

ORDINANCE # 1 - 2016

Washington County Land Bank

WHEREAS, The Board of Commissioners of the County of Washington finds and declares that there is a need for a land bank to function within the territorial limits of the County of Washington, within the Commonwealth of Pennsylvania, and

WHEREAS, The Washington County Land Bank, hereinafter the “Land Bank”, shall possess all powers and duties permitted to it under state law, except where expressly limited in this Ordinance, and

WHEREAS, The mission of the Land Bank is to deter blight and to return vacant property to productive status using a unified, predictable, and transparent process, thereby revitalizing neighborhoods and strengthening the County’s tax base.

WHEREAS, This Ordinance is enacted in accordance with the provisions of Act 153 of 2012, enacted by the PA General Assembly and signed into law by the Governor on October 24, 2012, 68 Pa.C.S. §21-01 et seq.; and

§1. Creation and Purpose

1.1 The purpose of this Ordinance is to create the Washington County Land Bank that will use available resources to facilitate the return of blighted, vacant, abandoned and tax-delinquent properties to productive use, thereby combating community deterioration, creating economic growth and stabilizing the housing and job market.

1.2 The Land Bank, in its sole discretion, will acquire, hold, and transfer interests in real property throughout Washington County as approved by the Land Bank Board of Directors for the following purposes: to deter the spread of blight; to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; to support targeted efforts to stabilize neighborhoods; to stimulate residential, commercial and industrial development; all in ways that are consistent with goals and priorities established by this Ordinance, local government partners and other community stakeholders.

1.3 The County of Washington and the Redevelopment Authority of the County of Washington (RACW) shall identify real property the Land Bank may wish to acquire.

§2. Definitions

2.1 The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

Municipal tax – Any real property tax imposed and billed by the Municipality, School District and County.

Owner-occupant – A natural person with a legal or equitable ownership interest in 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.

Real property – Land and all structures and fixtures thereon and all estates and interests in land, including easements, rights-of-way, covenants and leaseholds.

Financial institution – A bank, savings association, operating subsidiary of a bank or savings association, credit union, or an association licensed to originate mortgage loans or an assignee of a mortgage or note originated by such an institution.

Land Bank – A public body corporate and politic established under the Act of October 24, 2012, P.L. 1239, No. 153 (68 Pa. C.S. §§2101, et seq.) and this Ordinance.

§3. Board of Directors

3.1 All personnel, facilities, equipment and supplies within the Land Bank shall be governed by a Board of Directors as provided herein.

3.2 Number of Board Members: The Land Bank shall be governed by a Board of Directors comprised of five (5) members. The Board of Directors of the Land Bank shall not have authority to modify the size of the Board under any provision of the Bylaws of the Land Bank.

3.3 Board Members: The members of the Board of the Land Bank shall be those persons at any time occupying seats on the Board of the Redevelopment Authority of the County of Washington all of whom shall reside within Washington County. At least one (1) shall not be a public official or municipal employee, and at least one (1) shall maintain a membership with a recognized civic organization in Washington County.

3.4 Compensation and Expenses: Members of the Board of Directors shall serve without compensation and may seek reimbursement for expenses associated with the duties relating to Land Bank activities.

3.5 Ethical Standards: Members of the Board of the Land Bank and its employees shall be subject to the Act of July 19, 1957 (P.L. 101), No. 451, known as the State Adverse Interest Act and the ethical standards and disclosure requirements of 65 Pa. C.S. Chapter 11 and any other supplemental rules and guidelines adopted by the Board of the Land Bank.

3.6 Officers: The Land Bank Board Members shall annually elect officers to serve as Chairperson, Vice Chairperson, Secretary and Treasurer, each officer to serve a one (1) year term. Members may be re-elected to serve successive terms. The duties of officers shall be established by the Board according to law.

3.7 Vacancies: Any vacancy in the membership of the Land Bank Board shall be filled by the person appointed by the Washington County Board of Commissioners consistent with provisions in §3.3.

3.8 Meetings of the Board: The Land Bank shall hold public meetings as needed, and shall allow for public comment on matters under deliberation at each such public meeting. The place, date and time of the Land Bank meetings shall be determined at the discretion of the Board of Directors. All meetings of the Board of Directors shall comply with the Pennsylvania Sunshine Act. The Chairperson of the Board may call special meetings by written notice at least twenty-four (24) hours in advance to each Board member and in accordance with the Pennsylvania Sunshine Act.

