

## Tri-COG Land Bank: A Regional Approach to Fighting Blight

## Highlights of our work

An Lewis, Executive Director, Tri-COG Land Bank,



## The Cycle of Blight











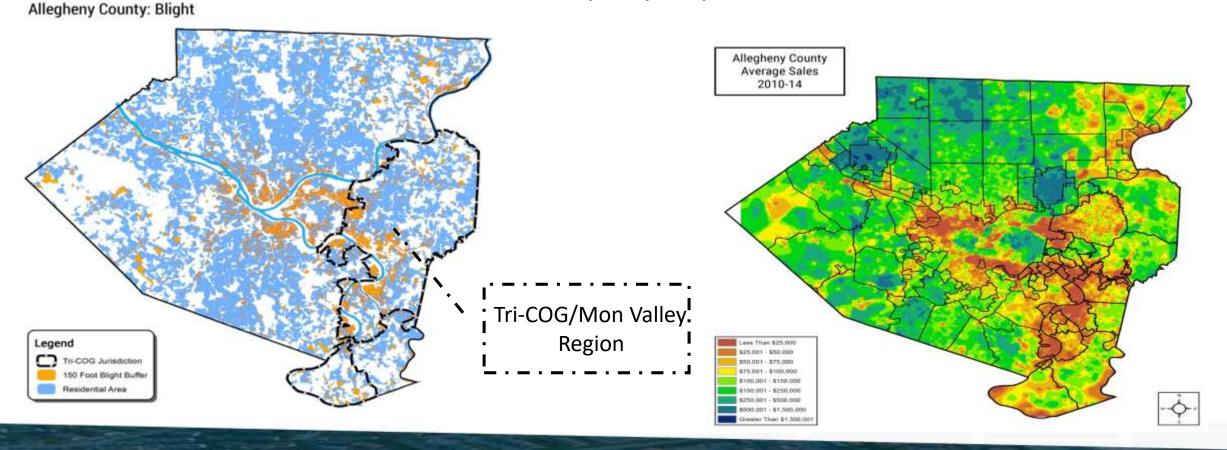






## Cost Burden

- **Direct Costs**: code enforcement, police and fire, public works, demolition
- Direct Costs: Loss of tax revenues (-15%)
- Indirect Costs: Decreased property values
- **Future Economic Impacts:** Repurpose vacant residential and commercial sites
- 23.7% 96,916 of Allegheny County residences are affected by blight
  - Loss of value of \$1,264,490,987





### Huge Benefits When We Eliminate Blight



• Reduces crime, in particular gun-related violence



• Improves health of residents



 Raises surrounding property values by up to 30% just by greening a vacant lot



• Increases tax revenue for city and school district



# Land Bank

#### Mission

TCLB's vision is to achieve sustainable communities free of blight and attractive to residents and businesses.

#### Vision

TCLB's mission is to strategically restore investment in blighted properties to enhance community safety, value, and vibrancy. The central goal of a land bank is to mitigate blight and stimulate economic development by transferring properties that are vacant, abandoned, and tax delinquent back to productive use that benefits communities.



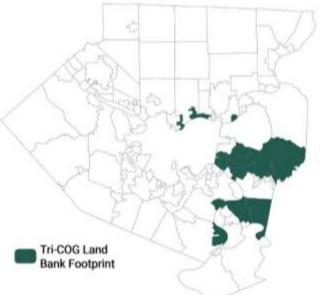
- Direct costs to communities in TCC: \$19,358,177
- Estimated loss in property value of \$218 million to \$247 million
- Significant deterrent to new development

- More tax revenue for municipalities, school districts and county
- Property values increase
- Revitalized communities, attractive for new residents and growth



## **Working in Our Communities**

#### Members



#### Allegheny County, Six School Districts, & 22 Municipalities

Clairton City School District				
Fox Chapel School District				
Gateway School District				
McKeesport Area School District				
Shaler Area School District				

Woodland Hills School District

Clairton
Blawnox, Sharpsburg
Monroeville, Pitcairn
Dravosburg, McKeesport, South Versailles, White Oak
Etna, Millvale
Braddock Hills, Chalfant, Churchill, Ea

