



Commissioners hire nonprofit group to help with 'land bank'

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Muskegon County commissioners have been openly enthusiastic about the idea of forming a county "land bank" for months.

Earlier this week they signaled their intention to move ahead with the concept by hiring a nonprofit organization to help them form a land bank.

Commissioners voted 9-0 Tuesday to hire the Genesee County-based Genesee Institute to assist the county at a cost of \$16,256. The institute is run by the same people who operate the Genesee Land Bank, the first institution of its kind in Michigan.

The commission vote doesn't necessarily mean that Muskegon County will get a land bank. But it does signal continued strong interest on the part of county commissioners, said County Administrator James Borushko.

There will have to be several more votes of commissioners before a land bank is established, Borushko said.

"This is just the first step," Borushko said. "We will eventually need an agreement with the state."

In the last few years, Michigan counties, along with the city of Detroit, were given the right to establish land banks to take possession of property that's been foreclosed due to unpaid taxes. The counties are allowed to manage the property in a way that's beneficial to the entire community, instead of being forced to sell it to the highest bidder at auction.

Property auctions, and the former tax lien system, often resulted in the purchase of foreclosed property by absentee landlords, who often allowed it to fall into disrepair.

Under the new system, county land banks can leverage the combined value of the foreclosed properties they own, and borrow against future taxes that will be produced by those properties, to improve the condition of the parcels.

The idea is to sell them and get them back on the tax rolls, allow them to be added to neighbors' parcels, or at least make presentable so they don't drag down the value of their neighborhoods.

The Genesee Land Bank has been a success, particularly in Flint, where it took possession of nearly 7 percent of the city's land. It has renovated abandoned homes, razed buildings that were beyond repair, cleared tons of debris from city lots and redeveloped a downtown Flint office building.

The Genesee Institute, an offshoot of the land bank, will help Muskegon County take every step necessary in forming a land bank, according to Jennifer Rigterink, the program director for the institute.

Institute officials will start by visiting Muskegon and gathering information about the community, the amount and condition of foreclosed property here, and local political factors that could affect the operation of a land bank.

Then they will issue recommendations to help Muskegon County form a land bank that addresses its particular needs.

If county commissioners choose to proceed from there, institute officials will help them prepare the necessary application to the Michigan State Land Bank Authority. And once the land bank is approved and formed, they will stay on for a period to provide support, Rigterink said.

The institute has been working with six Michigan counties -- Saginaw, Ingham, Jackson, Calhoun, Grand Traverse and Berrien, Rigterink said. Saginaw and Ingham counties have land banks while the others have all submitted their applications to the state, she said.

If the process in Muskegon County gets going soon, a land bank could be established by the end of the year, Rigterink said.