

CITY OF ALLENTOWN

No. 86

RESOLUTION

R - 2019

Introduced by the Administration on October 16, 2019

**Property to Be Acquired by Eminent Domain by the
Redevelopment Authority of the City of Allentown**

Resolved by the Council of the City of Allentown, That

WHEREAS, the Council of the City of Allentown by Ordinance No. 12323, dated September 20, 1978, created a Vacant Property Review Committee within the City of Allentown pursuant to Section 12.1(b) of Act No. 94 of 1978 and Section 401 of Ordinance No. 11787, as amended, known as the Administrative Code of the City of Allentown; and

WHEREAS, the City of Allentown Blighted Property Review Committee, on January 13, 2015, and the Allentown City Planning Commission, on February 10, 2015, made a determination that certain vacant properties were blighted pursuant to the provisions of Section 1712.1 of the Commonwealth of Pennsylvania Urban Redevelopment Law; and

WHEREAS, the City of Allentown Blighted Property Review Committee, on April 8, 2019, and the Allentown City Planning Commission, on April 9, 2019, certified that certain vacant properties were blighted pursuant to the provisions of Section 1712.1 of the Commonwealth of Pennsylvania Urban Redevelopment Law; and

WHEREAS, funds are being made available through the Allentown Community Development Block Grant Funds to provide for the acquisition of blighted properties as defined and identified in accordance with Section 1712.1 of the Commonwealth of Pennsylvania Urban Redevelopment Law; and

WHEREAS, the owners of the subject property or agents designated by the owner for the receipt of services within the municipality have been served with notice of the determination that the property is blighted, together with an appropriate order to eliminate the conditions causing the blight and notification that failure to do so may render the property subject to condemnation in accordance with the provisions of the Commonwealth of Pennsylvania Urban Redevelopment Law; and

WHEREAS, owners of the subject property were given the right to appeal the determination of blight and the subject property was certified to the Redevelopment Authority as blighted until the time period for appeal had expired and no appeal had been taken or if taken, the appeal has been disposed of, and the owner or his or her agent failed to comply with the order to eliminate the conditions causing the blight.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Allentown that the following property is to be acquired through eminent domain, if necessary, by the Redevelopment Authority of the City of Allentown:

- **120 W Susquehanna Street**
- **214-218 E Cumberland Street**
- **219.5 N. 2nd Street**
- **231 N. Law Street**
- **233 Ridge Street**
- **235 N Law Street**
- **240 E Maple Street**
- **334 N Church Street**
- **409 N. Penn Street**
- **420 W Allen Street**
- **431 Washington Street**
- **443 Harrison Street**
- **508.5 N. 2nd Street**
- **523 N. Jordan Street**
- **540 Hamilton Street**
- **642 N 2nd Street**
- **726 Penn Street**
- **802 Walnut Street**
- **811-813 New Street (917 Carrot)**
- **820 N. 5th Street**
- **820.5 N 5th Street**
- **822 N 5th Street**
- **1018 Zieglers Court**
- **1031 S.7th Street**
- **1104 Walnut Street**
- **1218 W Gordon Street**
- **1503 Chew Street**

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

Redevelopment Authority of the City of Allentown

- **Summary and Facts of the Bill**

This bill request seeks City Council approval, to allow The Redevelopment Authority of the City of Allentown to acquire Certified Blighted properties via the eminent domain process, if necessary.

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City's Vision/Mission/Priorities**

The Authority has the power to take Certified Blighted properties through the Eminent Domain process. This is a process was adopted in the Urban Law 1712.1 to assist in eliminating Blight conditions throughout the city.

The Certified Properties are as listed:

- 120 W Susquehanna Street
- 214-218 E Cumberland Street
- 219.5 N. 2nd Street
- 231 N. Law Street
- 233 Ridge Street
- 235 N Law Street
- 240 E Maple Street
- 334 N Church Street
- 409 N. Penn Street
- 420 W Allen Street
- 431 Washington Street
- 443 Harrison Street
- 508.5 N. 2nd Street
- 523 N. Jordan Street
- 540 Hamilton Street
- 642 N 2nd Street

- 726 Penn Street
- 802 Walnut Street
- 811-813 New Street (917 Carrot)
- 820 N. 5th Street
- 820.5 N 5th Street
- 822 N 5th Street
- 1018 Zieglers Court
- 1031 S.7th Street
- 1104 Walnut Street
- 1218 W Gordon Street
- 1503 Chew Street

The benefit of this process is to the City, as this helps code enforcement of compliance and controls some public nuisance housing issues. If Federal Funding is used in acquiring or rehabbing the property, the end use will be for low to moderate income occupants. The down side is that eminent domain is a very lengthy and costly process.

- **Financial Impact – Please include the following in your explanation:**

- **Cost (Initial and ongoing)**
- **Benefits (initial and ongoing)**

The Redevelopment Authority of the City of Allentown will be required to pay the property owners "just compensation" for the official taking of the property, this amount will be agreed upon by the court. After "just compensation", The Authority may also need to pay attorney fees, appraisal fees, and engineering costs to the condemned, if necessary. When the property is in The Authorities inventory, they will bear costs such as property maintenance fees (ie, clean outs, grass, snow, dumping, and possible "weather tight" repair), insurance costs, attorney fees, marketing and title transfer fees. The Authority has a staff of three (3) and salaries will be an ongoing expense, as they will manage the properties from blight certification to disposition and a certificate of completion is recorded for the property. Properties will be transferred either as an RFP to an awarded contractor/developer or Authority paid internal rehabilitation and then listed on MLS for sale or rent.

- **Funding Sources – Please include the following in your explanation:**

- **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

The Redevelopment Authority of the City of Allentown receives Federal Community Development Block Grant funds to pay for some of the property acquisition costs.

- **Priority status/Deadlines, if any**

The Redevelopment Authority of the City of Allentown is ready to move forward with the next steps in the eminent domain process, as soon as City Council approves this resolution.

- **Why should Council unanimously support this bill?**

City Council should support this bill because the Redevelopment Authority of the City of Allentown will help ensure that blighted properties are quickly rehabilitated and occupied, therefore helping to reduce the number of blighted properties within the City.