



10/11/2023

Dear Pittsburgh Land Bank Board Members,

Pittsburgh Community Reinvestment Group (PCRG) is a representative of local and regional non-profit organizations dedicated to community reinvestment and sustainable development in Pittsburgh. We are writing to emphasize the critical importance of expediting the negotiation and establishment of collaborative agreements between the Pittsburgh Land Bank (PLB) and the taxing bodies.

PCRG's Vacant Property Working Group (VPWG) brings together community leaders and organizations focused on community development. Through these meetings, VPWG members identify advocacy opportunities that will address Pittsburgh's vacant properties and support productive reuse efforts that align with the needs of residents and their neighborhoods. VPWG has a long history of advocating for beneficial land use legislation, like the creation of land banks and specifically the creation of the Pittsburgh Land Bank in 2014. Recently, the group has found success in advocating for the Municipal Claim and Tax Lien Law (MCTLL) amendment and the passing of the Tri-Party Cooperation Agreement. VPWG's focus spans beyond the City of Pittsburgh and the Pittsburgh Land Bank, but we have identified Pittsburgh's Land Bank and its actualization as a crucial step to protecting and reinvesting in the city's communities.

**The PLB is not able to fully operate until its intergovernmental agreements with the taxing bodies are established, as stated within the Pennsylvania Land Bank Act (Act 153-2012). Thus, every day the land bank goes without these agreements, it is not able to protect and empower Pittsburgh neighborhoods as it is designed to do. Vacant and tax-foreclosed properties create serious public safety concerns and pose considerable cost burdens to taxpayers. We are advocating for these agreement negotiations to begin as soon as possible. Delaying this process will continue to allow vacant and abandoned properties to burden and endanger Pittsburgh residents and communities.**

**In addition to the burdens that vacant and abandoned properties impose on residents, failure to timely negotiate these agreements could lead to the potential loss of crucial funding for our communities, like the Land Bank's remaining \$3.5 million of ARPA funds. To lose this invaluable funding for our communities due to the lack of urgency is a massive disservice to the residents of Pittsburgh.**

**The PLB Board of Directors has the power and ability to initiate the negotiation of agreements with the taxing bodies. We ask that the PLB Board recognize our expressed need for a fully functional land bank, and begin negotiations with the City of Pittsburgh, Allegheny County, and Pittsburgh Public Schools to establish the land bank's agreements with the taxing bodies. We also recommend that the PLB Board renegotiate the existing agreement with Pittsburgh Water and Sewer Authority (PWSA) to strengthen its requirements of cooperation.**

1901 Centre Ave | Suite 200 | Pittsburgh, PA 15219

Office: (412) 391-6732 | [www.pcrq.org](http://www.pcrq.org)



### **Background:**

Our city has witnessed progress in recent years, with efforts to transform vacant properties and reinvest in our neighborhoods gaining momentum. The Pittsburgh Land Bank is, as it was intended to be, a powerful instrument for addressing the challenges posed by vacant and abandoned properties. The need for such an organization in Pittsburgh is long overdue, as the PLB was originally created in 2014 in response to the City's growing number of vacant and abandoned properties. Almost 10 years later, these same issues still exist and are now compounded with the City's growing need for permanent affordable housing, green spaces for recreational use and stormwater management, and safe community spaces.

According to a 2021 study from Grounded Strategies, vacant lots contribute to a lower quality of life for residents, negatively impact property values, create increased crime, and can significantly weaken a city's tax base. With around 27,000 vacant lots in Pittsburgh, of which around 26% are city-owned, these negative impacts are unfortunately a common reality for many residents.

A 2012-2014 study in Allegheny County, conducted by Tri-COG Collaborative, found that abandoned vacant lots are estimated to decrease surrounding home values between 3.8%-11.5%. In addition to the loss of wealth vacant properties impose onto residents, these properties also require significant taxpayer dollars to maintain. A single vacant property can cost the city over \$500 per year to maintain. Due to the large number of vacant properties owned by the city, over 5 million taxpayer dollars are being used each year to maintain these properties. Even with this large sum of taxpayer dollars, as of 2020, more than 20% of city-owned properties were found to have property code and/or health violations by city inspectors.

These stark statistics highlight the negative impact vacant properties have on Pittsburgh communities, and the city's high-level need for an effective and efficient land recycling organization like the Pittsburgh Land Bank.

When given its full title-clearing powers through agreements made with the taxing bodies, the PLB can acquire, rehabilitate, and repurpose vacant properties into productive reuse aligned with community input. In collaboration with the taxing bodies, the Pittsburgh Land Bank can play a pivotal role in driving positive change, fostering community pride, and boosting economic growth.

### **Urgent Need for Collaborative Agreements:**

The Pittsburgh Land Bank's effectiveness is intricately tied to the seamless collaboration with the taxing bodies, which is established through intergovernmental agreements. We recognize the complex legal, financial, and administrative dimensions involved in property acquisition, disposition, and community engagement. Hence, we implore the PLB Board and the councils of the taxing bodies to expedite the negotiation and approval of agreements that delineate the terms of cooperation with the Pittsburgh Land Bank.

