

How Municipalities Can Tackle the Challenge of Vacancy

...

October 18, 2015

APA PA



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REINVESTMENT GROUP

Vacant vs. Blighted Abandoned



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- Access
- Ease
- Public/Private Partnerships



Acquisition Strategies

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



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Tax Sale

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



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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



Pros and Cons

Pros

- Relatively Inexpensive
- Some costs are recoverable
- Free & Clear, Insurable Title

Cons

- Takes Time
- Complicated
- Not guaranteed



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Land Bank



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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



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A NEW PROCESS FOR PROPERTY DISPOSITION

EXISTING CYCLE



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



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How Long Does it Take?

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



Conservatorship



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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



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Who Can Do It

Petitioner

- Municipal Entity
- Nonprofit Community Development Organization
- Land owner within 2,000ft

Conservator

- Anyone

How Long Does it Take?

Initial Petition

- 4-6 months

Conservator

- >90 days
- Indefinite

Closing

- 3 months



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Local Examples

- Dormont
 - Municipality – Rehab for resale
- Sheraden
 - Private - Demolition to community garden
 - Private - Rehab for resale
- Manchester
 - Private - Rehab for rental



REO Properties

(Real Estate Owned)
First Look Programs



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What is it?

Bank Sends
Notice of
Default

Home
Scheduled
for Auction

Home Sold
at Auction

Bank Sells
Home
(REO)

Basic Foreclosure Steps

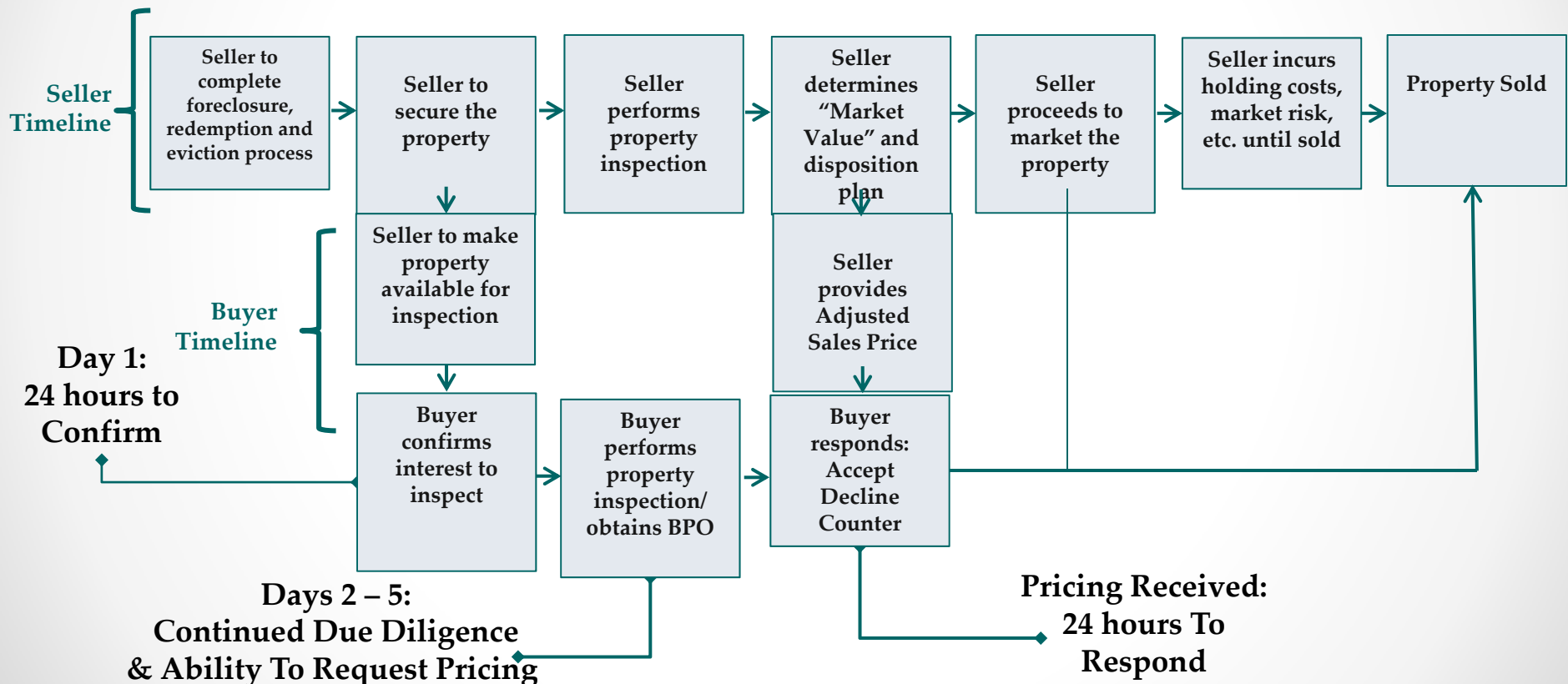


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Property Acquisition Programs (*First Look*)

Timing Considerations:

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



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Source: National Community Stabilization Trust, June 2014

What Is It?

