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Title: Amending Title 16 of The Philadelphia Code, entitled "Public Property," by amending Chapter 16-400, entitled "Vacant and Surplus Properties," Chapter 16-500, entitled "Councilmanic District Development Program," and Chapter 16-700, entitled "Philadelphia Land Bank," in order to establish uniform procedures for the disposition of property by the City and City-related agencies to whom the City conveys property, and to amend the provisions governing the Land Bank, all under certain terms and conditions.

Sponsors: Council President Clarke, Councilmember Quiñones Sánchez, Councilmember Parker, Councilmember Blackwell, Councilmember Johnson

Indexes: PHILADELPHIA LAND BANK, PUBLIC PROPERTY, VACANT PROPERTY

Code sections: 16-400 - Vacant and Surplus Properties, 16-500 - Councilmanic District Development Program, 16-700 - PHILADELPHIA LAND BANK, Title 16 - PUBLIC PROPERTY

Attachments: 1. 190606-AA - Exhibit A, As Amended on Floor 10-24-19.pdf, 2. Bill No. 190606-AA03, As Amended on Floor 10-24-19.pdf, 3. CertifiedCopy190606-AA03

Date	Ver.	Action By	Action	Result	Tally
11/12/2019	3	MAYOR	SIGNED		
10/31/2019	3	CITY COUNCIL			
10/24/2019	1	CITY COUNCIL			
10/24/2019	3	CITY COUNCIL			
10/24/2019	3	CITY COUNCIL			
10/17/2019	2	CITY COUNCIL			
10/17/2019	2	CITY COUNCIL			
10/17/2019	1	CITY COUNCIL			
10/3/2019	1	CITY COUNCIL			
10/3/2019	1	CITY COUNCIL			
10/3/2019	1	CITY COUNCIL			
10/1/2019	0	Committee on Public Property and Public Works			
10/1/2019	0	Committee on Public Property and Public Works			
10/1/2019	0	Committee on Public Property and Public Works			
10/1/2019	1	Committee on Public Property and Public Works			
6/20/2019	0	CITY COUNCIL			

Amending Title 16 of The Philadelphia Code, entitled "Public Property," by amending Chapter 16-400, entitled "Vacant and Surplus Properties," Chapter 16-500, entitled "Councilmanic District Development Program," and Chapter 16-700, entitled "Philadelphia Land Bank," in order to establish uniform procedures for the disposition

of property by the City and City-related agencies to whom the City conveys property, and to amend the provisions governing the Land Bank, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Sections 16-401 and 16-402 of The Philadelphia Code, and the header of Chapter 16-400 of the Code, are hereby amended to read as follows:

CHAPTER 16-400. [VACANT AND] SURPLUS PROPERTIES.

§ 16-401. Legislative Findings.

The Council of the City of Philadelphia hereby finds that:

- (1) Throughout the City of Philadelphia a large number of properties are vacant and have been vacant for an abnormal amount of time;
- (2) The vacant properties are in such poor physical condition as to make them uninhabitable in the present conditions;
- (3) Certain properties have been declared by City to be unfit for human habitation since they are in violation of building, fire, health and other City Codes;
- (4) The owners of certain vacant or unoccupied properties are delinquent in the payment of Real Estate Taxes, Water and Sewer Rents, or other municipal liens and charges;
- (5) The properties in their present conditions are and have become a blighting influence in and about the neighborhood where located and thus are a liability to the City and its citizenry;
- (6) Nonpayment of the tax obligations by the owners of these properties indicates that they may have or intend to abandon such properties;
- (7) Certain property owners desire to donate properties to the City as an alternative to abandoning them;
- (8) It would be in the best interest of the owners of such properties and the citizens of Philadelphia if such property would be acquired, and accepted by the City of Philadelphia, to be held in trust until they can be rehabilitated for use by its citizens under certain terms and conditions;
- (9) The City has acquired a number of vacant properties throughout the City at Sheriff's sales within its equity of unpaid taxes. Certain of these properties are surplus to the needs of the City but are capable of being improved, rehabilitated and re-used by the citizens of Philadelphia. Inasmuch as the City has no bonded indebtedness invested in these properties and their re-use will relieve the City of the care, maintenance and management of the properties, arrest the blight of the neighborhoods within which they are located and restore the properties to productive use, certain of these properties should be made available for disposition in accordance with the provisions of this Chapter;
- (10) Certain other vacant properties cannot be acquired by donation either due to inability to locate the owners, heirs or successors in title; title vests in insolvent estates, institutions or corporations; defects exist in the chain of title; or claims of other than municipal creditors such as mortgagees, judgment or lien holders either cannot or will not be released or satisfied of record insofar as they affect title to such properties thereby

deeming acquisition by Eminent Domain essential and serving a public purpose which will promote the public health, safety and welfare.