1901 Centre Ave | Suite 200 | Pittsburgh, PA 15219

Office: (412) 391-6732 | [www.pcrq.org](http://www.pcrq.org)



In accordance with Section 2117(a) of the Pennsylvania Land Bank Act (Act 153-2012), the Pittsburgh Land Bank has the power to *discharge a lien or claim to its real property for tax owed to the members of the land bank*. Within the requirements of the Land Bank to provide evidence of the extinguishment and dissolution of liens or claims to the county tax claim bureau (Section 2117(a)(3)), the Land Bank must provide the intergovernmental agreement among other items. Therefore, for the Pittsburgh Land Bank to achieve its objectives and purposes, it must first actualize its powers to discharge liens or claims through the forementioned intergovernmental agreements with the taxing bodies. Section 2107(7) of the Pennsylvania Land Bank Act gives the Pittsburgh Land Bank power to enter into these agreements with the taxing bodies to establish the necessary intergovernmental cooperation agreements.

### **Importance of Agreements:**

These agreements hold the key to unlocking the full potential of the Land Bank's initiatives and the non-profits' community-focused endeavors:

- **Targeted Reinvestment:** Agreements enable strategic property selection, focusing on properties with the highest potential for community impact and economic growth.
- **Efficient Property Transfer:** Clearly defined procedures for property acquisition and transfer reduce legal complexities, ensuring a smooth transition from tax foreclosure to redevelopment.
- **Community Engagement:** Agreements can facilitate the active involvement of community members and non-profit organizations in property decision-making, enhancing community ownership and alignment.
- **Transparency and Accountability:** Clearly outlined reporting and data-sharing protocols enhance transparency, allowing all stakeholders to track progress and outcomes effectively.
- **Economic Benefits:** Through clear and strong agreements, more vacant and abandoned properties can be reintroduced to the tax base, providing direct economic benefits to the taxing bodies.

### **Call to Action:**

We acknowledge the demanding nature of your roles and the complexities surrounding these agreements. However, the intergovernmental agreements with the taxing bodies are long overdue and are a crucial requirement for the land bank to fully actualize its title clearing capabilities, as previously explained. Upon the completion of these agreements, the land bank can properly serve and protect the communities of Pittsburgh. We are confident that the PLB and its Board of Directors can properly express the economic, public safety, and community benefits of a fully actualized land bank to the taxing bodies. Therefore, entering into negotiations with the understanding that the cooperation agreements are in the best interest of the taxing bodies, who serve the same residents and neighborhoods as the land bank.

PCRG is ready and eager to engage in productive dialogue, provide insights, and contribute to the process of drafting these agreements, if needed. We share a common vision of vibrant Pittsburgh neighborhoods, productive and inclusive use of vacant properties, and empowered communities. We

1901 Centre Ave | Suite 200 | Pittsburgh, PA 15219

Office: (412) 391-6732 | [www.pcrq.org](http://www.pcrq.org)



are confident that intergovernmental agreements with the taxing bodies, thus the actualization of the Pittsburgh Land Bank powers, will be the catalyst for turning this vision into reality.

We look forward to the opportunity to work with the Land Bank and taxing bodies to successfully negotiate their agreements, empowering the Land Bank to serve Pittsburgh communities. Please do not hesitate to reach out to us at [tschaub@pcrg.org](mailto:tschaub@pcrg.org) for any further information or discussions.

Thank you for your time, consideration, and commitment to Pittsburgh's future.

Sincerely,

Ernie Hogan  
Pittsburgh Community Reinvestment Group (PCRG)

Walter J. Burlack  
Community Growth Fund

Sonya Tilghman  
Hazelwood Initiative, Inc.

Kelly Prokop  
Regional Housing Legal Services

Bill Shimko  
Hilltop Alliance

Lee Walls  
Amani CCDC

Wayne F. Younger  
Open Hand Ministries

Shawn Kerestus  
Penn Hills CDC

Karen Benner  
Community Alliance of Spring Garden-East  
Deutschtown (CASGED)

Nancy Noszka  
Fineview Citizens Council, Inc.

LaShawn Burton Faulk  
Manchester Citizens Corp. (MCC)

Ruby Velasco  
Grounded Strategies

Amoszinna Scott  
Operation Better Block, Inc.

Dr. Brittany McDonald  
Uptown Partners of Pittsburgh

Blythe Stephens & Jennifer Cash Wade  
Beltzhoover Consensus Group

Richard Swartz  
Bloomfield-Garfield Corporation

Joseph Wingenfeld  
Rising Tide Partners

1901 Centre Ave | Suite 200 | Pittsburgh, PA 15219

Office: (412) 391-6732 | [www.pcr.org](http://www.pcr.org)