



Center for
COMMUNITY PROGRESS

Turning Vacant Spaces into Vibrant Places



Land Banks and Land Banking

Kim Graziani, V.P. of Capacity Building
Center for Community Progress
New Partners for Smart Growth Conference
Kansas City, Missouri
February 7, 2013

Outline



I. Overview of Land Banks and Land banking (National)

Kim Graziani, Center for Community Progress

II. Midnight Train to Georgia (State and County)

*Christopher Norman, Fulton County/City of Atlanta Land Bank Authority
and Georgia Association of Land Bank Authorities*

III. Kansas City Express to 12th and Vine (Local)

Honorable Mayor Sly James, Kansas City, Missouri

Julie Porter, Greater Kansas City Local Initiatives Support Corporation

IV. Q+A



Center for Community Progress



Established in 2010 to meet the need of a growing number of communities burdened by abandoned land and property, we work to:

- **Encourage** the acquisition and creative use of vacant property to revitalize the nation's cities and towns
- **Transform** the local, state and federal systems that impede effective community control and repurposing of vacant properties
- **Further** the understanding and transformation of vacant properties from blight to community asset – which can be the foundation of renewal for 21st Century cities and towns



The Problem



Abandonment

- Weak economic conditions
- Population loss
- Obsolete housing stock
- Contagious blight
- Speculators
- Excess supply, low demand
- Large inventory of property

Systems Failure

- Antiquated systems
- Disconnected (“silo”) systems

Mortgage /Housing Crisis

- Predatory products
- Market destabilization
- External effects of sales
- Deterioration of property



The Problem (Cont'd)



The Costs of Vacancy, Delinquency, and Foreclosure

- Vacancy *or* delinquency lowers values within 500 feet by 2.1%
- Vacancy *and* delinquency lowers values by 2.7%
- Foreclosed *but not* delinquent or vacant lowers values by 3.9%
- Foreclosed *and* vacant *or* delinquent lowers values by 6.1%
- Foreclosed, vacant *and* delinquent lowers values by 9.4%

Stephen Whitaker and Thomas J. Fitzpatrick IV, *The Impact of Vacant, Tax-Delinquent and Foreclosed Property on Sales Prices of Neighboring Homes*, Federal Reserve Bank of Cleveland (Oct. 2011).



The Challenge



**America needs a change in orientation regarding
vacant and abandoned land**

Old thinking:

Nuisance, surplus, annoyance, regulate, enforce, liquidate

Emerging thinking:

Asset, opportunity, investment, real estate

New reality:

Vacant land revitalization is essential to our economy



What is a Land Bank?



Land Banks

A land bank is a public authority or nonprofit created to efficiently acquire, hold, manage, develop and return vacant and abandoned properties to productive use.



Land Banking

A program created to efficiently acquire, hold, manage and dispose of vacant and abandoned properties.



Evolution of Land Banks



St. Louis (1971)

1st Generation

↳ Cleveland (1976)

↳ Louisville (1989)

↳ **Atlanta (1991)**

2nd Generation

↳ Genesee & Michigan (2002)

↳ Cuyahoga & Ohio (2008)

↳ New York (2011)

3rd Generation

↳ **Georgia (2012)**

Kansas City (2012)

Pennsylvania (2012)



Core Land Bank Powers



- Acquisition through various mechanisms
- Establish and uphold maintenance standards
- Disposition according to local priorities
- Intergovernmental and regional collaboration
- Hold property tax-exempt
- Clear title
- Negotiated sales (avoid auctions & bureaucracy)
- Convey property for other than monetary consideration
- Internal financing mechanisms
- Code enforcement / nuisance abatement



