



## Genesee County Land Bank 2002-2010 Annual Review

### Tax Foreclosures Have Been on the Rise

#### Preventing Foreclosures

The Genesee County Treasurer's Office does all it can legally do to assist home-owners in preventing their homes from being foreclosed for failure to pay property taxes. Resident home-owners experiencing significant financial hardship can request a one-year foreclosure postponement. A second year postponement is sometimes granted if the circumstances remain the same and the property owner demonstrates significant progress toward paying the taxes owed. Those having trouble paying their taxes are urged to seek assistance as early as possible. More information regarding this program may be obtained from the Treasurer's Office by calling 810-257-3059.

#### As Population is Decreasing, Tax Foreclosures Are Increasing

Since 2002 over 10,000 properties have been through the tax foreclosure process in Genesee County. As a result of the mortgage and financial market crisis in 2008 and continued high unemployment and population loss, the number of foreclosures has increased dramatically in just the past three years. Foreclosures in 2008 totaled just over 1,200 but increased to over 2,300 in 2010. While these numbers seem incredible, it is important to note that Flint's population decreased by about 90,000 people since 1960. With average household size of around 2.5 persons per household that population loss equates to 36,000 fewer housing units. In addition to the loss of population in Flint, Genesee County's population has also decreased since 1980, losing about 30,000 people in total. As the local housing market has fallen to unheard of levels, there is so little value left in many of these properties that owners have made the decision that the property is not worth saving and have simply walked away without paying the taxes.

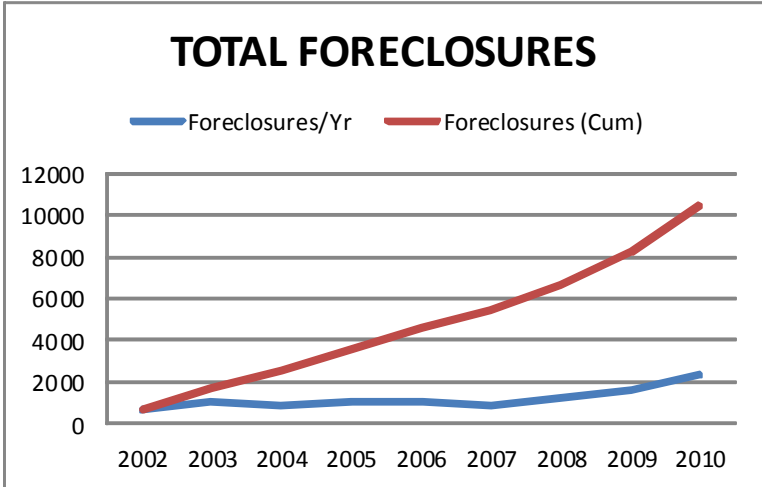


#### Deborah Cherry

Genesee County Land Bank: 2002 – 2010 Annual Review

On behalf of the Board of Directors and staff of the Genesee County Land Bank Authority, I am pleased to present this annual review to the community. This report covers major Land Bank activities for the period 2002 through 2010. We hope you find this report interesting and informative. As your Genesee County Treasurer, I serve as the Chairperson of the Land Bank Authority Board of Directors. In 2002 Genesee County took over the responsibility for managing tax foreclosed properties keeping them under local rather than State control. Since then, the Genesee County Land Bank has managed tax foreclosed properties for our community. Over that time the Land Bank has developed a number of programs to deal with the growing problem of tax foreclosed properties and blight in our community. This report reviews those programs and their impact.

Deborah Cherry  
Genesee County Treasurer  
Chair  
Genesee County Land Bank Authority



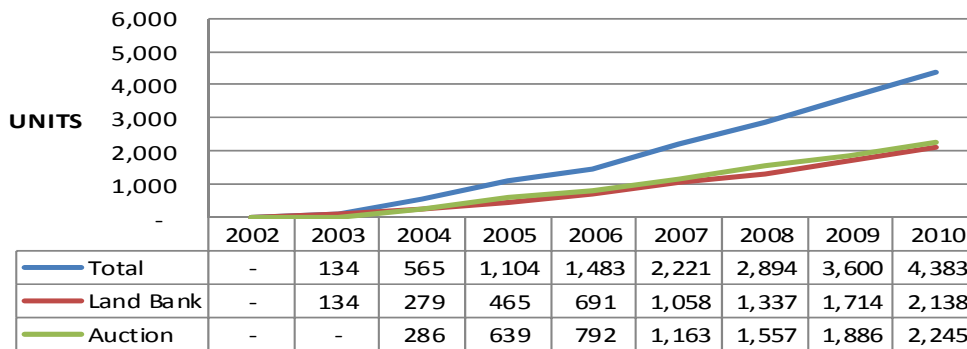
Year	Foreclosures
2002	683
2003	1,048
2004	810
2005	1,015
2006	995
2007	872
2008	1,211
2009	1,555
2010	2,317
<b>Total</b>	<b>10,506</b>