- Property Acquisition
- Donation / Discount

Who Can Do It?

- Municipality
- Community Group

How Long Does it Take?

- 2-3 months

How Much Does it Cost?

- Each property is different



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.



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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



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How a COMMUNITY LAND TRUST (CLT) Works

1. A community is struggling with things like:

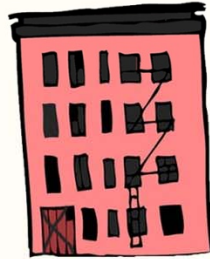
Rising housing costs
and commercial rents

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.



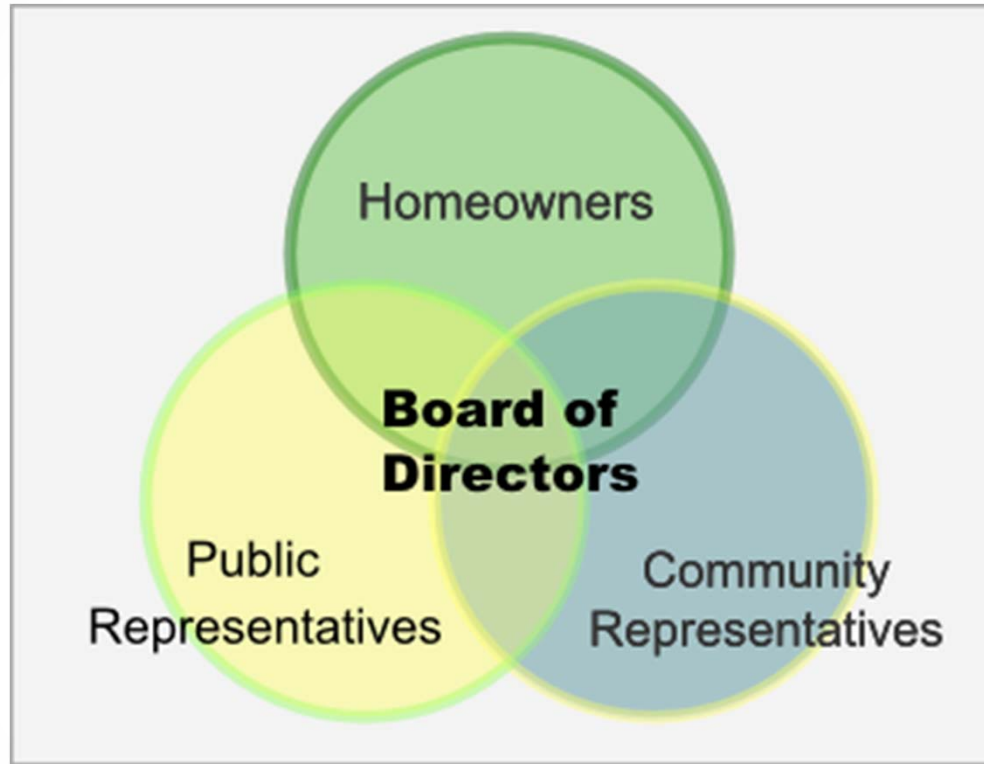
3. The CLT facilitates community-driven planning to address the community's immediate and long-term needs. It works with resident groups, non-profit housing developers and other organizations to:

Preserve and enhance low-income housing and
other places of value to the community

Develop unused
spaces to meet
community needs



Who Can Do It?



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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 LYTTON AVENUE
PITTSBURGH, PA 15213

BROUGHT TO YOU BY THE PITTSBURGH BLIGHT WORKING GROUP:



NEIGHBORHOOD ALLIES

gtech



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

What Is It?
Education / Training

Who Can Do It?
Municipal/Community
Partnership

How Long Does it Take?
4 months to plan

How Much Does it Cost?
Variable



Thank you

Bethany Davidson
Neighborhood Policy Director
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412.391.6732 x201



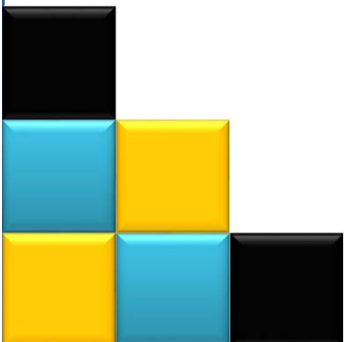
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pittsburgh city planning

