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COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES

HOUSE URBAN AFFAIRS COMMITTEE

IN RE: BLIGHT REMEDIATION  
PUBLIC HEARING

SALVATION ARMY ALLEGHENY VALLEY  
WORSHIP AND SERVICE CENTER  
917 BRACKENRIDGE AVENUE  
BRACKENRIDGE, PA 15014

THURSDAY, JUNE 3, 2021  
9:30 A.M.

BEFORE: REPRESENTATIVE ROSEMARY M. BROWN  
MAJORITY CHAIR  
REPRESENTATIVE CARRIE LEWIS-DELROSSO  
REPRESENTATIVE SHELBY LABS  
REPRESENTATIVE TRACY PENNYCUICK  
REPRESENTATIVE BRIAN SMITH  
REPRESENTATIVE TIM TWARDZIK  
REPRESENTATIVE MICHAEL P. STURLA  
DEMOCRATIC CHAIR  
REPRESENTATIVE ROBERT E. MERSKI  
REPRESENTATIVE JARED G. SOLOMON  
REPRESENTATIVE DAN K. WILLIAMS

Reporter: Danielle Ohm  
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COMMITTEE STAFF PRESENT:  
CHRISTINE GOLDBECK  
EXECUTIVE DIRECTOR OF REPUBLICAN CAUCUS  
TIM SCOTT  
EXECUTIVE DIRECTOR OF DEMOCRATIC CAUCUS

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TESTIFIERS

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CHAIRWOMAN BROWN:

Good morning, everyone. Great seeing so many people here this morning. Welcome to the House Urban Affairs Committee public hearing on blight remediation.

Can you hear me?

Okay. Let's start over.

Good morning, everyone. Welcome to the House of Urban Affairs Committee public hearing on blight remediation. We're happy to see so many people here this morning. We look forward to some detailed information.

We had a wonderful tour yesterday with different properties that were very helpful, and hopefully today we'll add on to some of that information and help us be productive in Harrisburg with our blight laws and some of our policies that we have to help our communities.

So with that, if you could silence your cell phones, that would be wonderful, so we have the least interruptions as possible. We are going to stand up and do the Pledge.

Representative Smith, will you lead us

1 in the Pledge?

2 ---

3 (WHEREUPON, THE PLEDGE OF ALLEGIANCE WAS RECITED.)

4 ---

5 CHAIRWOMAN BROWN:

6 Thank you very much. With that,  
7 Christine, will you take the roll call?

8 MS. GOLDBECK:

9 Thank you, Madam Chair.  
10 Brown?

11 CHAIRWOMAN BROWN:

12 Here.

13 MS. GOLDBECK:

14 Brooks, on leave. Dowling on leave.  
15 Heckley (sic) on leave.

16 Labs?

17 REPRESENTATIVE LABS:

18 Here.

19 REPRESENTATIVE LEWIS-DELROSSO:

20 Here.

21 MS. GOLDBECK:

22 Mackenzie, on leave. Mercuri?

23 Mizgorski, on leave.

24 Tracy Pennycuick?

25 REPRESENTATIVE PENNYCUICK:

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Here.

MS. GOLDBECK:

Lou Smith, on leave. Smith.  
Smith?

REPRESENTATIVE SMITH:

Here.

MS. GOLDBECK:

Tomlinson on leave.  
Twardzik?

REPRESENTATIVE TWARDZIK:

Here.

MS. GOLDBECK:

Williams, on leave. Sturla.

CHAIRMAN STURLA:

Here.

MS. GOLDBECK:

Brown? Bullock on leave. Herrin on  
leave. And Innamorato on leave.  
Kirkland, on leave. Krajewski, leave.  
Merski? Solomon?

REPRESENTATIVE SOLOMON:

Here.

MS. GOLDBECK:

Williams.

REPRESENTATIVE WILLIAMS:

1 Here.

2 CHAIRWOMAN BROWN:

3 Strong allergies up here with all of us,  
4 so --- thank you very much, Christine. And you know,  
5 I'm just going to take a few moments for each member to  
6 introduce themselves, the district that they represent,  
7 where they're from geographically.

8 If we want to start down with  
9 Representative Smith?

10 REPRESENTATIVE SMITH:

11 Good morning. Thank you, Chairman.

12 I'm Brian Smith, representative from  
13 District 66, which is Jefferson County and Indiana  
14 County, the northern part. And I live in Punxsutawney,  
15 Pennsylvania, home of the groundhog.

16 REPRESENTATIVE PENNYCUICK:

17 I am Representative Tracy Pennycuick, I  
18 represent northeast Montgomery County 147.

19 REPRESENTATIVE LABS:

20 I'm representative Shelby Labs, I  
21 represent the 143rd District in Central and Upper Bucks  
22 County.

23 REPRESENTATIVE LEWIS-DELROSSO:

24 I'm Representative Carrie  
25 Lewis-DelRosso. I represent this district, the 33rd,

1 which is Allegheny, Westmoreland County.

2 I also want to thank everyone for being  
3 here today, as well as the tour yesterday through the  
4 district. It was absolutely educational, I think not  
5 only just on my part to hear from all of our local  
6 government officials, but the exposure that we're  
7 giving to the Committee to take back to Harrisburg, and  
8 so we can legislate and make sure that our blight  
9 program is a successful one.

10 So thank you, everyone, for being here  
11 today.

12 MS. GOLDBECK:

13 I'm Christine Goldbeck, I'm the  
14 executive director of the Republic caucus side for the  
15 committee.

16 CHAIRWOMAN BROWN:

17 Representative Rosemary Brown 189th  
18 District of Monroe and Pike County.

19 CHAIRMAN STURLA:

20 Mike Sturla from the 96th District in  
21 Lancaster. And when I say Lancaster, please don't  
22 think of the bucolic farmland with the Amish. I don't  
23 have a single Amishman in my district. I don't have a  
24 single acre of farmland in my district.

25 It is 63,000 people packed into seven



1 square miles. Most of those --- 95 percent of those  
2 live in four square miles.

3 REPRESENTATIVE SCOTT:

4 Tim Scott, Executive Director for the  
5 House Democrats Urban Affairs Committee.

6 REPRESENTATIVE TWARDZIK:

7 Tim Twardzik, the 123rd District.  
8 That's in Schuylkill County, Pennsylvania. Heart of  
9 hard coal region.

10 REPRESENTATIVE SOLOMON:

11 Good morning, everybody. Jared Solomon.  
12 I'm a state representative in the 202nd legislative  
13 district, which is in northeast Philadelphia.

14 REPRESENTATIVE WILLIAMS:

15 Good morning. My name is Dan Williams,  
16 I represent the 74th District in Chester County. It's  
17 good to be with you this morning.

18 CHAIRWOMAN BROWN:

19 Thank you very much. As you can see, we  
20 had a great representative from all across the state  
21 here today. We may have one or two members also coming  
22 in a little bit late to the meeting.

23 With that, I know Chairman Sturla  
24 mentioned a little bit about his district. As the  
25 chairwoman, I'm very pleased to be here. I thank

1 Representative Lewis DelRosso for getting us here,  
2 really showing us around yesterday and really trying to  
3 introduce us to some of the issues that have been  
4 continuously occurring in this part of the state.

5                   So with that, Representative Lewis  
6 DelRosso, would you like to say a few more comments?

7                   REPRESENTATIVE LEWIS-DELROSSO:

8                   Well, I actually --- you know, I don't  
9 have to keep commenting. I would like to say that I'm  
10 very grateful to have my colleagues here. This is a  
11 bipartisan effort for sure. You know, blight and  
12 effective change doesn't have a party attached to it,  
13 so that's the most important thing that I want to send  
14 this message.

15                   I'm grateful to have the support,  
16 everyone that's going to testify today, to testify -  
17 your testimony will be taken in, and I think that we  
18 can produce effective change with the State of  
19 Pennsylvania and the Commonwealth deserves much better.

20                   So thank you so much, again, for letting  
21 me have this here, too. Chairman --- Chairman Brown  
22 and I spoke about this early on, and I'm extremely  
23 grateful to be a freshman and able to do this, so thank  
24 you.

25                   CHAIRWOMAN BROWN:

1 Thank you very much. And I know  
2 Chairman Sturla is --- had been wonderful to work with,  
3 as my new position here, as the Chairwoman.

4 And Chairman Sturla, any comments before  
5 we start, additional on top of your Lancaster ---?

6 CHAIRMAN STURLA:

7 Just a quick comment. I mean, yesterday  
8 I think it became very obvious that in order to address  
9 this issue, we have to have cooperation between state  
10 and local governments. There has to be an open line of  
11 communication and an open way for us to help local  
12 governments and for local governments to give us  
13 feedback as to what we need to do in order to be  
14 helpful.

15 And without that, we're never going to  
16 address this properly, because some of these things are  
17 too big for any one entity to take on by themselves.  
18 And so I think that was very clear yesterday.

19 CHAIRWOMAN BROWN:

20 Absolutely. Thank you. And hopefully  
21 some of the testimony today will clear that up even  
22 more so for us after our tour yesterday.

23 So with that, we are going to start the  
24 hearing. Our first - our first testifier is Dino  
25 Lopreiato, who is the owner of Vibo's Bakery and member

1 of Brackenridge Council.

2 Good morning.

3 MR. LOPREIATO:

4 Good morning.

5 CHAIRWOMAN BROWN:

6 I'm sorry, just as a reminder, too, we  
7 are asking the testifiers to, as best as you can, sort  
8 of recap your testimony so that we can ask more  
9 questions and then kind of have more of a dialogue with  
10 you as well.

11 MR. LOPREIATO:

12 Sure.

13 CHAIRWOMAN BROWN:

14 Thank you.

15 MR. LOPREIATO:

16 Hello. I'd like to welcome our friends  
17 and distinguished representatives. My name is Dino  
18 Lopreiato. I have lived on this street for 50 years.  
19 My parents arrived in this country in the late 1950s  
20 from an impoverished war-torn Italy. And since then,  
21 they have seen a multitude of changes, good and  
22 unfortunately bad also.

23 For years, my father and mother's  
24 response to my gripes and policies and issues was met  
25 with the same response. Why don't you go to the

1 meetings?

2                   They used to tell me that they couldn't  
3 go. I would ask why, and they would respond in their  
4 broken English that they would not be understood. They  
5 were great residents, they continue to be great  
6 residents. They paid their taxes and would keep the  
7 area clean and make gorgeous improvements on their  
8 property. And we were always willing to help and they  
9 were always willing to help others.

10                   I listened and learned and wanted to get  
11 involved, so I started attending meetings ten years  
12 ago, right up the street here, all on my street, right  
13 at the borough building, which is just a stone's throw  
14 away.

15                   And six years ago, I finally got my  
16 opportunity and became councilman for the 1st ward of  
17 Brackenridge. I am also the owner as a representative  
18 of the said, of the local bakery down the street called  
19 Vibo's Italian Bakery.

20                   My mother started it in 1984. So  
21 believe me, I have a vested interest in this community.  
22 I also have plans to open up a coffee shop/arcade in  
23 the next few years.

24                   Next, I'd like to describe what it used  
25 to be like to live here. When I was younger we had a

1 gate at the top of the street, for the steelworkers to  
2 enter and exit. It used to --- excuse me, it used see  
3 the steelworkers walk up and down the streets  
4 supporting the local businesses. I would have to avoid  
5 the street at four o'clock, because there were many  
6 steelworkers leaving work.

7 Well, now they spent \$3 billion to build  
8 a new rolling mill and made a wall instead of a gate,  
9 with no possibility of the limited amount of workers to  
10 enter our community. This is just one of the factors  
11 that have crushed our community.

12 Those good-paying jobs used to affect  
13 the community. Even now, as we speak, the mill is on  
14 an active strike. Many families have moved out of  
15 town, and the result is blighted structures that have  
16 no hope to be repurposed as is.

17 I'm not saying that we did not have  
18 structures that could be repurposed, but I'm asking for  
19 help with blight remediation. For two years, we have  
20 been having active public meetings with our tri-borough  
21 residents to find the answer on what they think is the  
22 greatest issue within the boroughs.

23 And it has always come back to the issue  
24 of blight. It has become a major --- it became the  
25 major component within our newly written

1 multi-community, implementable comprehensive plan.

2                   There is hope, though. Even in this  
3 building we're standing in, was an abandoned church for  
4 years, and I never thought that it would be taken down  
5 and a new Salvation Army would be built, and here we  
6 are. The Salvation Army has been a very positive asset  
7 to our community. They help the needy with food  
8 distribution, community events, worship services, and  
9 many other social events.

10                   Down the street there used to be an old  
11 Acme supermarket with a huge parking lot. Now there's  
12 a brand new public housing facility for 55 and older  
13 residents. Daltons Edge is a spectacular facility with  
14 trees and a life center with various social,  
15 recreational, educational and vocational services. In  
16 addition, many programs continue to be provided by  
17 independent agencies.

18                   Another shining example is Brackenridge  
19 Construction who revamped an old warehouse and housed a  
20 construction business. All of these structures created  
21 jobs and made the community aesthetically nicer.

22                   I can keep talking about the progress we  
23 are making, but the reality is that we need help. It  
24 seems for every property we take down, countless others  
25 need to be done. I would also like to express an issue

1 that makes it harder for our borough. That is the lack  
2 of funding for commercial blight. Many properties were  
3 at one-time mom-and-pop shops and now are non-eligible  
4 for funding, these are not factories and I would love  
5 to see exceptions made on a case-to-case basis.

6 Other issues that we encounter are  
7 asbestos mitigation. The cost is quite steep and we  
8 are really struggling. I hope you can find a way to  
9 help us with these issues by thinking outside the box.

10 Finally, I would like to thank you all  
11 for listening to me and caring enough to visit our  
12 little community. We truly appreciate this, and please  
13 come and visit me down the street at our little bakery,  
14 I'd love to see you.

15 Thank you very much. And I really do  
16 appreciate all your help, and that's all I have for  
17 you. Thank you very much.

18 CHAIRWOMAN BROWN:

19 Thank you, Mr. Lopreiato.

20 And thank you for your business in the  
21 community, as well.

22 Members, any questions?

23 REPRESENTATIVE LEWIS-DELROSSO:

24 I'd like to add, too, because I think  
25 we're going to be referencing it, that I have --- and I



1 think right out the gates, I received the blight  
2 remediation program as well as a comprehensive plan for  
3 this area.

4                   It sits in my office. I don't sleep  
5 with it at night, thank goodness. But I will say that,  
6 you know, I'm taking an active role in this, and I  
7 think this is why we're all here today.

8                   So thank you very much for your  
9 testimony.

10                   MR. LOPREIATO:

11                   Thank you very much, Ms. DelRosso.

12                   CHAIRMAN STURLA:

13                   Can I just make a comment? I was sort  
14 of taken aback by your comment that there used to be a  
15 gate that allowed all the workers to come down the  
16 street and come into town, and now there's a wall  
17 there.

