



NSP Land Banking Toolkit

Overview of Land Bank Decisions and Tools



About this Tool

Description:

This document provides an overview of the types of decisions land bank managers must make with respect to property acquisition and reuse. Special emphasis is placed on how these decisions should be taken in light of market conditions. Where appropriate, the other tools in the [Land Banking Toolkit](#) are referenced. This document also contains an appendix listing the names and locations of all documents in the Land Banking Toolkit, in addition to a brief description of each resource. Each of these tools can be found on the [NSP Resource Exchange](#).

Source of Document:

Substantial portions of this document come from a document utilized by the Genesee County Land Bank Authority.

Disclaimer:

This document is not an official HUD document and has not been reviewed by HUD counsel. It is provided for informational purposes only. Any binding agreement should be reviewed by attorneys for the parties to the agreement and must conform to state and local laws.

This resource is part of the NSP Toolkits. Additional toolkit resources may be found at www.hud.gov/nspta

OVERVIEW OF LAND BANK DECISIONS AND TOOLS

This document is designed as a companion to the inventory of [land banking tools](#) commissioned by the US Department of Housing and Urban Development under the Neighborhood Stabilization Program. The complete inventory is appended to the end of this document. Reference to specific tools is made in [brackets] throughout the text.

INTRODUCTION

Land banks are public or community-owned entities created for a single purpose: to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties – the worst abandoned houses, forgotten buildings, and empty lots. Land banks play a variety of roles as part of a Neighborhood Stabilization Program. [See [Land Banking 101: What is a Land Bank?](#)] They can play a very limited role, such as simple acquiring property on behalf of a local municipality, to a broader role of property developer. It is important to note that land banks are not financial institutions: financing comes from developers, banks, and local governments.

The role a land bank plays in a community is usually dependent on the capacities of the local government, nonprofit and developer industries within the locality, and the relevant needs that exist. Furthermore, when land banks acquire property, they must make a number of choices regarding property re-use, in addition to a number of choices with respect to property acquisition, disposition, re-use and other policies and procedures. [See [Land Bank Policies and Procedures](#)]

In the pages to follow, we first present an overview of the choices land banks must make after they've acquired properties. Because market conditions are so critical to decisions about property re-use following acquisition, the second section presents a way of thinking about these conditions and their implications. The third section goes into more detail on other issues in land bank decisionmaking. Where appropriate, reference is made to the land bank tools available on the NSP Resource Exchange.

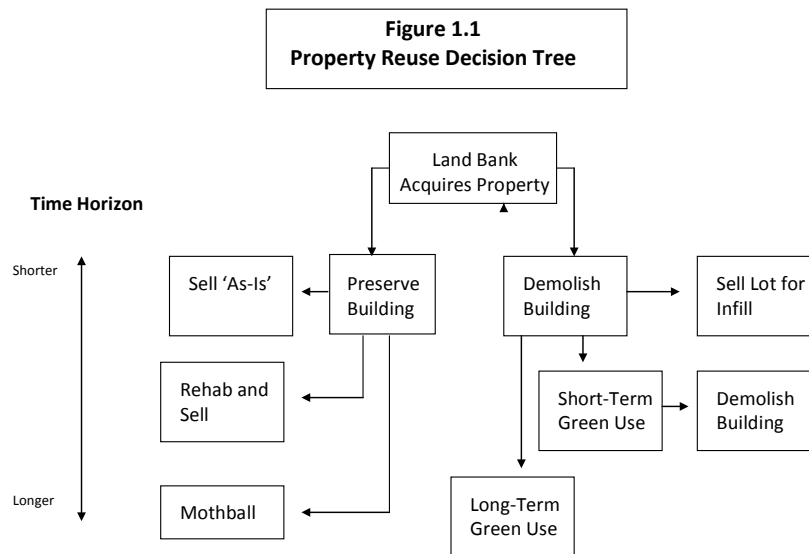
OVERVIEW OF LAND BANK DECISIONS ON PROPERTY RE-USE

Most of the properties that a land bank acquires are individual vacant residential properties, and usually single family houses. Figure 1.1 shows the options that exist – in theory - with respect to any residential property. As the Figure shows, the threshold

decision a land bank has to make with each property it acquires is whether to keep the structure intact, or demolish it. That decision then triggers a second set of decisions.

