billion State and Local Fiscal Recovery Fund distributes federal relief to every US state, local, territorial, and Tribal government. The funding must be obligated by December 31, 2024 and expended by the end of 2026. This once-in-a-lifetime infusion of flexible funding is focused on catalyzing broader community recovery and rebuilding, and addressing the immediate and long-term negative impacts of the COVID-19 pandemic, particularly on low-income communities and people of color.

NEED: Before the pandemic, many families struggled to find quality, affordable housing. Continued un- and under-employment due to the pandemic has only exacerbated this challenge for families.

OPPORTUNITY: **Land bank and community land trust (CLT) partnerships are ideal candidates to address this need with ARPA funding** given the following:

1. Land banks address long-term systemic inequities by focusing their work in communities that have concentrations of vacancy and abandonment, working to shift these properties to support **equitable, inclusive neighborhood improvement**.
2. Land banks have a **track-record** of rapid, effective use of federal and state funds to serve community priorities.
3. Increasing the supply of affordable and high-quality housing is a **presumptively eligible expense** in Qualified Census Tracts and likely eligible outside of these areas based on community needs.
4. The CLT model provides a **permanent affordable housing** opportunity, guided by the local community, and provides wealth-building opportunities for generations. With the CLT model, the subsidy provided through ARPA funding would stay with the property providing a lasting benefit for all future homeowners.
5. **Land banks and CLTs can be recipients** since ARPA allows local or state governments to transfer funding to nonprofit organizations or other special-purpose units of state or local government to carry out eligible activities.

As the moratoriums on evictions and mortgage foreclosures expire, land banks and CLTs need to be capitalized to create a pipeline of permanently affordable housing. In the three examples of land bank and CLT partnerships, only one in Ohio has dedicated funding. Dedicated grant funding for operational support and subsidies to create quality, affordable housing in disinvested neighborhoods is needed now more than ever. Land banks and CLTs need to access sufficient and flexible capital and allow them to compete with institutional and absentee investors so that community benefit is realized at scale and investments prove their returns for future generations. Institutional and absentee investors cannot be allowed to acquire properties once again in our most disinvested communities and let them sit and deteriorate or use

them as rentals to extract wealth out of the community. Likewise, this type of investment cannot be used to displace and acquire more homes from legacy residents who simply cannot afford the required renovations or the tax bill for next year, given a job loss and/or an increase in health care costs.

Land banks and CLT partnerships are just one of the many tools needed to address the myriad of challenges that continue to arise from the COVID-19 pandemic and decades of disinvestment. These partnerships are an emerging model that is starting to have a track record and is worthy of more resources moving forward.