3.9 Quorum: A quorum shall be necessary for the transaction of any business by the Board of Directors. A majority of the Members of the Board of Directors, excluding vacancies on the Board, shall constitute a quorum. The Board of Directors shall act by a majority vote of the Members at a meeting at which a quorum is present, except as otherwise provided in this Ordinance. No voting by proxy shall be permitted.

3.10 Minutes: Minutes of all meetings of the Board of Directors and its Committees shall be made and maintained.

3.11 Committees: The Board of Directors may establish such committees as may be needed to assist the Board in conducting the business of the Land Bank. Committee members shall be appointed by the Chairperson, and each Committee shall include at least one member of the Board of Directors. Any business proposed by a Committee shall require approval by the Board of Directors.

3.12 Fiduciary Duty: The Members of Board of Directors of the Land Bank shall conduct the activities and affairs of the Land Bank in the best interests of the residents of the County of Washington, including the safekeeping and use of all Land Bank monies and assets. The Board of Directors shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

§4. Land Bank Powers

4.1 The Land Bank shall have the following powers and duties:

- a. To develop stewardship and management plans for each acquired interest not inconsistent with or detrimental to the purpose/rationale which justifies its acquisition; and
- b. To supervise the management of the property interests acquired; and
- c. To develop annual reports of Land Bank activity; and
- d. To conduct real property appraisals; and

- e. To negotiate real property purchases or trades; and
- f. To provide for a system of accounting; and
- g. To adopt, amend and/or repeal policies and procedures for contracting and procurement; and
- h. To borrow money from private lenders, from cities or counties, from the state or from the federal government to further or carry out the Land Bank's public purpose by executing leases, trust indentures, trust agreements, agreements of sale, notes, loan agreements, mortgages, deeds to secure debt, trust deeds, security agreements, assignments, and such other agreements or instruments as may be necessary or desirable, in the judgment of the Land Bank, to evidence and to provide security for such borrowing; and
- i. To make application directly or indirectly to any federal, state, county, or municipal government or agency or to any other source, whether public or private, for loans, grants, gifts, guarantees, labor, or other aid or financial assistance in furtherance of the Land Bank's public purpose and to accept and use the same upon such terms and conditions as are prescribed by such federal, state, county or municipal government or agency or other source; and
- j. The County hereby assents to real estate tax payment allocation to the Land Bank for properties returned to the tax rolls after Land Bank ownership with regard to County real estate taxes to the extent allowed by state law and the Land Bank is authorized to seek allocation of real estate taxes on return of land to the tax rolls after Land Bank ownership by agreement with other applicable taxing authorities; and
- k. All other powers and duties provided for, authorized or allocated under Act 153 of 2012, 68 Pa. C.S.A. at Section 2107.

§5. Land Bank Staff

5.1 The Land Bank may enter into a contract with RACW or other partnering public entities for staff services, counsel and legal staff, technical experts and other individuals. In the alternative, the Land Bank may employ staff and may determine the qualifications and fix the compensation and benefits of those employees.

§6. Acquisition of Property

6.1 The Land Bank is authorized to acquire real property or interests in real property through donation, gift, purchase, or any other legal means, including tax sale or judicial sale or by transfer from the Tax Claim Bureau. The Land Bank shall hold in its own name all real

property it acquires. The Land Bank may only acquire real property located in Washington County.

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

§7. Inventory

7.1 The Land Bank 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 Land Bank;
- b. A record of all properties conveyed by the Land Bank to other parties within the previous and current calendar year, including but not limited to the sale price for which the property was conveyed, a summary of any terms or conditions of the conveyance and the intended use of the property.

§8. Discharge and Abatement of Real Estate Taxes, Water and Sewer Charges, and Other Municipal Claims

8.1 The Land Bank is authorized to discharge liens and other municipal claims, charges, or fines of the County, school district and municipalities, and the Land Bank may seek to enter into an agreement for discharges from the applicable municipal body against the properties it acquires, in accordance with 68 Pa. C.S. § 2117.

8.2 For the duration of the time a property is held by the Land Bank, the Land Bank is authorized to abate all real estate taxes, water and sewer charges, and other municipal charges by the County of Washington and to the extent necessary, may seek abatement or non-taxable status, from other applicable government entities, including State and Federal, in accordance with 68 Pa. C.S.A. § 2117.

§9. Policies

9.1 Policies including but not limited to the acquisition and disposition of real estate by the Land Bank shall initially be adopted and thereafter reviewed at least every other year by the Board of Directors of the Land Bank, with opportunity for public input and comment.

