

LAND BANK BASICS AND THE EVOLUTION OF PA LAND BANKS

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Pennsylvania Land Bank Summit
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The Problem

- Long term vacant, abandoned, tax delinquent properties
- Stuck in the market due to liens, taxes, tangled titles
- Owners unwilling or unable to comply, deceased, or otherwise not in the picture

A land bank is a tool to help return these properties to productive use according to community goals.

Not the only tool. Requires significant human and financial resources.

Vacant, Abandoned and Tax Delinquent Properties

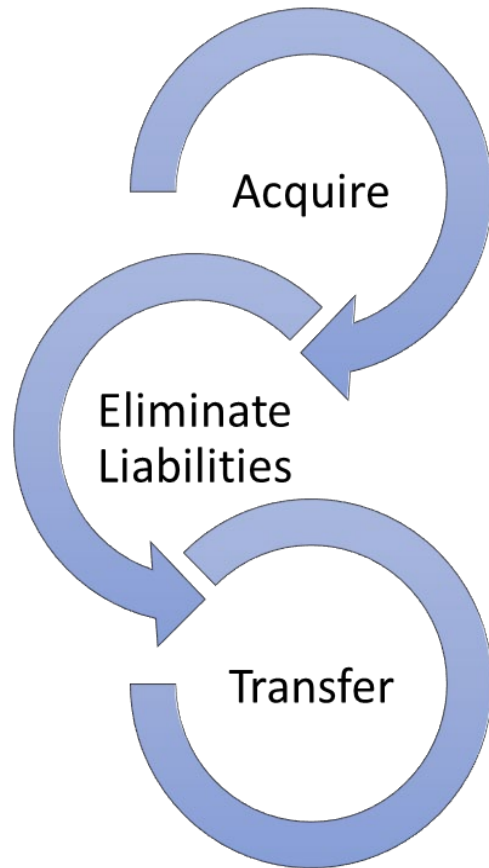


What is a Land Bank?

A land bank is a governmental entity created by law with unique powers to put vacant, abandoned, and tax delinquent properties back to productive use according to community goals.



What Does a Land Bank Do?



1. Acquire title to problem properties
2. Eliminate liabilities – liens, claims, clouds on title
3. Transfer to new owners in a manner most supportive of local needs and priorities

Governmental Entity Created by Law

Pennsylvania enacted land bank enabling legislation in 2012 following the lead of states like Michigan, Ohio, and New York.

PA land banks are public entities. In some other states, land banks are nonprofit corporations.

To create a land bank, the county or eligible municipality or group of municipalities must adopt an ordinance.

Governmental Entity Created by Law

The PA Land Bank Law authorizes the formation of land banks and prescribes governing and operating requirements.

68 Pa.C.S. §§ 2101-2120

Land banks can take many forms and touch communities of all kinds.

Options:

Create a land bank

- Counties
- Municipalities with at least 10,000 residents
- One or more municipalities acting jointly

Designate redevelopment authority to act as land bank

- “land bank jurisdictions” in counties of the second A, third, fourth, fifth, sixth, seventh or eighth class

