



American Rescue Plan SLFRF: An opportunity to fund land banks

MALB Summit 2021

October 25, 2021

Anne Giroux, Marquette County Finance Manager/Land Bank Director, MALB Chair

Payton Heins, Director of Michigan Initiatives, Center for Community Progress

Eric Schertzing, Ingham County Treasurer, MALB Vice Chair

Agenda



- ARPA SLFRF overview and eligible land bank activities
- Local ARPA opportunities and examples
- State ARPA opportunities and examples
- Discussion

ARPA SLFRF Overview



Categories and eligible uses

- Public Health and Economic Impacts*
 - Respond to an economic harm caused or exacerbated by COVID-19, particularly in low-income communities and communities of color.
 - Address disparities in public health outcomes e.g., home repair, lead abatement
 - Build “stronger communities through investments in housing and neighborhoods” e.g., affordable housing
- Investments in Water and Sewer Infrastructure*
 - “Green infrastructure and projects to improve resilience to the effects of climate change”
 - Uses consistent with EPAs state revolving fund programs
- Revenue Loss
 - Replace lost public sector revenue experienced due to the pandemic. Formula provided in IFR.
- Premium Pay

No Final Rule from U.S. Treasury – [IFR](#) remains effective guidance

ARPA and land banks



Cities, counties, and states across the U.S. are already appropriating ARPA funding for land banks and land bank activities

- [Niagara-Orleans Land Bank \(Buffalo, NY\)](#) – County investing \$1M in land bank to demolish abandoned properties
- [Greater Syracuse Land Bank \(Syracuse, NY\)](#) – City investing \$5M in land bank to stabilize or demolish vacant properties
- [Broome County Land Bank \(Binghamton, NY\)](#) – City investing \$2M in land bank for rehab of vacant homes (Affordable Homes Program)
- [Rochester Land Bank \(Rochester, NY\)](#) – City investing funds in land bank for vacant home acquisition and rehab as part of \$33M housing plan
- [Pittsburgh Land Bank \(Pittsburgh, PA\)](#) – City investing \$10M in land bank for vacant land disposition

Ingham County

Establishing a county housing trust fund and the Ingham County Land Bank's role



Marquette County

Marquette County Land Bank's
engagement in local coalition
building efforts



Michigan ARPA Updates



- State '21/22 FY budget – \$700M of State ARPA appropriated
 - \$100M of ARPA to Community Revitalization and Placemaking grants
- **\$5.8B of State ARPA left to appropriate through supplemental bills**
- State ARPA funding proposals:
 - Governor Whitmer's proposal for all state ARPA
 - [MI Prosperity Roadmap](#) for all state ARPA (Coalition for a Strong and Prosperous Michigan)
 - MALB proposal - \$100M for land banks administered by SLB
 - Blight elimination fund - \$10-15M – demo grants administered by SLB, land banks and local govt eligible
 - Missing Middle Gap Fund - \$100M – construction/rehab of affordable housing administered by SLB, nonprofit developers eligible

MI Prosperity Roadmap



- Infrastructure - \$2.5B
 - Stormwater management, green infrastructure and contaminated site remediation
- Fiscal Health - \$800M
 - \$365M into county and local revenue sharing
- Thriving Communities - \$805M
 - \$350M invested into Housing and Community Development Fund (housing construction and rehab, home repair, “blight removal”)
 - \$50M for Community Revitalization and Placemaking Grants Program
 - \$250M for Regional Resiliency Planning Grants (10 regions)
- Strong Economy - \$910M
 - \$250M to prefund expansion of state tax credits (historic building rehab, converting vacant office space to residential, MSF brownfield remediation)
- Public Health and Safety - \$500M

MALB ARPA Ask



MALB requested \$100M of ARPA for all land banks, administered by SLB, for the following activities:

- Development and pre-development of **new affordable and attainable housing**, including environmental remediation to prepare sites for development and meet EGLE standards.
- **Rehabilitation and 'mothballing' of salvageable residential and commercial property** to strengthen neighborhoods and commercial corridors.
- **Demolition or deconstruction of residential and commercial property** that is harming the overall health, safety and economic stability of neighborhoods and commercial corridors.
- **Maintenance, environmental remediation, and reuse of vacant land** including, but not limited, to stormwater mitigation, food production, and energy production.
- Operating the above eligible program activities, including **staffing, program management** and evaluation, data management and analysis.

Discussion



- What are individual land banks doing to engage their state legislators and statewide coalitions?
- How does MALB's request align with other funding requests?
- How should MALB advocate for ARPA funding moving forward?
 - Pursue funding asks for certain land bank activities?
 - Join other coalitions?
 - Pursue current/revised MALB ask specific to land banks?