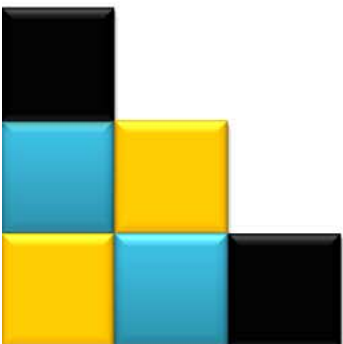
Vacant Lot Toolkit

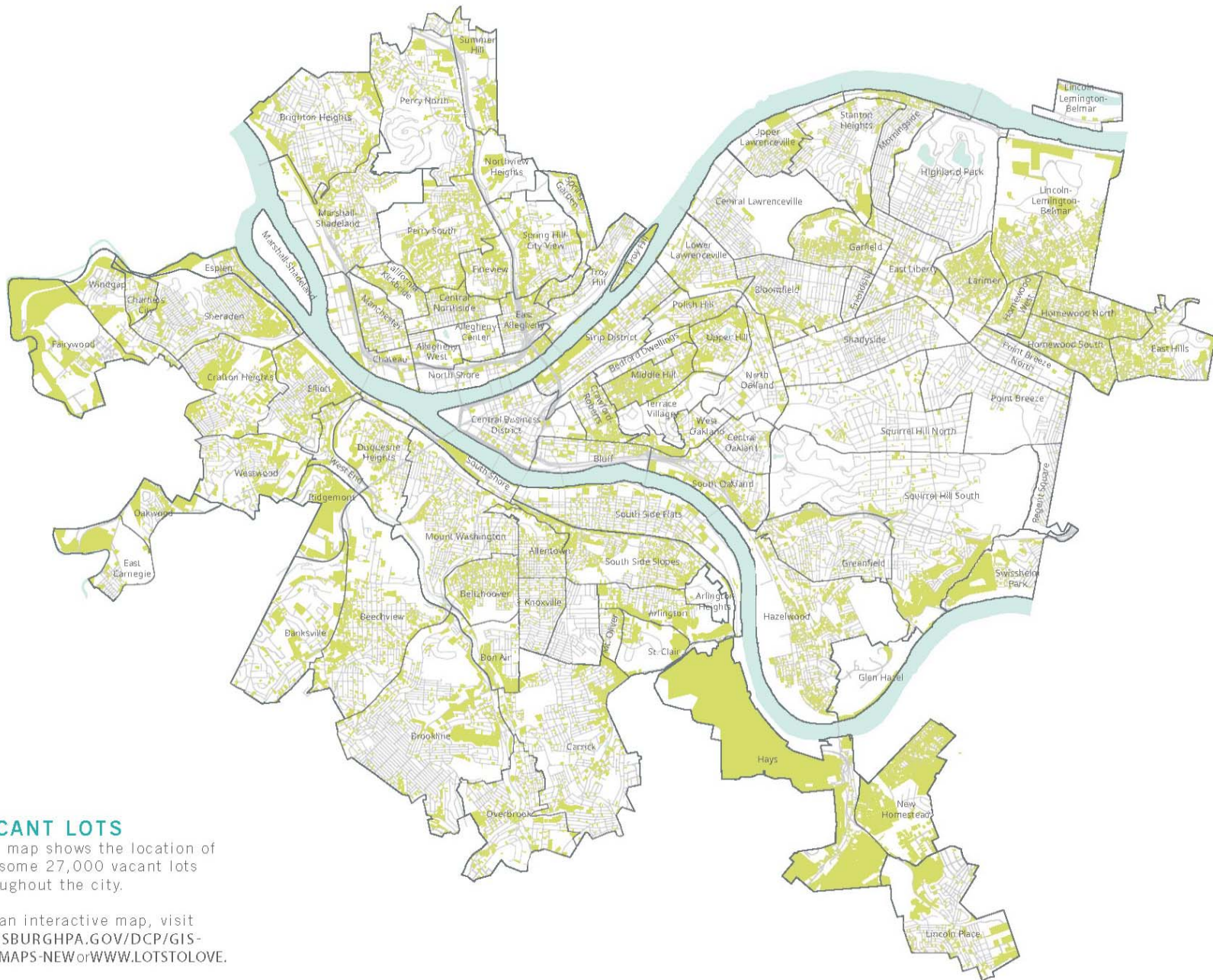
October 2015



Overview

- Background
- Goals
- Policy
- Resources
- Program





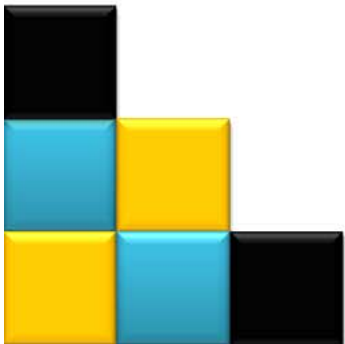
VACANT LOTS

This map shows the location of the some 27,000 vacant lots throughout the city.

