Land Bank will help Pottstown

Earlier this month, Pottstown Council authorized the creation of a borough land bank to facilitate the reclamation and redevelopment of blighted properties.

A land bank is a relatively new tool in Pennsylvania, authorized by the legislature in 2012. It allows municipalities with more than 10,000 residents to establish a land bank, which is governed by 5 to 11 volunteers.

Land banks have the power to acquire vacant or blighted properties with complicated or nebulous ownership histories and clear their titles so a new owner can buy a property and get title insurance for it.

Likewise, land banks have the power to expunge tax liens, which are often higher than the value of the property. This eliminates a huge disincentive for potential buyers.

These powers enable land banks to transfer the properties to new owners who are subsequently freed from any liabilities from the past.

The land bank has discretion to either sell the property to the highest bidder, or someone who has a good plan for it, or to give it to a non profit. A small vacant parcel can even be given to the adjacent property owner who agrees to maintain it.

During the time a property is held by the land bank, it remains free from county, municipal and school district real estate taxes.

Winifred Brandon, a Philadelphia attorney specializing in land banks, recently told Pottstown Council that close to 1,000 housing units in Pottstown — about one in ten — are vacant.

These properties generate no tax revenue but increase costs for police, fire and code enforcement because they are not kept up.

They also depress property values.

Properties on website

Last year, Lackawanna County, where Scranton is located, became one of 14 local governments to create a land bank.

Lackawanna’s land bank has already acquired 100 properties — mostly vacant land but also including some blighted houses and other structures — and placed them for sale on the county’s website. Price negotiable!

Land banks are a highly cost-effective way to reduce blight and increase the quality of neighborhoods. That, it turn, reduces crime.

Land banks harness the power of private developers and non-profits to invest capital in neighborhoods that need it the most.

The sooner Pottstown can establish a land bank, the better.