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# The State of Land Banking 2022

An Update from the National Land Bank Network



# What is NLBN?

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**In 2021, Community Progress was proud to launch the National Land Bank Network (NLBN), a new member-driven initiative that brings together leaders of land banks across the country.**

For ten years, we have worked to craft legislation and help communities start land banks in more than a dozen states. With more than 250 land banks and land banking programs in the United States and counting, now is the time to connect existing land banks and strengthen the national voice for this mature field of practice.

We launched NLBN to fill a need for knowledge, support, and to connect a network of professionals working in land banks across the country.

NLBN builds on Community Progress' deep expertise in the power of land banking to address chronic vacancy.



# What's Happened So Far?

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## **Engagement**

50 land banks have increased access to additional resources

## **Technical Assistance**

## **National Survey of Land Banks**

## **NLBN Virtual Summit**

Nov. 2020, with over 500 participants

## **Advocacy**

Advocating on ARPA and CRA



# What's Next?

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## **Launch Online Member Portal**

Open to all land banks

## **2023 Survey**

Update biannual  
survey

## **2023 NLBN Summit**

In-person!



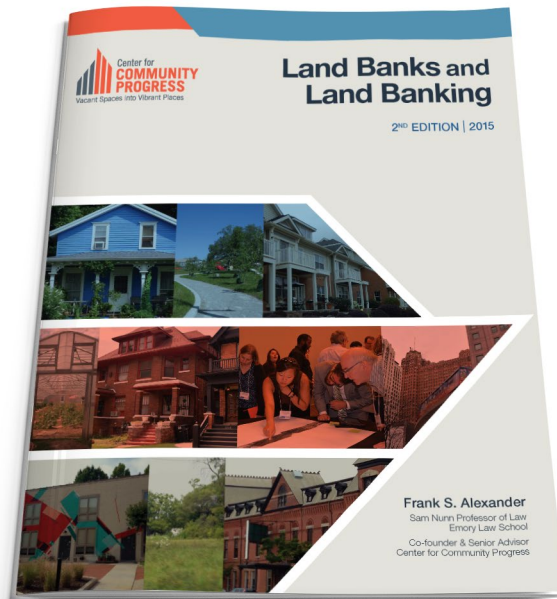
# Land Banks: The Basics

Understanding What a Land Bank is and What it Can Do



# What are Land Banks?

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A land bank is a public authority focused on the conversion of vacant, abandoned, and tax-delinquent properties back into productive use.



# The Evolution of Land Banks

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Over the past forty years, land banks have continued to move from the fringes to the center of equitable community development.

These nimble, locally driven public entities are directing problem properties to productive reuse in support of inclusive neighborhoods and community resiliency, helping to unwind historic unjust practices that have harmed communities of color.



# Key Powers of Land Banks

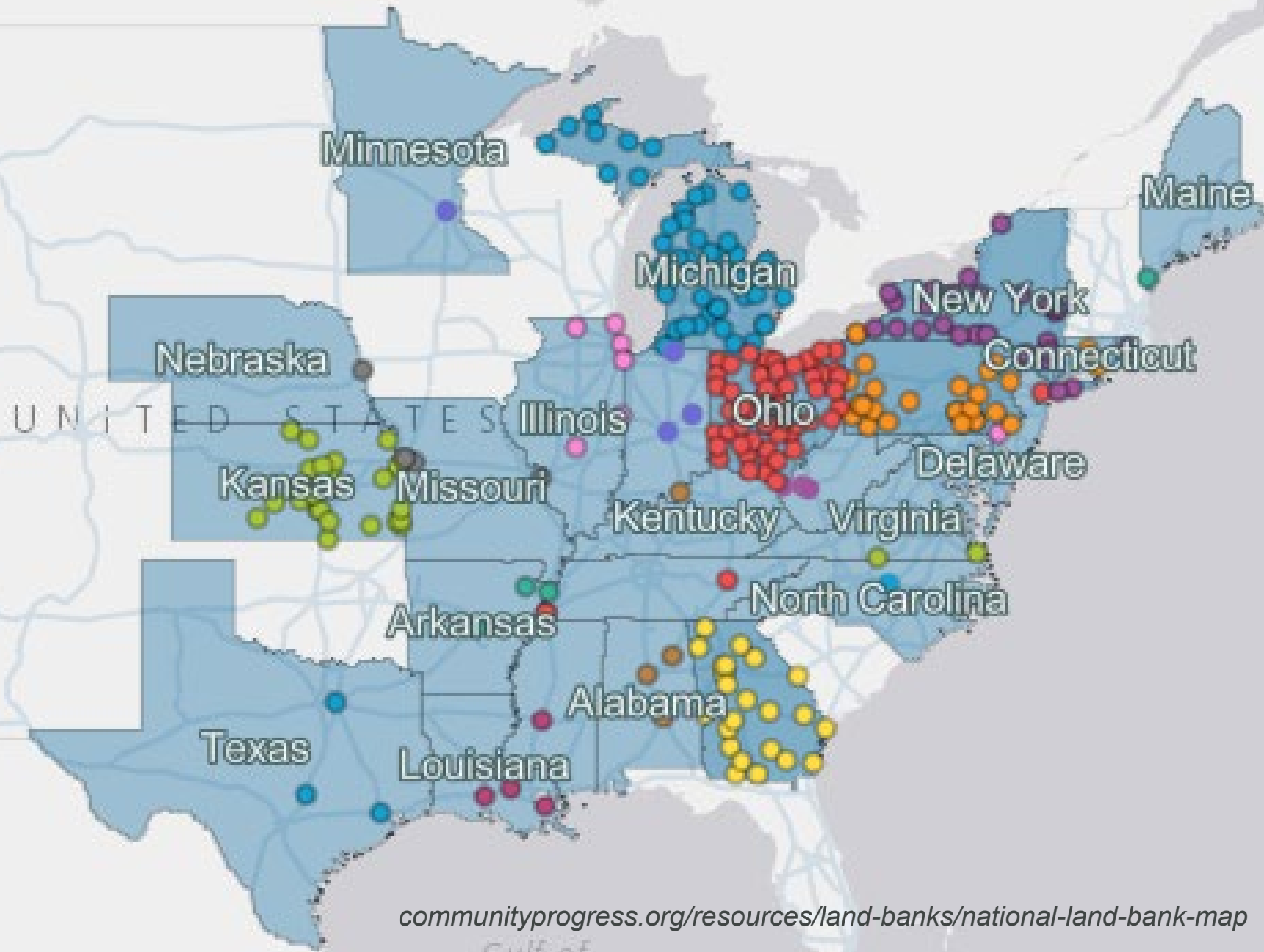
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- Acquire tax foreclosed property cost-effectively
- Ability to extinguish liens and clear title
- Hold property tax exempt
- Generate and collect revenue from delinquent tax fees, tax recapture, or other funding mechanisms
- Disposition decisions are flexible, driven not by highest price but by best outcome
- Accountable to the public given their status as governmental entities



