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# Land Banking 101

VAD Academy 2024

# National Land Bank Network



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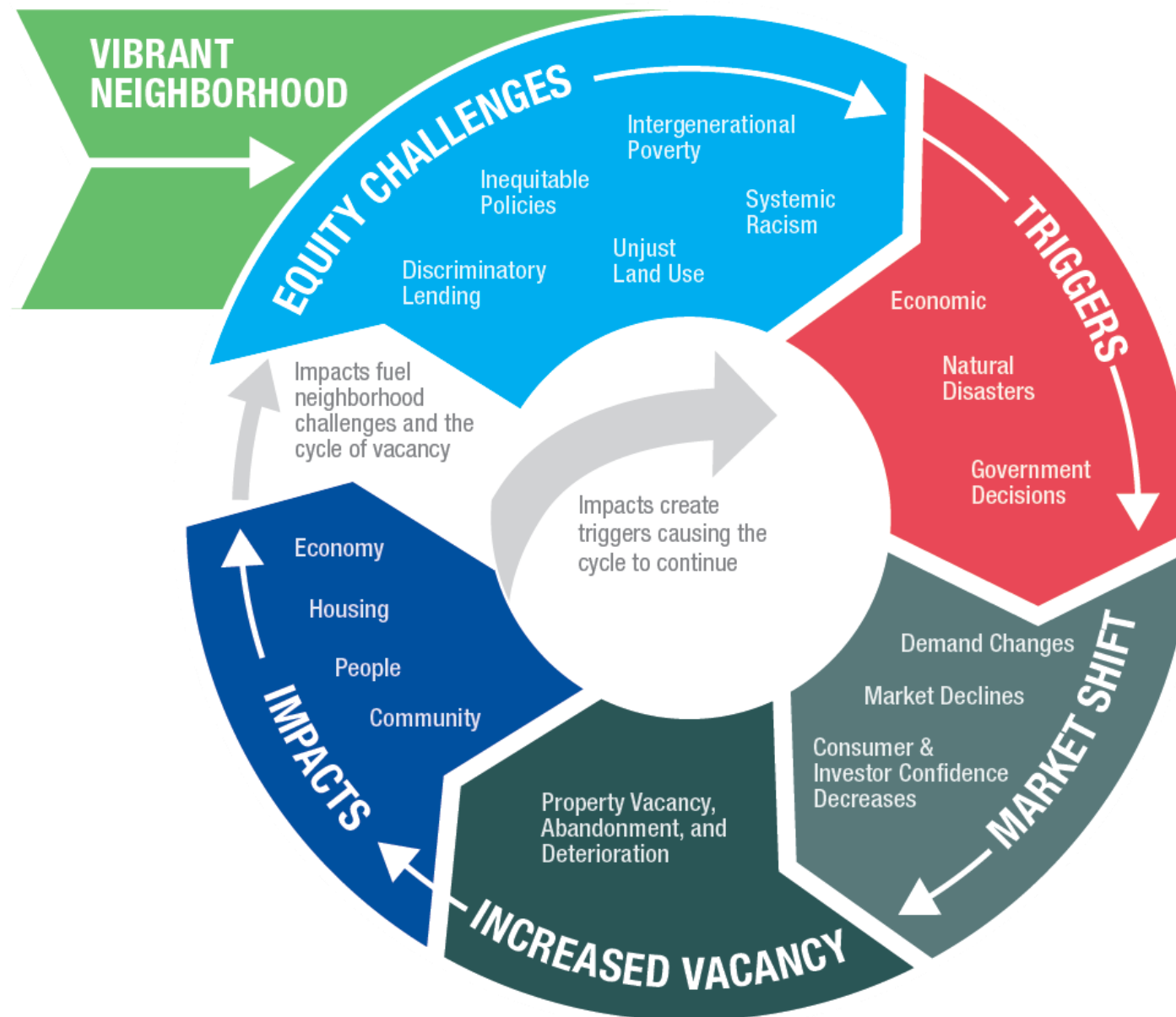
NLBN connects land bank leaders to the tools, networks, and resources they need to return vacant, abandoned, and deteriorated properties to productive use.

As the first membership-based community of practice for the field of land banking, NLBN supports the over 300 land banks and land banking programs throughout the United States with in-person and online convening, research, technical assistance, and equity-focused education.



# Systemic Vacancy & Communities

Systemic vacancy is the community experience of widespread property vacancy caused by the combined actions of people, policies, and processes.





# What is a Land Bank?

A public entity with unique powers to put vacant, abandoned, deteriorated, and tax-delinquent properties back to productive use according to community goals.



# What is a Land Bank?



## Problems Land Banks Can Help Address

- Large numbers of vacant, abandoned, deteriorated properties
- Fragmented inventories
- Property with little market value
- Restrictive public property disposition requirements



## Land Banks are NOT...

- Simple community development corporations (CDCs)
- Financial institutions (no cashing checks)
- Get-rich-quick agencies
- Rumpelstiltskin





# The Evolution of Land Banks

Over the past 40 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,
- community resiliency, and
- helping to unwind historic unjust practices that have harmed communities of color.



# The Earliest Land Banks

The first generation...