Additional Resources



- [U.S. Dept of Treasury HQ for ARPA SLFRF information](#) - FAQ and Final Rule updates will be here
- Community Progress' [mailing list](#) for events and vacant property revitalization news (send news articles featuring your land bank's work so we can share!)
- Michigan Municipal League's [Inside 208 Blog](#)

Headquarters:

111 E. Court St.
Suite 2C-1
Flint, MI 48502

National Office:

1101 14th Street NW
Suite 510
Washington, DC 20005

877.542.4842
communityprogress.org

twitter.com/CProgressNews

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TO: Board of Commissioners, County Services and Finance Committees
FROM: Gregg Todd, Controller
DATE: March 15, 2021
SUBJECT: Discussion: American Rescue Plan Act of 2021 Proposals
For the April 6, 7 Meetings

The American Rescue Plan Act of 2021 (ARP) provides funding to units of local government to: *mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID-19)*. Ingham County is to receive \$56.7 million (estimate) in funding from the ARPA (cities and townships will receive separate funds).

The existing guidelines in the ARPA are as follows:

- 1) **Funding Disbursement** – First Tranche (50%) within 60 days of bill enactment. Second Tranche (50%) not earlier than 12 months after the date of First Tranche payment.
- 2) **Use of Funds Deadline** – December 31, 2024.
- 3) **Eligibility** –
 - a. To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, or aid to impacted industries such as tourism, travel, and hospitality;
 - b. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers* that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
 - c. For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency;
 - d. To make necessary investments in water, sewer, or broadband infrastructure.
 - e. Pension Funds contributions are specially identified as not eligible.
- 4) **Transfer Authority** – funds may be transferred to private nonprofit organizations, a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.
- 5) **Reporting** – provide to Treasury Secretary periodic reports providing a detailed accounting of the uses including such other information as the Secretary may require.
- 6) **Recoupment** – failure to comply with requirements shall require repayment in amount equal to amount of funds used in violation to requirements.
- 7) **Regulations** – The Treasury Secretary shall have the authority to issue such regulations as may be necessary or appropriate.

Please see attached spreadsheet of proposed funding options for the ARP funds. While the federal regulations have not been finalized, these proposals fit within the eligibility categories listed above.

American Rescue Plan Funding Proposals March 25, 2021

Revenue				
Tranche 1 May 2021 - May 2022				26,355,172
		\$		\$
Expense	Description			
Premium Pay Benefit	Work share pay for non-eligible essential workers during COVID and premium pay for other essential non-remote working employees	\$ 2,100,000		
IT Upgrades for Remote Work/Connectivity	Upgrades/Wireless at Park facilities, Fairground, other remote facilities	\$ 250,000		
Health Department	Expanded vaccination clinics, mobile vaccination/testing, contact tracing	\$ 2,691,000		
Small Business Rescue Grants	Administered by LEAP (Includes Overhead/Administration)	\$ 11,000,000		
Assistance to Residents	Administered by Capital Area Community Services; debt counseling, direct aid, behavioral health services, etc. (includes Overhead/Administration)	\$ 6,500,000		
Mortgage Assistance	Administered by Capital Area Housing Partners (Includes Overhead/Administration)	\$ 1,000,000		
Property Tax Forbearance (2020 delinquent taxes)	Administered by Treasury Office	\$ 1,500,000		
Tourism/Travel/Hospitality	Direct payment to ELLVC lost revenue due to COVID	\$ 1,400,000		
Scholarship Program	Focus on low income in layoff susceptible professions	\$ 500,000		
Marketing	Promote Ingham County	\$ 300,000		
Additional Staffing (2 full time)	Finance Dept/Treasury	\$ 140,000		
Total Tranche 1 Expense			\$	27,381,000
Tranche 1 Net			\$	974,172
Revenue				
Tranche 2 May 2022 - Dec 2024				26,355,172
		\$		\$
Expense	Description			
Revenue Reimbursement	Lost revenue for years 2020-2021	\$ 7,000,000		
Housing Trust Fund	Administered by Land Bank (includes Overhead/Administration)	\$ 9,000,000		
Property Tax Forbearance (2021 delinquent taxes)	Administered by Treasury	\$ 1,500,000		
Sewer/Water/Broadband Revolving Loan Fund	Partner with townships, cities to address critical water/sewer needs including plant upgrades and homeowner systems	\$ 11,550,000		
Additional Staffing (same as Tranche 1 For years 2-3)	Finance Dept/Treasury	\$ 280,000		
Total Tranche 2 Expense			\$	29,330,000
Tranche 2 Net			\$	(974,828)
ARP Final			\$	(656)

Introduced by the Human Services Committee of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION TO CREATE THE INGHAM COUNTY HOUSING TRUST FUND COMMITTEE

WHEREAS, affordable housing is an obstacle to home ownership for many residents of Ingham County; and

WHEREAS, the latest U.S. Census data shows the owner-occupied housing unit rate in Ingham County is 58.5%, which is 5.5% below the national average; and

