

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT (this "MOA"), effective the 12th day of February, 2016, is entered into by and between the URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH (the "URA"), a redevelopment authority organized and existing under the Urban Redevelopment Law, 35 P.S. §1701 *et seq.* (the "URA"), whose address is 200 Ross Street, Pittsburgh, Pennsylvania 15219 and the PITTSBURGH LAND BANK (the "Land Bank"), a land bank organized and existing under Pennsylvania law, 68 Pa. C. S. §2101, *et seq.* (the "Pennsylvania Land Bank Law"), whose address is c/o Office of Councilman Rev. Burgess, 414 Grant Street, Pittsburgh, Pennsylvania 15219.

RECITALS

WHEREAS, on April 14, 2014, the City of Pittsburgh City Council passed an Ordinance creating the Pittsburgh Land Bank (the "Land Bank"), which Ordinance was signed by Mayor Peduto on April 22, 2014 at Pittsburgh Code, Title I, Article IX, Chapter 174A (the "Pittsburgh Land Bank Law"); and

WHEREAS, Chapter 174A.07 of the Pittsburgh Land Bank Law provides that the Land Bank may enter into a contract for staffing with the URA; and

WHEREAS, the Land Bank desires that the URA acts as the administrator of the Land Bank, including the management of its contracting, fiscal and internal functions, until such time as an executive director is engaged; and

WHEREAS, the URA agrees to act as the administrator of the Land Bank, as set forth below; and

WHEREAS, the URA is authorized to enter into this MOU pursuant to URA Board Resolution No. 319 (2015);

NOW, THEREFORE, the URA and the Land Bank agree as follows:

1. Recitals. The foregoing Recitals are incorporated herein by reference.
2. Administration. The URA shall act as the administrator of the Land Bank under the title, "Pittsburgh Land Bank Administrator", and shall carry out the following tasks:
 - (a) All those powers enumerated in Sections 2107(4)-(18) of the Pennsylvania Land Bank Law, a copy of which is attached hereto as Exhibit "A", and any and all powers flowing from the bylaws, strategic plan or other directive documents or actions of the Land Bank Board of Directors;


- (b) Acquisition of real property in accordance with Section 2109 of the Pennsylvania Land Bank Law, a copy of which is attached hereto as Exhibit "B";
 - (c) Disposition of real property in accordance with Section 2110 of the Pennsylvania Land Bank Law, a copy of which is attached hereto as Exhibit "C";
 - (d) Financing of Land Bank operations through grants and loans, in accordance with Section 2111 of the Pennsylvania Land Bank Law, a copy of which is attached hereto as Exhibit "D". For all loans and grants obtained by the URA on behalf of the Land Bank, the URA shall be paid an administrative fee by the Land Bank; and
 - (e) Staffing the Land Bank as the URA, in its discretion, deems necessary. The Land Bank shall compensate the URA for the cost of such staffing.
3. Funding Requirement. Notwithstanding anything contained herein, the URA shall not be required to enter into any contract as administrator of the Land Bank for which funding is not in place at the time of the execution of such contract.
 4. Indemnification. The Land Bank shall fully indemnify the URA for all of the URA's actions pursuant to this MOA, including, but not limited to, legal costs.
 5. Board of Directors. The URA, as administrator of the Land Bank, shall report directly to the Land Bank Board of Directors, and shall take direction from said Board. If, in the opinion of the administrator of the Land Bank, a directive from the Land Bank Board conflicts with any of the mission of the URA, the actions of the URA Board of Directors, or the Urban Redevelopment Law, the URA shall not be required to execute such directive. In such event, the URA shall provide immediate written notification of the conflict to the Land Bank Board of Directors.
 6. Directors and Officers Insurance. The Land Bank shall maintain directors and officers insurance for the Land Bank Board of Directors, for which the URA shall be named an additional insured, and for the URA, as administrator of the Land Bank, for which the URA shall be named an insured. The URA, as administrator of the Land Bank, shall obtain said insurance on behalf of the Land Bank. All premiums for said insurance shall be paid by the Land Bank.
 7. Fee.
 - (a) Year 2016. For its services as administrator of the Land Bank for the year 2016, the URA shall be paid a fee of \$23,950.00.
 - (b) Succeeding years. For its services as administrator of the Land Bank for succeeding years, the URA shall be paid a fee to be decided by the Land Bank Board of Directors

in its November meeting. The URA shall be notified in writing of the Board's decision, and the URA's written consent to the fee shall be required. The parties shall negotiate the fee in good faith.

