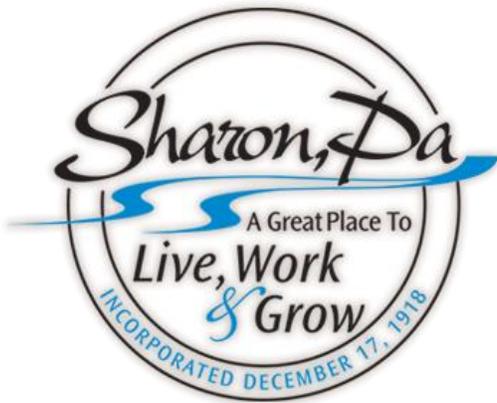


Comprehensive Blight Strategy Plan

City of Sharon



June 2020

The Blight Task Force wishes to thank the Pennsylvania Department of Community and Economic Development for its support and financial assistance to craft and carry out a blight strategy for Sharon.

Developed in Partnership with the Housing Alliance of Pennsylvania and Palo Alto Partners, LLC.





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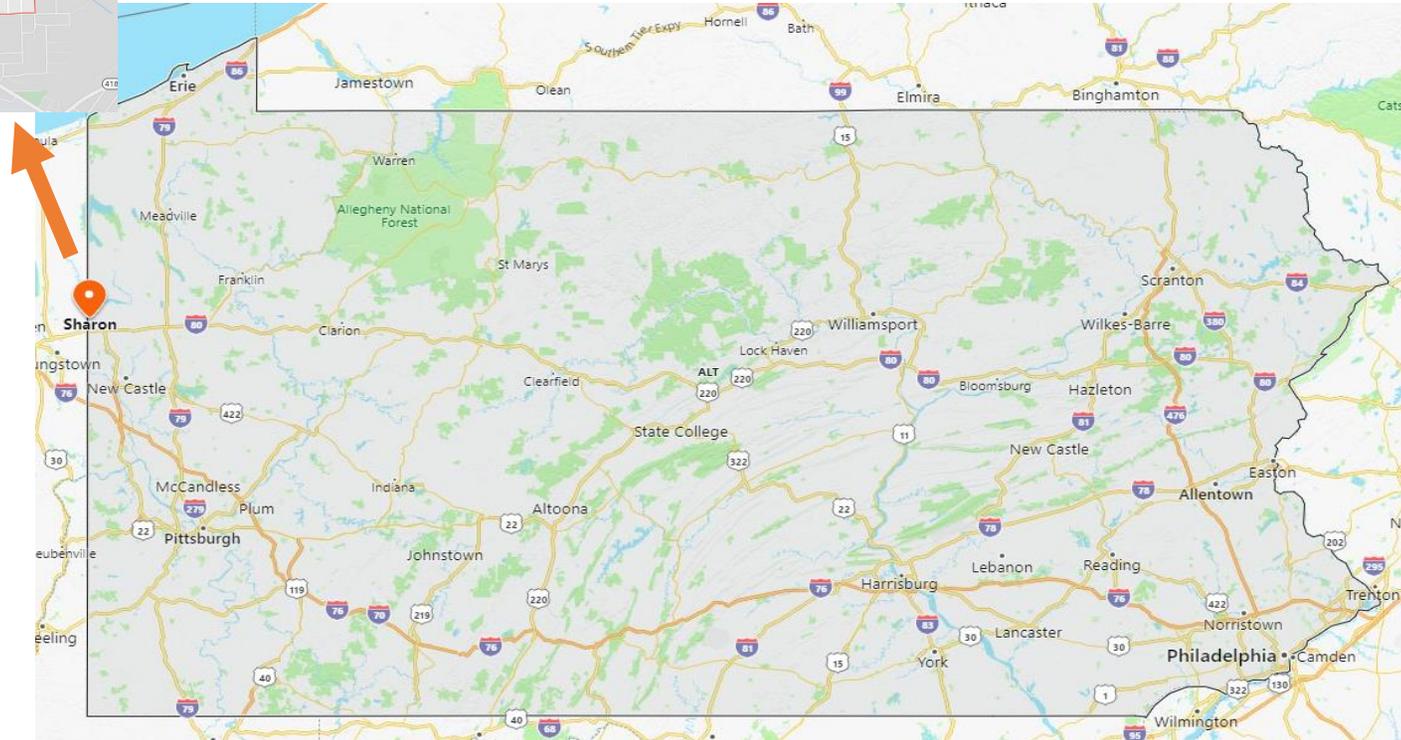
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The City of Sharon sits on Pennsylvania's border with Ohio. Interstate 80, which stretches from New Jersey to California, is approximately a 10-minute drive south from Sharon. The city is a one-hour drive from Pittsburgh International Airport and an hour and fifteen-minute drive from downtown Pittsburgh. The city covers an area of 3.8 square miles.



Source: Bing Maps (Accessed March 2020)



City of Sharon Blight Task Force

Comprehensive Blight Strategy Plan

Executive Summary

In its continuing effort to fight blight and promote community investment, the City of Sharon assembled a Blight Task Force to develop a comprehensive plan to implement effective strategies to address blight. The Blight Task Force includes representatives from City government, the school district, residents, landlords, and other stakeholders. Over the course of several months, the Blight Task Force examined data on the nature and extent of blight in Sharon, reviewed a range of blight tools and strategies, and reached consensus on blight strategies to prioritize for implementation. This report sets forth the work of the Blight Task Force and includes recommendations for implementation.

Statement on the COVID-19 Pandemic

The COVID-19 pandemic that emerged during the planning process led to a statewide shelter in place order by Governor Wolf in March. The pandemic's impacts in the period of time since the shelter-in-place order was issued have been broad and impacted households, businesses, and municipal governments. While the long-term impacts are unknown, it is likely that municipal resources will be constrained and discretionary funds utilized for emergency relief in the short-term. This may affect this timing for implementing the Blight Plan's priority strategies. The Action Plans are dynamic plans which can be updated to reflect capacity and available resources as these items become clearer in the future.

Priority Strategies Recommended by the Blight Task Force

- 1) Prioritize and Demolish Unsafe Structures and Prepare for Reinvestment
- 2) Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners from Bidding at Sale
- 3) Utilize Land Bank to Acquire, Manage and Market Vacant Properties
- 4) Work with Banks and Non-Profits to Provide Financing for Home Rehabs
- 5) Adopt Tax Abatement and Other Programs Authorized by State Law that Provide Incentives for Private Development

These votes show a community that is very much aligned with the City's existing capacity and support for targeted and strategic demolition. Additional prevention tools are sought to prevent problem property owners from purchasing properties through tax sale. A land bank has been a much-discussed tool in Sharon that would provide an opportunity to acquire and market vacant properties. The Task Force also prioritized redevelopment strategies that provide financial resources and incentives for individuals interested in purchasing and renovating properties.



Blight Task Force Members

We want to thank the Blight Task Force members for their time, insight, and dedication to the future of Sharon.

- | | |
|--|--|
| Molly Bundrant, City Council President | Sam Walker, Citizen |
| David Koerth, City Council | Scott Dubay, Code Officer |
| Carl Sizer, City Council | Brianna Glass, Assistant to City Manager |
| Robert Fiscus, City Manager | Geno Rossi, Code Officer |
| Melissa Phillips, Community Development Director | Bryan Phillips, Citizen |
| Dave Tomko, Code Director | Rick Stauffer, Covenant Church |
| Pauline Lapikas, Landlord | Bill Dodd, Citizen |
| Teresa Hall, Citizen | Suzanne Kepple, Code Officer |
| Brian Kepple, Citizen | Courtney Saylor, Citizen |
| Deborah Roberson, Sharon City School District | Dave Gloss, Attorney |
| JoAnne Harakal-Perrine, Citizen | Bryan Phillips, Citizen |
| Michaelene Mattson, Landlord, Business Owner, Resident | |
| Gary Dovey, PNDC | |

Blighted and abandoned properties undermine the fabric of communities, impose significant costs on local government, erode property values, and deter investment.



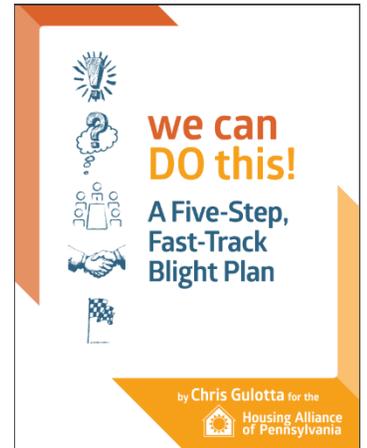
Build on existing programs by incorporating new tools and best practices to improve housing conditions, eliminate blighted properties and spur community investment



Introduction

In November 2019, a Blight Task Force was appointed by Community and Economic Director Melissa Phillips to develop a plan for addressing blighted properties in the City of Sharon. Like most post-industrial Pennsylvania cities, Sharon has long suffered from blighted properties and disinvestment due to loss of population and jobs, as well as changing market conditions. The City has been successful at gaining funding to target specific blighted areas in the City including the Lots to Love program which is detailed on page fifteen. Through this planning process, the Task Force explores additional blight strategies and makes recommendations on strategies that should be prioritized as part of the Blight Plan.

