

Public Hearing on Neighborhood Blight & Revitalization Washington County

**Carroll Township Building
April 29, 2015
6:00 pm**

Introduction

I am Harlan Shober, Washington County Commissioner. Thank you for allowing me to express my thoughts on Neighborhood Blight & Revitalization and how it is impacting Washington County. My experience as a school director, township supervisor and county commissioner has given me a very unique perspective from the local government side.

Statement of Problem

The term “blight” sometimes has different meanings depending on who you are talking to. The definition ranges from properties that are un-kept, buildings that have not been maintained and are unsightly, properties that pose safety or health issues and buildings that require total demolition. It even extends to downtown commercial properties that are sitting empty with no plans for use. These properties have a negative impact on: revenues for taxing bodies, neighborhood property values, attitude, overall safety and health conditions. The answer to this issue will require support and cooperation from many different entities if we are going to be successful.

Blight in Urban Areas vs Blight in More Affluent Communities

As we look at all 66 municipalities across Washington County, we find that the issue of blight is not a consistent problem from the viewpoint of community impact. For example, if you look at Chartiers Township with over 1,500 properties, their list of properties with structures to be demolished is a total of eight. The township officials work with the property owners to have them remove their buildings using their dollars. Where this process does not work, the township makes use of the Community Development Block Grant Program to complete demolition and then they file a lien against the property. In many cases, there is not an overall plan for the use of these properties. Residential “side yards” and expansion of commercial businesses are normally the final result.

To the other extreme, the Mon Valley Communities such as Donora, Charleroi and East Bethlehem Township, along with the City of Washington and other more urban municipalities experience a much more obvious problem. These communities not only have these same residential properties that require remediation, but they are faced with the burden of trying to improve the downtown areas where the deterioration of the commercial and industrial properties results in the negative issues cited above. The number of properties that need attention is much higher and the need for a plan and

strategy for their use, going forward, is of utmost priority. The problem also exists in these more urban communities where the property owners are of low to moderate incomes and cannot afford to remove the structures. When pressure is applied by the local government, they simply walk away leaving the municipalities with maintenance of the properties and the effort of tracking down the owners, whether it's a private or a financial institution.

Economic Impacts

In a recent review of the more than 755 properties in the repository at the Tax Revenue Office, the total county, local and school taxes on the properties with either trailers or structures on them was \$188,000 annually. With all of these being removed, the annual revenue in taxes on the land only totaled \$113,000. Two conclusions are to be taken from these numbers: first, the value of these properties is in the land which does not depreciate, and secondly, there were a number of properties on this list that were un-improved with no structures.

The Chartiers Township properties (8) on their 2015 demolition list totaled \$8,412.82 in current annual taxes with \$ 1,761.33, when all structures are removed. It is important to note that in most cases, these properties are not contributing any tax revenue at the present time. This amounts to a loss of approximately 80% in tax revenues. Based on these small samplings, rehabilitation of properties would be the best strategy for the municipalities, but too many times, the structures are too far gone to save. This says that local government must take a proactive approach to enforcing ordinances early in the process to prevent the total loss. This loss of tax revenues is not limited to just these properties; however, as the adjacent and local property owners also experience devaluation in their homes and businesses. Putting these properties back on the tax roll is a great positive outcome beyond the cleaning up of the blight in the neighborhood.

Land Banks

A few counties throughout Pennsylvania have initiated County Land Banks to help address the issue of blight. Even though communities can also form these organizations, the requirement in population is sometimes a problem. In Washington County, our redevelopment organization has prepared a proposal for the commissioners to review. This process, even though it gives the county some advantages, must be implemented carefully since the purchase of property brings some added responsibilities, such as ongoing maintenance, use of property after rehabilitation or demolition and funding requirements to complete the overall plan that has been worked out with the local municipality.

Issues and Solutions

Local ordinances – Municipalities must enact ordinances to address the

blight problem before they can receive funding.
County can assist with model ordinance creation.

Ordinance Enforcement – Many municipalities cannot afford to have enforcement officers. Funding for county ordinance enforcement process required.

Rehabilitation of structures – Low to moderate income owners or buyers – Require funding assistance

Red Tape of Condemnation Process – Legislation required to streamline the process of condemnation, what criteria to apply, historical designations, transfer of ownership

Lot Sizes – Many of the urban properties do not meet the minimum square footage requirements for rebuilding. Variance requests are required with costs associated by owner at local municipality level. Ordinance revisions required.

Municipal Planning – Municipalities must create plans and strategies for use of properties after rehabilitation or demolition. Donora Borough bought 94 properties over last four years, only a few sold. The Borough has maintained these properties and torn down the buildings with their own public works personnel to lower costs. Their intent was to sell selected parcels, build downtown park areas and encourage businesses to locate there. Funding to encourage planning and implementation is required.

Unoccupied Buildings – A problem exists that in many urban downtown areas there are buildings that can be used with little to no improvements required to house some type of business. There is no demand for this space and so they remain vacant and deteriorating. Some type of incentive program is needed to encourage businesses to locate there versus locating in suburban areas.

State & Federal Liens – One of the biggest problems in the selling of properties are liens. Legislation to waive these liabilities at both the state and federal level would be required. In many cases, the chance of collecting liens from the property owners is low.

Land Bank Advantages on Municipal Level – Legislation to provide some of the land bank enhancements to local government so that they can incorporate these processes into their planning.

Prioritizing of Funding by Degree of “blight” – Knowing that the more urban areas require the most attention, the funding should be prioritized to meet these needs.

Integration of Other Program Areas – Finding other uses for these properties helps to develop the local plans. Veteran housing, agricultural programs such as master gardening, side yards, parks & recreation areas and job creation programs. Tying some of these plans together with some incentive funding could more fully utilize the properties.

In conclusion, we have many programs now that do address some of these areas, but more funding would allow the county and local municipalities to more quickly eliminate a lot of the blight issues that exist. As legislation changes and funding are being considered, hopefully some of the issues raised here will be addressed and any questions or information that is needed to support your efforts can be gathered.

Submitted by

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