

Land Bank 2.0

# Aligning Redevelopment Tools for County Economic Development

25 April 2023

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*Legislative history  
clearly demonstrates  
intent to link these  
statutory powers to  
broaden and promote  
economic development.*

## Statutes Collaborating for Redevelopment

Land Bank Act (PA 258 – 2003)

- Authorizes counties to establish land banks.
- Prescribes LB powers to operate, own, manage/maintain & improve.

Brownfield Act (PA 381 – 1996)

- Authorizes counties to establish brownfield authorities.
- Prescribes BRA powers to operate, own & finance.

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# LAND BANKS & BROWNFIELD ELIGIBLE PROPERTIES

Blighted - MCL 125.2652(c)(vi)  
Is property **owned by or under the control of a land bank fast track authority**, whether or not located within a qualified local governmental unit.

Tax Reverted - MCL 125.2652(p)(iii)  
Is **tax reverted** owned by or under the control of a land bank fast track authority.

Includes parcels that are adjacent or contiguous to that property if their development is estimated to increase the captured taxable value of that property.

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## Land Banks & Brownfield-Eligible Activities

ALL Eligible Properties:

1. Environmental Assessment/Due Care
2. Relocation of Public Buildings/Operations for Economic Development Purposes
3. Environmental Insurance
4. Plan Preparation
5. Plan Implementation
6. Demolition
7. Lead/Asbestos/Mold Abatement
8. Reimbursement of Principal & Interest

Eligible properties in a qualified local unit of government, economic opportunity zone, or a former mill:

9. Those described above
10. Infrastructure improvements that directly benefit eligible property
11. Site preparation that is not a response activity

Eligible properties owned by or under the control of a land bank or qualified local unit of government or authority:

12. Those described above
13. Assistance to a land bank fast track authority in **clearing or quieting title** to, or **selling or otherwise conveying**, property owned by or under the control of a land bank fast track authority or the **acquisition** of property by the land bank fast track authority if the acquisition of the property is for economic development purposes.
14. Assistance to a qualified local governmental unit or authority in clearing or quieting title to, or selling or otherwise conveying, property owned by or under the control of a qualified local governmental unit or authority or the acquisition of property by a qualified local governmental unit or authority if the acquisition of the property is for economic development purposes.

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## What Does This Mean?

### Think of land banks as a toolbox.

- Land Bank properties may undertake ALL eligible Act 381 activities.
- Land Bank properties are by definition Act 381 eligible properties.
- Land Bank-sponsored Act 381 projects may include adjacent and contiguous parcels.