18                   And it reminded me in my town we, in the  
19 last ten years, have built a new \$75 million convention  
20 center. And the initial proposal for that convention  
21 center --- it sits right on the square, the initial  
22 proposal was to have the back of the convention center  
23 face the square and it would open on to an alleyway  
24 between the hotel and convention center.

25                   And when they showed me this proposal, I

1 said if that's what you're going to do, I will oppose  
2 you. Even though I'm in favor of this convention center  
3 being here. But if you turn that around and have the  
4 front of the hotel in the square, you'll have my full  
5 support.

6                   They ended up doing that. We ended up  
7 getting them \$25 million in help for their \$75 million  
8 project. So the project went on, but just by, like,  
9 inserting a little bit of local pressure, we were able  
10 to say do it the right way, though. And I think too  
11 often sometimes there's a --- you know, if somebody  
12 says, hey, we're bringing \$3 billion to the steel  
13 plant, you go, fine, go ahead, instead of go ahead,  
14 but. And I think that really is part of the local  
15 government learning to take control of those situations  
16 and not lose that opportunity, but enhance that  
17 opportunity.

18                   And if there's things that we can do to  
19 figure out how to help that, I think that would be  
20 great.

21                   MR. LOPREIATO:

22                   Yeah. You're a hundred percent correct  
23 with that, you know.

24                   CHAIRWOMAN BROWN:

25                   Well, thank you very much. If there's

1 additional questions toward the end of the hearing, we  
2 might also pull you back up.

3 Thank you so much.

4 MR. LOPREIATO:

5 Thank you.

6 CHAIRWOMAN BROWN:

7 We've also been joined Merski. Would  
8 you like to introduce yourself and the district you  
9 represent?

10 REPRESENTATIVE MERSKI:

11 Thank you, Madam Chair. State  
12 Representative Bob Merski, second legislative district  
13 of Erie County.

14 CHAIRWOMAN BROWN:

15 Thank you. Okay.

16 Our next testifier is Lance Chimka from  
17 the Economic Development Director of Allegheny County.

18 Good morning, Lance.

19 MR. CHMIKA:

20 Good morning.

21 Chair Brown, Chair Sturla, members.  
22 Thank you for the invitation to join you here today.  
23 My name is Lance Chimka. I am Allegheny County's  
24 economic development director.

25 As you might imagine, many communities

1 in Allegheny County struggle with blight, just as the  
2 community, as we just heard. And we have 130  
3 municipalities in Allegheny County, and so my comments  
4 are going to encompass all of the 130 counties - or 130  
5 municipalities in Allegheny County.

6           You know, to understand where we are  
7 today, it's kind of important to understand context.  
8 The county's population peaked in 1960 and remained  
9 steady for many years with an economy built on and  
10 around the primary metal industry, right? But after  
11 1970 foreign competition and other considerations led  
12 to layoffs, closures, downsizing and the collapse in  
13 the steel industry.

14           And as a result, economically mobile  
15 households between 1970 and 1990 moved out of the  
16 county. And we still struggle with that population loss  
17 today.

18           The regional economy, thankfully, has  
19 grown, stabilized and diversified, many communities  
20 still struggle with the legacy of this seismic economic  
21 shift.

22           So job centers shifted from fabrication  
23 facilities located along the river valleys into more  
24 innovation driven economy clusters in the greater  
25 downtown area and Oakland areas of the City of

1 Pittsburgh. Commuting patterns and house demand  
2 followed suit.

3                   So this shift has created some very soft  
4 housing markets characterized by weak demand. The  
5 median home sale price in Allegheny is a very healthy  
6 and affordable \$146,000, based on 2017 sales. But 30  
7 of our 130 municipalities have median home sale values  
8 of \$60,000 with several barely eclipsing \$10,000.

9                   So what that sales price tells you,  
10 other than a supply and demand imbalance, right, is  
11 that that pricing structure is right for the conditions  
12 of a property to become encumbered by liens or  
13 underwater mortgages that prevent that property to  
14 transact on the open market, right. So it's a complete  
15 market failure, and many in my community struggling  
16 with weak housing demand.

17                   So this market condition creates blight  
18 and decay. It represents erosion of local tax base for  
19 school districts and municipalities and leads to  
20 untenable millage rates that further perpetuate this  
21 investment in communities. According to a 2013 study,  
22 abandoned property devalues inhabited properties within  
23 150 feet by 15 percent.

24                   In Allegheny County that's like two ---  
25 \$1.2 billion in value based on the county, which

1 represents about \$5 million in tax --- just for the  
2 county, not counting school districts and in municipal  
3 tax cases.

4                   So these conditions, you moreover  
5 disproportionately affects communities where naturally  
6 occurring affordable housing is present. And maybe we  
7 can attribute to social determinants of health in those  
8 households that are surrounded by blight.

9                   We are working, you know, with state and  
10 proactively trying to address blight in many of our  
11 communities using a variety of enabling legislation to  
12 the state. The Neighborhood Blight Reclamation and  
13 Revitalization Act of 2010, Act 152 (sic) of 2012,  
14 which allowed for the creation of land banks. Our  
15 Vacant Property Recovery Program, the Abandoned Blight  
16 and Conservatorship Act of 2008, and Act 152 of 2016,  
17 which allows for the creation of a County Demolition  
18 Fund.

19                   And I'll talk about, you know, each of  
20 those, in turn, briefly. But first, you know, local  
21 code enforcement is very much the front lines of  
22 blight, the battle of blight. And Act 90 of 2010  
23 established a legislative framework to allow  
24 repercussions for property owners with a repeated  
25 patterns of code violations across municipal lines.

1 But there are real --- while enabling legislation  
2 great, there were real limitations in, you know, really  
3 bringing that into practice.

4                   We're working with the Turtle Creek  
5 Valley Council of Governments to establish a  
6                   Multi-municipal code enforcement  
7 database to effectively track and enforce code  
8 violations across the municipal boundaries, which is  
9 important.

10                   One huge impediment there is that  
11 connecting single purpose real estate entities back to  
12 individual actors remains a challenge, and we'll  
13 continue to work on that - on that problem as well.

14                   Act 153 of 2012 also provides localities  
15 with powerful land recycling tool. Allegheny County  
16 works with the Tri-COG Land bank and the City of  
17 Pittsburgh Land Bank to acquire, stabilize and sell  
18 properties, ultimately returning them to productive  
19 use.

20                   However, there are a variety of ways  
21 that this tool can be further strengthened by amending  
22 to the municipal claims and tax lien law, basically  
23 municipal claims and tax lien law. Basically, certain  
24 privileges currently reserved for only Philadelphia  
25 County should be extended to Allegheny County as well.

1 I won't get into the details of the  
2 language in the amendment, but there are a couple ways  
3 in which that can be strengthened.

4 Our Allegheny County's Vacant Property  
5 Recovery Program allows for applicants who identify tax  
6 delinquent properties with eligible reuse plans to  
7 acquire these properties through a prescribed court  
8 process. Appraise values taken to court and  
9 distributed pro rata amongst lienholders.

10 At the end of the process the properties  
11 acquired free and clear title, which is a really  
12 important element to barriers of acquisition. That  
13 free and clear title is very important.

14 Currently 80 municipalities participate  
15 in the Vacant Property Recovery Program. Since 2015,  
16 626 parcels have been conveyed to new owners and  
17 returned to the tax rules through this program.

18 Act 135, 2008 established the  
19 conservatorship process in Pennsylvania also needs some  
20 attention. While the increasing number of  
21 conservatorship filings are an indication of wider  
22 market option, which is a very positive step, we're  
23 finding specific eligibility requirements and that will  
24 bring more guidance to the judicial system could reduce  
25 the number the number of predatory, profit-motivated



1 conservatorship filings in rapidly appreciating housing  
2 markets, which doesn't seem to be the legislative  
3 intent of that program.

4           So getting back on track towards its  
5 legislative intent of eliminating blight and not  
6 necessarily gassing or already rapidly appreciating  
7 housing markets would be for --- Allegheny County is  
8 also taking advantage of Act 152 2016 that allowed  
9 counties to levy a \$15 fee on deed recordation in an  
10 effort to establish a demolition fund. And we just  
11 started this program tax last year, had our initial  
12 round of funding applications that just closed in April  
13 of '21.

14           We have about \$2.1 million in the fund,  
15 \$7.6 million in funding requests, which is not uncommon  
16 for this business, so just speaks to the need for  
17 demolition, which is the removal of those blighting  
18 influences on the community.

19           But hopefully, you know, that program is  
20 a new piece of legislation, it's going to have a really  
21 big impact on communities like this through the  
22 demolition, unsafe structures, addressing flood and  
23 landslide problem areas, which is also an issue in  
24 southwestern Pennsylvania.

25           And opening development sites for new

1 development, it's also about growth, it's not just  
2 about de-densification.

3           So there's no single fix to address  
4 blight in Allegheny County. The laws I've referenced  
5 have been impactful, but could be further refined to be  
6 more successful, in my opinion. I encourage the  
7 committee to consider amendments that would provide a  
8 more targeted use of these initiatives.

9           Additionally, Economic Development  
10 Community Public Resources should be funded at a high  
11 level. DCD funding is down about 68 percent over the  
12 last ten years, and that's not including certain tax  
13 credits that aren't revenue based, right, like the job  
14 creation. Tax credit. It's gone away entirely.

15           So investment in everything from site  
16 preparation to infrastructure development to corporate  
17 extraction would compliment current blights to sift  
18 resources in commitments such measures as imperative  
19 with practitioners, like myself were to have any  
20 success in reversing very powerful economic trends that  
21 are 50 years in the making.

22           So thank you for your time and allowing  
23 to offer this testimony today. I'm happy to respond to  
24 any questions you might have.

25                           CHAIRWOMAN BROWN:

1 Thank you, Mr. Chimka. Very, very  
2 helpful as far as breaking down some of our acts and  
3 how they act on the ground.

4 And I just have one quick question for  
5 you. You referenced Act 90 of 2010 and the limitations  
6 with that in the implementation, but also working with  
7 the Council and governments, which I think is very  
8 important as far as establishing that municipal zoning  
9 type of ordinances and follow-up.

10 Do you feel with those conversations  
11 with the local government, which was mentioned early on  
12 is such a critical piece of how we deal with blight and  
13 remediation that the tears of fines or the strength of  
14 these fines, that the zoning officer follow-up the  
15 availability of zoning officers, how does that play  
16 into this piece of it, which I often feel is, you know,  
17 the next step down once we create something at the  
18 state level?

19 MR. CHIMKA:

20 Yeah. I think that local code is the  
21 first line of defense. And in Allegheny County we have  
22 highly fragmented kind of applicable environment.

23 You have a couple issues at play. One  
24 you have a relatively small pool of properties that you  
25 would need to justify 130 different code officers to

1 enforce, right? A lot of times municipal budgets are  
2 not robust enough to support that, so either you have  
3 no code enforcement officer, you sub it out to a third  
4 party or you have a part-time officer.

5           You got a high turnover in those  
6 positions that are part time, and sometimes you have a  
7 substandard third party administrators who aren't on  
8 the ground every day and don't know the actual local  
9 conditions. So I think, you know, one intermediary  
10 step is really leveraging this counsel of government to  
11 serve as an umbrella organization to help homogenize  
12 code enforcement amongst those municipalities.

13           I think Act 90 is important, because it  
14 allows for not only the consolidation of those code  
15 enforcement services, but then the ability to bring  
16 enforcement across the municipal lines that didn't  
17 occur previously.

18           So if you have a bad actor or  
19 municipality A, it's going to pull a permanent  
20 municipality B, you know, you can theoretically  
21 identify that and address it ahead of time. So it's a  
22 really positive step.

23           Like I said, I think the Achilles heel  
24 areas, if I have 123 Broadway Ave, LLC and one --- you  
25 know, 337 Main Street, LLC, those are the --- those are

1 the kind of single real estate entity that's hard to  
2 track back to in exchange of who's a bad actor in  
3 municipality A and municipality B.

4 So this is strengthening that we can do  
5 there. It's a really positive step as far as multiple  
6 municipality corporations.

7 CHAIRWOMAN BROWN:

8 Thank you very much. Yeah, we do have  
9 some legislation that is in the senate that will help  
10 strengthen some of that with the LLC. That has moved  
11 forward, so I think the Senate is considering it at  
12 this time.

13 MR. CHIMKA:

14 Excellent.

15 CHAIRWOMAN BROWN:

16 So good news to move forward on that.  
17 Representative Smith?

18 REPRESENTATIVE SMITH:

19 Good morning. Thank you for being here.  
20 I have a question on the Vacant Property Recovery  
21 Program.

22 MR. CHIMKA:

23 Yes, sir.

24 REPRESENTATIVE SMITH:

25 So an applicant has a reuse plan, brings

1 it to local government and they follow through, and  
2 they get the property free and clear through local and  
3 county governments have foregone taxes and liens.

4           Is there a mechanism to make sure they  
5 follow through with their plan?

6           MR. CHIMKA:

7           Yes. You can put revisionary clauses in  
8 the deed. In many cases these are --- when we're  
9 looking at a deed that's --- so many of my communities  
10 --- Braddock, PA, for example, as well as the 80  
11 percent of its residents, right, so you have this  
12 complete imbalance for supply and demand with  
13 residential properties.

14           So as far as the de-densifying, a lot of  
15 these transactions are just side yards, parking,  
16 gardens, tours, a primary residence. So in that case,  
17 it's very easy to follow-up, has the structure been  
18 removed, is the side yard being maintained properly,  
19 and that's very easy.

20           In the broader kind of more complex  
21 development projects --- for example, in Braddock, PA,  
22 the Redevelopment Authority of Allegheny County  
23 requires 60-plus tax delinquent parcels, and acquired  
24 them into one finding for development site and that  
25 encompasses 60,000 square foot vertical farm through

1 solar, employs about 50 people from the neighborhood.  
2 It's a really great, kind of development there, the  
3 basis of which was this Vacant Property Recovery  
4 Program.

5                   In that case, we were an active  
6 participant in the development and had a very active  
7 role in not conveying land until we saw that the  
8 financing was in place.

9                   So there are a number of different  
10 mechanisms that you can ensure that the final product  
11 is consistent with local vision for the community. In  
12 most cases, though, it's a pretty easy task, just not  
13 vetting projects on the front end to understand that  
14 the applicant is; one, achievable; two, financeable;  
15 and three, any sort of decovenants that you put on  
16 there at the time of sale are then enforceable.

17                   REPRESENTATIVE SMITH:

18                   Thank you very much. Thank you,  
19 Chairman Brown.

20                   CHAIRWOMAN BROWN:

21                   Thank you. Also, just as a reference,  
22 since we have over 5,000 bills, plus, introduced in the  
23 House, that Bill number that's in the senate is House  
24 Bill 264.