The process used to develop this Comprehensive Blight Plan is detailed in the publication, *We Can Do This: A Five-Step, Fast Track Blight Plan*, written by Chris Gulotta and published by the Housing Alliance of Pennsylvania in 2016.



The five steps in the Blight Plan process include:

-  Step 1: Gain consensus for developing a blight plan
-  Step 2: Assess nature and extent of blight
-  Step 3: Convene a blight task force
-  Step 4: Engage municipal officials
-  Step 5: Identify priority action steps and implement

Tom Hardy of Palo Alto Partners, LLC was retained to facilitate the Blight Plan process. Mr. Hardy has significant experience in community development and blight planning and has worked in a number of western Pennsylvania municipalities. Funding for this work is provided through the Pennsylvania Department of Community & Economic Development (PA DCED) and the Housing Alliance of Pennsylvania.

Step 1: Gain Consensus for Developing a Blight Plan

This step was accomplished in 2019 with discussions among and between City officials which culminated with the appointment of the Blight Task Force. The City was invited to apply to PA DCED for a Blight Training and Technical Assistance Grant. This grant was subsequently approved by PA DCED and the City entered into a contract with the Housing Alliance of Pennsylvania in late 2019 for the development of a community-driven blight Action Plan, planning to create a land bank, and technical assistance to the City on best practices for code enforcement. These services are being provided to the City by Tom Hardy of Palo Alto Partners, LLC and Housing Alliance staff.

Step 2: Assess the Nature and Extent of Blight

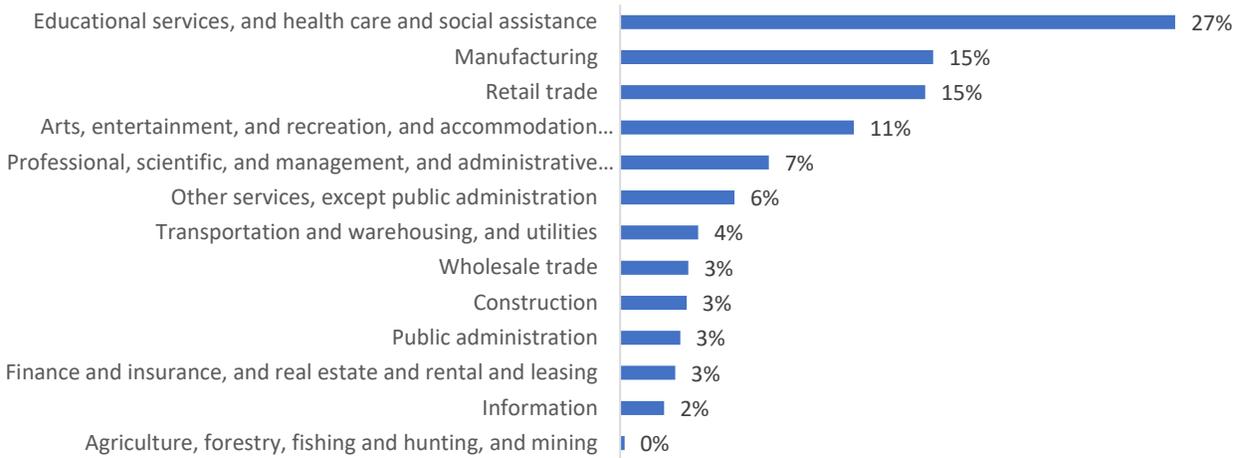
Sharon’s history is rooted in heavy industry, including coal mining, iron, steel, and other heavy industry. Suffering from de-industrialization that plagued most of western Pennsylvania in the 1970s and 1980s, Sharon lost jobs, businesses, and population, and experienced disinvestment. Sharon’s economy has shifted to healthcare and education and light industry (see Figure I), but its population and economy have not rebounded to the heights of its industrialization era during the early to mid-20th century. Sharon now has many properties left behind and a population without the income to maintain the occupied properties, resulting in considerable blight in the City.



Historical image of Sharon Steel seen in shadow of downtown (image from book in Sharon City Hall)

As blight in Sharon was caused by the economic conditions and the resulting population loss, it is important to have an overall understanding of this data. This helps in identifying the root causes of blight and the appropriate solutions to combat blight that are specific to Sharon.

Figure I: Employment by Sector, Sharon, 2018



Source: U.S. Census, 2014-2018 5-Year American Community Survey Estimates

Continued Population Loss

In the 1950s, Sharon had more than 26,000 residents, today it has just over 13,000 residents, losing roughly half of its population since the height of its industrial boom. Sharon continues to suffer population loss, which increases the challenge of dealing with existing vacant properties as more properties become vacant. If population loss continues, there is also a possibility of more businesses leaving, adding more commercial blight to the City. Mercer County is also experiencing population loss, although at a rate lower than the City. Sharon’s proximity to Ohio adds another competitive consideration for households and businesses that have some flexibility in where in the region they locate.

Figure II: Sharon Population Data

Item	City of Sharon	Mercer County	Pennsylvania
2010 Population	14,038	116,638	12,702,379
2018 Population	13,378	112,630	12,791,181
% Change 2010 - 2018	(4.7%)	(3.4%)	0.7%

Source: 2018 ACS 5-Year Estimates Data Profiles

Population loss is typically associated with increasing housing vacancies and stagnant or declining property values. Sharon’s current vacancy rate as shown in Figure III is 20.0%, which is significantly higher than both the county and state-wide benchmarks.

Figure III: Sharon Housing Vacancy Data

Item	City of Sharon	Mercer County	Pennsylvania
Total Housing Units	7,537	52,200	5,673,599
Total Occupied Units	6,029	46,028	5,025,132
Vacant Units	1,508	6,172	648,467
Vacancy Rate	20.0%	11.8%	11.4%

Source: 2018 ACS 5-Year Estimates Data Profiles

Depressed Housing Market

Sharon’s median housing value is only 37% of the median housing value in Pennsylvania and 53% of the median housing value in Mercer County. With low housing values, the cost of restoring blighted properties may be more than the value of the house, discouraging investment in blighted properties. Sharon also has a lower proportion of owner-occupied units than Mercer County, which has a higher rate of homeownership than across the Commonwealth. With a high proportion of rentals occupied by low-income renters, some landlords might not have the means or the will to maintain their properties.

Figure IV: Sharon Housing Tenure & Values

Item	City of Sharon	Mercer County	Pennsylvania
Owner Occupied %	52.2%	72.9%	69.0%
Median Value of Owner-Occupied Housing	\$63,800	\$119,600	\$174,100

Source: 2018 ACS 5-Year Estimates Data Profiles

Sharon’s population increased in the early 20th century alongside the development of industry. The population peaked in 1950 and 59% of the current housing stock was built by this time. This means most Sharon’s homes are at least seventy years old and given their age, they may have significant maintenance costs and often lack the amenities that current homebuyers expect.

Figure V: Sharon Age of Housing Stock

Year Built	Number	Percent
Built 2014 or later	0	0%
Built 2010 to 2013	57	1%
Built 2000 to 2009	8	<1%
Built 1990 to 1999	118	2%
Built 1980 to 1989	121	2%
Built 1970 to 1979	793	11%
Built 1960 to 1969	383	5%
Built 1950 to 1959	1,595	21%
Built 1940 to 1949	1,061	14%
Built 1939 or earlier	3,401	45%
Total	7,537	

Source: 2018 ACS 5-Year Estimates Data Profiles

Poverty

The median household income in Sharon is \$31,137, significantly less than the county and statewide medians. Sharon also has a much higher household poverty rate – more than one of every four households. With such a high poverty rate, homeowners with incomes below the poverty line likely lack the resources to properly maintain their homes. Even though home values are low, many aspiring homeowners in Sharon lack the ability to make the down payment for a home or the lack the credit to obtain a mortgage.

It was noted by Task Force members that the cost of renting a property in Sharon often exceeds a comparable mortgage payment. This suggests that with the assistance of homeownership and credit counseling, interested households could start on the path towards homeownership. A few organizations in Mercer County provide credit counseling including the Urban League and Community Action Partnership of Mercer County.

