

TESTIMONY TO HOUSE URBAN AFFAIRS AND HOUSING COMMITTEE

Land Bank progress to date and insight into SB667

Presented by George Kelly, Director, Lackawanna County

9:00 am November 14, 2017

Good morning and thank you for the opportunity to share Lackawanna County's experience with the Lackawanna County Land Bank. My name is George Kelly and I am the Director of Planning and Economic Development, the Executive Director of the Redevelopment Authority and the Executive Director of the Regional Planning Commission of Lackawanna County. I also have the pleasure of being the managing member and one of the founders of the Lackawanna County Land Bank.

Heavy consideration was given to using the redevelopment authority as the basis for the Land Bank with the addition of the members required by the Land Bank Act. With much deliberation and negotiations with the City of Scranton, it was decided to provide a clear focus and mission and the path of the Land Bank would require a new entity.

Scranton has more than 50% of the 1,000 properties in the County's tax repository. The Mayor of Scranton was provided two appointments to the Land Bank board, to ensure that their priorities were considered. In addition, an Advisory Committee was created with the City's OECD Director, the Treasurer, representation from Licensing and Inspections, and two Community Development Organizations that work closely with the City.

The Board consists of the past President of the Greater Scranton Board of Realtors, A licensed Realtor and Appraiser from Carbondale, the County's other City, A Planning Board member from Dunmore, the manager of the County's Regional Planning Commission, the head of OECD of Scranton, the Chairman of the Lackawanna County Board of Commissioners and myself. An important advisor and integral part of the Land Bank is the Deputy Director of Tax Claim for Lackawanna County. The bank is staffed from members of the Regional Planning Commission and the Department of Economic Development.

Having Patrick O'Malley the Chairman of the Board of Commissioners also Chair the Land Bank has ensured that we all work together with a common vision and driving the progress to date. The inclusionary mix of board members has empowered the Land Bank to fast track the acquisition and disposition of properties (as fast as 45 days) and to address some of the challenges that Land Banks are faced with during start up and ongoing operations. By including Licensing and Inspections, Demolitions can be expedited or delayed based upon intended use of the property. The composition of the Board and Advisory Committee clearly illustrate the wisdom of local involvement through every step.

Initially the land bank acquired 100 properties in bulk followed by an additional 32 properties. There have been 36 properties returned to the tax role and productive use. Another 14 are in que and are targeted to be transferred by year end. The majority of lots have been provided to residents via the side lot program in which they pay \$100 for the property and a \$70 recording fee. The clearing of municipal liens and claims including CDBG demolition liens has cleared the way for residents to affordably take on ownership of the property, fighting blight and taking back our neighborhoods. We

also work in conjunction with the County Prisoner Maintenance Team clearing and maintaining properties providing an opportunity for community service while improving the city.

To fund the Land Bank, a \$50,000 loan was provided by Lackawanna County and a Monroe County LSA grant was awarded for an additional \$160,000. Without this seed funding, the Land Bank would have not been created seeing that the City was not in the position to fund the Bank. The County wasn't willing to commit the necessary funds to operate the Bank until the sharing of tax revenue could be realized.

The Land Bank funding was paired with a \$500,000 EPA Brownfield and Inventory Assessment Grant that was awarded to a coalition of the County, Redevelopment Authority and the City of Scranton. This grant allows the Bank to pursue and acquire properties that intimidate most Land Banks. The availability of funding for environmental studies has been valuable in the disposition of commercial property. A large tract of brownfield land in Taylor Borough will be acquired once intergovernmental agreements are finalized.

Home funds of \$290,000 were contributed to a United Neighborhood Services project in partnership with Life Geisinger to build a 4 unit senior living unit on two blighted parcels that were demolished and transferred through the Land Bank.

The Land Bank is working closely with the Recorder of Deeds to implement a demolition recording fee to raise an anticipated \$160,000 per year to address blight throughout the County. \$150,000 will be provided from the County's CBDG non-entitlement funds and hopefully additional funding from another Monroe County LSA Grant application. We are working closely with the Board of Commissioners for their concurrence to kick off the "Blight to Bright" program Countywide.

Regarding SB667 granting Land Bank powers to redevelopment authorities, the primary concern is involvement of the local taxing bodies as intended by the Land Bank Act. This was a deal breaker with the City of Scranton until they were provided with Land Bank appointments to guarantee local involvement and direction. At a minimum, the redevelopment authorities should be required to hammer out an Intergovernmental Cooperation Agreement (ICA) that clearly identifies priorities and addresses the needs of the communities.

The combination of eminent domain and trump bidding at a judicial sale is a very powerful and far reaching ability that should be used with the expressed consent of the three taxing bodies. An ICA should outline if a land bank and redevelopment authority can operate in the same jurisdiction. The ICA should dictate who has the trump bid if both entities bid on the same property. Advisory committees should be required to provide direction and to help expedite all parties working together to fight blight at every level.

In terms of moving forward, if a funding source such as a Keystone Community Grant or a recording fee could be provided for the creation and initial funding of Land Bank activities, it would build upon the progress we have all made to date. If it wasn't for Senator John Blake and our State Representatives commitment to advocate for LSA funding for the Land Bank, I wouldn't be here today thanking this committee for allowing me to provide this update and seeding the Lackawanna County Land Bank to be a valuable and effective tool in fighting blight in our communities.