On the preservation side, shorter term options include sale of the house essentially as-is, with only cosmetic repairs required, or if more extensive work is required, sale after rehabilitation. In some instances, neither immediate sale or rehab and sale will be feasible, but for a variety of reasons, such as the desire to preserve historical or architectural value, a house might be mothballed for a longer period, usually pending a return of market demand or availability of renovation subsidies.

On the demolition side, removal of the structure makes possible re-uses that, in the short run, include sale of the parcel for in-fill development or use as a side yard to an existing home, or in the medium-term, use of the lot as green space until subsequent development becomes feasible. Where markets are particularly weak, long-term use as green space may be the only feasible re-use. [For a set of tools covering demolition, please see the [Demolition Toolkit](#) on the NSP Resource Exchange.]



In practice, only some of these options actually exist, while some that may be possible may not be desirable. [See [Process Map](#) and related material covering property acquisition and disposition: [Land Banking Agreement](#), [Option Agreement](#), [Property Donation Checklist](#), and [Side-Lot Disposition Policies and Procedures](#).] Moreover, some options which are feasible and desirable may not be legal depending on the funding

source. In the context of the NSP, two critical constraints are worth mentioning here. (There are a number of other NSP limits on land bank activities, which are referenced in the toolkit materials available on the NSP Resource Exchange.)

1. NSP requires specific property types for each eligible use. Eligible use "C" – land banking – requires grantees to use foreclosed-upon residential properties. While some land banks might deal with commercial property or property that was not foreclosed upon, they must limit use of NSP funds to foreclosed residential properties.
2. The 10-year limit on re-use for NSP land banking is mentioned elsewhere in this document will shape program design decisions related to NSP-funded properties. Land banks using NSP funds must design their programs to ensure that NSP properties are transferred or otherwise re-used within the 10-year period.

LAND BANKS AND HOUSING MARKET CONDITIONS

The role of a public sector land bank will vary widely depending on the housing and real estate market conditions in their community. Land banks must assess their development strategy by carefully considering market conditions and promoting property use that helps to alleviate blight and stabilize neighborhoods.

A practitioner can assess the strength of a local market by looking at two factors: the number of sales (relative to the total number of properties in the area) and the sales price level. The two are usually closely related – an area which has strong demand as measured by numbers of sales will usually also have higher prices, while an area with weak demand will have low prices – but not always. For example, a stable area with modest 1950's ranch houses may have strong demand but low prices.

Markets run the gamut from strong to weak. In the strongest markets, properties that come on the market typically sell quickly for prices that are usually more than the 'replacement cost' of the homes; that is, the cost to build a similar home on a vacant lot. Owners tend to pay their taxes and maintain their properties. If a mortgage loan is in default, the owner can usually sell the property and pay off the note. Even when a property falls into foreclosure, the lender makes sure the property is maintained and sold off as quickly as possible.

In the weakest markets, properties may not sell at any price. In some distressed areas, a year may go by without a single private market real estate transaction. Many owners do not pay property taxes or maintain their properties, while lenders will often not even complete foreclosures to defray the loss on a defaulted mortgage. This has led to thousands of 'walk-away' properties in some older urban areas.

Most neighborhoods are somewhere between these two extremes. Many urban neighborhoods, even in distressed cities, have *some* market demand, but properties may sit on the market for a long time, or may sell for less than replacement cost. Properties in good condition may sell, but those in need of major repair may languish, and ultimately to be abandoned.

In addition to looking at the conditions in a city or a particular neighborhood within that city, one should also look at the overall market picture of the larger housing region. The strength of the regional market is an important guide to thinking about the market potential in currently distressed urban neighborhoods. It is far easier to revive such a neighborhood if the city is located in a growing region with strong housing market demand such as the Washington DC or Boston areas, than in an area like Cleveland or Buffalo, where overall regional demand is weak.

Market Implications for Acquisition

How many properties the land bank will be able to get, and how many of them will have no cost other than transaction costs, depends on the market conditions of each area. Table 1-1 offers a typology of major market categories, and addresses the extent to which the land bank is likely to be able to get properties under each set of market conditions.

