

Dear League Members,

The League is pleased to provide the results of our blight survey conducted and analyzed in the fall of 2022 by Intern Hannah McManus, a senior Political Science major at Shippensburg University. We conducted a survey to offer League members and staff a snap shot of what tools our municipalities are using to combat blight, as well as provide examples and best practices of those tools. We also sought member suggestions for future legislative initiatives concerning blight remediation.

The survey was sent to both League and PSATC members – just under 200 municipalities – and we received about a 30 percent response rate.

The subject of blight is very broad. While experiences with blight vary from community to community, there is not a single town, city, borough or township that is not impacted by blight. This report serves as a collection of municipal programs and actions our members have taken to combat blight in their communities. It will serve as facilitator of discussions, ideas and solutions among League members, as well as their legislators in Harrisburg.

Because the report relied upon the member responses to our survey, it does not delve into the higher-level tools such as land banks, conservatorships or larger redevelopment efforts. Instead, it focuses on our communities' grassroots efforts to remediate blight.

We would like to thank the members who responded to the survey. We would also like to thank Hannah for her work compiling the survey results and preparing this report.

We look forward to continuing to support our members by advocating for new and improved blight tools. Please feel free to contact me with any questions or comments concerning the information presented.

Sincerely,

Amy Sturges

Deputy Executive Director - Advocacy

Pennsylvania Municipal League

Introduction

What is Blight?

The goal of this report is to provide a snapshot of the tools and best practices currently being used to combat blight throughout The League's membership. It is also a "first step" resource for municipalities looking for a place to start their journey against blight and its impacts.

Until very recently, there was no standard definition of blighted property in the Commonwealth. Blight, as now defined by <u>Act 79 of 2019</u>, includes eight separate criteria:

- a property that is deemed a public nuisance or that contains an attractive nuisance;
- a dwelling that is deemed unfit for occupancy;
- a structure determined to be a fire hazard; a neglected, vacant lot that has accumulated trash and/or rodents;
- a vacant property not rehabilitated within one year of a notice for corrective action; a vacant parcel on which an unpaid municipal lien for the cost of demolition of a structure exists; and
- a vacant parcel on which municipal liens are greater than 150 percent of the fair market value; or a property abandoned in writing by the owner.

Act 79 applies to all laws enacted after 1937, thereby making enforcement easier and more uniform.

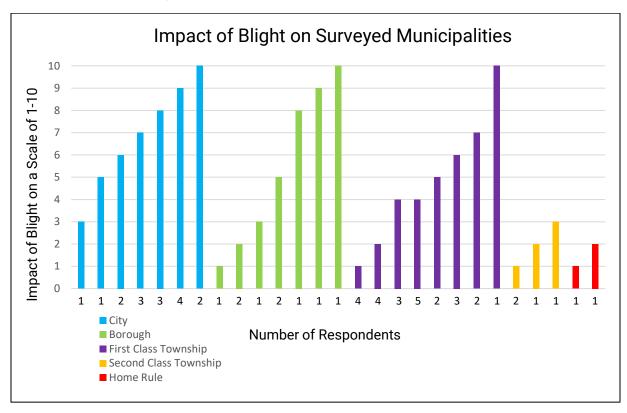
Blight's Impact on Pennsylvania's Communities

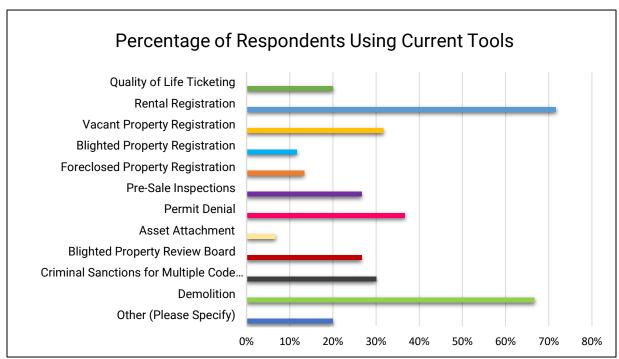
As we know, blight's impact is more than just an eyesore on a city street corner. It occurs in rural, suburban and urban communities and has significant economic and community repercussions. Blight costs municipalities a tremendous amount of money in unpaid and lost tax revenue annually. It also uses precious municipal resources in cleanup efforts and decreases the value of homes for the surrounding homeowners.

