

House Subcommittee on Labor

Department of Labor & Economic Opportunity

Economic Development and lifelong Learning

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Land Bank Sites



Definitions

Land Banking

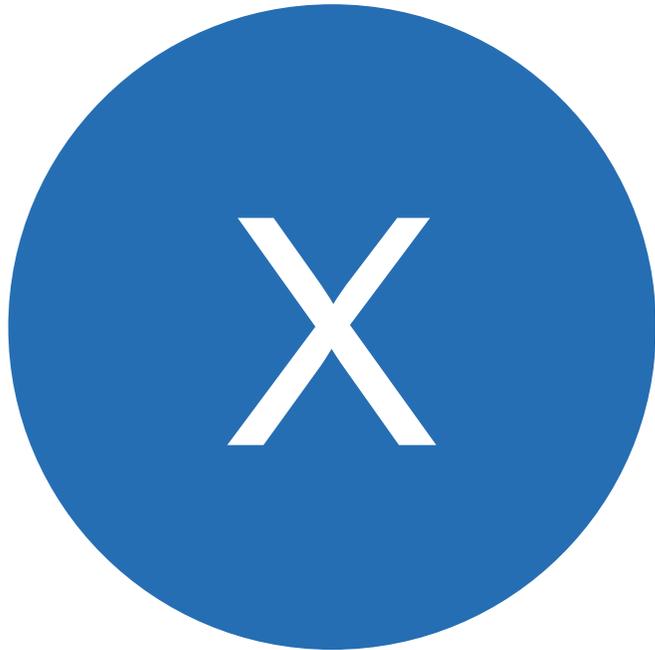
- Practice of aggregating parcels of real estate for future sale or development.

Land Bank

- A quasi-governmental entity purposed with managing and repurposing an inventory of vacant, abandoned, foreclosed, and surplus land for disposal or development.
- Land Banks are **not** a financial institution.

Land Bank Powers

- Acquire, hold, lease, sell, secure, remediate, demolish, rehabilitate, and construct on real property.
- Convey or acquire easements or options to property.
- Operate property and receive rents or sales proceeds.
- Expedite Quiet Title action(s) to property which comes into its ownership.
- Property of an Authority, and its income and operations are all exempt from taxation by the state of any political subdivisions (county, township, village, city etc.)
- All Land Bank properties are TIF eligible through PA 381 of 1996.



A Michigan Land Bank **CANNOT**

- Assist or expend any funds for, or related to, the development of a casino
- Exercise power of eminent domain or condemn property
- Levy any tax or special assessment

Budget Highlights

\$2M

GF Ongoing

\$150M

Blighted Elimination

Current Ongoing Funding does not cover office operation and property maintenance.

Other funding sources:

- Property sales
- 5/50 tax capture
- Grant funding opportunities

State Land Bank – At a Glance

3,382

**Blighted structures
demolished since 2010**

2,645

**Properties returned to
productive use since 2010**

2,547

**Properties managed by
the State Land Bank**

\$150M Blight Elimination Program

→ \$75M GF/\$75M ARPA

→ Four Rounds of Funding

- *Every Land Bank Received Funds. All Municipalities Eligible*
- *Round 1 & 4 Competitive*
- *Round 2 & 3 dispersed by Prosperity Region and County Land Bank*
- *Final Allocations completed last week*
- *Funding for Demolition, Environmental Remediation (Round 1 & 2), Stabilization and Rehabilitation*



Tools for Community & Economic Development

- Property Acquisition and Assemblage
- Granted Right of First Refusal of tax foreclosed properties
- Tax Exempt
- Expedited Quiet Title
- Redevelopment Structuring/Financing
 - *Tax Increment Financing including Housing Production v. Sale Gaps*
- Strategic Disposition
 - *Address long term community change*

Land Banks are a tool in your Community Development toolbox and a willing partner to collaborate in achieving your goals and objectives.

Emerging Developer Housing Loan Program

- A Portion of SLBA Fund Balance Used
- **Current Loans**
 - ***Munising Firehouse Rehabilitation***
 - ** Attainable Housing and Mixed-Use Downtown Redevelopment*
 - ***Detroit New E.R.A.***
 - *Partnership with Detroit Land Bank*
 - *3 DLBA properties used to develop 12 condominiums*

