



Text File

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Bill No: 2014-0025, **Version:** 4

Committee: Committee on Land Use and
Economic Development

Status: Passed Finally

Ordinance supplementing the Pittsburgh Code, Title One, Administrative, Article IX Boards, Commissions, by adding Chapter 174 A, entitled, The Pittsburgh Land Bank.

WHEREAS, Blighted and abandoned real estate imposes significant costs on neighborhoods and communities in the City of Pittsburgh by lowering property values, increasing fire and police protection costs, decreasing tax revenues, and undermining community cohesion; and,

WHEREAS, While the Pittsburgh Land Reserve has been a forerunner in recycling abandoned land in the Commonwealth of Pennsylvania, the spread of blighted conditions outpaces the capacity of the Land Reserve; and,

WHEREAS, Real estate abandonment and tax delinquency are highly correlated; 16.3% of Pittsburgh's real estate parcels city-wide are tax delinquent and 6% of all taxable parcels in 2009 (7932 parcels) were assumed abandoned; and,

WHEREAS, With the passage of the Pennsylvania Land Bank Act, Act 153-2012, 68 PA.C.S.A in October of 2012, Pennsylvania joined 18 other states by enabling the creation of a powerful tool known nationally as land banking, launching it into its third generation. Pittsburgh gained the ability to address our abandonment and tax delinquency problems to scale; and,

WHEREAS, In order to ensure that the land is a productive asset, and not a liability, the City of Pittsburgh must take advantage of all of the powers given to us in this new state law, and align and coordinate formerly fragmented and disjointed processes into one streamlined, efficient system; and,

WHEREAS, A municipal Land Bank would ensure equitable, transparent, and efficient operations by serving as a single entity to acquire, hold, and dispose of vacant property; and,

WHEREAS, A municipal Land Bank should ensure that communities affected by vacant land have substantial and meaningful involvement in its decisions relating to those communities, with this goal strongly informing the Land Bank's governance, structure, and operations; and,

WHEREAS, the municipal Land Bank will make every effort to refrain from purchasing owner - occupied

housing so as to not displace individuals or families.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Pittsburgh Code, Title One, Administrative, Article IX Boards, Commissions, is hereby supplemented by adding Chapter 174A, entitled, The Pittsburgh Land Bank.

SEE ATTACHMENT

174A.01 Preliminary Provision.

- (a) This Chapter is in accordance with the provisions of Pennsylvania Act 153 of 2012, 68 Pa.C.S.A. §2101 et seq., relating to land banks which is hereby adopted and incorporated herein by reference Act 153 of 2012 permits a land bank jurisdiction to create a land bank by the adoption of an ordinance to create a binding legal obligation.
- (b) The Act defines a land bank jurisdiction as a county, city, a borough, a township and an incorporated town with a population of more than 10,000.
- (c) The City of Pittsburgh (hereinafter the "City") is land bank jurisdiction as it is a city with a population of more than 10,000.
- (d) Council finds that there is a need for a land bank to function within the territorial limits of the City.

174A.02 Definitions.

- (a) Board. The Board of Directors of the Pittsburgh Land Bank.
- (b) City. The City of Pittsburgh, a Home Rule Municipality.
- (c) County. County of Allegheny, a Home Rule Municipality.
- (d) Council District. The nine (9) geographic areas into which the City is split that are each represented by a Member of Council.
- (e) Department. The Department of Community and Economic Development of the Commonwealth of Pennsylvania.
- (f) Effective Date. The date upon which this Ordinance, after final passage by Pittsburgh City Council and signature by the Mayor of the City of Pittsburgh, is effective.
- (g) Initial Board of Directors. The first appointed and elected board of the Pittsburgh Land Bank.
- (h) Interim Board of Directors. The Board that serves for three (3) months after the passage of this Bill, pursuant to section 174A.05(d).

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- (i) Interested Parties. Any individual or entity that resides in, rents, or owns property within a designated radius of the subject property.
- (j) Land Bank Act. Pennsylvania Act 153-2012, 68 Pa.C.S.A. §2101 et seq. as it exists on the Effective Date, and as it may be hereafter amended or replaced.
- (k) Land Bank Jurisdiction. As defined in the Land Bank Act, (1) a county, a city, a borough, a township and an incorporated town with a population of more than 10,000; or (2) two or more municipalities with populations less than 10,000 that enter into an intergovernmental cooperation agreement to establish and maintain a Land Bank.
- (l) Members of the Land Bank. The City, and after the formation of the Pittsburgh Land Bank, any Land Bank Jurisdiction or municipality that joins the Pittsburgh Land Bank by entering into a mutually agreed upon Intergovernmental Cooperation Agreement with the governing bodies of the Members of the Land Bank, and any taxing jurisdiction that participates with the Pittsburgh Land Bank for the purpose of discharge of liens and claims provided in Section 2117(a) of the Land Bank Act.
- (m) Ordinance, or Chapter. This Ordinance, or Chapter, creating the Pittsburgh Land Bank.
- (n) Owner-Occupant. As defined in the Land Bank Act, a natural person with a legal or equitable ownership interest in property which was the primary residence of the person for at least three consecutive months at any point in the year preceding the date of initial delinquency.
- (o) Person. An individual, authority, limited liability company, partnership, firm, corporation, organization, association, joint venture, trust, governmental entity or other legal entity.
- (p) Pittsburgh Land Bank or Land Bank. The separate public body corporate and politic established pursuant to and in accordance with the provisions of this Ordinance.
- (q) Real Property. As defined in the Land Bank Act, land and all structures and fixtures thereon and all estates and interests in land, including easements, covenants and leaseholders.
- (r) School District. As defined in the Land Bank Act, any of the classifications of school districts specified in Section 202 of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949. The term includes, as to any real property acquired, owned or conveyed by a Land Bank, the school district within whose geographical jurisdiction the real property is located.
- (s) State. The Commonwealth of Pennsylvania.
- (t) Subject Property. A property that the land bank has proposed to sell.
- (u) Taxing Jurisdiction. As anticipated in Section 2117(e.1) of the Land Bank Act, a county, city, borough, incorporated town, township, school district, or a body politic and corporate created as a municipal authority pursuant to law who may have claims against property that is subject to delinquent tax enforcement procedures.
- (v) Vacant and Distressed Parcels. All of those parcels of Real Property that do not have a structure, or have a condemned structure, or are more than one full year tax delinquent or are titled in the name of the City and not intended for City open space like parks and greenways and City operations like facilities and yards for the sole purpose of determining Council Districts with the greatest number of Vacant and Distressed Parcels of Real Property Ordinance.