9.2 Any county resident or organization may submit recommendations to the Land Bank Board or staff for real properties that could be acquired by the Land Bank and the purpose for which such properties could be developed.

§10. Financial Provisions

10.1 To the extent allowed by law, the Land Bank shall retain proceeds from the sale of any properties to cover or contribute to operating costs, maintenance of inventory, and to support additional strategic property acquisition.

10.2 The Land Bank may finance its operations through any means authorized in Section 2111 and 2112 of the Act of October 24, 2012, P.L. 1239, No. 153 (68 Pa. C.S. §§2111 and 2112).

§11. Dissolution; Distribution of Assets in Case of Dissolution

11.1 The Land Bank may be dissolved according to the requirements of state law (68 Pa. C.S. § 2114, as amended) upon a finding adopted by a two thirds majority of the Board of Directors and approved by the Washington County Board of Commissioners that there is no longer any need for the Land Bank. Assets, upon dissolution of the Land Bank, shall be distributed according to law.

§12. Insurance and Indemnification

12.1 The Land Bank shall obtain insurance to defend and indemnify the Land Bank and the Members of the Board of Directors with respect to all claims or judgments arising out of their activities as Board Members.

12.2 The Land Bank shall indemnify and hold harmless, to the fullest extent not prohibited by law, each person who was or is made a party or is threatened to be made a party or is otherwise involved in (as a witness or otherwise), any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, and whether or not by or in the right of the Land Bank or otherwise (“proceeding”) by reason of the fact that he or she, or a person of whom he or she is the heir, executor, or administrator, is or was a Member or Officer of the Land Bank, or where the basis of the proceeding is any alleged action or failure to take any action by the person while acting in an official capacity as a Member or Officer of the Land Bank, or in any other capacity on behalf of the Land Bank while that person was or is serving as a Member or Officer of the Land Bank, against all expenses, liabilities and losses, including but not limited to attorney’s fees, judgments, fines, taxes, or penalties and amounts paid or to be paid in settlement (with or without court approval), actually and reasonably incurred by that person in connection with the proceeding.

12.3 The right of indemnification provided for in Section 12.2 of this Article shall only apply to the extent that the claims asserted in the threatened, pending or completed action, suit or proceeding are not covered by the Land Bank’s insurance policies.

12.4 The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Land Bank for the expenses incurred in defending any such proceeding (or part of it) or in enforcing his or her rights under this Section in advance of the final disposition of the proceeding. Such payment shall be made promptly after receipt by

the Land Bank of a request for payment stating in reasonable detail the expenses incurred. However, to the extent required by law, the payment of such expenses incurred by a Member or Officer of the Land Bank in advance of the final disposition of a proceeding shall be made only upon receipt of an undertaking, by or on behalf of that person, to repay all amounts so advanced, if and to the extent it shall be ultimately determined by a court that he or she is not entitled to be indemnified by the Land Bank under this Section or otherwise.

12.5 The right to indemnification and advancement of expenses provided herein shall continue for a person who has ceased to be a Member or Officer of the Land Bank or to serve in any of the other capacities described herein, and shall inure to the benefit of the heirs, executors and administrators of such person.

12.6 The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of a final disposition and the right to payment of expenses conferred herein shall not be deemed exclusive of any other rights to which those persons seeking indemnification or advancement of expenses hereunder may be entitled by any bylaw, agreement, vote of the Members or otherwise, both as to actions in his or her official capacity and as to actions in any other capacity while holding that office. The Land Bank shall have the express authority to enter into such agreements or arrangements as the Members deem appropriate for the indemnification of and advancement of expenses to present or future Members and Officers, as well as employees, representatives or agents of the Land Bank in connection with their status with or services to or on behalf of the Land Bank.

§13. Repealer

All Ordinances and parts of Ordinances inconsistent with this Ordinance are hereby repealed insofar as they are inconsistent herewith.

13.1 ORDAINED AND ENACTED by the Board of Commissioners of the County of Washington, Pennsylvania, this 3rd day of March, 2016.

ATTEST:

BOARD OF COMMISSIONERS OF
WASHINGTON COUNTY

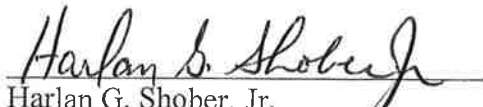

Chief Clerk


Larry Maggi, Chairman

APPROVED AS TO FORM AND LEGALITY

COUNTY SOLICITOR


Diana Irey Vaughan


Harlan G. Shober, Jr.

per minute # 1011
dated 3/3/16