In addition to negative economic impacts, studies have also shown that blight has a detrimental impact on the physical and mental health of those who live in its shadow. Vacant and blighted properties are linked to increased disease mortality and suicide. Communities that struggle with blight are theorized to be more vulnerable to crime, creating community withdrawal which increases chronic stress and negative behaviors, such as drug use.

Blight's impact takes a huge toll of both communities and residents, making blight prevention and remediation a necessary goal of every community.

Snapshot of Survey Respondents and Blight Tools in Use





Preventing Blight

The first step to combating blight is prevention. Encouraging property owners to take care of their property, having a robust code enforcement program and involving the community are several prevention measures used by our membership.

Property Maintenance Code Adoption and Enforcement

Active code enforcement can help identify blighted properties, and swiftly address them before they become a nuisance in the community. A necessary part of this is adopting a property maintenance code and enforcing its requirements with a code enforcement team that is both proactive and consistent.

Municipalities may choose to adopt a set of local codes setting out the expectations for the maintenance and upkeep of structures.

Another option is to adopt all or portions of the International Property Maintenance Code or IPMC. The IPMC is a universal model code that provides clear minimum standards for existing buildings, including sanitation, lighting, heating and fire safety. A community can choose which portions of the IPMC it wishes to adopt based on its own individual needs. Furthermore, the IPMC is regularly updated giving communities the option to adopt new versions periodically.

Upper Chichester Township adopted the IPMC in 2014. It has allowed the Township to have swift responses to deteriorating properties, whether that be the ability to help struggling residents with their properties, or to ensure those who repeatedly violate codes are held accountable. The adoption of the IPMC has helped, but Upper Chichester also emphasizes the importance of resources to perform code enforcement. The Township's code enforcement staff is comprised of three full time positions, and two part-time positions.

Data-Driven Code Enforcement

A number of League members have worked with experts and community stakeholders to develop comprehensive blight strategies. These studies include the collection of data on not only the number of blighted or vacant structures, but on community demographics and community goals. These plans help hone in on blight remediation efforts in a consistent and strategic manner and help communities get the most out of limited resources. A few examples include the East Bayfront Neighborhood Plan in the City of Altoona and the Bethlehem.

Community Code Enforcement

Receiving community tips can be a valuable complement to your code enforcement department. It can be difficult to fund and staff a robust department, and even then, it is hard to have eyes on every property in every neighborhood. Community code enforcement tactics, such as residents being able to report property violations in their neighborhoods, can help code enforcement staff quickly address issues before they get out of hand. It can also provide residents with a feeling that they are not helpless in their community's efforts to combat blight.

Two examples of community based enforcement are from the <u>City of Bradford</u> and the <u>City of Altoona</u>. In both cases, residents may use an online form to submit anonymous tips about nuisance properties that code enforcement officials can then pursue.

Presale Inspections

Requiring a presale inspection of property before it is sold, not only protects the buyer, but the community by ensuring the property is up to code before it changes ownership. Over 25 percent of survey respondents use presale inspections.

The **City of Allentown** has a <u>presale inspection program</u> with the stated purpose of ensuring the health and safety of their community. The program requires all property owners to request a presale inspection within five days of offering their property for sale. This applies to all types of sales. Once the inspection is complete, the owner must address any violations before title transfer. Alternatively, the buyer may agree to take responsibility for the code violations with a notarized statement prior to the transfer of the property. If this option is chosen, there will be a reinspection and the buyer assumes all fees, penalties and/or enforcement action for un-remediated violations.

Rental Registration and Inspection

Rental inspection programs are popular among survey respondents with 70 percent utilizing such programs to ensure rental properties are identified and kept in a safe, habitable condition. Programs consist of licensing landlords, inspecting rental units and levying penalties for unaddressed code violations. Rental registration and inspection programs place the responsibility for property maintenance clearly on the property owner. This can keep rental units from falling into disrepair if the renter and property owner disagree on who is responsible for property maintenance.

The **City of Erie** utilizes a <u>rental registration program</u>. The stated purpose of the program is to protect public health and encourage owners and occupants to maintain and improve the quality of rental housing. The City's program involves regular inspection, annual registration and licensing of residential rental units and penalties for

non-compliance. When owners acquire new properties, they must seek registration for each unit within 60 days of ownership.