Figure VI: Sharon Income and Poverty

Item	City of Sharon	Mercer County	Pennsylvania
Median Household Income	\$31,137	\$48,768	\$59,445
Poverty Rate	28.9%	15.3%	12.2%

Source: 2018 ACS 5-Year Estimates Data Profiles

Analyzing the cost of housing as compared to incomes in Sharon reveals that 32% of the population is housing cost burdened, meaning they spend more than 30% of their income on housing costs. Renters are disproportionately cost burdened. Forty-six percent of renters are cost-burdened compared to 18% of owner-occupied households. Additional data on housing cost burden and housing problems from HUD's Comprehensive Housing Affordability Strategy (CHAS) data is available in the Appendix.

Figure VII: Sharon Proportion of Income Spent on Housing

Proportion of Income	Owner with mortgage	Owner without mortgage	Renter	Total	Percent
<20%	967	934	712	2,613	43%
20% - 24.9%	187	176	260	623	10%
25% - 29.9%	180	55	372	607	10%
30% - 35%	55	55	239	349	6%
> 35%	312	149	1,089	1,550	26%
Not Computed	12	63	212	287	5%
Total	1,713	1,432	2,884	6,029	

Source: 2018 ACS 5-Year Estimates Data Profiles

Tax Delinquency

The Mercer County Tax Claim Bureau is responsible for collecting delinquent property taxes for properties in Sharon. Properties that have at least one and up to two years of back taxes are first sold at an upset tax sale. The upset sale includes the amount of the delinquent taxes (among other specific



liens) and the buyer is responsible for all additional liens on the property. The next upset tax sale is scheduled for September 22, 2020.

Properties that are exposed to, but not sold at the upset tax sale, are available for purchase through two different avenues.

- The first is requesting a private sale. The county's private tax sale is typically held in August, all bids for that sale must be received by April 15th prior to the sale.
- The second is purchasing the property at judicial sale, where properties are sold free and clear of liens and encumbrances. The minimum bid for the judicial sale is \$1,250. A judicial sale was held on March 18, 2020. Twenty properties were up for sale and nine of them are in Sharon.¹ The judicial sale that was tentatively scheduled for June 11th has been continued indefinitely due to the COVID-19 pandemic.

Mercer County Tax Claim Bureau lists the properties that are not sold at the upset tax sale on its website. As of March 2, 2020, there were 726 properties in Sharon on the list.² The nine properties going to judicial sale in March 2020 were not on this list. Properties exposed to judicial sale, but not sold, are then put on the county's repository list of properties. There are two properties in Sharon on this list. Combined, at a minimum, nearly 10 percent of all of Sharon's properties are tax delinquent. The new tax delinquent properties that will be eligible for the next upset tax sale will be advertised on August 11, 2020.

Extent of Blight

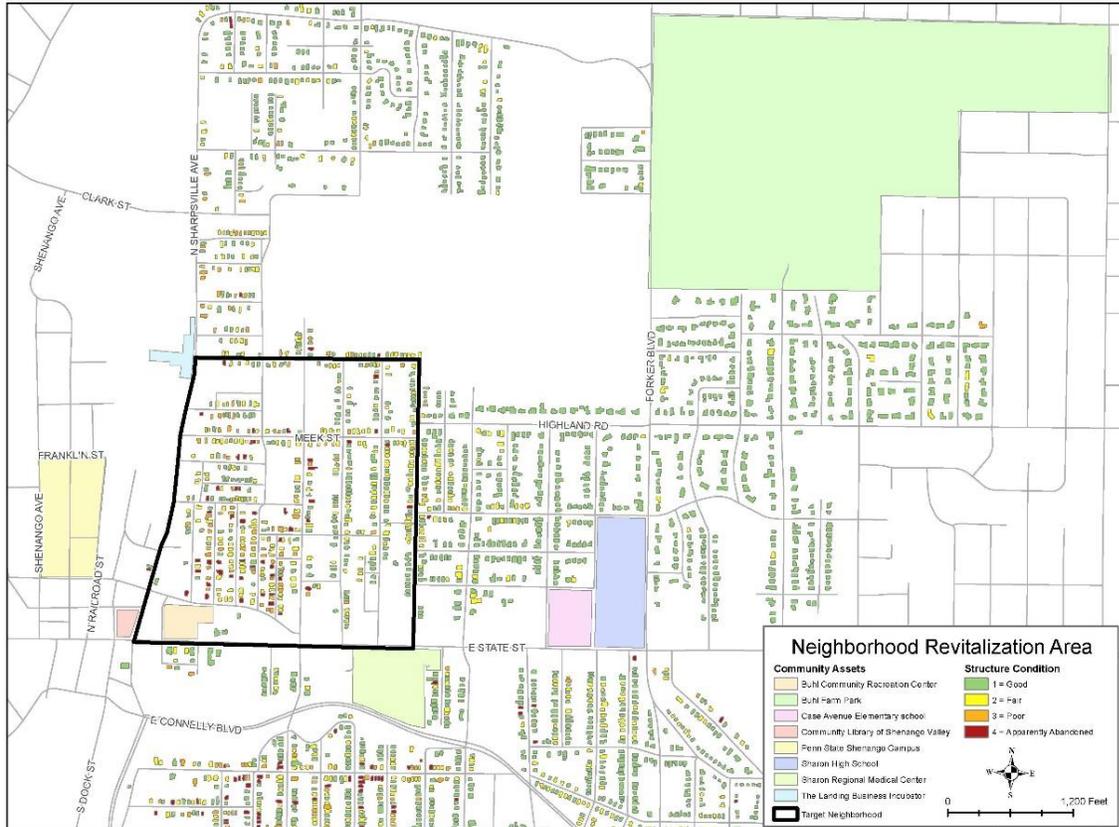
The City of Sharon, with assistance from the Pennsylvania State Historic Preservation Office (SHPO), trained volunteers to collect field data on property condition and occupancy. In 2018, with the assistance of more than 200 volunteers with mobile devices, data was collected on more than 5,300 properties.³ The Sharon Mapping Initiative as this effort was known, collected important baseline conditions information and was used to prioritize specific areas for focused intervention.

¹ Mercer County Tax Claim Bureau, Scheduled Judicial Sales, <https://www.mcc.co.mercer.pa.us/tax/JudicialSales.htm>

² This does not include the nine properties that were on the judicial sale on March 18, 2020

³ Note the Sharon Mapping Initiative collected data on housing structures some of which contain multiple units which explains why the data-set is smaller than the number of total housing units in Figure III.

Figure VIII: Basic Conditions Documented Through the Sharon Mapping Initiative



Source: Sharon Mapping Initiative, 2018

Blight in Sharon is predominantly residential, stemming from the significant population loss over the past five decades. The Sharon Mapping Initiative highlighted a concentration of blight in the area between S. Sharsville Ave. and Jefferson St., between State and Hull St. This is an area where demolition dollars have subsequently been focused and the City and its partners are piloting the Lots to Love program. The resulting data from the Sharon Mapping Initiative are noted in Figure IX below.

Figure IX: Basic Conditions of Neighborhood Houses in Sharon

		Property Condition Rating			
	Sample Size	Good	Fair	Poor	Abandoned
Number	5,304	3,381	1,229	344	350
% of Total	100%	64%	23%	6.5%	6.6%

Source: Sharon Mapping Initiative, 2018

Within the larger economic reasons for blight in Sharon, Blight Force Task members noted specific cases of blight are due to:

- Elderly homeowners who are unable to keep up with home
- Deceased property owner and property is not maintained by the heir(s)

- Absentee owners (live outside of the area)
- Owners/landlords choose not to maintain the property
- Fire damaged

Municipal and Citizen Efforts to Address Blight

Addressing blight has been a priority in Sharon for several years and several related and complementary efforts inform the work of the Blight Task Force. A Neighborhood Revitalization Task Force was convened in 2016 and this work laid some important groundwork for the Blight Task Force. One initiative that grew out of this initial work is the Lots to Love program. In addition, the City is currently in the business planning phases for a Business Improvement District (BID). These efforts are described in more detail below.

Sharon Neighborhood Pride Revitalization Committee

This committee was formed in 2016 at the recommendation of the Sharon Community and Economic Development Commission. This all-volunteer initiative has been active in helping Sharon’s municipal leadership develop strategies to improve the future of the City’s neighborhoods. In the initial work presented to City Council, the following three task forces were recommended:

1. Public Safety Task Force: Responsible for recommending improvements to public safety with special attention given to immediate issues.
2. Blight, Code and Enforcement Task Force: Responsible for understanding code and its enforcement. Recommend changes to better reflect current City demographics and housing conditions.
3. Planning and Vision Task Force: Responsible for understanding trends in home ownership and possible demands for future housing. Recommend strategies for improving Sharon’s neighborhoods.