Endnotes

- 1 The majority of vacant, abandoned, and deteriorated (VAD) properties in many of the communities that Community Progress works in nationwide are also delinquent in property taxes.
- 2 Backed by the federal government and beginning in the 1930s, many banks in the United States denied mortgages to people, mainly Black individuals and families in urban areas, preventing them from buying a home or getting a loan to renovate their houses in certain neighborhoods. This denial has resulted in the loss of Black wealth that has compounded across several generations.
- 3 Young, C. 2019. "These Five Facts Reveal the Current Crisis in Black Homeownership." *Urban Wire*, *Urban Institute*. <https://www.urban.org/urban-wire/these-five-facts-reveal-current-crisis-black-homeownership>.
- 4 In this context, permanently affordable housing generally refers to 99 years or the amount of time the community land trust holds a ground lease for the land they own to ensure the homes stay affordable. Long-term affordable housing generally refers to a minimum of 30 years.
- 5 For more information on Grounded Solutions Network, please visit: <https://groundedsolutions.org/>.
- 6 Habitat for Humanity Policy Paper. 2020. "The role of housing policy in causing our nation's racial disparities – and the role it must play in solving them." <https://www.habitat.org/sites/default/files/documents/Racial-Disparities-and-Housing-Policy-.pdf>.
- 7 Alexander, F. 2015. *Land Banks and Land Banking (Second Edition)*. Center for Community Progress. <https://communityprogress.org/publications/land-banks-and-land-banking-2nd-ed/>.
- 8 Graziani, K. and Abdelazim, T. 2020. "From the Great Recession to COVID-19: Land Banks Are Critical to Long-Term Equitable Recovery." *Community Progress Blog*, *Center for Community Progress*. <https://communityprogress.org/great-recession-covid19-land-banks-critical-longterm-equitable-recovery/>.
- 9 For an example of a cost of blight study, please see the 2016 Community Progress report written for the City of Toledo, Ohio by Dan Immergluck, Sara Toering, and Tarik Abdelazim. "A Conservative Analysis of Costs Imposed by Vacant and Abandoned Properties Toledo" available at: <https://communityprogress.org/publications/tasp-toledo-cost-of-blight/>.
- 10 Since 2011, 15 states have passed land bank legislation.
- 11 Abdelazim, T. 2018. "How to Fund Land Banks." *Shelterforce*. <https://shelterforce.org/2018/11/13/how-to-fund-land-banks/>.
- 12 Center for Community Land Trust Innovation. 2014. "A Gardener's Guide to the Origins and Evolution of the Community Land Trust." *Roots & Branches*. <http://cltroots.org/the-guide/early-hybrids-breeding-and-seeding-the-clt-model/georgia-seedbed>.
- 13 Velasco, G. 2020. "How Community Land Trusts Can Advance Racial and Economic Justice: An Expert Q&A." *Housing Matters*, *Urban Institute*. <https://housingmatters.urban.org/articles/how-community-land-trusts-can-advance-racial-and-economic-justice>.
- 14 There are different numbers cited for the number of CLTs across the United States but generally range from approximately 200 to more than 270. For the purposes of the map used in this publication, the primary data is sourced from Schumacher Center for New Economics. "Community Land Trust Directory: A Comprehensive List of CLTs in North America." <https://centerforneweconomics.org/apply/community-land-trust-program/directory/>.
- 15 For more information on the outcomes of land banks, please view the following reports available on the Community Progress website: New York Land Bank Association and Center for Community Progress (2017); Georgia Association of Land Bank Authorities and Center for Community Progress (2019); and Greater Ohio Policy Center (2018).