1971

**St. Louis**  
*Missouri*

1976

**Cleveland**  
*Ohio*

1989

**Louisville**  
*Kentucky*

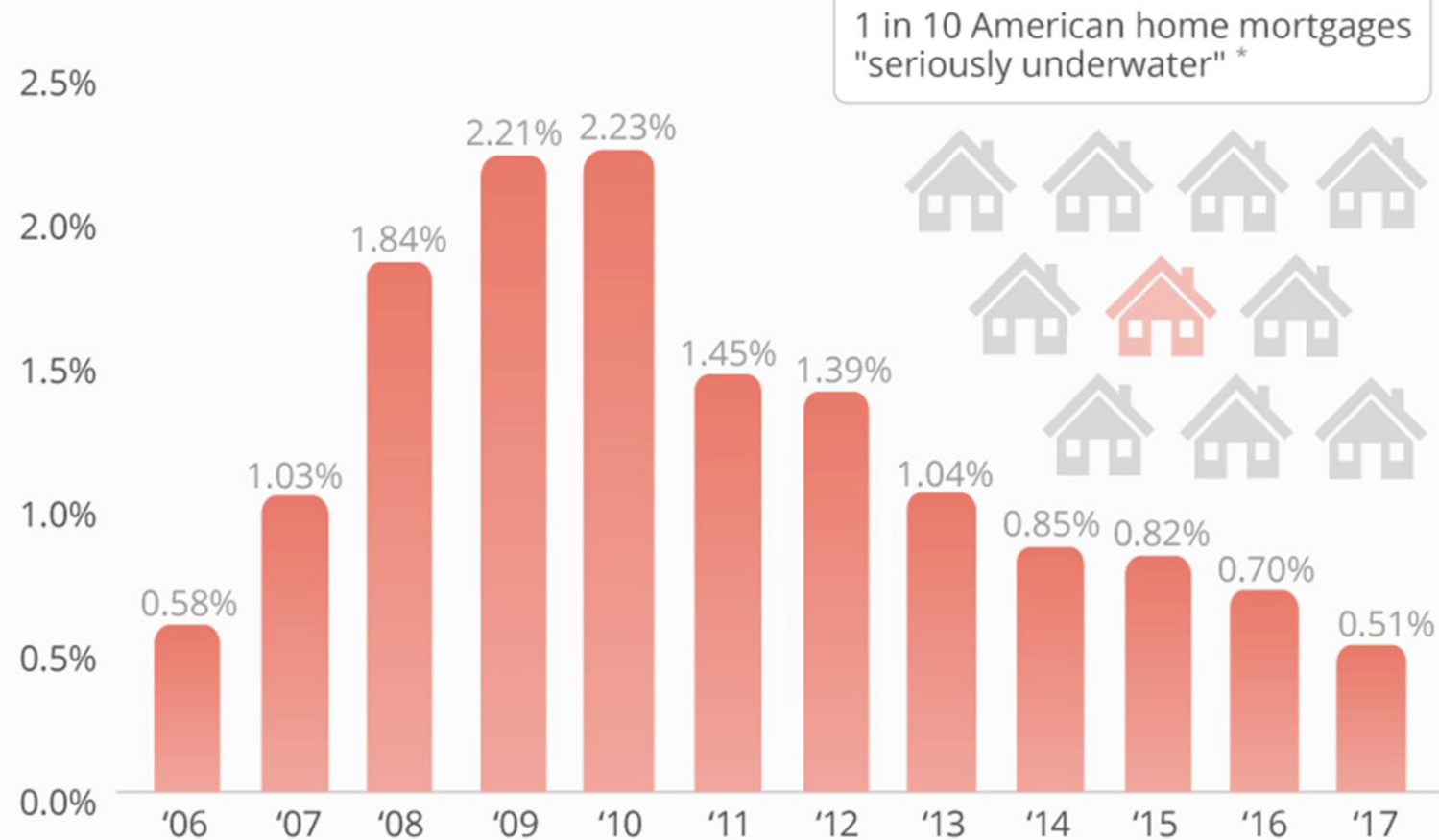
1991

**Atlanta**  
*Georgia*



# State of Foreclosure After Great Recession

Foreclosure rate in the U.S. between 2006—2017



@StatistaCharts

\* Market values for homes were at least 25% lower than the balance on the respective mortgage as of June 2018

