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June 3, 2022

To: Supervisor Holly J. Mitchell, Chair
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From: Fesia A. Davenport
Chief Executive Officer

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ESTABLISHING A LAND BANK FOR LOS ANGELES COUNTY (ITEM NO. 4, AGENDA OF MARCH 1, 2022)

On March 1, 2022, the Board of Supervisors (Board) adopted a motion directing the Chief Executive Officer, in collaboration with the Department of Public Works (DPW), the Anti-Racism Diversity and Inclusion Initiative (ARDI), Metro, and outside partners, to research a viable land banking model that would operate at a regional scale to support affordable housing preservation and production with a dedicated and ongoing source of funding. The motion adds that research should build on existing affordable housing programs and partnerships and examine the beneficial relationship between Community Land Trusts (CLTs) and affordable housing land banks and its potential to address displacement and gentrification near the Los Angeles River (LA River). Further, the motion encourages local non-profit organizations to apply for grants to assist the County of Los Angeles (County) in researching CLTs and affordable housing land banks.

The attached report responds to this motion. The report was prepared by Southeast Asian Communities Alliance (SEACA), Street Level Advisors, OLIN, and Gehry partners (research entities) with the assistance of many County Departments and affiliated agencies, as well as CLTs, local non-profit developers, and community-based organizations. SEACA secured funding for the research through the Strong, Prosperous, and Resilient Communities Challenge. During March and April 2022, the research entities met with various stakeholders to develop the report, including seven County departments/entities, the five Board Offices, four other government entities, and 17 community-based organizations.

BACKGROUND

The County needs to add nearly 500,000 affordable homes to meet the affordable housing demand for households at or below 50 percent Area Median Income. Even prior to the novel coronavirus (COVID-19) pandemic, 64 percent of renter households at this income level were severely cost-burdened, paying more than 50 percent of their household income on rent.¹ As a result, severely cost burdened households are vulnerable to displacement and at increased risk of homelessness. The economic impact of the pandemic on employment and the lifting of tenant protections could further affect communities at risk, displacing long-time residents and families from their neighborhoods.

One anti-displacement strategy is land banking. Land banks are public organizations that acquire, hold, and manage land in order to remove land from the speculative market and reserve for future uses such as affordable housing. As recommended in a recent Chief Executive Office (CEO) report,² the County may consider land banking as a long-term strategy where large infrastructure projects are planned in communities at risk for displacement. As identified in the report, the County and other countywide agencies are preparing for large infrastructure investments, notably LA River Redevelopment, the Restorative Justice Village Master Plan, and Metro projects. On October 18, 2016, the Board instructed DPW to update the 1996 Los Angeles River Master Plan (LARMP), and the final LARMP is to be presented to the Board on June 14, 2022.³ Goal 6 of the draft LARMP directs the County to identify funding necessary to create an affordable housing land bank, land acquisition loan fund, or similar strategy to purchase land in proximity to the LA River and hold it for future development as affordable housing or permanent supportive housing.

Complementary to land banking is the CLT model. In September and November 2020, the Board directed the CEO and Los Angeles County Development Authority to develop a Pilot CLT Partnership Program, which was launched in April 2021. CLTs are nonprofit, community-based organizations that provide affordable housing through various strategies, including opportunities for residents to manage and/or own their homes. The CLT model is an important strategy to prevent housing displacement in communities by providing opportunities for community stewardship.

RESEARCH AND RECOMMENDATIONS TO PILOT A LAND BANK MODEL

The attached report by the research entities includes research and recommendations to pilot a land bank model. The research describes the goals and benefits of a land bank, compares examples of land banks across the United States, the importance of community partnerships, and specific roles of a land bank, beginning with the identification of land and ultimately

¹ California Housing Partnership. 2021 County of Los Angeles Affordable Housing Outcomes Report. Prepared for the County of Los Angeles Chief Executive Office. June 2021.

² County of Los Angeles Chief Executive Office. Prioritizing Affordable Housing in Areas with Displacement Risk August 17, 2020.

³ County of Los Angeles Department of Public Works. Los Angeles River Master Plan Update – Quarterly Update Report April 18, 2022. www.larivermasterplan.org

development of housing. The report also provides recommendations for the County to pilot a land bank model. Recommendations for the pilot involve geographic scope, land acquisition strategy, organizational structure, community partnerships, and funding sources. Below are considerations for a County land bank pilot, based upon the report's research.