WHEREAS, the U.S. Census data also shows owner-occupied housing rates for the City of Lansing is 50.6%, which is 13.4% below the national average; and

WHEREAS, the Urban Institute lists three main factors as barriers to home ownership:

- 1) Down Payments
 - 2) Credit Scores
 - 3) Affordability
- ; and

WHEREAS, an eligible use of American Rescue Plan (ARP) funds is to build stronger communities through investments in housing and neighborhoods including the investment in affordable housing development to increase the supply of affordable and high-quality living units; and

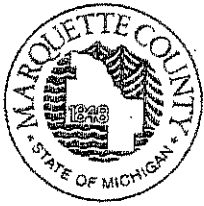
WHEREAS, the Ingham County Board of Commissioners has tentatively identified \$9,000,000 from the Second Tranche of ARP funds to develop a Housing Trust Fund; and

WHEREAS, the ARP Second Tranche Amount is scheduled to be received in May of 2022; and

WHEREAS, developing goals, objectives, funding parameters, eligibility requirements and other policies and procedures required to successfully implement the Housing Trust Fund will require the timely establishment of a committee of county and local leaders.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners hereby establishes the Ingham County Housing Trust Fund Committee consisting of seven members; the Human Services Committee Chair, the Ingham County Treasurer, the Ingham County Land Bank Executive Director, a representative from the Racial Equity Taskforce, a representative from the Controller's Office and two county residents.

BE IT FURTHER RESOLVED, that the Ingham County Housing Trust Fund Committee will develop policies and procedures for the implementation of the Housing Trust Fund to ensure fair and equitable access to the fund and to ensure compliance with the ARP rules and regulations.



County of Marquette

Courthouse Complex
234 W. Baraga Avenue
Marquette, Michigan 49855
Fax: (906) 225-8155
www.co.marquette.mi.us

County Administrator
225-8151
Finance & Accounting
225-8175
Human Resources & Risk
225-8162
Information Systems
225-8170

RESOLUTION OF SUPPORT FOR MARQUETTE COUNTY INTERGOVERNMENTAL HOUSING TASK FORCE

WHEREAS, the Marquette County Intergovernmental Housing Task Force is a consortium of local governments working together to advocate for state resources, identify regional solutions, leverage funding opportunities, and examine best practices related to housing challenges in Marquette County.

WHEREAS, Marquette County must address the full range of housing needs facing all income levels and household types, as documented in the 2020 Marquette County Housing Needs Assessment, including home rehabilitation, new housing development, and redevelopment. These housing needs have County-wide impacts on our economy, workforce, and infrastructure that require intergovernmental collaboration and response; and

WHEREAS, a lack of resources and programs specific to attainable housing creates additional challenges in meeting the needs of the County's workforce; and

WHEREAS, solutions may include local, County, regional, or State activities and tools such as zoning updates; development benefit agreements; tax incentives: Land Bank Authority and brownfield redevelopment incentives, consideration of innovative and diverse housing types; community awareness and educational efforts; new funding sources; and innovative partnerships.

WHEREAS, New resources and programs must feature local and regional participation and control in order to ensure the flexibility needed to address the unique challenges faced throughout the region. Now therefore, be it resolved that Marquette County agrees to participate in the Intergovernmental Housing Task Force by assigning Scott Erbsch or Anne Giroux as a county representative.

RESOLUTION DECLARED ADOPTED

Gerald O. Corkin, Chairman
Marquette County Board of Commissioners

I hereby certify that the foregoing constitutes a true and complete copy of the Resolution adopted by the Board of Commissioners of the County of Marquette, Michigan, at a regular meeting held on October 12, 2021.

Linda K. Talsma, Marquette County Clerk

R-155-21

CASS COUNTY BOARD OF COMMISSIONERS

**RESOLUTION SUPPORTING THE MICHIGAN ASSOCIATION OF LAND BANK'S,
MICHIGAN COMMUNITY INVESTMENT PROGRAM**

WHEREAS, The Cass County Treasurer acquires properties through foreclosure processes; and

WHEREAS, there needed to be a means to dispose of said properties and to assist our local jurisdictions in development, redevelopment and removal of blight; and

WHEREAS, the Cass County Board of Commissioners created the Cass County Land Bank Authority on October 16, 2008 as a separate legal entity and as a public body corporate under Public Act 258 of 2003; and

WHEREAS, an American Rescue Act Plan (ARPA) request was sent to Governor Whitmer by the Michigan Association of Land Banks; and

WHEREAS, in an effort to create new housing opportunities, improve the health and safety of neighborhoods, support local businesses and more productively use vacant land, MALB is asking for support of a statewide program, in the amount of \$100 million; and

WHEREAS, every existing land bank in Michigan would be eligible and could opt-in for an initial flat amount of funding, and each land bank could also competitively apply for significant additional funds out of the \$100 million program.