# Putting Property Back on the Tax Rolls and Creating Affordable Housing

## Selling and Putting Property Back on the Tax Rolls

Of just over 10,000 properties foreclosed since 2002, over 2,200 have been sold at public auction and over 2,100 have been sold by the Land Bank. The Land Bank has steadily increased its sale of properties over the years with 2010 sales reaching 424 properties for a total of \$2.5 million. While our sales figures speak for themselves, our inventory of properties has grown and is heavily populated by blighted and abandoned properties for which there is no market. Of the Land Bank's current inventory of about 6,500 properties, nearly 4,000 are vacant lots in heavily abandoned areas of Flint and Beecher. Nearly 300 are abandoned commercial and industrial properties, many of which are contaminated or so blighted that they need to be demolished. Of the remaining 2,300 residential structures, most have been stripped of any value and should be demolished. Since the Land Bank was formed about \$10 million worth of property has been put back on the tax rolls through our sales operations.

### PROPERTY SALES (CUMULATIVE)



Current Inventory By Property Type	Number
Residential Improved	2,283
Resident Vacant	3,952
Commercial Improved	91
Commercial Vacant	202
Other	28
<b>Total</b>	<b>6,556</b>

YEARLY SALES	2002	2003	2004	2005	2006	2007	2008	2009	2010
TOTAL	-	134	431	539	379	738	673	706	783
LAND BANK	-	134	145	186	226	367	279	377	424
AUCTION	-	-	286	353	153	371	394	329	359

## Creating Affordable Housing Through Rentals and Sales

At any given time the Land Bank has nearly 100 rental units. This program and our aggressive sales operation help us to create affordable housing opportunities for residents. The Land Bank has sold over 500 homes, mostly to first time home owners on land contracts. The average monthly payment on these homes is about \$200 per month and the term of the loan is generally five years or less making these homes affordable for even the lowest wage earners in the area. Once a family establishes a payment history on one of our rental properties we work with them so they can purchase the property, begin accruing equity in their own home and put the property back on the tax roll.

## Creating Quality Living Space Through Side Lot Sales and Adopt-A-Lot

Homeowners with vacant Land Bank property adjacent on either side of their home are generally eligible to purchase that side lot for a nominal fee. In addition to increasing the value of properties for home owners, this helps improve neighborhoods and puts property back on the tax roll. Since 2002 over 500 side lots have been sold and about 550 vacant lots were adopted by neighborhood groups, private individuals and nonprofit organizations.

## The Land Bank Has Become a National Model

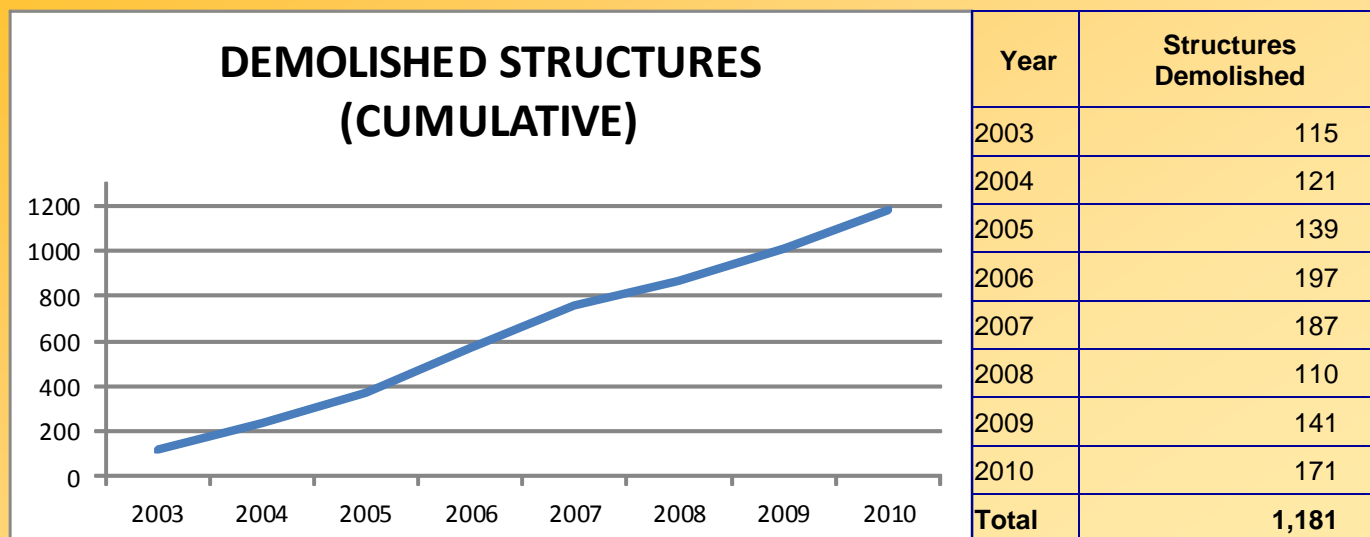
The Genesee County Land Bank and the enabling legislation in Michigan has become a model for similar programs across the country. The land banking concept has become a major focus of Federal HUD urban redevelopment strategy and new grants and funding opportunities have become available to use the concept as a tool to redress many of the urban problems that have resulted from declines in populations in the nation's cities.