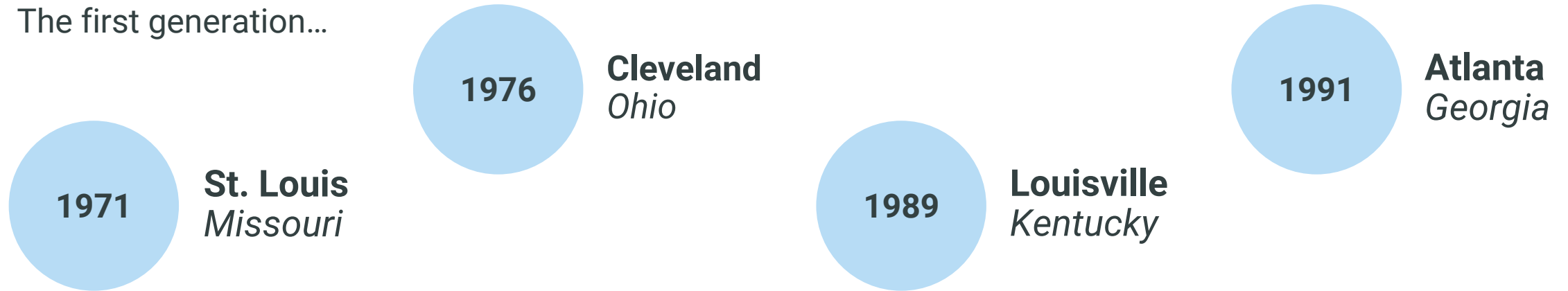
Source: ATTOM Data Solutions

statista

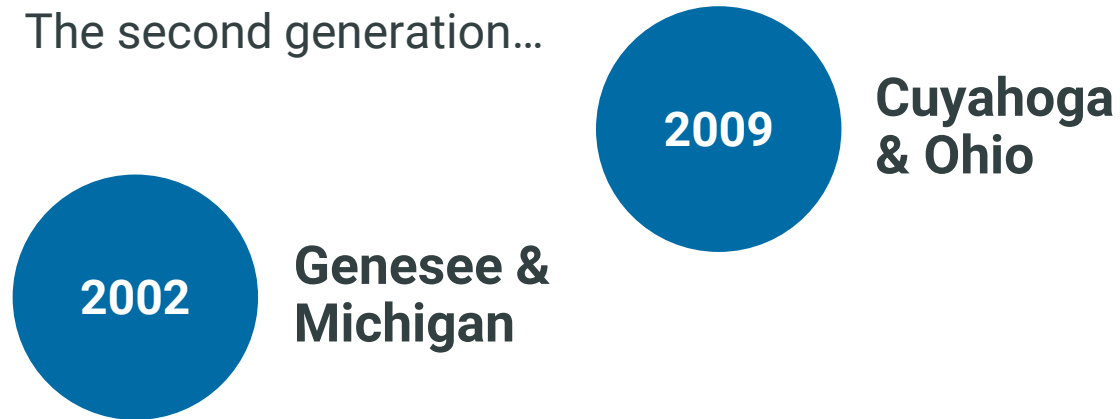


# The Earliest Land Banks

The first generation...

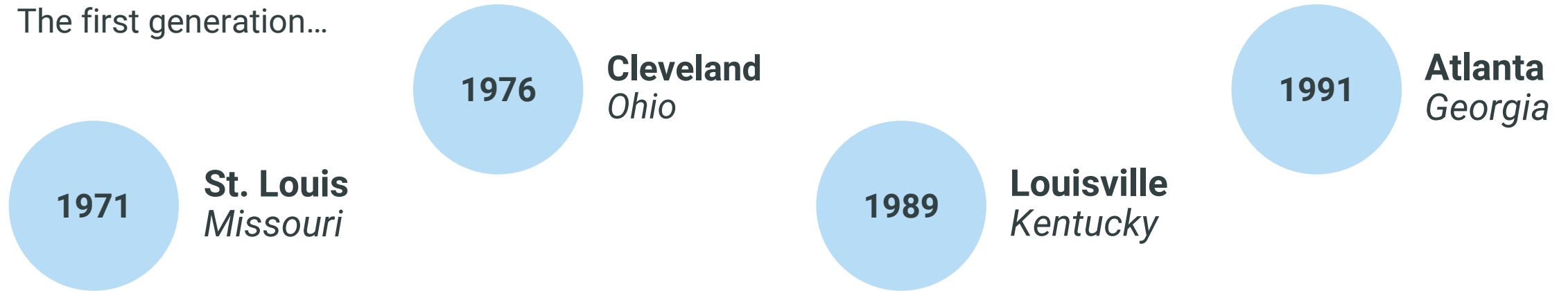


The second generation...

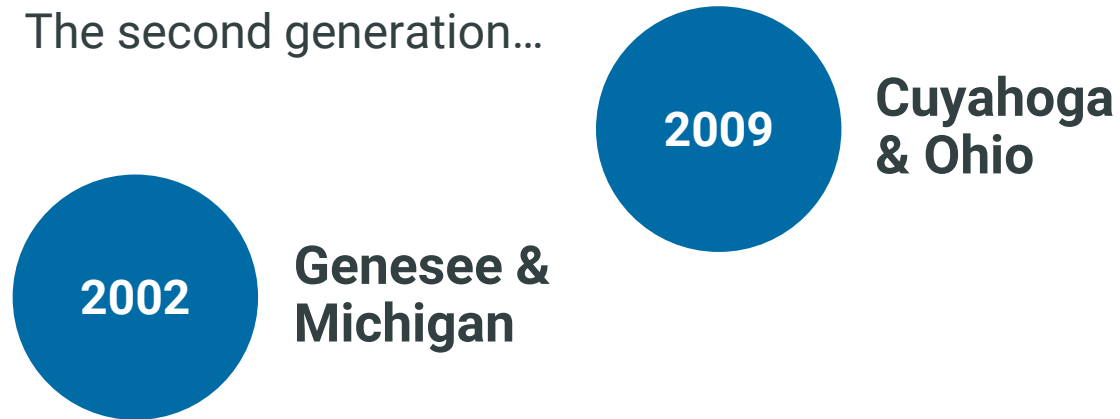


# The Earliest Land Banks

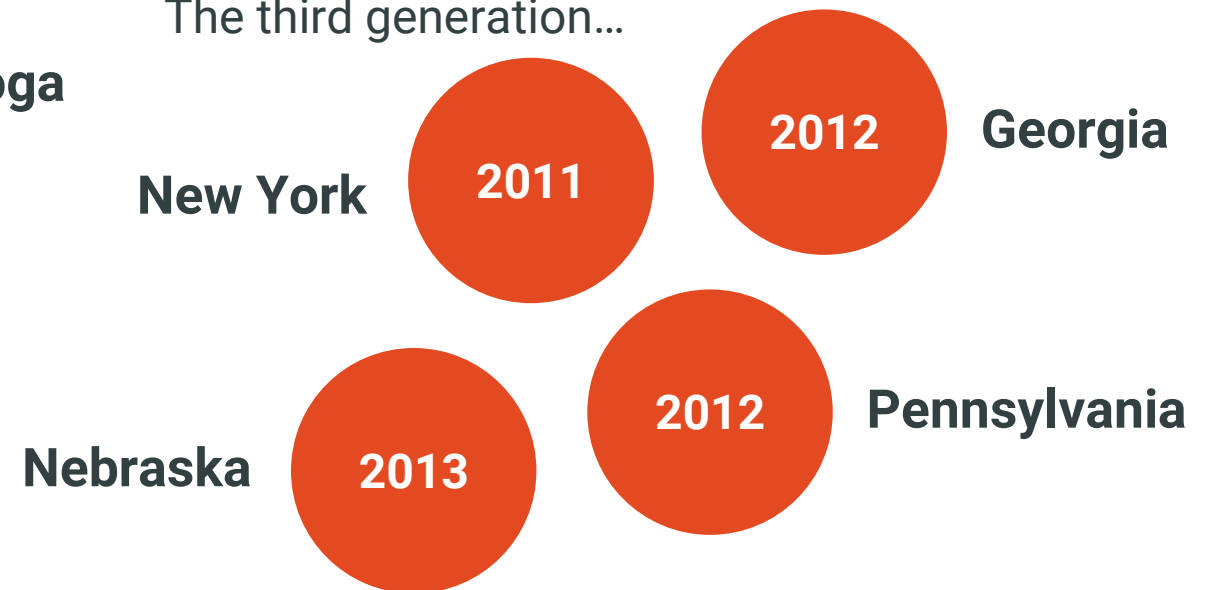
The first generation...