25                   So just, if anyone is interested in

1 following that.

2 MR. CHIMKA:

3 There are a number of bills we are  
4 tracking.

5 CHAIRWOMAN BROWN:

6 Yeah, add that one to it. So that's the  
7 number. Thank you, Christine, for that.

8 And Chairman Sturla?

9 CHAIRMAN STURLA:

10 Thanks. So I was having a conversation  
11 with Representative Innamorato the other day, who's on  
12 this committee, but not here today.

13 And she was talking about she lives in  
14 --- is it Lawrenceville?

15 MR. CHIMKA:

16 Yeah, Lawrenceville.

17 CHAIRMAN STURLA:

18 And she said, you know, properties there  
19 are going for, you know, \$500,000 and they're concerned  
20 about gentrification.

21 My sense is that there's not a community  
22 we saw yesterday that's worried about gentrification.  
23 You're not going to kick anybody out of a vacant house,  
24 you're going to put something there and have somebody  
25 come in that's making, you know, a couple hundred



1 thousand dollars a year, raise the tax base, raise the  
2 income average in the neighborhood.

3           It would help businesses in that  
4 neighborhood, it would do all those kind of things.  
5 And when we were on the bus the other day,  
6 Representative Pennycuick says, you know, look there's  
7 a marina down there. This is all waterfront property.  
8 And my guess is, at one point in time, when you could  
9 light the river on fire, that was probably one of the  
10 --- you wanted to turn your back to that, and that was  
11 the bad --- you know, like geez, you live down next to  
12 the river, too bad for you.

13           But I know, at least where I come from,  
14 if you have waterfront property, your house is worth a  
15 half a million dollars, whether you have a fixer upper  
16 on it or not.

17           Does there need to be a mine shift in  
18 terms of the way planning goes on in these communities  
19 that living up in the heights means you're on the  
20 waterfront, too bad for you, as opposed to, hey, you  
21 live up in the heights and the rest of you live down  
22 there next to the waterfront.

23           MR. CHIMKA:

24           I mean, great point. I think one of ---  
25 the silver lining is in the de-industrial linings of

1 the companies that, you know, many people have changed  
2 the way they view those natural resources from, you  
3 know, an industrial kind of asset to a natural and  
4 community life asset.

5           And so every mother's warning in  
6 southwestern Pennsylvania was don't go near the river,  
7 right. Brought all kinds of challenges. And so yes, I  
8 think that shift has occurred as the rivers have become  
9 cleaner, as waterfront property its value has  
10 increased. And so, yes, that's very much the case.

11           The other important point, I think, you  
12 raised was, you know, you have supply and demand and  
13 balances on the other end in very select view, mostly  
14 differing neighborhoods, and that's where we're seeing  
15 the conservatorship used, right, which is why I kind of  
16 eluded to the fact that, geez, we have blighted  
17 communities that we have supply and demand on balances  
18 on the other end. That's where we should be using  
19 these blight tools, not to gas our already hot markets.

20           And so yeah, I think there is a slow  
21 shift in the --- in the mindset of southwestern  
22 Pennsylvanians about having viewing the natural  
23 resources here, including the rivers, trails, rail  
24 lines, as recreational assets, but I think that's  
25 occurred, a certainly a much easier sale in community

1 meetings now, include rails to trails and a  
2 comprehensive plan, for example, than it was ten years  
3 ago.

4                   It's a --- yeah, I believe that shift  
5 has occurred. And I think connecting, again, the  
6 economic value of that to those assets is really  
7 important. In that case, it's got to go back to tax  
8 base, to removing blight influences on the municipality  
9 and talking about those, as it's really assets and  
10 selling points to your community.

11                   And yeah, I think that mind shift has  
12 occurred.

13                   CHAIRMAN STURLA:

14                   Okay.

15                   I mean, ever community we were in, I was  
16 like you all have a waterfront. There's towns that  
17 would, you know, give their left arm to have a  
18 waterfront.

19                   MR. CHIMKA:

20                   Sure. Yeah, we're blessed with a lot of  
21 water in southwestern Pennsylvania, and you know, it's  
22 a thing that a drought ridden California would kill  
23 for. You know, so we really are lucky to have that as  
24 an asset for sure.

25                   CHAIRMAN STURLA:

1 Thanks.

2 CHAIRWOMAN BROWN:

3 Representative Solomon.

4 REPRESENTATIVE SOLOMON:

5 Thanks, Lance, for the testimony. So it  
6 seemed like Dino had provided sort of the ground level  
7 business person's perspective of what it means to be on  
8 corridors that are depleted of economic opportunity,  
9 and then you sort of zoomed out and talked about global  
10 trends, which these are just both --- I could put the  
11 two of you in northeast Philadelphia, and much of the  
12 testimony would be almost identical.

13 So Lance, what is the one thing that we  
14 could all do here in this session to help the work you  
15 do to combat blight?

16 MR. CHIMKA:

17 I mean, I wish there was a silver  
18 bullet, you know, and I think, you know, you're dealing  
19 with two sides of the same blight coin, or --- in  
20 southwestern Pennsylvania, it think it's de-densifying,  
21 it's removing structures, which, you know, Act 152 is a  
22 really important step in that, and we're just getting  
23 that underway.

24 And the other --- the other side of that  
25 is then creating demand, right? And I think that's

1 where the economic development funding that has been  
2 eroded over the last ten years is really, really  
3 critical in preparing sites, creating demand for some  
4 of these corridors in the commercial corridors, the  
5 industrial corridors and the housing corridors, you  
6 know, a lot of these communities that suffer from  
7 blight are also like I mentioned, they're --- they have  
8 great naturally occurring affordable housing. We need  
9 mechanisms to rehab those housings, get them back  
10 online and get them --- you know, get families who are  
11 displaced from housing markets the opportunity for home  
12 ownership and affordable rentals.

13                   So you know, just, you know, we have  
14 some resources, mobilize for defense de-densification.  
15 We need more resources for site preparation and  
16 development, particularly in communities that are  
17 struggling with blight.

18                   REPRESENTATIVE SOLOMON:

19                   So just to be specific, on the  
20 legislative side, it seems like you're basically  
21 talking about sort of a reworking of some existing law,  
22 I think. And then on the other side, are you --- is  
23 there a particular current existing state grant program  
24 that you've used, you found is a successful blight  
25 fighting tool that you would want to see funding

1 increased for.

2 MR. CHIMKA:

3 Yeah. I think just across the board we  
4 saw an increase in the MPP and NAP program that was  
5 actually really, really positive step, and we would  
6 like to see more of that.

7 I'd say just across the board between  
8 business and our sites, which is site preparation  
9 program through DCD, which, you know, a little bit  
10 undercapitalized. I think that would be great to be  
11 seen, come back and recapitalize, you know, certainly  
12 some of the --- you know, it's easier to develop a  
13 greenfield site in Columbus, than a brownfield site in  
14 southwestern Pennsylvania for topographical issues,  
15 remediation. It's a whole host of things, so you know,  
16 just more resources.

17 It's less legislative and I think more  
18 the budgetary end that needs some work. There are a  
19 lot of great programs through DCD that, again, seem to  
20 be under budget. So we'd just love to see budgetary  
21 support for practitioners, but for local level, county  
22 level, to help --- get more projects. Like the one I  
23 referenced in Braddock, where you're taken 60 abandoned  
24 homes and turned it into 60,000 square feet of  
25 industrial property with real jobs and real wages for

1 real community members. That's the kind of thing we  
2 need more of.

3 It's both sides of that coin.

4 REPRESENTATIVE SOLOMON:

5 Thank you.

6 CHAIRWOMAN BROWN:

7 Representative Pennycuick?

8 REPRESENTATIVE PENNYCUICK:

9 Thank you, Madam Chair. I just have a  
10 quick question under Property Recovery Program.

11 MR. CHIMAK:

12 Yes.

13 REPRESENTATIVE PENNYCUICK:

14 You've done 626 parcels since 2015. It  
15 doesn't seem like a lot. Is the process onerous?

16 What's the --- I guess, what's the hold up.

17 MR. CHIMAK:

18 Yeah, great question. Nothing in this  
19 world moves as fast and as quickly as you and I want it  
20 to.

21 So the Vacant Property Recovery Program,  
22 it utilizes the eminent domain process. So property  
23 rights are very strong in Pennsylvania. The court  
24 process is very deliberate. It offers lots of  
25 opportunity for people to file an appeal and to

1 challenge the disposition of that property and rightly  
2 so.

3           That's a --- you know, it's a concept we  
4 don't take lightly, which is why we do so much work on  
5 the front end to that, and really understand that this  
6 is an appropriate use of that tool, because it has been  
7 used inappropriately in the past, and we're cognizant  
8 of that.

9           So it's mostly just a court-ordered  
10 process. The fastest it'd probably take place is about  
11 nine months, the average is about 18. So it's  
12 certainly not a fast tool, but it is an effective one.  
13 The big --- I think the big benefit is that concept of  
14 free and clear title. It doesn't necessarily occur  
15 through a treasury sale.

16                           REPRESENTATIVE PENNYCUICK:

17           I do have one more question. I think  
18 that's a great program. And I know there's a lot of  
19 people, especially in my area that can't afford  
20 housing.

21           Do you market this opportunity outside  
22 of Allegheny County? As crazy as it sounds with the  
23 youth of today, they're very mobile, they work from  
24 home, they watch HGTV, they think they're all DIY'ers,  
25 but we saw some properties yesterday, and we were



1 redesigning them as we were standing there talking  
2 about them, because they're beautiful ---

3 MR. CHIMKA:

4 Yes.

5 REPRESENTATIVE PENNYCUICK:

6 --- and they have great potential. I  
7 think there's a lot of people that would say, I don't  
8 know, I want to come. It's got a beautiful waterfront,  
9 a great community. We met wonderful community members  
10 yesterday.

11 I don't know, I think there's a missed  
12 opportunity there to toot your own horn and say, look,  
13 we're down right now, but we've got gone bones and  
14 great potential and a great community.

15 MR. CHIMKA:

16 No doubt. And to that point, like, I  
17 think we have a golden opportunity right now. When you  
18 have major corporations talking about a permanently  
19 distributed workforce, I see a lot of people are tired  
20 of having eight roommates and sharing a bathroom area.  
21 And at the time, you know, we offer a competing product  
22 where you can come to Pittsburgh and Allegheny County  
23 and southwestern Pennsylvania and, you know, do some  
24 adulating over here and have a place.

25 And whether it looks like Leann Ford's

1 place at the end or not, it's certainly a great housing  
2 stock. We have great communities. You know, we have  
3 great people and we're really, you know, the salt of  
4 earth.

5                   And so I think that's going to resonate  
6 with a lot of people who are going to pull the same  
7 paycheck that are working from home. So yeah, that's  
8 something that we're talking about regionally to a  
9 pretty high degree about how to target market to that  
10 segment of population to say, look, we can help you get  
11 into a home ownership opportunity in southwestern  
12 Pennsylvania, and you're going to have a higher quality  
13 of life than you would elsewhere.

14                   CHAIRWOMAN BROWN:

15                   Representative Merski?

16                   REPRESENTATIVE MERSKI:

17                   Thank you, Madam Chair. And thank you  
18 for your testimony. I was a local elected official in  
19 the City of Erie for seven years before I was elected  
20 to state house. And a lot of these issues are very  
21 familiar to me.

22                   One of the things that I caught in your  
23 testimony you said you'd like to do something with ---  
24 that Philadelphia does, and you didn't want to get into  
25 it, but if you just want to briefly touch on something

1 that Philadelphia has that that they're unable to do  
2 that Allegheny County is not that you think would be  
3 effective.

4 MR. CHIMKA:

5 Sure. Yeah, I can --- I didn't mean to  
6 glance over that. It just seemed in the weeds a bit.

7 But basically, the municipal claims and  
8 tax lien law provides certain privileges in  
9 Philadelphia. It doesn't extend out to Allegheny  
10 County.

11 And so one of the, you know, proposals  
12 from the local practitioners is that change a couple  
13 things in that, amend that law to allow for Allegheny  
14 County to have the same privileges that Philadelphia  
15 --- it's basically, you know, creating a judgment when  
16 a lien claim is filed, provided the tax foreclosure is  
17 free and clear sale, which is the big distinction  
18 between the Vacant Property Recovery Property and a  
19 treasury sale.

20 Providing a land bank to object to the  
21 sale of the purchaser debarred, so, you know, given the  
22 land bank an objection within the process. The  
23 redemption period shortened to allow for certain ---  
24 faster closing, basically on properties, and preserving  
25 the right to the land bank to act as an agent for

1 taxing bodies, having claims against the property. So  
2 kind of enabling the land bank to be an agent for the  
3 taxing body to have chalked in and prescribed it in  
4 some of these properties.

5 I'm sure somebody will testify to who's  
6 probably better versed in the intricacies of the  
7 amendment than I am.

8 REPRESENTATIVE MERSKI:

9 But you do feel that those would be not  
10 just for Allegheny County, but statewide would be good  
11 things for remediating blight and combatting blight?

12 MR. CHIMKA:

13 I think where you active land banks,  
14 yes, it would be beneficial.

15 REPRESENTATIVE MERSKI:

16 Okay.

17 And then, one other question. We're  
18 talking about blight, and one of the things that --- I  
19 always feel an ounce of prevention is worth a pound of  
20 cure.

21 Do you think that there are any policies  
22 or strategies that we can use to prevent at-risk blight  
23 from become problematic to the point where it needs to  
24 be demoed?

25 Sometimes we let things go until it

1 can't be fixed, and if we would just put a little bit  
2 of money in on the front end, you could salvage a lot  
3 of these homes, save them, industrial sites and then  
4 put them into a reuse or market them for reuse.

5 REPRESENTATIVE MERSKI:

6 Yeah, that's a great point. You know, I  
7 think blight, in many cases, like rust, right, if you  
8 can isolate it, remediate right off the bat, you got  
9 --- instead of a liability, you got an asset that you  
10 can market for some reuse, and then that's --- with the  
11 Act 152 program, we're really prioritizing cluster ---  
12 cluster demolition sites that we can then remarket into  
13 --- you know, scattered site housing is really hard,  
14 but if you're able to assemble a development parcel,  
15 you can do things at a much lower per unit cost.

16 I think that's, in my opinion, the  
17 biggest approach that we can take is just to be  
18 proactive, like you said. Hit it early and turn that  
19 liability into an asset by creating development sites  
20 that, you know, have real value on the market.

21 CHAIRWOMAN BROWN:

22 Representative Williams?

23 REPRESENTATIVE WILLIAMS:

24 Madam Chair. Thank you for that. I  
25 appreciate your testimony. This has not yet been

1 mentioned, so I'm just wondering --- I loved your  
2 metaphor in terms of use.