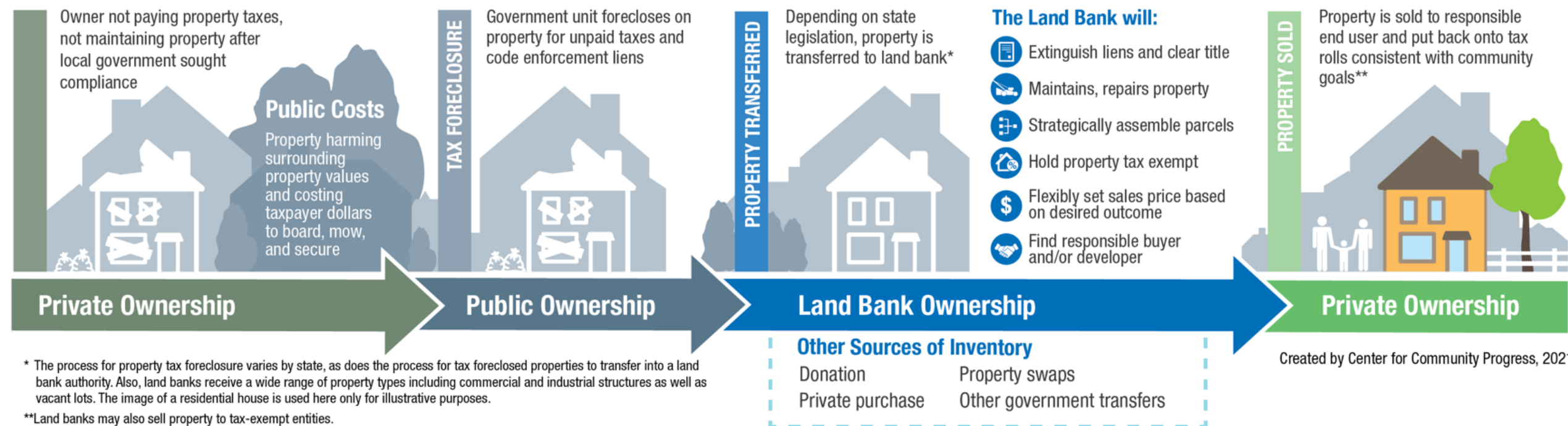


## Where do Land Banks Exist Today?



# Where Land Bank Properties Come From

## Local tax foreclosure system is primary pipeline



\* The process for property tax foreclosure varies by state, as does the process for tax foreclosed properties to transfer into a land bank authority. Also, land banks receive a wide range of property types including commercial and industrial structures as well as vacant lots. The image of a residential house is used here only for illustrative purposes.

\*\*Land banks may also sell property to tax-exempt entities.

Created by Center for Community Progress, 2021



# Why Land Banks are Effective

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- Work in weak economic conditions and when properties have low market value
- Work in areas with population loss and high rates of vacancy and abandonment
- Help identify inequitable/inefficient tax foreclosure or code lien enforcement systems
- Work around restrictive public property disposition requirements
- Resilient to sudden “shocks” (e.g., Great Recession, Hurricane Maria)