- 16 Wand, R., Cahen, C., Acolin, A., and Walter, R. 2019. "Tracking Growth and Evaluating Performance of Shared Equity Homeownership Programs During Housing Market Fluctuations." Working Paper, Lincoln Institute of Land Policy. <https://www.lincolinst.edu/publications/working-papers/tracking-growth-evaluating-performance-shared-equity-homeownership>.
- 17 Thaden, E. and Rosenberg, G. 2010. "Outperforming the Market: Delinquency and Foreclosure Rates in CLTs." Land Lines, *Lincoln Institute of Land Policy*. <https://www.lincolinst.edu/publications/articles/outperforming-market>.
- 18 For more information on the New Home Development Program in Houston, please visit: <https://www.houstonclt.org/new-home-development-program>.
- 19 Va. Code Ann. § 15.2-7512 (West).
- 20 For the past six years, Community Progress and Grounded Solutions Network have engaged land banks and CLTs across the country through a variety of remote and in-person discussions at national conferences, webinars, and phone calls.
- 21 Graziani, K. and Abdelazim, T. 2017. *Piloting New Partnership Opportunities Between a Land Bank and Community Land Trust in Albany, New York*. Center for Community Progress. <https://communityprogress.org/publications/tasp-albany/>. Note, the MOU between ACLB and ACLT can be found in Resource B of this report.
- 22 The ACLT also has a significant portfolio of rental but that is not the primary focus of this partnership with ACLB.
- 23 Throughout this report, the terms "city" and "county" are capitalized when referencing an entity and lowercased when referencing a geography.
- 24 McCargo, A., and Strohak, S. 2018. "Mapping the Black Homeownership Gap." *Urban Wire, Urban Institute*. <https://www.urban.org/urban-wire/mapping-black-homeownership-gap>.
- 25 For more information on ACLB's Equitable Ownership Program, please visit: <https://www.albanycountylandbank.org/eopp>.
- 26 For more information on this expanded partnership with ACLB and Home Headquarters, Inc., please visit: <https://static1.squarespace.com/static/5947fe9a2994cac227744c26/t/605a248ff810477d8a321b5c/1616520335522/FOR+IMMEDIATE+RELEASE+Albany+County+Land+Bank+Announces+New+Partnership+to+Expand+Opportunities.pdf>.
- 27 For more information on the Restorative Housing Justice Fund, please visit: https://ahphome.org/uploads/3/4/7/1/34719249/rhjf_application_3-19-21.pdf.
- 28 To see one of the first community clean-up events documented in video, please visit: <https://www.youtube.com/watch?v=ofmQ0oQ5jPw>.
- 29 For more information on the Albany Vacant Lot Tool Kit, please visit: <https://www.vacantlottoolkit-albanyny.com/>.
- 30 N.Y. Real Prop. Acts. Law § 1309 (McKinney).
- 31 For more information on the "GIVE US CREDIT" mortgage program, please visit: <https://hcr.ny.gov/system/files/documents/2021/05/give-us-credit-flyer.pdf>.
- 32 The MOU between MALB and ALT can be found here: <https://citycouncil.atlantaga.gov/Home/ShowDocument?id=3527>
- 33 For more info on the Atlanta BeltLine, please visit: <https://beltline.org/>
- 34 Stokes, S. 2017. "What's Kept Black Families Out of Atlanta's Housing Market." WABE. <https://www.wabe.org/whats-kept-black-families-out-atlantas-housing-market/>.
- 35 Annie E. Casey Foundation. 2020. *Affordable Housing in Pittsburgh: A Collaborative Approach to Neighborhood Development in Southwest Atlanta*. <https://www.aecf.org/resources/affordable-housing-in-pittsburgh/>.
- 36 For more information on MALB's 5-Year Strategic Articulation Map, please visit: <https://online.flippingbook.com/view/939625/> and ALT's Strategic Plan, please visit: <https://atlantalandtrust.org/wp-content/uploads/2020/10/Atlanta-Land-Trust-Strategic-Plan-1.pdf>.
- 37 City of Atlanta. 2019. *One Atlanta: Housing Affordability Action Plan*. <https://www.atlantaga.gov/home/showdocument?id=42220>.
- 38 Community Progress supported HouseATL through its participation in the Policy Subcommittee.
- 39 For more information on the recommendations made by HouseATL, please visit: <https://houseatl.org/recommendations/>.
- 40 ALT's new strategic plan for 2020-2025 identifies several goals related to community engagement and awareness which can be found here: <https://atlantalandtrust.org/wp-content/uploads/2020/10/Atlanta-Land-Trust-Strategic-Plan-1.pdf>.
- 41 Annie E. Casey Foundation. 2020. *Affordable Housing in Pittsburgh: A Collaborative Approach to Neighborhood Development in Southwest Atlanta*. <https://www.aecf.org/resources/affordable-housing-in-pittsburgh/>.
- 42 The Atlanta City Council introduced legislation in September 2020, passed by City Council in January 2021.
- 43 Franklin County Board of Commissioners. 2019. *Rise Together: A Blueprint for Reducing Poverty in Franklin County*. [https://commissioners.franklincountyohio.gov/COMM-website/media/Documents/FRANK-Report-1-10-Web-Ready-\(Large\)_1.pdf](https://commissioners.franklincountyohio.gov/COMM-website/media/Documents/FRANK-Report-1-10-Web-Ready-(Large)_1.pdf).
- 44 American Community Survey 2013 – 2017 Five-Year Estimates for Franklin County; Bureau of Justice Statistics (BJS) Annual Survey of Jails (ASJ) and Census of Jails (COJ) 2015 data set; Ohio School District Report Card Website – Kirwan analysis.
- 45 The AHT released a Message to the Community which can be found here: <http://hztrust.org/wp-content/uploads/Message-to-the-Community.pdf>.
- 46 Affordable Housing Alliance of Ohio. 2017. *The Columbus and Franklin County Affordable Housing Challenge: Needs, Resources, and Funding Models*. <http://www.ahaco.org/plan>.
- 47 Ohio Revised Code. Title III Counties. Chapter 323 Collection of Taxes. 323.66 Expedited foreclosure by board of revision on unoccupied land.
- 48 See Abdelazim, T. 2018. "How to Fund Land Banks."