174A.03 Creation and Legal Status of Land Bank.

- (a) The Land Bank is established as a separate legal entity and a public body corporate and politic, to be known as the "Pittsburgh Land Bank," for the purposes of acting as a Land Bank under the Land Bank Act and implementing and administering this Ordinance. The Land Bank shall have duration until terminated and dissolved under Section 174A.16 of this Ordinance.
- (b) The City Clerk shall file a copy of this Ordinance within ten (10) business days after its Effective Date with the Department and with the Department of State pursuant to Section 2104(b) of the Land Bank Act and provide to the Land Bank the certificate of incorporation issued by the Secretary of the Commonwealth upon receipt.
- (c) Bylaws, and Policies and Procedures. The Initial Board of Directors shall adopt bylaws consistent with the provisions of this Ordinance and the Land Bank Act. The Initial Board of Directors shall adopt Policies and Procedures consistent with the provisions of this Ordinance, in particular, Section 174A.15, and the Land Bank Act after the Initial Board of Directors is seated.
- (d) Principal Office. The principal office of the Land Bank shall be at a location within the geographical boundaries of the City as determined by the Initial Board of Directors.
- (e) Title to Land Bank Assets. Except as otherwise provided in this Ordinance, the Land Bank shall have title to all of its Real Property and the City shall not have an ownership interest in Real Property owned by the Land Bank.
- (f) Tax Exemption. In accordance with the Land Bank Act Section 2109(b), the Real Property of the Land Bank and its income and operations are exempt from State and local tax, except where specifically enumerated in the Land Bank Act. This tax exemption does not apply to real property of the Land Bank after the fifth consecutive year in which the Real Property is continuously leased to a private third party. However, real property shall continue to be exempt from State and local taxes if it is leased to a nonprofit or governmental agency at substantially less than fair market value.
- (g) Compliance with Law. The Land Bank shall comply with all federal and state laws, rules, regulations and orders applicable to this Ordinance.
- (h) Obligations of the Land Bank. The Land Bank shall not obligate the City nor shall any obligation of the Land Bank constitute an obligation of the City.
- (i) No Third-Party Beneficiaries. Except as otherwise specifically provided, this Ordinance does not create in any Person, other than the City, and is not intended to create by implication or otherwise, any direct or indirect benefit, obligation, duty, promise, right to be indemnified (such as contractually, legally, equitably or by implication), right to be subrogated to the City's rights under this Ordinance, or any other right or benefit.
- (j) Immunity. The City and any municipality or taxing jurisdiction that combines, or participates in, the Land Bank after the Effective Date shall not be liable personally on the bonds or other obligations of the Land Bank. Rights of creditors of the Land Bank shall be solely against the Land Bank pursuant to Section 2105(i) of the Land Bank Act.

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(k) Participation by Taxing Jurisdictions. A Taxing Jurisdiction may participate in the Land Bank pursuant to a mutually agreed upon intergovernmental cooperation agreement with the Members of the Land Bank. The agreement must specify the membership, if any, of the Taxing Jurisdiction on the Board and the actions of the Land Bank which are subject to approval by the Taxing Jurisdiction.

174A.04 Mission.

(a) The mission of the Land Bank shall be to return unproductive Real Property to beneficial reuse through an equitable, transparent, public process, thereby revitalizing neighborhoods in line with community goals and needs. The Land Bank is intended to serve as the depository for unused, inactive Real Property held in the names of public entities. The Land Bank shall strive to support socially and economically diverse communities and strengthen the City's tax base.

174A.05 Board of Directors.

(a) Board of Directors. The Land Bank shall be governed by a Board of Directors, comprised of nine (9) Board Members. Three (3) Members of the Board shall be appointed by the Mayor; three (3) Members of the Board shall be appointed by the three (3) members of City Council representing the districts with the most distressed and vacant parcels, and three (3) community members of the Board shall be elected by majority vote of the other Board Members. Of the three (3) members elected by the board, the first (1st) member shall be a resident of one (1) of the top three most distressed Council Districts. The second (2nd) member shall be a resident of one (1) of the fourth (4th) through sixth (6th) most distressed districts. The third (3rd) member shall be a resident of one (1) of three (3) least distressed districts. The three (3) community Board Members elected by the Board of Directors shall be approved and seated within thirty (30) days of the six (6) appointed Board Members being seated. An audit will be performed every three (3) years after the initial Land Bank Board is instated to determine which are the districts with the most distressed and vacant parcels.