For an interactive map, visit PITTSBURGH.PA.GOV/DCP/GIS-WEBSMAPS-NEW or WWW.LOTSTOLOVE.ORG

Existing Vacant Lot Programs in Pittsburgh

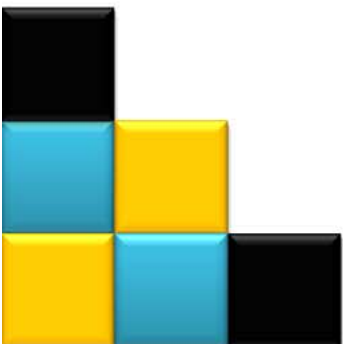
- Side Yard Sale Program
- Vacant Land Sale
- Garden Waiver/License — (Replaced by the Adopt-A-Lot Program)



THE SIDEYARD SALE 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



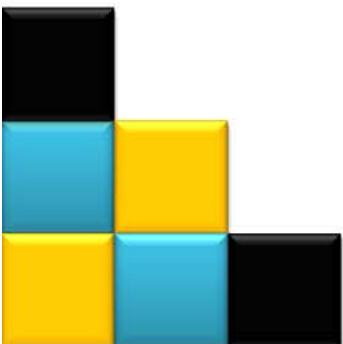
Vacant Lot Toolkit (VLTK)

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

SOCIAL: FOSTER NEIGHBORHOOD
INTERACTION

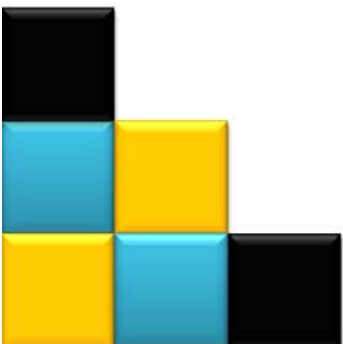
FINANCIAL: RE-IMAGINE THE POTENTIAL
OF VACANT LOTS

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

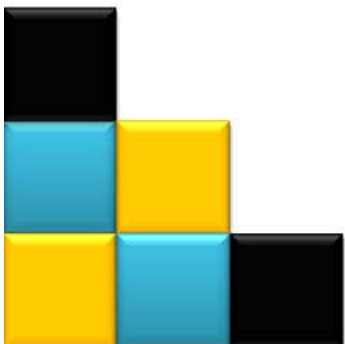


Setting expectations...

- Short vs. long term
- Implementation
- Pilot
- Feedback

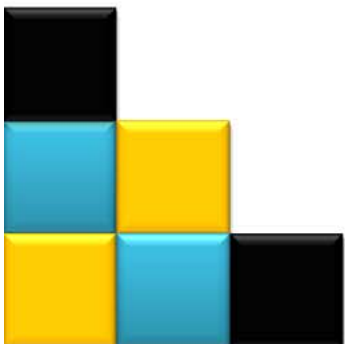
SHORT-TERM

LONG-TERM



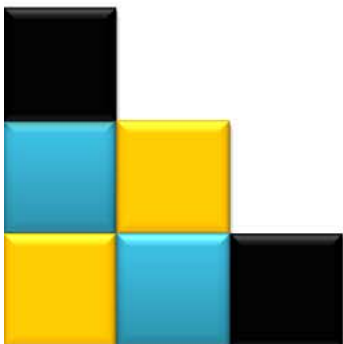
VLTK Policy Guide

- 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 30,000 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 opportunity 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 redefining how we work together as a team and ensuring that our partnerships will only grow stronger and more fruitful in the future.

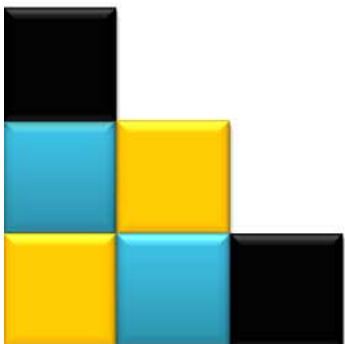
The primary purpose of this toolkit is to begin to build new and improved pathways to turn blight into opportunity and to streamline the processes by which we partner with non-governmental groups and individual residents to do so. Many of these processes are legacies of the past and are cumbersome both 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

