How Municipalities Can Tackle the Challenge of Vacancy
Vacant vs. Blighted
Abandoned
• Access

• Ease

• Public/Private Partnerships
Acquisition Strategies

- Tax Sale
- Land Banks
- Conservatorship
- REO Properties
- Community Land Trusts
Tax Sale

A Public Auction, run by the municipal body, to recover delinquent taxes
Considerations

**Timing**
- 18+ months

**Cost**
- \$2,000-$4,000 indirect
- Recoverable 3rd party costs

**Pricing**
- Upset Price
- Sales Price
  - Use
    - Side Yards
    - Private Individuals
    - Community Groups
<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relatively Inexpensive</td>
<td>Takes Time</td>
</tr>
<tr>
<td>Some costs are recoverable</td>
<td>Complicated</td>
</tr>
<tr>
<td>Free &amp; Clear, Insurable Title</td>
<td>Not guaranteed</td>
</tr>
</tbody>
</table>

Land Bank
What is it?

A public authority created to efficiently acquire, hold, manage, and develop vacant, abandoned, and/or foreclosed properties.

-----

Unites the collection of delinquent property taxes, land recycling and homeownership preservation into one aligned system.
A NEW PROCESS FOR PROPERTY DISPOSITION

EXISTING CYCLE

VACANT PROPERTY

TAX DELINQUENT

FORECLOSED

Bought by speculator

Sold at auction

LAND BANK

Clears title and

Returns land to use

RESIDENTIAL

COMMERCIAL

MAINTAINED LOT

GARDEN

POCKET PARK

RETURNED TO PRODUCTIVE USE

TITLE CLEARED

Placed in landbank

Source: planphilly.org, March 2015
Act 153 of 2012

- Enables municipalities of 10,000 or more persons to create land banks as distinct public entities
- Considered start of 3rd generation of US land banking, most flexible, powerful state enabling legislation to-date
- Gives newly-created land banks the power to discharge and extinguish tax liens and claims (Section 2117)
- Sets guidelines for number of board members, transparency, acquisition, maintenance and disposition
- Requirement to address how the newly-created land bank will handle occupied tax-delinquent properties
- Gives eligible jurisdictions a new tool to recycle tax-delinquent land and put it back on the tax rolls
Who Can Do It

Role of Municipality

- Facilitate Tax Foreclosure and Clear Title
- Target
- Maintain / Manage
- Dispose

Role of Community

- Ongoing Input
- Steward Community Plan
- Watchdog
How Long Does it Take?

- **Acquisition**
  - State Tax Foreclosure Process – 12-18 months
  - Clear Title 4-5 months
- **Hold/Maintain**
  - Indefinite
- **Disposition**
  - 3 Months
What is it?

The Abandoned and Blighted Property Conservatorship Act
Act No. 135 of 2008
Effective Date: February 26, 2009 / Amended December 2014

Purpose:

• To provide for court-appointed conservators to bring residential, commercial and industrial buildings into municipal code compliance (to avoid demolition)

• To protect the citizens of this Commonwealth who live or own property in proximity to substandard buildings

• To protect Pennsylvanian's older communities

• To eliminate the public safety threat, diminishing property values and nuisance caused by blight

• To decrease the costs to the Commonwealth, municipality and taxpayers to secure and ultimately demolish deteriorating structures
### Who Can Do It

<table>
<thead>
<tr>
<th>Petitioner</th>
<th>Conservator</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Municipal Entity</td>
<td>• Anyone</td>
</tr>
<tr>
<td>• Nonprofit Community Development Organization</td>
<td></td>
</tr>
<tr>
<td>• Land owner within 2,000 ft</td>
<td></td>
</tr>
</tbody>
</table>

### How Long Does it Take?

<table>
<thead>
<tr>
<th>Initial Petition</th>
<th>Conservator</th>
<th>Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 4-6 months</td>
<td>• &gt;90 days</td>
<td>• 3 months</td>
</tr>
<tr>
<td></td>
<td>• Indefinite</td>
<td></td>
</tr>
</tbody>
</table>

Pittsburgh Community Reinvestment Group

PCRG
Local Examples

• Dormont
  o Municipality - Rehab for resale

• Sheraden
  o Private - Demolition to community garden
  o Private - Rehab for resale

• Manchester
  o Private - Rehab for rental
REO Properties

(Real Estate Owned)
First Look Programs
What is it?

