

ORDINANCE NO. 5726 OCT 10 2018

AN ORDINANCE OF THE CITY OF ALTOONA AMENDING THE CODE OF THE CITY OF ALTOONA BY ADDING A NEW CHAPTER 558 TO BE ENTITLED "REDEVELOPMENT AUTHORITY DESIGNATED AS LAND BANK" TO PROVIDE FOR THE DESIGNATION OF THE CITY'S REDEVELOPMENT AUTHORITY AS THE LAND BANK FOR THE CITY; FINDINGS; A PURPOSE AND INTENT; THE AUTHORITY FOR ACTION TAKEN; DEFINITIONS; COMMUNITY REPRESENTATION; ADMINISTRATION AND STAFF; ACQUISITION OF PROPERTY; INVENTORY OF PROPERTIES; THE DISCHARGE AND ABATEMENT OF REAL ESTATE TAXES AND OTHER MUNICIPAL CLAIMS; THE PRICING AND DISPOSITION OF PROPERTY HELD BY THE LAND BANK; POLICIES; FINANCIAL PROVISIONS; REVOCATION OF DESIGNATION; FILING OF THE ORDINANCE WITH THE COMMONWEALTH; A REPEALER AND SEVERABILITY OF PROVISIONS; AND AN EFFECTIVE DATE.

Be it ordained by the Council of the City of Altoona as follows:

SECTION 1. The Code of the City of Altoona is hereby amended by adding thereto a new Chapter 558 to be entitled, "Redevelopment Authority Designated as Land Bank" to read as follows:

CHAPTER 558: REDEVELOPMENT AUTHORITY DESIGNATED AS LAND BANK

558-1 Findings. The Council of the City of Altoona finds and declares that:

- A. The social and economic vitality of the City of Altoona is adversely affected by vacant, abandoned, and tax delinquent properties.
- B. These properties continuously impose significant costs on residents, taxpayers and neighborhoods throughout the City by lowering property values, decreasing tax revenues, increasing fire and police protection costs, and diminishing quality of life.
- C. There is an overriding public need to confront the problems caused by vacant, abandoned and tax delinquent properties by using all available and appropriate tools to return these problem properties to productive use, thereby revitalizing neighborhoods and strengthening the City's tax base.
- D. A land bank is a proven tool for local governments to systematically remove problem properties from an endless cycle of vacancy, abandonment and tax foreclosure, and return them to productive use.
- E. Extensive grassroots community planning, including the report of the City of Altoona Blight Task Force, has recommended the use of a land bank to support blight removal and strategic redevelopment in the City of Altoona.
- F. Under the laws of the Commonwealth of Pennsylvania, certain eligible counties and

municipalities may create a land bank (Act 153 of 2012) or designate a redevelopment authority to act as a land bank (Act 33 of 2018).

G. Designating the City of Altoona Redevelopment Authority to act as a land bank will confer the powers and duties of a land bank on the Redevelopment Authority and the benefits of a land bank on the City of Altoona without the need to establish a separate entity, thereby saving administrative costs and promoting governmental efficiency.

558- 2 Purpose and Intent

A. It is the purpose and intent of this Ordinance to designate the City of Altoona Redevelopment Authority to act as a land bank for the City of Altoona as authorized by Act 33 of 2018, P.L.221, an enactment of the Pennsylvania General Assembly signed by the Governor on June 19, 2018, amending the Pennsylvania Land Bank Law, 68 Pa.C.S. §§ 2101-2120.

B. By designating the Redevelopment Authority to act as a land bank for the City of Altoona, the Council of the City of Altoona intends to facilitate the return of vacant, abandoned, tax delinquent and blighted properties to productive use, combat community deterioration, improve the quality of neighborhoods, foster economic growth, and spur reinvestment.

C. When acting as a land bank, the City of Altoona Redevelopment Authority will acquire, hold and transfer interests in real property throughout the City, as approved by the Authority's Board of Directors, to prevent and mitigate blight and to facilitate the redevelopment and reuse of vacant, abandoned and tax delinquent properties in accordance with locally determined goals and priorities and the policies to be adopted pursuant to this Ordinance and state law.

558-3 Authority. This Ordinance is adopted in accordance with Act 33 of 2018, P.L.221, an enactment of the Pennsylvania General Assembly signed by the Governor on June 19, 2018, amending the Pennsylvania Land Bank Law, 68 Pa.C.S. § 2101-2120.

