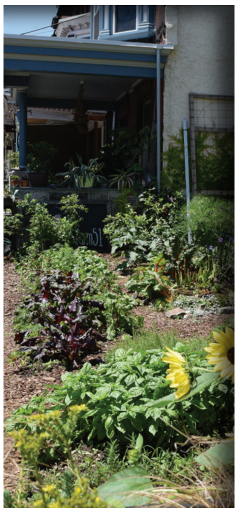
PHILADELPHIA LAND BANK

Reactivating Vacant Land Revitalizing Neighborhoods



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Like most older cities, the loss of industry and population has left Philadelphia with abandoned and vacant properties. Located in nearly every neighborhood in the city, these properties represent both blight and opportunity.

Enter the Philadelphia Land Bank.

Formed in 2013, the Land Bank is Philadelphia's strategic response to vacant land. It consolidates the process of disposing publicly owned land in one agency. It enables the City to acquire tax-delinquent properties and convey them to a new owner for redevelopment.

Guiding the Land Bank is its Strategic Plan. The Strategic Plan identifies opportunities to turn vacant property into businesses, market rate and affordable housing, community gardens and side yards, creating jobs and economic opportunity.

The Strategic Plan targets activities to the level of vacancy–low, moderate or high–on a given block. Infill development best suits a low-vacancy block, while high-vacancy blocks lend themselves to comprehensive redevelopment. Whether the end use is a business, housing or open space, each vacancy type offers opportunity.

A critical tool for the Land Bank is its ability to acquire tax-delinquent properties.

Vacancy in Philadelphia is not uniform. Blocks may have a mix of publicly and privately owned parcels. With the ability to acquire tax-delinquent privately owned properties at Sheriff's Sale, the Land Bank can create larger parcels that are easier to develop. The Land Bank can also acquire an individual property to convey to a new owner for a side yard, a garden, a new home or a business expansion.

Implementing the Strategic Plan will help Philadelphia achieve a number of key goals. It will promote vibrant neighborhoods with job opportunities and a mix of housing options. It will increase residents' access to green, open space. It will build the City's tax base.

After years of decline, Philadelphia is moving forward. Its population is growing and it is adding jobs. Reclaiming vacant land for new uses is critical to maintaining Philadelphia's momentum.

The Philadelphia Land Bank will be a key player in Philadelphia's future by reactivating vacant land and revitalizing neighborhoods.

"The Land Bank's strategic acquisition and disposition of property will produce better and faster redevelopment, improve neighborhoods and add to the City's economy and tax base."

Lee Huang
Senior VP
Econsult Solutions

How does the Philadelphia Land Bank support a thriving future for Philadelphia's neighborhoods? By helping residents and businesses turn vacant land into community assets.

The Land Bank helps reactivate vacant land into four key uses.

Business Development

Many of Philadelphia's commercial corridors, especially in outlying neighborhoods, have gaps. These missing spaces reduce a block's ability to attract shoppers and support existing businesses. By conveying vacant property for business creation and expansion, the Land Bank helps support neighborhood business districts and the amenities and jobs they provide to nearby residents.

Housing

Philadelphia's neighborhoods are strongest when they include a mix of housing options at varying income levels. On blocks with low vacancy, property from the Land Bank will be used for infill market rate or workforce housing. On high-vacancy blocks where larger parcels can be assembled, the Land Bank will support mixed-income or affordable housing.

Community Open Space

Nearly 175,000 Philadelphians lack access to green space within a 10-minute walk of their homes. The Land Bank can increase the availability of green space by conveying vacant land for community gardens and public parks. The Land Bank Strategic Plan has identified neighborhoods where new green space is a particular priority.

Side Yards

Many vacant lots are next to occupied homes and could serve as a side or back yard. Maintained yards remove blight and offer space to garden, play or just relax. The Land Bank's side yard program markets these properties to homeowners, who can acquire most of them for a total cost of less than $1,000.

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How does the Land Bank fulfill the promise of its Strategic Plan? By acquiring and disposing of eligible vacant properties.

Acquisition

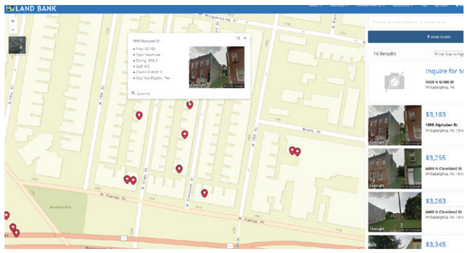
Most Philadelphia neighborhoods include vacant properties where the owner owes back property taxes. A key Land Bank tool is the ability to acquire such properties.

The Land Bank acquires these properties in a Sheriff's Sale in which it is the only eligible bidder. The Land Bank pays the outstanding taxes and liens, returning needed revenue to the City and the School District of Philadelphia. It then recoups those funds when it sells the property.

The Strategic Plan identifies goals for the Land Bank's acquisition efforts:

- Opportunity Sites, to eliminate blight in strong markets
- Public Open Spaces and Community Gardens
- Side and Rear Yard Requests
- Housing and Mixed-Use Development
- Business Expansion
- Neighborhood Economic Development

Land Bank acquisition of privately owned tax-delinquent properties is a first step in replacing blight with a community asset. The Land Bank expects to acquire more than 1,600 properties by 2021.



Disposition

The Philadelphia Land Bank is not intended to be a repository of vacant land. Instead, its goal is to convey as many parcels to new owners for new uses as quickly as possible.

Market conditions will be the biggest factor in how quickly the Land Bank sells properties. Many of the lots in public ownership are in real estate markets with little interest from the private development community. However, the Land Bank has set an aggressive goal of selling nearly 2,000 properties by 2021.

Most of those sales are expected to be for housing. Of those, half are intended for households earning less than 60 percent of the Area Median Income. For a family of four, that is less than $50,000 per year.

The remainder of the sales for housing is intended for either middle-income families or for market-rate housing. By targeting property sales to future housing at all income levels, the Land Bank can support the City's goal of creating diverse neighborhoods with housing opportunities for all families.

Other Land Bank property sales will be for community gardens and other open space and for business expansions and economic development. These sales will support the City's goals of providing green open space within a 10-minute walk of all residents and increasing employment opportunities for its residents.

Following a decade of population and job growth, Philadelphia is on the cusp of a renaissance. By returning vacant property to productive community uses–and the tax rolls–the Land Bank is playing an important part in Philadelphia's transformation.