3                   Typically with blight there are  
4 accompanying issues that have to do with crime, drug  
5 addiction, those kinds of infestations tend to be  
6 married to the issues of blight.

7                   I haven't heard it mentioned yet, I'm  
8 just curious, are they at all a part of the  
9 de-population in this area? Is that a part of  
10 something that you're having to sort of address?

11                   MR. CHIMKA:

12                   Absolutely. And I think --- you know,  
13 as I mentioned, when you have, you know, naturally  
14 occurring affordable housing, that's fantastic but not  
15 if you have one half of a unit with blight and decay on  
16 either side, it contributes to the social determinants  
17 of health that may impact the person's having that  
18 naturally occurring affordable housing. It's  
19 counterproductive.

20                   So you know, part of our strategy there  
21 is through demolition of you would rather have, you  
22 know, the lower housing density with better community  
23 conditions, like you mentioned --- you know, a lot of  
24 these places that are abandoned are havens for drug  
25 activity, havens for criminal activity.

1                   You know, rodent infestations that  
2 create a whole number --- not to mention that paint and  
3 other contaminants that are in those houses that are  
4 really having negative effects on families that live  
5 there, particularly children, right? And the impacts  
6 of lead on brain development in children below a  
7 certain age.

8                   So we're really --- and one of the  
9 things actually to that point with the Act 152  
10 demolition fund we are specing in, let's say,  
11 demolition to that program to make sure that we're not  
12 contributing to the contaminants in the families that  
13 live in the housing surrounded by blight.

14                   So yeah, it's a huge problem beyond just  
15 the public safety span that is required for fire  
16 suppression in those --- and police activity there.  
17 But it's really a quality of life issue for some of our  
18 most vulnerable residents. And so we're, you know,  
19 addressing that first by taking down the hosing,  
20 stabilizing communities and then that's where newly  
21 built housing, I think, makes a lot of sense.

22                   Because you have development sites that  
23 are ready for new single-family homes, or in some  
24 cases, multi-family.

25                   REPRESENTATIVE WILLIAMS:

1 Thank you.

2 CHAIRWOMAN BROWN:

3 Representative Twardzik?

4 REPRESENTATIVE TWARDZIK:

5 I really appreciate your input, it's a  
6 very interesting and great concise review of blight  
7 that affects all of our communities.

8 I'm working on a bill currently that  
9 works on a registry for blighted properties and put an  
10 annual assessment toward the owners. A lot of them are  
11 out of town or out of state, and they just come in,  
12 they buy a property, they don't pay their taxes, do  
13 nothing to help the community and ignore that it's  
14 there.

15 I think that as an annual review, we  
16 find out who we are, and by assessing them a fee, that  
17 money go in toward eliminating blight, tearing down  
18 properties, but it also serves as a reminder that you  
19 own this, and you own part of our community.

20 And some of the landlords will buy a big  
21 old building and just let it sit until it becomes a  
22 giant problem for the community, and then we're  
23 expected to find money at --- they bought a \$100,000  
24 bank that closed, and you know, it was a million dollar  
25 property spent \$100,000 and they just ignore it.



1           If they ignore it long enough, we have  
2 to come back and find \$300,000 to buy it from them so  
3 we can redevelop the community. And I think that's  
4 really taking advantage of our communities. We have to  
5 stop so we're looking at that.

6           Christine, any other updates on that?  
7 Details?

8           MS. GOLDBECK:

9           Details, details. So Representative  
10 Twardzik has not yet introduced this yet. For members  
11 of this committee, there's still a co-sponsorship out  
12 under Representative Twardzik's name.

13           Vacant property --- there are two  
14 different structures in it. Vacant property is one,  
15 and vacant and blighted is another. The assessment on  
16 vacant and blighted is higher. And the whole point is,  
17 as the representative said, we've done a lot of ---  
18 it's a concept that has been around for a few years  
19 that we've ramped up discussion about and have now  
20 obtained approval from local government groups. There  
21 was some concern because of an assessment, there was  
22 concern about administration, but we made it about as  
23 easy as we can for them to do this.

24           And then in the bill it actually says  
25 that you know, any assessment collected is because it's

1 not about getting rich, it's about getting attaching  
2 that assessment for the services for the fire, for the  
3 police, for the --- but those assessments have to be  
4 used to remediate blight, so ---.

5 MR. CHIMKA:

6 It's a really interesting concept. And  
7 it goes back to, I think the multi municipal  
8 collaboration we talked about earlier and attaching  
9 personal accountability to these properties.

10 In some cases it's a various actor, and  
11 in some cases it's an estate or a family that doesn't  
12 even maybe even know they own the property. So again,  
13 like, attaching back to it, an individual owner, I  
14 think, is really a positive thing.

15 CHAIRWOMAN BROWN:

16 Chairman Sturla?

17 CHAIRMAN STURLA:

18 Yeah. One quick follow up. Because we  
19 had discussed something similar to this the other day  
20 --- yesterday, I guess it was. And maybe it can be  
21 included in this legislation.

22 We had talked to yesterday several  
23 people who said, you know, we don't even know owns that  
24 property, and you even alluded --- and it was like  
25 well, it's foreclosed on by the bank, yet we don't

1 which bank owns it. And you alluded to, well, one's an  
2 LLC 331, the other is 462 LLC and you don't know who  
3 the primaries are in the LLC.

4                   Would it help if there was a statewide  
5 registry of property owners that was either run by DCED  
6 or overviewed by the Attorney General, that basically  
7 so that you could --- any municipal official could call  
8 and say I've got a property in my district, who owns  
9 that property and what is their contact information?

10                   All that stuff transpires during the  
11 purchase of that property somewhere, but it gets lost  
12 in translation, when it gets recorded and who goes  
13 where and it goes down to the record of deeds office,  
14 or is it over there and who's what and where and how.

15                   I mean, it would seem to me that we  
16 could at least give local government the opportunity to  
17 contact people and say we have an issue with the  
18 property in our municipality that you own and here's  
19 your back taxes on it, and then also at some point in  
20 time, if there's \$20,000 back taxes like we heard some  
21 of these properties refer to the attorney general and  
22 say go prosecute, because having the local, you know,  
23 municipal district judge say, hey, you got back taxes  
24 you owe, yeah, okay, great. You know, who cares, try  
25 and find me.

1           The attorney general coming after you is  
2 a little different story. And so it would seem to me  
3 we could at least leverage a little oomph to expedite  
4 some of these things if you could get that information  
5 quickly and you can start to follow through on it  
6 quicker, does that make sense?

7           MR. CHIMKA:

8           Yeah. Sure. There's a lot of talk  
9 about rental registries and other registries to address  
10 these exact concerns. I don't know that I have an  
11 opinion on the exact mechanism, but I do --- I would  
12 agree that there's a general lack of data and  
13 information to act upon.

14           And so I think any vehicle that you can  
15 do to again, warrant individual accountability, I think  
16 that's really what's missing there. I think it would  
17 be a positive step.

18           CHAIRMAN STURLA:

19           Okay.

20           And my municipality has a rental  
21 registry. If you're going to rent property, you have  
22 to register with the city, you have to say who you are  
23 and you have to have a local contact in the city,  
24 either a property management company or a neighbor that  
25 is possible for it, so that when something happens at

1 that property, it's not like we don't know how to get  
2 ahold of that guy.

3                   And like, I love to see that replicated  
4 with every municipality, but every municipality doesn't  
5 mean you have the wherewithal to do that. I mean, the  
6 state has the wherewithal to say we have a database.  
7 You know, when you sell a property, you're a state  
8 licensed realtor, you need to send this information to  
9 the state.

10                   MR. CHIMKA:

11                   Yeah, I think it's worth a look. It's  
12 definitely interesting.

13                   CHAIRMAN STURLA:

14                   All right.

15                   CHAIRWOMAN BROWN:

16                   Christine has one quick question for  
17 you, and I think that's it.

18                   MR. CHIMKA:

19                   Sure.

20                   MS. GOLDBECK:

21                   Actually, I have many, but I'll just  
22 call you and we'll go through it.

23                   MR. CHIMKA:

24                   That's fine. Anyone want to follow up  
25 ---.

1                   MS. GOLDBECK:

2                   Thanks for having me go back into NetGov  
3 for five bills, but ---.

4                   MR. CHIMKA:

5                   Oh, sorry.

6                   MS. GOLDBECK:

7                   The one thing that became very clear  
8 yesterday in our tour and talking with everybody from,  
9 you know, the developers, the local government people,  
10 were these timelines, where years ago when we went out,  
11 what resulted was all of the laws that you're using  
12 right now.

13                   So now that they're being used now,  
14 we're hearing the road block side of these timelines,  
15 the 9 months, the 18 months. Where is this occurring?  
16 Is this occurring at the county level in documents, is  
17 this, you know, the more specific we can find where the  
18 delays are that's where the numbers can go and clean it  
19 up.

20                   MR. CHIMKA:

21                   Yeah. You know, I think many of these  
22 are court processes, right, with very restricted  
23 timelines and opportunities for objection and appeal.  
24 And again, you know, I think the intent of that is very  
25 good. In actuality and in practice, it takes a long

1 time. So I don't know what the remedy for that is. I  
2 think, you know, with the VPR program, like I said,  
3 that's a court process that's been trying to state law.

4 And we all know that you can change  
5 that. The other processes rely on processes like a  
6 sheriff sale or treasurer sale, which, again, also has  
7 a timeline for deployment.

8 But I get a sense --- like, in there,  
9 with the --- with NetGov it specifically doesn't have a  
10 redemption period that's been thrown in there. I think  
11 it's --- you can probably correct me on that, but  
12 shorten that might be helpful there to help expedite  
13 some of these processes, but you're right, everything  
14 takes awhile.

15 CHAIRWOMAN BROWN:

16 Thank you, Lance, very much.

17 MR. CHIMKA:

18 Thank you.

19 CHAIRWOMAN BROWN:

20 And we're having a side conversation  
21 here, because I think your testimony really was  
22 wonderful and offered us a lot of detail and further  
23 worked for us to look at strengthening some of the acts  
24 that aren't in place, but to be the most beneficial for  
25 our communities.

1 I thank you very much. We appreciate  
2 it.

3 MR. CHIMKA:

4 Thank you. The pleasure's all mine.

5 CHAIRWOMAN BROWN:

6 Our next testifier is J.P. Marino,  
7 assistant vice president Washington Financial Bank,  
8 owner of Plaza Professional Suites in Natrona Heights.

9 Good morning.

10 MR. MARINO:

11 Good morning. Thanks everyone for  
12 traveling out to our gem of little towns down the  
13 Allegheny River. I know it takes a lot of time out of  
14 your schedule, so I know me and a lot of business  
15 owners appreciate traveling down here.

16 Just like Dino's family, my family came  
17 here in the early 1900s from Italy. During the Great  
18 Depression my great grandfather and his brother bought  
19 an auto parts store for \$1,000 in west Tarentum. They  
20 grew it to six locations, and then in 1955 they built  
21 the Heights Plaza in Natrona Heights up there.

22 So a lot of connection to this town.  
23 I'm a resident of Tarentum now for 12 years, and so I  
24 seen a lot of transition happen. I'm also a baker in  
25 this area for ten years, focused mainly on business



1 development.

2                   A lot of my early success in my business  
3 development banking career was through SBA Lending. So  
4 it's been really nice to see a new generation of people  
5 --- business owners that were residents, worked for  
6 some of the bigger companies in our community that, you  
7 know, were trained, educated and then had the guts to  
8 go start their own down the street, you know, small  
9 shop.

10                   So with that said, you know, a lot of  
11 good points already made with Dino and Lance, that, you  
12 know, I'll just build on some those statements.

13                   I don't want to be too repetitive, but  
14 as a baker in this area, and working not just with  
15 business owners but with residents, that you know,  
16 maybe rent or, you know, first-time home buyers, things  
17 like that.

18                   A lot of things that we see with  
19 blighted properties, like has been stated already, that  
20 the timelines and accountability and you know, the  
21 increase in crime and things like that, all of the  
22 natural things that happen with blight.

23                   So what I want to build off really is  
24 what we could really use from the state is some sort of  
25 program --- grant money is great, but you know, you

1 guys know that can go away really quick, so I'm also on  
2 the economic development board for Canonsburg, which is  
3 Washington County, about 50 miles from here.

4                   So something that they're doing and I  
5 think some other communities might be doing and what I  
6 want to do, I want to challenge you guys or encourage  
7 you guys to maybe look at for the future, is how can we  
8 leverage the grant money and also create maybe a  
9 lending program through the state similar to the SBA,  
10 whether it's businesses, but more so with the  
11 residents.

12                   So you think about, if you drive, you  
13 know, ten minutes down the street, down into Natrona,  
14 there's a lot of --- a lot of those properties are  
15 rentless, but a lot of those people are paying rent  
16 that --- just like any other individual that starts off  
17 in life, you know, they go rent a place typically.

18                   And then they --- they discover that  
19 they can actually purchase a property and pay the same  
20 amount without actually being a property owner. So  
21 something that I thought about a little bit with blight  
22 is how can we create leverage with the grant money.

23                   So on a business level in Canonsburg,  
24 what we're doing is we have a facade program, so with  
25 the facade division, we'll leverage certain funds that

1 we get from the state and we'll leverage that against,  
2 you know, our Committee. And we can help businesses  
3 spend \$10,000 towards the facade of their business on  
4 the Main Street.

5                   So it's really a leverage of how we're  
6 getting funds from the state tax money, things of that  
7 nature and leveraging it with, you know, bettering the  
8 community, even though these properties might not be  
9 blighted, the ones that we're helping, but they don't  
10 have the funds to invest \$10,000 in keeping the facade  
11 looking nice. And eventually it might become blighted  
12 in the future.

13                   So some of the other things that --- you  
14 know, it's very difficult to obtain these properties,  
15 as you talk. You know, it can take a very long time  
16 and we own --- my family owns parts of around the  
17 Heights Plaza still, but if you guys were up at the  
18 Heights Plaza yesterday, it looks like a blighted  
19 property. It's the center of town and it's been in  
20 foreclosure for years. And you know, there's really no  
21 plan to fix that, because there's so many legal battles  
22 going on with the transition of the note, the bank note  
23 and how that reads. And you know, everyone's suing  
24 each other.

25                   The property owners suing contractors

1 and the contractors are suing them, and then the bank  
2 gets involved, and so it's not a blighted property  
3 typically, but it is. When you drive by, that's what  
4 it looks like. So when I think of projects like that,  
5 outside of the residential blighted properties, you  
6 know, wouldn't it be great if we could also leverage  
7 grant money to --- you know, with the SBA lending  
8 programs to get a group of investors together.

9                   So let's face it. If you're going to  
10 invest in your community or you're going to invest in  
11 an outside community, you can't just buy one or two  
12 properties, because you know, you're only one person or  
13 you're only one entity. You know, it would be nice to  
14 be able to leverage the grant funds and be able to  
15 have, you know, a group of local people in the  
16 community create a program where they can really all  
17 come together, you know, meet certain requirements,  
18 meet certain planning requirements and take over  
19 multiple properties at once.

