TCC Land Bank

BLIGHT
- Direct costs to communities in TCC: $19,358,177
- Estimated loss in property value of $218 million to $247 million
- Significant deterrent to new development

TCC LAND BANK

PRODUCTIVE USE
- More tax revenue for municipalities, school districts and county
- Property values increase
- Revitalized communities, attractive for new residents and growth
**Steel Rivers COG**
**Turtle Creek Valley COG**
**39 Municipalities**

- Braddock Borough
- Braddock Hills Borough
- Chalfant Borough
- Churchill Borough
- Clairton City
- Dravosburg Borough
- Duquesne City
- East McKeesport Borough
- East Pittsburgh Borough
- Edgewood Borough
- Elizabeth Borough
- Forest Hills Borough
- Forward Township
- Homestead Borough
- Glassport Borough
- Liberty Borough
- Lincoln Borough
- McKeesport City
- Monroeville Municipality
- Munhall Borough
- North Braddock Borough
- North Versailles Township
- Penn Hills Municipality
- Pitcairn Borough
- Plum Borough
- Port Vue Borough
- Rankin Borough
- South Versailles Township
- Swissvale Borough
- Turtle Creek Borough
- Versailles Borough
- Wall Borough
- West Elizabeth Borough
- West Homestead Borough
- Whitaker Borough
- White Oak Borough
- Wilkins Township
- Wilkinsburg Borough
- Wilmerding Borough

---

**Blight in Our Area**

- Population = 294,057*
- 149,272 parcels (90% residential)^
- 147,693 Housing Units*
  - 4.7% or 7008 Blighted (AC = 2.9% or 16,429)^
  - Smaller Municipalities tend to have higher rates of blight
- 50,185 Rental Units (33.9%)*
- 15,903 Vacant Units (10.8%)*
- 19,602 Vacant Parcels (13.13%)^*
- 16,428 Blighted Residential Properties
- 42% of Allegheny County blight
- 16,845 (11.28%) have Tax Liens
  - Some Delinquency rates over 40%
- 45% of all 911 calls occur within 150’ of a blighted property

*US Census
^Allegheny County
The Process - 2012-Present

Cuing Up the Data and the Discussion

• Financial Impact of Blight, September 2013
• Land Bank Business Plan, July 2014
• Effects of Vacant Lots and Green Infrastructure Analysis, May 2016
• Healthy Housing Market Analysis, June 2016
• Commercial Corridor Analysis, September 2016

• EPA Scattered Brownfield Site Inventory/Assessment, 2014-2016

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundations</td>
<td>$285,000</td>
</tr>
<tr>
<td>PA DCED</td>
<td>$130,000</td>
</tr>
<tr>
<td>EPA</td>
<td>$600,000</td>
</tr>
<tr>
<td>Municipalities</td>
<td>$13,100</td>
</tr>
<tr>
<td>Other</td>
<td>$13,305</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,041,405</strong></td>
</tr>
</tbody>
</table>
23.7% - 96,916 of County residences are affected by blight – Loss of value of $1,264,490,987 (-15%)

- $5,981,042 in County Revenues.
- $28,824,072 in School Revenues
- $7,719,717 in Municipal Revenues

$42,524,831 Real Estate Tax Revenue
Putting the Land Bank Together

- Land Bank Business Plan
  - CCP – technical assistance and plan review commissioned by Allegheny County, 2014
- Draft and Negotiate the *Intergovernmental Cooperation Agreement*, 2014-2016
- Meet with Elected Officials, 2014-2016
  - Explain Land Banking in General
  - Explain Membership Requirements
  - Explain Governance Structure of Tri-COG Land Bank
- Help Educate Regional Stakeholders, 2014-2016

- The Tri-COG Land Bank was the first group mobilized to create a suburban/rural multi-jurisdictional land bank (Center for Community Progress)
Tri-COG Membership Requirements

- Municipality must bring along its school district
- Commit to the following financial support
  - Tax Discharge – (elimination of debt)
  - 50% Tax Recapture for 5 Years
  - Up to 5% of Collected Delinquent Real Estate Taxes for jurisdictions participating in the Land Bank
LB Governance Structure

- 2 Municipal representatives
- 2 School Board representatives
- 1 appointee from Allegheny County Executive
- 3 qualified professionals selected by Advisory Committees
- 1 Resident designated for community representation selected by Advisory Committees

Ad-Hoc and other advisory committees may be developed to provide support to the Land Bank, Advisory Committees and Board of Directors
Land Bank Members
Led by the COGs

Allegheny County, 6 School Districts, and 21 Municipalities

• Clairton SD/City of Clairton
• Gateway SD/Monroeville, Pitcairn
• Fox Chapel SD/Sharpsburg
• McKeesport Area SD – Dravosburg, McKeesport, South Versailles, White Oak
• Shaler SD– Etna and Millvale
• Woodland Hills/Braddock Hills, Chalfant, Churchill, East Pittsburgh, Edgewood, Forest Hills, North Braddock, Rankin, Swissvale, Turtle Creek, Wilkins

Many Conversations 12/2012 – 7/2016
The Projected Budget

• Member Support – Year One = $185,000
  o Tax Discharge – (elimination of debt)
  o 50% Tax Recapture for 5 Years
  o Up to 5% of Collected Delinquent Real Estate Taxes for jurisdictions participating in the Land Bank

