Turning Vacant Spaces into Vibrant Places

Georgia Land Bank Authorities

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Definition:

A land bank is a governmental entity that focuses on the conversion of vacant, abandoned, and tax-delinquent properties into productive use.
The focus is on:

- Surplus public property
- “Below water” properties
- Abandoned properties
- Tax delinquent properties
The Evolution of Land Banks

Triggers for Creating a Land Bank:

- Fragmented inventories
- Large inventories of abandoned/vacant property with little market value
- Ineffective tax foreclosure procedures
- Code violations
- Title problems
- Property disposition requirements
The Essential Powers:

- Acquisition, Management and Disposition of Properties
- Financing of Operations
- Waiver of Delinquent Taxes
## Goals & Strategies

<table>
<thead>
<tr>
<th>Goal</th>
<th>Strategy</th>
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<tbody>
<tr>
<td>1. Eliminate Blight</td>
<td>Demolitions; rehab</td>
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<td>2. Maximize Short Term Revenue</td>
<td>Sale to highest bidder</td>
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<tr>
<td>3. Maximize Long Term Revenue</td>
<td>Convey for sustainable development</td>
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<td>4. Affordable Housing/Commercial?</td>
<td>Convey at lowest price</td>
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<td>5. Finance LBA Operations</td>
<td>Maximum inventory and maximum discretion</td>
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<td>6. Neighborhood Stabilization</td>
<td>Demolition; relocation &amp; swaps; rehab; side lot transfers</td>
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Georgia Land Banks

- Fulton County/City of Atlanta LBA
- Savannah/Chatham County LBA
- Macon/Bibb County LBA
- Valdosta/Lowndes County LBA
- Augusta/Richmond County LBA
- Columbus/Muscogee County LBA
- Statesboro/Bulloch County LBA
- Athens/Clarke County LBA
- Rome/Floyd County LBA
- LaGrange/Troup County LBA
- Thomasville/Thomas County LBA
Georgia Land Banks:
O.C.G.A. § 48-4-60 et seq.

- Independent Tax-Exempt Authority
- Independent Board
- Power to Extinguish Delinquent Taxes
- Broad Acquisition & Disposition Authority
Georgia Land Banks: Creation

- Resolution
- Intergovernmental Agreement
- Board Appointments
Georgia Land Banks: Powers

- Acquire property through tax sales, donation, market-purchase
- Manage, maintain and hold property
- Extinguish delinquent taxes with school board consent
- Dispose of property in accordance with local priorities
The Valdosta Story

- Valdosta-Lowndes County Land Bank Authority was established in 1999

- Acquisition and disposition of property to Habitat for Humanity

- Vehicle for acquiring and disposing of vacant and/or tax delinquent properties for in-fill development.

- $300,000 local assistance grant for authority start-up costs.
Fellowship Place Subdivision and Community Park Project Structure

- 1999 CHIP grant used for down payment assistance
- Structured as a second mortgage in the form of a deferred payment loan (DPL)
- Acquired the property and $30,000 price used as additional grant leverage
- Construction costs and value of volunteer hours also used as grant leverage
Fellowship Place Subdivision and Community Park Project Structure

- Properties deeded to Habitat
- Easy living designs adapted
- Total of twelve new first time homebuyers
- Local Development Fund used to construct park on adjacent abandoned railroad right-of-way
- 2001 Magnolia award winner from DCA
Fellowship Place Subdivision and Community Park
Fellowship Park
Cypress Street and Short Street Historic Districts Project Structure

- 2001 CHIP grant and 2001 SHOP grant
- Involved 13 in-fill properties with substandard structures with utilities in place
- City funded demolition and clearance of structures
- CHIP funds used again as a DPL & SHOP grant used to acquire properties
Cypress Street and Short Street Historic Districts Project Structure

✓ New designs and materials approved by the Historic Preservation Commission

✓ Habitat for Humanity constructed the homes.

✓ Established new demolition policy for property donation to the land bank authority or non-profit that builds affordable housing
Short Street Historic District
Cypress Street (Before)
Jimmy Carter Work Project 2003

- Property donated by the JN Bray Company for a fifty lot subdivision
- Funding structure includes $800,000 CDBG, $3000.000 CHIP, $500.000 Habitat Mortgage Buy-back, SPLOST funds, Habitat volunteer construction
- Funds utilized to construct sewer outfall, infrastructure, lot preparation, and down payment assistance
Jimmy Carter Work Project 2003

- Five lots acquired by the Land Bank Authority for road right-of-way and housing construction
- Two lots deeded to the city and three lots sold to Habitat with a 10-year repayment period
- 2004 Magnolia Award winner presented by DCA
- 2005 Terrence DuVernay Award winner presented by NCDA
2003 Jimmy Carter Work Project
June 12, 2003
Acquisition for Industrial Expansion
Additional Administrative Work

✓ Staff has inventoried, assessed, and classified all city property

✓ Properties that are appropriate for development have been deeded to the land bank authority

✓ Second property sale about to be advertised

✓ Staff to begin review of available tax delinquent properties primarily within the HUD designated revitalization area
Future Georgia Land Banks:

*Senate Bill 284*

- Introduced in General Assembly in Spring 2011
- Sponsored by Senator Golden (R), District 8
- Third generation of land bank statutes
- State-of-the-art in land bank legislation
Future Georgia Land Banks: Senate Bill 284

✓ Regional land banks
✓ Self-financing mechanisms for land banks
✓ Tax sale bidding advantages for land banks
Future Georgia Land Banks: Senate Bill 284

- Expedited tax foreclosure process for land bank property
- Bulk judicial foreclosure and quiet title proceedings for land bank property
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Georgia Initiative for Community Housing
August 9, 2011

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