Braddock Hills, Chalfant, Churchill, East Pittsburgh, Edgewood, Forest Hills, North Braddock, Rankin, Swissvale, Turtle Creek, Wilkins

#### **Property Summary since 2017**

#### Two Hundred and Sixty-Seven (296) Total Properties Reviewed

Commercial with structure (10)

Vacant/Side lots (54)

Residential with structure (232)

#### Forty-Nine (49) Properties Currently Owned (May 2018)

Commercial with structure (1)

Vacant/Side lots (9)

Residential with structure (39)

#### Thirty-One (31) Properties Scheduled for Acquisition

Vacant/Side lots (6)

Residential with Structure (25)

#### Ten (10) Properties on the Market

Vacant lot (1)

Residential with Structure (9)

#### Thirteen (13) Properties Sale in process

Residential with Structure (13)

#### Seven (7) Sold

Vacant/Side lots (3) Residential with Structure (4)



#### With Open Data

Tax Liens

**Sheriff Sales** 

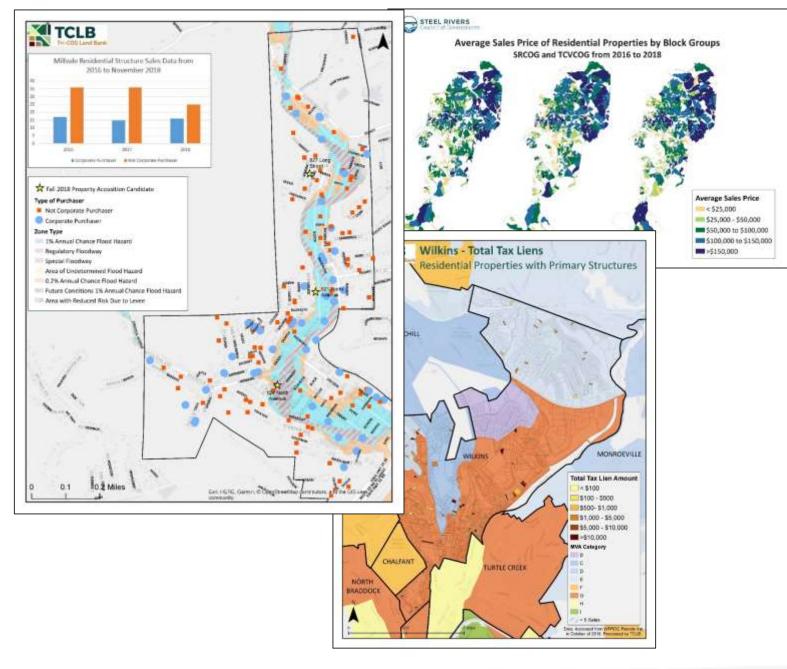
Rent/Own

- Approximate length of homeownership
- Allegheny County Assessment Property Condition Commercial/Residential Lots without structures
- Demographic Data

Sales Data

#### With Internal (Municipal) Data

Tax Delinquency Code Enforcement Violations Vacant/Abandoned Property Potential Demolition/Demolition Candidates





## Acquisition is only part of the story

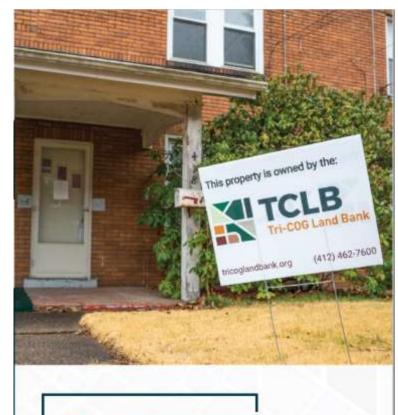
 Stabilization > Clean up > Ongoing maintenance > Property Insurance > Title Insurance





## Title insurance

- Title insurance protects buyers from potential financial losses which may arise in the process of purchasing, or owning, real estate.
- Although the Act mentions insurable title, a policy is not guaranteed
- TCLB protects its buyers/partners by completing Quiet Title hearings to guarantee insurability of title



Title Insurance Frequntly Asked Questions



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### Elements of a successful land bank

#### Sustainable financial resources

It takes time and money to acquire properties and maintain properties

#### **Commitment to Communities**

Municipal plans and priorities

Land Bank needs to work alongside existing community development corporations

#### **Effective Scale**

Diverse real estate portfolio minimizes risk and increases opportunities for success

#### Strategic acquisition and disposition practices

Understand your inventory Both Tax Delinquency and Parcel Condition Have a way to track it Have a way to map it

#### Ability to be Nimble and Responsive

Flexible for communities' plans and needs but also responsive enough for new opportunities.