- **Geographic Scope:** To begin the process toward a countywide land bank, a pilot area is recommended to set up the land bank to focus initial funding targeting land within a radius of up to approximately two miles on either side of the LA River in communities at highest risk displacement which aligns with Goal 6 of the LARMP.
- **Land Acquisition Strategy:** The land bank should develop a data-driven strategy for acquiring properties in highly targeted locations where the known risks of gentrification and displacement are highest.
- **Organizational Structure:** The land bank should be managed by a County department or an alternative model such as a Joint Powers Authority (JPA) that would be set up by the County with other partners or a non-profit public benefit corporation. In the initial stages, an interim management structure could be considered until appropriate long-term management options are fully analyzed and vetted.
- **Community Partnerships:** Review potential partnerships with other jurisdictions, public agencies, and community-based organizations (including Metro CLTs) to strengthen capacity, as well as success of the land bank.
- **Possible Funding Sources:** Consider availability of federal, State, and local funding sources to establish a land bank pilot for acquisition of land, as well as capital and operating expenditures.

Should you have any questions concerning this matter, please contact me or Cheri Todoroff, Executive Director of the Homeless Initiative and Affordable Housing, at (213) 974-1752 or CTodoroff@ceo.lacounty.gov.

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VD:yy

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Los Angeles County Development Authority
Regional Planning
Public Works
Metropolitan Transportation Authority

Affordable Housing Land Bank Models

Authored By Research Team:

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Gehry Partners

Participating County Entities:

Chief Executive Office

Los Angeles County Development Authority

Department of Regional Planning

Department of Public Works

Metropolitan Transportation Authority

May 23, 2022

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BACKGROUND

The COVID-19 pandemic has exacerbated the ongoing housing crisis faced by many residents of Los Angeles County (County). On March 1, 2022, the County Board of Supervisors (Board) instructed the Chief Executive Office (CEO) in collaboration with Public Works, the Anti-Racism Diversity and Inclusion Initiative, Metro, and outside partners, to research a viable land banking model that would operate at a regional scale to support affordable housing preservation and production with a dedicated and ongoing source of funding. The County has passed previous motions to facilitate and support the development of Community Land Trusts (CLTs) to create, establish, and preserve long-term opportunities for affordable housing, as well as initiatives to combat homelessness. Formation of a regional land bank aligns with the County's efforts to support CLTs and other forms of affordable housing development and preservation and address the County's affordable housing and homelessness crisis.

The COVID-19 pandemic has been devastating to essential workers, immigrant and low-income households who were already struggling to find a healthy, safe and affordable place to live in the County. Prior to the pandemic, 56 percent of County renters were rent-burdened (paying over 30 percent of household income in rent). The loss of employment, economic slowdown and lack of equitable access to healthcare has resulted in many more families living on the economic edge. This burden is not equally distributed, with many more families of color and marginalized communities bearing the brunt of the crisis. Post pandemic, almost half of all renters in the County are behind on rent, owing a median of \$2,800. These residents are often forced to make impossible sacrifices to stay housed, in addition to accruing more debt, more than 60 percent of rent-burdened renters cut back on food, 45 percent on clothing, and 33 percent on transportation. When compared to higher income renters, roughly 10 times as many low-income renters are behind on rent. Similarly, compared with white counterparts, more than twice as many Asian American, Black, and Latino/a renters had trouble paying their rent.¹ In addition, early analysis of the rent relief data shows that communities of color, particularly Latino/a and Asian American renters, were not able to access rent relief programs at the same rates as their white counterparts.² According to a report from the Economic Roundtable, the economic impacts of the pandemic are projected to increase chronic homelessness by 68 percent in California and 86 percent in the County.³

¹ Ong, Paul M, Silvia R. Gonzalez, and Paula Nazario, "Housing Insecurity Persists for Renters of Color Amid the COVID-19 Pandemic," April 2022, Regents of the University of California, Los Angeles, https://knowledge.luskin.ucla.edu/wp-content/uploads/2022/04/Housing_Insecurity_COVID_Report.pdf (accessed 26 April 2022).