(b) Board Size Adjustment. The size of the Board may be expanded to up to eleven (11) Board Members in accordance with the Bylaws of the Land Bank and intergovernmental cooperation agreements with any municipality or taxing jurisdiction which provides for membership on the Board. No adjustment to the Board size shall be effective unless approved by City Council.

(c) Qualifications. Members shall meet the following qualifications:

- (1) All Board Members shall live in the City of Pittsburgh, until such a point that the Land Bank is expanded to other municipalities.
- (2) The three (3) Board Members appointed by the Mayor shall have the following expertise: one (1) appointee shall have expertise in Planning; one (1) appointee shall have expertise in Financial Management; and one (1) appointee shall be a licensed real estate professional.
- (3) The three (3) Board Members appointed by City Council shall have expertise in community

development and/or community organizing.

(4) The Board Members shall reflect geographic diversity, with at least one representative of each of the City's regions (North, South, East, West, and Central) serving on the Board.

(d) Interim Board.

(1) The Land Bank shall initially be governed by an Interim Board of Directors comprised of nine (9) members.

(2) Term limit. Interim Board Members shall serve terms of three (3) months, or until all the members of the Initial Board have been appointed pursuant to Section 174A.05.

(3) The Land Bank's Interim Board shall draft Policies and Procedures that they shall submit to the Initial Board of Directors.

(4) The Land Bank's Interim Board members are hereby appointed as follows:

- (a) Matthew Barron
- (b) Richard Carrington
- (c) Shawn Carter
- (d) Ronell Guy
- (e) Jerome Jackson
- (f) Llyod Hedlund
- (g) Kim Salinetto
- (h) Barb Valaw
- (i) Dan Wood

(e) Terms. Initial Land Bank Board of Director Members shall serve the following terms;

(1) One (1) appointee of the Mayor, of the City Council, and of the Board shall serve for one (1) year;

(2) One (1) appointee of the Mayor, of the City Council and of the Board shall serve for two (2) years;

(3) One (1) appointee of the Mayor, of the City Council, and of the Board shall serve for three (3) years.

(4) After the initial term, each member of the Land Bank shall serve for three (3) years, unless otherwise enacted by vote of the Land Bank.

(f) Officers. The members of the Board shall elect annually from among their members a chair, vice chair, secretary, treasurer and other officers as the Board determines.

(g) Rules. The Board shall establish rules in accordance with section 2105(d) of the Land Bank Act.

(h) Meetings. The Initial Board shall conduct its first meeting no later than thirty (30) calendar days after the Board is appointed. The Board shall meet in regular session monthly. Regular session shall be public cablecast meetings, and the Board shall make each meeting's agenda available on the Land Bank's website at least ten

(10) business days in advance of such a meeting, and shall allow for public comment on matters up for deliberation at each such public meeting. The Board shall meet in special session as convened by the Chair, or upon written notice signed by a majority of the members pursuant to Section 2105(g) of the Land Bank Act. Quorum is a simple majority of the Board members then in office, excluding vacancies. Physical presence is

required in accordance with Section 2105(g) of the Land Bank Act.

(i) Conflict of Interest. The acts and decisions of members of the Board and of employees of the Land Bank shall be subject to the act of July 19, 1957 (P.L.1017, No.451), known as the State Adverse Interest Act. The Board may adopt supplemental rules addressing potential conflicts of interest.

(j) Removal. Board members serve at the pleasure of their appointing entity and may be removed by the appointing entity at any time with or without cause, or may be removed pursuant to any other provision of Pennsylvania law. For the purposes of this chapter, the Mayor, City Council, and the Land Bank Board constitute three separate appointing entities. Any individual or organization may submit recommendations for Board membership to be considered in making appointments.

(k) Ethics. Board members and Land Bank employees are subject to 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure) and Pittsburgh Code, Title One: Administrative, Article XI: Personnel, Chapter 197: Code of Conduct. The Board shall adopt strict ethical guidelines for members of the Board and Land Bank employees.

(l) Voting. All actions of the Board shall be approved by the affirmative vote of a majority of the members of the Board present and voting; provided, however, that on the following matters shall be approved by a majority of the entire Board membership:

- (1) Adoption of by-laws, Policies and Procedures, and other rules and regulations for conduct of the Land Bank's business;
- (2) Hiring or firing of any employee or contractor of the Land Bank. This function may, by a majority vote of the total Board membership, be delegated to a specific officer or committee of the Land Bank, under such terms and conditions and to the extent that the Board may specify;
- (3) Incurring of debt;
- (4) Adoption or amendment of the annual budget;
- (5) Sale, lease, encumbrance, or alienation of real property, improvements or personal property.
- (6) Discharge and extinguishment of liens or claims for real property taxes owed on Real Property owned by the Land Bank.

A member of the Board may not vote by proxy. A member may request a recorded vote on any resolution or action of the Land Bank.

(m) Board Responsibilities. The Board shall have all powers necessary to carry out and effectuate the purposes and provisions of this Ordinance and the Land Bank Act, including, but not limited to, the powers set forth in Sections 2107 and 2117(a) of the Land Bank Act.

(n) Fiduciary Duty. The members of the Board are under a fiduciary duty to conduct the activities and affairs of the Land Bank in the best interests of the Land Bank, including the safekeeping and use of all Land Bank monies and assets. The members of the Board shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(o) Compensation. The members of the Board shall receive no compensation for the performance of their duties. A Board member may engage in private or public employment, or in a profession or business, except to

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the extent prohibited by Pennsylvania law. The Land Bank may reimburse Members of the Board for actual and necessary expenses incurred in the discharge of their official duties on behalf of the Land Bank.