### Coordination

- Land Banking
- Strategic Code Enforcement
- Brownfield Development
- Education and Knowledge Sharing
- Affordable Housing
- Planned Greening
- Urban Agriculture
- Economic Development

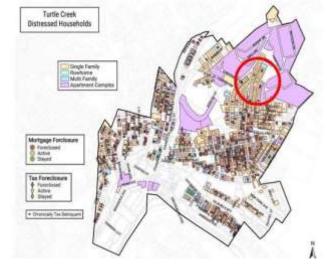
### **Building Partnerships**

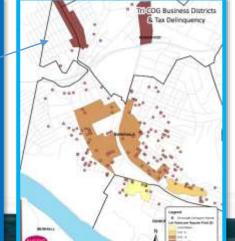


### Land Repurposing at the Local Scale: Different Strategies for Different Kinds of Places

- Driven by a plan for the place and data
  - Neighborhood Restoration
  - Neighborhood Preservation
  - Site Development
  - Economic Redevelopment
  - Fringe/Edge Areas









### Mercer Street Sold 7/2021













### **Collaborations and Partnerships**



Focused on a multi-pronged stabilization effort focused on a neighborhood in Braddock Hills



Before



After RTP Cleanout



After Interior Demo

Allegheny County Conservation District City of Bridges Community Land Trust Conservation Consultants, Inc Construction Junction elevate 412 NeighborWorks Western Pennsylvania Steel Rivers Council of Governments Turtle Creek Valley Council of Governments

Center for Community Progress PA Housing Alliance

PA Rep. Austin Davis – HB 610



### **Brownfield Challenges**



2105 Noble Street – Abandoned Dry Cleaners in Swissvale









**Economic Development Agencies** are identified in PA Act 3 of 1995 and provide protection from liability to agencies, like Redevelopment Authorities, who act as stewards to contaminated commercial sites and facilitate their productive reuse and redevelopment.

Land Banks were not created until 2013 and are thus not included in Act 3.

**HB 610** – Would Provide Environmental Liability Protection to PA Land Banks





## City of Bridges Community Land Trust

Three pilot properties in sales process to be developed into permanently affordable housing:



1 Bottomfield St Etna



27 Freeport St Etna



320 Linden Ave Sharpsburg



## Lead Safe Demolition Pilot

As part of our participation in Lead Safe Allegheny, we worked with Conservation Consultants, Inc. to develop a technical specification for lead safe demolition.





#### Before



### Lead-Safer Demolition Pilot

#### PERCENTAGE OF U.S. HOMES CONTAINING LEAD-BASED PAINT BY YEAR OF CONSTRUCTION



\*\*Institute of Politics, University of Pittsburgh

- Allegheny County is a post-industrial region and Pittsburgh and the river towns have older housing stock
- Based on age of the structures alone, many of the condemned homes likely contain lead paint hazards
- If handled poorly during demolition, this will heighten lead poisoning risk for neighbors and communities
- Pilot project to provide Pragmatic Application in real-world circumstances to test best practices "on the ground"



## **Demolition Strategy**

- Demolitions are necessary
- Most demolitions are performed by municipalities
- Financial resources for demolitions are needed
- Federal funds through HUS's CDBG Program was the main source of demolition funding for decades and was insufficient
- Educating policy makers about the problem of blight is key
- The passage of Allegheny County Ordinance 11396-20 to enact PA Act 152 adding a \$15 fee to deed recordings - \$3,000,000 annually to support demolitions