Local Blight Task Forces

Some League members have created local task forces to assist with the development of a comprehensive plan to address blight. Involving local officials, non-profits, businesses, institutions and residents is essential to analyzing and understanding the impact blight has on an individual community and creating a plan that is unique to the community.

The **City of Johnstown** is one example of how a blight task force was used to create a comprehensive blight plan. In March of 2020, Johnstown released its comprehensive blight strategy developed with the help of a blight task force. The City involved community leaders, businesses, organizations and other stakeholders. Collection of local data was the first step and included mapping of vacant and blight properties; gathering citywide demographic and economic information; and a market analysis of housing. This data, along with a review of the current tools available to fight blight, provides answers to the crucial questions of how and where to start. Ultimately, the City's comprehensive blight plan outlines a multi-step process and prioritizes those steps based on the blight remediation and community reinvestment goals established by the City and its task force.

The **City of Pottsville** is another example of a community utilizing a <u>blight task force</u>. Since 2014, blighted properties have been identified, assessed, ranked according to state of disrepair and added to a running list. Properties are then prioritized, and corrective measures are pursued. The list is revisited on a regular basis. The Task Force also uses the City's nuisance ordinance to pinpoint troubled properties for corrective action. The ordinance defines a nuisance property as one with three or more violations of criminal statutes, three or more violations of City codes relating to property maintenance or three or more violations of City zoning.

Home Repair and Rental Rehabilitation Assistance

Another tool to help prevent property deterioration is offering property owners monetary assistance in bringing properties into code compliance before the task becomes too expensive and overwhelming. Some communities use federal funds to provide grants and loans to low-income residents. The **City of Altoona** offers two such programs. For rental units in need of repair, the City offers 50 percent of rehabilitation costs up to \$14,950. And, for owner-occupants, the City offers no interest loans that range from \$15,000 to \$20,000. The **City of Pittston** has a similar <u>Home Rehab Program</u>.



The <u>Beautiful Blocks Program</u> in the **Cities of Scranton and Carbondale** offers grants to residents for exterior home improvements. Competitive grants up to \$1,000 are available for a group of five or more residents, and each resident is required to match the grant. Residents meeting specific income levels have a reduced match requirement. Municipal programs assisting property owners with repairs are not solely for residential structures. The **City of Bethlehem's <u>Façade Program</u>** offers low-interest loans to businesses wishing to restore building facades in commercial districts.

Remediating Blight

Bighted Property Review Boards

Creating a blight review board can help identify and focus on specific properties the board deems blighted. Twenty-six percent of municipalities who responded to our survey utilize blighted property review boards.

Cumru Township in Berks County works closely with the <u>Berks County Blighted Property Review Committee</u> (BPRC), which is under the auspices of the Berks County Redevelopment Authority. This is a great example of how counties and municipalities can work together to fight blight. Created in 2015, the BPRC has five municipal members who are able to refer properties to the committee for review. If the property owners don't voluntarily work with the committee to address the issues, the committee can certify the property as blighted and refer it to the Redevelopment Authority.

The **City of Pittston** created a <u>Blight Property Review Board</u> to support its code enforcement efforts and move properties to rehabilitation more quickly. The City outlines the process by which properties come before the Board, as well as the process once a property is deemed blighted in a guidebook posted on its website.

The **City of Easton** has utilized a <u>Vacant Property Review Committee</u> for many years. In conjunction with the Planning Commission, the review committee certifies vacant and dilapidated properties to the City's Redevelopment Authority using a definition for blight provided within its ordinance. Once referred to the Authority, properties can be acquired and prepared for reuse.

Quality of Life Ticketing

Quality of life ticketing can be a quick and impactful tool in encouraging homeowners to maintain their property as soon as indicators of blight are noticed. This type of action also sends a message to property owners who maintain their property that their municipality is concerned with how blight impacts surrounding properties.



Tickets for code related violations are similar to parking tickets in that both payment and corrective action are due immediately. A refusal to address issues after receiving a ticket leads to citations and involvement of the court system. According to our survey, 20 percent of our respondents use quality of life ticketing in their communities.