NOW THEREFORE BE IT RESOLVED that the Cass County Board of Commissioners supports the efforts of the Michigan Association of Land Banks to procure the eligibility for Cass County to receive funding from the Michigan Association of Land Bank's, Michigan Community Investment Program .

ADOPTED THIS 2nd DAY OF SEPTEMBER, 2021

ATTEST:

Monica McMichael, Clerk/Register
COUNTY OF CASS

Dwight Dyes, Chair
CASS COUNTY BOARD OF COMMISSIONERS



August 20, 2021

The Honorable Gretchen Whitmer
Governor of Michigan
111 S. Capitol Ave.
Lansing, MI 48933
gretchen.whitmer@michigan.gov

Dear Governor Whitmer,

On behalf of Michigan's land bank authorities representing rural, suburban, and urban communities across the state, we write to ask for your support of a statewide program that would create new housing opportunities, improve the health and safety of neighborhoods, support local businesses and more productively use vacant land. We believe that Michigan's future relies on our ability to invest in our existing assets and infrastructure, inclusive of the vacant properties that present opportunity for future homes, businesses, and greenspace.

The Michigan Association of Land Banks (MALB) representing Michigan's 46 land banks established under PA 258 of 2003, the "Land Bank Fast Track Act", **respectfully requests an allocation of \$100 million from Michigan's American Rescue Plan Act (ARPA) funds to support the state's housing and economic recovery.** Land banks are a critical partner to local governments, county governments, nonprofit organizations, and businesses across the state in creating safe, stable communities to live and work. As quasi-governmental entities they are equipped with the flexible tools and expertise needed to efficiently acquire, manage, and transform problem properties into community assets. Michigan's land banks have a proven track record of swiftly and responsibly utilizing federal and state funding to strengthen neighborhoods, e.g., through the Neighborhood Stabilization Program, Hardest Hit Fund, and Blight Elimination Program.

The state's most disinvested communities have been disproportionately burdened by vacant, abandoned, and deteriorated properties predating the pandemic. Areas in Michigan that were historically redlined and suffered major loss of industry, still lag today in home values and have experienced higher levels of property tax foreclosure, reducing wealth building opportunities. Black homeowners have experienced the greatest loss of homeownership in the state.¹ These neighborhood conditions contribute to residents, many living in poverty or with limited income, being more susceptible to economic instability and physical and mental health risks. COVID-19's economic and public health impacts have and will likely continue to exacerbate the hardships experienced by Michigan's most underserved communities.

¹ Michigan Statewide Housing Needs Assessment, April 2019.

Residential vacancy increased 10% and commercial vacancy increased 21% from 2019 to 2020,² a concerning trend for the state. A parallel and alarming reality is the state's housing affordability crisis. Prior to the pandemic, 50% of renters and 25% of homeowners in Michigan were housing cost-burdened.³ COVID-19 has further exacerbated the affordability gap by intensifying the housing supply shortage and increasing construction costs. Our land bank authorities can serve as an essential tool to unlock the housing, economic development, and recreational opportunities of vacant and abandoned properties for a healthier and more equitable recovery.

Michigan land banks currently manage over 100,000 vacant residential, commercial, and industrial properties. All of these properties require some level of improvement, with the majority needing significant investment for future use. Michigan land banks were established to disrupt a cycle of disinvestment in Michigan communities and are equipped to cost-effectively acquire, hold, and transfer property in service of community goals. They facilitate home rehabilitation and new construction, commercial redevelopment, vacant land management and innovative reuse, demolition and deconstruction of dangerous structures, and other programming to strengthen neighborhoods. Though land banks have demonstrated positive impacts on public health, safety, and economic stability, insufficient funding prevents them from addressing the full scale of problem properties across the state.

Michigan's ARPA funds present an unprecedented opportunity to address the housing and commercial property market challenges that were created or exacerbated by COVID-19. **We ask you to consider disbursing these funds to the State Land Bank Authority (SLBA) to implement the proposed MICHIGAN COMMUNITY INVESTMENT PROGRAM.** Under the Michigan Community Investment Program, we propose that every existing land bank in Michigan would be eligible and could opt-in for an initial flat amount of funding, and each land bank could also competitively apply for significant additional funds out of the \$100 million program. Counties without an existing land bank could be given a 60-day window to establish a land bank and be eligible to competitively apply for funding through the program. This program would deliver new, diverse housing opportunities; protect the investment of existing businesses and residential property owners by removing hazardous, vacant structures; rehabilitate viable homes and buildings; and beautify and increase the productivity of vacant land, while creating new workforce development and employment opportunities. Program applications that leverage local funding, demonstrate efforts to combat the public health and economic impacts exacerbated by COVID-19, support community goals, align with strategies in Michigan's Statewide Housing Plan, and help facilitate MSHDA or MEDC program priorities would be given preference.