² Ibid.

³ Flaming, Daniel, Anthony W. Orlando, Patrick Burns, and Seth Pickens, "Locked Out: Employment and Homelessness in the COVID Economy," 11 January 2021, Economic Roundtable, <https://economicrt.org/publication/locked-out/> (accessed 26 April 2022).

According to a report by the US Department of Health and Human Services,⁴ poverty increased during the pandemic, with communities of color continuing to experience higher rates of poverty than white communities. The report estimated that 13.6 percent of Americans were in poverty at the end of 2020, compared to 10.5 percent in 2019. Rates were estimated to be over twice as high for Black and Hispanic Americans as for Whites. Additionally, already-severe housing burdens for U.S. families were particularly difficult during the pandemic for households of color. As recently as March 2021, 22 percent of Black and 20 percent of Hispanic renters could not pay the prior month's rent on time, compared with 9 percent of White renters.

REPORT PREPARATION PROCESS

This report was prepared with the assistance of many County departments and affiliated agencies, as well as CLTs, local non-profit developers, and community-based organizations.

A research team consisting of Southeast Asian Community Alliance (SEACA), Street Level Advisors, OLIN, and Gehry Partners prepared the report. As instructed by the March 1, 2022, Board motion, the research team met with seven County departments, four other government entities, seventeen community organizations, two national experts on housing and land banks, and two academic leaders.

The development of this report was supported by research through funding secured by the Southeast Asian Communities Alliance (SEACA) through the Strong, Prosperous, And Resilient Communities Challenge, an initiative of Enterprise Community Partners, the Low-Income Investment Fund, and the Natural Resources Defense Council, with funding support from the Ford Foundation, The JPB Foundation, The Kresge Foundation, the Robert Wood Johnson Foundation, and The California Endowment.

RESEARCH

What is a Land Bank?

Land banks are public organizations that acquire, hold, and manage land in order to remove it from the speculative market and reserve it for future uses such as affordable housing. Some are non-profits while others are government-based. As local institutions, land banks operate within a defined geographical area. Land banks and community land trusts are often conflated but actually play distinct and complementary roles. Whereas land banks are temporary agents that carry out the steps needed to return vacant, abandoned, or delinquent properties back into productive use, land trusts operate on a longer time horizon, holding land in perpetuity as a community asset even as its use changes.

⁴ Winston, Pamela. "COVID-19 and Economic Opportunity: Unequal Effects on Economic Need and Program Response," April 2021, U.S. Department of Health & Human Services Office of the Assistant Secretary for Planning & Evaluation, https://aspe.hhs.gov/sites/default/files/migrated_legacy_files/199921/covid-19-human-service-response-brief.pdf (accessed 26 April 2022).

Why does the County need an Affordable Housing Land Bank?

The County and other countywide agencies are gearing up for large infrastructure investments, notably Los Angeles river redevelopment, the Restorative Justice Village Master Plan, and Metro projects. Research shows that investments in greening and public infrastructure improvements can cause property values and rent costs to increase to a point where community residents can no longer afford to live in their neighborhood. The displacement of low-income residents due to rising rents and gentrification also has a direct correlation to LA's homelessness crisis, as the 2020 Homeless Count revealed that two-thirds of the unsheltered adults experiencing homelessness were homeless for the first time that year, with 59 percent of them citing economic hardship as the cause.⁵ The displacement pressure is even greater post COVID-19, now that so many more vulnerable families are living on the edge of homelessness.

A key strategy to mitigate risk of displacement and homelessness in areas experiencing large-scale new investment in parks and infrastructure is to increase the supply of affordable housing, both through preservation of existing multi-unit housing and by building new affordable housing. A strategy to quickly acquire and hold properties for affordable housing development reduces speculation and protects low-income communities. However, affordable housing acquisition and development can be a complex and long-term process that necessitates access to resources and financing that low-income communities lack. A County's affordable housing land bank could serve to proactively ensure on-going affordability for communities in the County and to save money over time by purchasing properties at today's real estate prices prior to further escalation. As an example, had the County been land banking for affordable housing along the Los Angeles River five years ago, it would have been significantly less expensive than buying land today. Additionally, given the number of communities at high risk for displacement and homelessness along the river, an investment in land banking today could save millions of dollars in future housing costs.