# NLBN Survey Highlights

What we Learned About the State of Land Banks in the US



# **The Importance of a Survey**

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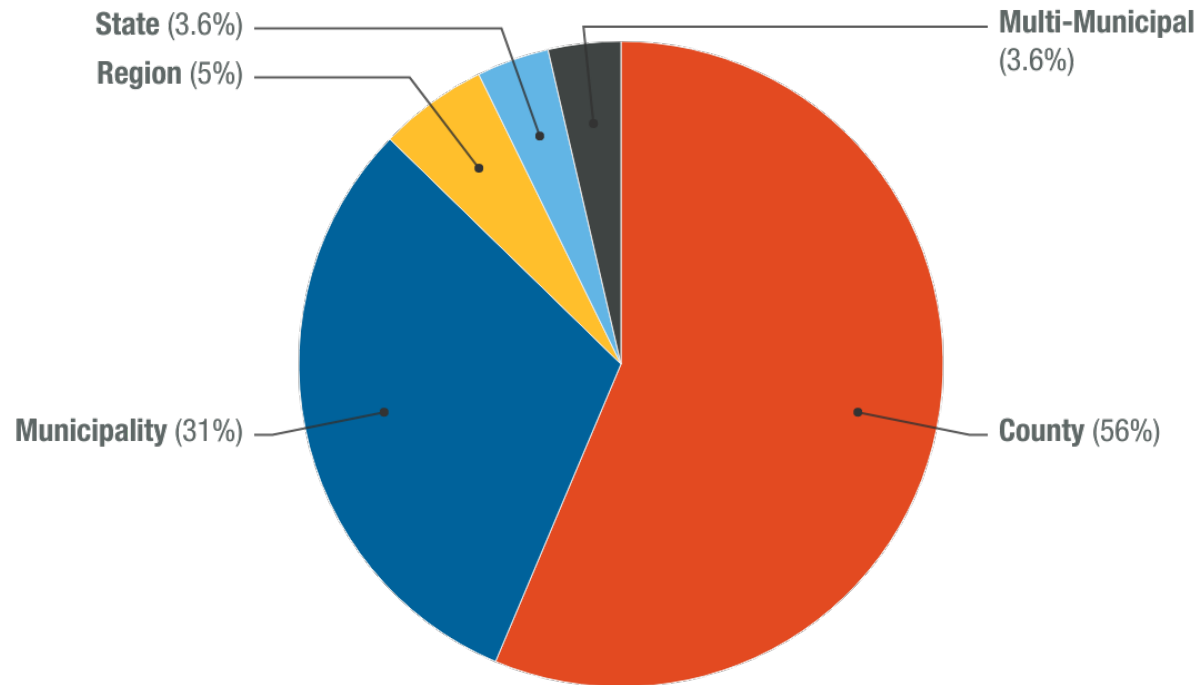
A survey provides insights into the evolving land bank field, and deliberates implications for leaders, funders, and supporters of the field to consider in service of equitable results.

**Methodology:** Sent electronically to land bank partners throughout the country with active contact information. One response was recorded per organization.



# Who Responded?

## Geographies Land Banks Represented



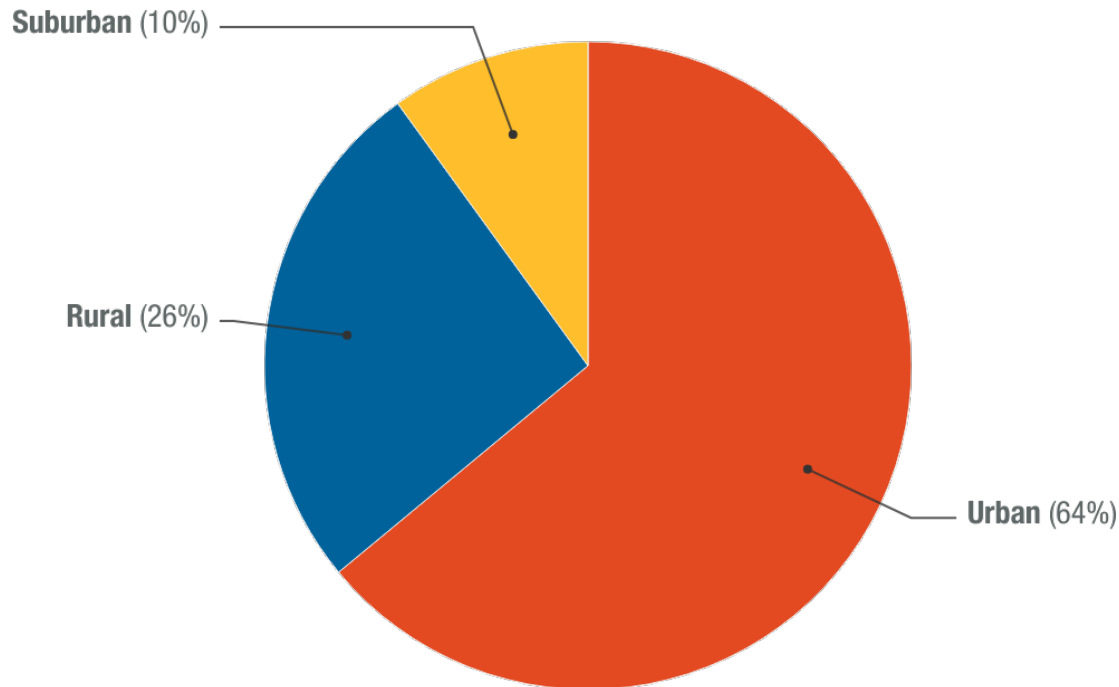
Completed surveys from **NY, MI, GA, OH, WV, PA, VA, IL, ME, CT, TX, TN, AR, NE**



# Inventory

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## Where Land Banks Reported Most of Their Properties Were Located