• Request from Foundations: $1,500,000 Operating Support over the 1st 3 Years
  • Reserve Account

• Budget/Activity Projections:
  o Properties: 10 (4), 15 (6), 25 (8), 35 (10), 40 (12), 45 (14)
  o 5% Revenue - $185,000, 235,000, 285,000, 335,000, $350,000

EVALUATION OF THE TRI-COG LAND BANK BUSINESS PLAN: A Solid Foundation for a Regional Approach to Vacancy and Abandonment in the Mon Valley and Beyond

Kim Graziani, VP and Director of National Technical Assistance - “Local Foundations should serve as a key partner and investor in the Tri-COG Land Bank by providing flexible capital to fully leverage public revenue streams.”
Reflections and Lessons

• **Building trust is paramount to success**
  • Communities with limited capacity need support
  • Revenue is pooled and shared
  • Decision-making is shared too

• **Engage good partners – Build your posse!**

• **Data, Data, Data – Maps are enormously helpful**

• **It takes time to grow the idea and the program**
My Contact Information

• An Lewis – al@steelriverscog.org – 412-462-7600
Land Banks and Recurring Funding

2016 National Reclaiming Vacant Properties Conference
Thursday, September 29, 2016
Baltimore, MD

Tarik Abdelazim, Associate Dir. of National Technical Assistance, Center for Community Progress
An Lewis, Executive Director, Steel Rivers Council of Governments
David Allen, Executive Director, Kent County Land Bank Authority
Our Work with Land Banks

**We Help Authorize LBs**
Educate state officials on land bank enabling legislation (VA, NE)

**We Help Create and Launch LBs**
Land bank board trainings and policy development (IL, PA)

**We Help Grow and Organize LBs**
Support for statewide land bank associations (NY, MI, GA)

**We Help LBs Innovate**
Support through fee-for-service or TASP (OH, MO)
Snapshot: The National Movement

“Take it to the Bank” (2014) & Land Bank Information HQ

- National survey of the field, with 7 portraits
- About 140 land banks or land banking programs
- Nature of the problem, market dynamics and local conditions shape LB mission, goals, and activities
- Flexible tool that is highly customizable

Source: Center for Community Progress, Land Bank Information HQ Webpage
Traditional Land Bank Financing

1. Operating support from local government
2. 5/50 Tax Recapture
3. Local foundations
4. State and federal grants
Current Funding Strategies

#1: Legislate Recurring Funding: Ohio’s Delinquent Tax Assessment Collection ("DTAC")

Included in state’s 2009 land bank enabling legislation

Just over 2/3 of the authorized land banks in Ohio commit full 5% of DTAC

For Cuyahoga County, that’s $7 M/year

Gold standard, a national model

#2: Temporary Federal Programs: Hardest Hit Funds

Program was originally authorized in 2010 to invest $7.6 billion in housing markets in 18 states and DC.

In 2013, Treasury approved demolition as eligible activity, and earmarked $622 million for a blight elimination program (pre-5th Round).

A fifth and final allocation of $2 billion announced and awarded in 2016.

Photo credit: https://detroitography.com
Current Funding Strategies

#3: National Mortgage Settlement Dollars, New York AG’s Office Setting a High Bar

Ongoing:
$32 M – Community Revitalization Initiative for land banks (JPMorgan)
$25 M – Donations of properties and cash to land banks (BoA)
$13 M – Zombie and Vacant Property Grant Program (Morgan Stanley)
$4 M – Pilot rental housing grant program for land banks (Citigroup)

Pending:
$30 M – Grants for land banks and community land trusts (Goldman)
$13 M – An additional land bank grant program (Morgan Stanley)
$13 M – Dedicated grant program for code enforcement activities (Goldman)

…And nearly $100 million for mortgage assistance and foreclosure prevention!
Macon-Bibb County Approved a bond resolution for $14 million that would go toward blight initiatives. The bonds were issued the end of May 2015.

Each of the ten commission districts has been allocated $1 million dollars for blight remediation to include acquisition, demolition, and implementation of capital projects.

One project is, “Mill Hill: East Macon Arts Village,” a neighborhood revitalization effort that seeks to develop approximately four blocks of the historic Fort Hawkins Neighborhood in East Macon into an arts village in order to address blight and foster economic opportunity. (Check out this great video about the neighborhood & the project!)
Funding the Movement

#4. Local Borrowing: Greensboro (NC) votes in November

- $8 million, expand homeownership programs for working families (up to 140 percent AMI)
- $7 million, build or rehabilitate rental homes
- $3 million, repair homes in violation of local codes
- $2 million, develop homes for people with special needs, including the chronically homeless, disabled or veterans.
- $1.5 million, health-related emergency repairs, for issues such as lead poisoning
- $1.5 million, rehabilitate homes for low or moderate income homeowners
- $1 million, handicapped accessibility improvements at rentals or homes
- $1 million, financial assistance to home buyers with very low incomes.

Time for Our Panelists...

David Allen  
Executive Director  
Kent County Land Bank Authority

An Lewis  
Executive Director  
Steel Rivers Council of Governments
Let’s Talk…

Questions?