

SENATE URBAN AFFAIRS & HOUSING COMMITTEE

Public Hearing

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Senate Bill 1291

Neighborhood Blight Reclamation and Revitalization Act

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Good Morning. I'm Michael McGeever, Elm Street Manager for the City of Pottsville. I am employed by Schuylkill Community Action—the implementing agency for the city's five year Elm Street Program. The Elm Street Program is a statewide initiative that focuses on residential revitalization in neighborhoods that are in close proximity to, or adjoin, the commonwealth's municipalities' downtown districts. The Elm Street Program is funded by the PA Department of Community and Economic Development. Many elements of Elm Street are implemented by the PA Downtown Center—an influential and active proponent for the “fight on blight”.

The goals of the Elm Street Program are to not only undertake improvements in a designated neighborhood's infrastructure, provide first-time homebuyer down payment assistance, and carry out home renovation projects for qualified homeowners, but equally important is the strong plank in Elm Street's platform of renewing pride in a particular neighborhood—to give homeowners, business owners and residents a sense of ownership and community while enabling them to solve some of their problems as a neighborhood on their own—as neighbors. Ultimately, it is hoped, the residents will sustain these ideals long after programs such as Elm Street move on from their area.

The continued, long term presence of blighted, deteriorated and abandoned properties only hinders the endeavors and goals of initiatives such as the Elm Street Program and its downtown, business district counterpart, the Main Street Program. Without the success of Senate Bill 1291, and the ability of municipalities to deal more swiftly and effectively with this issue; further frustration will be heaped on responsible home and business owners who work within the guidelines of these programs—some who invest their own money as matching funds to the grants and loans for which they have successfully applied.

The inability of municipalities to deal with blighted, deteriorated and abandoned properties—as they should be empowered to do—results in an overall decrease in value of a neighborhood; an obstacle for realtors to market homes in a neighborhood; and also makes the prospect less attractive for potential businesses to move into an area—some of which may provide much needed amenities for that particular district or neighborhood. Meanwhile, the consequences for a municipality's tax base are glaringly obvious. There are numerous studies to support these remarks, and I would be happy to furnish them as additional testimony since time does not permit their oral submission today.

Those are some of the potential economical ramifications of blight. But what about the social and psychological impact that chronic blight has on a community? How can homeowners or business owners be encouraged to invest in their properties when—on a daily basis—year after year—they witness sections of their blocks literally crumbling around them? How can I, as a neighborhood revitalization specialist, urge homeowners to participate in home renovation programs, and in some instances ask them to invest their own hard-earned money, when irresponsible property owners on their blocks laugh in your face when they are confronted about the deplorable conditions of their properties? (And that’s only dealing with some local property owners, let alone those from out of the area—if they can be found.) These situations can only be counter productive to what state revitalization programs such as Elm Street and Main Street have been designed and legislated to achieve.

These frustrations are shared by municipalities’ code enforcement departments. As Elm Street Manager, I’m fortunate enough to have a great working relationship with Pottsville’s code enforcement team. On a day-to-day basis, they communicate a desire to obtain the ammunition to fight the blight. Code enforcement is on the front line. As outlined in subchapter G of Senate Bill 1291, the commonwealth’s municipalities must be given additional tools and funding to augment existing code enforcement regulations to deal with the spread of chronic blight. Such additional firepower would allow code enforcement to initiate preventative measures and tailor them to their needs. For example in the recent past, structures—many of historical significance in Schuylkill County—could have been saved if the owners of the properties were compelled to, at least, put a roof on the structure to prevent water damage. There is potential to refurbish some of the existing housing stock and make properties across this commonwealth attractive to potential buyers from all walks of life. That possibility evaporates if that housing stock, as well as potential business premises, are allowed to rot due to lack of action by the owner and the absence of resources for communities to reverse the situation. The hurdles faced by municipalities, their code enforcement departments and responsible property owners are spelled out in the lead story of yesterday’s edition of the Republican and Herald. I have attached a copy of the news story to my testimony.

This situation is not exclusive to larger urban areas. In fact, and unfortunately, blight seems to have more of an impact on smaller communities; probably because it is more noticeable, more quickly.

At the county level, tax bureaus and related administrators need to work more closely, and uniformly, with municipalities and or responsible entities such as Schuylkill Community Action that seek to acquire the described type of properties for demolition or renovation with the purpose of targeted community revitalization.

Meanwhile, properties acquired through tax sales that have previously been deemed blighted, abandoned or deteriorated must have their conditions addressed in a timely manner. Parties acquiring these types of properties should have background checks to investigate whether they possess other properties that are in serious code violation. At the time of tax sale, stipulations should be in place to mandate the rehabilitation or demolition of the structure in a certain time frame.

If the purchasers do not meet their responsibilities, then the municipalities must be empowered to seek recourse to bring the property owner to task or pursue criminal prosecution and/or seize assets. Setting conditions and stipulations for tax sales potentially will make opportunists—especially out-of-state property buyers—think twice before buying blighted properties with the intention of making a quick buck by flipping the property, say, on eBay, without actually even crossing the threshold of the properties.

There have been great strides taken to “fight the blight” across this commonwealth. It is quite evident that programs such as Elm Street and Main Street have made a substantial impact on renewing the vibrancy of many diverse communities.

The provisions detailed in Senate Bill 1291 will provide much needed leverage to the broad spectrum of the commonwealth’s community revitalization initiatives while giving the municipalities additional and more effective ammunition to “fight the blight.” This bill can be a significant step in securing Pennsylvania’s rich history while adding another chapter to it. Thank you.