An investment today in land banking could reduce the risk of displacement and homelessness by implementing proactive strategies to stabilize communities and creating a pipeline of sites ready for future affordable housing.

Affordable Housing Land Bank Goals

1. Reduce displacement and homelessness in communities at risk of displacement, low-income communities, and communities of color.
2. Ensure a just recovery post COVID-19 that uplifts most marginalized communities affected by the pandemic.
3. Reduce speculation and stabilize production and preservation of affordable units in 'hot' markets around proposed greening and infrastructure projects.

⁵ Los Angeles Homeless Services Authority, "2020 Great Los Angeles Homeless Count Results," 3 September 2020, <https://www.lahsa.org/news?article=726-2020-greater-los-angeles-homeless-count-results> (accessed online 26 April 2022).

4. Ensure that low-income communities and communities of color have a pathway to preserve affordability, build CLT capacity, and thrive in the post-COVID recovery.

Comparable Precedents Across the United States

There are hundreds of land banks across the United States, and many were created in response to the excess of vacant, blighted, tax-delinquent, and/or surplus properties after the 2008-2009 financial crisis. Land banks worked with land trusts to keep properties within local communities and away from speculators. In Los Angeles County however, an affordable housing land bank can be implemented to help address our affordability and homelessness crisis, curb speculation in ‘hot’ markets, and bring stability and predictability to the development process.

Land banks across the country can be categorized into ones that are administered by public authorities, or ones run by non-profit entities. In the case of non-profit land banks, representatives from various municipal agencies sit on the board of directors. Seven different case studies were examined as part of this report.

Public Authority Land Banks

1. Detroit Land Bank Authority | Detroit, MI⁶

Initiated in 2013 and managed by the City of Detroit, the Detroit Land Bank Authority completes sales of vacant land and structures to increase homeownership and make purchase of land more accessible. Additionally, the Detroit Land Bank Authority has a compliance program to oversee the goals of the Land Bank. The Compliance Team works with property owners to renovate distressed properties in order to meet the Land Bank’s compliance requirements.

Philadelphia Land Bank | Philadelphia, PA⁷

In addition to acquiring tax-delinquent vacant properties, the Philadelphia Land Bank was created to consolidate the City’s surplus land under one agency. The City can then dispose of surplus property to developers who plan to support affordable or market-rate housing developments, businesses, community facilities, or community green spaces.

2. Land Bank Program | Eugene, OR⁸

Established in 1968, Land Acquisition program is managed by the City of Eugene with a mission to acquire properties for affordable housing development. Further, the City of Eugene has a set of criteria that a property must meet in order to qualify for acquisition. These include affordability, proper zoning, size minimums,

⁶ Detroit Land Bank Authority, <https://buildingdetroit.org/overview> (accessed 26 April 2022).

⁷ PHDC, <https://phdcphila.org/> (accessed 26 April 2022).

⁸ City of Eugene, “Housing Development Incentives,” <https://www.eugene-or.gov/1042/Affordable-Housing-Development-Incentive> (accessed 26 April 2022).

proximity to jobs, schools and transit, environmental benchmarks, and utility access.

Nonprofits Acting as Municipal Land Banks

1. Metro Atlanta Land Bank | Atlanta GA⁹

The Metro Atlanta Land Bank (MALB) has set up a Land Banking Depository Program that allows nonprofits to transfer land titles to the MALB for up to 5 years, tax exempt. Maintenance and insurance are provided by MALB as a pass-through cost to the non-profit. The MALB provides clear guidelines for the sale and pricing of housing, as well as residentially-zoned vacant lots.

2. Urban Land Conservancy | Denver, CO¹⁰

The Urban Land Conservancy (ULC) has its own community land trust that holds land under a 99-year ground lease to ensure that the space is used for the community regardless of circumstances.

In partnership with the City and County of Denver, the ULC created a Transit Oriented Development (TOD) Fund to preserve affordable homes along transit corridors. The revolving loan makes capital available for acquiring and holding land that can be used for affordable housing. This hold lasts for up to 5 years.

3. Land Bank Twin Cities | Twin Cities, MN¹¹

In addition to land banking, Land Bank Twin Cities offers brokerage services, financing, and property loans to potential buyers or developers.