20                   So if you think about Natrona, Chuck  
21 Dizard, he's a --- he has an extensive research project  
22 that's he's been working on for many, many years. He  
23 knows every property there is, he's mapped it out.  
24 Allegheny County people have even said that it's one of  
25 the most detailed reports that they've ever seen.

1           And when you think about that and you  
2 talk to Chuck about the research he's done how --- what  
3 process do we do to move forward? So we can keep  
4 talking about blight is horrible, but we really need to  
5 come up with you know how to leverage our current  
6 resources, so wouldn't it be great if people like Brian  
7 Mara and me, and other people that want to live and  
8 grow in this community long term had some sort of  
9 outlet to say hey there's ten of us here, here is our  
10 personal financial statements, here's our plan, here's  
11 the properties we want to take over. That's going to  
12 rapidly take these communities to the next level.

13           So that's what we kind of seen over the  
14 years. There's no rapid process to really take over  
15 the blighted properties and have a huge impact --- an  
16 immediate impact on the community. And I think that's  
17 kind of where a lot of people, whether they're local  
18 people investing or if they're outside investors. It  
19 gets frustrating. It gets very frustrating. It gets  
20 exhausting and at many times if you've ever gone  
21 through the process, it seems like there's no light at  
22 the end of the tunnel for that type of process.

23           So you know, I know there's been talks  
24 about expedited processes, which is great, but you  
25 know, I think leveraging the grant money is going to be

1 an important aspect to maybe focus on.

2           We want to, obviously, increase and  
3 retain households, people are moving out, but again,  
4 when you have your towns that, you know, have blight.  
5 And you know, the next house is blight, the next house  
6 is blight, you think about --- I live on East 9th  
7 Avenue in Tarentum.

8           When I first moved in with my family on  
9 that street, you know, all my neighbors were in their  
10 70s, so 12 years now fast forward, a lot of them have  
11 passed away. And the families lived and grew up here,  
12 but they don't live here.

13           They're from North Carolina, New York,  
14 whatever it may be, but the families come in and the  
15 state comes in and they just want to get rid of the  
16 property. So some of my neighbors now --- you know,  
17 they are rental properties, their renters don't even  
18 live in town. We don't even know who the property  
19 owner is, but they're not upkeeping it.

20           So over the years, you know, the  
21 landlord is always pointing at the tenant, the tenant  
22 is always pointing at the landlord, so as you guys  
23 talked about code enforcement, I think Tarentum has  
24 done an excellent job over the last 18 months of  
25 really focusing on --- you know, there's some rental

1 properties and even some other properties that are ---  
2 the owners live there that, you know, they just don't  
3 take care of it.

4                   And as we know, in ten years, a lot of  
5 those rental properties become blighted properties. So  
6 in terms of a really good job, the council has worked  
7 together. They go around --- last summer they went  
8 around, if your bushing were too big they put a notice  
9 on your door. If your lawn wasn't cut, if your siding  
10 was falling off. They've also done an excellent job of  
11 any time --- if you go drive through Tarentum you will  
12 see an a lot of red and orange tags on houses. They  
13 really focused on --- they really focused on how can we  
14 get rid of these immediately.

15                   So the other problem is that it's great  
16 that you identified blighted property, it's unlivable,  
17 you're going to tear it down, that's great. That's  
18 better than it sitting there. However, what is the ---  
19 what type of resources can we have to, you know, build  
20 a new structure there? You know, are we going to wait  
21 for an investor to pick this one lot in a row of houses  
22 that they don't even know and put a new structure  
23 there.

24                   The other unique thing about the parcels  
25 in this area is that they're very narrow, you know. So

1 why build a house --- why invest \$300,000 in a home on  
2 this little parcel when you can go to Fawn and build a  
3 bigger structure and --- with more land and no  
4 neighbors.

5                   So that's where I want to go back and  
6 circle back to what type of leverage and programs can  
7 we use that, you know, Mr. Smith down the street has  
8 been renting for seven years. Property was torn down,  
9 a lot's vacant for ten years and, you know.

10                   Why can't we have a program or grant  
11 money that gives him \$5,000 to obtain it, and then the  
12 state have a lending program on the back end to say,  
13 hey, we're going to build this structure, or if it's  
14 blighted, it can be saved, you know. Let's give him  
15 \$20,000 and, you know, leverage that with another bank  
16 loan.

17                   It can be two bank loans, but I think  
18 that's another important aspect of how do we focus on  
19 rapid growth, because we can just drag ourselves  
20 through the mud, and 20 years from now we might be  
21 sitting here on the same conversation trying to figure  
22 out things like that.

23                   Sorry. The only thing about what you  
24 see going on from Tarentum through Natrona is, it's not  
25 outside investors that are making the changes. It's



1 people in our community, people that have lived here  
2 their entire life. People that had great jobs here  
3 that are taking that next step. It's local investment,  
4 so you don't have these other, down by the city you  
5 have outside investors coming in and investing and the  
6 unique thing about us is when you walk into the Murphy  
7 building --- when you walk into the coffee shop,  
8 Desiree's there, you know, if you walk in to see the  
9 jewelers, the marina over there, that's --- that's very  
10 unique, because that shows that if we can come up with  
11 some programs, that we are investing in helping, you  
12 know, and bridging that gap of how to make it better.

13                   The entire community is energized right  
14 now more than I've ever seen it. And there's just some  
15 gaps in the process as you guys know, and I think  
16 focusing on that process. But also, again, going back  
17 to how can we fund these things, you know, I remember  
18 years ago, ten years ago there was a program by the  
19 U.S. government put in place where --- you know, I will  
20 use myself for example.

21                   I bought my house on East 9th Avenue for  
22 \$57,000 and the Obama administration put in a program  
23 where, you know, I got a downpayment and a second loan  
24 for that down payment, so they were leveraging that and  
25 they were creating an opportunity for me to purchase

1 this home and take out a government funded loan on the  
2 back end for the downpayment, so those are the type of  
3 unique things outside of the box, thinking that I see,  
4 you know, could really be beneficial for residents and  
5 business owners.

6                   Also with the SBA, you know, if they had  
7 some sort of program for blighted properties, so as a  
8 banker ten --- you know, ten-plus years, I think about  
9 how many times has someone walked into my office and  
10 wanted to either --- whether it was commercial or  
11 residential, they wanted to buy this, but the bank  
12 looks at it and says this asset just doesn't have the  
13 value.

14                   I can't --- I can give you the \$20,000  
15 to purchase it, but I can't give you the funds to move  
16 forward. And we've seen that multiple times, too.  
17 Sometimes they have cash to do it, but I can't lend  
18 them money to rehab it. It's just --- it doesn't make  
19 sense. It's too high risk for us, you know, sneaky  
20 bankers.

21                   So the project stops and the people end  
22 up with the property. I know multiple people that have  
23 brought properties for \$15,000, \$20,000 5, 10, 15 years  
24 ago. They're still sitting on them, they've done  
25 nothing with them.

1                   So it's great that people want to buy  
2 the properties and invest in it, but again, we need a  
3 solution as far as taking them to the next level and  
4 providing that opportunity.

5                   CHAIRWOMAN BROWN:

6                   JP, I just want to ask you --- you  
7 know, when I first --- when we got together --- some  
8 people here in this room that were in that meeting, and  
9 that's one of things that we were going to work  
10 together on is, you know, the momentum, the energy  
11 here. And I think it's important that we --- that we  
12 continue that. I think that the overall tone, too, is  
13 that local municipality and the local government is a  
14 key factor in all of this.

15                   And I think --- and I know I've seen  
16 this with Tarentum Borough, is that the local  
17 management taking an active role and working with the  
18 local officials. Now, again, this is a bipartisan  
19 effort, move forward and work hard, and things will get  
20 better.

21                   But also, you know, the job  
22 opportunities that have been lost over the last 30  
23 years here in this district is why the local government  
24 and the local economy with the infrastructure money  
25 wasn't there. So we bring people back in, we buy their

1 houses, we reap the benefits of that tax money, and I  
2 think that that's what's going to come back into. So  
3 it's a collaborative effort.

4 MR. MARINO:

5 Yeah. It's an exciting time right now  
6 to be alive in this area. And you know, I just think  
7 that if we had some sort of government programs for  
8 lending, specifically on blighted property, you would  
9 see a drastic and rapid opportunity for every  
10 community, whether it's out near Philadelphia, all the  
11 way down to, you know, Allegheny County.

12 But --- and there's also --- you know,  
13 you think about the communication aspects, so that's  
14 another thing that's missed. There's a lot of  
15 information that people have access to. They just  
16 don't know how to access it. So it's something I talk  
17 about on a regular basis, is that there's a lot of  
18 business owners and residents that want to volunteer  
19 and help. They just don't know how, they don't know  
20 where to go. You know, they're more than willing to  
21 take part in this and partner up with people and create  
22 new businesses or buy multiple property.

23 But again, the communication piece is  
24 always difficult to find, because who do you go to?  
25 How do you get it? And where do you go from there? So

1 that's why I think it's important. My wife and I are  
2 starting the Highlands alliance. It's --- and the  
3 business society in our local area, it's exclusive to  
4 the Highland School District only. We're focused on  
5 local economic rapid growth and how can we increase  
6 communication to the residents, how can we communicate  
7 increase communication to the businesses owners.

8                   And it's things like what you guys are  
9 doing with, you know, the different funding and the  
10 Acts, the bills and things like that, that we really  
11 want to get out there. So a lot of what we're doing on  
12 the side is just providing information and outlets for  
13 people.

14                   Yeah.

15                   CHAIRWOMAN BROWN:

16                   Thank you, J.P. I know that you were  
17 gracious yesterday to show us some of your work. And  
18 it was wonderful to see some of your property, so thank  
19 you.

20                   Representative Labs?

21                   REPRESENTATIVE LABS:

22                   Yes. Thank you for your testimony. I  
23 just had a quick question.

24                   I want to circle back. When you talked  
25 about in the community, you know, if your bushes are

1 too high, your grass isn't mowed, your siding is  
2 falling off. I hesitate to say consequence like for  
3 your neighbor, but are there consequences if this is  
4 not being done, and more so for, you know, the out of  
5 town owners that are neglecting their properties?

6 I mean, is there consequence or fines or  
7 fees for not doing this, and is it significant, that  
8 it's not something that they're just paying and don't  
9 want to worry about?

10 MR. MARINO:

11 Yeah, good point. There's fines and  
12 fees, but they're not significant enough to have an  
13 impact. Someone will strike a \$500 check that has 15  
14 properties all day. And again, this is going to be an  
15 expense on their balance sheet anyway. That's not an  
16 expenses that they can actually use.

17 So going back to, you know, the  
18 building process of what Tarentum is building on yet,  
19 what type of things in the law can we put in there  
20 that, you know, can hold them accountable --- that  
21 could be very detrimental?

22 When you talk about the attorney  
23 general, that's huge. I think that's a huge aspect  
24 that you guys should focus on, as well, because that  
25 has more of a say, than, you know, your local guy

1 putting a tag on your door and saying, hey, you owe us  
2 300 bucks.

3 CHAIRWOMAN BROWN:

4 Okay.

5 I think that's good. Any other  
6 questions? Chairman Sturla?

7 CHAIRMAN STURLA:

8 Yeah, when you talk about access to  
9 capital and you focused a little bit on housing, are  
10 there housing agencies in the area that focus strictly  
11 on housing?

12 MR. MARINO:

13 Well, I don't know if there's exact  
14 housing agencies that focus on that or drive it, but  
15 --- just for example, I can think one of my clients  
16 just went down there, to Natrona, a month ago to invest  
17 in a property. You know, he knows what some of the  
18 plans are down there. He knows the opportunity there.

19 So he goes, and --- it took a while to  
20 get ahold of the real estate agent, and they've been  
21 buying properties at Verona, Beaver, all around  
22 western PA. So their experience here is, they finally  
23 get ahold of the realtor, the realtor meets them there,  
24 hands them --- you know, opens the door and says, you  
25 know, feel free to walk through the house, you know, I

1 have other appointments to get on.

2                   And they walk in this house with no  
3 agent and there's spray paint all over the wall, rats  
4 in there. You know, they didn't want to go to the  
5 second floor. They didn't even know what was waiting  
6 for them up there, you know. So you know, we could do  
7 a better job of actually having a Committee or agency  
8 that could focus on these things like that.

9                   CHAIRMAN STURLA:

10                   And then, as a banker, you can --- if  
11 you're doing lending for residential properties, you  
12 can put that out on the secondary market and take that  
13 off your books, and you know --- but as I understand  
14 it, commercial properties, you need to keep on your  
15 books.

16                   Are you --- do you have enough capital  
17 and access to capital to keep enough on your books and  
18 to lend, or would it help if you had --- if the state  
19 had a program where we said, we're going to give you  
20 access to zero percent interest money, but you owe back  
21 at some point in time, you know, because the interest  
22 to us is less than what we spend on grant money, and  
23 then it never recirculates.

24                   Would that be helpful enough, or does it  
25 have to be grant money?



1                   MR. MARINO:

2                   It just has to be, you know if we could  
3 leverage it against grant money, that would be a key,  
4 but yeah, even just programs where if it's one or two  
5 percent, just because there's going to be some work  
6 involved, by the state, obviously zero percent is  
7 great, but yeah, you know, we have to find a way to  
8 fund these properties and expedite them.

9                   So an owner not going to call back the  
10 code enforcer because he knows what that call is about,  
11 but he will call --- he will call Mr. Smith down the  
12 street back that wants to purchase his property,  
13 because he qualifies for a program.

14                  And again, thinking back on the program,  
15 you know the matrix of how you qualify for that, you  
16 have to also take into consideration things like the  
17 downpayment, but also the credit score, things like  
18 that. So you have to make it available to people no  
19 matter what their credit score is, no matter what type  
20 of funds are in their bank and those aspects of it.

21                  But I think that's the biggest way to  
22 really, you know, jump start taking care of this  
23 problem through many communities.

24                  Maybe I'm wrong.

25                  CHAIRWOMAN BROWN:

1 Thank you. And I think Christine wanted  
2 to offer a resource just to put out there for everyone.

3 MS. GOLDBECK:

4 Thank you, Madam Chair.

5 For anybody who doesn't have a pen, if  
6 you can write this down, or if you don't have a pen you  
7 can use this to Google. It is Housing Alliance of  
8 Pennsylvania, and they do have a representative here  
9 with us today.

10 This Committee works very closely with  
11 them on getting information out to all of you at the  
12 local level of existing laws and programs, that you can  
13 use. So it's [www.PAblightlibrary.com](http://www.PAblightlibrary.com).  
14 [PAblightlibrary.com](http://PAblightlibrary.com).