- (c) Repayment of Fee. In the event this MOA is terminated, the fee shall be repaid to the Land Bank on a pro-rata basis for the months of the year not then expired, commencing with the month following the notice of termination. (For example, were this MOA terminated in the month of August, 4/12 of the fee would be returned).
8. Actions in accordance with Pennsylvania and City Land Bank Laws. As administrator of the Land Bank, the URA shall act in accordance with the Pennsylvania Land Bank Law and the Pittsburgh Land Bank Law.
9. Termination. This MOA may be terminated by either party, with or without cause, upon thirty (30) days written notice to the other.
10. Notices. All notices herein required shall be delivered to the other party at the addresses first above set forth.

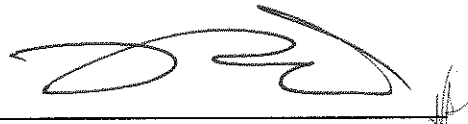
IN WITNESS WHEREOF, the Urban Redevelopment Authority of Pittsburgh and the Pittsburgh Land Bank have executed this Memorandum of Agreement, effective the date first above set forth.

ATTEST:



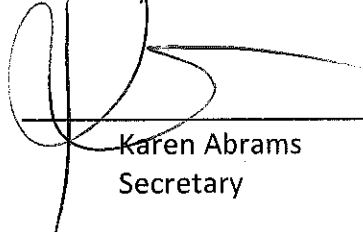
Assistant Secretary

URBAN REDEVELOPMENT AUTHORITY
OF PITTSBURGH

By: 


Robert Rubinstein
Acting Executive Director

WITNESS/ATTEST:



Karen Abrams
Secretary

PITTSBURGH LAND BANK

By: 

Reverend Ricky Burgess
Chairman

Exhibit "A-1"

68 Pa.C.S. § 2107

Pa.C.S. documents are current through 2015 Regular Session Act 61 P.S. documents are current through 2015 Regular Session Act 46

Pennsylvania Statutes, Annotated by LexisNexis® > Pennsylvania Consolidated Statutes > Title 68, Real and Personal Property > Part II, Real Property > Subpart A, Preliminary Provisions > Chapter 21, Land Banks

§ 2107. Powers.

A land bank constitutes a public body, corporate and politic, exercising public powers of the Commonwealth necessary or appropriate to carry out this chapter, including the following powers:

- (1) To adopt, amend and repeal bylaws for the regulation of its affairs and the conduct of its business.
- (2) To sue and be sued in its own name and be a party in a civil action. This paragraph includes an action to clear title to property of the land bank.
- (3) To adopt a seal and to alter the same at pleasure.
- * (4) To borrow from Federal Government funds, from the Commonwealth, from private lenders or from municipalities, as necessary, for the operation and work of the land bank.
- * (5) To issue negotiable revenue bonds and notes according to the provisions of this chapter.
- * (6) To procure insurance or guarantees from the Federal Government or the Commonwealth of the payment of debt incurred by the land bank, and to pay premiums in connection with the insurance or guarantee.
- * (7) To enter into contracts and other instruments necessary, incidental or convenient to the performance of its duties and the exercise of its powers. This paragraph includes intergovernmental cooperation agreements under 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation) for the joint exercise of powers under this chapter.
- * (8) To enter into contracts and intergovernmental cooperation agreements with municipalities for the performance of functions by municipalities on behalf of the land bank or by the land bank on behalf of municipalities.
- * (9) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the land bank. Any contract or instrument signed shall be executed by and for the land bank if the contract or instrument is signed, including an authorized facsimile signature, by:
 - (i) the chair or vice chair of the land bank; and
 - (ii) either:
 - (A) the secretary or assistant secretary of the land bank; or
 - (B) the treasurer or assistant treasurer of the land bank.
- * (10) To procure insurance against losses in connection with the real property, assets or activities of the land bank.
- * (11) To invest money of the land bank at the discretion of the board in instruments, obligations, securities or property determined proper by the board and to name and use depositories for its money.
- * (12) To enter into contracts for the management of, the collection of rent from or the sale of real property of the land bank.
- * (13) To design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate and otherwise improve real property or rights or interests in real property.
- * (14) To fix, charge and collect rents, fees and charges for the use of real property of the land bank and for services provided by the land bank.

