



LAND BANKS

**A COMMUNITY DEMOCRACY &
ENVIRONMENTAL JUSTICE TOOL**



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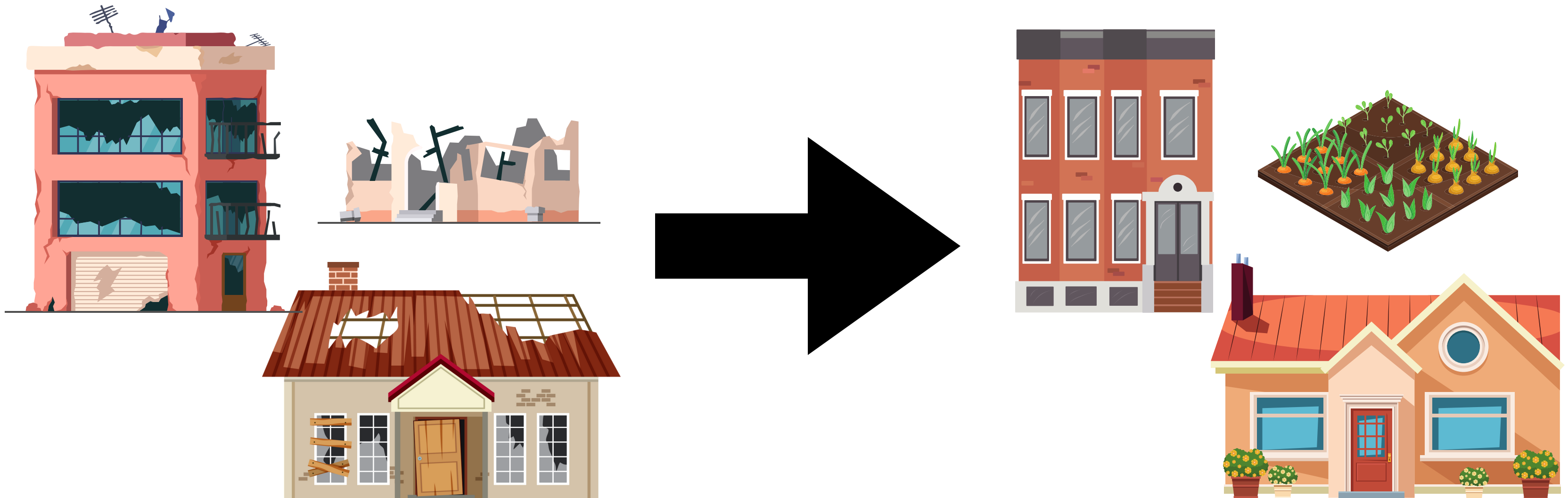
WHAT IS A LAND BANK?

It is a community-owned organization that takes care of and finds new uses for empty, abandoned, deteriorated, and foreclosed properties.



WHAT IS THE GOAL?

Land banks focus on changing “problem properties”
(abandoned houses, empty lots, forgotten buildings, etc.)
into useful spaces that match local community goals.



HOW DO LAND BANKS WORK?

- They have special powers and legal rights given by state laws that can:
 - Get property cheap or free through the tax foreclosure process.
 - Hold property without taxes and clear past taxes.
 - Make it easier to sell properties to good owners or builders.
 - Sell property for less than usual, aiming for what is best for the local community instead of just the highest price.

HOW ARE LAND BANKS FUNDED?

- Municipalities, counties, or nonprofits can get startup money from sources like yearly budgets, housing funds, borrowing, and more.
 - A delinquent tax revolving fund (DTRF) is often set up to pay for costs using money from foreclosed properties, fines, and interest.
- Once a land bank has many properties, it can make its own money by selling or renting them and from tax of sales.

Examples

- Ohio's Delinquent Tax Assessment Collection lets counties use 5% of unpaid property taxes, plus fines and interest, for land banks each year.
- Each year, Allegheny County's Tri-COG Land Bank voluntarily gets 5% of unpaid taxes from over 25 taxing jurisdictions.

BENEFITS OF LAND BANKS

- **Affordability:** Having many funding sources helps them keep costs down to sell properties at affordable prices and even set income limits for buyers.
- **Maintenance:** They have costs like lawn care and staffing, but time spent managing properties helps with repairs and environmental cleanups.
- **Accessibility:** Clear processes like public applications and auctions make sure everyone has a fair chance to participate and get involved easily.
- **High returns:** Property values rise, so there is increased tax revenues and better economic conditions.
- **Security:** They work to improve neighborhoods by making them safer and more enjoyable places to live.

COMMON MISCONCEPTIONS

- Land banks **do not** take your land or property rights...
 - They prevent the decrease in neighboring properties' values caused by just one deteriorated property.
- Existing entities **do not** already do the work of land banks...
 - Unlike redevelopment authorities and planning departments, they can sell properties at flexible prices to a wide range of users.
- They **do not** take owner-occupied housing or displace people...
 - Land banks offer payment plans to occupants who struggle to pay taxes, helping them remain in their homes, and they do not have eminent domain.

