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State of Michigan
State Land Bank Authority

Gretchen Whitmer
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Joseph Rivet
Executive Director

MEMORANDUM

DATE: March 25, 2024

TO: The Honorable Mary Cavanagh, Chair
Senate Appropriations Subcommittee on MEDC/LEO

The Honorable William Snyder, Chair
House Appropriations Subcommittee on Labor, Economic Development &
Lifelong Learning

FROM: Joseph Rivet, Executive Director
State of Michigan State Land Bank Authority

SUBJECT: P.A. 119 of 2023, Section 451 (2)

Please find the reporting information required under Sec. 451 (2) of P.A. 119 of 2023. I have included the required information below. The information reflects only properties in the State Land Bank Authority (SLBA) inventory. It does not reflect the work of the fifty-one partner local land banks we support.

Specific to Section 451 (2) of P.A. 119 of 2023, during FY '23 the SLBA acquired 76 properties; disposed of 84 properties leaving the total in our inventory at 2,543 on September 30, 2023. Of the 84 properties 42 were part of a development project that will construct single family homes. Ongoing maintenance was done on 716 properties across the State. SLBA has an ongoing lease of one property and did not directly engage in a rehabilitation project. SLBA began the process of demolishing the Riverside/Deerfield Correctional Facility. The multimillion-dollar project will be completed in FY '24.

The above requested information is not reflective of much of the work of SLBA. Additional efforts include the administration of \$150 million in blight elimination, work in the alternative energy space and innovative housing opportunities. Attached you will find the SLBA biennial report from 2023. It better highlights our work and ongoing achievements.

If you have any questions, please contact Jayshona Hicks, LEO Director of Legislative Affairs at HicksJ15@michigan.gov or (248) 200-9134.

cc: Jen Flood, State Budget Director
Kathryn Summers, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency



Laying Foundations for the Future



BIENNIAL
REPORT
2021-2022





History of Land Banks in Michigan

With the passage of PA 258 of 2003, land banking became a reality for the State of Michigan. This legislation provided a vehicle for tax foreclosed properties to become productive again. With unique protections, land banks are able to acquire and hold properties with a long-term view of future use.

Land banks also have the unique legal ability to expedite clear title action, which allows properties with clouded titles to move forward. Another unique function of land banks is their ability to expand eligible activities within the Brownfield Act.

“Land banking” refers to the practice of holding individual parcels over time with the goal of accumulating sufficient property in one area so that new uses of property can fit a community's evolving needs.

Committed to Laying Foundations for the Future

The State Land Bank Authority (SLBA) has been busy working on creative solutions for community and economic development initiatives across Michigan.



We are excited to bring to fruition additional redevelopment projects that have been in the works for years — it can most assuredly be said that land banks are in it for the long haul.

The principles of land banking are rooted in the concept of laying the foundation for the future and engaging at the local level while focusing on local needs as the driving force behind project vision and implementation. While recently we dove headfirst into administering the \$150 million of blight elimination funds allocated in the FY23 budget and PA 1 of 2023, we want to take a moment to celebrate the achievements of 2021–2022, which laid the groundwork for the community investments that will occur in the next few years because of these allocations.

Sincerely,

A handwritten signature in black ink that reads "Jeff Huntington". The signature is fluid and cursive, with a large initial "J" and a stylized "H".

Jeff Huntington, Operations Manager
State Land Bank Authority

Celebrating Staff Achievements

SLBA employees continued to challenge themselves to reach new levels, which lead to new talents in an ever-changing development environment.

Two staff members, **Jennifer Quinlivan** and **Brian Woodin**, were part of the Urban Land Institute's (ULI) Larson Center for Leadership 2021 cohort. The eight-month, curriculum-based program is designed to train, mentor and cultivate the next generation of real estate and land use leaders in Michigan.

James Tischler was the recipient of the President's Award from the Michigan Association of Planning (MAP) at their May 2022 Annual Event. This award is presented to an individual who had significant impact on the president's career.

Additionally, community remains a focus of our team in their personal lives.

Jeff Huntington coaches an Eaton Rapids youth soccer team for the Capital Area Soccer League. **Linda Horak** recently joined the Board of Directors for the Ionia County Habitat for Humanity.

Returning Property To Productive Use

MISSION

To create positive economic impact on Michigan communities by facilitating productive reuse of land.

VISION

Evolve the practice of land banking in Michigan by empowering local communities through collaboration.