4. Richmond Land Bank | Richmond, VA¹²

Instead of creating their own agency or a new nonprofit, the City of Richmond designated the Maggie Walker Community Land Trust (MWCLT) to run the Land Bank.

A Citizen's Advisory Panel (CAP) was created to provide transparency and accountability to the public. The CAP reviews recommendations by the Land Bank, evaluates qualifications for organizations or individuals who may receive properties, and recommends properties that will be designated as permanent affordable housing.

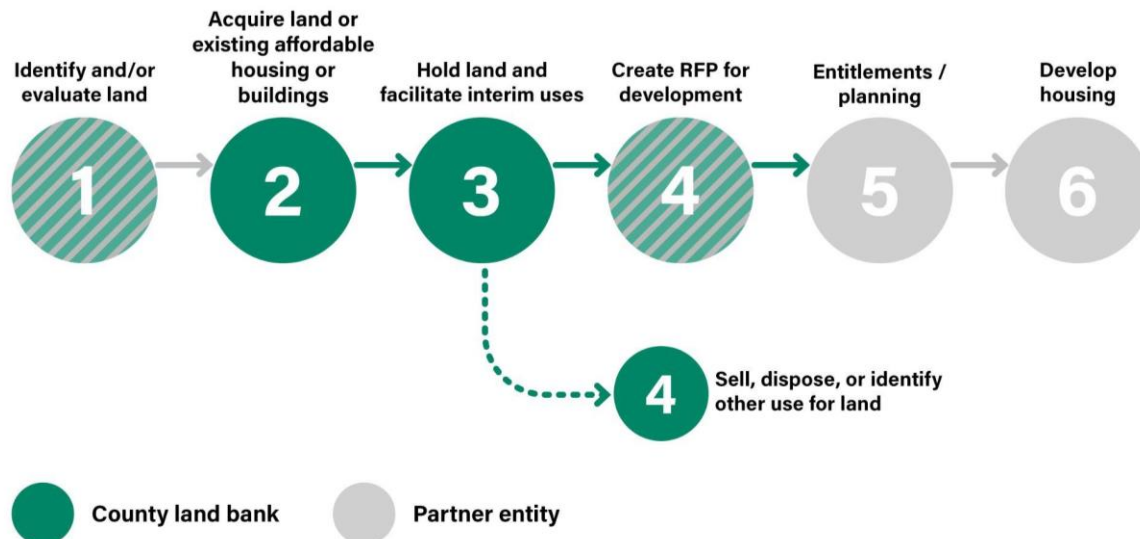
⁹ Metro Atlanta Land Bank, <https://www.metroatlantalandbank.org/> (accessed 26 April 2022).

¹⁰ Urban Land Conservancy, <https://www.urbanlandc.org/> (accessed 26 April 2022).

¹¹ Land Bank Twin Cities, <https://landbanktwincities.org/> (accessed 26 April 2022).

¹² Richmond Land Bank, <https://www.richmondlandbank.com/> (accessed 26 April 2022).

Roles of the Land Bank



To be effective, the land bank will need to have the capacity to perform a number of functions.

1. Identify and/or Evaluate Land

A. *Direct Acquisition*

The land bank should have the capacity to proactively search for underutilized sites in targeted neighborhoods facing displacement pressure which would meet the criteria established by affordable housing funding programs for future development of multi-family subsidized rental housing.

B. *Community Acquisition Partnerships*

One way for a land bank to acquire land more quickly is to engage the capacity of existing community serving organizations to identify appropriate sites. The Metro Atlanta Land Bank has a Depository Program which allows participating affordable housing developers to identify parcels which the Land Bank then purchases. The 'depositing' developers retain a right to purchase the parcels that they identify when they are ready to develop them as affordable housing. An option agreement gives the partner nonprofit the exclusive opportunity to purchase a given site within a set period of time. After that period, the Land Bank can sell to another affordable housing developer or dispose of the property on the market. A County land bank could engage established and emerging Community Land Trusts, community based nonprofit housing developers, and other community organizations to evaluate land purchase opportunities in their own communities with the land bank coming in at the end

to buy properties that meet the land bank's criteria. The partnering local agency could retain a degree of community control over the long-term use of the property, undertake longer term community planning and assemble financing and other resources necessary to develop the site while benefiting from the land bank's property tax exemption and short-term management of properties.