**Median Inventory:** 40 properties

**Average Inventory:** 1,887 properties

**Outliers:** Michigan and Ohio

Youngstown, OH: 2,500 properties

Cleveland, OH: 3,000 properties

Saginaw, MI: 4,000 properties

Flint, MI: 14,000 properties

Detroit, MI: 82,000 properties

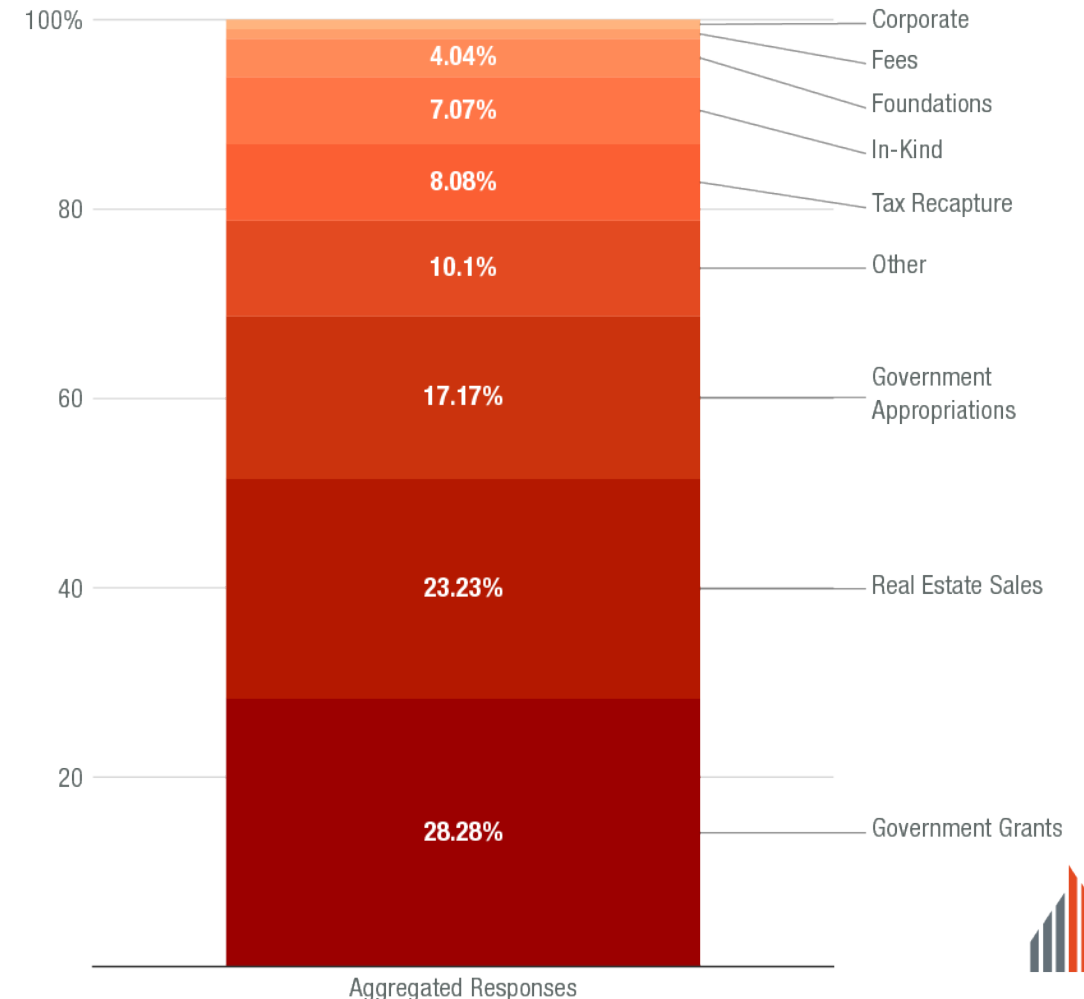


# Funding and Operations

## Survey Insights on Land Bank Capacity

- **53%** don't have adequate funding to cover basic expenses
- **47%** have a staff of one full-time equivalent or less
- **50%** of land banks don't have the data and software necessary to identify current and potential inventory

## Sources of Land Bank Funding



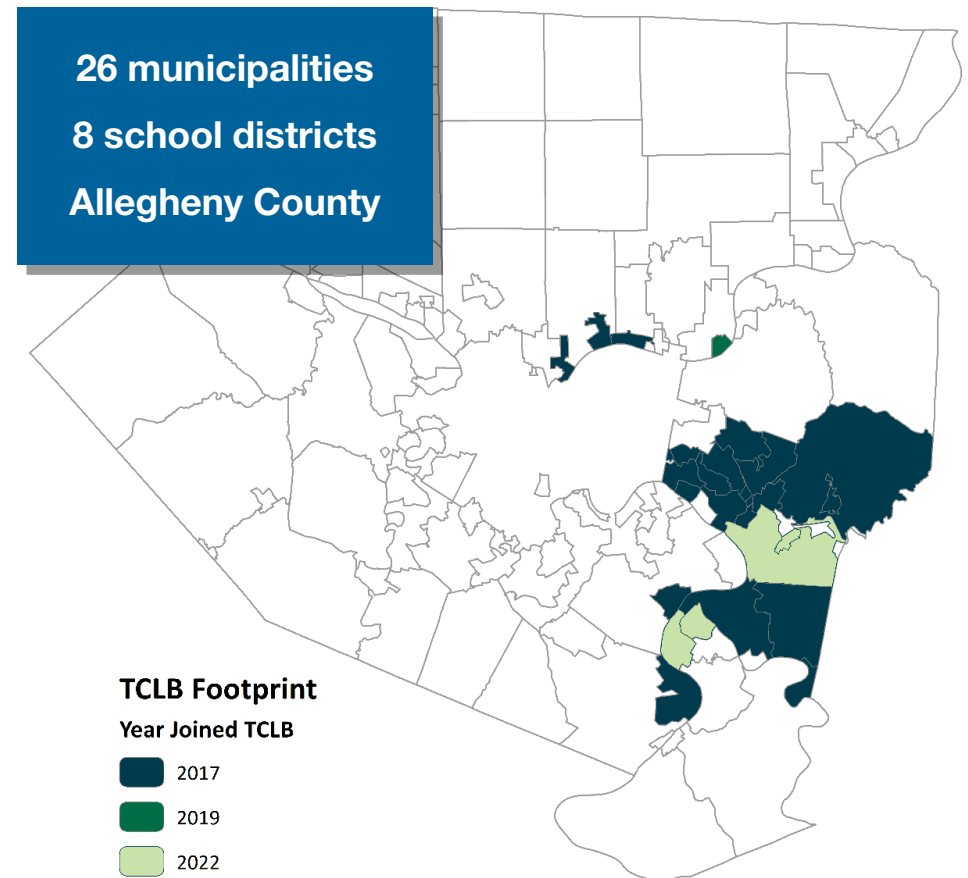


# Spotlight: Tri-COG Land Bank

## Regional Focus, Membership Structure, and Community Partnerships

### Membership Structure

- All three taxing bodies must be members: Allegheny County, Municipality, School District
- Commit to the three financial components that make the land bank fiscally sustainable:
  - Tax Discharge
  - 50% tax recapture for five years
  - 5% of collected delinquent real estate taxes



# Spotlight: Tri-COG Land Bank

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## Community Partnerships



TURTLE CREEK VALLEY COUNCIL OF GOVERNMENTS

Smart, community-informed code enforcement helps properties stay in good condition



Repair and rebuild homes for low-income individuals with an emphasis on seniors, veterans, and persons with disabilities



Acquisition of tax-delinquent and blighted properties and disposition with clear, insurable title to support community goals



Creation of permanent affordability and post-purchase stewardship for buyers



# Policies

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Most land banks continually revisit their policies and procedures and adjust based on the evolving needs of their community. They function as mission-based organizations operating in non-traditional real estate roles.

