



Grand Rapids Land Bank Authority

Land Bank Authorities

- Michigan is one of 17 states have enabling legislation granting unique statutory powers to land banks and there are currently over 250 state, county, regional, and municipal land banks across the nation.
- PA 258 of 2003: “Land Bank Fast Track Act” amended in 2023 and effective February 2024
- Grand Rapids is a “qualified city” under new amendments meaning:
 - a city of population of 50,000 or more and
 - the city is not located in a county with a county authority when the city establishes a local authority.
 - Kent County dissolution in 2019
- The City Commission may reserve rights to approve certain actions of a local authority, like board composition.

Land Bank Authorities

- Land banks are public authorities or non-profit organizations created to acquire, hold, manage, and facilitate redevelopment of property in order to return these properties to productive use to meet community goals, such as increasing affordable housing or stabilizing property values
- Create new and affordable housing opportunities
- Incentivize economic and community development growth.
- Increase the value of real property while encouraging investment opportunities

Powers Available – Broad and include, but are not limited to:

- Issue bonds, borrow money, invest funds, solicit and accept gifts, grants, loans, other aid
- Hold title, clear title, enter contracts for goods and services, manage, collect rent, or sell real property

Separate Entity

Limitations

- Acquire properties that are occupied
- Compete with private real estate market
- Not be a developer

Why

- Proactively acquire troubled or hard-to-develop property for strategic purposes and/or partnerships and in concert with the Master Plan, City's Strategic Plan & also the Equitable Economic Development and Mobility Strategy
- Transitions functions of State Land Bank Authority to the local level because a county wide authority does not exist.
 - Acquire properties for public purpose
 - Provide quit claim deeds expeditiously
 - Cooperate for the reacquisition of properties to SLB
 - Reimburse/pay all real/personal property taxes and all costs/fees levied against properties
- Synergies with the EDD/City real estate work, and collaborate with Grand Rapids Brownfield Redevelopment Authority

- 1) Pass City Resolution – Commission**
To be situated in Economic Development and used as an economic development tool that assembles property for strategic disposition and help with redevelopment structuring and financing via Act 381 - the Brownfield Redevelopment Financing Act.
- 2) Establish Intergovernmental Agreement with State Land Bank Authority – Commission**
Replaces existing agreement between CoGR and SLBA
- 3) Appoint Governing Body – Commission**
Minimum of 5 members and potentially consider leveraging the BRA Board because of the synergies with Act 381
- 4) Create Articles of Incorporation/By-laws/Operating Policies – GRLBA**
Purpose and powers, Officers' roles and duties, Method of appointment and terms/tenure of Board of Directors, Code of conduct/ethics, compensation and conflicts of interest, Meetings, quorum, etc.

Supportive and Existing GRCity Policies

- Disposition of City Owned Property: 900-63 ('22)
 - Priorities include and not limited:
 - Creation of affordable homeownership and rental housing opportunities
 - Improve the general condition of neighborhoods while preserving neighborhood character, and
 - Creation of affordable or mixed-income housing
- Acquisition of Tax Foreclosed Property: 900-44 ('22)
- Property Acquisition and Sale: ADP 81-01 ('09)

Next Steps

- Commission consider a resolution to administratively establish an Authority
- Create Articles of Incorporation/By-laws/Operating Policies & Interlocal Agreement
- Economic Development Department work to transition portfolio from the SLB
- Coordinate with partners to explore collaborations across the community on priorities