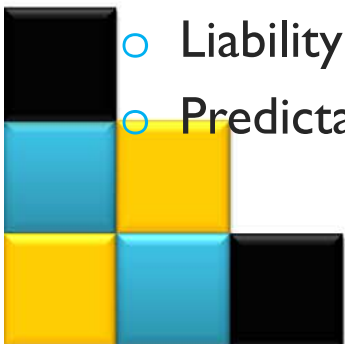
VLTK Policy Guide – Types of Reuses

- 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



SOCIAL
FINANCIAL
ECOLOGICAL



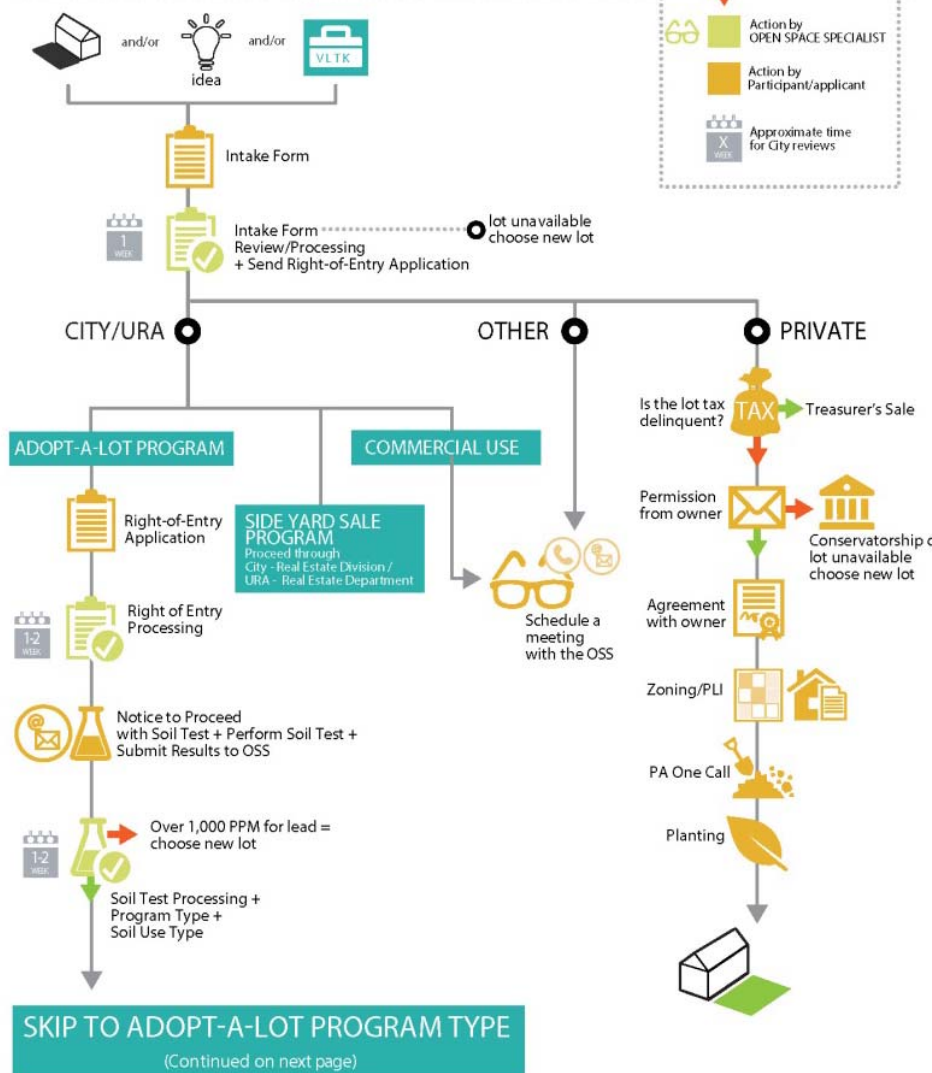
DECEMBER (SPRING)
MAY (FALL)