The vast majority are selling properties for less than full market value. When asked to identify which groups they prioritize when disposing property, these were the most common ranked with top priority:

- Community residents: 62%
- Local nonprofits: 21%
- Local LLCs/Private entities: 8%



# Spotlight: Omaha Land Bank

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## Focus on Transparency and Equity with Policies

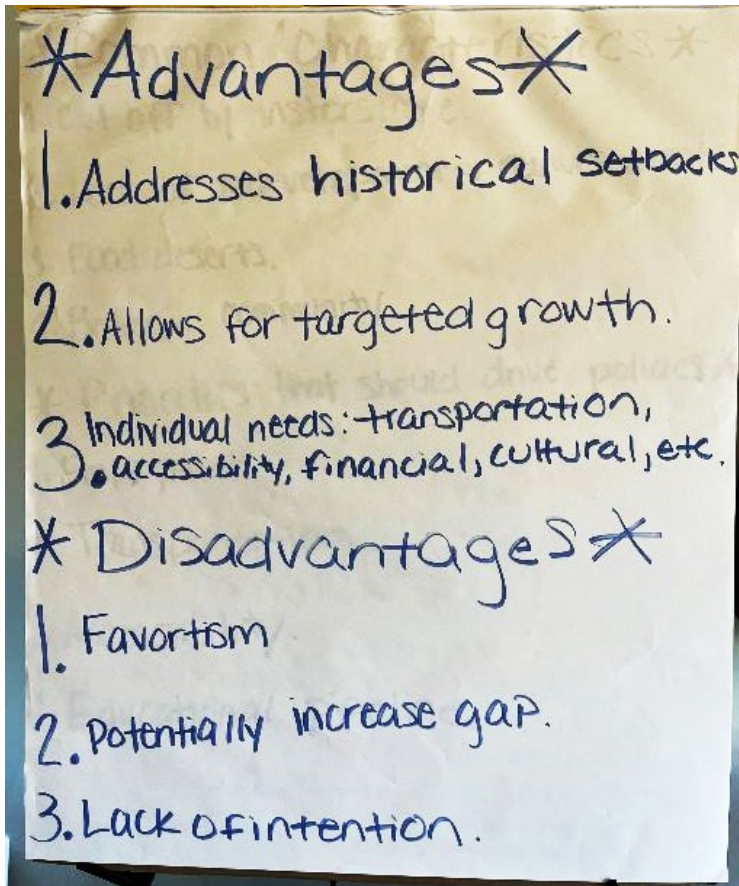
**D. Priorities for Transferees of OMLB Properties.** The OMLB reserves the right to convey or not to convey real property to individuals, and to corporate entities including non-profit, for-profit, and individual developers. Local developers and other prospective transferees based in historically red-lined neighborhoods will be given priority consideration wherever feasible. Considerations under this section include preserving access to adjacent property and preserving or promoting good planning practices.



# Spotlight: Omaha Land Bank

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## Focus on Transparency and Equity with Policies



Through additional discussions with OMLB board and residents, they realized more work needed to be done with their disposition policy to truly address racial inequity, develop affordable housing, and create generational wealth. They developed a three-pronged strategy:

- Existing priorities remain valid
- Clarification when facing multiple requests
- Clarification on when to hold lots





# Programming and Partnerships

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**More than just demolition, land banks are good stewards for vacant and abandoned parcels. 87% expressed a desire to expand programming.**

- Maintenance
- Vacant lot reuse
- Job creation
- Foreclosure prevention
- Development
  - Rehabilitation
  - New construction
  - Affordable housing



# Spotlight: Albany County Land Bank

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## Importance of Partnerships



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

Signed MOU with community land trust in 2017, to focus on addressing the racial wealth gap.

**Equitable Ownership Program:** Increase homeownership rates in communities that have historically experienced discriminatory and inequitable practices and policies (discount sales price, partner with CDFI to provide capital and technical assistance).

**Inclusive Neighborhoods Program:** Create opportunities for low- to moderate-income residents to purchase quality affordable housing in stronger markets within the city of Albany (CLT has first right of refusal for 45 days and discount sales price).