Essential Elements



Connected to
the tax
collection and
foreclosure
process

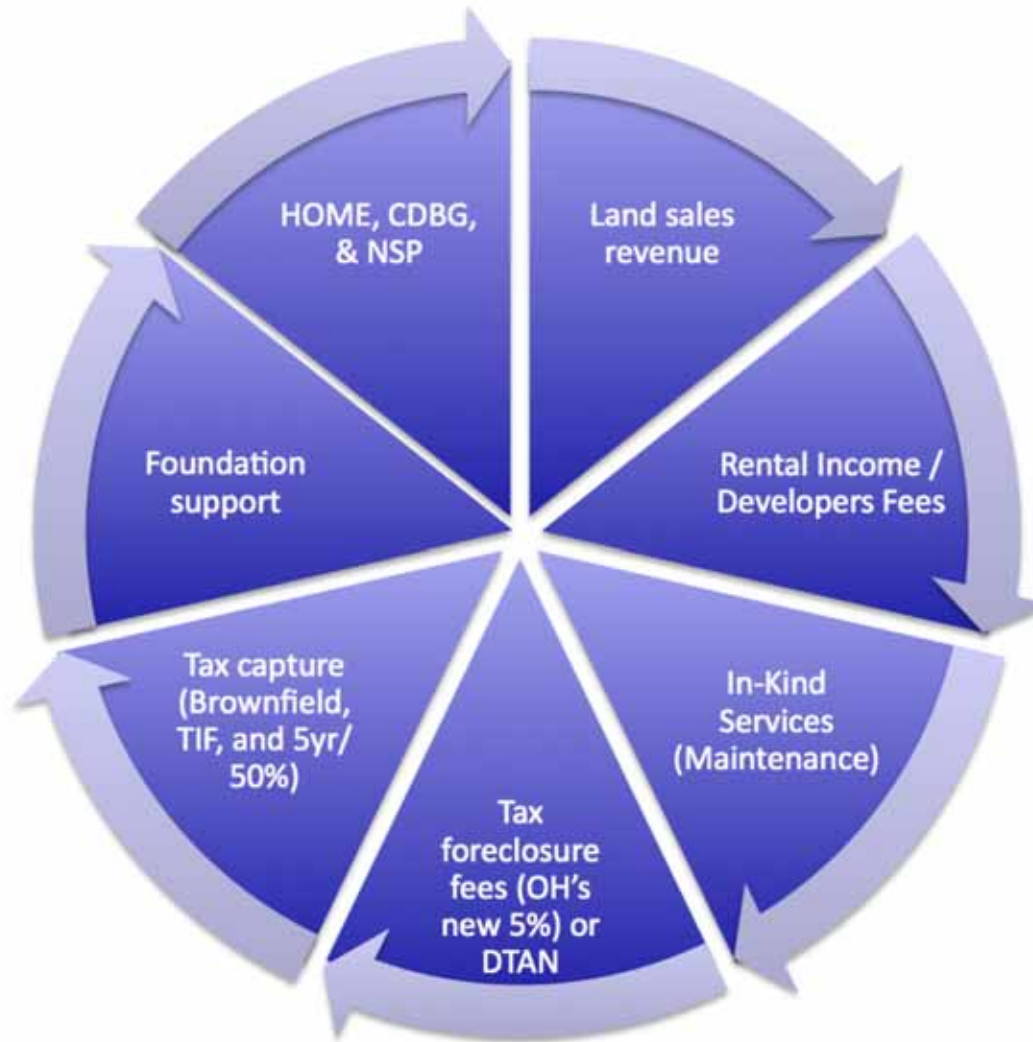
Scaled at the
metropolitan
level, or most
diverse real
estate market
possible

Policy driven –
transparent in
policies and
transactions

Emphasis on
community
engagement
and
participation



Funding



Questions for Consideration



- What are the **problem parcels** in your community? Where? Why? How Many?
- What **data** is available? What data do you need?
- Who are your **community partners** (public and private)?
- What **financial resources** are available?
- Will a **land bank** be an effective part of the solution?
- What are some **other tools** available to you?



Upcoming Events/Resources



- Reclaiming Vacant Properties Conference
– Sept 9-11, 2013 in Philadelphia, PA
- Land Banks and Land Banking Book by Frank Alexander available on Community Progress website





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