§ 16-402. Definitions.

(1) In this Chapter the following definitions shall apply:

[(a) Properties shall be deemed vacant where no legal occupants have occupied the building for a continuous period of six or more months prior to the offer of such property to the City.]

[(b) Properties shall be deemed delinquent where the owner of the property is delinquent in the payment of Real Estate Taxes or Water and Sewer Rent and/or against which there are municipal liens.]

[(c) Blighted properties shall include:

(.1) Any premises which because of its physical condition or use is regarded at law as a public nuisance or has been declared "unfit for use" by a City agency or Department in accordance with the provisions of any City Code.

(.2) Any vacant or unimproved lot or parcel of ground in a predominantly built-up neighborhood, which as a result of neglect or lack of maintenance by the owner has become a place for the accumulation of trash and debris or a haven for rodents or other vermin; or has thereon abandoned wells, shafts, basements, excavations, unsafe fence or other unsafe structures so designated by any City agency under the provisions of any City Code or which condition shall be deemed legally to be a public nuisance by the City.

(.3) Those properties defined as blighted by Act No. 94 of June 23, 1978, amending the act of May 24, 1945 (P.L. 991, No. 385) known as the "Urban Redevelopment Law", and any future amendments thereto.]

[(d)] (a) Surplus Properties. Surplus properties are those properties which:

[(.1)] are vacant;

[(.2)] (.1) have been acquired by *an Agency or the City* [at Sheriff's sales within the City's equity of unpaid taxes and other municipal claims];

[(.3)] (.2) the City has no bonded indebtedness in *connection with such property*;

[(.4)] (3) are determined by *the City or the relevant Agency* to be suitable for disposition to effectuate the purposes of this Chapter; and

[(.5)] (.4) if owned by *the City*, have not been designated by the Commissioner of Public Property as necessary for other municipal uses.

(b) *Agency. The Philadelphia Land Bank ("Land Bank") and the Philadelphia Redevelopment Authority ("Redevelopment Authority").*

(c) *Qualified Applicant. An individual or entity who meets the standards of the provisions of Section 16-404(2)(a).*

(d) *Disposition. The conveyance, exchange, sale, transfer, grant, or mortgage of one or more*

interests in real property from any Agency to a private, non-Agency or non-governmental, party, but not including the provision of a leasehold interest.

(e) Disposition Policy. A uniform policy for the disposition of property by the Agencies that is attached as Exhibit A, that may be amended by ordinance, and that supplements, but is not inconsistent with, the provisions of this Chapter.

* * *

SECTION 2. Sections 16-403, 16-404, 16-405, 16-406, and 16-407 of Chapter 16-400 of The Philadelphia Code are hereby repealed in their entirety, and replaced with new Sections 16-403 through 16-406, to read as follows:

§ 16-403. Disposition Policy: General Provisions.

(1) Section 16-404 sets forth policies governing the disposition of surplus properties by Agencies. Such policies shall apply with respect to the City's disposition of any such property through an Agency.

(2) Council's approval of a transfer of property to an Agency, either directly or through another agency, including any approvals set forth in this Chapter, is conditioned upon a requirement that the Agency adopt the policies set forth in this Chapter with respect to the disposition of the Agency's surplus property. Such condition includes a requirement that the Agency agree to follow the disposition policies of this Chapter with respect to all surplus property held by the Agency, including property that the Agency acquired other than from the City.

(3) Any conveyance of property by the City to an Agency shall also be conditioned on the Agency's agreement to follow the Disposition Policy.

(4) The City may enter into a Memorandum of Understanding or other agreements with an Agency to effectuate the purpose of this Section.

§ 16-404. Disposition: Inventory, Methods, Terms, and Approvals.

(1) Inventory.