The second generation...



The third generation...





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# How Land Banks Work





# Problems Land Banks Can Help Address

- Large numbers of vacant, abandoned, deteriorated properties
- Fragmented inventories
- Property with little market value
- Restrictive public property disposition requirements

## Land Bank Activities

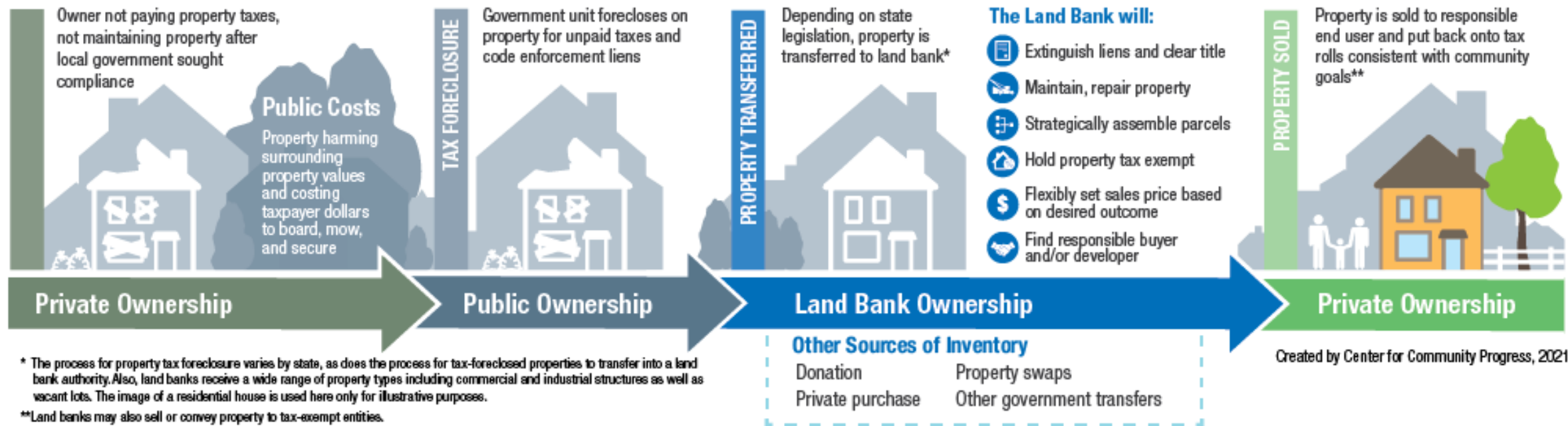
Acquisition  
Maintenance  
Disposition  
Strategic reuse