The **City of Pottsville**, utilizes <u>quality of life ticketing</u> as a way to quickly address maintenance issues. For Pottsville, the tool has helped create a high level of compliance and can be done quickly compared to other tools.

The **City of Bradford** provides an <u>online brochure and checklist</u> for maintenance issues that can result in tickets. Routine ticketing has helped correct minor violations early.

Blighted, Vacant, and Foreclosed Property Registries

Various types of property registries are used by our survey respondents as a way to keep track of blighted and/or properties vulnerable to blight. Registries not only provide data on the number, location and condition of properties, they also help collect contact information vital to determining owner accountability. Registration and licensing fees help to recoup the costs of the programs. From our survey 12 percent of respondents have a blighted property registry; 32 percent have a vacant property registration; and 13 percent a foreclosed property registry.

The **City of Monessen** has a <u>blighted property inventory</u>, as well as a vacant property inventory. In 2019, the City created a blight inventory list consisting of all properties in Monessen. A condition rating scale was developed consisting of good, fair, and poor. Each property in the City was assessed and given a rating. This information was then utilized to create an interactive map that allows anyone to view the properties and their ratings on the City's website.

In 2021, The **City of Altoona** implemented a <u>vacant property registry</u> requirement. The City's ordinance requires owners to register their vacant properties annually with the Codes Department.

The **City of Allentown** utilizes a <u>foreclosed property registry</u>. The City requires the registration of all at risk properties that are abandoned or foreclosed. The annual registration requirement keeps contact information up to date and assists with enforcement accountability for the care of properties.

Asset Attachment

Act 90 of 2010, the Neighborhood Blight Reclamation and Revitalization Act, authorizes the use of asset attachment when fines go unpaid and violations go uncorrected for more than six months. Liens can be placed on the property itself, as well as on other



real and personal property of the owner. Clearly, the municipality must know the owner has sufficient assets for this to be an effective tool in pushing the owner to address the violations and fines. A small portion of our survey respondents said they have utilized this tool to some extent as leverage to compliance.

Permit Denial

Permit denial is another incentive-based tool authorized by Act 90 of 2010. It gives municipalities the ability to deny municipal permits and licenses to repeat offenders who violate property codes and have a backlog of judgements and fines for serious code violations anywhere in the Commonwealth. Permit denial can also be used when a property owner has final, unappealable tax, water, sewer and refuse delinquencies. The denial may continue until the property owner provides proof that back taxes are paid and violations corrected. According to our survey, 37 percent of survey respondents indicated the use of permit denial. **Haverford Township's** Permit Denial ordinance is an example.

Criminal Misdemeanor Charges

The use of criminal misdemeanor charges for serious, ongoing code violations is authorized by Act 90 of 2010 as another tool to incentivize code compliance. There is a high bar of repeated refusal by the property owner to address violations before this tool is available. The violations must be a public nuisance or a threat to health, safety and property. When a property owner has at least two summary convictions for serious, ongoing code violations on the same property, and still has made no attempt to correct the violations, they can be charged with a misdemeanor. Conviction under this provision of Act 90 carries significant fines and the possibility of jail time. In order to pursue this tool, coordination with the County District Attorney is necessary. **The City of Altoona** has utilized this provision. The city solicitor was named an Assistant District Attorney and is authorized to bring misdemeanor charges against property owners.

Demolition

Over 60 percent of survey respondents use demolition as a tool to clean up nuisance properties that are unsafe. Demolition also helps to reduce the cost of maintaining blighted structures, improves neighboring property values and makes way for property reuse. Municipalities wishing to use demolition must have a clear process outlined in their property maintenance code. Demolition costs can be recovered through a municipal lien. The **Municipality of Murrysville's** <u>Dangerous Structures ordinance</u> is an example.



Funding for Blight Prevention and Remediation

The need for more funding is a recurring theme throughout our survey responses. Some of the programs used by survey respondents are listed below.

Federal Opportunities

Community Development Block Grant (CDBG)

The Community Development Block Grant Program uses include housing rehabilitation, public services, community facilities, infrastructure improvements, streets and sidewalks, economic development and planning. Funds are distributed to municipalities either directly through a formula entitlement or through a competitive grant program. Seventy percent of entitlement grants must be used to benefit low and moderate income individuals.