LAND BANKS & ENVIRONMENTAL JUSTICE



- Land banks promote diversity, equity, and inclusion by helping communities that are most often abandoned.
- They can help stop gentrification by maintaining land for fair housing options to make sure low-income families and people of color are not forced out of expensive neighborhoods.

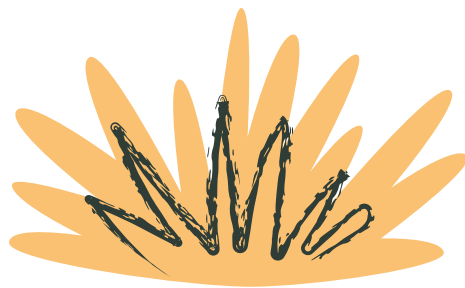
HOW TO START A LAND BANK

- Typically created as a public entity by a local ordinance.
- Can be developed within existing groups such as redevelopment authorities and planning departments.



LAND BANK LEGISLATION

- **Ohio:** Senate Bill 353/House Bill 602 (2009)
 - It promotes the creation of county land banks.
 - They are funded by delinquent tax assessment collection.
- **Pennsylvania:** Act 153 (2012)
 - It promotes land banks formed by municipalities or groups of them.
 - Land banks get foreclosed properties under state tax sale laws.
- **West Virginia:** Land Reuse Agency Authorization Act (2014)
 - It promotes collaboration across jurisdictions of land reuse agencies such as local governments, nonprofits, and private developers.

