
Blighted Property Review Committee

Thursday, March 21, 2014

Update Meeting Report

BRPC Members Attending: L. Olsen, Chair; D. Reed, M. Wolfe, D. Luckey, H. Urena, D. Lucky

Others attending: L. Kelleher, T. Butler (via phone), R. Natale, K. Potts, J. Varghese

Mr. Olsen, Chair, called the meeting to order at 6:05 p.m. and announced that a quorum was present.

He introduced the new CD Housing Deputy Director Jojo Varghese to the committee.

Public Comment

Mr. Olsen opened the floor for public comment. As no one stepped forward to speak, the comment period was closed.

Approval of Agenda and Minutes

Mr. Olsen called the BPRC's attention to the January non-hearing minutes and the February Determination hearing minutes distributed electronically and the agenda for this meeting.

Ms. Reed moved, seconded by Mr. Urena, to approve the agenda and the minutes as distributed. The motion was approved unanimously.

Matrix – Evaluation of BPRC Impact

Mr. Olsen stated that the draft report is attached to the meeting agenda.

Mr. Kromer stated that he compiled the report over the last six (6) months, at the request of the administration. He stated that the administration questioned the function of the Blighted Property process and how it relates to the administration's housing strategy and goals.

Mr. Kromer stated that other Pennsylvania cities that used the Blighted Property process funded it through CDBG HUD funding through HOME and when that funding began dwindling, they abandoned the process. However, the Reading committee

instead revamped their process to make it work as a standalone that did not require CDBG Home funds.

Mr. Kromer explained that the Blighted Property process function supports the MVA and the administration's housing goals. He stated that the properties processed are mainly located in Steady or Transitional clusters (under the MVA designation) and that the process provides property owners with a "nudge" to correct their deficiencies.

Mr. Lucky noted that taking the properties through the process takes approximately 6-9 months so undertaking the process in advance allows interested developers and individuals with the ability to acquire the properties more quickly. He expressed the belief that having certified properties in the queue was better than doing nothing.

Mr. Kromer stated that after looking at the disposition of the 174 properties that have been certified over the past three (3) years, he learned that a number of properties corrected their tax and water delinquencies and/or corrected their Property Maintenance violations. This probably occurred due to the threat of eminent domain and losing title to the property. He noted that in 2013 nine (9) properties were de-certified after they corrected their deficiencies.

Mr. Kromer stressed the importance of the Committee's work to match six (6) properties with City supported housing agencies for rehab. He stated that the CORE property located at 737 N 4th Street is still being marketed; however, as it is believed that the property is too large to become a single family home, it is now being marketed as a two (2) unit rental.

Mr. Kromer explained that the Blighted Property schedule has been adjusted so that there are only two certification cycles per year, which will move approximately 25 properties through the process per cycle. This "slow down" will better enable the Property Maintenance division to manage the properties.

Mr. Urena moved, seconded by Ms. Reed, to approve the report submitted by Mr. Kromer and direct the submission of the report to the administration, as prepared by Mr. Kromer. The motion was approved unanimously.

Acquisition Handbook

Mr. Kromer encouraged Mr. Varghese to meet with Ms. Butler and Ms. Kelleher to go over the process and to discuss the acquisition strategies.

Mr. Varghese stated that the acquisition of blighted properties is one of his duties as the Housing Deputy Director. He stated that he will review the processes and report back in May.

Mr. Natale stated that Property Maintenance has a larger success rate with the owners of properties after the properties begin moving into or through the Blighted Property process. He thanked the Committee for their efforts.

Mr. Olsen stated that the next meeting is a Certification Hearing on Thursday, April 17th at 6 pm.

The BPRC meeting adjourned at approximately 6:45 pm.

Respectfully submitted by Linda A. Kelleher, Secretary