

Report Highlights

Feasibility of Establishing a Statewide Blighted Property Registry

Senate Resolution 2009-142 calls on the LB&FC to conduct a study of the feasibility of establishing a statewide registry of blighted properties. With enactment of authorizing legislation, the registry could then be used by municipalities to deny local permits to owners of properties that have serious maintenance code violations.

- **Blighted and abandoned properties have widespread impacts on local communities.** The Housing Alliance of PA has estimated that 300,000 buildings are vacant in Pennsylvania, and that just one abandoned property on a block can cause a net decrease of \$6,467 in sales price on the other homes of that block. This problem occurs in large cities, small cities, and rural towns throughout the state. Although the PA General Assembly has taken several legislative steps to address the issue of blight, additional steps appear necessary.
- **Although not technically complex, a statewide blighted property registry raises several administrative, legal, and policy difficulties.** Three different software vendors indicated that developing a statewide blighted property registry is not technically difficult; with one vendor estimating development costs in the range of “several hundred thousand dollars.” As noted below, however, such a registry raises other administrative, legal and policy issues.
- **Municipalities are not currently authorized to deny permits based on property maintenance violations in other jurisdictions.** Senate Bill 900 would grant municipalities such authority, but until that (or a similar) bill is passed, municipalities have little incentive to incur the time and expense involved in maintaining a statewide registry. Several municipalities stated they would participate in such a registry anyway, but these were typically municipalities with relatively few blighted properties.
- **It can be difficult to identify the “true” owners of blighted property.** There are several legal ways for blighted property owners to disguise or hide their identity (e.g., through a corporate name). This can make it difficult for codes officials to contact the responsible parties.
- **Many municipalities do not have property codes.** About one-third of PA’s municipalities do not have a property maintenance code and could not list a property as having a serious violation on a blighted property registry. For the municipalities that do have a property maintenance code, the codes are not uniform.
- **Depending on how it would be designed, a blighted property database could require a significant effort by state and local officials.** A system that uses periodic (e.g., quarterly) batch processing would require significantly less effort—but provide less information—than an on-line, real-time system using the Internet.
- **Designing a system that ensures the data is accurate and unbiased is problematic.** One suggestion was for counties to verify the accuracy of the data reported by their municipalities, but the counties appear to have no interest in taking on that responsibility. Other approaches are possible, but also have drawbacks.
- **Neither DCED nor the Office of Attorney General has been receptive to administering a blighted property registry.** The Department of Community and Economic Development would appear to be the most logical choice for hosting a blighted property registry, but they are resistant to taking on such costs and operational difficulties. The AG’s office hosts the state’s home improvement contractor registry, but sees a fundamental difference between that and a blighted property registry.
- **The Magisterial District Court computer system already contains much of the information that would be included in a blighted property registry.** With some minor modifications, the district justice docket system could provide much that could be useful to municipal codes officials. The system would not, however, be as useful or robust as a system designed specifically for blighted properties.