Survey respondents reported using CDBG funds to rehabilitate and bring low-income homes and rental properties into code compliance, to demolish unsafe structures and to leverage further investment opportunities both public and private.

Home Investment Partnership Program (HOME)

The HOME Program provides formula grants to states and local governments for use in creating affordable housing for rent and ownership by low-income households. The program is flexible in allowing its funds to be used for grants, loans, loan guarantees or rental assistance.

American Rescue Plan Act (ARPA)

In response to the COVID-19 pandemic, the <u>American Rescue Plan Act</u> was passed, dispersing \$350 billion dollars to state, local, and tribal governments across the United States.

Our survey indicates, 23 percent of respondents used some of their ARPA funds to help remediate blight including: demolition; the purchase of blighted commercial and residential property for redevelopment; façade improvements grants for businesses; rehabilitation loans to homeowners; and lead abatement.

State Opportunities

Keystone Communities Program

This program offers flexibility in community and economic development efforts to stabilize neighborhoods. Local governments, redevelopment authorities, non-profits, community development corporations and improvement districts are eligible.

Neighborhood Assistance Program

The program provides tax credits of up to 55 percent to businesses investing in projects to improve distressed neighborhoods. Eligible projects include affordable housing, crime prevention, education, job training or community services.

Whole Home Repair Program

The Whole Home Repair Program launched in November 2022 and is funded by the state's allocated American Rescue Plan dollars. A one-time appropriation for the Program was enacted in Act 54 of 2022. The program provides funds to counties to address habitability and safety issues, as well as energy and water efficiency. Counties will offer grants to eligible homeowners whose household income does not exceed 80 percent of median income. Loans are also available to small landlords to help improve the habitability of their rental units, and in some cases, loans may be forgiven.

Industrial Site Reuse Program (ISR)

The <u>ISR program</u> provides funds that can be used for remediation and environmental cleanup of industrial properties that have been affected by blight. There are three types of assistance funded through this grant – environmental assessments, environmental remediation or both.

In **Springfield Township**, this program has been successful in helping <u>prepare a brownfield site for redevelopment into a public park</u>.

County Opportunities

County Demolition Fund

The Recorder of Deeds Fee Law authorizes counties to collect up to a \$15 fee on each deed and mortgage recorded. This money is dedicated to a county fund exclusively for demolition of blighted properties. The initial ten-year authorization to levy this fee was made permanent in 2022.

Roadblocks in Fighting Blight

One of the main purposes of our survey was to understand roadblocks that municipalities face in fighting blight. While all communities are different, three responses that occurred frequently among survey responses were: tangled titles, the court system, and lack of funding to adequately address blight.

Tangled titles is a known issue in **City of Philadelphia**, but according to our survey, tangled titles affect more than half (59 percent) of municipal respondents. A tangled title is a property that does not have a clear owner. This makes it difficult for a

municipality to enforce code violations and payment of delinquent taxes and utilities. It can also be a determent to a resident with good intentions to take care of the property.

In Philadelphia there has been an effort to address tangled titles, including <u>requiring</u> <u>funeral homes to provide information</u> on the importance of probating a will and transferring a deed, as well as programs to help those who cannot afford the legal costs of probate and deed transfer.

The slowness of the court system, courts not enforcing local ordinances and the need for dedicated housing or blight courts were common responses from our members regarding roadblocks to blight remediation. Properties continue to deteriorate as municipalities wait many months for adjudication of violations. To help bring actions to a close more efficiently and effectively, many communities suggested a housing or blight court dedicated to any and all situations involving blight or housing. Housing courts are authorized under Act 90 of 2010 at the county level. However, no funds are provided with this authorization to assist counties in establishing these courts.

Which brings us to a lack of dedicated funding at all levels of government for more effective code enforcement and blight remediation. Those with limited code enforcement are looking for funds and those with active code enforcement can always make use of additional funding to expand programs. Many respondents pointed to the need for action at the state level to fund blight remediation efforts with a dedicated, statewide mechanism.

Moving Legislative Initiatives Forward

On both a state and local level, there is little disagreement that blight is harmful to communities and that addressing it makes sense at every level. Even with this general, nonpartisan agreement, blight tools and other remediation legislation do not easily become law. When speaking with legislative staff there are a few reasons for this – the protection of property rights; finding an acceptable funding source; and education of the General Assembly on the true impact of blight.