Eligible uses for the program, which are consistent with U.S. Treasury guidelines for ARPA's State and Local Fiscal Recovery Fund, would include costs associated with:

- Development and pre-development of new affordable and attainable housing, including environmental remediation to prepare sites for development and meet EGLE standards.
- Rehabilitation and 'mothballing' of salvageable residential and commercial property to strengthen neighborhoods and commercial corridors.
- Demolition or deconstruction of residential and commercial property that is harming the overall health, safety and economic stability of neighborhoods and commercial corridors.

² U.S. Postal Service, 2019 and 2020 Q3.

³ Michigan Statewide Housing Needs Assessment, April 2019.

- Maintenance, environmental remediation, and reuse of vacant land including, but not limited, to storm water mitigation, food production, and energy production.
- Operating the above eligible program activities, including staffing, program management and evaluation, data management and analysis.

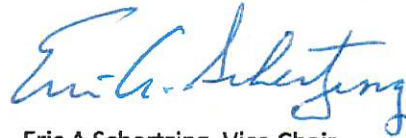
The COVID-19 public health crisis amplified the importance of stable, healthy housing. Its economic impacts - business closures, high unemployment, shifts to remote working, changes in housing demand, and rapidly rising construction costs – are currently exacerbating Michigan’s existing challenges of limited housing supply in some communities, and high commercial and residential vacancy in others.

Michigan’s future relies on our ability to invest in our existing assets and respond to the changing dynamics in the housing and commercial property markets – a space where Michigan land banks have led the way for over a decade. Land banks are central to our state’s recovery, and we thank you for your consideration of this request as you make the difficult decisions to allocate these critical funds.

Sincerely,



Anne Giroux, Chair
Michigan Association of Land Banks



Eric A Schertzing, Vice Chair
Michigan Association of Land Banks

CC: Susan Corbin corbinS@michigan.org
Jonathan Smith smithj160@michigan.org
John Groen groenj2@michigan.org
David Massaron massaronD@michigan.gov

For over 15 years, Michigan's land banks have had significant and wide-ranging impacts within the counties they serve. They have created new job opportunities, preserved and strengthened property values, reduced foreclosures, reduced crime, and addressed critical stormwater infrastructure needs. In the years following the Great Recession, land banks were instrumental in addressing the glut of vacant, foreclosed homes and redeveloping challenging vacant commercial and industrial properties throughout the state. They are equipped to facilitate development, hold, and maintain properties that have no immediate end-use, remove dangerous structures, and more.



There are currently 46 land banks in Michigan's upper and lower peninsula's representing rural, suburban, and urban communities. Within these communities, land banks bring the expertise, tools, and dedicated focus to vacant property reclamation to help communities realize their housing and economic development goals.

Land bank impact reports:

- [Quantitative & Qualitative Impact Assessment of Land Bank Activity in Michigan](#)
- [Ingham County Land Bank 15-Year Impact Report](#)
- [Kalamazoo County Land Bank Authority 2020 Annual Report](#)

Studies showing the positive economic and public health impacts of land bank interventions:

- [Good Deeds: Community-minded intervention to strengthen the Detroit housing market is working, according to U-M analysis: An Analysis of the Rehabbed and Ready Program \(2021\)](#)
- [Quantitative and Qualitative Impact Assessment of Land Bank Activity in Michigan \(2018\)](#)
- Sokol, R., Bushman, G., Gong, C., Rupp, L., Zimmerman, M.A. (Unpublished Manuscript). . Associations between Micro-Neighborhood Greening and Child Maltreatment: Investigating a Promising Maltreatment Prevention Strategy. Under review at Child Maltreatment journal (forthcoming)
- Bushman, G., Gong, C., Hohl, B.C., Kondo, M.C., Rupp, L.A., Zimmerman, M.A. (Unpublished Manuscript) Associations between Land Bank Stewardship of Vacant Lots and Crime, Violence, and Youth Victimization in Flint, Michigan. (forthcoming)
- [Estimating Home Equity Impacts from Rapid, Targeted Residential Demolition in Detroit, MI \(2015\)](#)
- [Economic Impacts of the Ingham County Land Bank \(2006-2012\). \(2013\)](#)
- [Griswold, Nigel G., and Patricia Norris. "Economic Impacts of Residential Property Abandonment and the Genesee County Land Bank in Flint, MI." 2007-05. MSU Land Policy Institute. \(2007\)](#)

2021 news articles highlighting land bank work across the state:

- [Biden's Neighborhood Revitalization Plan Looks to Detroit for Inspiration](#)
The Detroit Land Bank Authority's Rehabbed and Ready Program is being held up as a model for the Biden Administration's proposal to renovate 500,000 homes via the Neighborhood Homes Investment Act tax credit program.