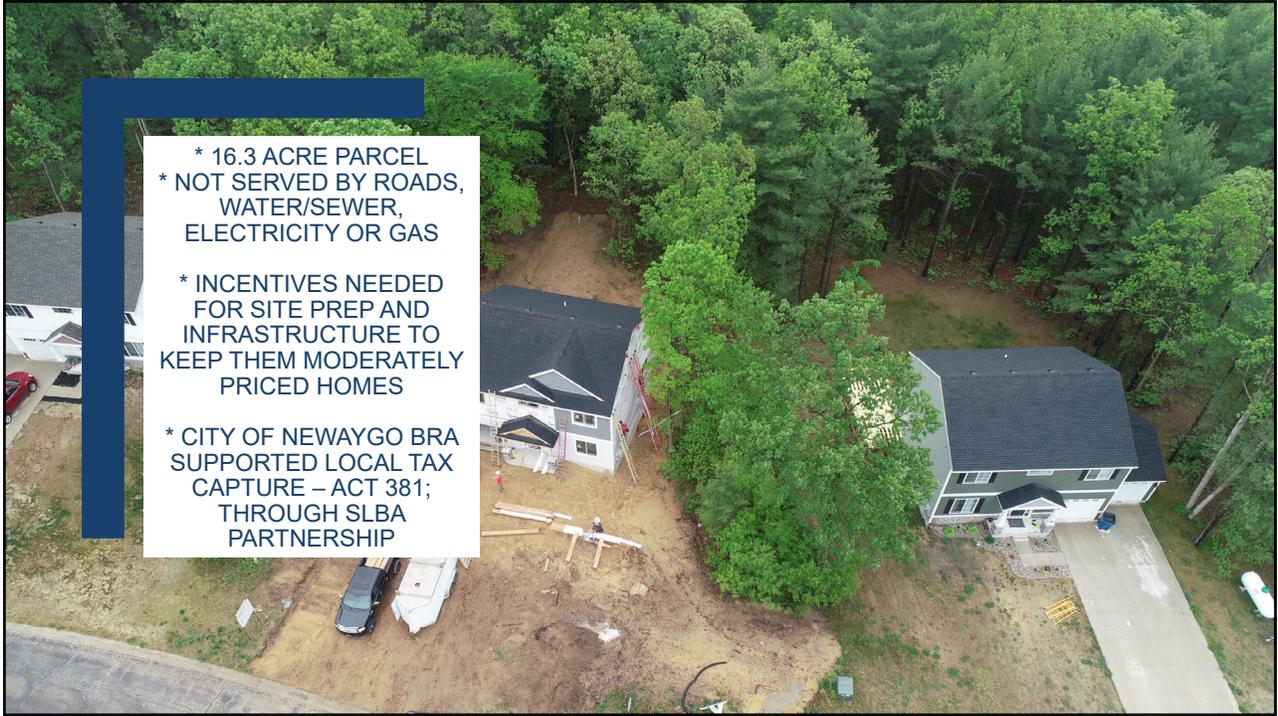
*Typical Land Bank actions necessary for successful property recycling are eligible for reimbursement from Act 381 tax increment capture:*

1. Phase I/II ESAs
2. Blight removal/demolition
3. Site preparation and infrastructure
4. Acquisition
5. Title clearance/QTAs
6. Selling/Conveyance

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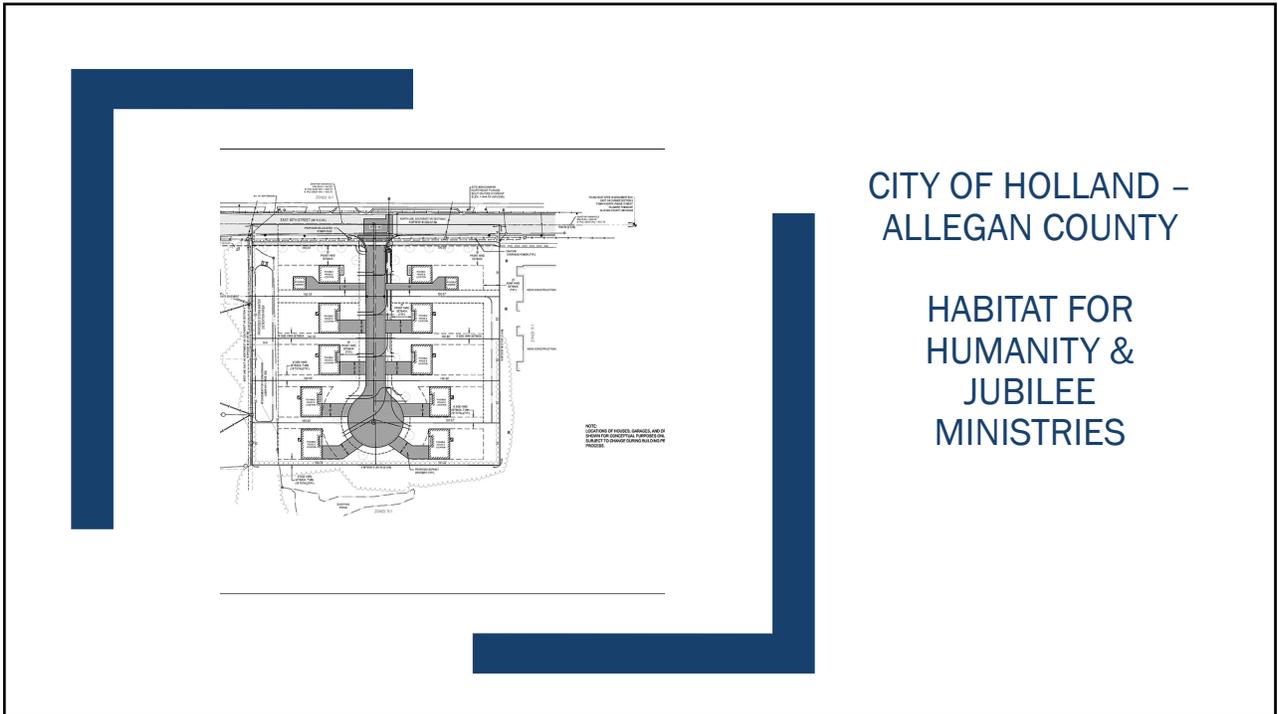