Deerfield/Riverside Correction Site

Use of Blight Funding to Demolish former Prison

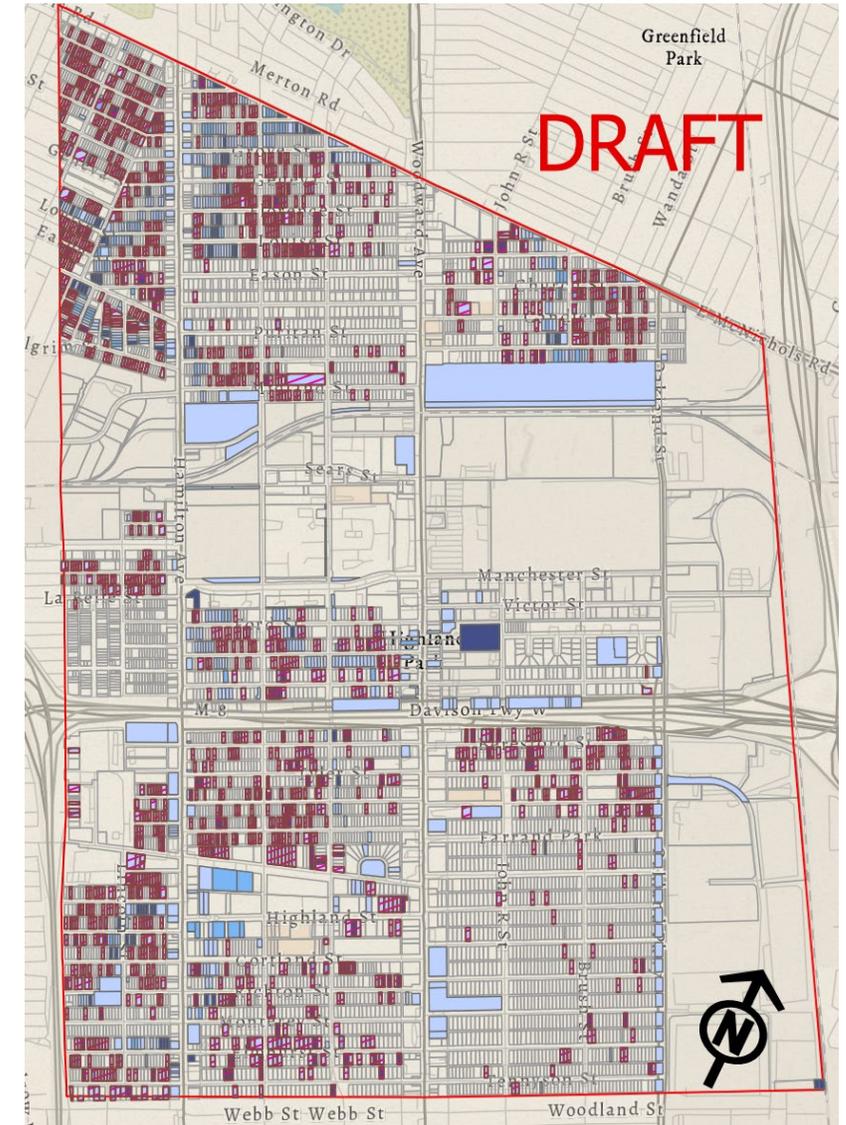
- Worked with the City of Ionia on a Development Plan
 - * *Brownfield TIF Utilized for Infrastructure development*
 - * *Through RFP – Attracted and Housing Developer - Development Agreement Pending*



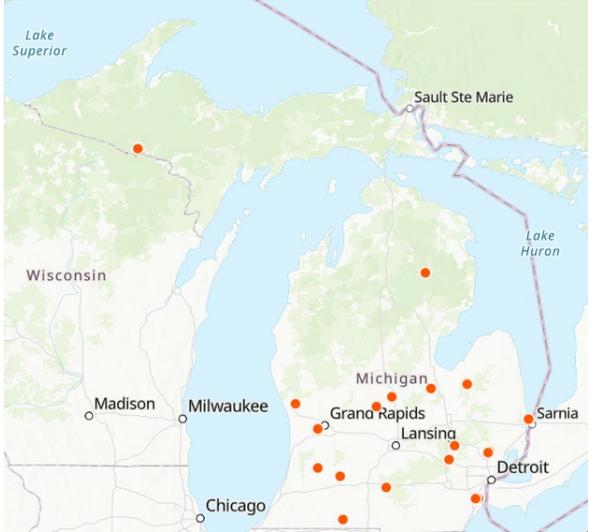
777 W Riverside Drive
City of Ionia, MI

City of Highland Park

- SLBA has more than 300 Parcels in Highland Park
- There are over 2,600 parcels in Public Ownership in the City
- SLBA developed a Concept Development Plan for the City in an effort allow for the marketing of properties in the inventory



Potential Solar Sites of SLBA





1

City of Newaygo BRA
Newaygo County (no county land bank)
City North River Hills LLC & Sable Homes



- 16.3-acre parcel
- Not served by roads, water/sewer, electricity or gas
- Incentives needed for site prep and infrastructure to keep them moderately priced homes
- City of Newaygo BRA supported local tax capture – act 381; through SLBA partnership



2

Park Vista Place

City of Holland, Allegan County (no county land bank)

- Partnership with SLBA qualified the site for act 381 reimbursement (local TIF) for upfront site preparation costs – street, water, sewer, power and gas
- 10 new homes under 120% AMI, used modular construction



Commerce Township – Oakland County

The Reserve at Crystal Lake

- Former Gravel Pit Transformed into a Market Housing Development





- Community master plan wanted to utilize previously blighted land investment in Oakland County affordable housing fund
- Former sand and gravel mine on 159 acres
- Oakland County BRA worked in partnership with SLBA for 203 single family homes – local TIF to support site preparation and infrastructure

4



Downtown Brighton Mixed-Use City of Brighton, MI



- 158 Residential Units
 - *(80% Workforce – 10% Affordable)*
- 25,000 SF Commercial
- 600-Space Parking Ramp

Partners:

- DA Building, LLC
- City of Brighton
- Brighton DDA
- State Land Bank Authority



5

2080 Union Project City of Grand Rapids, MI



- 2080 Union Project
- 42 Single-Family Homes
- Innovative use of a Community Land Trust

Partners:

- Dwelling Place
- State Land Bank Authority

Thank you!

Questions? Contact:

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Michigan.gov/LandBank