C. Public Agency Acquisition Partnerships

In addition, the land bank can be structured to enable local cities, special districts or transit agencies within the County to 'deposit' land in the land bank for future development as affordable housing, while maintaining ownership. The land bank could centralize and streamline the somewhat burdensome tasks related to compliance with the state Surplus Lands Act for agencies that are seeking to make public land available for affordable housing. As with the community acquisition partnerships above, the land bank could offer partnering public agencies a first opportunity to purchase certain properties which would enable them to maintain local control over property that had been placed in the land bank.

2. Acquire Land

The land bank will need both the financial and organizational capacity and legal authority to negotiate and quickly purchase land. For each property purchased, the land bank will need to perform significant due diligence to: 1) ensure that the property meets the land bank's acquisition criteria, and 2) evaluate the environmental and other risks associated with the site (including commissioning environmental reports, title reports, and in some cases physical inspections).

3. Hold Land and Facilitate Interim Uses

A. Interim Use

While long-term plans for affordable housing are being developed, acquired land can be used creatively to provide continuous community assets. Opportunities for interim use are vast, ranging from pocket parks to urban agriculture to energy farms. Their selection should be based on specific community needs, as well as the availability of resources. Uses with minimal start-up and ongoing maintenance costs include meadows, dog parks, and food truck hubs. Recycling centers, energy farms, and temporary housing are interim uses that require more substantial resources at the outset.

B. Interim Asset Management

The land bank will need to proactively manage each site. This includes asset management, security, clean up, and insurance and related holding costs. Communication about the temporary nature of interim assets is also a key part of this management, as communities can develop attachment; phased approaches to change and, where possible, the integration of interim use into long-term plans are two strategies for addressing this risk.

C. Interim Use Partnerships

The ability to partner with existing neighborhood or community organizations and other partners to plan for and manage interim uses will be a critical capacity of the land bank. Whenever possible, the land bank should seek to partner with public or nonprofit agencies that are in a position to manage interim uses on the land held in the land bank. In some cases, this may involve leasing land to operators of interim uses (at low or no cost). In others it may involve the land bank retaining management responsibility but entering into agreements with others to allow certain community uses during the interim holding period.

4. Entitlements/Planning

Initially, the affordable housing land bank should not be expected to pursue entitlements or undertake complex land development activities such as subdivision or land assembly. As the organization develops, it may make sense to grow capacity to play this role. Initially, the land bank can and should rely on existing affordable housing development organizations to manage entitlements. In some cases, this will require that the land bank enter into binding purchase agreements with developers which allow them to undertake costly pre-development and planning activities with certainty that they have control over the site before they actually purchase the land from the land bank. Community based affordable housing developers may need the right to assign their purchase rights in order to access critical pre-development financing.

5. Create RFPs for Disposition

Another key capacity for an affordable housing land bank will be the ability to manage community responsive and transparent processes for selection of experienced affordable housing developers to build housing on land bank land. In most cases, the land bank will need to develop Request for Proposals (RFP) documents that solicit applications from multiple potential developers.

Community Partnerships for Selection

While community engagement and input should be an element of every RFP, the land bank can meet a critical community need in neighborhoods facing displacement by creating more intentional partnerships with a selected set of trusted organizations with close ties to impacted communities. Among other things these partner organizations would undertake community engagement and community planning processes in order to identify community goals/needs for the selected sites. These partnerships should involve a formal agreement with shared decision-making authority which allows the community partner to exercise meaningful control over the disposition of a specific property or set of properties in a targeted neighborhood. In some cases, these may be properties that the land bank purchased on behalf of the partner organization. In others, the land bank may proactively acquire property and then seek out partners for the disposition. In order to make this approach effective, the land bank could build a fee into the sale of properties to compensate community partners for their work.

6. Develop Housing

The County has a variety of experienced affordable housing and supportive housing developers, and it is not anticipated that the proposed land bank will need to directly participate in development of housing.