Each of the three task forces put out a call for volunteers and met six times over the first quarter of 2017. The task forces’ findings were presented at a City Council workshop. Several recommendations have already been realized, including passing legislation authorizing a municipal land bank and hiring a full-time code director. Other efforts have grown out of this work including a vacant lot reclamation pilot project known as Lots to Love, as well as planning for a downtown Business Improvement District.

Lots to Love Program

The City of Sharon in partnership with the Community Action Partnership of Mercer County (CAPMC) developed a vacant lot maintenance strategy known as Lots to Love. The goal of this pilot project is to identify a variety of solutions to maintain and productively re-purpose vacant lots. This will ensure that each time a former home is demolished that there is a plan to take care of the land on which it stood. This program is funded through the state’s Neighborhood Assistance Program (NAP) with UPMC Health Plan and First National Bank contributing a total of \$100,000 in exchange for tax credits.

A program manager has been hired by CAPMC to oversee the program. The program strategies fall into three categories:

1. Side Lot Opportunity: The City of Sharon will facilitate a process for a qualified property owner to obtain the adjacent property for low to no cost. The Side Lot Program is the City's priority—returning a property to the tax rolls and allowing a resident to expand their own property.
2. Adopt-a-Lot: Community engagement is integral to Lots to Love's success and the primary role of the project manager during this stage of the project is to oversee lot activations via Adopt-a-Lot. This strategy will give an opportunity for residents to envision a new use for a vacant lot and see this vision implemented. Three demonstration projects will be funded a total of \$25,000.
3. Sponsor-a-Lot: Lot sponsorships are the solution for lots in which the Side Lot Opportunity and Adopt-a-Lot are not feasible. This solution raises private funds that will help cover the cost of maintenance and other operational expenses.

The pilot program targets a roughly thirty block area bounded by E. State Street, N. Sharpsville Ave., Hull St. and Jefferson Ave. Approximately forty homes within this target area have been prioritized for demolition and the eighteen shown in Figure X have already been demolished.

Figure X: Completed & Plan Demolitions – Lots to Love Target Area

Completed Demolition	Planned Demolition
103 Second Ave.	510 North St.
150 Second Ave.	428 Fourth Ave.
150 Third Ave.	149 Second Ave.
150 Fourth Ave.	69-71 Fifth Ave.
86 Fourth Ave.	224 Third Ave.
52 Fifth Ave.	322 Fourth Ave.
118 Fifth Ave.	239 Second Ave.
500 Fullerton Pl.	87 Fifth Ave.
203-205 Fourth Ave.	117 Fifth Ave.
376 Watson	160 Fourth Ave.
380 Brooklyn	116 Third
448 Meek St.	119 Third
344 Delaware	148 First
429 Fourth Ave.	514 Fullerton
346 N. Oakland	217-219 First
681 Meek St.	233 Third
681 Hull St.	230 N Oakland
505-507 Ormond	359 North
	304 Fourth
	345-347 N Oakland
	440 Meek
	443 Meek
	511 Meek
	403 Delaware
	578 N Oakland
	560 Fourth

Data as of March 11, 2020

Business Improvement District

The City of Sharon worked with the PA Downtown Center and completed the feasibility study of a downtown BID in 2019. The feasibility study recommended proceeding with a full BID plan to be presented for a vote, with over 90% of the participants supporting this next step in the process. The civic and business community supported the initial effort. The City of Sharon was excited to receive grant contributions from the Community Foundation of Western PA and Eastern Ohio. Director Kyle English and Foundation Board members support the economic development initiative because, “this program has proved to be highly successful at promoting and drawing additional grant dollars for the downtowns of multiple cities across the state. Board members and fund advisors are excited to see what this could mean for Sharon.”



Downtown Sharon looking across Shenango River



Storefronts along E. State Street.

Step 3: Convene a Blight Task Force

The Blight Task Force was appointed at the end of 2019. The community members, government officials, and consultants formulated guiding principles for the work including:

- Preserve Sharon’s community fabric and hometown feel.
- Create opportunities for people to invest in Sharon.
- Attract & retain younger households.
- Invest in job growth and provide a pathway to economic growth.
- Re-use existing materials through deconstruction.



Vacant property on 5th Avenue



Vacant property on Railroad St.

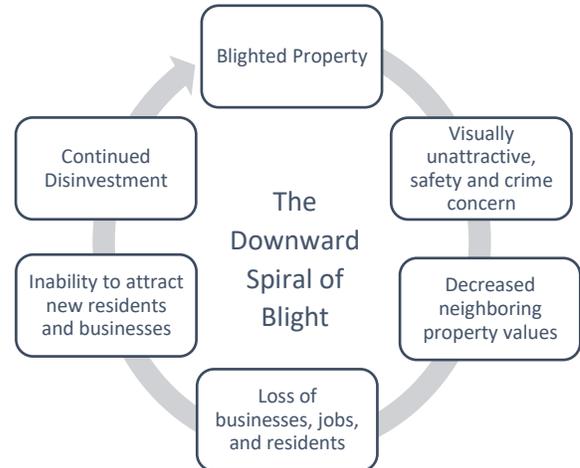


Vacant property on Watson St.

First Meeting

The first meeting of the Blight Task Force was held on January 16th, 2020 at the Shenango Valley Chamber of Commerce. During the meeting we discussed the definition of blight and its impact of blight on the community. We discussed opportunities created by removing blight, and examined some data about blighted, vacant and tax delinquent properties in Sharon.

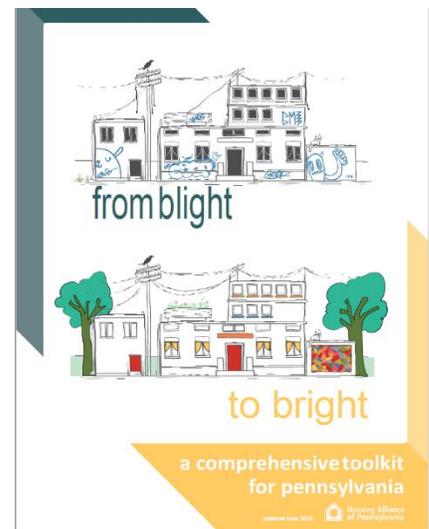
We reviewed municipal efforts to inventory blight and its efforts to prevent, remediate and redevelop blight. Task Force members provided observations on the nature and extent of blight, its impact on the community, and their desired outcomes resulting from developing and implementing a comprehensive blight plan. At the meeting we started to formulate the guiding principles for our work, which are listed before this paragraph.



Second Meeting

Between the first and second meetings, Task Force members were asked to read *From Blight to Bright – A Comprehensive Toolkit for Pennsylvania* published by the Housing Alliance of Pennsylvania. The publication is a compendium of tools available to address blighted properties in Pennsylvania. The consultants reviewed the tools at the second meeting of the Task Force which was held on February 20, 2020. The tools were grouped into three categories: prevention, remediation and redevelopment.

Task Force members were each given seven “sticky notes” to cast their votes for the tools or strategies they felt would be the most effective for addressing blight in the City. A list of all of the tools to address blight and the number of votes for each is included in the Appendix.

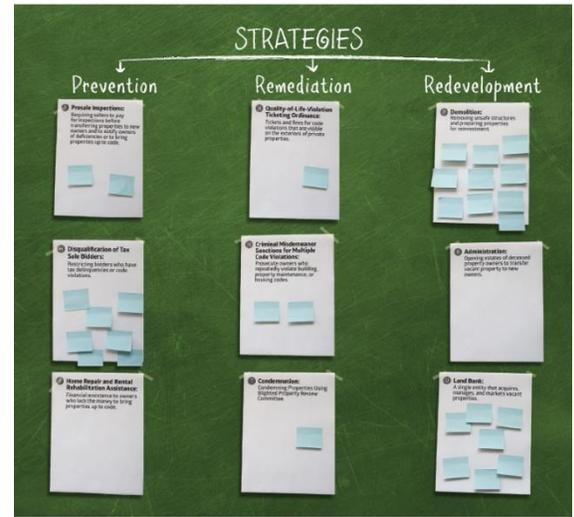


The consultants asked Task Force members to consider the following when placing their votes:

- Will it motivate voluntary compliance?
- Do we have or can we get the resources needed to implement?
- Is it a good fit for the community?

- Does the strategy address an identified problem with blighted properties?

The resulting votes show a high degree of consensus around top-tier strategies and an understanding of the City’s capacity. The Task Force members recognize that the City does not have the financial resources or the staff to deal with the all of the challenges created by blight. Prevention and ways to encourage private development are needed. The strategies show a strong desire to continue with prioritized demolition (remove blight), prevent negligent property owners from gaining more properties (prevent blight), create a strategic plan for property redevelopment (redevelop blight), help property owners with property maintenance (encourage voluntary compliance), and investigate incentives for first time homebuyers (attract investment).