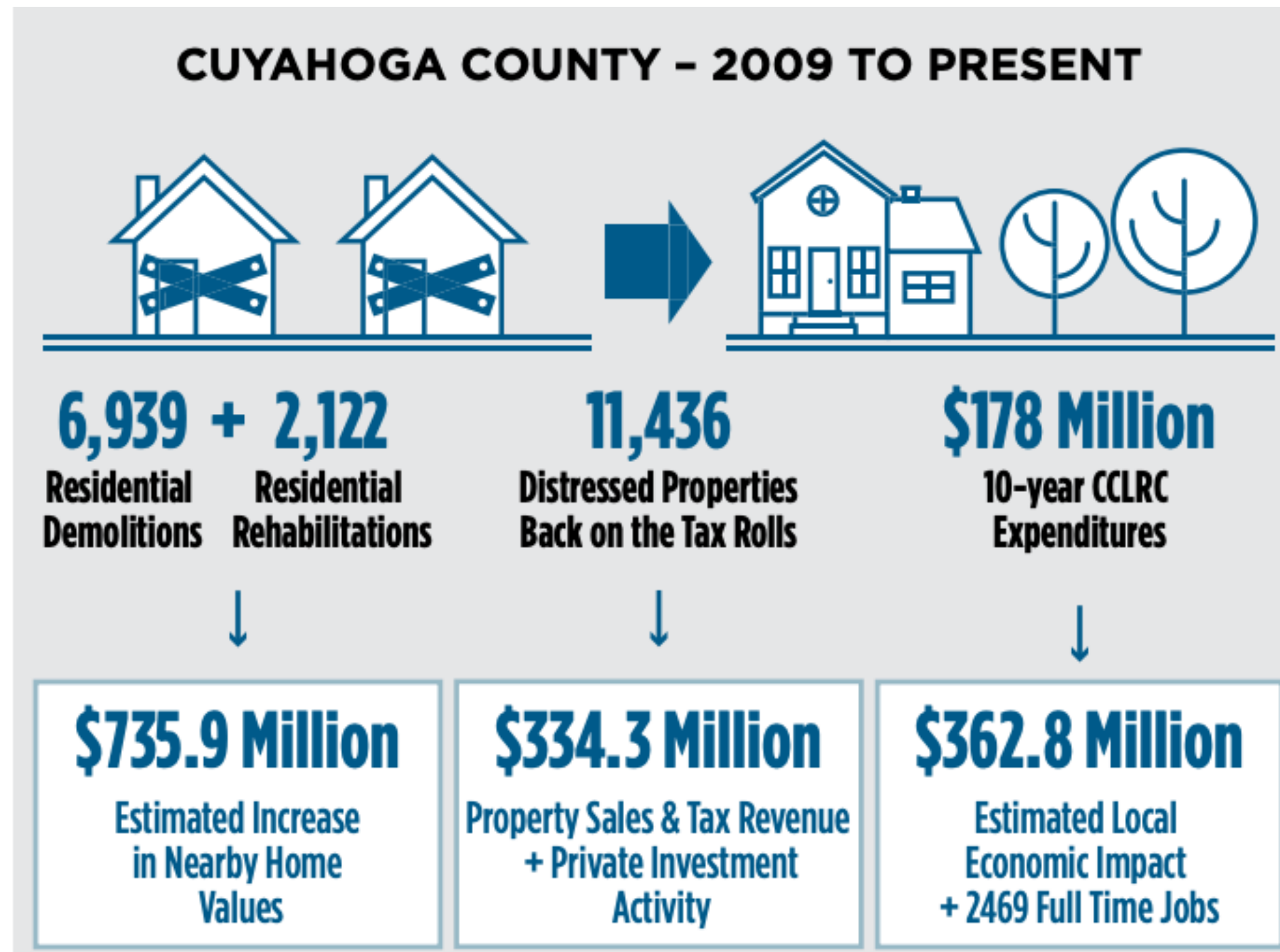


LAND BANK EXAMPLES

- Cuyahoga Land Bank (OH- County)
- Trumbull County Land Bank (OH- County)
- Mahoning County Land Reutilization Cooperation (OH- County)
- Tri-COG Land Bank (PA- Regional)
- Pittsburgh Land Bank (PA- Municipal)
- Washington County Land Bank (PA- County)
- Morgantown Land Reuse & Preservation Agency (WV-Municipal)
- Huntington Land Bank (WV- Municipal)

EXAMPLE #1: CUYAHOGA LAND BANK

- It became Ohio's first land bank in 2009 after the foreclosure crisis and is now one of the most advanced and successful land banks in the country.
- As of 2019, it has accomplished:
 - Over 2,000 home renovations.
 - Over 9,000 demolitions.
 - Over 60 partner organizations.



- **Structure:**

- The Cuyahoga Land Bank is a private, non-profit, government-purposed corporation operating within the rules of OH's statute that established county land banks.
 - Its Board consists of 9 members including the County Executive, County Treasurer, 1 Council appointment, 2 from the largest city, and 4 more selected unanimously.

- **Objective:**

- It is mission-driven to promote revitalization of neighborhoods, economic growth, and workforce development opportunities.
 - Properties are obtained with tax foreclosures, forfeiture listings, and court referrals and funding consists of interest and penalties from delinquent property taxes.

- **Transparency:**

- It holds Board meetings quarterly that are always open to the public and shares organizational documents, reports, agendas, and property inventory.

- **Community Engagement:**

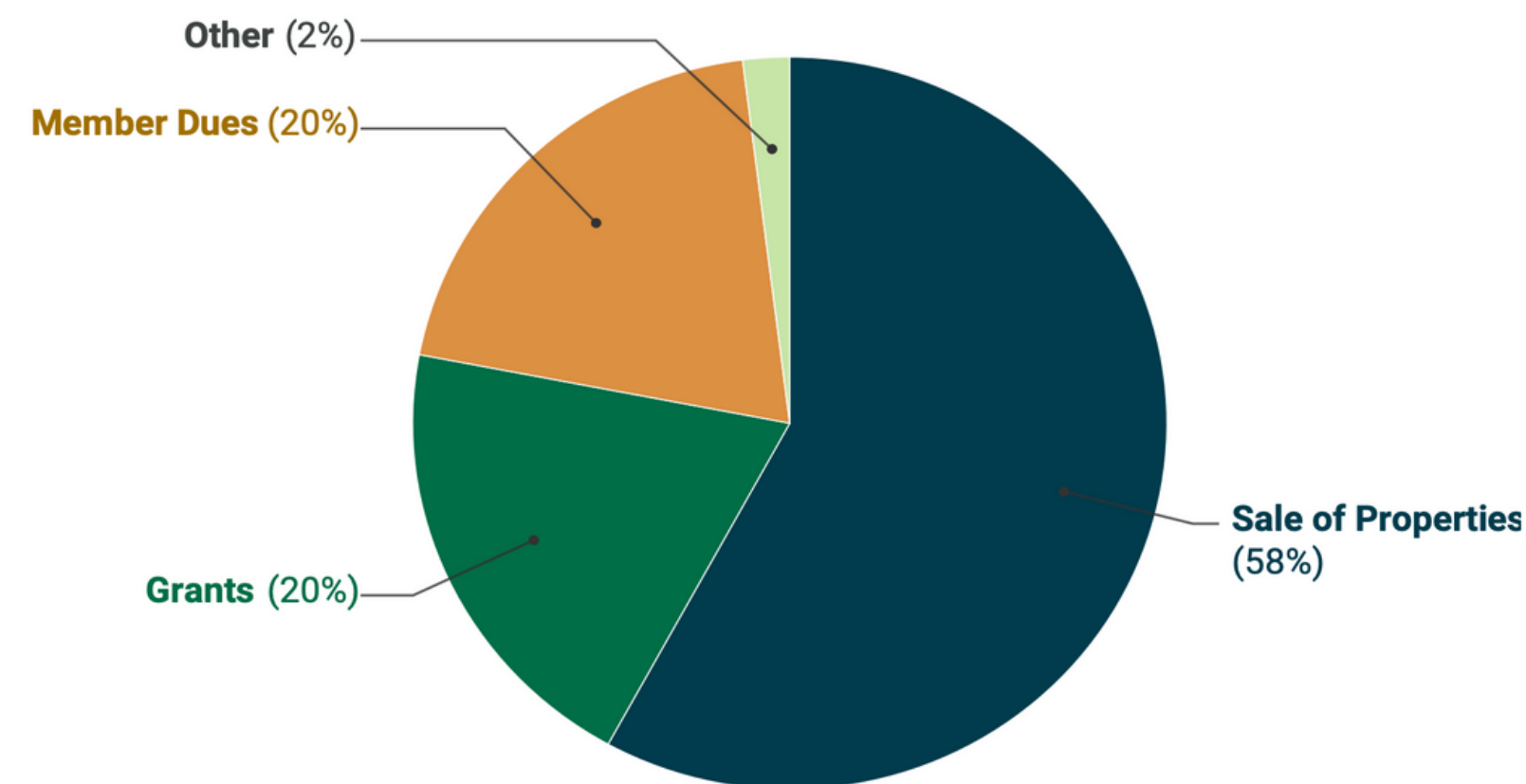
- It partners with social service, faith-based and non-profit organizations offering affordable housing, community stabilization, and skills training to those most in need.