Governmental Entity Created by Law

Land Bank

Dauphin County
Land Bank Authority

Westmoreland
County Land Bank

Designated RDA

Fayette County RDA and
Land Bank

Altoona RDA and Land
Bank

Multi-Municipal

Northeast PA Land Bank
Authority

Tri-COG Land Bank



Housing Alliance
of Pennsylvania

LAND BANKS IN PENNSYLVANIA

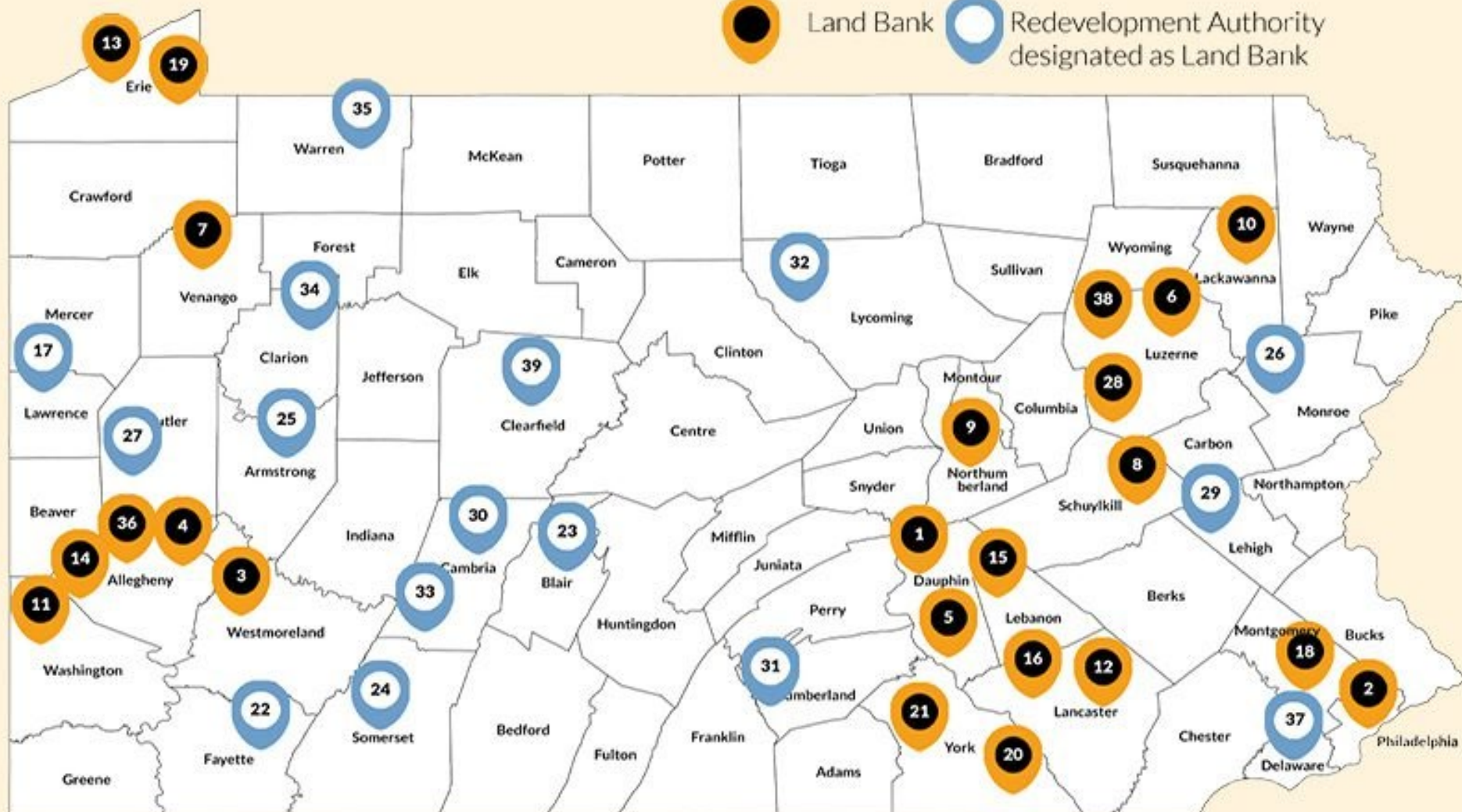
in chronological order of ordinance adoption
(as of February 2024)