(a) Each Agency shall maintain an up-to-date inventory of surplus properties owned by the Agency and shall make such inventory publicly accessible on the internet and at its offices during normal business hours. The inventory may be depicted a map of such properties along with other relevant information about land use conditions, such as vacancy and tax delinquency rates. An inventory for the surplus properties of all the Agencies may be maintained collectively by one of the Agencies.

(2) Methods.

(a) An individual or entity who seeks to obtain a surplus property must submit an application in such form as is specified by the Agency. Properties may only be conveyed to a Qualified Applicant who has submitted a timely and complete application. An applicant is qualified if:

(.1) the applicant has no City tax or water delinquencies, or other City delinquencies, or is in a current payment agreement with respect to any such delinquencies;

(.2) no properties owned by the applicant have outstanding violations under The Philadelphia Code. A violation shall not be considered outstanding if there is an agreement with the City to come into compliance; and

(.3) such other threshold criteria as may be established in the Disposition Policy is satisfied.

(b) All surplus properties shall be disposed of by an Agency pursuant to either a competitive process, as set forth in Section 16-404(2)(c), or pursuant to the requirements of Section 16-404(2)(d).

(c) Disposition Pursuant to Competitive Process. Except as authorized under Section 16-404(2)(d), an Agency shall dispose of a surplus property pursuant to a process that includes the following:

(.1) The Agency shall advertise the availability of a property. Such advertisement shall specify a period of time, not less than 30 days, during which applicants may submit an application for the property. The advertisement shall include the weighted criteria set forth in this subsection.

(.2) Within 120 days of the close of the submission period, the Agency shall evaluate applications of qualified applicants for selection based upon the following weighted criteria: 30% for economic opportunity and inclusion; 15% for public purpose - social impact; 20% for development team experience and capacity; 20% for financial feasibility; 10% for project design; and 5% for offer price. The Agency may select an applicant based upon such criteria to the fullest extent permitted by law, or it may choose not to select any applicant.

(.3) No later than 120 days of the close of the submission period, the Agency shall provide all applicants with either a denial letter or, if an applicant is selected for disposition, a purchase agreement that includes a price valid for no less than one year from the time of delivery of an executed agreement by the applicant (subject to extension by the Agency). Such purchase agreement shall include such restrictions in connection with the purchase agreement and transfer of title as deemed appropriate by the Agency and as required by the Disposition Policy and this Chapter.

(d) Disposition without Competitive Process. An Agency may dispose of surplus properties to a qualified applicant without following the process set forth in Section 16-404(2)(c) in any one of the following circumstances:

(.1) An applicant seeks property for use as a side or rear yard, provided such property has no permanent structures, such property is not more than 1,440 square feet, such property is comprised of no more than two adjacent parcels, and the applicant owns and occupies adjacent property as a primary residence.

(.2) An applicant seeks property for use as a community garden, open space or recreational area, provided such applicant is organized as a non-profit organization under Pennsylvania Law.

(.3) An applicant seeks property for use as expansion of an existing business in the near vicinity of the property.

(.4) At significant portion of the proposed development site is already owned by

such applicant and the surplus property will be developed as part of the development project.

(.5) At least 51% of the development qualifies as either affordable or workforce housing, under local or federal guidelines, or mixed-income housing, pursuant to Section 14-702(7) of The Philadelphia Code.

(.6) The development is a community benefiting use, such as, without limitation, a daycare, healthcare or senior center, that is designed to benefit low-income and moderate-income households, all as further defined in the Disposition Policy.

(.2) Applications for non-competitive dispositions shall be evaluated for financial and operational capacity to complete the proposed project, and other considerations, in accordance with the Disposition Policy.

(.3) Within 120 days of receiving a completed application for the disposition of a surplus property pursuant to this subsection 16-404(2)(d), the Agency shall advise the applicant in writing whether the Agency will offer the property to the applicant..

(.4) If the applicant's proposal been deemed suitable to recommend for approval, the Agency shall provide the applicant with a purchase agreement that includes a valid for no less than one year (subject to extension by the Agency) from the time of delivery of an executed agreement by the applicant. Such purchase agreement shall include such restrictions in connection with the purchase agreement and transfer of title as deemed appropriate by the Agency and as required by the Disposition Policy and this Chapter.

(3) Terms.

(a) For properties sold for fair market value, the fair market value of such property shall be determined by an independent appraisal or in-house opinion of value by a licensed appraiser. The applicant may submit information that is relevant to the value of such property for consideration.

