

Land Banks

Demonstrating the Positive Impacts on Communities

Land banks across the country are helping to make equitable, inclusive neighborhoods and resilient communities possible. State and local laws grant land banks special powers that allow them to focus on some of the most complicated problem properties: those that are vacant, abandoned, and deteriorated. By acquiring these harmful properties, stewarding them on behalf of the public, engaging residents, and attracting new investment, land banks are generating significant positive impacts for the communities they serve.



Land Bank Impacts

Stabilize property values: Vacant, abandoned, and deteriorated properties lower nearby property values, ultimately hurting individuals' equity and wealth, real estate markets, and overall municipal revenue. Land banks can intervene to address these problem properties to interrupt decline and stabilize neighborhood property values.

The median sale price in Detroit, Michigan grew an additional 11.5% per year in the Land Bank's Rehabbed & Ready neighborhoods during the three-year treatment period than they would have without the intervention.¹

Land Bank Positive Impacts



Learn More about land banks at communityprogress.org/land-banks

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PROGRESS POINTS



*Studies show simply cleaning and greening vacant lots **can decrease gun-related violence by as much as 29%.***²

Increase municipal revenue: Problem properties are often delinquent on taxes, which reduces municipal revenue that funds critical public services like schools and roads. Land bank interventions break the cycle of foreclosure so properties can get back on the tax rolls.

Leverage investment for economic growth: With the support of public, philanthropic, and private dollars, land banks can transform properties—from single-family home rehabs to large sites—and offset costs so the property can still meet the established community goals. These projects fuel more economic growth and investment in the neighborhood.

Decrease municipal service expenses: Vacant and abandoned properties drain city services, e.g., through code enforcement, fire, and police calls. By taking care of and eventually transferring a property to a new owner, land banks help reduce municipal service costs.

Improve health and wellbeing: Addressing problem properties can help reduce crime and improve personal and public health.

Improve quality of life: When a land bank puts a problem property back to use, it increases civic engagement, improves the perception of a neighborhood, and makes residents feel proud of where they live and more optimistic about where their neighborhood is going.

Further racial equity and social justice: Land banks can help build wealth in historically disinvested neighborhoods. Increasingly, land banks across the country are shaping contracting and purchasing policies to support minority- and women-owned businesses, uplifting cultural heritage through creative placemaking, working with organizations that focus on previously redlined neighborhoods, and committing resources to address the homeownership rate gap in communities of color.

Promote lasting affordability: Many land banks are looking for ways to use vacant and abandoned properties to address housing affordability. Some land banks are partnering with community land trusts while others apply deed restrictions to create permanent affordable housing.

Ten land banks operating in New York State were able to leverage \$77 million in private investment; including \$13 million in local and county government funds, and \$10.5 million in other grants from public, philanthropic and private partners.³

