

STATE OF MICHIGAN LAND BANK AUTHORITY

EMILY DOERR EXECUTIVE DIRECTOR

## Testimony of Emily Doerr to Maine State Legislature Joint Standing Committee on Innovation, Development, Economic Advancement, and Business LD 1694

## May 12, 2021

Good morning Senator Curry, Representative Roberts, and esteemed members of the Joint Standing Committee on Innovation, Development, Economic Advancement, and Business.

My name is Emily Doerr, Executive Director of the State of Michigan Land Bank Authority. Today I endorse your consideration of LD 1694, An Act to Create the Maine Redevelopment Land Bank Authority, and wish to demonstrate the merits of our state's land banking practice for your understanding.

Land banks are public or community-owned entities who exist to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties into productive reuse. In our state this authority mostly rests with local units of government, however, local government often does not have the time, resource, or technical capacity to successfully undertake these tasks. The gap between decline and redevelopment is sizeable and not aligned with regular governmental tools and practices. The financial cost of this same gap underlies the market's unwillingness to redevelop. Land banks have been welcomed by both sectors as a valuable tool and to-date have met their gap-filling needs.

Smaller and rural communities in our state have many opportunities for redevelopment but also lack time, resource, and technical capacity. An increasing number turn to our state agencies for assistance. Similar to the bill's proposed Development-Ready Communities program, the State Land Bank offers tailored process and project consultation support to locals to achieve best-return development results.

GRETCHEN WHITMER GOVERNOR Prior to the State Land Bank, state agencies disposed their unused properties through standard market solicitations. Corrections, health, and other institutional uses rarely made successful transition in this system because redevelopment complexities and extraordinary costs to repurpose are enormous. Moving these properties through the State Land Bank and into redevelopment partnerships has since proven to be a process and financial benefit.

When a state agency asks, the State Land Bank assists with work ranging from land assembly to positioning for major business retention/attraction projects with statewide impact. The sovereign authority under federal law provides liability exemption for us to own large and very contaminated properties, allowing our environmental agency to focus their cleanup actions and monies. We hold and assemble parcels for affordable, attainable, open-market, and mixed-income housing projects financed by our state housing finance agency and other entities.

To summarize, in our state there are numerous land bank benefits for people, businesses, local governments, and the state government in moving land back to productive reuse. I trust my comments are of benefit as you consider action on LD 1694, and thank you for your attention.

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