In the strongest neighborhoods, land banks are extremely unlikely to acquire properties, as there is a robust private market for homes that become available. In the weakest neighborhoods, land banks can easily assemble large property inventories at little cost. For example, the Cuyahoga County Land Reutilization Corporation, the Cleveland area land bank, is currently negotiating with lenders to have the land bank accept these properties as a gift, with the lenders throwing in funds to cover the cost of demolition.

TABLE Neighborhood market conditions and land bank acquisition options

NEIGHBORHOOD MARKET TYPE	DESCRIPTION	LAND BANK ACQUISITION OPTIONS
High price/demand relative to region (very strong market)	Houses are in great demand and usually sell quickly at high prices to affluent home buyers. Houses are well maintained and infill lots are quickly redeveloped.	Land bank unlikely to be involved with properties in these areas
High price/demand relative to city (strong market)	Houses are in demand and usually sell quickly at moderate to high prices to middle or upper income home buyers. Houses are generally well maintained and infill lots are usually redeveloped.	Land bank may be involved in facilitating re-use of small number of specific problem properties, usually through market value transactions

Average price/demand relative to city (Moderate market)	Most houses are sold but often remain on market for long period and are sold at moderate prices to moderate or middle income buyers. Most houses well maintained but scattered deterioration and abandonment are present. Many buyers are absentee buyers	Land bank can obtain some properties through gift, tax foreclosure, or purchase of REO properties or mortgages from lenders.
Low price/demand relative to city (weak market)	Some houses are sold but others tend to languish and are abandoned. Most buyers are absentee buyers. Poor maintenance and absentee ownership are increasing.	Land bank can obtain large number of properties through gift, tax foreclosure, or purchase of REO properties or mortgages from lenders.
Very low price/demand (non-market)	Most houses do not find buyers. Vacancy and abandonment are widespread.	Over time land bank may be able to obtain most of the properties in the area through gift, tax foreclosure, or purchase of REO properties or mortgages from lenders.

Market Implications for Property Re-use

Market conditions will also dictate whether the land bank can dispose of properties quickly, hold them for 3 to 5 years, or plan to hold them indefinitely. Market conditions will also dictate whether the properties should be used for a *development-related* purpose, or for a *non-development* use such as green space, agriculture, or habitat restoration.

Retention and Re-use of Existing Structures

Reusing buildings: A land bank should make sure that potential demand exists for the building before moving forward. In addition, it should establish (1) whether a demand exists for home ownership or only for rental, and whether rent-to-own options would appeal to the consumer market; and (2) what price or rent level is realistic.

In many areas in today’s market conditions, there is a surplus of houses available relative to the number of prospective homebuyers, and the land bank should be careful not to take actions that may undercut the private market. In some cases, the land bank may take title to properties that can be sold ‘as-is’ to home buyers, while in other cases it may be able to recover all or most of the cost of restoring its properties to good condition before selling them. In other areas, though, house prices may be extremely low, and massive amounts of subsidy would be needed to rehabilitate and sell a house; in that situation, it might be *possible*, but would probably not be a prudent or responsible use of public funds.

Mothballing buildings: In most cases, a building should only be preserved if it can be re-used relatively quickly, say within 2 years or less. The cost of stabilizing and maintaining vacant buildings, as well as the risk of fire or other hazards, is high and should not be lightly assumed.

Where the land bank takes title to a building that has particular aesthetic or historic value, or where the building's demolition would undermine the neighborhood's fabric, it may want to 'mothball' the building: stabilize it, make sure it is watertight and well-secured, and hold it on a long-term basis either until enough properties have been acquired to make possible a major rehab project or until market conditions have improved enough to justify the cost of rehabilitation.

