

Allegheny County Council

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Meeting Minutes

Thursday, June 9, 2016

4:00 PM

Conference Room 1

Committee on Economic Development & Housing

Dewitt Walton, Chair

Members; Tom Baker, Sam DeMarco, Mike Finnerty, Nick Futules, Ed Kress, Bob Macey, John Palmiere

I. Call to Order

The meeting was called to order at 4:01.

Invited Guests:

William D. McKain, CPA, Allegheny County Manager or designee(s)
Robert Hurley, Director, Allegheny County Department of Economic Development

Mr. McKain was present from the Office of the County Manager.

Mr. Hurley, Mr. Earley, Ms. Collinge and Ms. Quinn were present from the Department of Economic Development.

Ms. Branton was present from Branton Strategies.

Ms. Lewis, Mr. Palyo and Ms. Settlemaier were present from the Tri-COG land bank.

Mr. Barker and Mr. Szymanski were present from the Office of County Council.

II. Roll Call

Members Present: 4 - Walton, Sam DeMarco, Michael Finnerty and Ed Kress

Members Absent: 3 - Nick Futules, Bob Macey and John Palmiere

Members Phone: 1 - Tom Baker

Members 1 - Sue Means

Non-Members:

III. Approval of Minutes

[9687-16](#)

Motion to approve the minutes of the February 24, 2016 meeting of the Committee on Economic Development and Housing.

A motion was made by Finnerty, seconded by DeMarco, that this matter be Passed. The motion carried by a unanimous vote.

IV. Agenda Items

Ordinances

[9667-16](#)

An Ordinance of the County of Allegheny authorizing the County to enter into an intergovernmental cooperation agreement with various municipalities and school districts within the County for the purpose of joining in the formation and establishment of a public body, corporate and politic, to be known as the Tri-COG Land Bank.

Sponsors: Chief Executive

The Chair provided a brief overview of the ordinance.

Mr. Hurley introduced Mr. Earley, Ms. Collinge, and Ms. Quinn, and made some brief

remarks regarding land banks generally, noting that his desire would be to have an additional committee meeting on the bill in order to allow for in-depth conversation of the proposal.

Ms. Branton described her background and gave a PowerPoint presentation to provide an overview of land banking in Pennsylvania. Ms. Branton discussed reasons for property vacancy and abandonment, noting that tax and title issues probably account for a large percentage of the properties for which land banking could provide benefits. Ms. Branton noted that land banks are governmental entities that exist to re-integrate vacant and abandoned properties to productive use, and that they were authorized by the General Assembly in 2012.

Ms. Branton noted that there are 11 land banks currently in existence in Pennsylvania, and that the Westmoreland County land bank is fairly active and has a website that can be reviewed to get a feel for their operations. Ms. Branton noted that some of the PA land banks are county-based, while others are based on municipalities of smaller size.

Ms. Branton indicated that the underlying concept of land banking is to break the cycle of blighted or abandoned properties by returning them to productive use by clearing title and any municipal liens or other impediments to ownership transfer, but that PA law allows for flexibility in reaching these goals as a means of remediating blight, although it does not empower land banks to use eminent domain.

Ms. Branton discussed the mechanics of land bank creation, noting that they are established by municipalities via ordinance and intergovernmental cooperation agreement, and describing conditions that tend to be favorable for land bank formation.

Ms. Branton described the mechanics of property acquisition, clearing title, holding property, and property disposition.

Ms. Branton indicated that the Commonwealth does not directly fund land banks and expressed her belief that having a dedicated funding source is a significant factor in long term viability, and described some of the mechanisms that can be employed to fund land banks.

Ms. Branton discussed the role of community participation in land bank scenarios, and described several projects undertaken by other land banks in the Commonwealth.

In response to a question from Mr. Finnerty, Ms. Branton and Mr. Hurley described how land banks interact with redevelopment authorities.

In response to a question from Mr. DeMarco, Ms. Branton discussed how a land bank and the existing vacant property review process could operate side by side within the County.

Mr. DeMarco and Mr. Hurley discussed the County's role in the proposed land bank as a partner rather than the lead municipal entity.

In response to a question from Mr. Kress, Ms. Branton discussed the process for resolving any existing mortgages on the properties involved.

In response to a question from Mr. Finnerty, Ms. Branton described the process of quieting title.

In response to a question from Ms. Means, Ms. Branton discussed the difference between a Sheriff's sale and a judicial sale.

The Chair and Mr. Hurley discussed the difference between land banks and land trusts.

In response to a question from the Chair, Ms. Branton discussed how restrictions on land banking can come into play outside of the enabling legislation, with Ms. Branton briefly discussing constitutional due process concerns.

In response to a question from the Chair, Ms. Branton discussed the mechanics of land bank acquisition of property through judicial sale.

Ms. Means and Ms. Branton had a brief discussion regarding the mechanics of how properties are disposed of by land banks.

Ms. Lewis gave a PowerPoint presentation describing the Tri-COG collaboration, indicating that blight had an estimated impact of \$254 million on development in 2012 and describing estimated indirect costs to the County in the form of a loss of Countywide market housing value of approximately 2.3%. Ms. Lewis discussed the Commonwealth's property tax system and noted that it generally is not geared toward remediating blight.

Ms. Lewis discussed the importance of flexibility in the land banking concept within the context of varying municipal needs and priorities, the importance of regional development strategies, and the characteristics of successful land bank arrangements.

Ms. Lewis noted that land banking is one of many tools that are available for remediating blight and discussed the steps to be undertaken in land bank development.

Ms. Lewis noted that there are currently 4 school districts and 13 municipalities committed to participate and described the proposed land bank governance structure, as well as the anticipated role of the County.

Ms. Lewis discussed the benefits of remediating blight.

Mr. DeMarco expressed support for the program generally, and he and Mr. Hurley discussed some of the details that will be under consideration by the Committee at its next session on the bill.

In response to a question from Mr. Kress, Ms. Lewis suggested that the biggest contributing factor to blight is a significant population decline in the region.

In response to questions from Mr. Kress, Mr. Hurley noted that many municipalities have significant demolition needs that have arisen from properties that were abandoned before they actually needed to be demolished, but due to the lack of a mechanism for reintegrating the abandoned properties, they have become increasingly dilapidated. Ms. Lewis discussed potential similarities and differences in how the land bank will function as opposed to the existing vacant property rehabilitation program.

V. Adjournment

The meeting was adjourned at 5:53.