(b) An Agency may dispose of a surplus property to an applicant at a price that is nominal or less than fair market value, if either:

(.1) The Agency is disposing of the property under the process set forth in subsection 16-404(2)(c); or

(.2) The Agency determines that the proposed use of the property falls into a category set forth in the Disposition Policy for which such nominal or less than fair market value disposition is authorized.

(c) An Agency may develop policies to permit, in specified circumstances, alternative forms of payment by applicants who cannot afford immediate payment in full.

(d) The Disposition Policy may authorize exchanges of real property in lieu of payment.

(e) An Agency shall require that terms and conditions be incorporated into the agreement and the deed conveying title to surplus properties approved for disposition appropriate to the disposition and consistent with the Disposition Policy, and including, at a minimum, to the extent feasible in the context of the particular transaction:

(.1) an irrevocable power of attorney, coupled with an interest, appointing the

grantor or its designee as true and lawful attorney-in-fact for the grantee to enter into and take possession of such property, with other necessary provisions, in the event of a failure by the grantee to comply with any term or condition established in connection with transfer of title; and

(.2) a requirement that failure of compliance with any term or condition established in connection with transfer of title will cause title to the property to revert to the ownership of the City of Philadelphia, the Philadelphia Redevelopment Authority or the Philadelphia Land Bank, automatically, without any conveyance thereof being required, upon notice that such failure exists and such failure is not remedied by the expiration of any applicable cure period.

(f) An Agency shall require an agreement for all dispositions of surplus properties.

(.i) For dispositions by the Redevelopment Authority, the agreement shall be a redevelopment contract in accordance with the Urban Redevelopment Law and Chapter 16-600.

(.ii) For dispositions by any other Agency, the agreement shall include the provisions required by Section 16-601(a) through 16-601(1)(e), except that all references in such provisions to the Redevelopment Authority shall be considered as references to the Agency.

(iii) An Agency may impose any other conditions of sale including, without limitation, deed restrictions, restrictive covenants, and mortgages. The Agency shall monitor compliance with such conditions, including by requiring periodic reporting by transferees.

(4) Approvals.

(a) An Agency shall not dispose of, or lease for more than one year, a surplus property, without approval of the disposition by resolution of the Board of Directors of the Agency, and approval by a resolution or ordinance of City Council. A summary of the lease or disposition terms shall be provided for inclusion with the Council approval resolution or ordinance. Such approvals may not be given until at least ten (10) days after public notice has been provided as required by subsection (b).

(b) An Agency shall provide public notice of proposed dispositions, and leases for more than one year, as early as practicable. Public notice shall include a conspicuous posting on property proposed for disposition or lease, and notice to those registered community organizations as defined in Section 14-303(11A) whose registered geographic area of concern contains a property proposed for disposition. Any individual or organization may submit comment in writing regarding a proposed disposition or lease to the Agency with title to the property. The Agency shall transmit, or otherwise make available, all such comments to its Board.

(c) Nothing in this Chapter shall obligate an Agency to dispose of a surplus property to an applicant for such property, including the highest scoring applicant in a competitive process.

(d) A reference to the Vacant Property Review Committee in connection with methods set forth in a deed or agreement to satisfy deed terms and conditions existing at the time of adoption of this Section shall be construed as a reference to the Commissioner of Public Property.

§ 16-405. Transfer of Title from the City of Philadelphia.

(1) The Commissioner of Public Property is hereby authorized to transfer title to any surplus property to the Redevelopment Authority, for subsequent transfer to the Land Bank or otherwise; disposition of such

property shall be subject to the terms of this Chapter.

§ 16-406. Uniform Strategic Plan and Performance Reports.

(1) No later than one year following the effective date of this Section, and every three years thereafter, the Department of Planning and Development shall prepare a Uniform Strategic Plan and make it available to the public on its website. The Plan shall not be published until: (i) the Department conducts a public hearing on the Plan; (ii) after such hearing, the Plan is approved by the Boards of Directors of the Land Bank and the Redevelopment Authority; and (iii) after such approval by those Boards. City Council approves the Plan by ordinance or resolution. An approved Plan shall remain in force until a successor plan has been approved.

(2) The Plan shall inform the acquisition, maintenance, and disposition of surplus property for the following three year period, and shall address the following elements.