Top Tier Strategies

Five top tier strategies emerged from the Task Force voting. The table below categorizes the top tier strategies as tools for prevention, remediation or redevelopment.

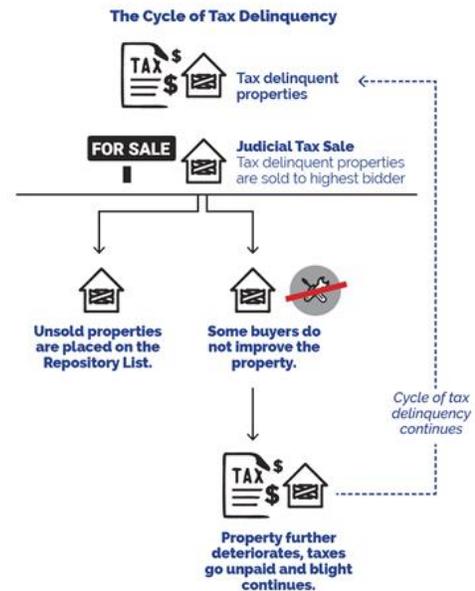
Blight Task Force Top Tier Strategies
<i>Prevention</i>
Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners from Bidding at Sale
<i>Remediation</i>
Prioritize and Demolish Unsafe Structures and Prepare for Reinvestment
<i>Redevelopment</i>
Utilize Land Bank to Acquire, Manage and Market Vacant Properties
Work with Banks and Non-Profits to Provide Financing for Home Rehabs / Down Payments
Adopt Tax Abatement and / Other Programs Authorized by State Law that Provide Incentives for Private Development

A discussion of the top tier strategies follows:

1) Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners from Bidding at Sale

The Mercer County Tax Claim Bureau holds tax sales to recover taxes owed on properties located in the County. The tax delinquent properties are sold at public auction to the highest bidder. Tax sales provide opportunities to purchase properties for less than their assessed values. But these properties are often poorly maintained and in need of significant repairs or demolition. To avoid having these properties suffer further decline and deterioration, bidders with tax delinquencies and histories of code violations should not be permitted to purchase properties at tax sale.

State law allows the Mercer County Tax Claim Bureau to disqualify a tax sale bidder if the bidder (1) is tax delinquent, (2) owns property with serious code violations, or (3) is a landlord whose rental license has been revoked. The Tax Claim Bureau needs information provided by municipalities to disqualify bidders. In advance of any tax sales, the City of Sharon may notify the Tax Claim Bureau of property owners who meet the criteria for disqualification. Implementing this strategy will require further discussion, collaboration, and cooperation with the Tax Claim Bureau.



Case Study: Schuylkill County

Schuylkill County Tax Claim Bureau requires all bidders to register and sign an affidavit that they are not tax delinquent in paying real estate taxes, have no municipal utility bills that are more than one-year outstanding, and do not bid for or act as an agent for any landlord who has had his or her rental license revoked. At the judicial sale, the bidder must be approved by the municipality in which the property is located.

2) Prioritize and Demolish Unsafe Structures and Prepare for Reinvestment

Based on the results of the Sharon Mapping Initiative, 350 properties were rated as “apparently abandoned” are priority candidates for demolition. There are an additional 344 properties rated as in poor condition. The average cost to demolish a single-family residential structure is \$5,000 to \$10,000. For commercial structures, the cost is considerably higher.

While Sharon is successful in using CDBG funds to demolish properties that will go into the Lots to Love program, available funding is not enough to evaluate and potentially demolish nearly 700 structures. Given the extraordinary need and the limited resources for demolition, properties need to be prioritized

for demolition and additional resources need to be pursued. To date, 18 homes have been demolished and another 26 homes are planned in the upcoming phase of demolition.

Moving forward, the Task Force agreed that further consideration is needed to create a systematic approach to prioritizing properties for demolition. Factors to consider include:

- Location in or along key corridor
- Visible from key corridor
- Imminent threat to health, safety and welfare
- Existence of additional blighted properties within proximity
- Redevelopment potential, i.e. Lots to Love
- Removal would be high impact to an otherwise stable block/neighborhood
- Repository (is the property in the county repository?)
- Impact on low-and-moderate-income families and neighborhoods
- Site control (can the City easily gain control?)

Some communities create a ranking system to use in prioritizing properties for demolition. As part of the Action Plan for this strategy, creation of a ranking system will be included as one of the tasks.

Securing additional funding is another task. The City should work to secure additional demolition funding through the DCED and other public and private sources to supplement the NAP funding.

Before demolition can occur, certain procedures need to be followed to protect the rights of property owners. Most of the properties that need to be demolished are privately owned. The City has adopted the International Property Maintenance Code (IPMC 2012) which sets forth procedures and standards for condemning an unsafe structure and ordering its owner to repair or demolish the structure. It takes anywhere from three months to 18 months from the issuance of an initial condemnation order until a property is demolished depending on whether or not the owner is compliant. If the owner is compliant, Dave Tomko, Code Director, outlined three scenarios that can occur:

- 1) If the owner chooses to repair, they need to do it within 18 months and provide a timeline. The judge will typically issue a continuance for the citation and then the Code Director follows-up with an update to judge every 90 days.
- 2) If the owner agrees to raze and remove and pay for it now, the City works with the property owner for this to occur within 90 days. The judge then issues a continuance for 90 days and the Code Director reports back to the judge of the outcome. If the house is razed, the Code Director withdraws the citation. If the house is not razed within that timeline, the property owner will need to go before another hearing and face possible fines.
- 3) If the owner chooses to raze and remove but doesn't have the monies available, the Code Director issues a citation, goes to court and comes to an agreement with the property owner in front of the judge for a payment plan to pay for the raze and remove. A written agreement is signed in front of the judge, by the property owner, Code director and the judge. The judge then issues a continuance of the citation every three months and the Code Director reports to the judge if timely payments are being made. If payments are not being made, the judge calls them back into court, where the property owner can be subject to fines and penalties.

If the owner appeals the demolition order, the process takes even longer, further delaying the actual demolition. Only after the owner fails to comply and appeals are exhausted may the City proceed with demolition. In this scenario, it may take up to 18 months. The City must follow the prescribed legal process before it can demolish a structure without the owner's permission. The IPMC also authorizes the City to place a lien on the property to recover the costs of demolition. Cost recovery is often difficult because the cost of demolition often exceeds the value of the property. Liening properties should be done judiciously and only where the value of the property exceeds the amount of the lien, unless otherwise required by law.

3) Utilize Land Bank to Acquire, Manage and Market Vacant Properties

Land banks are created by local governments and taxing jurisdictions to acquire and hold vacant, abandoned, and tax-delinquent properties and return them to the real estate market. Once it acquires a property, a land bank removes all liens and claims on the property through a quiet title process, making the property ready for sale to a new owner. Land banks may hold property tax-exempt and without amassing any additional liens which makes land banks a valuable partner for community and economic development projects. Laws that restrict how municipalities may dispose of real property do not apply to Pennsylvania land banks. Land banks may sell, transfer, lease, or mortgage real property for any amount and/or form of consideration – as well as for any future use – it determines to be appropriate.

Land banks have a decided advantage in acquiring tax-delinquent properties at the judicial tax sale with the cooperation of the County Tax Claim Bureau. A land bank may enter into an agreement with the County Tax Claim Bureau which allows the land bank to be the sole bidder for selected properties at the judicial sale. This keeps speculators from buying these properties which are available at low prices. When a land bank purchases a property at judicial sale, it is required that the purchase of the property at the judicial tax sale by the land bank be publicized.

By recycling vacant and tax-delinquent properties to new responsible owners, land banks create economic development opportunities, stabilize the housing and job markets, and promote community cohesion.

There are specific property acquisition, disposition, and taxation differences between a land bank and a redevelopment authority (RDA). Through ordinance, an RDA may follow the provisions to be a designated land bank, which would grant them the powers ascribed to land banks, the same as a separate land bank entity would have. The RDA would have to keep funds separate between land bank and RDA operations and would have to follow all other requirements of a land banks (i.e. annual audit submitted to DCED). The distinctions between land banks and RDAs get into fine grain detail that will be explored more fully during the implementation of the Action Plan.

Establishing and operating a land bank requires significant human and financial resources. Land bank operations may be funded through a variety of ways including grants and loans, contributions from municipalities, proceeds from sales and leases, and shared real estate taxes. Taxing authorities may share a portion of the taxes on properties that the land bank returns to the tax rolls. Specifically, a land bank may recapture up to 50% of the taxes on properties returned to the tax rolls for up to 5 years, but only if the taxing authorities agree.