Land Bank



Redevelopment Authority
designated as Land Bank



NO.	LAND BANK NAME	YEAR ESTABLISHED	NO.	LAND BANK NAME	YEAR ESTABLISHED
1	Dauphin County Land Bank Authority	2013	21	York County Land Bank Authority	2018
2	Philadelphia Land Bank	2013	22	Fayette County Redevelopment Authority	2018
3	Westmoreland County Land Bank	2013	23	Altoona Redevelopment Authority	2018
4	Pittsburgh Land Bank	2014	24	Somerset County Redevelopment Authority	2018
5	Harrisburg Land Bank	2014	25	Armstrong County Redevelopment Authority	2018
6	North East Pennsylvania Land Bank Authority	2014	26	Monroe County Redevelopment Authority	2019
7	Venango County Land Bank	2014	27	Butler County Redevelopment Authority	2020
8	Schuylkill County Land Bank	2015	28	Hazleton Land Bank	2020
9	Northumberland County Land Bank	2015	29	Allentown Redevelopment Authority	2021
10	Lackawanna County Land Bank	2016	30	Cambria County Redevelopment Authority	2021
11	Washington County Land Bank	2016	31	Cumberland County Housing & Redevelopment Authorities	2021
12	Lancaster County Land Bank Authority	2016	32	Williamsport Land Bank	2021
13	Erie (City) Land Bank	2016	33	Johnstown Land Bank	2022
14	Tri-COG Land Bank (Allegheny County)	2017	34	Clarion County Housing and Redevelopment Authority	2022
15	City of Lebanon Land Bank	2017	35	Warren County Redevelopment Authority	2022
16	Lancaster City Land Bank Authority	2017	36	Wilkesburg Land Bank	2022
17	Lawrence County Redevelopment Authority	2017	37	Delaware County Redevelopment Authority	2022
18	Pottstown Borough Land Bank	2017	38	Lower South Valley Land Bank	2022
19	Erie County Land Bank	2018	39	Redevelopment Authority of Clearfield County	2024
20	Sharon Land Bank	2018			



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Unique Powers

A land bank has unique powers beyond those of a redevelopment authority that are helpful in acquiring properties at low cost and transferring free and clear title to purchasers:

- Acquisition of judicial tax sale properties at a low cost using a “priority bid”
- Power to untangle and clear title through an expedited quiet title proceeding
- Ability to discharge liens and claims on property with the agreement of the taxing bodies.

Unique Powers – Priority Bid

Pottstown Borough Land Bank

Ordinance passed in November 2017.

Board of directors had its first meeting in June 2018.

In 2021, the Land Bank received a \$200,000 grant award from the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE Grant).

Working with the Montgomery County Tax Claim Bureau, the Land Bank has acquired 6 judicial sale properties.

Unique Powers – Priority Bid

Pottstown Borough Land Bank

208 Gable Avenue –

Acquired at judicial sale and sold to local developer who invested more than \$133,000 to completely rehab the property which was sold to a low/moderate income family for home ownership.



Productive Use

Vacant, abandoned and tax delinquent properties are assets with unrealized economic and community development potential.

