
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 80 Session of
2015

INTRODUCED BY GREENLEAF, BLAKE, YUDICHAK, VULAKOVICH AND HUGHES,
JANUARY 14, 2015

REFERRED TO URBAN AFFAIRS AND HOUSING, JANUARY 14, 2015

AN ACT

1 Authorizing the establishment of land bank programs and
2 affordable housing programs with the approval of the
3 electorate; providing for funding by proceeds from tax on the
4 transfer of real property; and specifying the purposes of the
5 programs.

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7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Municipal
11 Land Bank and Affordable Housing Act.

12 Section 2. Establishment of land bank programs and affordable
13 housing programs.

14 The governing body of a municipality may, by ordinance, or
15 the electors of a municipality may, by petition, cause to be
16 submitted to the qualified voters of the municipality the
17 question of whether the municipality should establish a land
18 bank program or an affordable housing program, or both, and
19 dedicate all or a portion of taxes imposed by the municipality
20 on the transfer of real property in the municipality for the
21 purpose of funding the program or programs.

22 Section 3. Initiative of electors.

23 In order for the question of whether to establish a land bank
24 program or an affordable housing program, or both, to be
25 initiated by petition of electors, petitions calling for the
26 question containing signatures of at least 5% of the electors
27 voting for the Office of Governor in the last gubernatorial
28 general election in the municipality must be filed with the
29 county board of elections.

30 Section 4. Filing of ordinance or petition.

1 The ordinance or petition calling for the question of whether
2 to establish a land bank program or an affordable housing
3 program, or both, that is to be submitted to the electors shall
4 be filed with the election officials not later than the 13th
5 Tuesday prior to the next primary, municipal or general
6 election. The petition and proceedings on the petition shall be
7 in the manner and subject to the applicable provisions of the
8 election laws which relate to the signing, filing and
9 adjudication of nomination petitions, except that no petition
10 shall be signed or circulated prior to the 20th Tuesday before
11 the election nor later than the 13th Tuesday before the
12 election.

13 Section 5. Form of question for land bank program.

14 The question of whether to establish a land bank program
15 shall be in substantially the following form:

16 "Do you favor the establishment, administration and
17 maintenance of a land bank program for the purpose of
18 enabling (insert name of municipality) to acquire open-space
19 land or interests in such land to conserve natural and scenic
20 resources, to preserve agricultural land and to augment
21 public recreation opportunities and the dedication of taxes
22 imposed by the municipality on the transfer of real property
23 in the municipality for funding of the program?"

24 Section 6. Form of question for affordable housing program.

25 The question of whether to establish an affordable housing
26 program shall be in substantially the following form:

27 "Do you favor the establishment and administration of a
28 program consisting of the awarding of grants to nonprofit
29 organizations, housing authorities and redevelopment
30 authorities to provide adequate, safe and affordable housing

1 in (insert name of municipality) for low-income individuals
2 and low-income families, and the dedication of taxes imposed
3 by the municipality on the transfer of real property in the
4 municipality for funding of the program?"

5 Section 7. Dual question.

6 In the event that the ordinance or petition calls for the
7 question of whether to establish both a land bank program and an
8 affordable housing program, the questions set forth in sections
9 5 and 6 may be appropriately combined into one question.

10 Section 8. Dedication of portion of tax.

11 The ordinance or petition calling for a question of whether
12 to establish a land bank program or an affordable housing
13 program, or both, may call for some percentage less than all of
14 the tax imposed by the municipality on the transfer of real
15 property to be dedicated for the program or programs, in which
16 case the question on the ballot shall be revised to indicate the
17 portion of the tax to be so dedicated.

18 Section 9. Municipal option.

19 In the event that a special fund for purposes of affordable
20 housing exists at the county level, a municipality shall have
21 the option of dedicating the revenue derived from taxes imposed
22 by the municipality on the transfer of real property and
23 dedicated for affordable housing purposes to the county fund.
24 Money so dedicated shall be deposited in the county special fund
25 for affordable housing for use by the county in providing grants
26 to nonprofit organizations, housing authorities and
27 redevelopment authorities to provide adequate, safe and
28 affordable housing in the municipality that exercises its option
29 under this section.

30 Section 10. Establishment of program.

1 If a majority of the electors voting on the question of
2 establishing, administering and maintaining a land bank program
3 or an affordable housing program, or both, and dedicating taxes
4 imposed by the municipality on the transfer of real property
5 within the municipality in order to fund the program or programs
6 vote in favor of the question, the governing body of the
7 municipality within 90 days following the certification of the
8 results of the election shall adopt an ordinance or ordinances
9 establishing the appropriate program or programs. If both a land
10 bank program and an affordable housing program are approved, the
11 ordinance or ordinances shall specify the portion of available
12 funds allocated to each program.