558-4 Definitions. As used in this Ordinance, the following terms shall have the following meanings:

A. ACT 33 OF 2018 – The act of June 19, 2018, P.L.221, No. 33, codified at 68 Pa.C.S. § 2104(h).

B. AUTHORITY – The Redevelopment Authority of the City of Altoona.

C. AUTHORITY AS LAND BANK – The Authority when acting pursuant to its

designation as Land Bank under this Ordinance and the Land Bank Law.

D. BOARD – The Board of Directors of the Redevelopment Authority of the City of Altoona.

E. LAND BANK ACTIVITIES – Any and all actions, activities, and operations undertaken by the Authority pursuant to this Ordinance and the Land Bank Law.

F. LAND BANK LAW – The act of October 24, 2012, P.L. 1239, No. 153, codified at 68 Pa.C.S. §§ 2101–2120, as it exists on the effective date, and as it may be hereafter amended or replaced.

G. LAND BANK POLICIES – Policies adopted by the Authority pursuant to this Ordinance and the Land Bank Law.

H. OWNER-OCCUPANT - as defined in the Land Bank Law, a natural person with a legal or equitable ownership interest in the property which was the primary residence of the person for at least three consecutive months at any point in the year preceding the date of initial delinquency.

I. PERSON - An individual, authority, limited-liability company, partnership, firm, corporation, organization, association, joint venture, trust, governmental entity or other legal entity.

J. REAL PROPERTY – As defined in the Land Bank Law, land and all structures, fixtures thereon and all estates and interests in land, including easements, covenants, and leaseholders.

558-5 Designation. The Authority is hereby designated as the Land Bank for the City of Altoona as authorized by Act 33 of 2018 and Section 2104(h)(1) of the Land Bank Law, 68 Pa.C.S. § 2104(h)(1).

558-6 Community Representation on Board.

A. Upon a vacancy or expiration of the term of a Board member occurring after the adoption of this Ordinance, the Mayor shall appoint a replacement to the Board to ensure that at least one of the Board members (a) is a resident of the City of Altoona, (b) is not a public official or municipal employee, and (c) maintains a membership with a recognized civic organization in the City of Altoona. As used in this subsection, “public official” means an individual who is elected to a municipal office.

B. Any appointment to the Board as provided in this subsection shall be in accordance with Section 15-8 of the City of Altoona Code and any other applicable laws.

558-7 Powers and Duties of Authority as Land Bank.

A. The Authority as Land Bank shall only acquire, hold and dispose of property in accordance with the Land Bank Law.

B. The Authority as Land Bank may exercise all of the powers, duties, functions and responsibilities of a Land Bank under the Land Bank Law as authorized by Section 2107 and any other provisions of the Land Bank Law and any other Pennsylvania law.

558-8 Administration and Staff

A. Land Bank Activities shall be managed and administered by the management and staff of the Authority. The Authority may also arrange for staff in conjunction with the City of Altoona or other partnering public entities.

B. Unless otherwise prohibited by law, the Authority may enter into a contract or memorandum of understanding or intergovernmental cooperation agreement with a municipality for:

- i. The municipality to provide staffing services to the Authority; or
- ii. The Authority to provide staffing services to the municipality.

558-9 Acquisition of Property.

A. The Authority as Land Bank is authorized to acquire Real Property through donation, gift, purchase, or any other legal means, including tax sale or by transfer from the Blair County Tax Claim Bureau. The Authority shall hold in its own name all Real Property it acquires as Land Bank.

B. Owner-Occupied Homes: When the Authority as Land Bank acquires residential properties that are occupied by the owners at the time of acquisition, it shall be the policy of the Authority to show a preference for keeping the former owner occupants in their homes, whenever feasible.

C. Any individual or organization may submit recommendations to the Board or Authority staff for Real Property that could be acquired by the Authority as Land Bank, and the purpose for which such properties could be developed.

558-10 Inventory. The Authority shall maintain and make publicly accessible on its website and at its offices during normal business hours the following information:

- (a) An up-to-date inventory of property owned or held by the Authority as Land Bank;

(b) A record of all properties conveyed by the Authority as Land Bank to other parties within the previous and current calendar year.

558-11 Discharge and Abatement of Real Estate Taxes and Other Municipal Claims.

A. The Authority is authorized to discharge liens and other municipal claims, charges, or fines of the City of Altoona against the properties it acquires.

B. The Authority may seek to enter into agreements with the County of Blair, the Altoona Area School District and any other party for the discharge of liens, claims, charges and other fines against the properties it acquires.

C. For the duration of the time a property is held by the Authority, the Authority is authorized to abate all real estate taxes and other municipal charges by the City of Altoona and, to the extent necessary, may seek abatement or non-taxable status from other applicable government entities.

