

# Banking on Change

**THE MAGGIE WALKER COMMUNITY LAND TRUST**

**RICHMOND'S REGIONAL LAND BANK  
MAY, 2021**

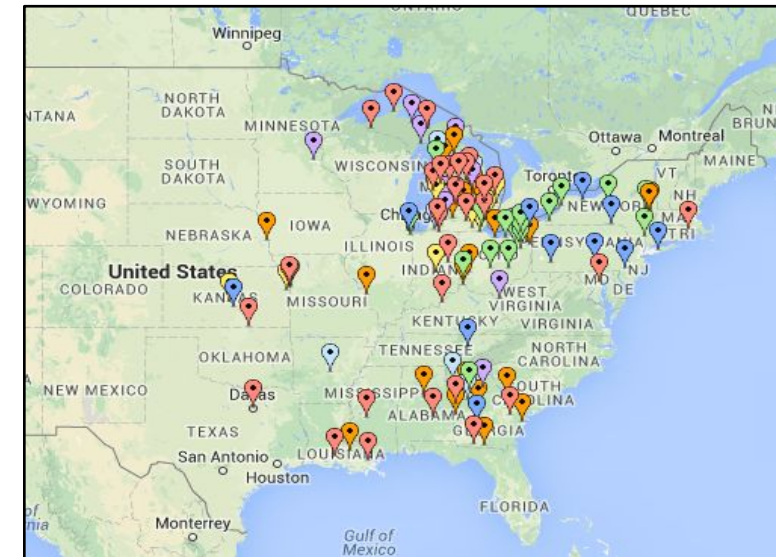


# Acquisition and Disposition: Land Banks



A land bank is a **public** authority or nonprofit that **focuses on the conversion of vacant, abandoned, tax-delinquent, or foreclosed properties into productive use.**

- 170+ land banks nationwide
- Over 70% established since 2008
- Over 80% exist pursuant to comprehensive state enabling legislation
- Michigan, Ohio, New York, and Georgia are largest land bank states



Land Bank Information Headquarters:

<http://www.communityprogress.net/land-bank-headquarters-page-446.php>

# What is a Land Bank?

- Land Banks were created as a streamlined pathway to return vacant, abandoned, and tax delinquent or surplus property into productive use.
- In Virginia, enabling legislation (Land Bank Entities Act) was passed in 2016. In 2018 Richmond became State's first land bank through MWCLT.
- Chesapeake, Roanoke, Danville and Charlottesville also are operating or in the process of creating land banks.



# How does a Land Bank work?

- Land banks are land-holding entities that obtain properties from a locality and determine the terms of their transfer.
- Land banks steward properties, from acquisition to disposition.
- Acquire through various mechanisms
- Establish and uphold maintenance standards
- Dispose according to local priorities
- Convey property for other than monetary consideration



# Defining Characteristics

- Alternative to the speculative auction
- Generates more predictable outcomes consistent with community needs
- Public nature requires transparency – in many cases beyond even what is required by open meetings/records requirements
- Will always need some level of support – cash or in-kind – proportional to the scope and scale of vacancy and blight it is expected to resolve



# Central Virginia's Regional Land Bank(s)

*A program of The Maggie Walker Community Land Trust*

MWCLT operates Land Banks for:  
The City of Richmond (established 2018)  
Henrico County (established 2019)  
Chesterfield County (established 2019)

# The Answer

**Q:** Is a land bank the same thing as a land trust?

**A:** No!! They are totally different, though complementary, tools.

## MUNICIPAL LAND BANKS



## COMMUNITY LAND TRUSTS



Return vacant, abandoned, and tax foreclosed property to productive use efficiently and strategically, while reducing the harm of vacant properties.

### PURPOSE

Enable community control over land and create community assets, including permanently affordable housing.



Quasi-governmental authorities.



### STRUCTURE



Membership-based nonprofits, usually, sometimes municipally-created.

Using a range of special powers, such as ability to acquire and hold property tax free, clear title and back taxes, and dispose of property intentionally, not just to the highest bidder. They may, for example, demolish obsolete structures; remediate soil; give side lots to neighboring owners, donate land to nonprofits, or assemble properties for larger developers.



### HOW DO THEY DO IT?



CLTs retain ownership of land, sell the structures on it, and offer long-term ground leases to those structures' owners. To create permanently affordable homeownership CLTs sell houses with a resale price restriction. CLTs also develop and maintain affordable rental housing, commercial spaces, gardens, and community facilities.



No, a land bank typically does not maintain any long-term interest in or restrictions on land it sells.

### DO THEY STAY INVOLVED WITH THE PROPERTIES?

Yes, a CLT holds land in "trust" and uses its ownership to keep an eye on how it is used, its condition, and its affordability.



Land banks are more common or more active in weaker or mixed markets where there is more vacancy.

### MARKETS

Land trusts operate in all markets, though they are best known for their goal of preventing displacement in appreciating markets.

**BONUS  
QUESTION:**

**Can they work together? Yes!**

Land banks are in need of ways to dispose of land that will help the community and keep it out of



# City of Richmond: Land Bank Progress

**36** properties  
received to date

Includes 1st private  
donation valued at  
**\$254,000**

**32** new properties  
projected in 2021

**200** properties in  
future

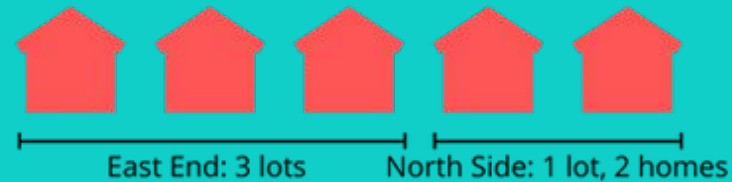
**11**

Owner-occupied  
single-family homes,  
permanently  
affordable to <80% of  
AMI thru MWCLT



**5**

Owner-occupied  
single-family homes,  
affordable at first sale  
to <80% of AMI



**3**

Single or 2-family  
rentals, affordable to  
<60% of AMI





# Chesterfield County Land Bank

## Dupuy Road Annex Site

### *MWCLT's First Subdivision*

7 2-story homes

3 fully-accessible homes

Green design

Nature paths and  
amenities

Average price - \$150,000



# Thank You

**Erica Sims, President**  
**HDAdvisors**  
**617-821-1343**  
**[erica@hdadvisors.net](mailto:erica@hdadvisors.net)**