Re-use of Vacant Lots Created Through Demolition

Demolition and redevelopment: Once a building has been demolished, the lot can be used in many different ways. In relatively strong market areas, where the land bank may find it necessary to demolish a dilapidated structure, the lot can be sold to a for-profit or non-profit developer for infill redevelopment. In other cases, the land bank may want to hold the land for more long-term re-use, around one of three alternative strategies:

- **Hold for site assembly**, particularly if there are many vacant properties likely to be available to the land bank over the next 1 to 3 years
- **Hold for future redevelopment**, in areas where current market conditions do not justify redevelopment, but which have assets that may make redevelopment feasible within the next 10 years or less
- **Commit to long-term non-market green use**, in areas where market demand is particularly weak, where large-scale abandonment has already taken place, and where the likelihood of future market demand is small. Potential uses may include urban agriculture, habitat restoration, reforestation, expansion of parklands, or other options.

Not all weak market areas are alike. Some areas may have significant assets, such as proximity to a waterfront or to a major employer, which cannot be realized in the short-run, but are likely to be significant in the long-run. The land bank should try to identify these assets, and make sure that it does not take any steps that preclude future redevelopment. Where vacant parcels are being held for future redevelopment, short-term green re-use options, such as community gardens or nest pocket parks are generally desirable.

Short-term, small-scale green re-use projects tend only to work well in neighborhoods that have a pool of committed homeowners or a strong neighborhood association to ensure that the project is maintained. [See, for example, tools related to re-use as community open space: [Clean & Green Maintenance Program Guidelines](#) and [Clean & Green Maintenance Program Agreement](#).] The same is true of side lot programs, where

the land bank sells vacant lots to adjacent property owners at nominal cost. This can be a good re-use of scattered vacant lots in areas with stable homeownership, where there is a high likelihood the lots will be well-maintained, but is less desirable elsewhere.

Table 2 provides an overview of land bank strategies in areas with different market conditions, using the five-level market typology first shown in Table 1.

TABLE 2 LAND BANK RE-USE OPTIONS

NEIGHBORHOOD MARKET TYPE	GENERAL COMMENT	IMMEDIATE	SHORT-TERM (3 to 5 years)	MEDIUM-TERM (5 to 10 years)	LONG-TERM
High price/demand relative to region (very strong market)	Land bank unlikely to be involved with properties in these areas	NONE	NONE	NONE	NONE
High price/demand relative to city (strong market)	Land banks like to be involved only with small number of properties in these areas.	Where land bank acquires properties, it should develop strategies to put them back into immediate re-use with significant private sector investment	NONE	NONE	NONE
Average price/demand relative to city (Moderate market)	Land bank may pursue multiple strategies depending on specific regional market, neighborhood, block and property conditions, including resale, rehab for sale or rent, or short- to medium-term holding for future re-use. Selective demolition of problem properties may be appropriate.	<p>Selective resale or rehab of properties in good locations or good condition for sale to homebuyers or rental.</p> <p>Side yard programs</p> <p>Selective demolition of problem properties affecting neighborhood stability.</p>	<p>Hold some vacant lots and structures for longer term re-use options in anticipation of improved market demand.</p> <p>Limited temporary use of vacant land for community gardens and other community benefit uses</p>	<p>Re-use vacant lots and structures in response to changes in market conditions</p> <p>Continue some medium-term uses of vacant land</p>	NONE

TABLE 2-2 (continued)

NEIGHBORHOOD MARKET TYPE	GENERAL COMMENT	IMMEDIATE	SHORT-TERM (3 to 5 years)	MEDIUM-TERM (5 to 10 years)	LONG-TERM
Low price/demand relative to city (weak market)	Land bank may pursue multiple strategies depending on specific regional market, neighborhood, block and property conditions,	<p>Limited resale or rehab of structures in good condition or location</p> <p>Demolition of problem properties</p>	<p>Hold vacant land and selected structures for longer term re-use</p> <p>Temporary or permanent uses of vacant land for green community benefit uses</p>	<p>Sell or redevelop properties based on change in market conditions</p> <p>Hold properties for longer term re-use</p> <p>Medium-term uses of vacant land for green community benefit uses</p>	<p>Sell or redevelop properties based on change in market conditions</p> <p>Limited permanent use of vacant land for green community benefit uses</p>
Very low price/demand (non-market)	Land bank strategies will emphasize non-market or green re-use of vacant property with only limited re-use of buildings.	<p>Identify selected properties or locations for potential future redevelopment</p> <p>Extensive demolition of properties</p>	<p>Hold selected properties for potential future redevelopment</p> <p>Temporary or permanent uses of vacant land for green community benefit uses</p>	<p>Hold selected properties for potential future redevelopment</p> <p>Temporary or permanent uses of vacant land for green community benefit uses</p>	<p>Sell or redevelop properties in response to changes in market conditions</p> <p>Large-scale permanent use of vacant land for green community benefit uses</p>