In Pennsylvania, individual property rights are immensely important. Therefore, legislation dictating how a property owner must take care of their property or legislation shortening a longstanding process often receives push back from legislators. Finding a balance between ensuring communities are healthy and enjoying a good quality of life while not infringing on the property owner's rights is a key factor in moving blight legislation to the Governor's desk.

Dedicated funding is not only an issue at the local level. Finding a statewide funding source for blight that a majority of legislators are comfortable with is elusive. Discussions of funding sources often accompany discussions of taxation and fees,

which bring ideological and policy arguments that must be overcome in order to find common ground.

The General Assembly's lack of awareness and education of blight impacts has slowed legislative progress. Making sure that members understand the overall impact of blight on a community and region is important. Legislators need to know what efforts are taking place locally to address blight. They also need to know, very specifically, what they can do to help at the state level. As such, The League encourages its members to assist in the education process by informing your House and Senate members of the work you are doing to fight blight, as well as the work you would like to do and what may be preventing you from reaching your goals.

The Pennsylvania Blight Task Force is a source of information for members of the General Assembly. Collaborating with many stakeholders, including the local government associations, the Task Force works to introduce and move legislation through the General Assembly.

The League intends to use the information gathered from our survey to continue our advocacy efforts around blight. We have made blight tools a legislative priority for 2023 and will work to be a resource and advocate.

Resources

Housing Alliance of Pennsylvania: Blight Library

Blight Laws in Pennsylvania

Act 58 of 2022	This Act creates the Affordable Housing Unit Tax Exemption Act authorizing local taxing authorities to provide for tax exemptions for improvements to deteriorated areas and dwellings to either create new or improve existing affordable housing units.
Act 126 of 2022	This Act amends the Abandoned and Blighted Property Conservatorship Act adding land banks as an entity authorized to act as a conservator.
Act 149 of 2022	This Act amends the Recorder of Deeds Fee Law making permanent the option for a county to collect a \$15 fee for each deed and mortgage recorded for a dedicated demolition program.
Act 33 of 2021	This Act amends the Real Estate Tax Sale Law Act requiring bidders to appear and register for a tax sale 10 days before bidding on properties.
Act 58 of 2020	This Act amends the Urban Redevelopment Law authorizing municipalities, at any size, to establish redevelopment authorities.
Act 79 of 2019	This Act amends Section 1991 of Title 1 (General Provisions) establishing a specific and universal definition of blight for the Commonwealth.
Act 33 of 2018	This Act amends the Title 68 (Real and Personal Property) granting and expanding the rights of a redevelopment authority to act as a land bank in their given county or municipality.
Act 34 of 2018	This Act amends Title 42 (Judiciary and Judicial Procedure) reducing the property acquisition time from 21 years to 10 under adverse possession for a person with a long-standing relationship to the property that satisfies all requirements of adverse possession.
Act 38 of 2018	This Act amends the Real Estate Tax Sale Law clarifying ownership of tax delinquent properties being sold through the Real Estate Tax Law. The ownership responsibilities remain with the owner of record until the property is sold and the deed is transferred to the new owner.

Act 133 of 2016

This Act amends the Municipal Codes and Ordinance Compliance Act reducing the timeframe in which an owner must bring a property into compliance from 18 to 12 months of purchasing a property with known code violations.

Act 152 of 2016

This Act amends the Recorder of Deeds Fee Law providing counties with the option to adopt an ordinance or resolution to collect a maximum fee of \$15 for each deed and mortgage recorded to be exclusively used for the demolition of blighted property.

Act 153 of 2012 This Act amends Title 68 (Real and Personal Property) granting municipalities the ability to create a land bank.

Act 90 of 2010

This Act amends Title 42 (Judiciary and Judicial Procedure) and Title 53 (Municipalities Generally). Known as the Neighborhood Blight Reclamation and Revitalization Act, it provides a number of blight tools and incentives to leverage code compliance including permit denial, criminal misdemeanor sanctions, and asset attachment.

Act 135 of 2008

This Act creates the Abandoned and Blighted Property
Conservatorship Act allowing local governments and other entities to
petition the court of common pleas to become a conservator of
blighted property.