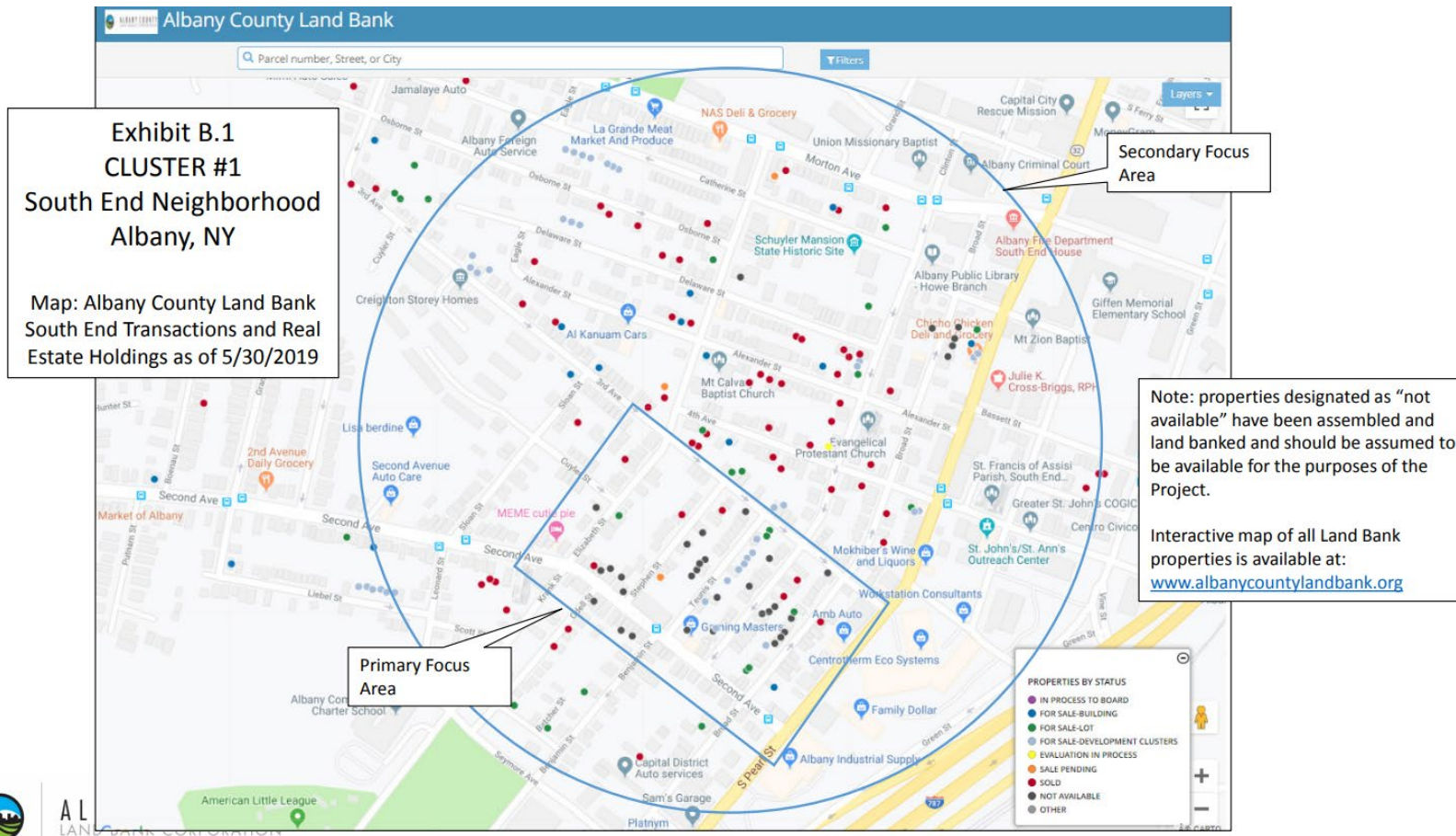
**Mow to Own Program:** Land bank vacant lots sold to the CLT for \$1 and then ultimately transferred to the CLT homeowner or tenant.





# Spotlight: Albany County Land Bank

## Importance of Partnerships



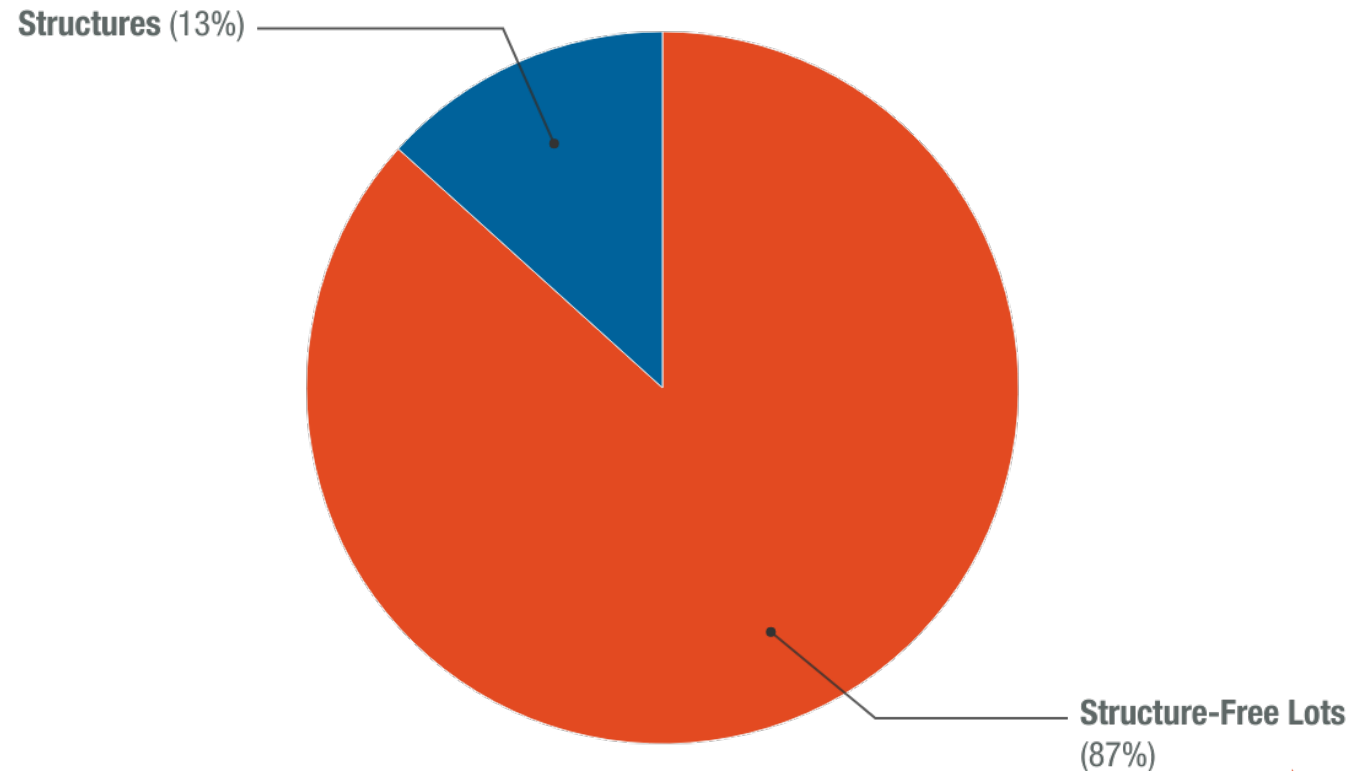
ACLB assembles parcels and works with the local neighborhood to develop an RFP for a private developer, supporting public-private partnership.