A land bank works best when it is part of a comprehensive anti-blight strategy. It is not a “silver bullet,” but rather one element of a comprehensive strategy that should include strategic code enforcement, delinquent property tax enforcement, and redevelopment. Through the DCED Blight Training and Technical Assistance Grant, the consultant will be able to assist the City with technical assistance related to a land bank.

Sharon adopted a land bank ordinance in March of 2018; however, it is not fully operational. As written in the legislation, the five-member Board of the Sharon Redevelopment Authority (SRA) serves as the initial Board of the land bank. After the expiration of the initial Board members’ terms Sharon’s City Manager will appoint Board Members. Mercer County does not have a land bank. As the City works through the Action Plan for the land bank, it will revisit strategic and business planning as there are new stakeholders and a greater commitment to move forward with a fully operational land bank.

Case Study – Westmoreland County

The Westmoreland County Land Bank has been in existence since late 2013 and has considerable accomplishments. Recently, a long-vacant former restaurant and hotel building in downtown Irwin was sold by the Land Bank to a North Huntingdon buyer for \$50,000. The buyer is renovating the three-story condemned structure into five apartments on the top two floors and retail space on the first floor. The Land Bank acquired the building through the Westmoreland County Tax Claim Bureau for \$417 in September 2015.

According to the Land Bank’s 2018 Annual Report, the Land Bank has acquired 100 properties, sold 76 properties and generated more than \$50,000 in new tax revenue. [https://www.co.westmoreland.pa.us/DocumentCenter/View/12967/Annual-report?bidId=.](https://www.co.westmoreland.pa.us/DocumentCenter/View/12967/Annual-report?bidId=)

4) Work with Banks and Non-Profits to Provide Financing for Home Rehabs / Down Payments

The City of Sharon has a home repair program. Last year, the program provided funding for renovations for approximately 15 homes with a total investment of approximately \$350,000 in CDBG Entitlement and HOME funds. The program requires that the home be brought into compliance with current codes, including the remediation of lead paint hazards. In some instances, the homes required up to \$50,000 worth of work to meet compliance requirements. The City is evaluating revisions to this program to maximize the impact of these funding dollars. \$75,000 a year in CDBG funds are allocated towards a minor home repair program.

The City of Sharon also has a minor home repair program that does smaller repairs up to \$5,000 per unit. The program is projected to do twenty units per year. The City is currently evaluating adjustments to this program including raising the minimum and focusing on exterior work. The most common request is for roof work and the City is interested in supporting exterior work that is visible and may encourage other investment.

Unlike some of the other tools that focus on getting compliance from problem property owners, home repair and rental rehabilitation assistance programs are tools focusing on good owners who lack the resources to maintain their properties. By combining “carrots” and “sticks,” local governments can have the most success improving their properties, reducing abandonment, and eliminating blight.

Sharon will need to reach out to local banks, nonprofits and Community Development Financial Institutions (CDFI) to see which has or is willing to implement a below market rate financing program for the residents of Sharon. CDFI funding can be competitive, so it is important to identify either CDFIs in the region or those who have programs in the region and approach them as to when their funding cycles occur. Banks and non-profit institutions often have down payment cost assistance programs or savings program to provide an incentive that can be used towards home purchase. Community Action Partnership of Mercer County has a savings program called the Assets Program, which provides matching savings funds of up to \$2,000 for program participants which can be used for down payments on homes.

5) Expand Tax Abatement and / Other Programs Authorized by State Law that Provide Incentives for Private Development

Some local governments and school districts in Pennsylvania offer property tax abatements for new construction and property improvements under the Local Economic Revitalization Tax Assistance (LERTA) Program and the Real Estate Tax Abatement Program (RETAP). Under LERTA, owners of commercial, industrial and business properties are eligible for a partial tax abatement for up to ten years on property tax increases resulting from substantial improvements made to their properties, including new housing construction and housing rehabilitation. The City of Sharon has an existing LERTA ordinance that provides for a five year-partial abatement from City real estate taxes.

Under RETAP, owners of residential properties are eligible for partial tax abatements up to ten years on property tax increases resulting from substantial improvements made to their properties. These abatement programs only work where the improvements result in increased tax assessments of the properties. The City of Erie recently passed a program that provides a complete abatement on the assessed value of residential improvements over a ten-year period.

Another state law also permits the phase-in of taxes on improvements to owner-occupied residential properties in designated deteriorated areas. The designated area should have some evidence of deterioration including vacant or abandoned properties, properties that are tax delinquent, properties encumbered with municipal liens, and properties out of compliance with the property maintenance code.⁴ When these programs have been combined with other incentives, including below market rate financing, they have been successful in encouraging private investment which has resulted in residential home improvements and new business development and improvements that can eventually expand the local tax base.

The abatement programs are most effective if all three local taxing bodies (municipality, county, school district) agree to implement these incentive programs. Further discussion with Mercer County and the Sharon City School District on LERTA and other discretionary tax incentive programs is recommended.

In addition to reviewing and recapping the priority strategies selected, the Task Force members discussed ways to engage municipal officials and the broader community to support the implementation of the comprehensive blight strategy plan including education. Key takeaways from that discussion are included below under Step 4.

This plan and the work of the Task Force will be shared with the public at the fourth meeting of the Task Force

Step 4: Engage Municipal Officials/ Step 5: Identify Priority Action Steps and Implement!

The overarching goal of this effort is to mobilize the City to aggressively address the problem of blighted properties. There are three key pieces needed to make this happen:

- Focusing the strategies to address blight in areas where they are most appropriate
- Effectively deploying existing and future financial resources
- Clearly identify action steps and an action team to implement the Plan

Focusing the Strategies to Address Blight in Areas Where They are Most Appropriate

A successful blight strategy includes accounting for both the condition of the property as well as conditions in the surrounding neighborhood. For example, when deciding whether to rehabilitate or demolish a blighted property, the relative strength of the real estate market and nearby community assets and amenities should be considered. In weaker markets where there is an oversupply of housing, demolition may be the better approach. The resulting vacant lots can then be transformed to side yards or held for future development.

Strategies have varying degrees of effectiveness depending on neighborhood and market conditions. For example, rehabilitation assistance should not be directed to properties that are beyond repair and located in neighborhoods where no one wants to live. In neighborhoods where employers and anchor

⁴ Improvement of Deteriorated Property or Area Tax Exemption Act, 72. P.S. Section 4711 et seq.

institutions are located, public-private partnerships are often employed to fight blight and revitalize neighborhoods.

Most of the top tier strategies selected by the Task Force can be used in all kinds of neighborhoods and markets. Market and other neighborhood conditions should be considered by the City when prioritizing properties for demolition and in formulating and offering development incentives.

Effectively Deploying Existing and Future Resources

Financial Resources

The top tier strategies selected require different types of funding to implement them. The City is currently using CDBG dollars towards the Home Repair and Minor Home Repair Programs. Demolition is being funded through CDBG dollars and NAP funds are being used for the Lots-to-Love program. The top tier strategy of working to disqualify property owners with tax delinquencies and series code violations does not require capital dollars, but it does require staffing resources to implement.

Supporting the top tier strategy of increasing resources for the purchase and rehabilitation of single-family housing involves accessing resources from several sources. Banks and CDFI's often provide down payment and closing cost assistance. Part of the Action Plan will involve identifying which banks and CDFI's are willing to offer these programs in Sharon. Additionally, other municipalities and non-profit institutions have used funds from Pennsylvania's housing trust fund through the Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) Realty Transfer Tax (RTT)⁵ fund to support development and renovation of single-family housing.

In order too fully operationalize the land bank, the City will need to identify dedicated funding for its operation. This includes professional staff to run the land bank and resources to purchase properties. Most land banks are not fully self-sufficient, and they need dedicated resources to operate. It is possible for the Sharon Redevelopment Authority to be designated a land bank under recent state law. While this law can help streamline land recycling efforts and reduce overhead costs of having multiple land development agencies in a municipality, it requires a fully funded RDA.

The City uses the Sharon Redevelopment Authority on a project specific basis. It has no dedicated staff or funding mechanism. It is an important entity, as it has powers vested in it by Commonwealth statute such as eminent domain but without dedicated funding its operations are limited. A land bank has the ability to enter an intergovernmental cooperation agreement with the local tax bodies that allow the land bank to split 50% of property tax revenues for five years after a property is sold out of the land bank. This typically is not enough to fund a land banks operation, but it does contribute towards operating costs and often makes it easier for the land bank to raise other funding.

Once a land bank is fully operational the land bank and City should be prepared to access below market rate financing through DCED to improve the economic feasibility of proposed projects for prospective developers. Where market conditions are not as robust, it is important for the local organization (economic or community development agencies typically) to partner with private developers to create financing packages that provide an adequate return on investment for developers. Another potential

⁵ PHARE program funding assists with the creation, rehabilitation and support of affordable housing and blight elimination throughout the Commonwealth. It is the Commonwealth's Housing Trust Fund.



source of funding for demolition and a land bank is the PHARE program discussed in an earlier paragraph. All available public and private funding opportunities should be explored and pursued. As discussed below, an action team overseeing implementation of this Plan will help to effectively deploy existing funding and secure additional funding.