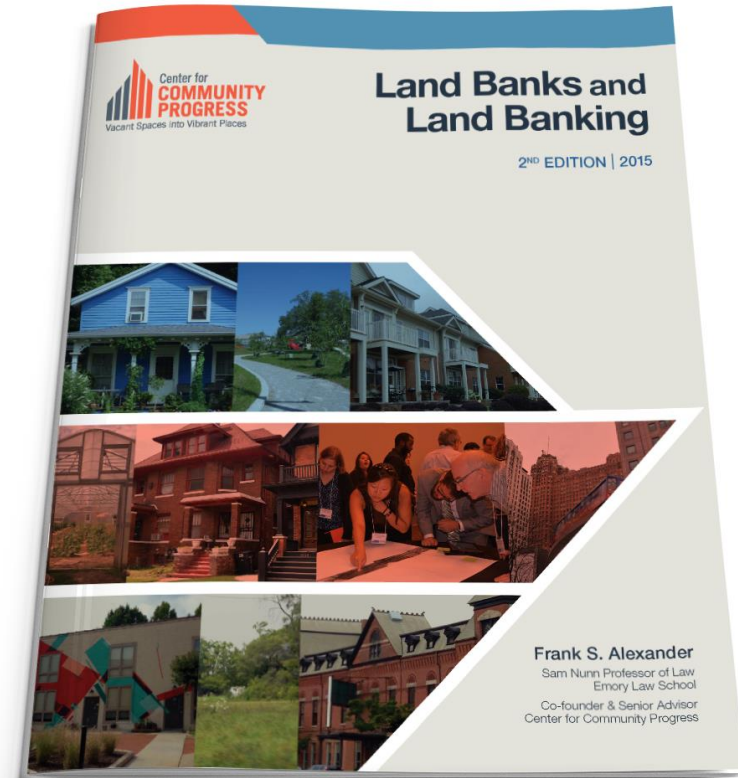
# Where Properties Come From

## Local tax foreclosure system is a primary pipeline



# Key Powers of Land Banks

- 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

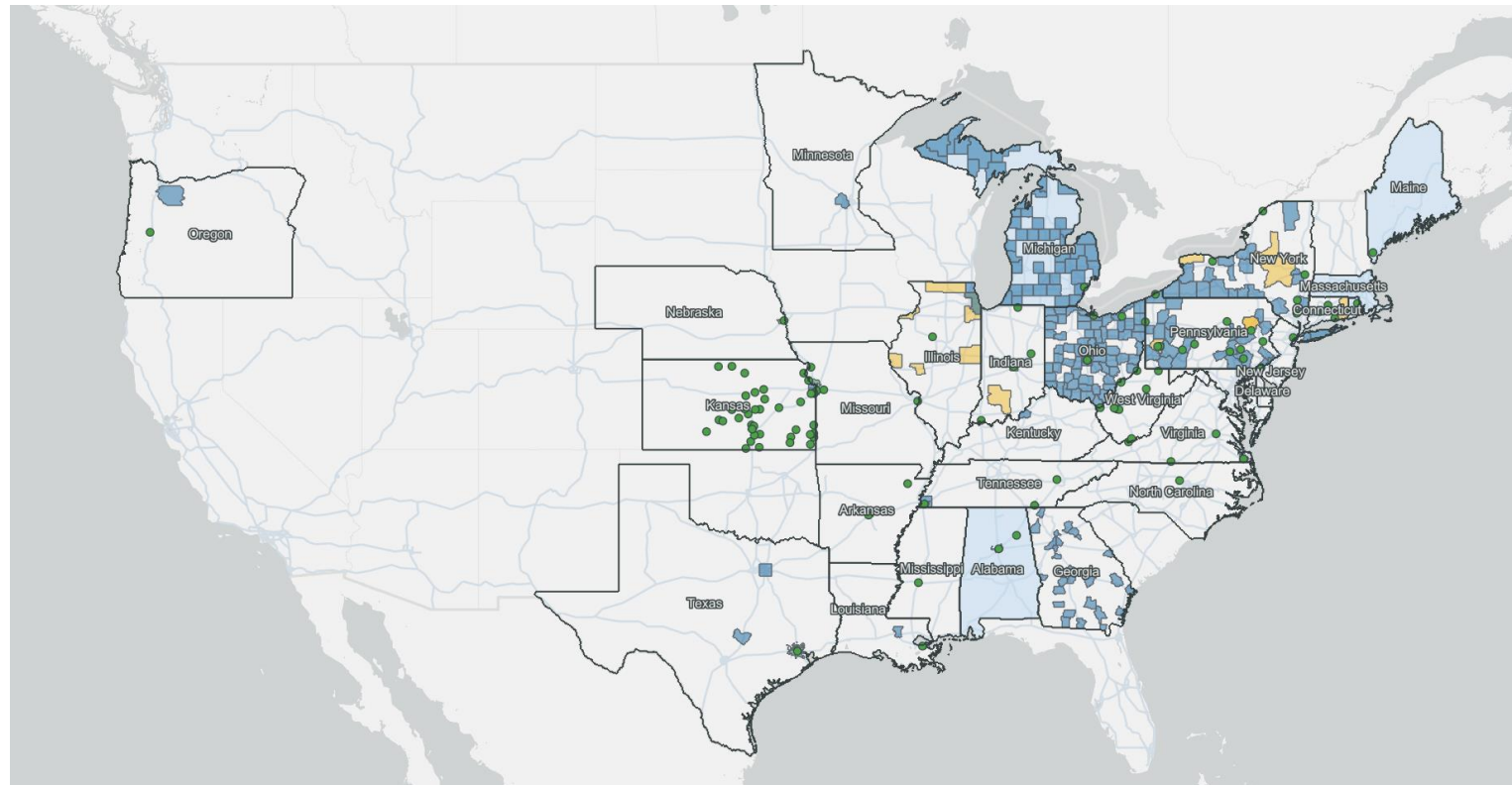


[communityprogress.org/land-banks-2nd](https://communityprogress.org/land-banks-2nd)



# Source of Land Bank Powers

**Powers outlined through state-enabling (or local) legislation. Land banks are only as powerful and flexible as the statute that created them.**