13 Section 11. Special fund.

14 (a) Establishment.--Unless a municipality exercises its
15 option under section 9, all revenue derived from a tax imposed
16 by the municipality on the transfer of real property in the
17 municipality dedicated for land bank purposes or affordable
18 housing purposes, or both, shall be remitted by the county
19 recorder of deeds to the municipality and deposited in a special
20 fund to be known as a land bank fund, affordable housing fund or
21 land bank and affordable housing fund, whichever may be
22 appropriate, and used exclusively for the purposes authorized by
23 this act.

24 (b) Donations.--The municipality may accept donations from
25 any source for the purposes authorized by this act, and any
26 funds so received, including any funds which may become
27 available from the Federal or State government for the purposes
28 stated in this act, all revenues derived from the sale of bonds
29 for land bank purposes and interest accrued, shall be deposited
30 in the appropriate special fund, including the special county

1 fund in the case of a municipality exercising its option under
2 section 9.

3 (c) Deposit of proceeds.--All proceeds from the rental,
4 lease or sale of any open-space land or an interest in open-
5 space land that the municipality acquired through a land bank
6 program shall be deposited in the land bank fund.

7 Section 12. Acquisition of open-space land.

8 (a) Money in fund.--Money in a land bank fund shall be used
9 by the municipality for the acquisition and maintenance of open-
10 space land and interests in open-space land within the
11 municipality and for related administrative expenses, including,
12 but not limited to, expenditures for engineering, legal and
13 appraisal services and for the repayment of debts incurred
14 through the issuance of bonds under section 13.

15 (b) Approval not required.--When a land bank program has
16 been established, no additional approval of the electors shall
17 be required for the acquisition of open-space land or interests
18 in open-space land with money in a land bank fund, nor shall
19 approval of the electors be required for the governing body of
20 the municipality, on behalf of the municipality, to accept title
21 to open-space land or interests in open-space land that may be
22 donated to the municipality.

23 (c) Public notice.--The governing body of the municipality
24 shall give public notice of a meeting at which final action on
25 an acquisition of open-space land or an interest in open-space
26 land or acceptance of a donation of open-space land is to be
27 taken, which public notice shall be given in the manner
28 prescribed by 65 Pa.C.S. Ch. 7 (relating to open meetings) and
29 shall include a brief description of the proposed transaction.

30 (d) Advice of commission and advisory council.--The

1 governing body of the municipality shall seek the advice of the
2 municipality's planning commission and the environmental
3 advisory council established under 53 Pa.C.S. Ch. 23 Subch. B
4 (relating to environmental advisory councils) if the
5 municipality has established such a council with respect to all
6 transactions involving open-space land.

7 (e) Appraisals.--At least two independent appraisals shall
8 be obtained prior to the purchase by the municipality of any
9 open-space land or interest in open-space land.

10 (f) Public purposes.--Any land acquired by a municipality
11 under this act shall be deemed to be held and used for public
12 purposes.

13 (g) Definition.--As used in this act, the term "open-space
14 land" means land that will be used for any of the following
15 purposes:

16 (1) To conserve natural or scenic resources, including,
17 but not limited to, soils, beaches, streams, wetlands or
18 tidal wetlands.

19 (2) To preserve agricultural land, including the
20 preservation of agricultural land through the purchase of
21 agricultural conservation easements as provided in the act of
22 June 30, 1981 (P.L.128, No.43), known as the Agricultural
23 Area Security Law.

24 (3) To enhance the value to the public of abutting or
25 neighboring parks, forests, wildlife preserves, nature
26 reservations or other public open spaces.

27 (4) To augment public recreation opportunities.

28 (5) To preserve sites of historic, geologic or botanic
29 interest.

30 Section 13. Bond issues for open-space land.

1 In anticipation of money becoming available in a land bank
2 fund, the governing body of the municipality may issue bonds for
3 the exclusive purpose of acquiring and maintaining open-space
4 land or interests in open-space land.