15 And it really is a great compendium of  
16 most of the laws that Lance talked about that you heard  
17 us talk about yesterday, and the resources are there  
18 for you as a quick lookout, if you can't find any of us  
19 at your fingertips.

20 CHAIRWOMAN BROWN:

21 Thank you, Christine. Thank you, J.P.  
22 we appreciate your testimony ---

23 MR. MARINO:

24 Thanks you for having me.

25 CHAIRWOMAN BROWN:

1 --- and also yesterday as well.

2 MR. MARINO:

3 Safe travels going home.

4 CHAIRWOMAN BROWN:

5 Thank you.

6 Our next testifier is Joe Hughes, who's  
7 the director of government relations for District 57  
8 and member of the Pittsburgh Building Trades.

9 MR. HUGHES:

10 Okay.

11 I'd like to thank everyone for having me  
12 here. And especially thanks to Representative DelRosso  
13 for the fine job she's doing early on in the district.  
14 I currently do reside in the district.

15 I also recently --- I'll mention  
16 Representative Innamorato, I lived in her district  
17 previously for some years. So I think I'll actually  
18 cite Lawrenceville a little later in my testimony.

19 It was worth it. I bought it 20 years  
20 ago, so I sold it a lot more than I bought it for. But  
21 just to touch on one more thing you mentioned. You  
22 mentioned the riverfront. You know, used to be able  
23 light the river on fire. The '80s --- and maybe this  
24 will be an excuse for my sloppy testimony today.

25 But we used to swim --- jump off of

1 train bridge that was located right in between the old  
2 Harmar Mine, which use to spill orange water into the  
3 river, and the sewage treatment plant was right there.  
4 So that's where I spent a lot of my childhood swimming  
5 and jumping off a train bridge. As I said, that could  
6 be a preface to the sloppy testimony.

7 ---  
8 (WHEREUPON, AN OFF THE RECORD DISCUSSION WAS HELD.)

9 ---

10 MR. HUGHES:

11 As it's stated I am the --- currently,  
12 the director of government relations for the  
13 International Union of Painters & Allied Trades  
14 District Council 57.

15 We cover 32 counties of western  
16 Pennsylvania, all the way from Erie out to Centre  
17 County is where our jurisdiction ends and then District  
18 Council 21 of east Philly did cover the rest.

19 Let's touch a little bit on what we do  
20 as an international union. We cover commercial  
21 industrial painters primarily, focusing on coatings for  
22 critical infrastructure bridges, the energy sector,  
23 gas, oil, power plants and water storage facilities.  
24 That's the bulk of our work, is industrial coatings.

25 In Pittsburgh, no doubt bridge painting

1 is on your number one industry, so that's a lot of what  
2 we do. So when we talk about any kind of funding or  
3 infrastructure or anything, we're always concerned  
4 about our bridges here. We have more than anywhere  
5 else in the world.

6 We also represent glazers, architectural  
7 glass and metal workers. That's the local that I came  
8 from. That's Local Union 72, and drywall finishers and  
9 sign and display workers.

10 As I said, I grew up in Harmar  
11 Township, which is in the district. I attended local  
12 public school in the Allegheny Valley School District,  
13 Acmetonia Elementary School and then Springdale High  
14 School.

15 I recently purchased a commercial  
16 property in Springdale Borough, and I'm in the process  
17 of gutting, renovating. I'm not sure what I want to do  
18 with it yet, but sort of relevant is that I bought it  
19 because the price was right and I was in between tours,  
20 I sold a property. I sold my house in Aspinwall, which  
21 was Moratto's district, which is very high priced.

22 So, you know, I did most --- I bought  
23 the property. It's a great location in Springdale.  
24 I'm looking forward to doing something with it. We'll  
25 see what that is, but I went through the glazers local

1 Union 71 apprenticeship program and worked in the trade  
2 as a glazer for 25 years. I've been on staff full-time  
3 with the union for the last five years. And my  
4 background is in union organizing. I went from  
5 director of organizing to director of government  
6 relations. I always tied the two in together.

7                   Okay.

8                   I'll get started here. I'll just say I  
9 believe the conversation concerning blight should  
10 include a deeper look into past times before the blight  
11 occurred, and this was sort of touching on something  
12 Dino had to say, which I thought was very relevant.

13                   What were the economic conditions of  
14 these times and why was there less blight? Once again,  
15 with the example of steel industry, my own father  
16 worked in Lawrenceville in the steel industry for U.S.  
17 Steel. That facility is long gone. That happened more  
18 in the '70s and then the '80s. So you know, looking at  
19 --- that will all tie in here, or I'll try to tie it  
20 in. Once again, we went over --- remember that I swam  
21 in between a coal mine and sewage plant.

22                   Just a little history. Locally in the  
23 1980s, the booming steel industry was rapidly  
24 decimated. Pittsburgh was going through its second  
25 renaissance of building, which offered display ---

1 displaced steel workers and opportunity for career in  
2 the union building trades.

3                   We are currently experiencing a  
4 continuing loss of manufacturing jobs due to relocation  
5 and automation of facilities. This loss of middle  
6 class jobs is a definite pre-cursor to increased  
7 blight. Jobs leave, people leave.

8                   Now, to touch on that a little further.  
9 Even if you had a manufacturing facility to blighted  
10 district, let's say that, it's not the same amount of  
11 jobs it used to be, and we all know that. You know,  
12 you're kind of kidding yourself to think oh, so and so  
13 is going to build a building here and it's going to ---  
14 it's probably going to produce 20 --- I don't believe  
15 and it might have been 200 jobs at one time. Even on a  
16 recent tour of the coal fired power plant in  
17 Springdale, I think one of the biggest ones in the  
18 state or the country, for that matter, from talking to  
19 my friends, who's the steward there, Mitch Karaica,  
20 that facility used to employ over 200 workers, which  
21 are union workers with the IBW, it now employs about 46  
22 works.

23                   So that's just technology, and that's  
24 the realities of technology. That's the union trades.  
25 We are constantly monitoring this and seeing where the

1 jobs of the further are.

2                   So that being said, I'll touch on what  
3 I'm really here for. Obviously being from the union  
4 building trades, I'm going to promote the union  
5 building trades. It made me exactly who I am. I  
6 attended college for about two and half years, mostly  
7 out of pressure from family, and so on. I grew up  
8 building cabins in the woods and my father teaching me  
9 how to do a roof. And this --- yelling at me mostly,  
10 smacking me upside the head. Also for the sloppy  
11 testimony, here we go.

12                   I'm full of excuses today. But no,  
13 anyhow, that being said, you know, that's the reality  
14 of it, and I never caught on. I did well, in college.  
15 I made the dean's list. I felt it was pretty easy  
16 really. I just never had an interest in it. I just  
17 wanted to really work, and that says a lot for this  
18 area. That's most of the people that I graduated with.

19                   That's sort of the heart and soul of the  
20 Allegheny Valley. A lot of people just want to work,  
21 you know. So you know, that being said, so you know, I  
22 floundered a little bit, leaving college. I just quit,  
23 you know, to my parents dismay. And you know, caught  
24 on --- you know, did some odd jobs here and there. I  
25 always worked. I always found something to do to make



1 ends meet. But then I got --- I was looking for a  
2 career in construction, so I got a job as a non-union  
3 glazer for a non-union glazing contractor. And you  
4 know, I mean, you made better than minimum wage money.  
5 You know, I was doing better than some of my friends in  
6 my early 20s, I guess.

7                   But that being said after doing that for  
8 about four years, I was organized into the union, and  
9 that's where my life really changed. That's where, you  
10 know, I didn't always appreciate the pension early on,  
11 but you know, now obviously do. I'm eight years ---  
12 about nine years from retirement. I'll retire with  
13 full pension at age 57, 58.

14                   That being said, some people think  
15 that's too young or too early. The trades are tough.  
16 They're tough on people, and it's not easy work. You  
17 can't do it for 50 years, and you can't do it until  
18 they're 80 years old, or even 70.

19                   That being said, I just hope that's  
20 realized by everyone, that any legislature should  
21 realize that. We won't mention names, but we have in  
22 the past, they want you to work until they're 80 years  
23 old or, you know.

24                   But anyhow, that being said, I would,  
25 you know --- see, where did I leave off here? Here's

1 the sewage water coming back to me.

2                   Okay.

3                   So that's kind of my work history and  
4 that's how I ended up where I am. And let's face it,  
5 that's why I was able to buy a building, you know. You  
6 know, lack of capital or access to capital. You know,  
7 I'm very --- it's almost perfect. I have followed  
8 three gentlemen before me, a lot of what I have to say  
9 it's relatable. They all did a phenomenal job, so  
10 ---.

11                   So anyhow, I'll just go on with what I  
12 kind of have written and I'll keep branching off from  
13 there. Sort of mentioned this already, but you know,  
14 we all need to realize the discrepancies between  
15 current job trends and manufacturing versus  
16 construction and focus on which sector potentially  
17 provides the best opportunities for a spot in middle  
18 class.

19                   We currently have a nationwide shortage  
20 of skilled trades workers. If there is going to be  
21 funding directed towards blight and the ensuing  
22 construction, then we need to be concerned with who  
23 will be performing the work.

24                   Does it help the long-term fight against  
25 blight if the workers are underpaid and not living

1 within the local region? I mean, that's --- you know,  
2 that's --- let's touch on Lawrenceville here. We'll do  
3 this. But there you go, I can tell you for a fact that  
4 Lawrenceville was built by an antiunion general  
5 contractor. We don't have any members within  
6 Lawrenceville, not a single one. We have a lot of  
7 members in Allegheny Valley, I'll reference a few of  
8 them in a bit here.

9                   So that being said, you know, if we're  
10 not addressing the fundamental issues behind blight,  
11 the fundamental and economic disparities that actually  
12 bring about blight more than anything, you can throw  
13 money at it, but if we're not building a foundation  
14 along the way, then it's, you know, we're --- you're  
15 just throwing money at the problem. It can be a  
16 Band-aid.

17                   You know, we can end up with a blighted  
18 town with a few nice buildings in it. And I would not  
19 recommend any town become Lawrenceville, I really  
20 wouldn't. I'd travel around, drive around  
21 Lawrenceville. Now, I don't travel through it.

22                   It's just when I wrote this up. I know  
23 in the e-mail from Representative DelRosso, it  
24 mentioned --- let's see. Rebuild resilient  
25 communities. But Lawrenceville didn't rebuild a

1 resilient community. They built a new community. And  
2 that's a fact.

3                   It was built by antiunion --- by  
4 antiunion contractors. It didn't provide any real  
5 local workforce development within the union buildings  
6 trade. I say union building trades proudly, because  
7 when people talk about construction work, to some  
8 people \$18 an hour construction job is great. Well,  
9 that's great money. It's better than minimum wage.  
10 But that's crap.

11                   If these jobs are paying standard wages  
12 for construction, that these are not get rich wages,  
13 these are middle class wages. Some people look at \$55  
14 an hour, which is our total package for union glazers.  
15 Our total pay package.

16                   That includes everything. That's our  
17 paycheck, that's your pension, that's your annuity. We  
18 do have a 401K plan also on top of our pension, and  
19 that's your healthcare and that's, you know, other ---  
20 your dues, your whole nine yards. Some people think  
21 that's a lot of money. That just gets you into middle  
22 class. That's all it does. It doesn't get you any  
23 further than that.

24                   I can tell you that for a fact.

25                   CHAIRMAN STURLA:

1                   It guarantees you're not on public  
2 assistance.

3                   MR. HUGHES:

4                   That's exactly what it does. I'll tell  
5 you what, you and me, we're on the same page here. You  
6 mentioned the Amish earlier and we can talk further on  
7 that. I got some issues with them.

8                   REPRESENTATIVE LEWIS-DELROSSO:

9                   Mr. Hughes, can you maybe touch on the  
10 fact that the work force development is not happening  
11 anymore, and why we're not pushing this in our K  
12 through 12 programs, in our schools? Our kids are now  
13 technologically very, very capable of doing things, but  
14 they can't work with their hands.

15                   I'm a mother of three. I have two sons,  
16 they don't know how to pick up a hammer or nail. This  
17 is what we're not doing in our schools. Our K through  
18 12 programs are lacking big time.

19                   MR. HUGHES:

20                   Yeah, that's a very valid point. Great  
21 point. I think earlier in my testimony I mentioned  
22 that I what pressured to go to college, when I should  
23 have just gone right into an apprenticeship program at  
24 the age 17 or 18, you know, to be honest. I should  
25 have graduated high school and went into the apprentice

1 program.

2                   That's exactly it, you know. But yes,  
3 my sister's a teacher in the Allegheny Valley School  
4 District has been for close to 30 years now, or 25  
5 years. And from last I heard, kids can't even go to  
6 --- what is it, Boyce or --- or Forbes Road, we used to  
7 go --- you could go to in Springdale, and I just I  
8 don't know --- I think we're making good time with  
9 those kind of programs, come back around. I think some  
10 parents are starting to look. I can save some money  
11 going to the trades, geez, you know.

12                   We'll see, though. I think sometimes  
13 that's on the school districts to --- you know, they  
14 want those high ratings, they want that 99 percent  
15 college --- you know, our kids go to college in this  
16 school, and so --- look, there's always that stigma  
17 around construction work. There always has been.

18                   I mean --- and it's a shame, because,  
19 you know, elsewhere in the world, trades workers are  
20 highly regarded, you know, sometimes even revered, and  
21 that's not the case here.

22                   I'll also touch on that is the  
23 difference between a union construction worker and a  
24 non-union construction worker. And I'm not talking  
25 about all the non-union construction workers. I was

1 one at one time. But I can say that the union building  
2 trades, what we promote is skilled efficiency, we bring  
3 value and we take pride in our work and our members are  
4 career trades people. They're not doing it until they  
5 get on to something better, they're not doing it until  
6 their uncle can get them on with a trucking company or  
7 something or whatever. And they don't have to work  
8 second jobs most of time, and do side work. You can  
9 make a ton of money.

10                   A lot of them go on to be self-employed,  
11 become a contractor. Whether or not they stay with the  
12 union or not, that doesn't matter to us. If we're a  
13 pathway towards them doing even better, than they can  
14 do with us, that's great.

15                   I'll touch --- I'll provide a case for  
16 that right there. We were --- we did a community  
17 project in Monesson, PA where we were painting Shawnee  
18 Park. The Mayor, I saw him on social media, he was  
19 sanding the paint on this 1960s playground equipment.  
20 He was boasting about this, I'm doing this and that. I  
21 messaged him on a private messaged him and I said that  
22 thing has like eight layers of paint, like literally  
23 spewing lead dust all over the playground. Stop, stop,  
24 stop.