(p) Vacancies. A vacancy among the members of the Board appointed under this Section, whether caused by the death, resignation or removal of a Board member shall be filled by the original appointing authority within sixty (60) days of the creation of the vacancy, and if not filled within that time, the appointing entity shall have the authority to fill the vacancy. Upon removal under subsection (f), the position shall become vacant pursuant to Section 2105(e) of the Land Bank Act.

(q) Advisory Committees. The Board is authorized to create Advisory Committee(s) as it sees fit.

174A.06 General Powers.

(a) The Land Bank may exercise all of the powers, duties, functions and responsibilities of a Land Bank under the Land Bank Act as authorized by Section 2107 and any other provisions of the Land Bank Act and any other Pennsylvania law.

(b) Tax Limitation. The Land Bank shall not levy any type of tax or special assessment.

(c) Limitation on Political Activities. The Land Bank shall not spend any public funds on political activities. Subject to the foregoing, this Section is not intended to prohibit the Land Bank from engaging in activities authorized by applicable law.

(d) No Waiver of Governmental Immunity. No provision of the Ordinance is intended, nor shall it be construed, as a waiver by the City of any governmental immunity provided under any applicable law.

(e) Non-Discrimination. The Land Bank shall comply with all applicable law prohibiting discrimination.

(1) The Land Bank shall not provide services in a manner that discriminates against an individual because of religion, race, color, national origin, age, sex, sexual orientation, height, weight, marital status, partisan considerations, disability or genetic information.

(2) The Land Bank shall not fail or refuse to hire, recruit, promote, demote, discharge or otherwise discriminate against an individual with respect to employment, compensation, or a term, condition or privilege of employment because of religion, race, color, national origin, age, sex, sexual orientation, height, weight, marital status, partisan considerations, disability or genetic information.

174A.07 Staff.

(a) Pursuant to Section 2106 of the PA Act 153, the Land Bank may employ or enter into contract for its own staff based upon its needs as determined by the Board and as the budget of the Land Bank allows.

(b) Contracts. The Land Bank may enter into a contract with the City, the Urban Redevelopment Authority or another municipality for

(1) the City, the Urban Redevelopment Authority or another municipality to provide staffing services to the Land Bank; or

(2) the Land Bank to provide staffing services to the municipality.

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174A.08 Acquisition of Real Property.

(a) General Acquisition. Except as otherwise provided in this Ordinance or under the Land Bank Act, the Land Bank may acquire, by gift, devise, transfer, exchange, foreclosure, purchase or otherwise, Real Property or personal property, or rights or interests in Real Property or personal property, by any means on terms and conditions and in a manner the Board considers is in the best interest of the Land Bank. The Land Bank shall make every effort to refrain from purchasing Owner-Occupied housing so as to not displace individuals or families.

(b) Purchase. The Land Bank may acquire Real Property by purchase contract, lease purchase agreements, installment sales contracts and land contracts.

(c) Transfers. The Land Bank may accept transfers from the City, the Urban Redevelopment Authority of Pittsburgh, the School District, the County and the Housing Authority of the City of Pittsburgh, other municipalities or any other public or private entity or Person upon terms and conditions agreed to by the Land Bank and the transferring entity or Person.

(1) Pursuant to Section 2109(d)(3) of the Land Bank Act, the Urban Redevelopment Authority of Pittsburgh may, with the consent of the City and without a redevelopment contract, transfer property which it acquired before the Effective Date of this Ordinance to the Land Bank. A conveyance under this subsection shall be with fee simple title, free of all liens and encumbrances. The URA and the Land Bank will determine any fees associated with the cost of such transfers.

(2) Pursuant to City Code Section 452.02, all transfers of City-owned property into the Land Bank shall receive approval by City Council. The Board shall adopt Policies and Procedures consistent with the provision.

(d) Rights or Interests. The Land Bank may acquire Real Property or rights or interests in Real Property for any purpose the Land Bank considers necessary to carry out the purposes of the Land Bank Act.

(e) Title to be Held in Its Name. The Land Bank shall hold in its own name all real property it acquires.

(f) Owner-Occupant and Occupant Policies. The preference of the Land Bank is to support homeownership and to avoid acquisition of Owner-Occupied residential property. The Land Bank shall ensure there has been direct outreach to Owner-Occupants or Occupants with an equity interest in the property and offers of any appropriate, available, and supportive homeowner services and social services, including but not limited to an application for a hardship payment plan or an appropriate payment plan on delinquent real estate taxes and that owners of said property are adhering to the requirements of these alternative payment plans in good faith prior to acquisition of the property. The preference of the Land Bank upon acquisition of Owner-Occupied properties is to keep former Owner-Occupants or Occupants with an equity interest in residential property that has been acquired by the Land Bank by way of a lease contract or the creation of a life estate, whenever feasible. The Board shall adopt Policies and Procedures consistent with these priorities and the terms set forth in 174A.09(c).

(g) Eminent Domain. The Land Bank shall not have the power of eminent domain.

(h) Prohibition. The Land Bank shall not own or hold Real Property outside its jurisdictional boundaries.

174A.09 Tax Delinquent Real Property.

(a) Power to Discharge Liens and Claims.