- When problematic properties don't sell, the Bay County Land Bank Authority steps in
The Bay County Land Bank partners with municipalities and small-scale developers to transform vacant, tax-foreclosed properties into new housing opportunities.
- 'Attainably priced' modular home available in Ishpeming funded by MSHDA program
The Marquette County Land Bank Authority with funding support from the Michigan State Housing Development Authority (MSHDA) Modular Home Program is building new homes on land bank-owned lots to help increase the workforce housing supply in Marquette County.
- Dozens of groups hit the streets to beautify vacant lots in Flint neighborhoods
The Genesee County Land Bank Authority's Clean and Green program kicks off the 2021 season with sixty-nine community groups, who will clean and green nearly 3,700 properties this summer. Beyond improving vacant lots, the program offers workforce development opportunities and has demonstrated success in lowering crime.
- Black Wall Street among owners of revitalized Washington Square properties
With the goal of a sustainable, vibrant, community-oriented commercial district, the Kalamazoo County Land Bank partnered with neighborhood groups to plan the future of Washington Square.
- New Creamery apartments in Kalamazoo's Edison Neighborhood shows the issues of affordable housing
Kalamazoo County Land Bank and local leaders turn a community vision into reality with this mixed-use affordable housing development.
- New program gives Flint residents funding to renovate, improve homes
The Charles Stewart Mott Foundation, Community Foundation of Greater Flint, Genesee County Habitat for Humanity, MSHDA, City of Flint, the Genesee County Land Bank and other community leaders collaborate to form the Flint Home Improvement Fund.
- Two families breathing new life into an historic neighborhood on Bay City's East Side
The Bay County Land Bank helps pave the way for homeowner-led rehab in Bay City.
- Habitat for Humanity delivers first home in Oden
Northwest Michigan Habitat for Humanity and the Emmet County Land Bank create new affordable housing options in northern Michigan.

Please visit the **Michigan Association of Land Banks** website for additional Project Spotlights from around the State: milandbank.org

American Rescue Plan Act (ARPA)

Why should ARPA funds be invested in land banks?

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, which 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, vacant and deteriorating properties were eroding economic and community stability and public health. Continued economic impacts due to the pandemic have only exacerbated this challenge for communities.

OPPORTUNITY: **Land banks are ideal partners to address this need with ARPA funding** given the following:

- 1** Land banks have **special legal tools to efficiently facilitate vacant property acquisition, assemblage, holding, and disposition** in support of community revitalization goals.
- 2** 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, and resilient neighborhoods.
- 3** Land bank interventions on residential and commercial properties, whether rehabilitation, demolition, or stewardship have shown to **increase employment opportunities, return positive economic value to the community, and improve public health and safety.**
- 4** Many land bank activities, such as increasing the supply of affordable and high-quality housing, home repair, and green infrastructure are **presumptively eligible uses.**
- 5** **Land banks are eligible 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.
- 6** Land banks have a **track-record** of rapid, effective use of funds to serve community priorities.

ARPA ON THE GROUND

- The State of [Ohio](#) is investing \$500 million of its ARPA funding in brownfield remediation, demolition of vacant structures, and site renovation to support neighborhood revitalization. Land banks throughout Ohio are eligible recipients.
- [Syracuse, NY](#) is investing \$5 million in the Greater Syracuse Land Bank to stabilize or demolish vacant structures.
- [Pittsburgh, PA's](#) land bank will be using \$10 million to address vacant properties.
- [Rome, GA](#) is planning to allocate \$1 million to its land bank for housing rehabilitation and new construction.

POTENTIAL IDEAS FOR ARPA USE

- Development of affordable, quality housing.
- Securing and rehabilitation of vacant residential and commercial property to strengthen neighborhoods and commercial corridors.
- Property improvement, including remediation of lead hazards, home repair, and weatherization.
- Demolition or deconstruction of residential and commercial property that is harming community health, safety, and economic stability.
- Environmental remediation and reuse of vacant land including stormwater mitigation, food production, and energy production.
- Scaling activities by building staffing capacity, pairing with workforce training and apprenticeship opportunities, and investing in data and technology improvements.



Learn More about the American Rescue Plan Act at communityprogress.org

Land Banks are Critical Partners in Michigan's COVID-19 Recovery Efforts

The COVID-19 pandemic amplified the importance of stable and healthy housing. Its economic impacts – strains on local business, changes in housing demand, supply chain disruptions, and rapidly rising construction costs – have exacerbated Michigan's parallel challenges of limited housing supply in some communities, and high commercial and residential vacancy in others.

Michigan's future will depend on its ability to invest in existing assets and infrastructure. This includes vacant properties, which present opportunities for future homes, businesses, and greenspace, but when left unaddressed threaten public health and economic stability. **Michigan's land bank authorities - representing rural, suburban, and urban communities across the state - work tirelessly to create new housing opportunities, improve the health and safety of neighborhoods, support local businesses through commercial corridor stabilization, and productively use vacant land.**

The American Rescue Plan's (ARPA) State and Local Fiscal Recovery Fund (SLFRF) presents an unprecedented opportunity for Michigan and its Tribal governments, villages, townships, cities, and counties to respond to COVID-19's impacts and lay the groundwork for a strong and equitable recovery.