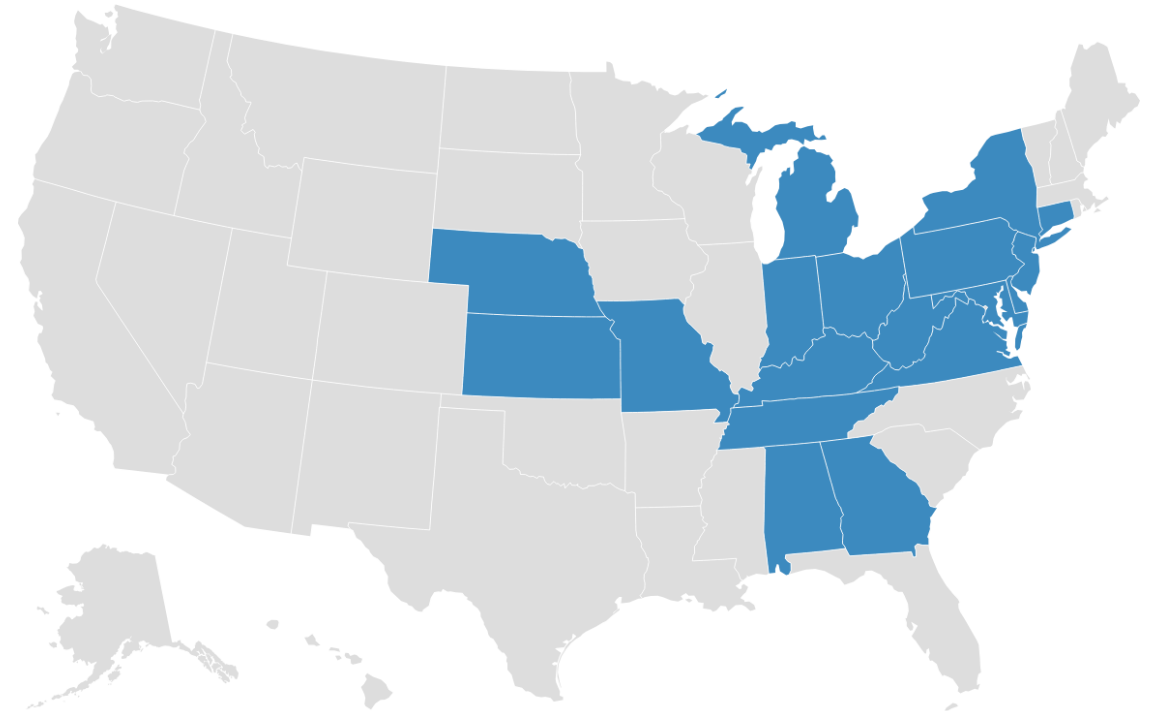


# Land Bank Growth

- Over 340 land banks nationwide
- Over 80% established since 2008
- Over 84% exist pursuant to comprehensive state enabling legislation
- Michigan, Ohio, New York, Pennsylvania, and Georgia are largest land bank states
- 66% of the properties held in LB inventories were acquired through the tax foreclosure process!

[communityprogress.org/land-bank-map](https://communityprogress.org/land-bank-map)

## States with Land Bank-Enabling Statutes



Note: 18 states (and Puerto Rico) as of February 2024

Map: Center for Community Progress

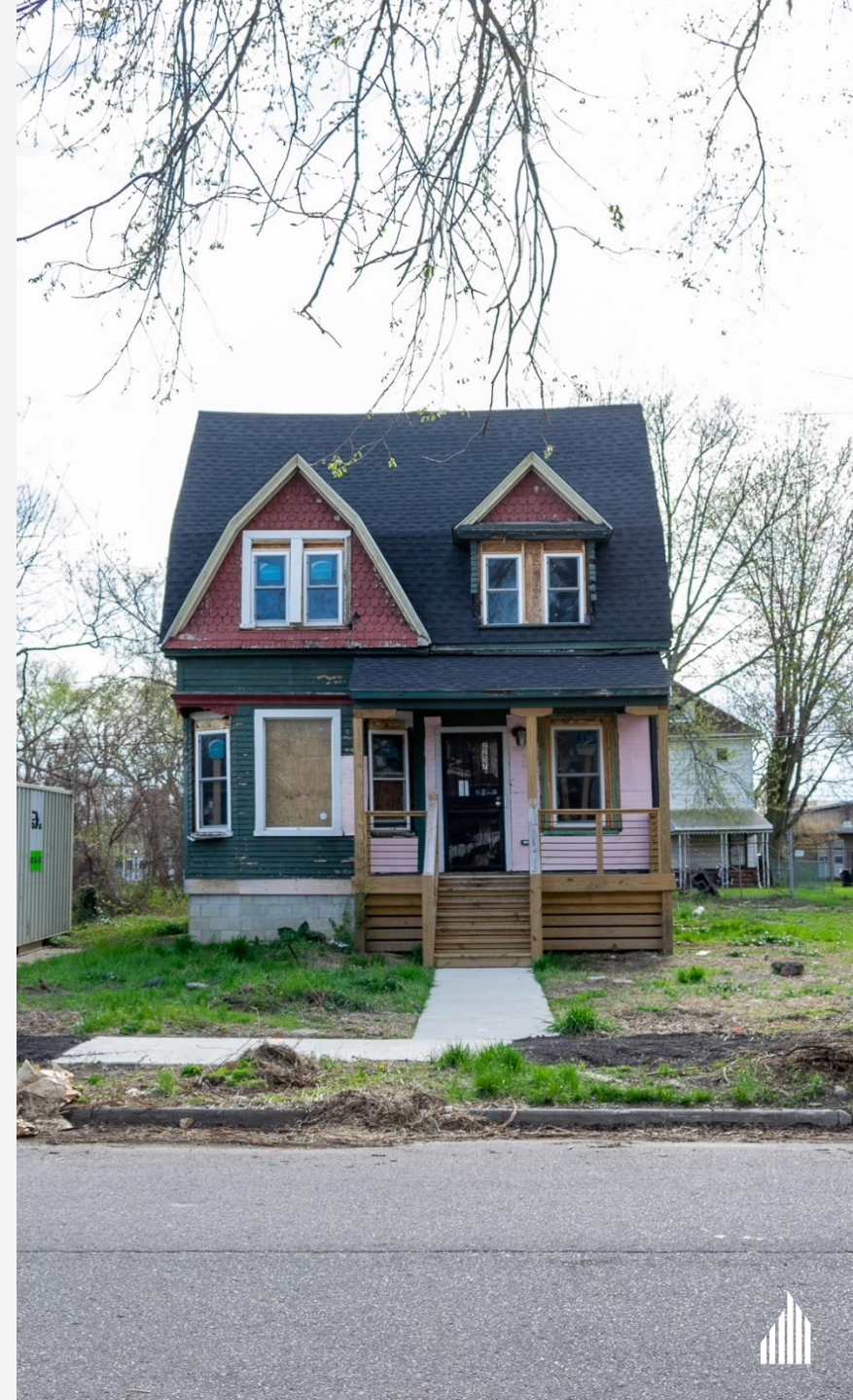




# Key Elements of Land Banking

An alternative to the speculative auction that generates **more predictable outcomes** consistent with community needs.

Taking the worst of the worst properties is a big need for community and will **always** need financial support to accomplish goals.