(1) Pursuant to Section 2117(a)(1) of the Land Bank Act, the Land Bank may discharge and extinguish the tax liens and municipal claims owed to the Members of the Land Bank that encumber Real Property owned by the Land Bank by resolution of the Board subject to the voting requirements of Section 174A.06 (j) of this Chapter. For the Land Bank to discharge and extinguish tax liens or municipal claims owed to a School District that encumber Real Property owned by the Land Bank, the governing body of the School District must approve the discharge pursuant to Section 2117(a)(2) of the Land Bank Act.

(2) Filing. The Land Bank must file evidence of the extinguishment and discharge of tax liens or municipal claims with the County Department of Court Records and the City Department of Finance and any other appropriate public office where such liens or other claims are filed, including copies of the resolution by the Board, any intergovernmental agreements, receipt of payment and other necessary and appropriate documentation. This requirement must be satisfied no later than the earlier of ten (10) days prior to the conveyance of the property; or within thirty (30) days after the discharge.

(3) Within sixty (60) days of filing, the Department of Finance shall remove its tax liens and municipal claims discharged by the Land Bank from the records of any property held by the Land Bank.

(b) Bidding. The Land Bank may bid on and acquire title to Real Property in judicial and non-judicial tax enforcement proceedings in accordance with Section 2117(d) of the Land Bank Act entitled, procedure relating to Municipal Claims and Tax Lien Law and Section 2117(e) of the Land Bank Act, procedure relating to Second Class City Treasurer's Sale and Collection Act, of the Land Bank Act entitled procedure relating to Second Class City Treasurer's Sale and Collection Act, or other such general, special or local laws as may be applicable.

(c) Acquisition of Tax Claims. The Land Bank may negotiate the acquisition of tax claims and liens and municipal claims pursuant to Section 2117(d)(1) and Section 2117(e)(1) of the Land Bank Act or such other general, special or local laws as may be applicable.

(d) Occupied Properties and Tax Payment Plans. The Land Bank shall provide hardship payment plans to eligible Owner-Occupants or Occupants with an equity interest who are unable to pay their current taxes. Such payment plans shall be offered in accordance with the following terms:

(1) A hardship payment plan shall be made available to Owner-Occupants or Occupants with an equity interest, as follows:

(i) The applicant must have household income at or below 80% of the median income, based on household size, for the Pittsburgh Metropolitan Statistical Area as determined annually by the U.S. Department of Housing and Urban Development.

(ii) The applicant must provide proof of ownership or equity interest, household income, expenses, assets and residency;

(iii) If housing costs (i.e. mortgage, real estate taxes, property insurance, public utilities and payments on tax or other municipal liens) exceed 40% of a household's gross income, a minimum payment of \$50 per month shall be required with the first payment due upon entry into the agreement

(a) With respect to payments on tax or other municipal liens, the Land Bank may reduce the credit for such payments proportionally based on the full amount due on these liens;

(iv) Otherwise, the required monthly payment shall consist of 40% of a household's gross income minus housing costs, as above, with a minimum monthly payment of \$50 and with a down payment of up to 25% of the total delinquency at the discretion of the Land Bank. In exercising this discretion, the Land Bank shall consider the ability of the applicant to make a down payment, as well as the importance of avoiding property abandonment and homelessness;

(v) In all cases, the entry into and continuation of a payment plan is contingent upon the following:

(a) remaining current on the plan (i.e., not in default for two or more consecutive months);

(b) remaining current on all City and School District real estate tax obligations arising after the date of the commencement of the payment plan;

(c) recertifying household income, expenses, assets and residency at the direction of the Land Bank or the initiation of the owner occupant for the purpose of plan modification; and

(d) not being in default on a prior hardship payment plan, unless such default is justified by changed circumstances and a timely request for modification by the taxpayer. Notice of the obligation to come forward with information on changed circumstances shall be provided to the taxpayer with a copy of the Hardship Payment Plan agreement.

(2) The Land Bank shall cooperate with any policy or Ordinance the City or any other taxing jurisdiction joining the Land Bank may adopt regarding Owner-Occupant real estate tax payments and with any community program that does outreach to Owner-Occupants and provides supportive homeowner services to the extent that such policies or cooperation do not conflict with the terms set forth in 174A.09(1).

(e) Distribution of Tax Payments Received. To the extent that the Pittsburgh Land Bank receives payments attributable to a lien or claim for Real Property taxes owed to a municipality or school district on property acquired by the Land Bank, the Land Bank shall remit the full amount of the payments to the City, County or School District.

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174A.10 Inventory.

(a) The Land Bank shall maintain and make publicly accessible on its website and at its offices during normal business hours, the following information:

- (1) An up-to-date inventory of property owned by the Land Bank;
- (2) A map showing the properties in the Land Bank's inventory;
- (3) A record of all property conveyed by the Land Bank to other parties, including, but not limited to: the sale price for which the property was conveyed; the party to whom the property was conveyed; a summary of any terms or conditions of the conveyance;
- (4) Copies of its Policies and Procedures, Strategic Plans, Annual Reports, and Bylaws.
- (5) Pending applications for disposition of property out of the Land Bank.

174A.11 Maintenance and Management.

(a) The Land Bank shall maintain its Real Property in accordance with applicable statutes, laws and codes.

(b) The Land Bank shall comply with prevailing wage laws, including the Pittsburgh City Code, Title One: Administrative, Article VII: Procedures, Chapter 161.38: City of Pittsburgh Service Worker Prevailing Wage Ordinance.