5 Section 14. Conveyance of open-space land.

6 (a) Acquisition of land.--

7 (1) The governing body of the municipality may, by
8 competitive bid as provided in subsection (b), and subject to
9 the same requirements as provided in section 12(c), (d) and
10 (e) for acquisition of open-space land, convey open-space
11 land, portions of or interests in open-space land subject to
12 a protective covenant in the deed of conveyance that the land
13 will be used only for the purposes of open-space land, as
14 defined in this act, with reversion to the municipality in
15 the event the covenant is violated.

16 (2) The protective covenant in the deed of conveyance
17 shall state with specificity the use or restrictions on use
18 applicable to the land so conveyed.

19 (3) No conveyance of open-space land or an interest in
20 open-space land without this protective covenant in the deed
21 shall be made without approval of the court of common pleas.

22 (4) The court of common pleas may not approve the
23 proposed conveyance without a protective covenant in the deed
24 unless the court determines that there is an overriding
25 public need that cannot be met through the use of any other
26 land within the municipality.

27 (b) Sale of land.--

28 (1) Open-space land, portions of or interests in open-
29 space land may be sold by the municipality to the highest
30 bidder, subject to the protective covenant specified in

1 subsection (a), after due notice by the advertisement for
2 bids in one newspaper of general circulation in the
3 municipality. The advertisement shall be published once not
4 less than 10 days prior to the date fixed for the opening of
5 bids, and the date for opening bids shall be announced in the
6 advertisement.

7 (2) The acceptance of bids shall be made only by public
8 announcement at a regular or special meeting of the governing
9 body of the municipality. All bids shall be accepted on the
10 condition that payment of the purchase price in full shall be
11 made within 90 days of the acceptance of bids.

12 (c) Donation of land.--Notwithstanding any other provision
13 of this act, a municipality may donate land or any portion of or
14 interest in land acquired pursuant to a land bank program to a
15 conservancy which possesses a tax-exempt status under section
16 501(c) (3) of the Internal Revenue Code of 1986 (Public Law 99-
17 514, 26 U.S.C. § 501(c) (3)) and which has as its primary purpose
18 preservation of land for historic, recreational, scenic,
19 agricultural or open-space opportunities. Prior to this
20 donation, the governing body of the municipality shall give
21 public notice in the manner provided in section 12(c). This
22 donation shall be subject to the protective covenant specified
23 in subsection (a).

24 Section 15. Use of affordable housing fund.

25 (a) Grants.--

26 (1) Money deposited in an affordable housing fund and
27 interest earned on money deposited in this fund shall be used
28 solely for the purpose of making grants to nonprofit
29 organizations, housing authorities and redevelopment
30 authorities for affordable housing purposes. Qualifications

1 for grants, the manner of making applications for grants and
2 authorized uses of grant money shall be provided for in the
3 ordinance establishing the affordable housing program.

4 (2) Authorized uses of grant money may include:

5 (i) Plan preparation.

6 (ii) The acquisition of property.

7 (iii) The construction of new residential buildings.

8 (iv) Demolition of existing buildings.

9 (v) Construction, reconstruction, alteration and
10 repair of residential buildings.

11 (vi) Any other associated work, including
12 administrative costs and the costs of professional and
13 technical assistance.

14 (b) Public notice.--The governing body of the municipality
15 shall give public notice of a meeting at which final action on a
16 grant from the affordable housing fund is to be taken. The
17 public notice shall be given in the manner prescribed by 65
18 Pa.C.S. Ch. 7 (relating to open meetings) and shall include a
19 brief description of the proposed project.

20 Section 16. Termination of land bank program or affordable
21 housing program.

22 (a) Referendum.--The governing body of a municipality may,
23 by ordinance, or the electors of a municipality may, by
24 petition, cause to be submitted to the qualified voters of the
25 municipality the question of whether the municipality should
26 terminate an established land bank program, an established
27 affordable housing program, or both.

28 (b) Petition.--A petition by the electors shall be in the
29 same manner as provided for the establishment of the programs in
30 section 3, and the ordinance or petition shall be filed in the

1 same manner as provided in section 4.

2 (c) Question.--The question of whether to terminate an
3 established land bank program or an affordable housing program
4 shall be in substantially the following form:

5 "Do you favor the termination of the existing
6 program?"

7 This question shall be followed by a brief statement of the
8 original purpose of the program. If both programs are to be
9 considered for termination, the questions may be appropriately
10 combined into one question.

11 (d) Election.--If a majority of the electors voting on the
12 question vote in favor of termination, the governing body of the
13 municipality shall, within 90 days following certification of
14 the results of the election, adopt any ordinances necessary to
15 terminate the program or programs.

16 Section 17. Effective date.

17 This act shall take effect immediately.