# Key Elements of Land Banking



# Land Bank Inventory

**Median Inventory:** 40 properties

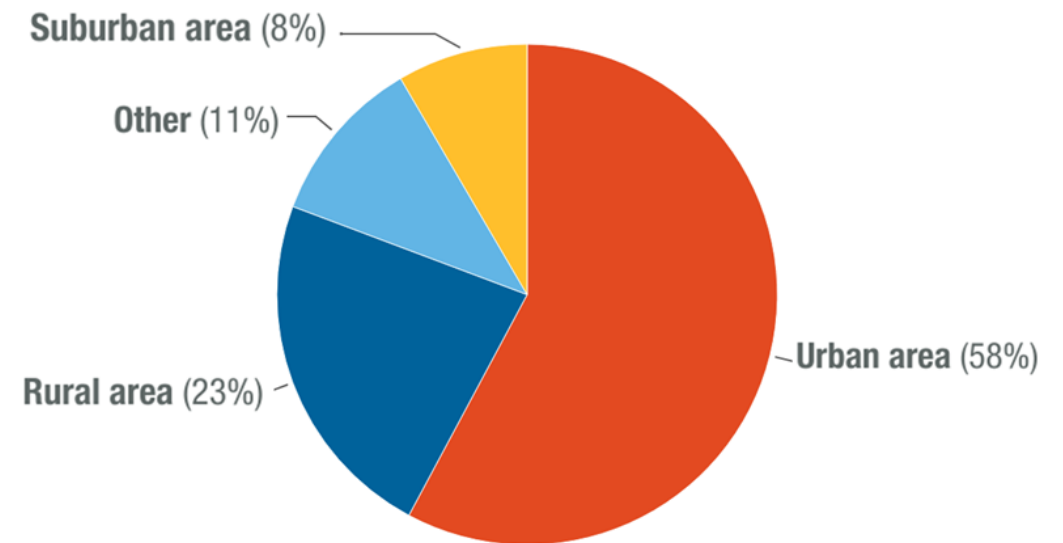
**Average Inventory:** 1,877 properties

**Largest Land Banks:**

Genesee County, MI: 10,000+

Detroit, MI: 50,000+

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



N = 83

Chart: Center for Community Progress





## Land banks are stewards for vacant and abandoned properties

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





# Property Transfers

Land banks are **mission-based organizations** operating in non-traditional real estate roles.

The vast majority are selling properties for less than fair market value.

Land banks prioritize **community residents** as their #1 recipient of property:

1. Community residents
2. Local nonprofits
3. Local LLCs/private entities

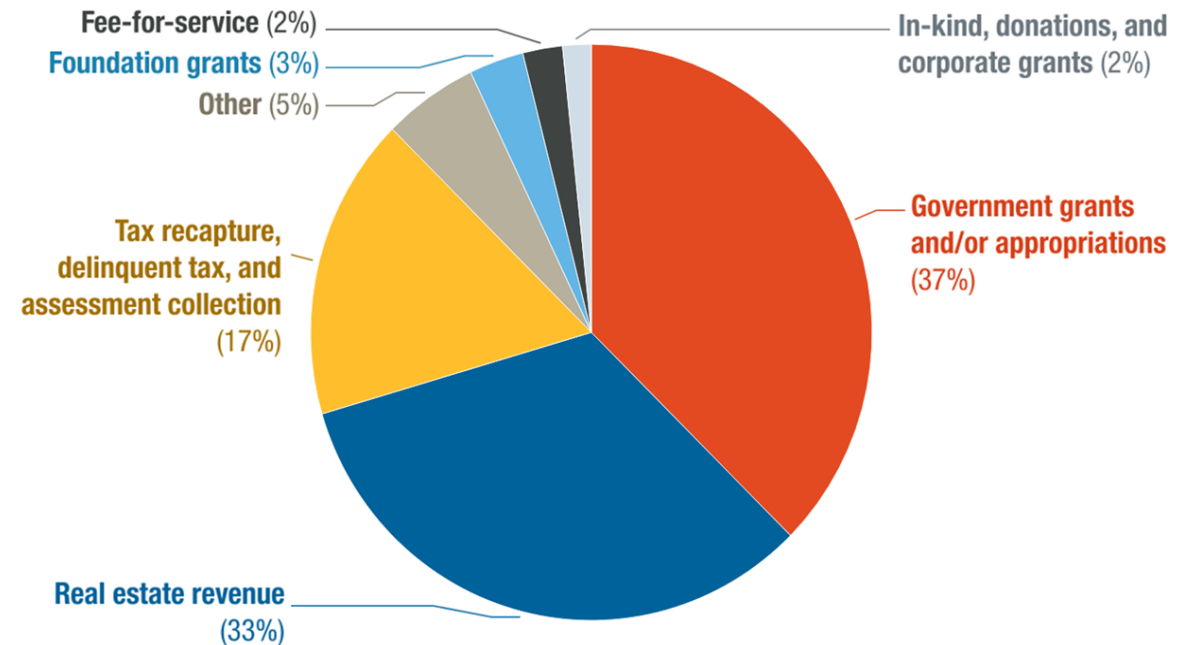


# Land Banks Can't Do It Alone

## Survey Insights on Land Bank Capacity

- **37%** don't have adequate funding to cover basic expenses
- **47%** have a staff of one full-time equivalent or less
- **65%** of land banks don't have the data sharing agreements w/ local gov necessary to better understand foreclosure pipeline

## Where Land Banks Get Their Funding



N = 87

Chart: Center for Community Progress • Source: 2023 State of Land Banking Survey  
Source: 2023 State of Land Banking Survey, Center for Community Progress





# Key Takeaways

1. A land bank is not one-size fits all, but instead an adaptable tool.
2. A land bank is not a “silver bullet,” but rather one helpful tool that must complement other revitalization strategies.
3. A land bank is most effective when working to address local priorities and informed by community and neighborhood plans.
4. A land bank achieves greater results through strong partnerships.
5. A land bank can demystify its work through transparency.
6. A land bank with public support (\$) can better focus on its mission.