THE GAME PLAN: THINKING THROUGH RE-USE STRATEGIES

An important role of any land bank is to provide a pipeline of properties in support of the activities of the local governments and non-profit entities within its area of operation. Thus, many land banks have provided properties to cities and non-profits using HUD Neighborhood Stabilization Program funds, particularly as properties taken through tax foreclosure are eligible for NSP funding.

At the same time, while a land bank is not a fully independent entity, neither is it merely a passive conduit of properties to others. Land banks have fiduciary responsibilities to ensure that the re-use of their properties benefits the public, which means they must evaluate both the prospective users and uses of the properties it holds.

Given all of the options that land banks have at their disposal, they should have a game plan that enables the land bank to evaluate options and choose the ones that add the greatest value to the community, while sustaining the land bank's own effectiveness. As properties are taken into the land bank, staff and consultants should evaluate each one, carrying out a sort of property 'triage' based on a series of questions:

1. What are realistic market opportunities or constraints affecting the property; i.e., are there credible entities that might buy or rent the property?
2. If the city or a CDC has a specific plan for an area, how can properties in that area taken into the land bank further that plan? [See [MOU with Local Government Agencies](#) and [Community Involvement Program Guidelines](#).]
3. What are the *physical* opportunities or constraints affecting the property; i.e., building condition, historic or aesthetic quality?
4. What are the *economic* opportunities or constraints affecting the property?

This process can allow the land bank in most cases to assign each property to one or another of the categories shown in Figure 2-1.

Most of these same considerations apply to decisions on property re-use:

1. Is the proposed *use* realistic, in light of building and market conditions?
2. Is the proposed *use* appropriate, in light of neighborhood conditions, surrounding land uses, and market-building goals?
3. Does the proposed *user* have the capacity – in terms of financial resources, technical skills and community support – to carry out the project successfully?

If a land bank conveys properties without being sure that the answer to all three questions is affirmative, then it is significantly at risk of seeing the property remain vacant – and even return in a few years to the land bank’s portfolio – or of contributing to further community decline.

The economic opportunities and constraints associated with re-use of each property are particularly important, since land banks not only have limited resources, but are often required to support their activities in whole or part from their receipts from property sales and re-use. [See [Program Funding Matrix](#) and [Program Budget](#)] Land banks that operate across a large enough area and that are aggressive in taking all eligible properties, have found that a small but important percentage of the properties they take are in strong market locations and have significant market value. These properties can be sold – often ‘as is’ – to generate funds that can be used either to support the land bank’s operation or to subsidize re-use activities in weaker market locations.

Conversely, land banks must be mindful of the costs associated with other re-use options. Although they may be under pressure from preservationists to preserve many of the buildings they acquire, the cost of either mothballing or reusing buildings in weak market areas may be too great to permit those options to be used more than rarely in special cases.

Even with careful due diligence, the land bank should still be mindful of these risks, and should make sure that to the extent possible, properties are conveyed with strict terms to ensure that they are in fact re-used properly, and with provisions that allow the land bank to recapture the property (reverter or reversionary rights) if the terms are not complied with.

The long-term nature of the land bank’s responsibilities dictates that a land bank should have a regular – at least annual – process to review the status of (1) all properties in the land bank inventory; and (2) all properties that have been sold by the land bank subject to performance conditions. This process, which should include an evaluation of any changes in area-wide or neighborhood-level market conditions, should enable the land bank to identify and take advantage of new and emerging opportunities for re-use of its properties.