RECOMMENDATIONS

Recommendations for an Affordable Housing Land Bank Pilot for the County

Extensive stakeholder engagement and analysis of land banking models across the country point to the need, desire, and potential for significant benefits from the creation of an affordable housing land bank in the County. Additionally, the land bank is a good example of one of the many alternative models for land acquisition. For example, the County's Chief Sustainability Office's, *OurCounty*, a regional sustainability plan, seeks to promote as a tool for the provision of permanently affordable housing, specifically in Action #65.

Geographic Scope

The Land Bank should be developed with a service area encompassing the entire county. To begin the process toward a countywide land bank, a pilot area is recommended to set up the land bank to focus initial funding targeting land within a radius of up to approximately 2 miles on either side of the Los Angeles River in communities at highest risk displacement which aligns with Goal 6 of the LA River Master Plan. In this way, the County can respond to the immediate need for an anti-displacement strategy related to river improvements while laying the groundwork for broader impact by building a tool which the County and local cities can use countywide. After successful implementation and creation of the land bank pilot and reviewing lessons learned the land bank may be

expanded to the full County as a strategy for anti-displacement and the creation of affordable housing.

Land Acquisition Strategy

The land bank should develop a data-driven strategy for acquiring properties in highly targeted locations where the known risks of gentrification and displacement are highest. Several relevant mapping efforts have already been undertaken to date with within and beyond County departments. Examples within the County include the Green Zones Program (Department of Regional Planning(DRP))¹³, Equity Indicator Tool (DRP)¹⁴, Climate Vulnerability Assessment (CEO)¹⁵, and the COVID-19 Vulnerability and Recovery Index Dashboard (CEO)¹⁶. Each identifies communities' risk level or vulnerability relative to isolated or combined environmental, social, or economic factors. The forthcoming LA River Master Plan specifically includes maps and datasets reflecting housing affordability need and displacement risk.¹⁷ Additional mapping tools have been created by SAJE¹⁸, the Trust for Public Land¹⁹, and the State of California²⁰.

The focus of the land bank, initially, should be vacant and underutilized properties in neighborhoods facing significant displacement risk. The properties should be selected based on their potential to eventually be redeveloped as affordable housing. The organization should not be prohibited from acquiring and preserving occupied multi-family residential properties, but this should not be its initial focus.

The land bank should be structured in a way that anticipates that environmental remediation will represent a key risk on many projects. The land bank should anticipate investing resources in studying the environmental conditions on potential sites or sites that have been acquired and developing cost estimates for remediation. However, the land bank should not, initially, be expected to actually undertake complex remediation projects. Instead, the land bank should hold land and document any clean up needs prior to selling

¹³ LA County Department of Regional Planning, Green Zones Program (Environmental Justice Screening Method), <https://lacounty.maps.arcgis.com/apps/webappviewer/index.html?id=32517816f1bb4e869448db52c683d23a> (accessed 2 May 2022).

¹⁴ LA County Department of Regional Planning, Equity Indicators Tool, <https://apps.gis.lacounty.gov/drp/m/?viewer=Equity> (accessed 2 May 2022).

¹⁵ LA County Chief Executive Office, Climate Vulnerability Assessment, <https://lacounty.maps.arcgis.com/apps/webappviewer/index.html?id=c78e929d004846bb993958b49c8e8e65> (accessed 2 May 2022).

¹⁶ LA County Chief Executive Office, COVID-19 Vulnerability and Recovery Index Dashboard, <https://lacounty.maps.arcgis.com/apps/dashboards/264f62ccedcb48c9a1f358eeb643ea14> (accessed 2 May 2022).

¹⁷ LA County Public Works, LA River Master Plan, forthcoming 2021.

¹⁸ Strategic Actions for a Just Economy (SAJE), Organizers Warning Notification and Information for Tenants, <https://www.ownit.la/> (accessed 2 May 2022).

¹⁹ Trust for Public Land, Climate-Smart Los Angeles, https://web.tplgis.org/csc_losangeles/ (accessed 2 May 2022).

²⁰ California Office of Environmental Health Hazard Assessment, CalEnviroScreen4.0, October 2021, <https://experience.arcgis.com/experience/11d2f52282a54ceebcac7428e6184203/page/Draft-CalEnviroScreen-4.0/> (accessed 2 May 2022).

to a developer who would then undertake necessary remediation as part of developing the site.