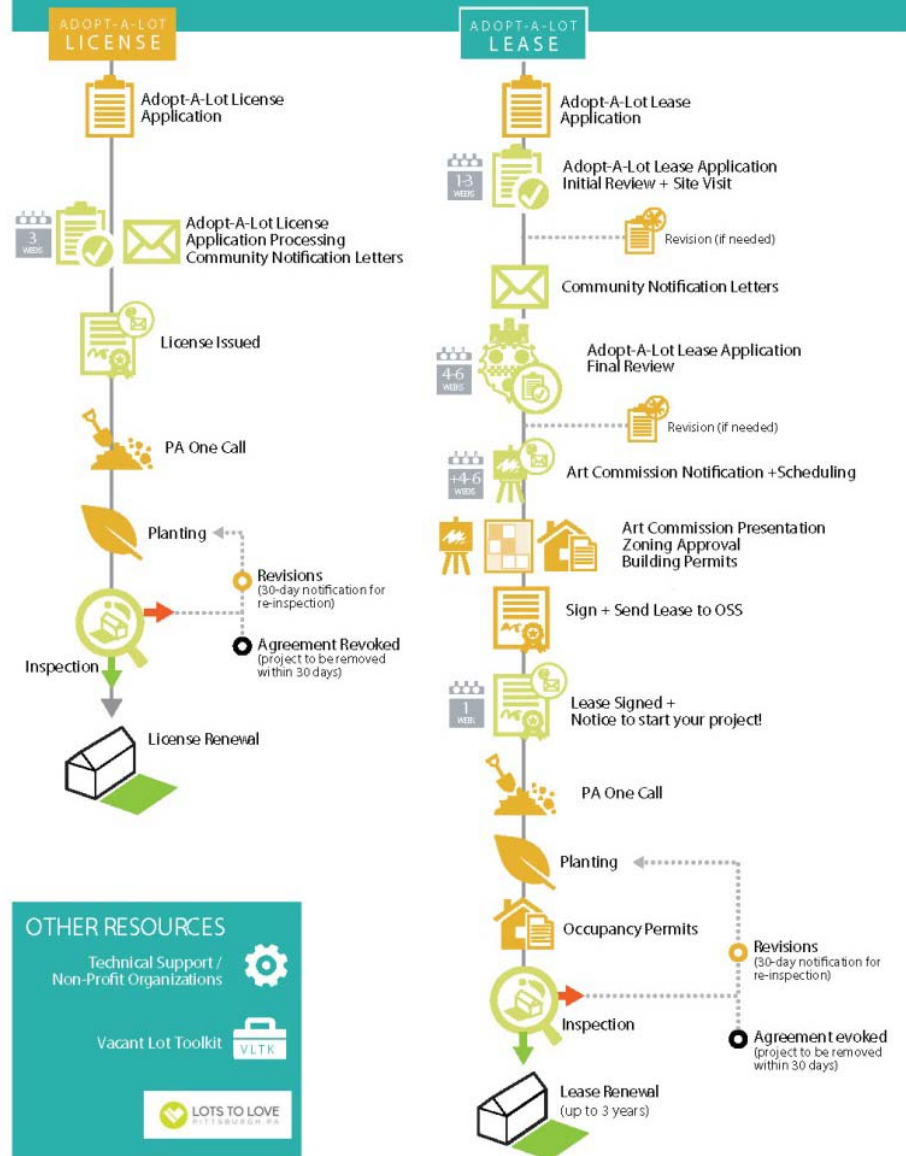
The Process of VACANT LOTS

A guide to reuse vacant lots in Pittsburgh

Legend

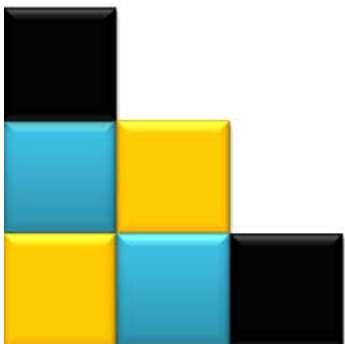


ADOPT-A-LOT PROGRAMS



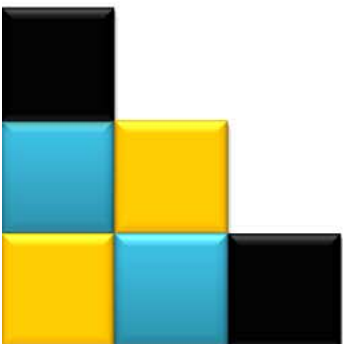
VLTK Policy Guide – Public Art

- 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

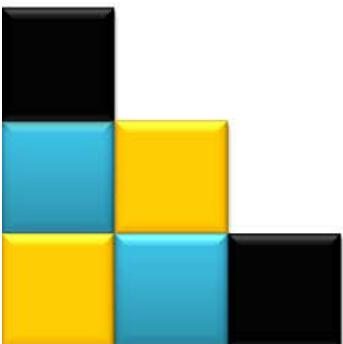


VLTK Policy Guide

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

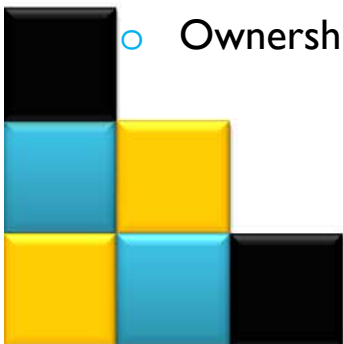
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2.3 DEFINE + CLARIFY COMMUNITY OPPORTUNITIES	37



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

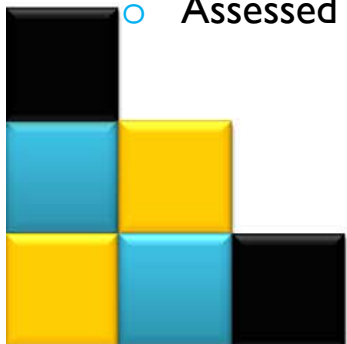


Suitability Analysis Criteria
Public street on two (2) sides of property
Parcel size = .25 acre or more - aggregate within sector 14 and 16
Parcel size =.5 acre or more - aggregate
Parcel size =.75 acre or more - aggregate
Parcel size = 1 acre or more - aggregate
Parcel size = 10 acre or more - aggregate outside sector 14 and 16
Parcel size = 30 acres or more - aggregate
Parcel size = 200 acres or more -aggregate
Adjacent to regional park
Adjacent to riverfront park
Adjacent to riverfront (water)
Adjacent to greenway
Adjacent to transit line (urban)
Adjacent to transit line (rural)
Adjacent to transit center
Adjacent to or within a commercial district
Adjacent to or within an industrial land use
Adjacent to or within a Neighborhood Commercial District
Adjacent to or within URA Target Area (redevelop GIS file)
Parcel has area of slope < 5%
Parcel has area of slope < 10%
Parcel has area of slope > 25%
Building value on parcel <= \$1,000 (no building) or no building footprint
Parcel is within 200' of creek center line
Parcel has area of forested area
Parcel has area noted by the heritage inventory
Parcel has area indicated by the national wetlands inventory or is identified as wetland by USGS GAP Analysis Program data.
Parcel has area of impervious surface 50% or less
Parcel has area of impervious surface 25% or less
Habitat GAP landcover types
Stream habitat GAP landcover types
Located between two: OS, Park, School, Street**
Not Brownfield***