- Bank Sends Notice of Default
- Home Scheduled for Auction
- Home Sold at Auction
- Bank Sells Home (REO)

Basic Foreclosure Steps
Property Acquisition Programs (First Look)

Timing Considerations:
Designed to be implemented on a flow basis, prior to property being listed via typical means, with negligible impact to current operations.

Seller Timeline:
1. Seller to complete foreclosure, redemption and eviction process
2. Seller to secure the property
3. Seller to make property available for inspection
4. Buyer confirms interest to inspect
5. Buyer performs property inspection/obtains BPO
6. Buyer responds: Accept, Decline, Counter
7. Seller determines "Market Value" and disposition plan
8. Seller provides Adjusted Sales Price
9. Pricing Received: 24 hours To Respond
10. Buyer proceeds to market the property
11. Seller incurs holding costs, market risk, etc. until sold
12. Property Sold

Buyer Timeline:
1. Day 1: 24 hours to Confirm
2. Days 2 – 5: Continued Due Diligence & Ability To Request Pricing

Source: National Community Stabilization Trust, June 2014
<table>
<thead>
<tr>
<th>What Is It?</th>
<th>Who Can Do It?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Property Acquisition</td>
<td>• Municipality</td>
</tr>
<tr>
<td>• Donation / Discount</td>
<td>• Community Group</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How Long Does it Take?</th>
<th>How Much Does it Cost?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 2-3 months</td>
<td>• Each property is different</td>
</tr>
</tbody>
</table>
Community Land Trusts

nonprofit corporation that develops and stewards affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community.
How does it work?

Separates the ownership of land from the improvements on the land with a 99-year deed restriction

- CLT retains ownership of the Land
- Homeowner buys and owns home
- CLT leases Land to homeowner
How a COMMUNITY LAND TRUST (CLT) Works

1. A community is struggling with things like:
   - Rising housing costs and commercial rents
   - Overcrowding and Displacement
   - Lack of community and open spaces
   - Vacant buildings

2. Community Members work together to form a Community Land Trust (CLT), a non-profit, democratically governed organization that gets and keeps land in trust on behalf of the community.

3. The CLT facilitates community-driven planning to address the community’s immediate and long-term needs. It works with resident groups, non-profit housing developers and other organizations to:
   - Preserve and enhance low-income housing and other places of value to the community
   - Develop unused spaces to meet community needs

Source: nyccli.org January, 2015
Who Can Do It?

- Homeowners
- Board of Directors
- Public Representatives
- Community Representatives
Blight Boot Camp

SAVE THE DATE
PITTSBURGH BLIGHT BOOTCAMP

A DAY-LONG EVENT TO LEARN ABOUT RESOURCES AND BEST PRACTICES TO INCREASE THE IMPACT OF COMMUNITY LED BLIGHT ELIMINATION EFFORTS.

SATURDAY NOVEMBER 7, 2015
WYNDHAM PITTSBURGH UNIVERSITY CENTER
100 LYTON AVENUE
PITTSBURGH, PA 15213

BROUGHT TO YOU BY THE PITTSBURGH BLIGHT WORKING GROUP:

For Residents
• Planning Your Vacant Lot Project
• Resident-Led Advocacy
• Who You Gonna Call?

For Community Groups
• Increase Capacity through Collaboration
• Stabilizing Vacant Properties
• Data Driven Decision Making

For Everyone
• Creative (and Crowd) Funding
• Community Art to Fight Blight
• Green Space Solutions
<table>
<thead>
<tr>
<th>What Is It?</th>
<th>Who Can Do It?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education / Training</td>
<td>Municipal/Community Partnership</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How Long Does it Take?</th>
<th>How Much Does it Cost?</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 months to plan</td>
<td>Variable</td>
</tr>
</tbody>
</table>
Thank you

Bethany Davidson
Neighborhood Policy Director
bdavidson@pcrg.org
412.391.6732 x201
Overview

- Background
- Goals
- Policy
- Resources
- Program
VACANT LOTS
This map shows the location of the same 27,000 vacant lots throughout the city.