(c) Subject to all applicable laws, including any contracting requirements applicable to Pennsylvania land banks, the Land Bank is encouraged to:

- 1) Locally-source its partnerships, joint ventures, contracts, and other collaborative relationships with private entities based in the immediate community for the maintenance, management and rehabilitation of Real Property of the Land Bank. Nonprofit collaborations are encouraged.
- (2) Collaborating with the Pittsburgh Summer Youth Employment Program and with any other organization providing similar work development opportunities for youth.

(d) Should the Land Bank receive federal HOME Investment Partnership Program funds, Community Based Development Grant funds, the Land Bank will comply with applicable federal funding requirements, including those set forth in 24 C.F.R. §92.351(3):

- (1) "Minority outreach. A participating jurisdiction must prescribe procedures acceptable to HUD to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction."

To the extent the Land Bank receives other forms of public funds or subsidies, it will comply with all applicable local, state, and federal funding requirements.

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(e) The Land Bank may:

(1) Control, hold, manage, maintain, operate, lease as lessor, secure, prevent the waste or deterioration of, demolish, or take all other actions necessary to preserve the value of the Real Property it holds or owns.

(2) Fix, charge, and collect rents, fees, and charges for use of Land Bank Real Property or for services provided by the Land Bank.

(f) Environmental Contamination. If the Land Bank has reason to believe that Real Property held by the Land Bank may be the site of environmental contamination, the Land Bank shall provide the Pennsylvania Department of Environmental Protection (DEP) with any information in the possession of the Land Bank that suggests that the Real Property may contain such conditions. The Land Bank shall cooperate with the DEP with regard to any request made or action taken by the DEP.

(g) Civil Action to Protect Land Bank Real Property. The Land Bank may institute a civil action to prevent, restrain or enjoin the waste of or unlawful removal of any Real Property held by the Land Bank.

174A.12 Disposition of Real Property.

(a) Subject to the Policies and Procedures of the Board, provisions of this Ordinance, the Land Bank Act and other applicable laws, the Land Bank may convey, exchange, sell, transfer, lease, grant, or mortgage interests in real property of the Land Bank to any public or private Person on terms and conditions, in the form and by the method determined to be in the best interests of the Land Bank and the residents of the communities it serves through any means authorized under Section 2110 of the Land Bank Act, and under the following terms and conditions:

(1) Consistency with land use plans and planning provisions. All proposed uses of land or buildings on Real Property disposed of by the Land Bank shall be consistent with the provisions of any adopted neighborhood plans and the Land Bank shall consult with the City Council Representative and community groups in the area in which the Real Property is located. If no such adopted neighborhood plan exists, the Land Bank shall determine that proposed uses are consistent with the goals of the community by consulting with any community groups and the City Council Representative in the area in which the Real Property is located, the Department of City Planning, and the Urban Redevelopment Authority of Pittsburgh.

(2) The Land Bank is encouraged to adopt Policies and Procedures which shall promote inclusive patterns of housing occupancy regardless of race and income.

(3) The Land Bank is encouraged to adopt low income and affordable housing targets, representing a percentage of overall property disposition so as to support the development of mixed-income neighborhoods across the City of Pittsburgh.

(b) Board Disposition Policies. The Land Bank Real Property shall be conveyed in accordance with the Land Bank Act and according to criteria determined by the discretion of the Board and contained in the Policies and Procedures adopted by the Board.

(1) **Priorities for Use of Real Property.** The Board may adopt Policies and Procedures that set forth priorities for a transferee's use of Real Property conveyed by the Land Bank. The priorities established may be for the entire jurisdictional boundaries of the Land Bank or may be set according to the needs of different neighborhoods or other locations within the jurisdictional boundaries of the Land Bank, or according to the nature of the Real Property.

(2) **Purchaser Responsibility.** The Land Bank is encouraged to develop policies to ensure that property is disposed to responsible parties. Such policies may include:

(a) Certification from the Department of Finance that the Applicant has no outstanding tax delinquencies; and,

(b) Certification from the Bureau of Building Inspection that the properties owned by the Applicant have no outstanding code violations.

(3) **Development Agreement.** The Land Bank is encouraged to develop Policies and Procedures that may:

(a) Require Applicants for Real Property to provide the Land Bank with written development and financing plans for physical improvements to the Real Property.

(b) Require Applicants to apply for building permits, commence with physical improvements, and complete physical improvements within a specified number of days after acquisition.

(c) Permit the Land Bank to refuse to transfer Real Property to an Applicant who is out of compliance with such development terms or who has a history of noncompliance with such development terms.

(d) Provide technical support, as needed, to ensure fair and equitable disposition of land.

(c) **Public Participation.** The Land Bank shall adopt Policies and Procedures that provide for full and meaningful public participation in disposition decisions. At a minimum, the public shall have the following rights, which shall be enforceable by any Person notwithstanding any other provision of this Ordinance:

(1) **Public Notice.** The Land Bank shall provide public notice of all proposed dispositions at least thirty (30) days prior to any disposition decision online. The public notice shall include, at a minimum, the name of the proposed purchaser, the consideration to be received, and a description of the proposed reuse in sufficient detail to enable the public to understand the public benefits and neighborhood impacts that are likely to result from the proposed transaction. The Land Bank shall also provide a mechanism through which Interested Parties, including community organizations, may request and receive timely notifications of any proposed change in the status of any property or properties owned by the Land Bank.