MARKETING

Land Banks may need to be involved in the actual marketing of completed development project, if they act as the developer. Prior to initiating a development project, the land bank should evaluate the property’s ability to be sold once development is completed. NSP Census Tracts limit locations to areas that may be in *Less Desirable Neighborhoods* because of the following reasons:

1. Developments are smaller, numbering 1-5 homes. They are not large subdivisions or major revitalization efforts, which means that they have both limited marketing budgets and low visibility in the marketplace.
2. Lending has become more conservative, especially in areas with large numbers of foreclosures. Credit to most prospective buyers has tightened.
3. In many neighborhoods impacted by foreclosures, high inventories of properties available for sale have depressed home values. This is especially true where there are large numbers of short sales or foreclosed properties sold at auction.
4. Overall buyer demand has slackened, in part due to job losses, and the relative advantages of homeownership over renting have become far less clear. This is especially true with the end of Federal tax credits for home purchases.
5. Buyer confidence in future neighborhood value increases may be weak. Buyers have many choices, and more desirable areas may now be cheaper than they were prior to recent price declines.

Land Banks should consider working with a local realtor to market the project, emphasizing the positives of the neighborhood including issues around safety, schools (nearby public, private, charter & parochial schools as well as those that are a mass transit ride away) and value (affordability, functionality, location). In addition, the land bank should highlight the special amenities of the homes themselves, such as:

1. Energy efficiency, including NSP-funded improvements, as well as new and energy-efficient (Energy Star or better) appliances.
2. Structural improvements, such as covered porch or rear deck, convenient kitchens with pantry space, convenient laundry areas that include wash tubs, shelves and folding areas.
3. Spaciousness and convenience, including more than one bath room, 3 Bedrooms + room for office/media, light and window location.
4. Upgraded exterior finishes (“curb appeal”), landscaping and outdoor living space.
5. Interior finishes, such as hardwood flooring instead of carpet, tile instead of linoleum

The following chart details area median income categories, residential housing categories and the potential markets and households where a Land Bank may desire to target their redeveloped residential properties.

DEVELOPMENT ACTIVITY	Targeted market as % AMI
RENTAL PRODUCTION Families with very low incomes, some on public assistance Seniors and people with disabilities	0-60%
OWNER-OCCUPIED REHABILITATION Seniors & other homeowners with limited income who want to stay in neighborhood	0-80%
NEW BUYER PURCHASE REHABILITATION First-time home buyers Often need to build a 3rd bedroom and 2nd bathroom	50-100%
SINGLE-FAMILY NEW CONSTRUCTION Buyers have enough income to have other housing options First-time home buyers and move-up buyers who prefer to live in urban areas	60-120%
GRAND HISTORIC HOME PURCHASE FOR BUYER TO REHAB Dual-Income, No Kids (DINKs)	150%-200%
TOWNHOME/CONDO NEW CONSTRUCTION Buyers with limited borrowing power, wanting new construction First-time home buyers who prefer urban areas Single-parent households seeking low utilities, maintenance	50-100%

NSP PROGRAM REQUIREMENTS

As discussed, land banks often purchase and manage acquisition of properties for *Immediate Redevelopment*, i.e. rehabilitation, new construction or reconstruction. Land Banks must enforce NSP compliance and affordability requirements on the property used for Immediate Redevelopment and do so in a manner that meets the HUD program guidelines when conveying the property to the developer.

For those properties designated for *Long-term Redevelopment*, i.e. property to be acquired, land banked, and prepared for redevelopment Land banks have the right and obligation to use NSP funds to pay for such costs to maintain and secure property during the NSP Contract Term. Land Banks often insure the property during NSP Contract Term.

A Land Bank can demolish any and all structures and make improvements to the land banked property using NSP funds as long as the property is considered “blighted”. If the property is demolished, a project specific environmental review is required. A Land Bank should insure the property until a long-term redevelopment plan emerges. A Land Bank must always enforce NSP compliance and affordability requirements of property for redevelopment and do so in a manner that meets the HUD program guidelines. [See [Sample RFP for Boarding Contractors](#), [Boarding Specifications](#), and [Sample RFP for Maintenance Contractors](#)]

The NSP 10-Year Limit on Land Banking

Before a land bank invests NSP funds into any property, it is essential that it think strategically about its ability to re-use the property in a manner that conforms to end-use requirements for the program. If land banking activities extend beyond the NSP grant period, the Land Bank will need to plan for a maintenance strategy without benefit of federal assistance for the duration of the land banking period.