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# National Land Bank Network





# What Does NLBN Do?

**Engagement**  
80 member land  
banks

**National State of  
Land Banking  
Survey**  
Conducted 2021  
& 2023

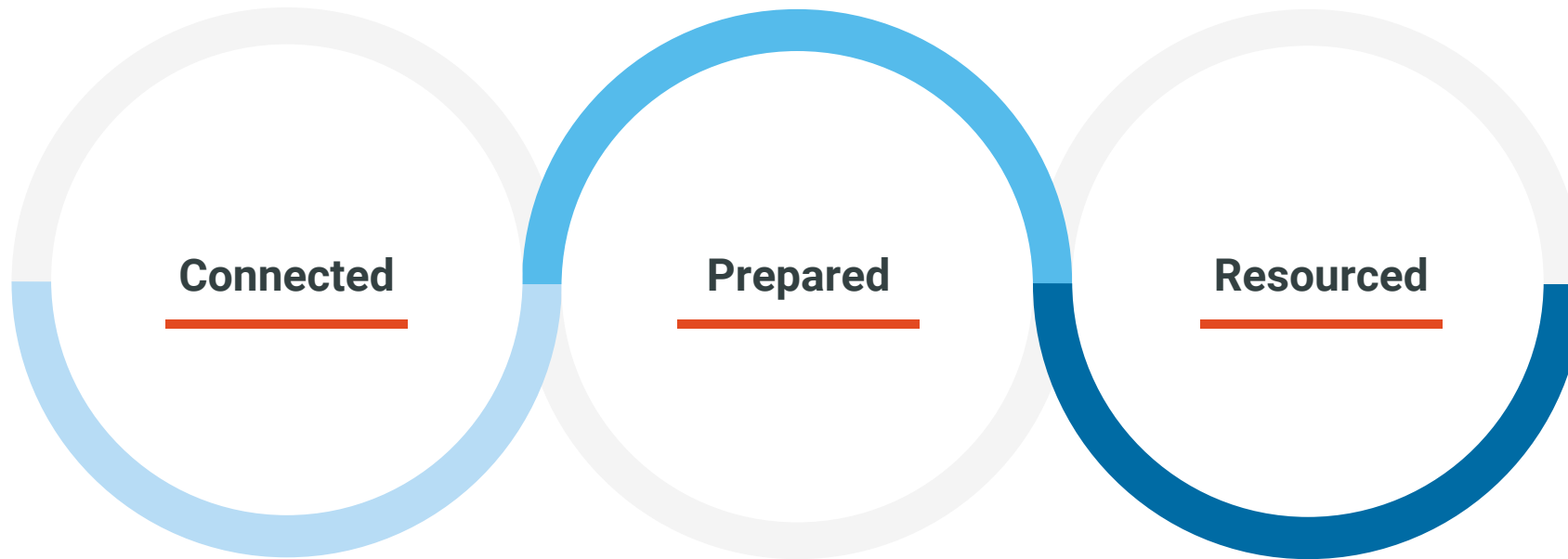
**Programs for  
Land Bank Staff**  
Mentorship,  
training, learning  
exchanges

**Technical  
Assistance**

**NLBN Summit**  
Fall 2025



# NLBN Ensures That Land Banks Are...



Land banks have the connections in their communities and throughout the field to effect change

Land banks can enter spaces informed and prepared to position their tools and resources to help accomplish community goals

Land banks have the means necessary to effect meaningful community change



# Questions?

WELCOME!

## National Land Bank Network Summit

Monday, October 16, 2023		
12:30 PM - 6:30 PM	Registration Open	Booth Area
2:00 PM - 5:00 PM	A Tour of Cleveland Neighborhood Revitalization	City of Cleveland
5:00 PM - 6:30 PM	Dinner on Your Own	Booth Area
6:30 PM - 8:30 PM	Exhibitor Hall Open	Booth Area
8:30 PM - 9:30 PM	Keynote Welcome Reception	Booth Area
Tuesday, October 17, 2023		
8:00 AM - 9:15 AM	General Breakfast	Booth Area
9:00 AM - 9:15 AM	Georgia Land Banks Breakfast	Booth Area
9:00 AM - 9:15 AM	Michigan Land Banks Breakfast	Booth Area
9:00 AM - 9:15 AM	New York Land Banks Breakfast	Booth Area
9:00 AM - 9:15 AM	Ohio Land Banks Breakfast	Booth Area
9:00 AM - 9:15 AM	Pennsylvania Land Banks Breakfast	Booth Area
9:15 AM - 10:00 AM	Break / Exhibitor Hall	Booth Area
10:00 AM - 11:15 AM	Sessions	Booth Area
	Track 101: Community Engagement	Booth Area
	Track 201: Local Government Partnership	Booth Area
	Track 301: State Policy	Booth Area
11:15 AM - 11:30 AM	Break / Exhibitor Hall	Booth Area
11:30 AM - 12:15 PM	Vendor Tech Pop-Up	Booth Area
12:15 PM - 1:00 PM	Awards Luncheon	Booth Area
1:00 PM - 2:00 PM	Tyler v. Hennepin County Discussion Panel	Booth Area
2:00 PM - 3:15 PM	Break / Exhibitor Hall	Booth Area
	Track 101: Strategic Planning	Booth Area
	Track 201: Public & Private Partnerships	Booth Area
	Track 301: Commercial Property Development	Booth Area
3:15 PM - 3:30 PM	Break / Exhibitor Hall	Booth Area
3:30 PM - 5:00 PM	Sessions	Booth Area
	Track 101: Community Impact	Booth Area
	Track 201: Infrastructure Planning	Booth Area
	Track 301: Commercial Development	Booth Area







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