Exhibit "A-2"

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68 Pa.C.S. § 2107

- * (15) To grant or acquire licenses, easements, leases or options with respect to real property of the land bank.
- * (16) To enter into partnerships, joint ventures and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development and disposition of real property.
- * (17) To organize and reorganize the executive, administrative, clerical and other departments of the land bank and to fix the duties, powers and compensation of employees, agents and consultants of the land bank.
- * (18) To do all other things necessary or convenient to achieve the objectives and purposes of the land bank or other law related to the purposes and responsibility of the land bank.

History

Act 2012-153 (H.B. 1682), P.L. 1239, § 1, approved Oct. 24, 2012, eff. in 60 days.

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Exhibit "B-1"

68 Pa.C.S. § 2109

Pa.C.S. documents are current through 2015 Regular Session Act 61 P.S. documents are current through 2015 Regular Session Act 46

Pennsylvania Statutes, Annotated by LexisNexis® > Pennsylvania Consolidated Statutes > Title 68. Real and Personal Property > Part II. Real Property > Subpart A. Preliminary Provisions > Chapter 21. Land Banks

§ 2109. Acquisition of property.

- (a) *Title to be held in its name.* — A land bank shall hold in its own name all real property it acquires.
- (b) *Tax exemption.*
- (1) Except as set forth in paragraph (2), the real property of a land bank and its income and operations are exempt from state and local tax.
 - (2) Paragraph (1) does not apply to real property of a land bank after the fifth consecutive year in which the real property is continuously leased to a private third party. However, real property shall continue to be exempt from State and local taxes if it is leased to a nonprofit or governmental agency at substantially less than fair market value.
- (c) *Methods of acquisition.* — A land bank may acquire real property or interests in real property by any means on terms and conditions and in a manner the land bank considers proper.
- (d) *Acquisitions from municipalities.*
- (1) A land bank may acquire real property by purchase contracts, lease purchase agreements, installment sales contracts and land contracts and may accept transfers from municipalities upon terms and conditions as agreed to by the land bank and the municipality.
 - (2) A municipality may transfer to a land bank real property and interests in real property of the municipality on terms and conditions and according to procedures determined by the municipality as long as the real property is located within the jurisdiction of the land bank.
 - (3) A redevelopment authority located within a land bank jurisdiction established under this chapter may, with the consent of the local governing body and without a redevelopment contract, convey property which it acquired before the effective date of this paragraph to the land bank. A conveyance under this paragraph shall be with fee simple title, free of all liens and encumbrances.
- (e) *Maintenance.* — A land bank shall maintain all of its real property in accordance with the statutes and ordinances of the jurisdiction in which the real property is located.
- (f) *Prohibition.*
- (1) Subject to the provisions of paragraph (2), a land bank may not own or hold real property located outside the jurisdictional boundaries of the entities which created the land bank under section 2104(c) (relating to creation and existence).
 - (2) A land bank may be granted authority pursuant to an intergovernmental cooperation agreement with a municipality to manage and maintain real property located within the jurisdiction of the municipality.
- (g) *Tax claim bureaus.* — A tax claim bureau may transfer to a land bank real property of the county held by the tax claim bureau, as trustee for the county, in a repository for unsold property under section 626 of the act of July 7, 1947 (P.L. 1368, No. 542), known as the Real Estate Tax Sale Law.
- (h) *Acquisition of tax delinquent properties.* — If authorized by the land bank jurisdiction which created a land bank or otherwise by intergovernmental cooperation agreement, a land bank may accept donations of real property and extinguish delinquent claims for taxes as to the property under section 5.1 of the act of May 16, 1923 (P.L. 207,

Exhibit "B-2"

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68 Pa.C.S. § 2109

No. 153), referred to as the Municipal Claim and Tax Lien Law, or section 303 of the Real Estate Tax Sale Law. For the purposes of this subsection, the land bank shall have all rights and obligations of the municipality provided for in section 5.1 of the Municipal Claim and Tax Lien Law and of a local taxing authority provided for in section 303 of the Real Estate Tax Sale Law.