Empowered with flexible tools and a proven track record of effectively utilizing federal and state funding to strengthen communities, land banks are a critical partner in realizing transformational change statewide with ARPA funds. Michigan land banks are equipped with the expertise needed to efficiently acquire vacant properties, hold and maintain parcels, remove dangerous buildings, facilitate development and reuse, and more.

Michigan land banks serve their communities through the following ARPA SLFRF eligible activities:

- Addressing availability of quality housing via the development of new affordable and attainable housing, including environmental remediation to prepare sites for construction.
- Strengthening neighborhood housing markets by rehabilitating residential and commercial properties.
- Protecting residents and local businesses by removing surrounding dangerous and deteriorated buildings through demolition and deconstruction.
- Supporting local infrastructure and enhancing quality of life for residents through the maintenance, remediation, and reuse of vacant lots including, but not limited to, stormwater mitigation, food production, and energy production.

Cities, counties, and states across the country recognize the value and opportunity of land banks and are investing ARPA SLFRF in their local land banks to support successful economic recovery.



Land Banks

A Tool for Addressing Problem Properties to Serve Community Goals

A land bank is a public entity with unique governmental powers, created pursuant to state-enabling legislation, that is solely focused on converting problem properties into productive use according to local community goals.

Land banks across the country have been a vehicle for supporting broader community development by maintaining vacant structures that can be restored and demolishing those that cannot, assembling property for future reuse, turning tax-foreclosed properties into quality housing for all income levels, facilitating commercial and industrial property reuse, and working with the community to transform vacant land into parks, gardens, and other community spaces.

While the special powers granted to land banks differ from state to state, ideally land banks have the authority to:

- Acquire tax-foreclosed property cost-effectively
- Extinguish liens and clear title
- Hold property tax-exempt
- Generate and collect revenue from delinquent property tax fees, property tax recapture, or other funding mechanisms
- Flexibly sell property to a responsible buyer and/or developer, driven not by highest price but by the outcome that most closely aligns with community goals

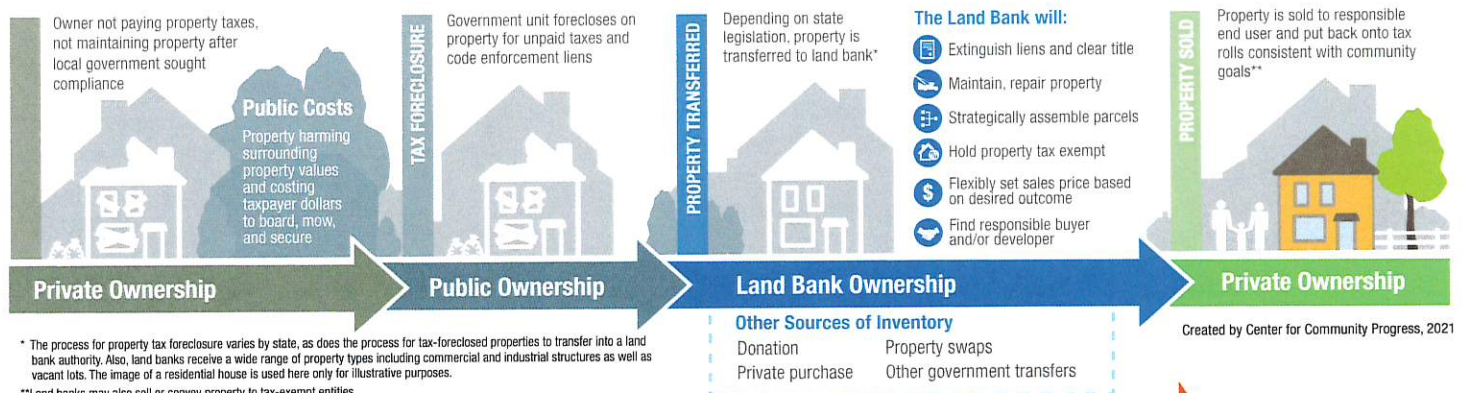
What's the difference between a land bank and a land banking program?

Land banks are created pursuant to state-enabling legislation which confers unique powers to these public entities, such as the ability to acquire tax-foreclosed properties cost-effectively, clear title, hold property tax-exempt, sell properties flexibly, and generate revenue.

Land banking programs may be operated by governmental or nonprofit entities and focus on acquiring, holding, and selling properties. However, since land banking programs are not created pursuant to state-enabling legislation, these programs do not have the special powers of a land bank, which may limit some of their utility.