25                   We'll come out and look at it. So we

1 came out and did all of the --- you know, did the  
2 proper work and we put some real bridge coatings on his  
3 equipment, so it should be good to go for the next 40,  
4 50 years, I believe. With that being said, we were ---  
5 we were over there working doing this project, which we  
6 donated the time and materials.

7                   One of our former members, who was in  
8 our apprenticeship program stopped by to see us. He  
9 finished our apprenticeship program, he did about two  
10 years as a journeyman bridge painter. What was  
11 interesting about him is he left us, he left the union.  
12 And he did that because during his apprenticeship, he  
13 didn't spend any of his money that he made. He lived  
14 with his parents, he was young, he saved up all his  
15 money and bought properties in Monessan.

16                   He currently owns about 20 rental  
17 properties in Monessan. They're all in stellar  
18 condition, because he learned his skills from the union  
19 building trade. He even knew he didn't want to do it  
20 forever. He said, no, that wasn't for me, doing that  
21 forever.

22                   That got him to do that. That was the  
23 bridge for him to be able to do that. He couldn't  
24 afford that without the union trades. He could have  
25 worked at Sheetz, McDonalds and Starbucks and not be



1 able to afford that. So that's the reality of it, and  
2 that's really --- that's the main issue I want to put  
3 out there. But let me just finish what I have written  
4 here, and then, you know, if anyone has any questions.

5           Let's see. I would --- I would ask this  
6 question of any --- any elected representative, you  
7 know, would your district be better off if --- you  
8 know, I always know how many members we have in this  
9 district, you know, and with that being said, I always  
10 ask --- you know, say we have 133 members that live in  
11 this district, would your district be better off if we  
12 had 250 or if we had zero.

13           And the answer is always more. Our  
14 members are great, great community residents. As was  
15 stated, they'll pretty much never be a drain on any  
16 kind of public assistance. And I'm not knocking those  
17 --- I believe in those programs. With that being said,  
18 it's not our members that are collecting that, whether  
19 apprentice or retired.

20           I will just mention three --- you know,  
21 I come from a pretty small local union. Glaziers Local  
22 751 within a bigger district council for Painters and  
23 Allied Trades. The other --- about a few weeks ago or  
24 maybe a month ago, some of our voluntaries, including  
25 myself, we installed a new sign at Representative

1 DelRosso's office in Springdale. And our guy Ron was  
2 there, we put the sign in, it looks like great, you  
3 know, we're going around back, we're loading the truck  
4 up. He had truck parked in the back, and I'm back  
5 there and I see another truck next it with a Glaziers  
6 Local 751 sticker on it.

7                   I said Ron, I said what's this, and then  
8 all of sudden around the corner Mike Toy, who lives up  
9 in Tarentum stops by and this was next to  
10 Representative DelRosso office. There's a dance school  
11 for children. And Mike --- it's a Saturday, I talked  
12 to him, hey, Mike. Joe, good to see you. Well, he was  
13 taking his daughter to dance school on a Saturday. He  
14 lives in the district, makes a good living, middle  
15 class living. Takes his daughter to local dance  
16 school, still in the district. Getting the connection  
17 here?

18                   Our members spend money in the district,  
19 that they live in. They were not world travelers, they  
20 don't have offshore bank accounts. It tends stays very  
21 local sometimes, but I mean, sometimes incredibly  
22 local. You know, the trip up to their camp up north is  
23 the big getaway.

24                   Another one of our members, from  
25 Glaziers Local 751. I'm only going to mention three of

1 these, but there three that are relevant. Like, Mike  
2 is still currently an apprentice with our program. A  
3 good friend of mine, Scott Simmers, he also lives in  
4 Tarentum, he owns two boats that he has docked in  
5 Tarentum, his wife and kids, owns a home in Tarentum,  
6 he's a volunteer firefighter in Tarentum.

7                   These are our members. These are people  
8 in the union building trades. And I'll mention just  
9 one more, Joe Pushcar, who is --- really mentored me  
10 early on in my apprenticeship. He lives in  
11 Brackenridge, and owns a home there, his wife and  
12 kids, kids went off to college, kids did various  
13 things. He has been retired for nearly 18-plus years.  
14 He's not a drain on any public assistance. His  
15 property is not blighted. There's just no issues  
16 there. He's an upstanding citizen, always has been,  
17 you know. And he's collected a pension. He doesn't  
18 have to worry about where --- you know, how's he going  
19 to live, and he lives just fine.

20                   So I want to mention those three real  
21 people that live in this district and their stories of  
22 success. I mention one in Monessan, because it became  
23 relevant all of a sudden.

24                   That being said, I think I have one here  
25 on the site Lawrenceville, I think I did. You know,

1 that's --- even people who --- I recently was talking  
2 to a man, Scott Woolwich, he runs New Sunrise, which is  
3 a non-profit. They buy old buildings and, you know, do  
4 co-ops and stuff --- they have really cool program,  
5 cool guy.

6                   That's in Millville, PA, which has come  
7 along way. I think Millville is kind of doing some  
8 things the right way. He was telling me, he goes,  
9 yeah, you know, people always say, oh, Millvale is the  
10 next Lawrenceville. And Scott goes --- and he goes ---  
11 and I'm like yeah, what do you think of that? And he  
12 goes, I just tell them, does it have to be.

13                   Can't we just be Millville, you know.  
14 So that --- I'm not trying to pick on Millville.  
15 Actually, I wish Sarah was here today, because I would  
16 send her almost a weekly text message --- and it's not  
17 her fault, but you know, I was just being a smartass,  
18 you know, about Fran Joe Construction building in  
19 Lawrenceville.

20                   I said hey, is it true they're going to  
21 change the name of Lawrenceville to Fran Joeville, the  
22 antiunionville? I come up with a different one each  
23 week. So I think she's glad to have me out of her  
24 district, so now I'm Representative DelRosso's problem.

25                   CHAIRWOMAN BROWN:

1                   Thank you so much, Joe. We're running  
2 a little bit behind.

3                   MR. HUGHES:

4                   I had like two hours more.

5                   CHAIRWOMAN BROWN:

6                   No, we're thrilled to have you testify.  
7 Thank you very much.

8                   And just for the record, I think you  
9 turned out very well. So but I know Chairman Sturla  
10 has one quick question for you.

11                   We're going to try to catch up a little  
12 bit with our time here. Thank you so much.

13                   CHAIRMAN STURLA:

14                   One of quick question. One of the  
15 buildings we toured yesterday was built --- and it's an  
16 art deco building, and I think back during the Works  
17 Process Administration, a lot of the public works that  
18 got done were these wonderful art deco buildings that,  
19 you know, great ornamental iron work, great clay work,  
20 really detailed murals on the walls, things like that.

21                   In order to get into my town you have to  
22 cross railroad tracks somewhere, and most cases it's an  
23 under pass. So they have those big girder type bridges  
24 that --- you know, there's this big blank, in most  
25 cases, you know, painted --- that God awful aluminum,

1 you know, looking paint. And you know, now they're  
2 rusty, and so I'm like okay, so I'm trying to figure  
3 out how to get these things painted.

4                   And what they're going to do is they're  
5 going to pain it that God awful aluminum color again.  
6 And to me, it would be wonderful if we could put some  
7 sort of mural up there that would be done by a union  
8 painter that would last for 50 years, because you know  
9 how to do this right and prep it, and it's not just  
10 the couple of kids in the community getting out there  
11 and painting a mural that's going to fall off next  
12 week.

13                   How do I --- or do you have any ideas as  
14 to how I get government to start saying that kind of  
15 stuff matters. If we're going to spend money in a  
16 community painting a bridge abutment or building a  
17 brick wall, or --- I can either spend, you know, \$100  
18 and have it be an ugly looking thing, even though it's  
19 new or I can spends \$105 and have it be an asset that  
20 people go guess what, look at our bridge. Like, I  
21 wouldn't tell anybody to go out and look at our bridge  
22 if it was just painted silver again.

23                   MR. HUGHES:

24                   Right.

25                   CHAIRMAN STURLA:

1                   But I would if there was a mural out  
2 there.

3                   MR. HUGHES:

4                   Yeah. Well --- look, I mean, you're  
5 kind of speaking my language here, I mean, anything ---  
6 I believe anything that we do --- I mean, there's a  
7 place for nonunion contractors. I mean reputable  
8 nonunion contractors.

9                   But with that being said, I mean,  
10 obviously with public funding, the state would have  
11 prevailing wage, you know, which is supposed to level  
12 the playing field. Now, the realities of prevailing  
13 wage --- I'm going to go though and tell you what's  
14 wrong, but the reality is that, you know, the bad  
15 contractors cheat, and there's no --- there's not  
16 enough enforcement to follow it up.

17                   I mean, a lot of times we are the  
18 enforcement. We are the investigators, we are  
19 everything but the prosecutors. We have to put it to  
20 the Department of Labor. But anyhow, that being said  
21 yeah, I mean, I think anything you do along those lines  
22 --- it's funny you mentioned public works like that,  
23 that's you right, that's how it used to be. That's  
24 where you see a lot of these beautiful architecture,  
25 and I think it's because, you know --- look, it's kind

1 of --- I think I was in a conversation with another  
2 union rep yesterday, and I mentioned a case we did  
3 through the False Claims Act.

4 I mean, if you're spending government  
5 money, I mean, you should demand the best product, you  
6 should demand what's promised, you know. And so that  
7 being said, I mean, I can't understand, like, when they  
8 just want to build just real fast buildings that are,  
9 you know, like --- I'll mention Lawrenceville again.  
10 It didn't even make sense over there to see historic  
11 buildings, historic, sheet metal nightmare, historic  
12 building oddly shaped something, you know. It doesn't  
13 even make sense.

14 So you know, to me that's the way the  
15 community loses its heart and soul, you know. Living  
16 in this valley --- I'll start by saying, I've lived in  
17 this valley for my entire life, my entire heart and  
18 soul is here, my family is here, you know. I have so  
19 much history here that I just love it.

20 I know for a fact we're heading towards  
21 a better time. I can feel it. Talk to anyone who  
22 lives in this valley. During a conversation, I said  
23 you should buy a house over here. I was looking at  
24 them, you can get a house for well under \$100,000. You  
25 would be foolish not to.



1           But anyhow, you know, that being said, I  
2 also knew from canvassing the area for political  
3 purpose, that there's a lot of young people moving into  
4 Springdale especially, you know, where --- and I would  
5 also ask them, you know, how long have you been here, a  
6 year, two years? What brought you here?

7           You can afford to buy a house here, you  
8 know, it's only 15 miles from the city, you know. You  
9 can be in the city in 20 minutes, with traffic a half  
10 hour. Which we don't have real traffic here, you know.  
11 We complain about it, but it's not real traffic.

12           But yeah, so I think --- I think the  
13 city is up and coming. In my opinion, if there's going  
14 to be significant funding put forward to anything here,  
15 we have to look at who's doing the construction. If  
16 it's not providing --- I mean, if it's just providing a  
17 temporary \$18 an hour job, for someone who might ---  
18 may or not want a career in construction, it's not  
19 really the long term fight against blight. You're  
20 throwing some new buildings into a blighted area.

21           I hope that everyone just takes into  
22 consideration everything that I mentioned. It might be  
23 a little scattered, but our members and the upstanding  
24 community residents that they are, and we would like to  
25 create more of them. And it would be to the district's

1 benefit, it would be to our benefit, it would be to our  
2 benefit, it would be to those workers, benefits. And  
3 we need --- we know a nationwide shortage of skilled  
4 trades people, let's do this.

5           If we're going to make the investment,  
6 let's invest in real workforce development. Do not  
7 fund for profit trade schools many of them are more  
8 expensive than the average university. I won't say the  
9 name, but there's an elected official a Great Lakes  
10 building in Erie, and he came in and he was talking  
11 about, you know, state funding, state funding, this and  
12 that, we need to investigate in the trade schools  
13 instead of these tech schools.

14           And I looked at him and I said --- I  
15 won't say his name. I said I have a question, do you  
16 realize what room you're in? We've been in this  
17 business for over a hundred years, why are we --- we  
18 are the last in line for funding because we fund  
19 ourselves. You know, everyone of our members,  
20 including myself, Local 751 we pay --- I think right  
21 now we're up to about 75 cents an hour out of our pay  
22 package goes to pay our apprenticeship program. We  
23 fund ourselves.

24           And yet we are last in line. You know,  
25 I mean, once again, Representative DelRosso's been to

1 our training center. She saw it. I believe our  
2 parking lot was under construction at the time. We  
3 have those maintenance costs, you know.

4           So a for-profit trade school, they're  
5 doing just fine, but sometimes our free apprenticeship  
6 programs do need --- you know, we need to help, you  
7 know, a lot of times. You know, some people just  
8 think, oh, organized labor, you got tons of money. No,  
9 no we don't. And our money comes from our members, so  
10 the less members we have working --- so if you're going  
11 to do --- if you're going to invest millions of dollars  
12 in construction, not a single one of our members is  
13 working there, and we lose apprentices while that  
14 construction is happening, which happened in  
15 Lawrenceville, you know, we lost apprentices, because  
16 there was no work being done. There was work ----  
17 there was work being done, not for our members, they're  
18 not welcome there.

19           So that being said, the last thing I'll  
20 say, that needs to be taken into consideration. You  
21 know, if you want to rebuild --- if you want to fight  
22 blight, you need to rebuild the middle class. If you  
23 want to rebuild the middle class, do it as others  
24 mentioned, good jobs. To me that means good union jobs  
25 and trades where we need more trade skills people, that

1 needs to be in the equation.

2 CHAIRWOMAN BROWN:

3 Thank you, Joe.

4 MR. HUGHES:

5 Okay. Thank you.

6 CHAIRWOMAN BROWN:

7 And --- no, Joe, I think you brought up  
8 some great points, especially with the funding of the  
9 pension and things like that. Oftentimes people are  
10 not aware of that piece of it. So thank you very much.

11 I know Representative Lewis-DelRosso  
12 wants to make a comment. Thank you for your testimony  
13 today.

14 MR. HUGHES:

15 Oh, absolutely. Thank you.

16 REPRESENTATIVE LEWIS-DELROSSO:

17 Just to sum up a little bit and why I  
18 --- especially Joe got to me in the beginning of me  
19 starting in office was the bottom line is I was a local  
20 government official, and we always have to take the  
21 lowest bidder. Taking the lowest bidder is not always  
22 the best, why, costs overrun, not getting jobs done in  
23 time.

24 So I think as --- you know, we're the  
25 Urban Affairs Committee, but I think one of things we

1 have to look at in terms of local government and making  
2 sure that our municipal government is actually being  
3 --- doing things correctly is that some of our policies  
4 from a state perspective of taking the lower bidder  
5 isn't actually helping the local government.

6           It actually, I think, may be hurting it  
7 a little bit more, because reputable contractors, you  
8 know, or they're the ones that we should be working  
9 with, because it's actually the taxpayer money that's  
10 paying for these. You know, I've written grants, I  
11 understood that we always take the lowest bidder. And  
12 sometimes it doesn't benefits us at all, it actually  
13 only hurts us, because in the long run, we're still  
14 paying out of the pockets for it, so ---.