(2) **Signage.** The Land Bank shall be required to place a posted notice thirty (30) days in advance of disposition of land. Notice required pursuant to this Section shall be posted on weatherproof signs and placed on the property that is the subject of the application. At least one (1) sign shall be posted for each one hundred (100) feet of street frontage up to a maximum of ten (10) signs. Required signs shall be placed along the perimeter of the subject property in locations that are clearly legible from adjacent

public streets. Required signs shall provide the name of the proposed purchaser, a description of the proposed reuse of the property and describe the process by which any interested parties may object.

(3) Objection Process: Interested Parties who own or occupy property within a certain radius of the subject property may file a petition within 20 days of official posted notice in order to object to disposition of land. The size of the radius shall be determined by procedures set forth in the Land Bank's Policies and Procedures, but shall not be smaller than the neighborhood in which the Real Property is located. In the event that the Land Bank receives a petition signed by fifteen (15) or more Interested Parties, the Land bank shall hold a predisposition Public Hearing in the neighborhood. The Land Bank may thereafter approve a disposition request only if:

(a) It determines, based on testimony received at the Public Hearing, that the disposition would be consistent with the goals and needs of the neighborhood and that is likely to benefit the neighborhood in which the property is located.

(b) The disposition is approved by two-thirds majority vote of the entire Land Bank Board of Directors. The Board of Directors shall create Policies and Procedures consistent with this provision.

(d) Coordination. The Land Bank shall coordinate with the Urban Redevelopment Authority, or other public authority of Pittsburgh where a redevelopment project involves properties acquired by the Urban Redevelopment Authority, or other public authority, as well as properties acquired and/or owned by the Land Bank, and shall strive to ensure a synchronized disposition process.

(e) Consideration. The Board shall state in the Land Bank Policies and Procedures the general terms and conditions for consideration to be received by the Land Bank for the transfer of Real Property and interests in Real Property. The Board shall determine the amount and form of consideration necessary to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property. Consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee and other forms of consideration as determined by the Board to be in the best interest of the Land Bank.

(f) Municipal Disposition Requirements Not Applicable. Requirements which may be applicable to the disposition of real property and interests in real property by the City shall not be applicable to the disposition of real property and interests in real property by a Land Bank pursuant to section 2110(d)(2) of the Land Bank Act.

(g) Any proceeds from the sale or transfer of Real Property by the Land Bank shall be retained, expended, or transferred by the Land Bank as determined by the Board in the best interests of the Land Bank and in accordance with the Land Bank Act.

(h) City Council shall have final approval of the disposition of all real property during the oversight period. The oversight period shall be up to four (4) years. After two (2) years, Council shall determine, by a majority vote, whether or not to terminate the oversight period. Shall Council not terminate the oversight period, the oversight period shall remain for another two (2) years, or until Council votes to terminate it by a majority vote,

whichever is sooner.

(1) The oversight period shall commence when the permanent land bank board is seated.

174A.13 Policies and Procedures, Strategic Plan, and Annual Report.

(a) The Land Bank shall develop Policies and Procedures consistent with the provision of the Chapter. These Policies and Procedures shall be guided by the Land Bank's mission and purposes as set forth in this Ordinance.

(b) As part of its Policies and Procedures, the Land Bank shall adopt strict ethical guidelines for Land Bank Board members and employees, and promulgate rules addressing and protecting against potential conflicts of interest.

(c) Public Process. There will be an inclusive public process around the formation of the Policies and Procedures that will include:

(1) No less than five (5) community information sessions to be held following the creation of the Policies and Procedures.

(2) Upon the completion of at least five (5) community information sessions, there will be a thirty (30) day public comment period during which residents may formally submit comments to the Board for consideration.

(d) Upon formation of the Land Bank, the Mayor, on behalf of the City, will pursue entering into a written agreement with the Land Bank Board of Directors, on behalf of the Land Bank. Such an agreement may provide for, *inter alia*, City Council review and approval of the initial Policies and Procedures of the Land Bank.

(e) Strategic Plan. Within one year following the Effective Date of this legislation, and annually thereafter, the Land Bank shall develop a Strategic Plan to guide its activities.

(1) The Strategic Plan will include goals and performance standards, benchmarks, or metrics, with respect to achievement of the goals adopted by the Land Bank. The Land Bank shall ensure that its Strategic Plan and Annual Budget provides for the continued financial viability of the Land Bank and dedicates resources to ensure that the Real Property in its inventory is maintained in accordance with applicable laws;

(2) The Strategic Plan shall make recommendations to the City for the re-negotiation of any contracts which relate to functions, activities, powers, or obligations of the Land Bank, if any, including but not limited to Intergovernmental Cooperation Agreements or third party agreements.

(f) Annual Report. The Land Bank shall publish an Annual Report by December 31st of each year. The Annual Report shall detail its performance and report on its yearly progress in fulfilling each of the goals set forth in its Strategic Plan and this Chapter. This Annual Report may be included in any annual audit and report otherwise required by state law.

(1) The Annual Report shall include:

(i) A listing of properties acquired by the Land Bank;

(ii) A listing of properties disposed of by the Land Bank; the sale price for which the property was conveyed; the party to whom the property was conveyed; if the disposition went before the Land Bank Board for approval, the reason for Board review; a summary of any terms or conditions of the conveyance, including the intended use of the property; the approximate income of the households that will benefit from the intended use, if the sale price was nominal or reduced; a list of all properties that were disapproved by the Land Bank and the reason for the disapproval; and data showing the extent to which dispositions have met the goals and disposition targets contained within the Land Bank's Strategic Plan.