For an interactive map, visit PITTSBURGH.PA.GOV/DCP/GIS-WEBMAPS-NEW or WWW.LOTSTOLOVE.ORG
Existing Vacant Lot Programs in Pittsburgh

- Side Yard Sale Program
- Vacant Land Sale
- Garden Waiver/License — (Replaced by the Adopt-A-Lot Program)
Vacant Lots in Pittsburgh

- Open Space Plan
- Public process
  - Policy
  - Access
  - Process
- City
  - Cost of maintenance
  - Compromising quality of life for residents
  - Reducing property values
  - Weakening the City’s tax base
  - Opportunities for suitable uses
Vacant Lot Toolkit (VLTK)

- Why?
  - Reduce blight
  - Promoting access to fresh food
  - Increasing neighborhood cohesiveness
  - Promote sustainability goals of the City
  - Permits green infrastructure

**Social:** Foster Neighborhood Interaction

**Financial:** Re-imagine the Potential of Vacant Lots

**Ecological:** Encourage Environmental Awareness
VLTK - Implementation

- Open Space Plan (adopted 2013)
  - Implementation Items:
    - Vacant Land Coordinator (hired as Open Space Specialist [OSS] - (2014)
      - Goals
        - Point person for all vacant lot reuse request
        - Track projects
    - Vacant Lot Toolkit
      - Goals
        - Prioritize re-use strategies
        - Clarify roles and responsibilities
        - Streamline process – predictability
      - Documents
        - Policy Guide
        - Resource Guide
        - Adopt-A-Lot Ordinance
Setting expectations…

- Short vs. long term
- Implementation
- Pilot
- Feedback
VLTK Policy Guide

- Short-term
  - Set a vision
  - Clarify + Develop the Process
  - Conduct Legal Reviews of reuse types
  - Public Art
  - Create Process for Commercial Reuses
VLTK Policy Guide - Vision

- Inter-departmental coordination
- Commitment to work with non-profit partners
- Transparent process
- Key performance metrics

Outcomes

- Monthly meetings
- Companion pieces to VLTK (Lots to Love)
- Tracking projects

LETTER FROM THE MAYOR

Pittsburgh is a city built with infrastructure for 600,000 people with a population just over half that. After an economic collapse and years of disinvestment many of our neighborhoods now face serious challenges with blighted and vacant lots and structures, many of which are owned by the city or its authorities. Estimates have shown that the city may have nearly 10,000 vacant and blighted lots and structures, representing a staggering percentage of the overall land area within our borders.

This problem is simply too large for the city to tackle on its own. However, we are extremely fortunate to have so many wonderful neighborhood groups, nonprofit organizations, and community development corporations that are dedicated to turning these lots and structures into community assets that will help rebuild neighborhoods and provide new opportunities to residents.

For decades, these groups and their dedicated staff and volunteers have been on the front lines of combating blight and turning around neighborhoods, saving city taxpayers millions of dollars in the process. Solving this problem is a team effort that will require diligence and attention for years to come, and this toolkit is an important first step in redlining how we work together as a team and ensuring that our partnerships will only grow stronger and more fruitful in the future.

The primary purpose of this toolkit is to begin to build new and improved pathways to turn blight into opportunity and to streamline the processes by which we partner with non-governmental groups and individual residents to do so. Many of these processes are legacies of the past and are cumbersome both for the city staff that manage them and the non-governmental groups that make use of them in order to do their work on city-owned lots. With so many efforts underway, inside and outside of government, to eliminate blight and turn our neighborhoods around, the timing is just right to take a close look at these processes and make some common-sense improvements that will benefit everyone. The recommendations in this toolkit, once implemented, will serve as the catalyst we need to integrate activities like land banking, green infrastructure development, urban agriculture, and community greening into our broader neighborhood planning and development efforts.