## Controlling Blight

### Demolition

Through 2010, the Land Bank has demolished nearly 1,200 blighted properties by using every financial tool available including: proceeds from the sale of Brownfield bonds; Community Development Block Grant (CDBG) funds; and federal Neighborhood Stabilization Program (NSP) funds. In the next two years approximately 800 more blighted properties will be demolished in various communities throughout Genesee County using NSP funds. Many of these demolitions have been completed through partnerships with the City of Flint and the Genesee County Metropolitan Planning Commission.



### Property Maintenance

There are about 18,000 blighted and abandoned properties in Flint and a couple thousand more in neighboring communities. While many people assume that the Land Bank owns every blighted property, the Land Bank actually owns only about one of every three abandoned properties. Through a partnership with the City of Flint, Career Alliance and Mott Community College, for the past two years we have performed weed and trash abatement on virtually every blighted property in Flint and we have performed weed and trash abatement on Land Bank owned properties in other communities throughout Genesee County. In 2010 alone we removed over 1,500 tons (3 million pounds) of trash from these communities.

### Our Clean and Green Program and Urban Gardening

The Land Bank's Clean and Green Program is a partnership that last year involved 40 nonprofit organizations, including many churches, local block clubs and neighborhood associations in Flint and Mt. Morris Township. Each of the 40 nonprofits is responsible for maintaining at least one urban garden in addition to caring for a number of vacant lots. Through this program these nonprofits maintained over 1,100 vacant lots. We were also instrumental in supporting the Urban Gardening Resource Center and the Edible Flint Co-op. In 2010 we supported 160 urban gardens being cultivated by some 80 different organizations. These programs involve both philanthropic funding from the Ruth Mott Foundation, the Land Bank's property maintenance budget, and the MSU Extension's Master Gardener Program.



## Working for a Better Future Through Planning and Development

### Planning and Outreach

The Land Bank staff works with public, private and nonprofit partners to develop and support redevelopment plans and strategies. These efforts have involved Smith Village, the Flint River District, the Grand Traverse Neighborhood, the Downtown Area, Metawananee Hills, Mott Park and the Thread Lake Area. C.S. Mott Foundation grants for developing better strategies for the reuse of vacant land have funded much of this work.

### Development

Large scale projects like the Durant Hotel, Berridge Place, and the Land Bank Center have taken previously blighted buildings in key areas and redeveloped them into vibrant spaces that contribute to the revival of our community. In addition to these projects, the Land Bank's development projects have included partnerships with others in the community to redevelop multifamily housing projects and several mixed use residential-commercial properties. The Land Bank has also secured millions of dollars in federal EPA funds to assist with clean up of a number of contaminated properties.

### The Land Bank and Federal NSP1 Grants

The Land Bank has worked closely with the Genesee County Metropolitan Planning Commission (GCMPC) on the Federal Neighborhood Stabilization Program (NSP1). We have provided staff resources to GCMPC to acquire properties for rehab and demolition. The Land Bank is administering \$1.2 million in the demolition portion of this grant. All properties involved in this program are outside the City of Flint including Flint, Genesee and Mt. Morris Townships, and the cities of Burton, Mt. Morris and Clio. The Land Bank is also administering \$1.4 million in funds through another NSP1 grant that will result in over 130 demolitions and two home rehabs in Flint.

### The Land Bank Was Granted \$10 Million in Federal NSP2 Funds

As part of a statewide consortium, the Land Bank was granted \$10 million of a total \$25 million in grants awarded jointly to the City of Flint and the Land Bank to assist in demolition, rehabbing and maintenance of selected properties over the next three years. This grant came in recognition of the land banking concept and the promise it holds to aid in the redevelopment of foreclosed properties. This grant will result in over 300 demolitions, more than 60 home rehabs, and maintenance of these properties for three years.

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