



Alpena County Land Bank Authority

2024 Projects & Workflow



Agenda

Introduction – What is a Land Bank?

Primary goals – 5 Primary Goals of a Land Bank

Grants & Projects – What is the Land Bank Doing in Alpena

Cash Flow – Establishing the Alpena County Blight Elimination Fund.

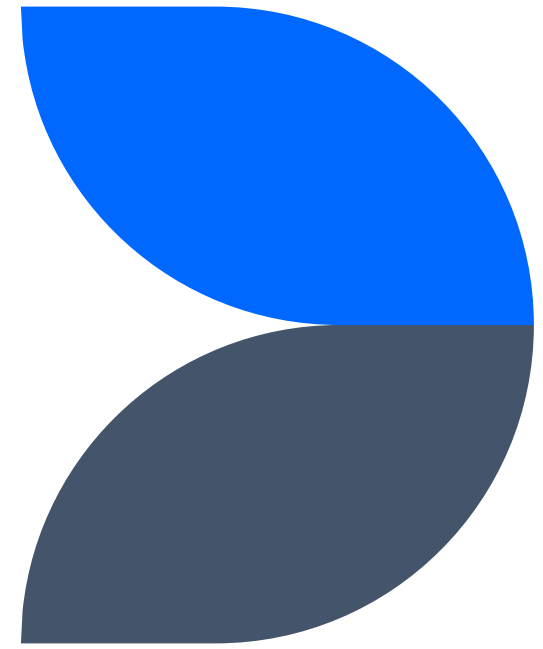
Summary – Q&A

Introduction: What is a Land Bank?

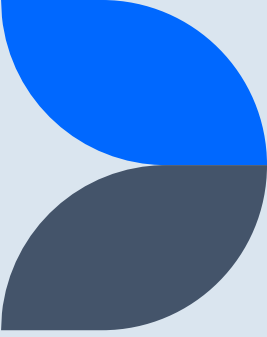
A land bank is a public authority created to efficiently acquire, hold, manage, and develop tax-foreclosed property and other vacant, blighted, obsolete, and abandoned properties.



**What are the
Primary goals of
a Land Bank?**



5 Primary Goals of a Land Bank



Grants & Projects

R3 Blight Elimination Grant

Source – State Land Bank Authority.

Activities – **\$500,000**

1. Demolition of vacant residential, commercial, or industrial property that is blighted.
2. Stabilization of “.....”
3. Rehabilitation of “.....”
4. Gap Funding for Environmental Remediation needed to comply with EGLE
5. Project Administration

R4 Blight Elimination Grant

Source – State Land Bank Authority.

Activities – **\$2,500,000**

1. Demolition of vacant residential, commercial, or industrial property that is blighted.
2. Stabilization of “.....”
3. Rehabilitation of “.....”
4. Gap Funding for Environmental Remediation needed to comply with EGLE
5. Project Administration

MSHDA CHILL Grant

Source – Michigan State Housing Development Authority

Activities – **\$500,000**

1. Homeowner rehabilitation – to preserve affordable housing units
2. Demolition/Reconstruction/Resale (DRR) – to remove blight and infill with single-family housing for resale to income-eligible homebuyers.



Projects

R3 BEP - \$500,0000

Focus - Demolition

- Blight Elimination within the City of Alpena.
 - Partnering with the City's Brownfield Plan and funding allocation.

R4 BEP – \$2,500,000

Focus – Selective Demolition and Reuse

- Selective Deconstruction of the Fletcher Papermill.

CHILL - \$500,000.

Focus – Build two new homes

- Build two new infill-constructed homes on property owned by the Alpena County Land Bank Authority.



Grant Timelines

Round 3 (SBLA BEP)

Letters of Acceptance of Grant Funds by Local Land Banks*

Letters sent out by 7-10-2023
Responses Due 8-1-2023

Grant Agreements Issued to Local Land Banks*

Sent by 8-31-2023
Approved & Executed by 9-30-2023

Proposals Due for Pre-approval
3-31-2024

Project Completion
9-30-2026

Round 4 (SBLA BEP)

Competitive RFP Release
10-1-2023

Proposals Due
12-8-2023

Awards Announced/Grant Agreements Issued
2-15-2024

Project Completion
9-30-2026

MSHDA CHILL Grant

02/12/24 Application Submission
Deadline - complete with all uploads - must be received by 11:59:59 pm ET

02/13/24 Applications review by MSHDA

03/01/24 Application Results
Communicated to UGLGs

04/12/24 Deadline for Grant Agreements
executed by awarded UGLGs to be submitted

05/01/24 Grant Award Effective Date

10/31/25 End of Grant Term (all projects
completed and closed)



Cash Flow Gaps With the Projects

- **General Site Development Cost**

- **Feasibility Studies:** Costs associated with studies to assess the viability and feasibility of a project before the actual development or redevelopment work begins.
- **Architectural and Engineering Design:** Expenses related to the design and planning stages, including architectural and engineering services, may not be covered unless directly tied to the approved redevelopment activities.
- **Permitting Costs:** Costs associated with obtaining necessary permits and approvals during the predevelopment phase may not be covered.
- **Perc Testing** - designing a field for a septic system, planning a building design, or considering agricultural use of the land.

Cash Flow from the Alpena County Blight Elimination Fund (ACBEF)

1. Funds are assigned to the Land Bank according to the properties supplied by the Treasurer or the County.
2. Each Property assigned has an available \$1,000 in Funds for Pre-Development Activities.
3. Funds never leave the county until invoices are remitted to the County for payment.
4. Payment is due immediately upon receipt.
 - Target will cover initial fees and will submit invoices for immediate repayment.

Cash Flow From the ACBEF Fund

Cash Flow Steps

1. Property A is allocated to the Land Bank.
2. \$1,000 allocation from the Delinquent Tax Revolving Fund for Property A
 - Pre-Development Cost (Title Change, Perc Testing, Site Evaluation)
 - Invoices will be remitted from Target Alpena Development Corporation to the County.

Cash Flow to Move Forward

Delinquent Tax Revolving Fund

Proposal for Properties Allocated to the Land Bank

Property A > Allocation of \$1,000

This Allocation from the Delinquent Tax Revolving Fund covers the Predevelopment Gaps that Grants do not cover.

Or A **Direct Allocation from the County**

Alpena County Blight Elimination Fund

1. The Fund would stay within the County
2. Fund can come from Delinquent Tax Revolving Fund or from a Direct Allocation of County Funds.
3. Invoices will be submitted to the County for immediate repayment
4. This fund would be a Revolving Fund. (One Property added = Funding Allocation \$1,000)

How Does This Work

County Blight Elimination Fund



Demolition Project Example

Property Identified - 123
Someplace Dr. Alpena, MI

The property was Taken to
Public Auctions and was
not Sold.

Property assigned to Land
Bank.

County Blight Elimination Fund

\$1,000 is allocated for
property 123 Someplace
Dr. Alpena, MI.

Target – Pre-Development
activities

- Site Evaluation - \$150
- Permitting - \$50
- Title Work - \$100
- Environment Assessment - \$150
- Total to be remitted to County
Blight Elimination Fund: \$450



Summary

Land Banks are a strategic ally to county and local governments, redefining community development through adept acquisition and revitalization of blighted properties. In seamless collaboration, they navigate the shared goal of community revitalization. Witnessing the transformation of blighted spaces into vibrant community assets, these initiatives not only elevate property values and improve neighborhoods but also fuel the growth of tax values—a win for residents and local government revenues.



Thank you

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