OUR PURPOSE

We work with communities - of all sizes - to make their property goals a reality. This is a collaborative effort to create a better quality of life for residents and put property back on the tax-roll.

What can Land Bank property be used for?



Renewable
Energy Site



Home or Yard
Expansion



Neighborhood
Garden



Recreation
Property



Business
Growth



Redevelopment

SLBA Services Statewide

- Specialized Land Bank Agreements with local communities.
- Blight Elimination grants and guidance.
- Pre-Qualified Developer pool.
- Maintenance of 600-700 properties statewide allowing quick response to immediate issues.
- Community Planning for future development and conservation.
- Statewide advocacy for future funding resources for all Michigan land banks.
- Engaging in unique partnerships with private and public entities.
- Supported the continued development of the Michigan Association of Land Banks (MALB) including financial support and technical support for administration, education and conference planning.

EDUCATION AND TRAINING RESOURCES

- Land Bank 101: Understanding Land Banking in Michigan and Your Community
- Demolition Training: Successfully Managing the Residential and Commercial Demolition Process
- Using Tax Increment Financing for Gap Funding
- Understanding 5/50 Specific Tax and Making the Most of It





Inventory Snapshot

2,527

properties currently managed by
the State Land Bank.

2,645

properties returned to
productive use since 2010.

3,382

blighted structures demolished
since 2010.

\$85M

administered in blight elimination
funds to secure neighborhoods,
strengthen communities and
transform our state.

2021 in Review

2021 came with a unique set of challenges to land banks. The pandemic continued to impact normal activities, many offices continued to operate with remote workers and foreclosures were under a moratorium in many communities statewide.



Habitat for Humanity Housing
Development, *Holland*

We learned to network and learn remotely and became successful at reaching out through new methods to expand and enhance our strong presence throughout all of Michigan.

In doing so, SLBA accomplished these activities and so much more:

- Administered \$800,000 in blight elimination funds received by the State Treasury Department, benefiting six communities across the state.
- Assisted local communities and county land banks statewide to qualify projects that utilized local Brownfield Tax Increment Financing to support housing development. Projects that came to fruition in 2021 were in Newaygo, Holland and Commerce Township.
- Provided continued training to Tuscola, Ogemaw, Manistee, Leelanau, Barry and Allegan counties to better utilize land banking resources and/or increase the capacity of these land banks.
- Assisted nearly 20 local communities to utilize land bank resources for economic and community development.
- Developed a strategic plan to move land banking in Michigan forward to the next level.
- Received funding to demolish the former Deerfield Correctional Facility in Ionia.
- Created a pilot program to provide Pre-development funds for potential applicants of the Housing Development Loan.
- Expanded the Housing Development Loan to include private developers.

2022 in Review

2022 brought a return to a new normal, with land banks again picking up the battles to bring affordable housing to their communities, promote equity to disengaged populations, and engage in removing blight and returning property to a new purpose. The SLBA adopted a new strategic plan, positioning the authority and its staff to promote and expand land bank activities and resources statewide, as well as within state government.

Riverside Correctional Facility,
Ionia



- The Alger County Land Bank was approved for a \$250,000 loan by the SLBA for the development of Munising Marketplace, a mixed-used development project led by Renovare Development. The \$18 million project involves the construction of a three-story building that will house 36 mixed-income residential units and a collaborative workforce center designed to foster job creation and placement for local workers and businesses.
- As development planning commenced for the former Detroit House of Corrections site in 2017, the SLBA became involved in the Michigan International Technology Center (MITC) and helped formulate the structure of its first-in-the-state joint-municipal Redevelopment Authority. This past year, MITC Authority's Act 381 Work Plan for \$15 million in eligible infrastructure activities to leverage \$35 million of private investment in sites — including the DeHoCo site — was approved by the Michigan Strategic Fund.
- Prepared to administer the \$21.55 million Blight Elimination Grant Program to address vacant, abandoned and deteriorated properties across Michigan. The first window of applications opened October 1, 2022.



- SLBA staff has worked with local officials in both Shiawassee and Oakland Counties, resulting in the creation of two new county land banks. These organizations will bring resources to local stakeholders. There are now 47 county land banks and one city land bank in Michigan.
- Received funding to demolish the former Riverside Correctional Facility in Ionia, engaging the City of Ionia in the demolition plans and subsequent redevelopment planning for the 172+ acre site that encompasses both Deerfield and Riverside Correctional Facilities.



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