EXAMPLE #2: TRI-COG LAND BANK

- Founded in 2017 by Turtle Creek Valley Council of Governments and Steel Rivers Council of Governments to address problem properties in the Mon Valley and Eastern Suburban region of Allegheny County, PA.
- As of 2023, it has 38 members (28 municipalities, 9 school districts, and Allegheny County) and sold over 50 properties.

- Strategic Plan
- Governance Policy
- Bylaws

TCLB's 2023 Projected Revenue



- **Structure:**

- TCLB is a public body organized under the PA Land Bank Act and a 501(c)(3) nonprofit that works closely with government officials from member communities.
 - Its Board includes 1 representative from Allegheny County, 2 from municipalities, 2 from school districts, 3 professionals from relevant fields, and 1 local resident.

- **Objective:**

- Central goals of this land bank are to reduce blight, improve neighborhoods, and stimulate economic growth.
 - It acquires most properties through tax foreclosure at Sheriff Sale (a public auction), but also welcomes donations when a beneficial reuse can be determined.

- **Transparency:**

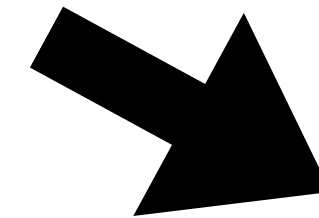
- Anyone is welcome to attend its monthly meetings both in person or virtually.
 - Staff use an objective scoring process based on location, nearby amenities, visibility, and more factors to recommend property acquisitions for the Board to approve.

- **Community Engagement:**

- Residents are encouraged to suggest properties and uses that benefit their community.

EXAMPLE #3: MORGANTOWN LRPA

- Established by City Council in 2018 with an establishing ordinance.
- Focuses on repurposing properties to achieve goals like conservation, water quality protection, affordable housing, commercial uses, and more.
 - **Example Property:** Spruce Center Co-Working Space
 - In 2019, the land bank worked with the city to buy and fix up "Spruce Center" to encourage events at its Market Place Pavilion.



- **Structure:**

- Morgantown LRPA is a municipal agency exercising special powers granted by the West Virginia Land Reuse Agency Authorization Act.
 - Its Board of 7 members is appointed by City Council and includes a majority who are city residents and have experience in real estate, financing, development, conservation, and managing public lands.

- **Objective:**

- It is dedicated to preserving the city's unique character, natural environment, resources, and quality of life in addition to promoting social and economic vitality.
 - It acquires, manages, and transfers property via grants, loans, and revenue bonds.

- **Transparency:**

- The LRPA has monthly meetings that are open to the public and also posts them online with the agendas and minutes.

- **Community Engagement:**

- It recruits members and residents from civic organizations within the city and not just public officials or municipal employees.

HOW LAND BANKS SUCCEED...

1. **Connect** them to the tax collection & foreclosure system.
2. **Scale** them around the most diverse real estate market.
3. Keep them **policy driven** with transparent transactions.
4. **Community engagement** & participation are emphasized.



COMMUNITY RESOURCES

- National Land Bank Map
- **OH**
 - Ohio Land Bank Association
- **PA**
 - Filing Guidelines
 - Model Ordinance
 - Department of Community & Economic Development
- **WV**
 - Registration Form
 - West Virginia Land Stewardship Corporation



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