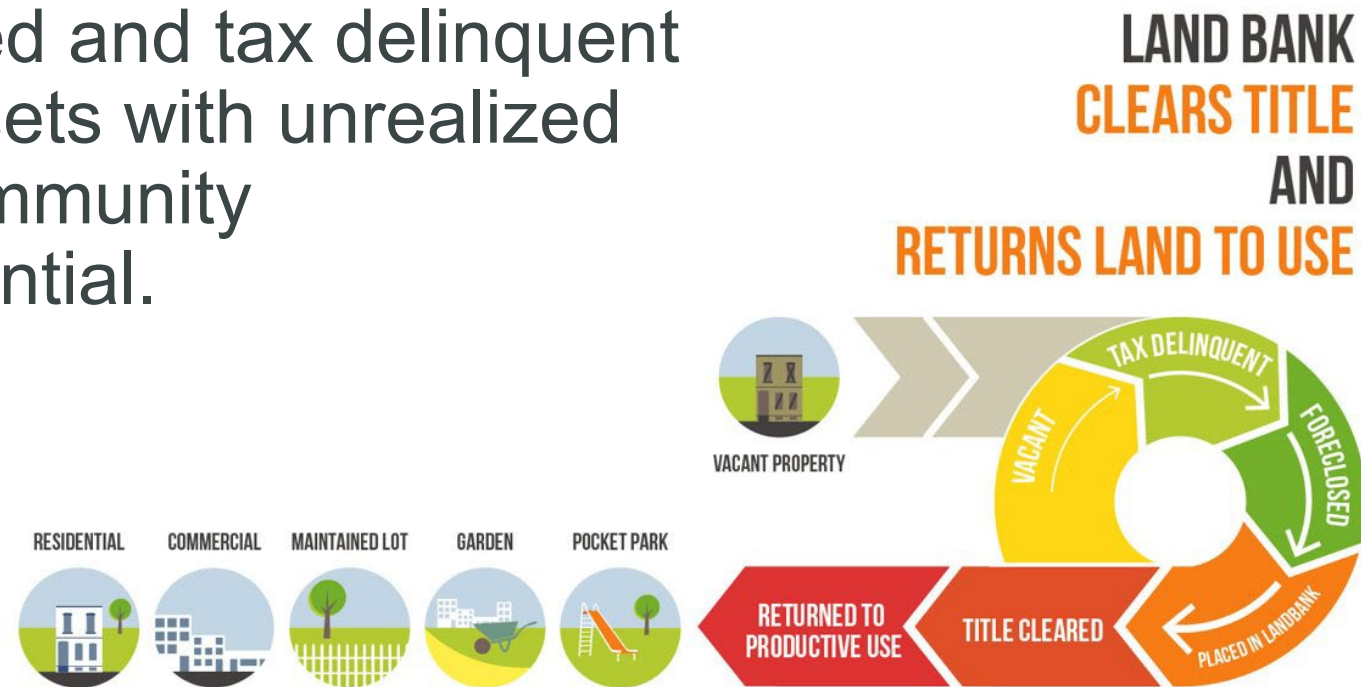


Image credit: Philadelphia Land Bank

Productive Use – Community Space

Lackawanna County Land Bank

Land Bank Collaboration: NeighborWorks Northeastern Pennsylvania

West Scranton Neighborhood Plan

- Highest number of Land Bank properties conveyed (67) in West Scranton
- Lots have hosted volunteer cleanups/beautification efforts
- Great boost to improving neighborhood with volunteer assistance