558-12 Disposition of Property

A. The Authority as Land Bank may convey, exchange, sell, transfer, lease, grant, or mortgage interests in Real Property in the form and by the method determined to be in the best interest of the Authority through any means authorized under Section 2110 of the Land Bank Law, except where expressly limited in this Section.

B. The Board may delegate this disposition authority to the staff of the Authority except in the following circumstances in which the Board itself must review and approve transfers of Real Property at a public meeting:

1. The proposed terms of the transaction conflict with the Authority's Land Bank Policies; or
2. When otherwise required by law.

C. The Board shall determine and state in the Authority's Land Bank Policies the general terms and conditions for consideration to be received by the Authority for the transfer of Real Property acquired or held by the Authority as Land Bank.

D. Requirements which may be applicable to the disposition of Real Property by the City of Altoona shall not be applicable to the disposition of Real Property by the Authority pursuant to Section 2110(d)(2) of the Land Bank Law.

E. The Authority shall be guided by such hierarchical ranking of priorities for the use of Real Property conveyed by the Authority as Land Bank as the City of Altoona may establish, including use for:

1. purely public spaces;
2. affordable housing;
3. retail, commercial, and industrial activities;
4. conservation areas

F. The Authority shall consider all duly adopted land use plans and make reasonable efforts to coordinate the disposition of Real Property with such land use plans.

558-13 Pricing.

A. Market Value shall be determined by up-to-date data, and by using the valuation method that the Authority or its staff has determined is most appropriate given the particular conditions of the property and surrounding market.

B. Nominal or reduced price disposition shall be an option for any property owned by the Authority.

C. In calculating a reduced sales price, the discount shall take into account the benefit provided by the proposed use, and the amount of discount needed to make the project both initially financially feasible and continually sustainable.

D. For housing projects servicing households at a mix of income levels, the Authority may count the number of low and moderate income households served and provide proportionate discounting.

E. The Authority shall make available an appeals process wherein a potential purchaser may submit evidence relevant to the value of the Real Property.

F. The Authority shall enforce any provisions agreed upon as conditions of sale between the transferee and the Authority through legally binding mechanisms, including but not limited to deed restrictions, covenants, and mortgages.

558-14 Policies.

A. The Authority shall develop Policies consistent with the provisions of this Ordinance and the Land Bank Law.

B. The Authority's Land Bank Policies shall initially be adopted and thereafter reviewed at least every other year by the Board, with opportunity for public input and comment. Policies shall be published on the Authority's website.

C. As part of its Land Bank Policies, the Authority shall adopt strict ethical guidelines for Board members and employees, and promulgate rules addressing and protecting against potential conflicts of interest. These guidelines and rules shall supplement any applicable state

and local laws.

D. Residents shall have the following means of supplying input into the Authority's land bank decision making process:

1. Any individual or organization may submit recommendations for Board membership to the Mayor for consideration in making appointments to the Board.
2. Any individual or organization may submit recommendations to the Board or staff for Real Property that could be acquired by the Authority as Land Bank, and the purposes for which such properties could be developed.

558-15 Financial Provisions

A. To the extent allowed by law, the Authority shall retain proceeds from the sale of any Real Property to cover or contribute to operating costs, maintenance of inventory, and to support additional strategic property acquisition.

B. The Authority may finance its Land Bank Activities through any means authorized in the Land Bank Law, the Urban Redevelopment Law, this Ordinance, and any other applicable law.

C. Finances of the Authority as land bank shall be retained and accounted for separately from finances held for other authority purposes and shall be subject to section 2119 (relating to annual audit and report).

558-16 Revocation of Designation. The designation of the Authority as Land Bank may be revoked in the same manner as the dissolution of a land bank under Section 2114 of the Land Bank Law.

558-17 Filing with Commonwealth Departments. Upon adoption of this Ordinance, the Chief Clerk shall file a copy of the Ordinance with the Pennsylvania Department of State and provide a copy to the Pennsylvania Department of Community and Economic Development.

558-18 Repealer. All ordinances or resolutions or parts of ordinances or resolutions insofar as they are inconsistent herewith are hereby repealed and rescinded.

558-19 Severability. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any of the remaining provisions, sections, sentences, clauses or parts of this Ordinance; it being the intent of the City of Altoona that the remainder of the Ordinance shall be and shall remain in full force and effect.

SECTION 2. Effective Date

This Ordinance shall become effective at the earliest possible date provided by law.

ORDAINED AND ENACTED by the Council of the City of Altoona this

10th day of October, 2018

ATTEST:

CITY OF ALTOONA



Linda Rickens Schellhammer, City Clerk



Matthew Pacifico, Mayor