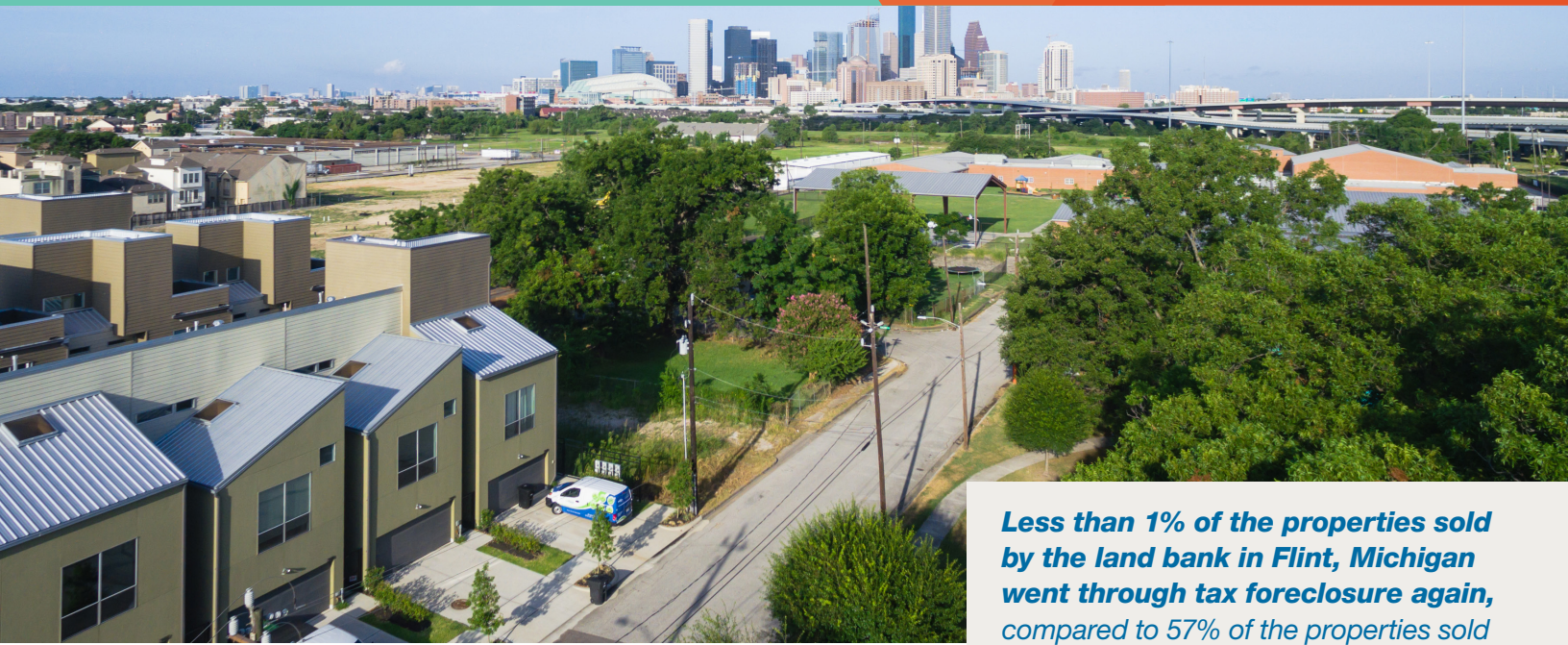


*The Lucas County Land Bank in Toledo, Ohio has established a **\$1.5 million Neighborhood Justice Fund** to support land bank investments that will grow wealth and foster health in Black and Brown communities.*⁴

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PROGRESS POINTS



Less than 1% of the properties sold by the land bank in Flint, Michigan went through tax foreclosure again, compared to 57% of the properties sold at the public tax auction.⁵

Support climate resiliency: Extreme weather events are becoming more common and intense due to climate change. Some land banks are looking for ways to help with disaster recovery and climate resilience, for example, by creating more green space to reduce heat and stormwater runoff, and by addressing storm-damaged properties.

Hurricane Harvey and rising home prices increased the need for affordable housing options in Houston, Texas. The Houston Land Bank partnered with the City of Houston and the Houston Community Land Trust to **provide over 500 (and counting) new affordable homes for income-limited Houstonians** since its inception.^{6, 7}

- ¹ Fontaine, Paul and Mueller, Chris. (2021). "Good Deeds: Community - minded intervention to strengthen the Detroit housing market is working, according to U-M analysis." Available at <https://www.bridgedetroit.com/wp-content/uploads/2021/04/RR-Case-Study-20210225-V11-1.pdf>
- ² Branas, C. et al. (2011). "A Difference-In-Difference Analysis of Health, Safety, and Greening Vacant Urban Space." Analyzing PHS' greening program impact on health and safety from 1999-2008, researchers found a significant reduction in gun assaults citywide in areas with PHS-greened vacant lots. Additionally, in many of these areas, residents also reported less stress and increased exercise. Available at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3224254/>.
- ³ Center for Community Progress and New York Land Bank Association. (2017, May). "New York Land Banks." Available at <http://syracuselandbank.org/wp-content/uploads/2017/05/NYLBA-publication-FI-NAL-05-04-2017.pdf>.
- ⁴ Lincoln Institute of Land Policy. (2020, October). "Opening Doors: Land Banks and Community Land Trusts Partner to Unlock Affordable Housing Opportunities." Available at <https://www.lincolninstitute.org/publications/articles/2020-10-opening-doors-land-banks-community-land-trusts-partner-affordable-housing>.
- ⁵ Center for Community Progress. (2020). "Catch or Release? An Analysis of Residential Tax Foreclosure Conveyance in Flint, Michigan, between 2008 and 2015."
- ⁶ Houston Land Bank. (2021). "History." Available at <https://houstonlandbank.org/about/>.
- ⁷ Lucas County Land Bank. (2020). "Building Neighborhoods." Available at <https://lucascountylandbank.org/news/building-neighborhoods>.



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