



# Creating a Statewide Land Bank Tactical Plan & Draft Legislation

House Ways & Means Committee

March 31, 2026

# How We Got Here

- The legislature asked DHCD to complete a study on the feasibility to create a statewide land bank in the 2024 Session. This was submitted on January 15, 2025.
- DHCD was then directed to complete a tactical plan & draft legislation to create a land bank.
- This plan is due on November 1, 2026. A Progress Report was provided to the legislature on January 15, 2026.

# What is a Land Bank?

- A public entity with accountability.
- Community driven, not profit driven.
- Has unique powers to put vacant, abandoned, deteriorated, and tax-delinquent properties back into productive use.



# What can a Land Bank Do?

- Acquire tax foreclosed property cost effectively.
- Extinguish liens and clear title.
- Hold property tax exempt.
- Generate and collect revenue.
- Make flexible disposition decisions, driven not by highest price but by best outcome.

A land bank is a tool for the most challenging redevelopments.

# Feasibility Study Findings: Barriers to Redevelopment & Reuse

- Cloudy titles & tax delinquency make purchasing at risk properties expensive and time consuming.
- Many municipalities often do not have staff or financial capacity to address vacant, abandoned, and tax delinquent properties.
- The current process for development in Vermont requires coordination of various federal, state, and local entities which can prolong the development process.

# Progress Report Highlights

- Land bank activities should primarily be locally driven, in keeping with community planning and goals, and the activities should support projects for all types of land use.
- Vermont possesses many of the necessary tools for redevelopment. However, these tools require considerable time and energy to fit together.
- A properly funded land bank can deploy multiple development tools to move projects forward faster than the current development process.

# How a Land Bank Can Help Small Communities

- Hold properties while a community, nonprofit or for-profit developer is doing due diligence or putting together funding.
- Clear up back taxes, liens and/or title issues.
- Assist with submitting applications for funding and act as a fiscal agent when needed.
- Provide project management services and/or assist with issuing a Request for Proposals and selecting contractors.
- Review contractor scopes of work for completeness and competitiveness.

# Repurposing School Buildings

- **One-to-One Ratio:** A standard classroom, often measuring around 700 to 900+ square feet, is suitable for a one-bedroom apartment or a small two-bedroom unit.
- Based on a 2022 [Vermont Legislature report](#), the average gross square footage for Vermont school buildings is approximately **44,700 square feet**.
- A 45,000 sf school typically contains between **20 and 25 classrooms**.
- The average cost to convert classrooms to apartments is **\$200K-250K per unit**.
- Building an apartment unit in Vermont generally costs between **\$300,000 and \$500,000 per unit** as of 2023–2025.

<https://legislature.vermont.gov/assets/Legislative-Reports/edu-legislative-report-french>

# Repurposing School Buildings: Barre VT

- The Ward 5 school closed in 2010 and was vacant for over 10 years.
- 2025 rehab created 9 affordable apartments.
- Total Investment: \$10,217,344
- Vermont Rehabilitation Investment Tax Credit: \$2,043,468
- Additional funding through VHFA, VHCB, CDBG and ARPA.



# Repurposing School Buildings: Rutland VT

- Immaculate Heart of Mary School was rehabbed in 2022 creating 19 affordable apartments.
- The school closed in 1969 but was used by the church for a various purposes until 2020.
- Total investment of \$6,585,269.
- Vermont Rehabilitation Investment Tax Credit funding of \$1,025,683.
- Additional funding through VHCB, CDBG along with other sources.



# Repurposing School Buildings: Maine

- The Maine Land Bank Authority provides technical assistance to municipalities to repurpose old buildings and is currently helping three Maine towns.
- Maine is considering a bill that creates an ongoing annual appropriation of \$5 million to convert old schools into housing units, with the help of the land bank authority.
- \$5M would convert a 45,000-sf school at \$200K per unit.

# Repurposing School Buildings: Atlanta GA

- Constructed in 1912, the school closed in 1973 and sat vacant for decades.
- \$8.2 million to create a live/work space giving local creatives affordable options for both studio space and housing.



# Next Steps

- DHCD will provide the legislature with a tactical plan and draft legislation to create a statewide land bank on November 1, 2026.
- A Land Bank Working Group comprised of housing and community development experts from all over the state has been meeting since July 2025 and help guide this work.
- They meet on the last Monday of the month at 2pm. Contact Jayme Bauer if you would like to join a discussion!

# Thank you!

**Link to the 2024 Land Bank Feasibility Study:** [2024 Land Bank Feasibility Study](#)

**Link to the Tactical Plan Progress Report:** [1-15-26 Land Bank progress report](#)

**Email:** [jayme.bauer@vermont.gov](mailto:jayme.bauer@vermont.gov)

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