Staff Resources to Create and Foster Partnerships

Two of the top tier strategies require the City to create and foster partnerships with other stakeholders. The City has had initial discussions with the Mercer County Tax Claim Bureau to establish a process to prevent negligent property owners from bidding at tax sales. Act 90 of 2010 provides a framework for this and requires that persons or entities bidding on property at tax sale not having significant code violations or a revoked rental registration license. For the City, this requires a dedicated resources, including staff time, to meet with the county, share necessary data, review bidder lists in a timely manner, and make sure the data collected on property owners is complete so that those who are negligent property owners are identified as such.

Sharon has a 29% poverty rate and a median household income of \$31,137. Residents lack the income to fix their homes and renters lack the down payments to purchase homes in Sharon, which are relatively affordable. The Blight Task Force members discussed the high turnover of its resident population and the desire to have a more stable base of residents. Therefore, to prevent and remediate blight through home rehabilitation and home ownership, new financial vehicles for lower income residents need to be created and/or identified. Sharon's municipal leaders will need to approach local banks, nonprofits, and CDFIs with a clear and compelling campaign to create new and/or direct less traditional/below market rate funding sources to Sharon's residents.

Community Resources

Tackling blight is a community effort. It cannot be accomplished by government alone and collaboration is critical. The Blight Task Force members clearly understand this. In implementing the top-tier strategies set forth in this Plan, the City must work collaboratively with the County, SRA, PA DCED, residents, property and business owners, local banks, CDFIs, and other stakeholders. Without the sustained support and engagement of the City's partners and leadership from the city, efforts to prevent and eliminate blight and promote redevelopment will not succeed.

Using all available resources will maximize the impact of this Plan and the selected strategies, and empower residents, neighborhood organizations and other stakeholders to help prioritize blighted property interventions, develop long-term solutions and promote the City of Sharon as a great place to live, work and visit. Blight impacts all areas of city government and the quality of life for its citizens. To address and revitalize blight, the City must be a committed and stalwart leader in these efforts to attract and keep community partners engaged and committed.



Clearly Identifying Action Steps and an Action Team to Implement the Plan

The Task Force's development of this Comprehensive Blight Strategy Plan is a first - not the final - step to more aggressively address blighted and at-risk properties in Sharon. The priority strategies selected by the Task Force must be implemented strategically and with dedicated resources to make an impact.

To ensure implementation, an Action Team should be formed. The team should include individuals and representatives of organizations that will have a direct role in putting this Comprehensive Blight Strategy Plan into action. The job of the Action Team is to develop a detailed Action Plan for each top tier strategy recommended.

The Action Plan should include:

- Tasks necessary to implement the strategy
- Time frame for completing tasks
- Lead organization
- Resources needed
- Measurements of success

The draft Action Plan is included in the Appendix.

- The Action Team should include:
- Melissa Phillips, Community and Economic Development Director
- Dave Tomko, Code Director
- And others as determined by the City Manager and City Council

It is recommended that the Action Team meet quarterly to assess progress, address implementation issues, and update the plan as needed.

For more information about this Comprehensive Blight Strategy Plan and its implementation, please contact:

Melissa Phillips, Community & Economic Development Director
City of Sharon
mphillips@cityofsharon.net
(724) 983-3231

Tom Hardy
Palo Alto Partners
tom@paloaltoconsult.com
(412) 874-7351

Andrea Mannino
Housing Alliance of PA
Andrea@housingalliancepa.org
215-576-7044



Appendix

1. List of Blight Strategies with Task Force Votes
2. Active Blight Related State Legislation
3. Comprehensive Housing Affordability Strategy (CHAS) Data
4. Draft Action Plan



Blight Strategies with Task Force Votes

- 1) Prioritize and Demolish Unsafe Structures and Prepare for Reinvestment (16 votes)
- 2) Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners from Bidding at Sale (12 votes)
- 3) Utilize Land Bank to Acquire, Manage and Market Vacant Properties (12 votes)
- 4) Work with Banks and Non-Profits to Provide Financing for Home Rehabs / Down Payments (9 votes)
- 5) Adopt Tax Abatement and / Other Programs Authorized by State Law that Provide Incentives for Private Development.
- 6) Coordinated Block Sweeps w/ District Attorney's Office, Public Works, Code Enforcement and Human Service Agencies (7 votes)
- 7) Use Act 90 of 2010 to Charge Repeat Violators w/ Criminal Misdemeanor (6 votes)
- 8) Outreach to Landlords About Rental Property License & Inspection Program (6 votes)
- 9) Create Property Database to Help Identify High-Risk Properties and Target Resources Before Blight Sets In (6 Votes)
- 10) Expand the Lots to Love Program to Address Additional Vacant Lots
- 11) Enact Foreclosed and/or Vacant Property Registration Ordinance (4 votes)
- 12) Establish Data Sharing Agreement with Other Agencies (4 votes)
- 13) Adopt a Quality of Life Ticketing Ordinance (4 votes)
- 14) Adopt Most Recent Version of IPMC (3 votes)
- 15) Proactively Work with Responsible Owners to Purchase Properties at Tax Sales (3 votes)
- 16) Explore Possible Revisions to City's Housing Rehab Program
- 17) Use Conservatorship (2 votes)
- 18) Use Act 90 of 2010 to Revoke / Deny Permits & Lien Personal Assets of Chronic Violators (2 votes)
- 19) Create a Prospectus to Market Sharon
- 20) Assemble Larger Sites with Multiple Parcels that are More Attractive to Private Developers (1 vote)

Active Blight Related State Legislation

Improving Reporting at Tax Sales (HB 1559 and SB 775)

These bills will require a pre-registration process for all potential bidders prior to a tax sale. Applicants will have to sign an affidavit stating they have no outstanding tax or municipal utility bills anywhere in the Commonwealth. Tax Claim Bureaus will also be required to provide a list of registered bidders to all municipalities prior to the sale.

Tax Abatement for Blighted Properties (SB 352)

This bill authorizes local taxing authorities to provide for a ten-year tax exemption incentive for new construction in deteriorated areas of communities and improvements to certain deteriorated industrial, commercial, business and residential property. The tax exemption would be on the assessed valuation of the improvements to blighted properties and the assessed valuation of new construction within a deteriorated area. The proportion of taxes abated declines over the ten years as specified in the bill.

Supporting Land Banks and Affordable Housing (HB 896 and HB 897)

Both HB 896 and HB 897 make resources available to Land Banks to help them better partner with communities to create more affordable housing and bring properties back into productive use. HB 896 and 897 will:

- Expand the power of existing land banks to enter into partnerships with organizations in the private sector to create local solutions to address the lack of housing for the homeless population within their communities and will exempt all land bank transactions from both state and local realty transfer taxes.
- Expand the eligibility criteria of the Neighborhood Assistance Program to include locations within land bank jurisdictions

County Demolition and Rehabilitation Fund from Real Estate Transactions (SB 438)

A county may impose a fee not to exceed two hundred fifty dollars (\$250) for the sale of any property being sold in accordance with this act or the sale of a property for delinquent taxes or mortgage foreclosure. With approval of the county commissioners or other governing body, the fund may be used by a not-for-profit or for-profit corporation that has a contract with the county or a taxing district, redevelopment authority, land bank or other government entity, for the demolition or rehabilitation of blighted property located in the county.



Granting Land Banks Protections from Liability to Redevelop Brownfields (HB 1737)

This legislation would grant the same protections to land banks that are presently given to redevelopment authorities when they are dealing with brownfields. There are numerous former industrial or commercial sites such as gas stations, dry cleaners, junkyards and landfills throughout the state where the future use is clouded by environmental concerns. This change in law would allow land banks to own these properties and develop a re-use plan for them without worrying that it would have to take on the liability of enforcement action from the Pennsylvania Department of Environmental Protection.

Plans for Redevelopment after Tax Sale (SB 174)

This bill requires tax sale purchasers of blighted properties to enter into redevelopment agreements with the local municipality or redevelopment authority so that the properties can be put back into productive use to benefit the community rather than be a drain on it.