The partnerships we form now and the work that results from them will change the face of our neighborhoods for decades to come and it is vitally important that all city departments, our authorities, and our non-governmental organizations come together in true partnership to embrace these recommendations and move forward together.

Mayor William Peduto
VLTK Policy Guide – Types of Reuses

- Types
  - Edible
  - Flower
  - Rain

- Considerations
  - Unions
  - Public Trust Doctrine
VLTK Policy Guide - Process

- Open Space Specialist
- VLTK Resources/Programs/Forms
- Edible/Flower/Rain
- Finding a Lot
- Ownership
- Timeline

- Considerations
  - Coordination
  - Liability
  - Predictability
VLTK Policy Guide – Public Art

- Art Division of City Planning
  - Art Commission

- Considerations
  - Defining “Art”
  - Precedents
  - Temporary
VLTK Policy Guide – Commercial Uses

- Updated Urban Agriculture Code (2015)

- Considerations
  - Business Plan
  - Disposition of land
  - Experience
  - Lease cost structure
VLTK Policy Guide

- Long-term
  - Create suitability analysis
  - Create standards + process for Longer Term Uses + Purchase
  - Define + Clarify Community Opportunities

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  2.3 DEFINE + CLARIFY COMMUNITY OPPORTUNITIES  37
VLTK Policy Guide - Suitability Analysis

- Redevelopment priority areas
- Dangerous area (environmental)
- Green infrastructure development areas
- Community Plans
- Food deserts
- Proximity to neighborhood resources
- Relationship to existing legislated open space

Considerations:
- Longer-term uses
- Ownership vs. license/leasing

<table>
<thead>
<tr>
<th>Suitability Analysis Criteria</th>
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</thead>
<tbody>
<tr>
<td>Public street on two (2) sides of property</td>
</tr>
<tr>
<td>Parcel size = 25 acre or more - aggregate within sector 14 and 16</td>
</tr>
<tr>
<td>Parcel size = 5 acre or more - aggregate</td>
</tr>
<tr>
<td>Parcel size = 75 acre or more - aggregate</td>
</tr>
<tr>
<td>Parcel size = 1 acre or more - aggregate</td>
</tr>
<tr>
<td>Parcel size = 10 acre or more - aggregate outside sector 14 and 16</td>
</tr>
<tr>
<td>Parcel size = 30 acres or more - aggregate</td>
</tr>
<tr>
<td>Parcel size = 200 acres or more - aggregate</td>
</tr>
<tr>
<td>Adjacent to regional park</td>
</tr>
<tr>
<td>Adjacent to riverfront park</td>
</tr>
<tr>
<td>Adjacent to greenway</td>
</tr>
<tr>
<td>Adjacent to transit line (urban)</td>
</tr>
<tr>
<td>Adjacent to transit line (rural)</td>
</tr>
<tr>
<td>Adjacent to transit center</td>
</tr>
<tr>
<td>Adjacent to or within a commercial district</td>
</tr>
<tr>
<td>Adjacent to or within an industrial land use</td>
</tr>
<tr>
<td>Adjacent to or within a Neighborhood Commercial District</td>
</tr>
<tr>
<td>Adjacent to or within URA Target Area (redevelop GIS file)</td>
</tr>
<tr>
<td>Parcel has area of slope &lt; 5%</td>
</tr>
<tr>
<td>Parcel has area of slope &lt; 10%</td>
</tr>
<tr>
<td>Parcel has area of slope &gt; 25%</td>
</tr>
<tr>
<td>Building value on parcel &lt; $1,000 (no building) or no building footprint</td>
</tr>
<tr>
<td>Parcel is within 200' of credit center line</td>
</tr>
<tr>
<td>Parcel has area of forested area</td>
</tr>
<tr>
<td>Parcel has area noted by the heritage inventory</td>
</tr>
<tr>
<td>Parcel has area noted by the national wetlands inventory or is identified as wetland by USGS GAP Analysis Program data</td>
</tr>
<tr>
<td>Parcel has area of impervious surface 50% or less</td>
</tr>
<tr>
<td>Parcel has area of impervious surface 25% or less</td>
</tr>
<tr>
<td>Habitat GAP landcover types</td>
</tr>
<tr>
<td>Stream habitat GAP landcover types</td>
</tr>
<tr>
<td>Located between two: QS, Park, School, Street</td>
</tr>
<tr>
<td>Not Brownfield</td>
</tr>
</tbody>
</table>
VLTK Policy Guide-
Create standards + process for Longer Term Uses + Purchase