Productive Use – Community Space

Lackawanna County Land Bank

Land Bank Collaboration: NeighborWorks Northeastern Pennsylvania

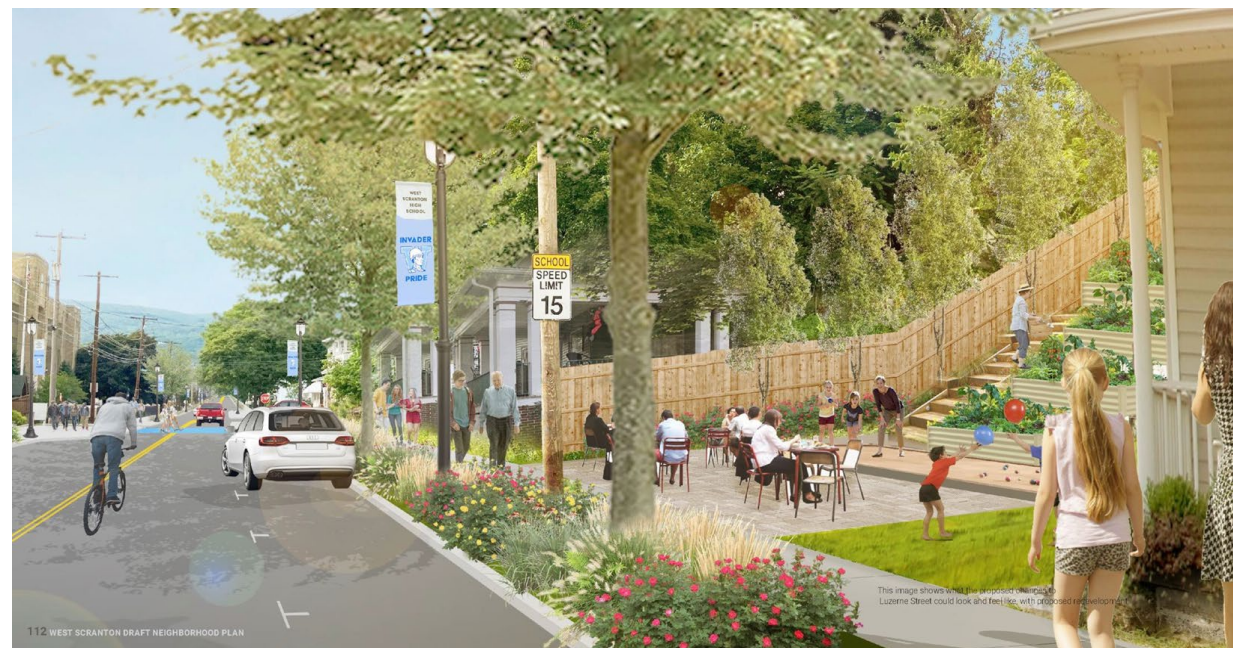
Luzerne Street Lot Cleanups

- Long used as dumping ground and location for illicit activities
- Located near West Scranton HS; catalyst site in West Scranton Neighborhood Plan
- Future use TBD (tiered community space, housing, etc...)



Productive Use – Community Space

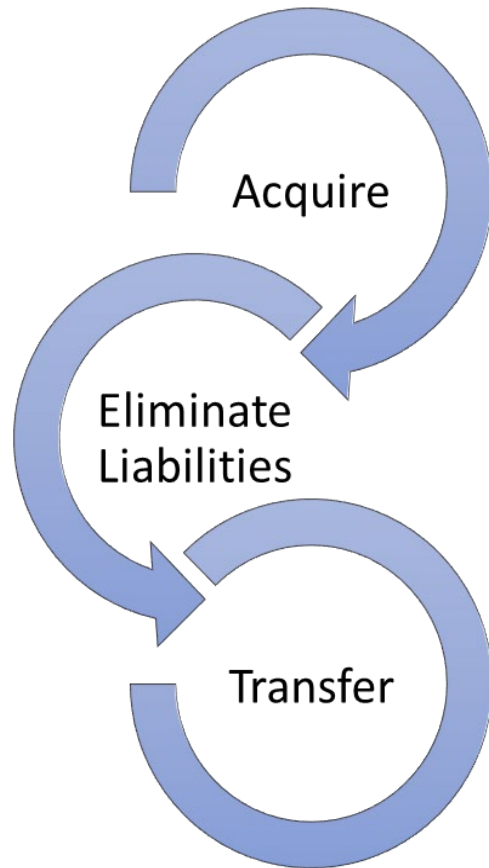
Lackawanna County Land Bank



Community Goals



Refresh – 3 elements



1. Acquire title to problem properties
2. Eliminate liabilities – liens, claims, clouds on title
3. Transfer to new owners in a manner most supportive of local needs and priorities

3 Questions to Get Started

1. What added value would a land bank bring to your community?
2. Who needs to buy in to the idea of creating a land bank?
3. How do you support the cost of establishing and operating a land bank?

Does a land bank add value?

- Blight removal
- Easier to assemble sites for future development
- New resource that can help stimulate high-quality investment and development by bringing vacant and underused land back into the mainstream real estate market
- Transparent, uniform, and community driven process for transferring vacant, abandoned and tax delinquent properties to productive use

Who needs to buy in?

Elected officials

Public agency managers and staff

School districts

County Tax Claim Bureau

Residents

Business and Community leaders

Housing developers and professionals

Community Development Corporations

Realtors

Philanthropic and other nonprofit organizations

How do we fund a land bank?

- Public and Private Grants and Loans
- Contributions from Municipalities and Counties (member fees, land, in-kind, \$\$)
- 5/50 Tax Recapture
- Proceeds from Sales and Leases
- Bonds (no PA land bank has issued bonds yet)

Land Bank Trends

- Using land banks to foster the preservation and creation of affordable housing
- Expanding programs beyond demolition and side lot transfers – rehab and home repair programs
- Supporting blight prevention in collaboration with local codes departments