An initial activity of the land bank should be to provide the Board of Supervisors with a land acquisition strategy which: 1) inventories existing County owned land adjacent to the river which might be suitable for development as affordable housing; 2) outlines criteria for prioritizing parcels for purchase; and 3) provides a refined land acquisition budget reflecting the likely costs associated with the proposed strategy.

Organizational Structure

Land banks in other communities are sometimes organized within local government agencies, as partnerships with local non-profits, or as fully independent non-profit entities. In recommending the structure for the County's affordable housing land bank, it is important to consider how to best preserve primary functions and powers of the entity.

Interviews and research have indicated that these are the most important functions of the County's affordable housing land bank:

- Ability to buy and hold land
- Exemption from property taxes while holding properties
- Ability to form community partnerships
- Coordinating interim use activities
- Connected to the authority and staffing resources of Los Angeles County

In order to achieve these core functions, the County may consider options for placement of the land bank. First, the County's affordable housing land bank could reside within the County in a department as a Special Purpose Entity (SPE). For expediency, the program could initially be organized as a program within a department that is then moved to another department or a SPE within a defined period of time.

The CEO's office could assess capacity in existing departments and consider alternative models including a Joint Powers Authority (JPA) set up by the County with other partners or a non-profit public benefit corporation.

While there are compelling benefits to structuring the land bank as a part of County, success of the land bank will depend on forming strong partnerships with other jurisdictions and public agencies and community-based organizations. In the future, other public agencies should be able to provide funding to the land bank to manage acquisitions related to their projects. A land bank, in particular, might benefit Metro's work by enabling acquisition of land adjacent to future transit stations at an earlier stage in the development process than is currently possible. In addition, the land bank should be structured in a way that allows nonprofit affordable housing developers or Community Land Trusts to 'deposit' land into the land bank to hold properties (tax free) for future development (by the donating organization) as affordable housing. Over time, it may make sense to

consider formation of a JPA to enable other agencies to participate more fully in governance of the land bank. In any scenario it is important for the affordable housing land bank to be able to operate nimbly to achieve the goals of the land bank and proactive purchase of lands.

Community Partnerships

Community partnerships are essential to achieving the goals of preserving and empowering low-income communities and communities of color. Through clear and developed partnerships, local communities can inform a number of key functions of the land bank, and work hand in hand to achieve primary goals. For example, community groups or CLTs can participate early in the process to ground truth potential properties for acquisition and engage in community acquisition partnerships (see above) with the land bank. They can also be engaged in identifying appropriate interim uses and help manage community short- and long-term expectations. Most importantly, continued meaningful community engagement will result in a well calibrated and informed site planning and disposition process that best suits the community, and adds value to the process.

Community partners can be a variety of organizations ranging from community associations, to non-profit community serving organizations, to community land trusts, or other mission-aligned entities. Partnerships should be clearly defined, and the partnering organizations should be aligned with the goals of the land bank to prevent displacement and increase availability of affordable housing in the community.

Possible Funding Sources

As described earlier in this report, the COVID-19 pandemic has strained the physical, economic, and community health of the County's residents, and the effects have been particularly dire for low-income communities and communities of color. Countywide, increases in rent burden and homelessness are two palpable manifestations of these strains. Further exploration of Federal, State, and local funding sources to establish a land bank pilot for acquisition of land as well as capital and operating expenditures should be undertaken. For instance, American Rescue Plan Act (ARPA) funds have already been used in other jurisdictions for the establishment of new or support of existing land banks across the United States.²¹ This funding has been used for vacant land disposition; maintenance and remediation of vacant land; rehabilitation of existing vacant homes; development and pre-development of new affordable housing; and operating costs for staffing, program management, and analysis.²² Whether a land bank is eligible for funding under the ARPA will depend on the specifics how the land bank is formed; how it identifies and purchases property; and the timing to acquire and use the property, among other factors.

²¹ See the Niagara-Orleans Land Bank (Buffalo, NY), Greater Syracuse Land Bank (Syracuse, NY), Broome County Land Bank (Binghamton, NY), Rochester Land Bank (Rochester, NY), and Pittsburgh Land Bank (Pittsburgh, PA). Center for Community Progress, "American Rescue Plan Act SLFRF: An Opportunity to Fund Land Banks," 25 October 2021.

²² Ibid.