(a) An analysis to determine market conditions and trends in census tracts where the Agencies hold or are likely to hold property. To the extent feasible, this analysis shall specifically evaluate the relative need and availability for affordable or mixed-income housing that is accessible or visitable; economic development that creates jobs for community residents; community facilities that provide needed services to residents; side and rear yards; food-producing urban agriculture; community open space; and any additional core beneficial land uses that may be identified by the Agencies.

(b) An inventory and mapping of vacant properties in each census tract or grouping of census tracts, including properties that are owned by the Agencies and properties that are privately owned and delinquent as to municipal taxes or claims.

(c) Proposed goals for the three year period following adoption or revision of this plan for acquisition, maintenance, and conveyance of properties that support the Comprehensive Land Use Plan and the goals of community plans accepted by the City Planning Commission, and which encourage equitable redevelopment. This shall include, but is not limited to, items such as defined targets for the share of future housing units to be built on public properties affordable to different income ranges of very low-income, low-income, and moderate-income households, as well as economic development/job creation projects, urban agriculture, open space, and additional core beneficial land use needs that were identified pursuant to (a) of this subsection. These goals shall be based on the analysis of each census tract or grouping of census tracts that were identified pursuant to (a) of this subsection, taking into account the existing inventory of the Agencies as well as the universe of vacant and tax delinquent or City-liened properties, and demand for land based on requests received in the previous year. The Uniform Strategic Plan may also include analysis of the anticipated availability of funding, and the feasibility of inclusionary housing requirements if applicable.

(d) Recommendations for uses of properties in census tracts that advance the goals of the Plan.

(e) Defined annual targets for the overall number of properties transferred.

(f) Defined annual goals for acquisition including identifying the geographic areas where the Agencies would seek to acquire properties and for what purpose.

(3) Every year, the Department shall prepare a Performance Report for City Council approval by ordinance or resolution, regarding the acquisition, maintenance, and disposition of surplus property during the prior year, and shall address the following elements during that period.

(a) *A list of all properties acquired by the Agencies.*

(b) *A list of all properties conveyed by the Agencies that includes: the price, with reference to any discount applied; name of the buyer; proposed use; a summary of any special terms and conditions of the conveyance; and, if applicable, the approximate income of the households that will benefit from the intended use, if the sale price was less than fair market value.*

(c) *A list of all properties held or reserved for an applicant, including the term of the hold period.*

(d) *An aggregated analysis of all maintenance activities.*

(e) *An aggregated analysis of all applications received including their proposed use, duration and status, and reasons for outcomes.*

(f) *An aggregated analysis of any efforts related to monitoring and enforcing compliance with provisions agreed upon as conditions of past sales.*

(g) *An aggregated analysis describing the Agencies' yearly progress towards fulfilling the goals set forth in the Plan, and an explanation of any obstacles to the achievement of such goals.*

SECTION 3. Chapter 16-500 of the Philadelphia Code is hereby repealed in its entirety and replaced as follows:

CHAPTER 16-500. BLIGHT REDUCTION COMMITTEE.

§ 16-501. Legislative Findings.

(1) *The Urban Redevelopment Law of the Commonwealth of Pennsylvania provides special powers to local governments and their Redevelopment Authorities to acquire blighted properties.*

(2) *Such powers on the part of any Redevelopment Authority are conditioned upon the creation or existence of a blighted property review committee by ordinance of the governing body of the municipality. By law, the committee must include at least one member of the governing body, a representative of the Redevelopment Authority, a representative of the appropriate planning commission, and a representative to be designated by the chief executive officer or officers from the executive branch of the government of the municipality.*

(3) *The Blight Reduction Committee created by this Chapter shall serve as the blighted property review committee required by Section 12.1 of the Urban Redevelopment Law.*

§ 16-502. Blight Reduction Committee.