(iii) Aggregate data showing the number of applications received and the status or outcome of those applications, evaluating compliance with the frames and deadlines set by the Land Bank for each stage of the disposition process, and evaluating compliance with provisions agreed upon as conditions of past sales.

(2) The Annual Report must be approved by the Board and submitted to City Council and filed with the City Clerk.

(3) If the Land Bank is unable to deliver an Annual Report showing achievement or reasonable progress toward achievement of its goals, the Land Bank shall include with the Annual Report a remedial plan to be executed during the following year.

174A.14 Books, Records and Finances.

(a) Land Bank Records. The Land Bank shall keep and maintain at the principal office of the Land Bank all documents and records of the Land Bank. The records of the Land Bank shall include, but not be limited to, a copy of this Ordinance along with any amendments to the Ordinance. The records and documents shall be maintained until the termination of this Ordinance and shall be delivered to any successor entity.

(b) Financial Statements and Reports. The Land Bank shall cause to be prepared, at the Land Bank's expense, audited financial statements (balance sheet, statement of revenue and expense, statement of cash flows and changes in fund balance) on an annual basis. Such financial statements shall be prepared in accordance with generally accepted accounting principles and accompanied by a written opinion of an independent certified public accounting firm.

(c) Annual Budget. The executive director, or other individual designated by the Board, shall prepare annually a budget for the Land Bank. The Board shall review and approve a budget for the Land Bank immediately preceding each Fiscal Year.

(1) The Budget shall be balanced.

(2) Funds must be identified and duly approved before expenses may be incurred.

(d) Deposits and Investments. The Land Bank shall deposit and invest funds of the Land Bank, not otherwise employed in carrying out the purposes of the Land Bank, in accordance with an investment policy established by the Board consistent with laws and regulations regarding investment of public funds.

(e) Disbursements. Disbursements of funds shall be in accordance with guidelines established by the Board.

174A.15 Funding and Expenditures.

- (a) Funding land bank operations. The Land Bank may receive funding through grants and loans from the Federal Government, the State, the County, the City, Members of a Land Bank, and private sources. A Land Bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments and for an asset and activity lawfully permitted to the Land Bank pursuant to the Land Bank Act .
- (b) Allocated real property taxes. The Land Bank may receive funding through remittance or dedication to the Land Bank of a portion of real property taxes collected pursuant to the laws of the State on Real Property conveyed by the Land Bank pursuant to a taxing jurisdiction's authorization as provided for in section 2111(c) of the Land Bank Act and pursuant to an agreement between the Land Bank and School District pursuant to section 2111(c)(3) of the Land Bank Act.
- (c) City Allocation of Real Property Taxes. The City authorizes the remittance or dedication to the Land Bank of 50% of the real estate taxes assessed by and collected on behalf of the City pursuant to the laws of the State on Real Property conveyed by the Land Bank. Said remittance or dedication shall commence with the first taxable year following the date of conveyance and continue for a period of five years pursuant to section 2111 (c)(2) of the Land Bank Act.
- (d) Budget Contributions. The Land Bank may receive funding through contributions to the annual Land Bank budget from the City, the County, the School District, and Members of the Land Bank.
- (e) Management of Funds. The Land Bank executive director, or other individual designated by the Board, shall be designated the fiscal agent of the Land Bank's account established for the management of sales proceeds, monetary contributions made by the Parties, and other Land Bank funds. Standard accounting procedures shall be used in the management of the accounts.
- (f) Authorized Expenditures. The Land Bank shall in its sole discretion and within its budget expend such funds as necessary to carry out the powers, duties, functions and responsibilities of a Land Bank under the Land Bank Act consistent with this Ordinance.
- (g) Annual Audit and Report. The Land Bank shall annually, within 120 days after the end of the fiscal year, submit an audit of income and expenditures, together with a report of its activities for the preceding year, to the Department. A duplicate of the audit and the report shall be filed with the City and Land Bank. Upon review of the Annual Audit and Report every third year, City Council may initiate dissolution of this Chapter by way of resolution approved by a majority vote of City Council.

174A.16 Dissolution.

- (a) The Land Bank may be dissolved according to the requirements of section 2114 of the Land Bank Act upon a finding approved by two-thirds of the entire Board pursuant to section 2105(h)(3) of the Land Bank Act and

approved by a majority vote of City Council that there is no longer any need for the Land Bank to function within the territorial limits of the City.

174A.17 Miscellaneous Provisions.

(a) Notices. Any and all correspondence or notices required, permitted or provided for under this Ordinance to be delivered to the City shall be sent by first-class mail. Notices to the City shall be sent to: 414 Grant Street Pittsburgh, PA 15219. All notices sent to the address listed above, unless said address is changed in writing, shall be binding as of the date such notice is deposited with sufficient postage with the United States Postal Service.

(b) Interpretation of Resolution. The City intends that this Ordinance shall be construed liberally to effectuate the intent and purposes of this Ordinance and the legislative intent and purposes of the Land Bank Act as complete and independent authorization for the performance of each and every act and thing authorized by this Ordinance and the Land Bank Act. All powers granted to the Land Bank under this Ordinance and the Land Bank Act shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers.

(c) Severability of Provisions. If any provision of this Ordinance, or its application to any Person or circumstance, is invalid or unenforceable, the remainder of this Ordinance and the application of that provision to other Persons or circumstances are not affected but will be enforced to the extent permitted by law.

(d) Governing Law. This Ordinance is made and entered into in the Commonwealth of Pennsylvania and shall in all respects be interpreted, enforced and governed under the laws of the Commonwealth of Pennsylvania.