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

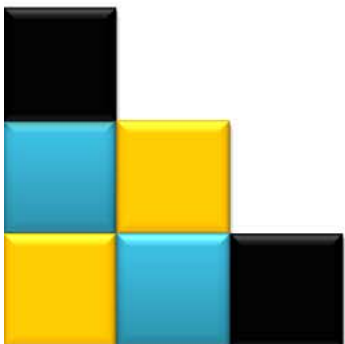


VLTK Resource Guide: A How-to Guide for Residents

- Process/Procedures
- Guidelines
- Resources



October 2015



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.

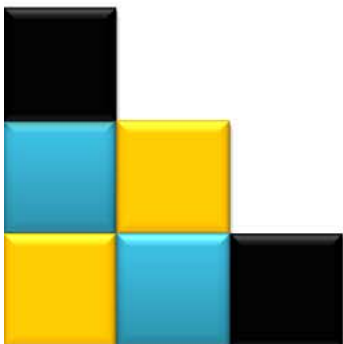
ura **URBAN REDEVELOPMENT AUTHORITY**
as part of the Vacant Lot Toolkit process and policy development, the URA has decided to adopt the city's process and programs. The OSS will be your liaison with URA Real Estate staff.



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

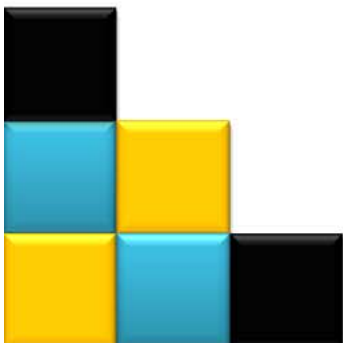
- ONE YEAR LEASE WITH A THREE YEAR RENEWAL
- EDIBLE, FLOWER, OR RAIN GARDEN USES
- INSURANCE REQUIRED
- NO SALES OR DONATION ON THE LOT



MARKET STAND

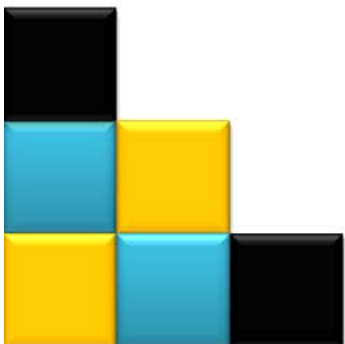
TO SELL WHAT YOU GROW ON-SITE

- \$25 APPLICATION FEE
- LESS THAN \$1,000 IN SALES (NOT REVENUE)
- NO EMPLOYEES



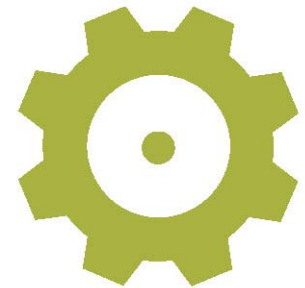
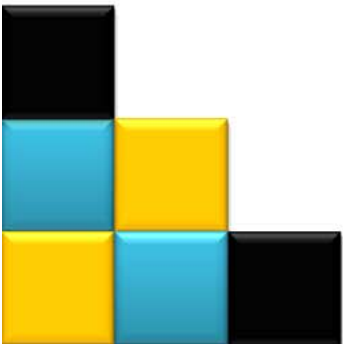
Planning + Design: Components

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



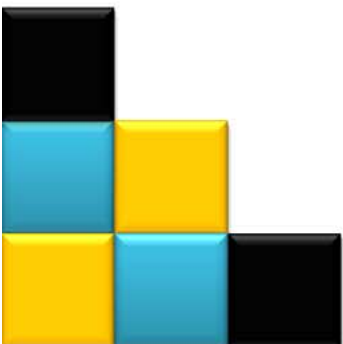
Resources

- 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

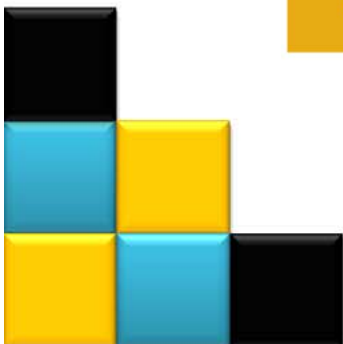
- What?
 - Adopt-A-Lot Program
 - Process
 - Establishes clear roles/responsibilities
 - Policy
 - Reuse types
 - Sale of goods
 - Liability
 - Access
 - Licenses/leases to use City-owned land for edible, flowe