Sharon Comprehensive Housing Affordability Strategy (CHAS) Data

Income Distribution Overview	Owner	Renter	Total
Household Income <= 30% HAMFI	365	970	1335
Household Income >30% to <=50% HAMFI	405	725	1130
Household Income >50% to <=80% HAMFI	690	520	1210
Household Income >80% to <=100% HAMFI	395	140	535
Household Income >100% HAMFI	1450	390	1840
Total	3310	2745	6055
	Household has at least at least 1 of 4 Housing Problems*	Household has none of 4 Housing Problems*	Total
Income by Housing Problems (Renters only)			
Household Income <= 30% HAMFI	685	265*	970
Household Income >30% to <=50% HAMFI	535	190	725
Household Income >50% to <=80% HAMFI	90	430	520
Household Income >80% to <=100% HAMFI	10	130	140
Household Income >100% HAMFI	0	390	390
Total	1320	1405	2745
* includes 25 where cost burden not available			
Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income <= 30% HAMFI	685	485	970
Household Income >30% to <=50% HAMFI	525	195	725
Household Income >50% to <=80% HAMFI	75	0	520
Household Income >80% to <=100% HAMFI	0	0	140
Household Income >100% HAMFI	0	0	390
Total	1285	680	2745

Years: 2012-2016 ACS

Notes:

1. The four housing problems are: 1) incomplete kitchen facilities; 2) incomplete plumbing facilities; 3) more than 1 person per room; 4) cost burden greater than 30%
2. Cost burden is the ratio of housing costs to household income. For renters- housing cost is gross rent
For renters--housing cost is gross rent (contract rent plus utilities)

City of Sharon Blight Strategy: Action Plan

Strategy & Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 1. Prioritize and Demolish Unsafe Structures and Prepare for Revitalization				Clear executable strategy capable of operating at scale with a goal of demolishing ~ 60 units annually.	
Task A. Draft demo prioritization criteria	Palo Alto Partners (Tom Hardy)	6/30/20	Existing TA contract w/ Housing Alliance	Draft document	See Note 1
Task B. Review demo prioritization criteria	City Staff	7/15/20	City staff resources	Revised document	
Task C. Meeting to review application for Blight Remediation Program.	Palo Alto Partners (Tom Hardy) and City Staff	6/29/20	City staff resources		See Note 2
Task D. Provide technical assistance on Blight Remediation Program application.	Palo Alto Partners (Tom Hardy)	7/31/20	Existing TA contract w/ Housing Alliance	Completed application	See Note 3

Notes:

- 1) Will gather feedback from Blight Task Force, City Manager, and members of City Council.
- 2) The Pennsylvania Department of Community and Economic Development (DCED) is accepting applications for its Blight Remediation Program. More info on program available [here](#). Meeting to discuss scheduled 6/29/20 with Tom Hardy and City staff.
- 3) Application is due 7/31/20.

Strategy & Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 1. Prioritize and Demolish Unsafe Structures and Prepare for Revitalization (Con't)				Clear executable strategy capable of operating at scale with a goal of demolishing ~60 units annually.	
Task E. Participate in update calls regarding the BID effort	Palo Alto Partners (Tom Hardy)	Ongoing	Existing TA contract w/ Housing Alliance		See Note 4

Notes:

4) BID effort being managed by PA Downtown Center, this task will ensure coordination and that the BID and blight planning inform each other.

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Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 2. Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners at Tax Sale (Con't)				Clearly defined process that utilizes provisions of Act 90 to disqualify negligent property owners from purchasing at sale.	
Task A. Get information on specific cases of negligent property owners purchasing properties at Tax Sale.	City (Melissa Phillips and Dave Tomko)	8/1/2020	Existing City staff resources		See Note #1
Task B. Review provisions of RETSL and Act 90 to determine provisions that provide best opportunities for Sharon to address concerns of negligent property owners purchasing at Tax Sale.	Palo Alto Partners / Housing Alliance (Tom Hardy) / City Staff & Solicitor	8/30/2020	Existing TA contract w/ Housing Alliance		See Note #2
Task C. Meet w/ code department to understand rental licensing including rental license revocation.	Palo Alto Partners (Tom Hardy) / City Staff (Melissa Phillips / Dave Tomko)	8/15/2020	Existing City staff resources		

Notes:

- 1) Goal is to review these situations in the context of RETSL and Act 90, and see what, if any provisions, would apply to similar situations.
- 2) Confirm what is needed to disqualify property owner (i.e. conviction) as well as whether other communities have successfully used suspension of rental license.

Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 2. Coordinate with Mercer County Tax Claim Bureau to Disqualify Negligent & Tax Delinquent Property Owners at Tax Sale.				Clearly defined process that utilizes provisions of Act 90 to disqualify negligent property owners from purchasing at sale.	
Task D. Summarize findings from Tasks A, B, C that will inform discussions with the County Tax Claim Office.	Palo Alto Partners (Tom Hardy)	9/30/2020	Existing TA contract w/ Housing Alliance		
Task E. Meet with Mercer County Tax Claim Office on a regular basis.	Palo Alto Partners / City (Tom Hardy, Melissa Phillips, Dave Tomko)	10/15/2020	Existing TA contract w/ Housing Alliance & City staff resources		

Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 3. Utilize Land Bank to Acquire, Manage & Market Vacant Properties.				A funded Land Bank capable of implementing a strategic plan and transacting.	
Task A. Review & present differences and similarities between a Redevelopment Authority and Land Bank.	Palo Alto Partners / Housing Alliance (Tom Hardy)	7/31/2020	Existing TA contract w/ Housing Alliance		See Note 1
Task B. Review objectives for Land Bank and confirm that Land Bank is the most appropriate entity for meeting those objectives.	Palo Alto Partners / City Staff / Land Bank Board	8/30/20	Existing TA contract w/ Housing Alliance		
Task C. Prepare preliminary strategies along w/ business plan and budget.	Palo Alto Partners / Land Bank Board	9/30/2020	Existing TA contract w/ Housing Alliance		See Note 2
Task D. Identify potential sources of funding.	Palo Alto Partners / Housing Alliance / Land Bank Board	10/30/2020	Existing TA contract w/ Housing Alliance		

Notes:

- 1) Questions regarding differences / similarities came up during Blight Planning Task Force Meetings.
- 2) A targeted set of strategies and a business plan / budget are needed to present business case to stakeholders, partners, and potential funders.

Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 3. Utilize Land Bank to Acquire, Manage & Market Vacant Properties (Con't)				A funded Land Bank capable of implementing a strategic plan and transacting.	
Task E. Review existing formation documents. Make recommendations on any potential modifications based on results of Tasks A & B.	Housing Alliance / City Solicitor / Land Bank Board	11/30/2019	Existing TA contract w/ Housing Alliance		
Task F. Collect data on cost of blighted properties.	City (Melissa Phillips, Dave Tomko)	8/30/2020	Staff time		See Note 3
Task G. Outreach to County Commissioners, City Council, School District.	Housing Alliance / City / Land Bank Board	1/30/21			See Note 4
Task H. Draft Intergovernmental Cooperation Agreement (ICA)	Housing Alliance / Land Bank Board	3/30/21	Existing TA contract w/ Housing Alliance		
Task I. Negotiate final version of ICA.	City / Land Bank Board	5/30/21			

Notes:

- 3) Tom Hardy will organize data once collected.
- 4) Outreach should occur after business plan and business case is prepared.

Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 4. Work with Banks and Non-Profits to Provide Financing for Home Rehabs.				Well marketed set of programs accessible to existing and potential homebuyers.	Note 1
Task A. Inventory existing programs that serve Sharon.	Palo Alto Partners (Tom Hardy)	8/30/2020	Existing TA contract w/ Housing Alliance		
Task B. Research best practices for municipal programs. Review Sharon's existing programs & make recommendations.	Palo Alto Partners (Tom Hardy)	9/30/2020	Existing TA contract w/ Housing Alliance		
Task C. Outreach & meetings with stakeholders regarding collaboration.	City of Sharon (Melissa Phillips)	10/30/2020	Staff time		
Task D. Outline a Resource Guide.	Palo Alto Partners (Tom Hardy)	11/30/2020	Existing TA contract w/ Housing Alliance		Note 2

Notes:

- 1) Includes credit counseling, downpayment assistance, family savings, CDFI's, PHFA mortgage products.
- 2) Resource guide will provide content. Could be starting point for a professionally designed product.

Tasks	Lead Organization / Individuals	Completion Date	Resources Required	Measurements Of Success	Notes
Strategy 5. Adopt Tax Abatement and Other Programs Authorized by State Law that Provide Incentives for Development.					
Task A. Review existing tax abatement program.	Palo Alto Partners (Tom Hardy)	9/30/20	Existing TA contract w/ Housing Alliance		
Task B. Research other tax abatement programs and options for incentive programs under state law.	Palo Alto Partners (Tom Hardy)	10/30/20	Existing TA contract w/ Housing Alliance		
Task C. Prepare brief summary of findings along with recommendations.	Palo Alto Partners (Tom Hardy)	12/30/20	Existing TA contract w/ Housing Alliance		

Notes: