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KENT COUNTY LAND BANK AUTHORITY STRATEGIC PLAN

Executive Summary

Background

The Kent County Land Bank Authority was established in November 2009 through an intergovernmental agreement between Kent County and the Michigan Land Bank Fast Track Authority, following approval of the agreement by the Kent County Board of Commissioners as a *“separate legal entity and as a public body to exercise within Kent County, Michigan the powers, duties, functions and responsibilities of an authority under the Land Bank Fast Track Act, 2003 PA 258, MCL 124.751 to MCL 124.774”*.

Since that time, the KCLBA has worked with local units of government as well as non-profit and for-profit developers to use the unique real estate and economic development tools provided to it under Michigan legislation. Through acquisition and rehabilitation of tax-foreclosed and bank owned properties, the land bank partners in projects to stabilize neighborhoods, eliminate blight, increase property values, and create redevelopment opportunities across the county.

Acquiring its first properties in 2011, the KCLBA has taken in, sold, redeveloped, or transferred to neighbors, over 700 parcels. This includes homes, commercial, industrial, build-able land, and non-buildable parcels. In partnership with the federal Environmental Protection Agency (EPA) and the Michigan Department of Environmental Quality (DEQ), KCLBA has taken on the environmental clean up of some of the most contaminated properties in West Michigan, ranging from the Sparta Foundry to the Grand Rapids Hard Chrome Plating facility. The land bank has become especially adept at cleaning up abandoned gas stations to repurpose the property for development. The Michigan State University Land Policy Institute recently completed a study of KCLBA's work from 2012-2016, and noted: *“The estimated economic impact of four years of KCLBA activity throughout Kent County is 266 jobs and \$42,899,413, suggesting that for each dollar spent by the Land Bank, \$1.77 of value is generated in the regional economy”*

Process

In late 2017, KCLBA underwent a planning process that was informed by an evaluation of its 2013 strategic plan as well as a comprehensive review of

policies, statements and reports compiled over a five-year period, and also a series of facilitated conversations about operations, goals, and relationships with representatives of the Land Bank Authority, Advisory Council, local government, and real estate and lending interests.

Several key considerations were noted by Board, staff, and public participants in the development of a new strategic plan. Most importantly, the strong real estate market has put upward pressure on property values in general, and on residential costs in particular. Such pressure, coupled with population growth and a lack of construction targeted toward low- and moderate-income households, has contributed to a county-wide shortage of so-called “affordable housing”, especially in Grand Rapids and those areas close to employment opportunities. Additionally, factors related to the organization’s political environment and relationships with local and county governments, as well as its economic impact throughout the region, also ranked high on the list of priorities.

Lastly, KCLBA planning reflected the enthusiasm spreading through an operational “second generation” of Michigan land banks, with leadership recently referring to *Land Bank 2.0*, and urging movement from *transactional* to *transformational* agencies to create greater positive impact and sustainable funding streams. In a December 2017 memo, Josh Burgett, Director of the Michigan Land Bank Fast Track Authority, urged land banks across the state to examine their strategic plans and operations to determine if they have become too transactional, too narrow in their focus, and too narrow in their scope. He added that although each land bank is unique with different challenges and opportunities, they each must play a key role in the economic development and revitalization of the communities they serve.

Overall, participants were enthused about the valuable array of tools and services available to the land bank, and strongly encouraged continued focus on offering tools to partners in government, finance, and development fields in relationships designed to move beyond transactional projects. KCLBA’s extensive tool box – the ability to quiet title actions, property tax advantages, assemble properties and brownfield areas, accelerate tax reversion, obtain resources for environmental cleanup, lead hazard remediation, and leverage financial and community support - will be most valuable to county-wide revitalization only if the necessary relationships can be built, managed and sustained in the long term.

Results

Based on the process described, this organizational plan describes the following fundamental principles and goals, along with strategies to operationalize progress toward each goal.

Mission

The Kent County Land Bank Authority is a real estate development partner that offers an innovative toolbox for community transformation.

Vision

KCLBA offers unique redevelopment tools to local government, communities, and developers in transformative partnerships that further economic revitalization in Kent County.

Values

KCLBA is transparent, accountable and positive in offering its toolbox for strategic use by local units of government and non-profit and private developers, enabling re-use of property for high impact regarding tax revenue, housing supply, and neighborhood character and local economy.

Goals and Objectives

The following goals and objectives of this strategic plan are action-oriented, and build upon extensive state and national learnings about where land banks need to go, and what they need to do in order to meet needs and be relevant to progress.

Offer partnerships to governments, developers, and business interests in transformational relationships designed to support economic progress in Kent County with tools and services available through land bank participation.

Achievement related to this goal will include organizing and offering KCLBA's toolbox, identifying the land bank's appropriate role related to affordable housing, strengthening strategic partnerships and assessing projects, and maintaining support for local and minority contractors, local developer qualifications and construction standards. Progress will be measured periodically in the range and quality of relationships, completion of project assessments, and impact on housing affordability and local economies.

Communicate throughout the Kent County community and among state, regional and national land banks to explore, offer, implement and report on

best practices designed to meet contemporary economic and housing development needs.

Progress toward this goal will involve development and implementation of the public relations strategy along with regular, structured communication and organized staff development. Accomplishment will be measured periodically through completion of operational activities and the level of communication impact.

Develop diversified revenue streams sufficient to support operating costs at levels that allow the highest possible use of development tools by partners and their projects.

This goal requires development and understanding of accurate financial and related projections, identification of value-added, fee-for-service revenue, and regular fiscal reporting to the Board and Advisory Council. Progress toward this goal will be based on periodic program and financial reports reflecting organizational sustainability in financial, program and staff capacity terms.

/December 2017

KENT COUNTY LAND BANK AUTHORITY

STRATEGIC PLAN 2018 - 2020

Background

The Kent County Land Bank Authority was established in November 2009 through an intergovernmental agreement between Kent County and the Michigan Land Bank Fast Track Authority, following approval of the agreement by the Kent County Board of Commissioners as a *“separate legal entity and as a public body to exercise within Kent County, Michigan the powers, duties, functions and responsibilities of an authority under the Land Bank Fast Track Act, 2003 PA 258, MCL 124.751 to MCL 124.774”*.

Since then, the KCLBA has worked with local units of government as well as non-profit and for-profit developers to use the unique real estate and economic development tools provided under the Michigan legislation. Through acquisition and rehabilitation of tax-foreclosed and bank owned properties, the land bank partners in projects to stabilize neighborhoods, eliminate blight, increase property values, and create redevelopment opportunities across the county.

Acquiring its first properties in 2011, the KCLBA has taken in, sold, redeveloped, or transferred to neighbors, over 700 parcels. This includes homes, commercial, industrial, build-able land, and non-buildable parcels. In partnership with the EPA and the DEQ, KCLBA has taken on the environmental clean up of some of the most contaminated properties in West Michigan, ranging from the Sparta Foundry to the Grand Rapids Hard Chrome Plating facility. The land bank has become especially adept at cleaning up abandoned gas stations to repurpose the property for development. The Michigan State University Land Policy Institute recently completed a study of KCLBA's work from 2012-2016, and noted: *“The estimated economic impact of four years of KCLBA activity throughout Kent County is 266 jobs and \$42,899,413, suggesting that for each dollar spent by the Land Bank, \$1.77 of value is generated in the regional economy”*

KCLBA is governed by a five-person Board representing the County, the City of Grand Rapids, and suburban and township units of government, as required in accordance with the Intergovernmental Agreement. Its operations are informed by an Advisory Council charged to *“Provide constructive input to the Board of Directors to assist in the execution of their mission and support the sustainable revitalization of Kent County’s communities.”*

Planning Process

During the period September through December 2017, The KCLBA Board, staff, Advisory Committee and community members representing government, developers and lenders worked to examine the history of the land bank and define its future direction. The KCLBA planning process was informed by an evaluation of its 2013 strategic plan as well as a comprehensive review of policies, statements and reports compiled over a five-year period, and also a series of facilitated conversations about operations, goals, and relationships with representatives of Land Bank Authority, Advisory Council, local government, and real estate and lending interests.

Research included the following documents:

- *MI Public Act 258 of 2003 (Creation of Land Bank Fast Track Authorities)*
- *Kent County 11-19-09-136 Approval of Land Bank Authority Intergovernmental Agreement and IGA, December 1, 2009*
- *Kent County Land Bank Authority Review Subcommittee (March 2013)*
- *Kent County Land Bank Long-term Strategic Plan (June 2013)*
- *Community Impact Assessment of the Kent County Land Bank Authority (2012-2016); MSU Land Policy Institute, April 2017*
- *Kent County Land Bank Authority Review Subcommittee (May 2017)*

Additionally, the land bank hosted a separate session with no-profit developers, recognizing their critical role in housing development, particularly related to affordable housing, and also focused toward increasing the value of their partnerships with and among developers.

A thoughtful look back at the land bank's initial Strategic Plan, adopted in 2013, demonstrated significant levels of success in each of ten priority areas, generally reinforcing the original mission and purpose set forth by its founders. Briefly, those priorities were focused toward positive public relations, effective communication with the County Commission, the Advisory Council, and financial/property interests, redevelopment agreements with local units of government, project quality standards, and its own internal capacity to support the necessary level of operations.

In appreciating the land bank's commitment to these priorities and substantial achievements within that framework, participants also recognized their importance as a basic framework to future operations – relationships, communication, quality and capacity are critical.

Two additional strategic priorities from the 2013 plan were critical at the time, and have shifted dramatically in the ensuing years. First, recognizing the importance of the foreclosure crisis that prompted its inception, KCLBA established as a priority its resolve to forego direct service programs and instead put its efforts into bolstering the real estate market. Now, economic changes since that time represent a tremendous challenge to the land bank, its mission and its operations. The depressed market of the previous years is long gone, and Kent County, along with many areas across the country, is facing new challenges of escalating housing costs compared to household incomes, a growing shortage of affordable housing, and limited resources to support development. High numbers of foreclosed properties, especially residential homes, have been replaced by even higher numbers of households seeking housing to rent or own, and employers concerned with the impact of housing shortages on the workforce supply.

Lastly, the land bank maintained its deliberate separation from legal issues and related public relations actions, leaving those matters to counsel and focusing instead on promotion of its projects and economic impact. All legal issues have now been resolved. As noted by the Kent County Commission 2013 Subcommittee report, *"The process used by Kent County in 2011 and 2012 by which tax foreclosed property was statutorily claimed by the County and transferred to the KCLBA has been legally affirmed by the Kent County Circuit Courts."* Subsequent appeals were unsuccessful.

The considerable energy and resources devoted to addressing both the foreclosure crisis and the lawsuit with its attendant confusion and perceptions are now available to strengthen a positive understanding of land bank activities throughout the county.

Key Considerations

For the future of the land bank, the overarching theme encouraged by participants was to *“Scale out: more tools, better communication, stronger partnerships.”*

Several significant considerations were noted by Board, staff, and public participants in the development of a new strategic plan. Most importantly, the strong real estate market has put upward pressure on property values in general, and on residential costs in particular. Such pressure, coupled with population growth and a lack of construction targeted toward low- and moderate-income households, has contributed to a county-wide shortage of so-called “affordable housing”, especially in Grand Rapids and those areas close to employment opportunities.

KCLBA must maintain its awareness of the political environment in which it operates, and work deliberately to strengthen support at key levels of government and within the development community. By operating carefully within the guidelines of Michigan enabling legislation while also aligning itself with local goals for safe and affordable housing, the land bank will be able to help attract community support for widespread revitalization work.

The planning process was informed by an MSU Land Policy Institute study completed early 2017, investigating the economic impact of the land bank on nearby properties and regional economy. The study includes research, economic data analysis and social perceptions assessment over a four-year period from 2013 – 2016. Those interviewed and surveyed felt generally positive about the land bank, and also indicated desires to know more about it, and better understand its property acquisition, disposition and prioritization practices. While respondents valued renovation and redevelopment, they also realized how those activities might work against affordability. Concerning economic activity, the study states, *“selling a home in Kent County after the conclusion of KCLBA activity within 500 feet is associated with an average \$7,064 increase in sale price”*. Regarding county-wide impact, the study concludes, *“The estimated economic impact of four years of KCLBA activity throughout Kent County is 266 jobs and \$42,899,413, suggesting that for each dollar spent by the land bank, \$1.77 of value is generated in the regional economy”*.

KCLBA recognizes the importance of its political relationship with the County, and gave serious consideration to the report issued in May 2017 by the KCLBA Review Subcommittee, which was charged with reviewing land bank

accomplishments, current status and operations, and determining if its initial goals and purposes remain valid, and recommending operational changes that might be warranted. The subcommittee heard voices for and against land bank activities, ultimately issuing eight recommendations concerning the land bank as follows:

- Increase transparency;
- Avoid mission “creep” and maintain focus on distressed properties;
- Accept properties only after public auction except when high foreclosure rates or requests by local units occur;
- Follow the (anticipated) recommendations of the Lead Task Force in renovation and/or transfer of properties;
- Continue private-public partnerships;
- Complete strategic planning.

Several of the County’s recommendations were echoed in the planning process. Specifically, there was strong and repeated support for increased transparency, high-quality partnerships, residential and environmental safety and attention to fundamental purposes as well as the importance of a new plan to guide the future.

Much of the conversation over four sessions mirrored the principles recently highlighted by experts at in this year’s *Michigan Land Bank Leadership Summit*, sponsored by Michigan Association of Land Banks. A workshop entitled *Land Bank 2.0 – Second Generation* emphasized, “*If all land banks are known for in Michigan is assembling and tearing down properties, then we have missed the mark.*” The speaker added that organizational movement toward becoming transformational not only creates greater impact but also can lead to sustainable funding streams.

In a December 2017 memo, Josh Burgett, Director of the Michigan Land Bank Fast Track Authority, urged land banks across the state to examine their strategic plans and operations to determine if they have become too transactional, too narrow in their focus, and too narrow in their scope. He added that although each land bank is unique with different challenges and opportunities, they each must play a key role in the economic development and revitalization of the communities they serve.

The early years’ pressing need to manage a high volume of transactions has now evolved into the contemporary need for a transformative organization, employing partnerships, motivation and collaboration to accomplish change.

This represents a fundamental shift in organizational culture, in leadership style, and in operations.

Participants continue to be enthused about the valuable array of tools and services available to the land bank, and strongly encouraged continued focus on offering tools to partners in government, finance, and development fields in relationships designed to move beyond transactional projects. KCLBA's extensive tool box – the ability to quiet title actions, property tax advantages, assemble properties and brownfield areas, accelerate tax reversion, obtain resources for environmental cleanup, lead hazard remediation, and leverage financial and community support - will be most valuable to county-wide revitalization only if the necessary relationships can be built, managed and sustained over the long term. Future success will depend heavily on the quality of partnerships, with special attention given to transparency, consistency, and effective communication designed and carried out to educate about potential benefits and listen carefully to community and partner needs. In particular, the highly regarded network of non-profit development organizations working in Kent County offers the opportunity to utilize the land bank's toolbox with innovative projects supported by government and the community.

Finally, participants recognized the financial implications of current and future revenue projections, especially KCLBA reliance on operational support generated through the "5/50" rule that allows Michigan land banks to capture 50% of property taxes generated by properties returned to the tax rolls for a five year period. Reflecting the decline in the number of tax-foreclosed properties, this current revenue stream will decrease in the future.

Organization Principles

Mission:

The Kent County Land Bank Authority is a real estate development partner that offers an innovative toolbox for community transformation.

Participants evaluated the mission stated in the 2013 Strategic Plan: “To quickly return property to productive use.” Although it was recognized as relevant to the land bank’s purpose in its time, there were concerns that the statement reflected matters of dollar value and timing over more important factors of relationships, development opportunities, economic impact and environmental safety. Based on several conversations, the new mission statement above was drafted to further awareness of the many valuable tools and services offered by the land bank, and to emphasize its commitment to joining with partners in innovative, out-of-the-box projects.

Vision:

KCLBA offers unique redevelopment tools to local government, communities, and developers in transformative partnerships that further economic revitalization in Kent County.

The distinction between “transformation” and “transaction” as fundamental to land bank operations was a major theme of this planning process, and participants directed that it serve as a basis for all organizational principles. The practice of “offering” tools to various potential partners is intended as an open invitation, allowing all interests to gauge the value of working with the land bank and joining forces to accomplish the greatest good.

Core Values:

KCLBA is transparent, accountable and positive in offering its toolbox for strategic use by local units of government and non-profit and private developers, enabling re-use of property for high impact regarding tax revenue, housing supply, and neighborhood character and local economy.

Conversations throughout the planning process noted KCLBA’s evolution from its early years, characterized by learning, forward to its contemporary profile as an organization highly informed of the unique development supports within its toolbox. Non-profit developers have come alongside the land bank in the maturing process, and now emphasize the need for broad education as to opportunities available, patient and consistent project development, and high quality communication to ensure accountability. Shared long term goals provide a foundation for projects that also serve various developer, government and community goals.

Goals –

The goals and objectives of this strategic plan are action-oriented, and build upon extensive state and national leanings about where land banks need to go, and what they need to do in order to meet needs and be relevant to progress in their geographic area of focus.

Offer partnerships to governments, developers, and business interests in transformational relationships designed to support economic progress in Kent County with tools and services available through the land bank.

Communicate throughout the Kent County community and among state, regional and national land banks to explore, offer, implement and report on best practices designed to meet contemporary economic and housing development needs.

Develop diversified revenue streams sufficient to support operating costs at levels that allow the highest possible use of development tools by partners and their projects.

Goal One

Offer partnerships to governments, developers, and business interests in transformational relationships designed to support economic progress in Kent County with tools and services available through the land bank.

The KCLBA offers an extremely valuable “tool box” of services available to support housing and other economic development projects including but not limited to the ability to quiet property titles, assemble properties, hold property taxes in abeyance, support and conduct “clean site” environmental remediation and accelerate tax reversions. In order to maximize the potentially tremendous value of these services to the housing and property development industry, both the tools available and the ability to access tools must be clearly defined, consistently applied and transparently accountable.

The first five years of land bank operation were characterized by a glut of tax foreclosures across the county, and the corresponding need to return those properties to the tax rolls as quickly as possible while respecting applicable health and safety standards. Looking forward, high volume tax foreclosures are not currently an issue in Kent County. While the land bank will remain as a mechanism to annually accept tax-foreclosed properties at the request of local jurisdictions, other, more timely issues of affordable housing supply, environmental safety, and the connections among jobs, housing and local economies have emerged.

In order to maximize the benefits of regional economic growth, the well-respected, high-capacity environment of non-profit and private developers, and also the extraordinary support tools at its disposal, the Kent County Land Bank must shift from its former *transactional* posture toward one of *transformation*. Accomplishing this in a thoughtful and deliberate manner will move the land bank from managing day-to-day operations toward an active partner role in crafting strategies to move housing and economic development forward across Kent County.

KCLBA is open to being part of innovative organizational structures that allow for the best possible results in community transformation. The land bank will explore new strategic partnerships that further connections among several and various interests, to develop and activate innovative work that is currently beyond the scope of individual entities and/or singular project partnerships. Suggestions range from a structured relationship sharing information, values and opportunities to the creation of a new non-profit organization devoted to furthering the related objectives of economic

development and revitalization progress in Kent County. Participants are interested in considering and deciding the feasibility of this effort within a 6-month timeline, and moving quickly to implement ideas if desired.

KCLBA places a high value on local, neighborhood and community economic health, and will continue to reflect that commitment in its contracting practices, publishing contractor quality and hiring standards, and in relationships with minority and local contractors and services.

Operational strategies

- 1) Organize the KCLBA toolbox
- 2) Identify KCLBA's optimal role as a catalyst related to affordable housing, recognizing the importance of various related factors: gentrification, older housing issues (including lead), density v desirability.
- 3) Continue to actively offer agreements with local governments throughout Kent County.
- 4) Strengthen partnerships to anticipate and foster high impact projects.
- 5) Focus partnerships, practices and tools toward the creation and maintenance of affordable housing opportunities.
- 6) Assess potential projects for level of readiness:
(Categorize: Ready now; Ready in 12-18 months; Longer/never).
- 7) Explore the near-term creation of a new, long term strategic partnership including governments, developers and community interests to COMMUNICATE possibilities, ENGAGE partners necessary to DESIGN and IMPLEMENT high impact projects, and MAINTAIN transparent accountability records
- 8) Promote minority and local neighborhood contractors to directly support local economies.
- 9) Maintain developer qualification criteria and minimum quality construction standards including environmentally approved practices, lead and other hazard remediation.

- 10) Evaluate short-term progress regarding range and quality of partnerships, project readiness and exploration of strategic partnership on at least a quarterly basis in year one (2018). Evaluate continuing and longer-term strategy activity on at least an annual basis to measure progress toward transformational relationship goals.

Goal Two

Communicate effectively throughout all of Kent County and among state, regional and national land banks to explore, offer, implement and report on best practices designed to meet contemporary economic and housing development needs.

Support for the land bank and its future depends on widespread recognition of the connections between affordable housing supply and a healthy economy. In conjunction with other economic growth interests, KCLBA has a responsibility to educate elected officials as to its purpose and the benefits of partnership-oriented accomplishments.

Getting to know the Kent County Land Bank and its unique legal framework, as well as becoming familiar with its array of development tools, has been an evolving process since its inception. Although the community now has gained a much better understanding, the potential for progress depends on all parties sharing a working knowledge that is clear, reliable, and consistent over time and projects. Partners need to know of tools available and the criteria attached in a manner that recognizes organizational project planning, financing, and development timelines.

As housing markets shift locally and regionally as well as nationally, a strong network of state-enabled land banks has matured in the experience and expertise they bring to their work. KCLBA's participation in this network is important to increasing its capacity and enhancing its transformative role in economic partnerships.

Operational strategies

- 1) Engage professional services to develop a comprehensive public relations strategy, specifically to brand and broadly market KCLBA as a PARTNER with a valuable TOOL BOX connected with governments, developers and communities throughout Kent County to promote housing and economic progress.
 - a. DBA: InnovaLaB
 - b. Economic development partner
 - c. Not a "bank"
 - d. Interested in housing, commercial and industrial revitalization
 - e. Characterized by
 - i. Always offering, never imposing
 - ii. Environmental improvement mechanism

- iii. Early engagement
- iv. Supporting local and minority economies
- v. RENEW
- vi. REVITALIZE
- vii. REDEVELOPMENT
- viii. RETURN TO PRODUCTIVE USE
- ix. INNOVATE

- 2) Develop a comprehensive communication policy to support goals and objectives regarding partner relations, active promotion of toolbox services, and commitment to high-impact revitalization.
- 3) Enhance overall regular communications, structuring content, procedures and scheduling according to the communication policy, and paying special attention to Kent County and its Board of Commissioners and also to elected officials of local jurisdictions, along with development, financial and community interests.
- 4) Continue staff development and education regarding land bank authority methods and practices through national and regional networks.
- 5) Evaluate the results of public relations and communications activities on at least a quarterly basis in year one (2018) and annually thereafter to measure progress toward overall goals for improved communication.

Goal Three

Develop diversified revenue streams sufficient to support land bank operations at levels that allow the highest possible use of development tools by partners and their projects.

Since its inception, the land bank has funded its operations in a variety of ways, including the net proceeds from the sale of real estate, “5/50” property tax revenue, payments for services from municipal partners, and state grants.