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\* 16.3 ACRE PARCEL  
 \* NOT SERVED BY ROADS,  
 WATER/SEWER,  
 ELECTRICITY OR GAS  
  
 \* INCENTIVES NEEDED  
 FOR SITE PREP AND  
 INFRASTRUCTURE TO  
 KEEP THEM MODERATELY  
 PRICED HOMES  
  
 \* CITY OF NEWAYGO BRA  
 SUPPORTED LOCAL TAX  
 CAPTURE – ACT 381;  
 THROUGH SLBA  
 PARTNERSHIP

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CITY OF HOLLAND –  
ALLEGAN COUNTY

HABITAT FOR  
HUMANITY &  
JUBILEE  
MINISTRIES

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PARTNERSHIP WITH SLBA QUALIFIED THE SITE FOR ACT 381 REIMBURSEMENT (LOCAL TIF) FOR UPFRONT SITE PREPARATION COSTS – STREET, WATER, SEWER, POWER AND GAS

“PARK VISTA PLACE” – 10 NEW HOMES UNDER 120% AMI, USED MODULAR CONSTRUCTION

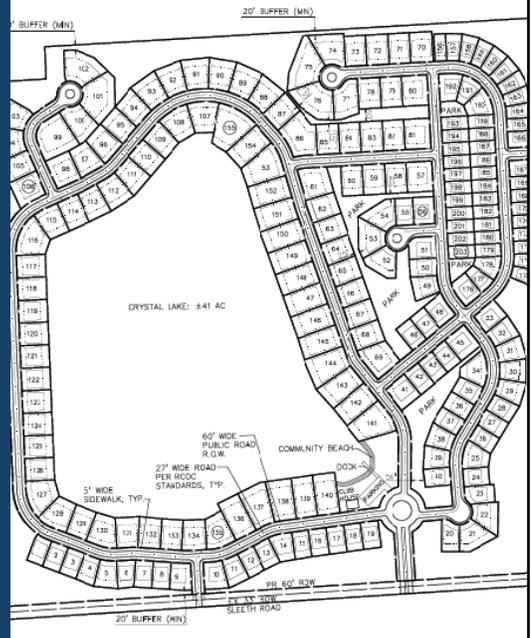


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# COMMERCE TOWNSHIP – OAKLAND COUNTY

The Reserve

## The Reserve at Crystal Lake



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FORMER SAND AND GRAVEL MINE ON 159 ACRES  
 NO TOWNSHIP BRA, SO OAKLAND COUNTY BRA WORKED WITH THEM IN  
 PARTNERSHIP WITH SLBA FOR 203 SINGLE FAMILY HOMES - LOCAL TIF TO  
 SUPPORT SITE PREPARATION AND INFRASTRUCTURE

COMMUNITY MASTER PLAN WANTED TO UTILIZE PREVIOUSLY BLIGHTED LAND

INVESTMENT IN OAKLAND COUNTY AFFORDABLE HOUSING FUND

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	Land Banks working on Workforce Housing	Land Banks working Workforce Housing and Economic Development
SLBA assists with engaging developers	Van Buren Barry	Grand Rapids/Kent County Washtenaw
County Land Bank directly engages with Developers	Alger Ingham	Shiawassee Marquette

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