(1) *A Blight Reduction Committee is hereby created. The Committee shall be composed of the executive heads or their designees of the following:*

(a) *The Department of Planning and Development*

(b) *The City Planning Commission*

(c) *The Philadelphia Redevelopment Authority*

(d) *The Office of the Mayor; and*

(e) *The President of City Council.*

§ 16-503. *Blighted Property.*

(1) *Blighted property shall include:*

(a) *Any premises which because of physical condition or use is regarded as a public nuisance at common law or has been declared a public nuisance in accordance with the provisions of this Code.*

(b) *Any premises which because of physical condition, use or occupancy is considered an attractive nuisance to children, including but not limited to abandoned wells, shafts, basements, excavations, and unsafe fences or structures.*

(c) *Any dwelling which because it is dilapidated, unsanitary, unsafe, vermin-infested or lacking in the facilities and equipment required by this Code, has been designated as unfit for human habitation.*

(d) *Any structure which is a fire hazard, or is otherwise dangerous to the safety of persons or property.*

(e) *Any structure from which the utilities, plumbing, heating, sewerage or other facilities have been disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.*

(f) *Any vacant or unimproved lot or parcel of ground in a predominantly built-up-neighborhood, which by reason of neglect or lack of maintenance has become a place for accumulation of trash and debris, or a haven for rodents or other vermin.*

(g) *Any unoccupied property which has been tax delinquent for a period of two years.*

(h) *Any property which is vacant but not tax delinquent, which has not been rehabilitated within one year of the receipt of notice issued under this Code to rehabilitate.*

§ 16-504. *Abandoned Property.*

(1) *Any abandoned property. A property shall be considered abandoned if:*

(a) *it is a vacant or unimproved lot or parcel of ground on which a municipal lien for the cost of demolition of any structure located on the property remains unpaid for a period of six months;*

(b) *it is a vacant property or vacant or unimproved lot or parcel of ground on which the total of municipal liens on the property for tax or any other type of claim of the municipality are in excess of 150% of the actual value of the property as established by the Office of Property Assessment; or*

(c) *the property has been declared abandoned by the owner, including an estate that is in possession of the property.*

§ 16-505. *Certification.*

(1) The Blight Reduction Committee and the City Planning Commission, upon making a determination that any property is blighted within the terms of this chapter, must certify said blighted property to the Redevelopment Authority, except that:

(a) No property shall be certified to the Redevelopment Authority unless it is vacant. A property shall be considered vacant if:

(.1) the property is unoccupied, or its occupancy has not been authorized by the owner of the property;

(.2) in the case of an unimproved lot or parcel of ground, a lien for the cost of demolition of any structure located on the property remains unpaid for a period of six months; or

(.3) in the case of an unimproved lot or parcel of ground, the property has remained in violation of any provision of this Code applicable to such lots or parcels, including licensing requirements, for a period of six months.

(2) No property shall be certified to the Redevelopment Authority unless the owner of the property or an agent designated by him/her for receipt of service of notices has been served with notice of the determination that the property is blighted, together with an appropriate order to eliminate the conditions causing the blight and notification that failure to do so may render the property subject to condemnation under the Urban Redevelopment Law. The notice shall be served upon the owner or his agent in accord with the provisions of The Philadelphia Property Management Code. The owner or his agent shall have the right of appeal from the determination in the same manner as an appeal from the determination of public nuisance.

(3) No blighted property shall be certified to the Redevelopment Authority until the time period for appeal has expired and no appeal has been taken, or, if taken, the appeal has been disposed of, and the owner or his agent has failed to comply with the order.

§ 16-506. Acquisition and Disposition.

(1) Acquisition and disposition of blighted property under this Chapter shall not require preparation, adoption or approval of a redevelopment area plan or redevelopment proposal, but at least thirty (30) days prior to acquisition of any property under this section, the Redevelopment Authority shall transmit identification of the property to the City Planning Commission and shall request a recommendation as to the appropriate reuse of the property. The Redevelopment Authority shall not acquire the property if the City Planning Commission certifies that disposition for residential or related use would not be in accord with the Comprehensive Land Use Plan.

(2) Power of eminent domain shall be exercised pursuant to a resolution of City Council, resolution of the Redevelopment Authority and the procedure set forth in the act of June 22, 1964 (Sp. Sess., P.L.84, No.6), known as the "Eminent Domain Code," as amended.

(3) Property disposed of within a redevelopment area shall be disposed of under a redevelopment contract in accordance with the provisions of the Urban Redevelopment Law. Property disposed of outside an urban renewal project area shall be disposed of by deed in accordance with the provisions set forth in Chapter 16-400.

SECTION 4. Chapter 16-700 of the Philadelphia Code is hereby amended to read as follows:

CHAPTER 16-700. PHILADELPHIA LAND BANK

* * *

§ 16-703. Mission.