History

Act 2012-153 (H.B. 1682), P.L. 1239, § 1, approved Oct. 24, 2012, eff. in 60 days.

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Exhibit "C-1"

68 Pa.C.S. § 2110

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Pennsylvania Statutes, Annotated by LexisNexis® > Pennsylvania Consolidated Statutes > Title 68. Real and Personal Property > Part II. Real Property > Subpart A. Preliminary Provisions > Chapter 21. Land Banks

§ 2110. Disposition of property.

- (a) *Public access to inventory.* — A land bank shall maintain and make available for public review and inspection an inventory of real property held by the land bank.
- (b) *Power.* — A land bank may convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the land bank in the form and by the method determined to be in the best interests of the land bank.
- (c) *Consideration.*
- (1) A land bank shall determine the amount and form of consideration necessary to convey, exchange, sell, transfer, lease as lessor, grant or mortgage interests in real property.
 - (2) Consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee and other forms of consideration as determined by the board to be in the best interest of the land bank.
- (d) *Policies and procedures.*
- (1) A board shall determine and state in the land bank policies and procedures the general terms and conditions for consideration to be received by the land bank for the transfer of real property and interests in real property.
 - (2) Requirements which may be applicable to the disposition of real property and interests in real property by municipalities shall not be applicable to the disposition of real property and interests in real property by a land bank.
- (e) *Ranking of priorities.*
- (1) A land bank jurisdiction may establish a hierarchical ranking of priorities for the use of real property conveyed by a land bank, including use for:
 - (i) Purely public spaces and places.
 - (ii) Affordable housing.
 - (iii) Retail, commercial and industrial activities.
 - (iv) Conservation areas.
 - (2) The priorities established may be for the entire land bank jurisdiction or may be set according to the needs of different neighborhoods, municipalities or other locations within the land bank jurisdiction, or according to the nature of the real property.
- (f) *Land use plans.* — A land bank shall consider all duly adopted land use plans and make reasonable efforts to coordinate the disposition of land bank real property with such land use plans.
- (g) *Specific voting and approval requirements.*
- (1) A land bank jurisdiction may, in its ordinance creating a land bank or, in the case of multiple land bank jurisdictions and municipalities creating a single land bank in the applicable intergovernmental cooperation agreement, require that a particular form of disposition of real property or a disposition of real property located within specified jurisdictions be subject to specified voting and approval requirements of the board.

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68 Pa.C.S. § 2110

- (2) Except as restricted or constrained under paragraph (1), the board may delegate to officers and employees the authority to enter into and execute agreements, instruments of conveyance and other related documents pertaining to the conveyance of real property by the land bank.

History

Act 2012-153 (H.B. 1682), P.L. 1239, § 1, approved Oct. 24, 2012, eff. in 60 days.

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Exhibit "D"

68 Pa.C.S. § 2111

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§ 2111. Financing of land bank operations.

- (a) *General rule.* — A land bank may receive funding through grants and loans from:
- (1) the Federal Government;
 - (2) the Commonwealth;
 - (3) a municipality;
 - (4) the land bank jurisdiction which created the land bank; and
 - (5) private sources.
- (b) *Funding.* — A land bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments and for an asset and activity lawfully permitted to a land bank under this chapter.
- (c) *Allocated real property taxes.*
- (1) A taxing jurisdiction may authorize the remittance or dedication of a portion of real property taxes collected pursuant to the laws of this Commonwealth to a land bank on real property conveyed by a land bank.
 - (2) Allocation of property tax revenues in accordance with this subsection, if authorized by the taxing jurisdiction, shall commence with the first taxable year following the date of conveyance and continue for a period of up to five years and may not exceed a maximum of 50% of the aggregate property tax revenues generated by the property.
 - (3) Remittance or dedication of real property taxes shall include the real property taxes of a school district only if the school district enters into an agreement with the land bank for the remittance or dedication.

History

Act 2012-153 (H.B. 1682), P.L. 1239, § 1, approved Oct. 24, 2012, eff. in 60 days.

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