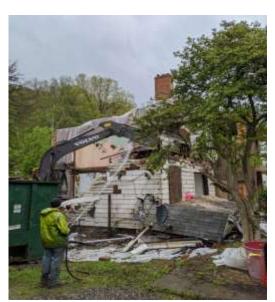


Lead-Safer Demolition Pilot – Goals and Implications

- To gather experience to better inform public policy recommendations
  - To secure useful, local cost information about adding a "lead-safe" requirement to demolitions
  - ✓ To help to identify and work through hurdles before codifying
  - To avoid good intentions with unintended consequences (e.g. asbestos regulation adoption)
- To develop and share all resources & information that can be used/applied by other government entities in the region









## Tri-COG Land Bank Demolition Leaves Vacant Parcels Behind



- **\$4,590,865** county demolitions 2015-2019 (CDBG)
- Act 152 promises a \$2 million annual budget
- 22,841 tax-delinquent vacant land parcels in Allegheny County
- 9,278 tax-delinquent vacant land parcels in TCLB footprint (41% of County's inventory)
- Despite its prevalence, blighted vacant land remains unaddressed



### Vacant Land's Impact on Property Values

### +1.6% Stable Lots

### -6.0% Blighted Lots

If all blighted lots in Allegheny County were stabilized, we would see a total increase of \$457,620,095, or \$5,145 per house.

<u>Measuring the Impact of Vacant Lots and Green Infrastructure Improvements</u>, 2014.



### Blighted Vacant Land Remains Unaddressed

- Weak market demand
- High legal barriers to gaining access and ownership of parcels
- Cost prohibitive- legal fees and tax liens are greater than resale value
- Existing programs address properties on a one-off basis, but no comprehensive strategy to address at scale



### Recovering Side Lots is Cost Prohibitive



Property costs include: acquisition costs, Quiet Title Legal Action, and landscaping



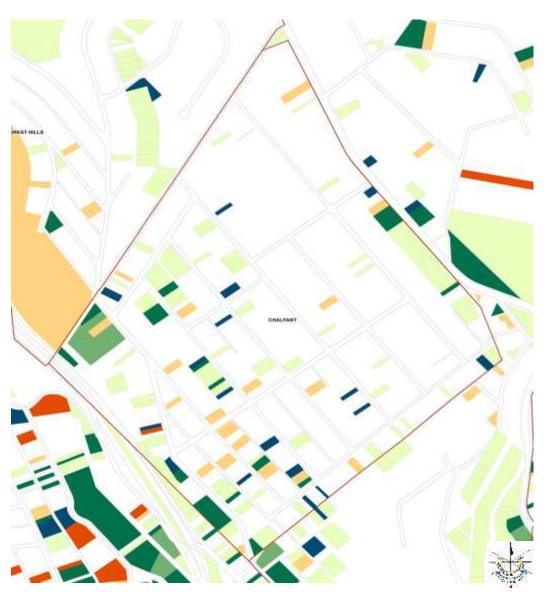
## Building a Strategy to Address Vacant Land at Scale





### Chalfant





Category	Chalfant - 814	
All Parcels	530	100%
Structures	445	84%
Vacant Land	85	16%
Tax Delinquent Parcels	51	10%
RAAC Owned	0	
Vacant Land	85	
Tax Delinquent VL	32	38%
Tax Del VL <.25 Ac	32	38%
Potential Sideyard VL	14	16%
Tax Del VL in Fld Zone	0	
Structures	445	
Potential Demos	1	0%

Maps created by EKS Solutions, LLC, August 2020. Data Sources: Allegheny County Real Estate 2019, FEMA 2019, Reference layers from PASDA and Allegheny County GIS via the WPRDC, all downloaded in 2020.



- Combining parcels
- Buildable lots
- Activation strategies
- Partnerships are key!





## **Contact Information**

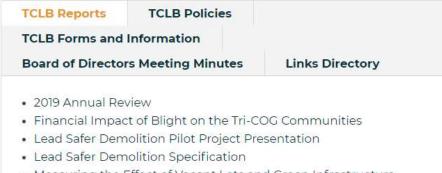
 An Lewis – <u>an@tricoglandbank.org</u> – 412-462-7600

### www.tricoglandbank.org





#### **Resource Library**



- Measuring the Effect of Vacant Lots and Green Infrastructure Improvements on Home Values in Allegheny County, 2012 – 2014
- Tri-COG Collaborative Land Bank Business Plan

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