# Vacant Land Management

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**87% of parcels** in land bank inventory are vacant lots



# Spotlight: Ingham County Land Bank

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The garden program of the Ingham County Land Bank allows locals to rent vacant plots for gardening, planting flowers, and growing food. The program has expanded notably since its inception and now supports over 120 gardens throughout Lansing.

- Over 200 parcels
- Savings of ~\$70,000 per year
- Community and neighborhood involvement
- Increased activity, decreased crime rates



# Spotlight: Ingham County Land Bank

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Beyond coordinating land leases and community garden use, ICLB helps convert nutrient-poor, compacted urban soil into rich material for gardening and farming through lead-testing, plowing, amending with compost, and providing plants.

## **Total garden space = 32.4 acres**

- Installed 10 water hydrants
- 1 well
- 4 large hoop houses
- 4-5 small hoop houses by gardeners
- 4 garages saved during demolitions



# Enhancing Community

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Land banks are embracing the need to engage residents who are most impacted by vacancy and abandonment and increasing transparency and inclusion in decision making regarding acquisitions and dispositions.

Over half of land banks were actively or planning on engaging in programs that directly benefit residents.

Land bank leaders are increasingly expressing interest in deepening their commitment to racial equity.

Nearly all land banks who stated their racial composition doesn't match the community they serve and expressed interest in learning ways to increase diversity.





# Spotlight: Lucas County Land Bank

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## Focus on Community Engagement

**Neighborhood Justice Fund:** The Neighborhood Justice Fund was created to aid projects in neighborhoods where a majority of residents are people of color in order to address long-standing wealth disparities and quality of life inequities.



# Spotlight: Lucas County Land Bank

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## Focus on Community Engagement

Engaging residents in measuring 120,000 property parcels through the Toledo Survey to support decision-making and investments throughout Toledo.



RISE (Rebuild Invest Stabilize Engage) provided targeted neighborhood investments and home repair to help stabilize the local real estate market, maintain property values, improve neighborhood quality of life, and encourage a sense of community.



# Needs Moving Forward

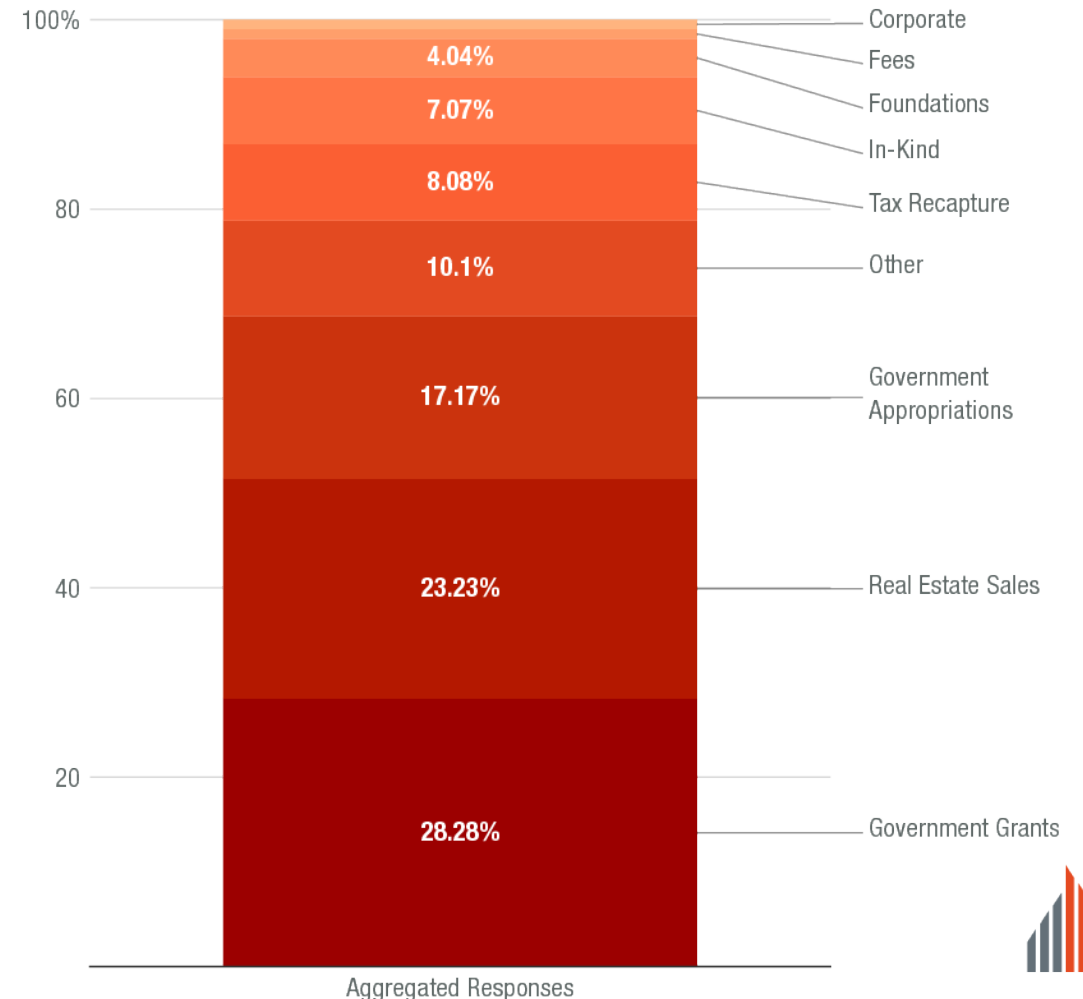
The Biggest Challenges Land Banks Face, and How to Overcome Them