ADOPT-A-LOT
LICENSE

ADOPT-A-LOT
LEASE

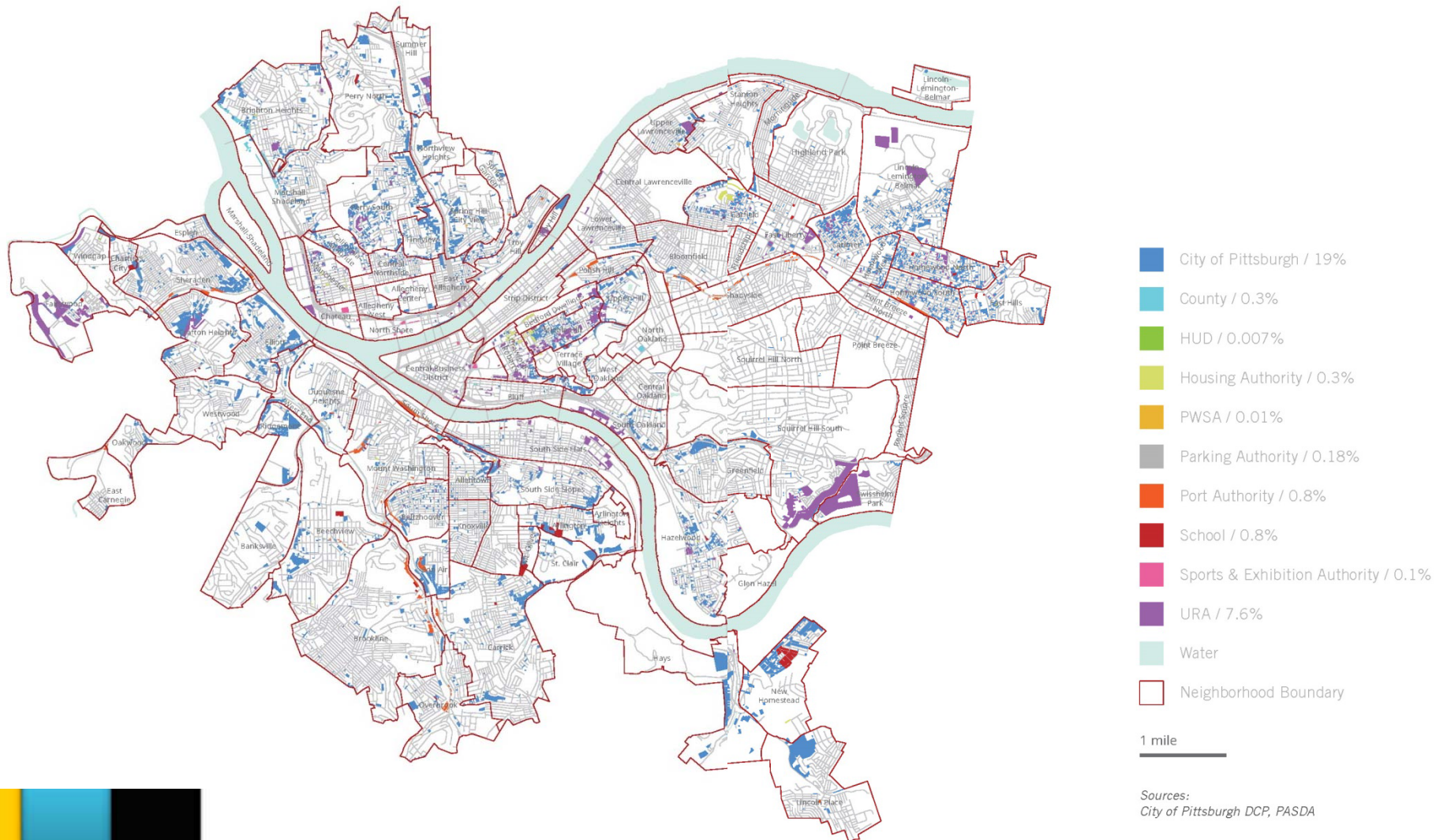


MARKET STAND



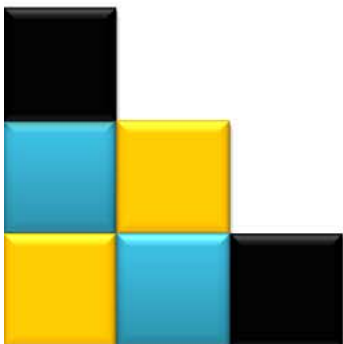
Adopt-A-Lot Program

○ Where?



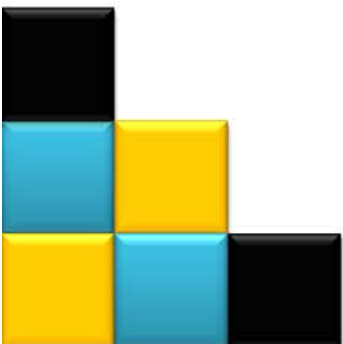
Adopt-A-Lot Program

- 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