Briefly, the “5/50” rule is defined in the enabling legislation (PA 260 of 2003), and requires land banks collect 50% of all property tax revenue associated with parcels they acquire and subsequently sell. Further, state law does not permit land banks to defer or return revenue so collected. Due to the high volume of tax-foreclosed properties acquired and sold in previous years, this mandated revenue stream currently supports a significant portion of operational costs. However, the declining number of tax foreclosures, while a very positive economic trend, points clearly to substantially lower 5/50 income in the future. Accurate financial projections based directly on property sale and values enable KCLBA to anticipate related fiscal changes and plan accordingly.

Early conversations with County officials addressed the land bank’s proposed financial structure along with other items in November 2009. Asked what the cost would be to the County, minutes of the Legislative & Human Resources Committee indicate the Treasurer stated, *“There is no funding or direct cost associated...”* and further explained that it would be the responsibility of the land bank to seek its funding.

Because the KCLBA is charged with the responsibility of raising its own financial support for annual operations, including the purchase of tax-foreclosed properties, the organization must balance programmatic and revitalization goals with realistic fiscal projections. The agency’s commitment to high quality, high impact, transformational partnerships sets up a corresponding need to identify each and every possible revenue stream and evaluate its potential as to value and appropriateness. Ultimately, partnerships and resulting projects will reflect the amount of energy and resources devoted to their comprehensive planning and implementation, and also to the core relationships that underlie major developments.

Within its innovative toolbox, KCLBA has opportunities to develop “revenue-added” services that rely on the particular experience and expertise of staff to add value to redevelopment projects. By charging for activities in situations

that can be leveraged for value and attracting resources from various directions, the land bank can structure projects in ways that do not result in a loss of proceeds from (net cost to) partners but rather an increase in applied resources that enhances overall performance, quality and outcomes.

Operational strategies

- 1)** Project future financial requirements on a seasonal and annual basis, recognizing specific cash flow dynamics through a 12-month period.
- 2)** Ensure sufficient staff and organizational capacity to carry out obligations under Michigan law, governmental and jurisdictional agreements, and partnerships.
- 3)** Identify staff-reliant, value-added fee-for-service revenue streams as a KCLBA income component.
- 4)** Actively communicate and apply the KCLBA principle that any/all service-generating fees be value-added in nature, adding rather than subtracting from overall project costs to partners.
- 5)** Issue periodic (no less than quarterly) reports describing financial status to Board and Advisory Council, and an annual fiscal report, including audit, to the public.
- 6)** Evaluate the results of revenue development activities on at least a quarterly basis to measure progress toward overall goals for organizational sustainability.

Evaluation

The three-year plan presented herein points the Kent County Land Bank Authority toward action-oriented goals designed to strengthen its role in economic development throughout the region.

Effective implementation will depend, in large part, on practical, on-going evaluation. Although much of the land bank's work is necessarily measured by numbers of properties and values of projects, its forward progress as a transformational partner offering unique re-development tools will best be determined by the quality of its relationships, and its position in political, economic and local community environments.

In order to be useful, evaluation is ideally considered as an integral part of organizational culture, aimed at producing continuous change and improvement. Key elements involve asking good questions, collecting information, and sharing and using that information, from a variety of viewpoints, as a basis for decisions. An on-going evaluation function is likely to better serve to the land bank's quickly moving nature of properties, deadlines and projects with multiple and varied partners more than a traditional external process.

This plan notes specific evaluation periods in some near-term strategic objectives, and the annual evaluation of progress toward goals and objectives on an overall basis. In an on-going assessment, those points represent formal markers of progress, and will ideally be accompanied by reports to the Board and Advisory Committee. Reports that summarizing the results of on-going organizational review by staff, Board and representatives of various interests, combined with financial and program activity data, become a means of comparing the state of the land bank, its relationships, and its operations to its planned future.

List of Attachments

- A: Summary: Michigan Land Bank Fast Track Act, Act 258 of 2003
- B: Kent County Commission Legislative and Human Resource Committee minutes Nov 10, 2009 *Recommendation to Approve Intergovernmental Agreement*
- C: *Approval of Land Bank Authority Intergovernmental Agreement with Treasurer's Office*, Kent County Commission minutes Nov 19, 2009;
- D: *Long term Strategic Plan 2013 – 2015*, June 2013; Kent County Land Bank Authority
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