- Standards for Community Plans
- Longer term leases
- Options for purchase

- Considerations
  - Land-use planning
  - Capacity
  - Lease to own
  - First right to refusal
  - Assessed value

- Process/Procedures
- Guidelines
- Resources
Process

- Transparent Process
- Predictability

YOU are responsible to complete the following steps in orange as well as communicate with the OPEN SPACE SPECIALIST if you have any questions throughout the process.

OPEN SPACE SPECIALIST
is responsible to guide you and your project through the process.

URBAN REDEVELOPMENT AUTHORITY
as part of the Vacant Lot Toolkit process and policy development, the URA has decided to adopt the city’s process and programs. The OSS will be your liaison with URA Real Estate staff.

INTAKE FORM
Submit a Vacant Lot INTAKE FORM at your convenience on our website PITTSBURGPA.GOV/DCP/VLTK or on LOTSTOLOVE.ORG

INTAKE FORM REVIEW/PROCESSING + SEND RIGHT-OF-ENTRY APPLICATION (FOR CITY/URA PROPERTIES)
The OSS will accept INTAKE FORMS on a rolling basis. During the approximately ONE WEEK time-frame, the OSS will establish lot ownership and check the status of the lot with the City’s Real Estate Division. Some city lots will be unavailable due to pending sale, use by the city, and/or reserved for future planning/development projects. Upon completion of the review the OSS will direct you to the next step or work with you to find a suitable lot.
Program Types

ADOPT-A-LOT LICENSE
- 1 SEASON, 1 LOT, NO STRUCTURES*
- YEARLY LICENSE RENEWAL REQUIRED
- ONLY FLOWER AND EDIBLE GARDEN USES
- NO SALES OR DONATIONS ON THE LOT

*TEMPORARY FENCING AND RAISED BEDS ARE ALLOWED. SEE ELEMENTS SECTION

ADOPT-A-LOT LEASE
- ONE YEAR LEASE WITH A THREE YEAR RENEWAL
- EDIBLE, FLOWER, OR RAIN GARDEN USES
- INSURANCE REQUIRED
- NO SALES OR DONATION ON THE LOT

MARKET STAND
+ TO SELL WHAT YOU GROW ON-SITE
- $25 APPLICATION FEE
- LESS THAN $1,000 IN SALES (NOT REVENUE)
- NO EMPLOYEES
Planning + Design: Components

- Narrative
- Site Plan
- Community Process
- Insurance
- Maintenance Plan
Resources

- Partners + Organization
- Fundraising
- Volunteers + Training
Adopt-A-Lot Ordinance

- **Who?**
  - Grants City Planning Director power to administer and enter into agreements with residents/groups for edible, flower, and rain garden uses
Adopt-A-Lot Ordinance

What?

- Adopt-A-Lot Program
  - Process
    - Establishes clear roles/responsibilities
  - Policy
    - Reuse types
    - Sale of goods
    - Liability
  - Access
    - Licenses/leases to use City-owned land for edible, floral
Adopt-A-Lot Program

Where?
Adopt-A-Lot Program

- **How?**
  - Online, interactive PDF Document – VLTK Resource Guide
  - Print copies
  - Online applications/forms
  - Coordination with non-profit partners
Lessons Learned

- Challenges
  - Many components
  - Legal
  - Liability
  - Financial

- Wins
  - Financial
  - Coordination
  - Communication
Thank you!

Q&A