SAINT JOHN LAND BANK

$420,000 - SOCIAL INNOVATION FUNDING

What is a land bank?
"Land banks are public authorities or non-profit organizations created to acquire, hold, manage, and sometimes redevelop property in order to return these properties to productive use to meet community goals, such as increasing affordable housing or stabilizing property values." (Greenhead.net)

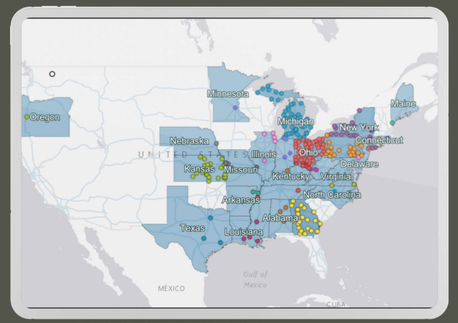
Their Powers:
Typically land banks in America have three important powers given to them by the state:
1. The power expropriate property
2. The power to clear title
3. The power to clear taxes owed

In addition, some land banks are given the power to differ taxes on properties that are delinquent if an owner is just having a hard time but hasn't abandoned his/her property.

As a measure to reduce their operational costs, land banks generally do not have to pay taxes on the properties they own. And they often receive a portion of the increased tax lift from properties they have repurposed as a funding mechanism.

Their Goals:
Land banks operate with the goal of removing urban blight and returning properties to productive use. They do not seek to hold properties for a long time, but work to stabilise properties as quickly as possible by actively removing any existing blight.

Where do they exist?
The Saint John Land Bank is the only one in Canada, but there are over 100 across the United States.



REHABITAT INC.

5 YEARS

PHASE 9 OF 10

Saint John
LAND BANK

74 Victoria Street: 14-unit development with 12 affordable housing units. Completed in 2021.

The Challenge in Saint John
The municipal government has an effective suite of programs that help to secure public safety by identifying risks and securing properties that are abandoned. This includes the minimum standards program, unsightly premises, and the Dangerous & Vacant program. The city uses these tools to respsonsibly monitor properties and reduce the impacts they have on their neighbours. This can often lead to demolition if there is sustained neglect by the owners.

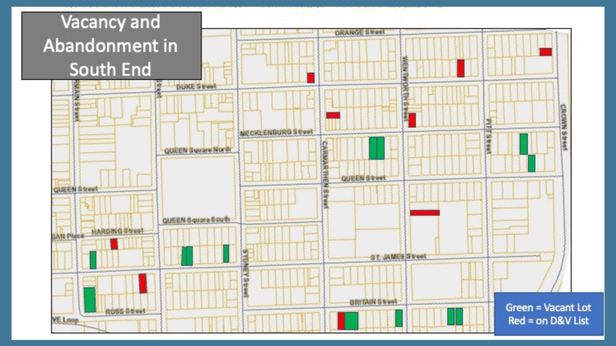
Example of repurposed lot

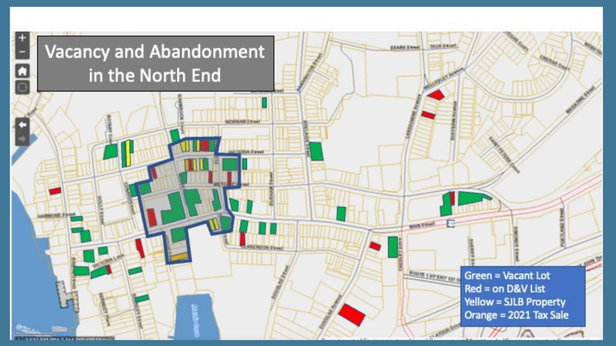
Advocating for Change
Even though the programs administered by the city are effective in reducing risk and managing blight, the time a building spends in the cycle of abandonment to tax sale is on average eight years.

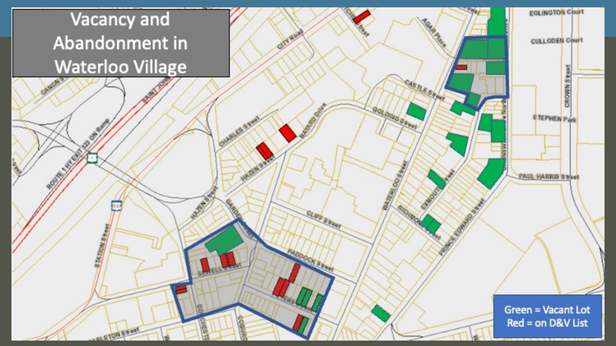
The Land Bank is advocating for modifications to the tax sale system that would expedite properties that meet established criteria through to tax sale after two or three years. That would:

- dramatically reduce the likelihood of requiring a demolition, which would save tens of thousands of dollars a year
- increase tax revenue as the properties would be returned to productive use faster
- increase the number of units that exist in the community, which would help provide housing for the community, including affordable housing units administered by partner organisations in Saint John
- increase the stability and value of adjacent properties by returning targeted properties back to productive use

Where does abandonment exist?



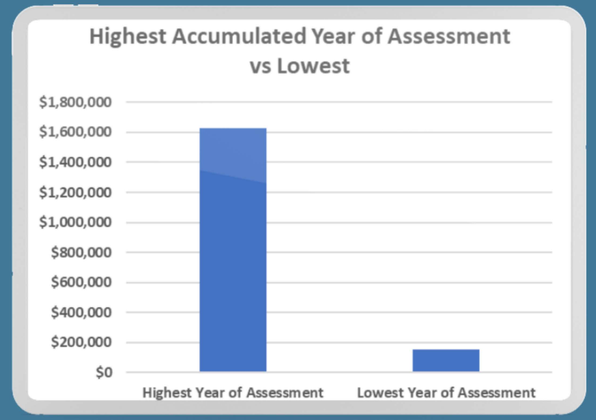


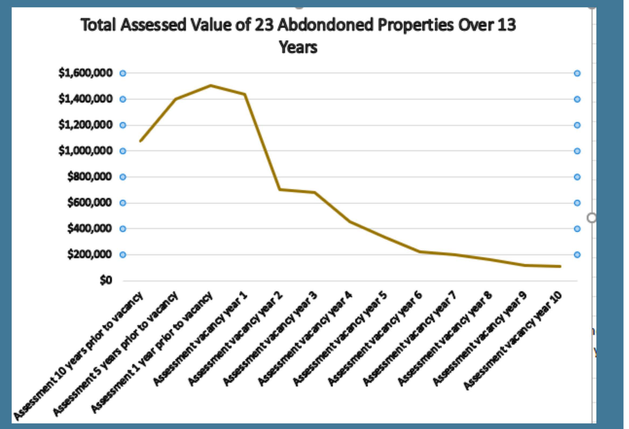


The outcome of a land bank's work: Beautification

Example of repurposed lot

The cost of abandonment:





The outcome of a land bank's work: Development

74 Victoria Street: 14-unit development with 12 affordable housing units. Completed in 2021.

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