Major issues

With respect to the 10-year provision for land banking, the HUD regulations state the following:

“An NSP-assisted property may not be held in a land bank for more than 10 years without obligating the property for a specific, eligible redevelopment of that property in accordance with NSP requirements.”

Thus, properties that have been acquired, maintained or assisted under Eligible Use C of the Neighborhood Stabilization Program must meet the ‘end-use’ requirements for that property within this 10-year period.

End-use Requirements

Land Banks are able to acquire, maintain and dispose of properties under Eligible Use C, and can redevelop them using NSP funding under Eligible Use E. While demolition (Eligible Use D) of the property may take place within this period, demolition does not qualify as an end use of the subject property. Eligible Use E ultimately requires the redevelopment of demolished or vacant properties. Redevelopment of these properties can be based on the following end-use activities:

Residential Housing – Development may include: new construction; owner-occupied rehabilitation; rental development and rehabilitation. This housing must be made available to NSP eligible households (at or below 120% of area median income). All NSP funds used to acquire, maintain, demolish, redevelop and dispose of land banked properties contribute towards the total development subsidy, and are thereby subject to HUD’s approved federal subsidy limits per unit in the individual jurisdictions.

Side-lot Disposition – Vacant or demolished lots shall be conveyed for residential purposes only to adjacent homeowners that are NSP income eligible [See [Side Lot Policies and Procedures](#)]

Community Facilities – This is defined as use for the social, cultural, and educational activities of a neighborhood or entire community. Such uses might include neighborhood or community centers, community gardens (i.e. urban agriculture), parks and recreational facilities. As land banking is geographically specific to approved income-eligible target areas, the beneficiary requirements for these activities have been satisfied. However, if the property is to be conveyed to a public institution (for instance, a public hospital or university), then there will be a burden to demonstrate and report that a majority of the end-users meet the income requirements of the NSP program.

In certain weak market communities that have experienced a significant loss of population and economic base, planning and development efforts may specifically require a longer-term land banking program. In the event that localities can demonstrate that they require long-term land banking strategies to achieve best and highest use for neighborhood stabilization, land banks may wish to address HUD to consider their long-term land banking program as a qualified end-use, as long as the activities are part of a community redevelopment plan.

APPENDIX 1: CONTENTS OF LAND BANKING TOOLKIT

Title	Description
Overview and General Operations	
What is a land bank?	Explains land bank programs, referring to the different components of land banks, especially useful to municipalities not previously exposed to land banks.
Policies and procedures	Sample document of policies and procedures that guide a land bank program, important to protecting those operating and governing a land bank.
Governance structures	Examples of possible land bank governance, including recommended members of the board and advisory committees.
Program director job description	Sample job description for a land bank program director position.
Land Bank Financing	
Program funding matrix	Sample funding matrix helpful in exploring resources for funding programming.
Program budget	Sample budget helpful for creating annual budget, helping ensure that land banks do not forget key expenses.
Government and Community Relationships	
MOU with local governmental agencies	Outlines potential relationships between land banks and other governmental entities.
Community involvement program guidelines	Framework to ensure that land banks include community input in development of policies, program goals, etc.
Property Acquisition and Disposition	
Process map	Walks a land bank through acquisition, maintenance and disposition of a property.
Land banking agreement	Allows a non-profit or government to land bank a property until it is ready for disposition or development.
Option agreement	Allows a potential purchaser to secure a purchase option pending due diligence completion.
Property donation checklist	Walks through a suggested list of due diligence that should be completed prior to accepting a property for any party.
Side-lot disposition policy and procedure	Assists land bank in creation and implementation of a side lot program, allowing vacant lots resulting from demolition to be transferred to adjacent owners.
Property Board Up and Maintenance	
RFP for boarding contractors	Assist land banks in procuring contractors to board up properties.
Boarding specifications	Self-described
RFP for maintenance contractors	Assist land banks in procuring maintenance contractors.
Property maintenance contract	Self-described
Clean & Green maintenance program guidelines	Program that involves community groups in vacant property / green space maintenance.
Clean & Green maintenance program agreement	Agreement between land bank and community group to maintain Clean & Green properties.