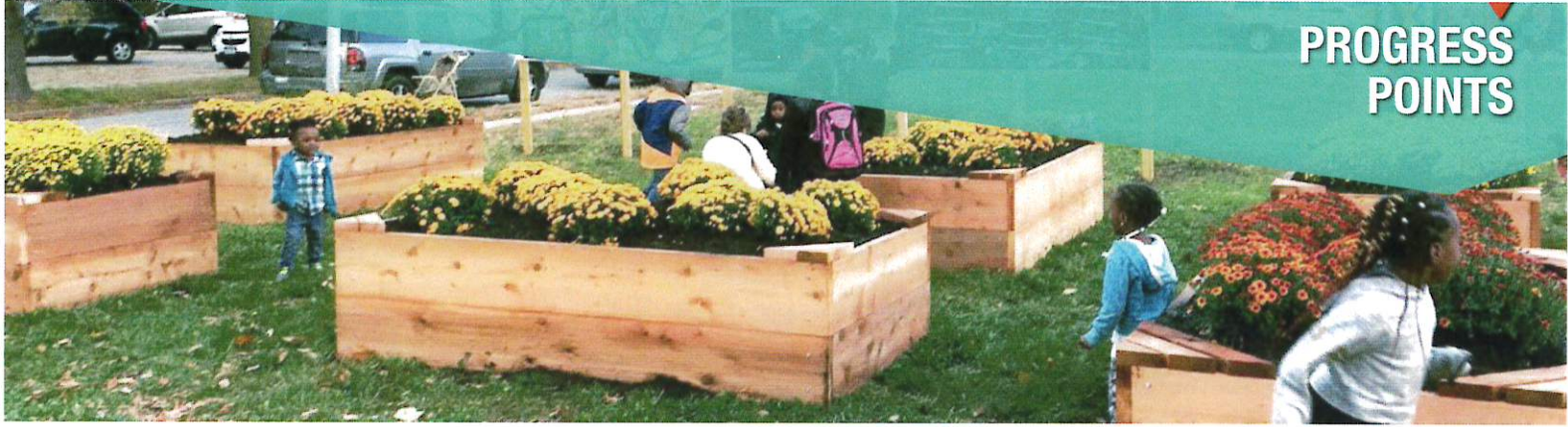
There are more than 250 land banks and land banking programs across the country – explore their locations [here](#).

How does a land bank work?



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

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While all land banks exist to serve the same primary purpose of acquiring problem properties and returning them to productive use, they are quite diverse in their structure and operations. Land banks across the country vary greatly in terms of the types of cities, towns, and regions, and economic conditions in which they operate, the size of their inventories, their staff capacity, their legal authorities, and their goals and programs.

Despite this diversity, our experience has shown that successful land banks have the following:

- **Strategic links to the property tax collection and foreclosure process.** Many vacant and abandoned properties have property tax delinquency, which explains why nearly all land banks have established strategic links to the tax foreclosure process as a primary, cost-effective source of acquisition – aiming to direct these properties to new responsible owners.
- **Sufficient, predictable source of funding.** A land bank’s focus is on the inventory of problem properties the local market has basically rejected and therefore will always require some level of public support – whether cash or in-kind – that is proportional to the scope and scale of vacancy the land bank is expected to help resolve. With a sufficient, predictable source of funding, land banks can focus on the creative interventions and community partnerships that are required to equitably transform liabilities to productive use that advance community goals.
- **Engagement with residents and other community stakeholders.** Successful land banks have found creative and consistent ways to inform, engage, and build relationships with residents to help prioritize land bank interventions and develop long-term solutions.
- **Operations scaled in response to local land use goals.** Land banks should always make decisions based on a strong understanding of community priorities and goals, and guided by neighborhood, local, and regional revitalization plans.
- **Policy-driven, transparent, and publicly accountable transactions.** Land banks should build and maintain trust with the public through transparency of priorities, policies, and procedures that govern all actions. These should be established prior to any transactions and annually revisited with public input to maintain a high standard of transparency and accountability.
- **Alignment with other local or regional tools and community programs.** Successful land banks have helped facilitate and work within diverse collaborations across the public, private, and nonprofit sectors that share similar economic and community development goals.

How are land banks funded?

Access to sufficient, predictable funding is cited by land bank leaders as one of the greatest operational challenges—and yet these entities are still driving impressive impacts in communities across the country, read more [here](#).

Land banks are funded through a variety of sources, which may include revenue from the sale of properties, general fund appropriations from local and county governments, federal and state grants, and foundation grants.

Recognizing the critical role land banks play in community revitalization, some states have enabled land banks to receive a portion of fees collected through the property tax enforcement process or a portion of the new property taxes generated from properties sold by the land bank.

Does my community need a land bank?

Any community considering the creation of a land bank should assess several factors to determine if a land bank is needed or likely to be successful. Some common reasons for creating a land bank include:

- Large inventories of vacant property, often with little to no market value and/or significant delinquent taxes and liens
- Properties with title problems
- Inflexible public policies dictating the sale of public property, limiting the ability to be strategic and nimble
- Unpredictable and harmful outcomes of auctioning tax-foreclosed properties