The mission of the Land Bank is to return [vacant and] underutilized property to productive use through a unified, predictable, and transparent process, thereby to assist in revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base.

* * *

§ 16-705. Acquisition.

* * *

(3) Acquisition of Tax Delinquent Properties.

(a) Tax Sale Actions Initiated by the Land Bank.

* * *

(.2) Certifications for Tax Sale Actions Requested by the Land Bank. The Land Bank is authorized to request *that* the City of Philadelphia certify for upset or judicial sale a property that is [both vacant and] delinquent as to municipal taxes or claims, provided that the Land Bank determines that the acquisition is consistent with its mission and policies. Application for such certification may be made to the Land Bank by an individual or organization, and such applicants shall be entitled to explanation in writing if denied.

(b) Tax Sale Actions Initiated by the City of Philadelphia. The City of Philadelphia shall provide to the Land Bank notice of potential upset and judicial sales listing properties by address. Before any upset or judicial sale of real property initiated by the City of Philadelphia, the Land Bank shall elect whether to seek acquisition of the property. The Land Bank shall not seek to acquire such owner-occupied properties without first confirming that an appropriate payment plan has been offered for any municipal taxes or claims, including evaluation for an income-based payment agreement.

(4) Subject to the prior approval of the Finance Director, the Land Bank is authorized to discharge liens, and other municipal claims, charges, or fines, against the properties it acquires to the extent permitted by law.

(5) For the duration of the time a property is held by the Land Bank, [the Land Bank is authorized to exempt] such property *is exempt* from all real estate taxes, water, sewer, stormwater and other municipal

charges to the extent permitted by law.

* * *

(7) Transfer of Title of City Properties to the Land Bank.

(a) The Commissioner of Public Property is authorized to transfer title to any City property to the Philadelphia Redevelopment Authority for subsequent transfer by the Redevelopment Authority to the Land Bank in accordance with subsection (b).

(b) Disposition of any such property by the Philadelphia Redevelopment Authority to the Land Bank must be approved by City Council resolution.

[(c) All properties transferred to the Philadelphia Redevelopment Authority pursuant to this Chapter shall be without consideration or City-imposed restrictions other than as set forth in this subsection 16-705(7).]

(c) *Disposition of any such property by the Land Bank, as defined in Chapter 16-400, shall be pursuant to Chapter 16-400 of the Code ("Surplus Properties").*

* * *

SECTION 4. Sections 16-706, 16-707, 16-708, 16-709, 16-710, and 16-711 of The Philadelphia Code are hereby repealed in their entirety, and replaced with new Sections 16-706 through 16-709, to read as follows:

§ 16-706. *Disposition.*

(1) *The Land Bank is authorized to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property in the form and by the method determined to be in the best interests of the Land Bank in accordance with the requirements of Chapter 16-400 of the Code ("Surplus Properties").*

§ 16-707. *Ethics and Conflicts of Interest.*

The Land Bank shall be governed by the State Adverse Interest Act of July 19, 1957 (P.L.1017, No. 451) and 65 Pa. C.S. Ch. 11 (relating to ethics standards and financial disclosure). The Land Bank shall also be governed by Chapter 20-600 (Philadelphia's "Standards of Conduct and Ethics") and Chapter 20-1200 ("Lobbying"). As part of its policies, the Land Bank shall adopt strict ethical guidelines for Land Bank board members and employees, and promulgate rules addressing and protecting against potential conflicts of interest. These guidelines and rules shall supplement any applicable state and local laws.

§ 16-708. *Financial Provisions.*

(1) *The Land Bank may be financed by the City of Philadelphia and through any other means authorized in 68 Pa. C.S. § 2101 et seq.*

§ 16-709. *Dissolution; Distribution of Assets in Case of Dissolution.*

(1) *The Land Bank may be dissolved according to the requirements of 68 Pa. C.S. § 2114.*

SECTION 5. Effective Date. This ordinance shall be effective January 1, 2020, provided that the Code as it read on December 31, 2019 shall continue to govern the disposition of properties for which, prior to January 1,

2020, an Agency issued a reservation or commitment letter, or presented an applicant with a signed Agreement. Approval by the Commissioner of Public Property shall constitute approval of the Vacant Property Review Committee in connection with any such applications.