# Resources

**53% of land banks**  
don't have adequate  
funding to cover  
basic expenses

**Sources of Land Bank Funding**



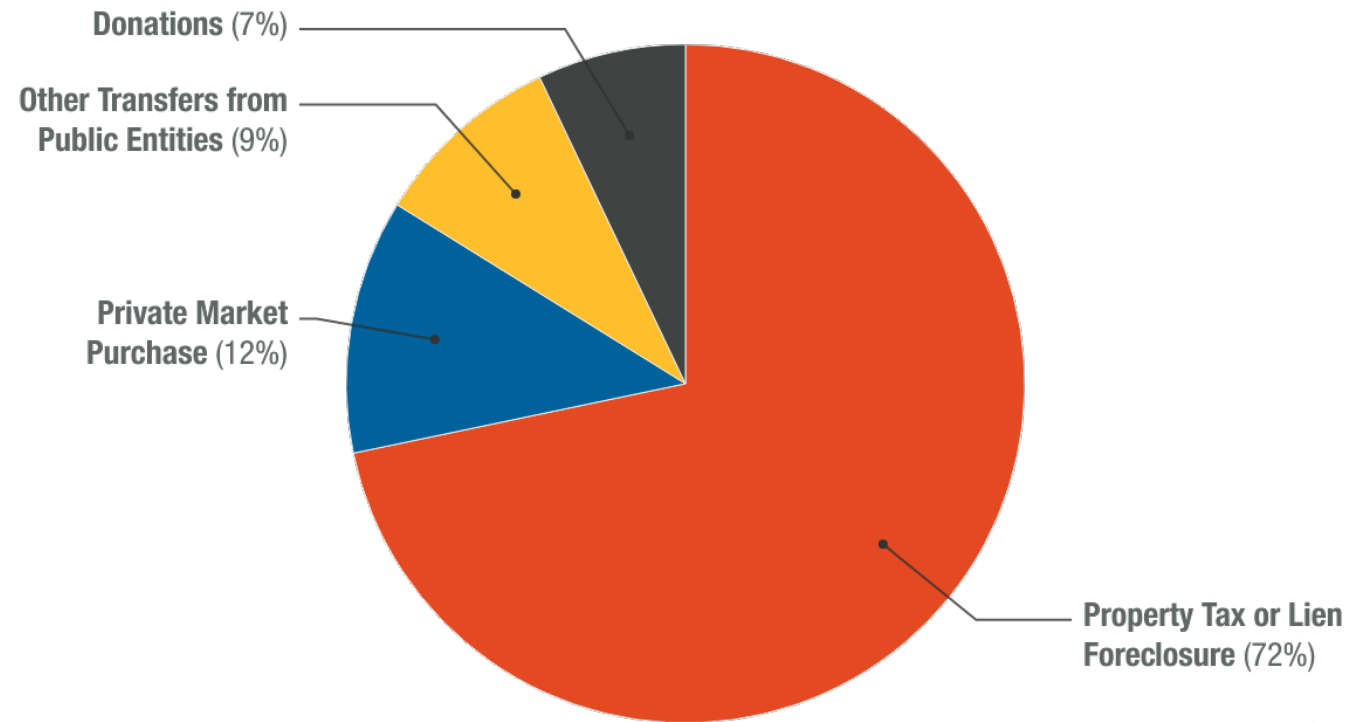


# Inventory

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The average land bank has 40 properties in its inventory at a given time.

## Sources of Land Bank Inventory



# Transformation

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**Land banks continue to move beyond just transactions to transformation.**

They need partners and expertise from a variety of fields, including racial equity and justice, affordable housing, and climate change and resiliency.





# Impact & Evaluation

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**Land banks need to continue telling their stories.**

67 land banks completed 2021 NLBN Survey, our goal in 2023 is to get more than 100 responses, with increased representation from smaller and rural land banks.



# Next Steps: What Can You Do?

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**Land Bank Leaders:** Join the NLBN to get more information on technical assistance, survey, summit, and regular outreach/convenings. Contact [blarkin@communityprogress.org](mailto:blarkin@communityprogress.org) to learn more.

**Community Stakeholders:** Subscribe to our upcoming monthly newsletter at <https://subscribe.communityprogress.org/signup>

**Policymakers:** Support key federal initiatives that advances land banks

**Funders:** Connect with land banks in communities that align with your programming. Land banks are uniquely positioned to support:

- Placemaking
- Job Creation
- Affordable Housing
- Supporting Unhoused People
- Climate Resiliency
- Equity
- Environmental Justice



# Additional Resources

- NLBN
  - [Member Sign-up](#)
  - [LinkedIn Group](#)
  - [Google Drive for Sharing Resources](#)
- Maps
  - [National Land Bank Map](#)
  - [National Land Bank + CLT Map](#)
- Other Resources
  - [Community Progress publications about land banks](#)
  - [Land Bank FAQs](#)