15           CHAIRWOMAN BROWN:

16           Thank you. Thank you, again, Joe.

17           MR. HUGHES:

18           Absolutely.

19           CHAIRWOMAN BROWN:

20           So we are already a half an hour past  
21 our timeframe.

22           MR. HUGHES:

23           That was Lance's fault by the way.

24           CHAIRWOMAN BROWN:

25           No, it wasn't you. It wasn't you.

1           Listen, this is fantastic information.  
2 This is fantastic information for us. Very well worth  
3 the time. And --- but I know many members have things  
4 back in their district and have long drives, as well,  
5 back home. So we are going to go to our next  
6 testifier, Greg Miller, who's the manager of Pittsburgh  
7 Land Bank.

8           Thank you, Greg. And obviously no rush,  
9 but as best as you can to recap, and then we can go on  
10 to a conversational question.

11           Thank you so much.

12           MR. MILLER:

13           I'll thank you. And I'll make ---  
14 Chairwoman Brown, Chairman Sturla, Representative  
15 DelRosso, and esteemed members of the House Urban  
16 Affairs Committee. Thank you all.

17           Again, my name is Gregory Miller. I'm  
18 the Pittsburgh Land Bank manager. I'm in my two and  
19 half month mark there, so this is very new to me and to  
20 the city, but the Land Bank recently became an  
21 affiliate of the Pittsburgh Urban Redevelopment  
22 Authority in 2020. So again, thank you for inviting  
23 me. I want to talk a little bit about what the Land  
24 Bank is doing to fight blight and some of the  
25 effectiveness of the PA's Conservatorship Act and other

1 tools that are available for us to address land  
2 recycling in the City of Pittsburgh.

3 I'll keep my comments brief just for the  
4 sake of time. I do want to acknowledge some of the  
5 other testimony, especially Lance, because he filled in  
6 a lot of the details that I don't think we'll need to  
7 exhaust much of my time with. So thank you, Lance for  
8 that.

9 And also for the other testimonies, I  
10 think there was --- there was a theme that really  
11 resonated with me throughout this and it's really about  
12 the people of these communities that we're talking  
13 about. You know, blight goes beyond just when you see  
14 a vacant parcel or vacant piece of property, but it's  
15 really about the people that have either lived in this  
16 neighborhood for decades or, you know, no longer live  
17 there. And I think that we need to keep that in mind,  
18 that this is really about the people of the  
19 neighborhoods.

20 So I'll start by just really with a,  
21 quote, from someone who I admire, it's Dr. Mindy  
22 Thompson Fullilove. She's an expert that works in the  
23 cross section of architecture urban planning and mental  
24 health and well-being.

25 And she says we cannot understand the

1 losses unless we first appreciate what was there. And  
2 so I think that the abandoned and vacant properties  
3 that exist throughout Pittsburgh today are really a  
4 symptom of deindustrialization, poor planning and  
5 disinvestment that occurred through the city. And  
6 we've heard that from a number of the testimonies.

7           The cost of today's blight is  
8 well-documented. According to the 2017 report  
9 Pittsburgh spends nearly \$2 million per year to provide  
10 code enforcement police and fire services to vacant and  
11 abandoned properties. This excludes several related  
12 costs like court costs or other legal fees associated  
13 with code enforcement.

14           That same 2017 report also estimated  
15 that vacant properties that are tax delinquent more  
16 than three years cost taxpayers more than \$2.3 million  
17 per year. That cost only goes up when you we start to  
18 factor in delinquency that is under three years.

19           As if that were not bad enough, blight  
20 has also an indirect cost by negatively affecting  
21 values of surrounding properties, known as a spillover  
22 effect. On average in Pittsburgh, the spillover effect  
23 for all residential properties located within 500 feet  
24 of the 1,370 vacant residential properties in  
25 distressed physical condition, is more than \$194,000.



1           The cumulative citywide loss of property  
2 value for these residential properties is \$266 million.  
3 This results in an annual loss of \$4.8 million in  
4 property tax revenue. This already conservative  
5 analysis ignores the studies that show spillover effect  
6 can touch properties up to 1,000 feet away. It does  
7 not contemplate spillover effects caused by the over  
8 600 commercial properties in Pittsburgh, nor does it  
9 calculate the costs of residential or commercial  
10 spillover effect on commercial property values.

11           The City of Pittsburgh, with support  
12 from the URA, is making significant strides in  
13 improving the quality of life for all Pittsburghers  
14 through targeted planning and land recycling strategies  
15 and tools, such as the Land Bank.

16           The Pittsburgh Land Bank was created in  
17 April of 2014 with the primary focus of getting tax  
18 delinquent property back on the city's tax rolls, while  
19 improving the quality of life for neighborhood  
20 residents.

21           Over the years, several issues have held  
22 back the Land Bank from achieving its goals. One  
23 legislative issue that the Land Bank is currently  
24 working on with senator Fontana is an amendment to the  
25 sheriff sale process in Allegheny County, governed by

1 the Municipal Claims and Tax Lien Law. MCTLL is the  
2 acronym.

3                   The PA Land Bank Act provides enhanced  
4 powers through the sheriff sale process. However, not  
5 all of Pennsylvania is treated equally in the sheriff  
6 sale process.

7                   Currently, we use the treasurer's sale  
8 process, the only jurisdiction in the state to do so.  
9 It is cumbersome, does not provide insurable title, and  
10 is regarded by many as fraught with legal issues. Our  
11 proposed amendment provides for an expedited sheriff  
12 sale process that is currently only available to the  
13 City of Philadelphia.

14                   Legislation extending this option to  
15 municipalities across Allegheny County would  
16 dramatically enhance our ability to return vacant,  
17 abandoned and tax delinquent properties to productive  
18 use, through ensure property titles are clean under a  
19 single action instead of two separate actions. Saving  
20 time and money on legal fees results in a less  
21 expensive means of returning property to productive  
22 issues. Productive reuse.

23                   Because blighted properties are often  
24 clustered in areas where property values are depressed,  
25 and resale values are low, the ability to reposition

1 each property for the lowest cost possible is essential  
2 to making these endeavors economically feasible.

3           Neighborhood-scale development like  
4 single family or low-unit count affordable and workforce  
5 housing, small-scale affordable commercial storefronts  
6 and neighborhood greenspace and recreational uses have  
7 a limited up-front financial return, but do provide  
8 long term tax base growth and social returns.

9           Allowing for quicker and cheaper  
10 processes also opens the door of blight remediation to  
11 small neighborhood groups and redevelopment to  
12 historically disadvantaged and under-resourced  
13 populations. This is a very simple economics problem  
14 that we can help solve.

15           Philadelphia currently uses the sheriff  
16 sale process and has benefited from the process. We  
17 need to allow the Pittsburgh Land Bank and other land  
18 banks in Allegheny County to benefit from the the same  
19 process.

20           Comprehensive land recycling reform does  
21 not end with the MCTLL amendment. There are other  
22 tools like the Abandoned and Blighted Property  
23 Conservatorship Act, Act 135 of 2008, in need of  
24 improvement.

25           Conservatorship authorizes the

1 coordinates to process by which parties of interest can  
2 take control of residential, commercial and industrial  
3 buildings and revitalize them, when owners have  
4 abandoned their property.

5                   Unfortunately, the process is  
6 cumbersome, and the definition of parties in interest  
7 has expanded over time, resulting in added costs and  
8 confusion. Because of this, the Land Bank and the  
9 Urban Redevelopment Authority of Pittsburgh have the  
10 following recommendations.

11                   First, appropriate and modest pool of  
12 funding that will help people prepare conservatorship  
13 plans. Secondly, while the Act 135 only requires  
14 notice by certified mail, title company attorneys fail  
15 to insure title unless the petition was served in  
16 accordance with the Pennsylvania Rules of Civil  
17 Procedure.

18                   Thirdly, create a process that brings  
19 lienholders to the table for negotiations. Next,  
20 for-profit developers, if allowed to remain a party of  
21 interest, should demonstrate proof of community support  
22 for their conservatorship case.

23                   Next, judicial and legal education, so  
24 those less familiar with conservatorship rules can move  
25 cases quicker, reducing costs and increase success

1 stories.

2                   Next, appropriate and modest pool of  
3 funding to help complete conservatorship projects that  
4 are court approved. And lastly, amend the definition  
5 of party of interest to authorize land banks to file  
6 conservatorship petitions.

7                   There is no shortage of information that  
8 points to the negative impacts of blight on the City of  
9 Pittsburgh. Fortunately, we have tools within our  
10 grasp to combat this issue, while working hand in hand  
11 with the community members and development stakeholders  
12 to realize the more equitable and livable city for the  
13 future.

14                   Property vacancy and abandonment is a  
15 constant reminder that the scars of years past have not  
16 fully healed, and that we must honor those that live  
17 and work in these neighborhoods by pursuing our full  
18 potential as leaders and decision makers.

19                   I thank you for your time. And I'll  
20 answer any questions or comments that you may have.

21                   CHAIRWOMAN BROWN:

22                   Thank you, Greg. Thank you for your  
23 detail, because that's, again, so important to us on  
24 the specifics of how you would like to see it  
25 strengthening, to be more effective. Welcome to your

1 new position as well.

2 MR. MILLER:

3 Thank you.

4 CHAIRWOMAN BROWN:

5 Representative Merski?

6 REPRESENTATIVE MERSKI:

7 One brief question. Thank you for your  
8 testimony.

9 And you did talk about judicial and  
10 legal education conservatorship. Does Allegheny County  
11 have a housing court, and if not, do you think that is  
12 a mechanism that would happen with remediating blight?

13 MR. MILLER:

14 I'm not sure on the specifics, if they  
15 have a housing court or what the local court's rules  
16 are, but I do believe there should be a dedicated  
17 process to resolving some of the issues around land  
18 recycling, specifically I know there's a problem with  
19 contacting previous owners and the resulting issues  
20 there.

21 CHAIRWOMAN BROWN:

22 Chairman Sturla?

23 CHAIRMAN STURLA:

24 When you file for a conservatorship, do  
25 you have to do each property individually or are there

1 ways that you can, almost like a class action lawsuit,  
2 say we're going to file on 60 properties over here in a  
3 town. We found every property in town and we're going  
4 to file one filing, and if people can show that they  
5 can be taken out of that process, fine, but otherwise  
6 we're going to do it all at once.

7 MR. MILLER:

8 Yes, you can do --- you can file for  
9 multiple properties.

10 CHAIRMAN STURLA:

11 Great. Okay. Thanks.

12 CHAIRWOMAN BROWN:

13 Representative Lewis-DelRosso?

14 REPRESENTATIVE LEWIS-DELROSSO:

15 So congratulations on your new job.

16 MR. MILLER:

17 Thank you.

18 REPRESENTATIVE LEWIS-DELROSSO:

19 Do you have a staff?

20 MR. MILLER:

21 You're looking at him.

22 REPRESENTATIVE LEWIS-DELROSSO:

23 Okay.

24 Well, Lance? What do we need to do?

25 What do I need to do?

1                   Okay.

2                   Well we are. And again, we'll instigate  
3 --- I'll instigate a little.

4                   MR. MILLER:

5                   All joking aside, part of being an  
6 affiliate, particularly with the Urban Redevelopment  
7 Authority, I have the ability to lean on staff from the  
8 URA, and I have been, you know, for the past couple  
9 weeks to really just --- what is the information that  
10 we have available to date, using the transactions team  
11 to look at properties that we have available, that we  
12 can move through the Land Bank.

13                   And I know, just to clear the elephant  
14 in the room, that there is one property that the  
15 Pittsburgh Land Bank has in its portfolio, and that's  
16 due to a number of constraints, you know, that the Land  
17 Bank has had over the years, partly and just dedicated  
18 staff. And so we're hoping now with my position we'll  
19 have some positive momentum there.

20                   REPRESENTATIVE LEWIS-DELROSSO:

21                   And Rep Merski asked the question ---  
22 because I was going to ask you and maybe Lance, maybe  
23 --- does Allegheny County --- does Act 135 Court of  
24 Common Pleas, do we have some designated that's pushing  
25 this kind of stuff through? Because you know,



1 Allegheny County court systems, it takes a little bit  
2 of time. And that's the kind of hold up that's going  
3 to hold up these properties.

4                   You know, we --- you know, again, I  
5 understand things don't move as quickly, as I'd like  
6 them to, again, when you have blighted property, and it  
7 stacks up, we want to work together on this kind of  
8 stuff, do you know.

9                   MR. CHIMKA:

10                   For conservatorship, I believe, that  
11 judicial education is very, very important to that  
12 process, so I'll say that, the other things like VRP  
13 that we talked about, and then I think somebody else  
14 brought it up, properties with tangled title are an  
15 absolute mess, because you have a cascade of lawsuits  
16 that can tie up the property for decades, you know.

17                   The roof fails and the property  
18 deteriorates. So three separate issues, I think  
19 judicial education is very important on the  
20 conservatorship end.

21                   REPRESENTATIVE LEWIS-DELROSSO:

22                   Well, I think --- and we're working with  
23 Allegheny County and Westmoreland County as well, so I  
24 don't know if our counties have programs that we can  
25 expedite these processes.

1           Do you have the staff? Again staffing  
2 --- people are looking for jobs, people need to get  
3 back to work, and people need to get out in the field.  
4 I've talked to so many people on Zoom and I ask them  
5 all the time, where go back to work and actually have  
6 that physical --- want to make sure people are actually  
7 doing this kind of stuff, because it's being held up.

8           So good luck to you. Thank you for  
9 testifying today. And I really appreciate working with  
10 you in the future.

11           MR. MILLER:

12           Yes. Thank you very much. Thank you  
13 for having me.

14           CHAIRWOMAN BROWN:

15           Greg, thank you very much and good luck.  
16 We appreciate and hope to work with you.

17           MR. MILLER:

18           Thank you.

19           MS. GOLDBECK:

20           Before you run off. Senator Fontana's  
21 bill, is that anything --- the bill that does what you  
22 need done, the MCTLL?

23           MR. MILLER:

24           Yeah, the MCTLL amendment is all  
25 included.

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MS. GOLDBECK:

In the Fontana bill?

MR. MILLER:

Yes.

MS. GOLDBECK:

Do you know the number?

MR. MILLER:

Not offhand.

MS. GOLDBECK:

Okay. No worries.

I can look that up right now.

Okay. Thank you.

CHAIRWOMAN BROWN:

Thank you.

That goes back to the expediting of  
different issues as well.

MR. MILLER:

Thank you.

CHAIRWOMAN BROWN:

Okay.

Our next testifier is Jason Rigone. Am  
I saying that correctly?

MR. RIGONE:

Rigone.

CHAIRWOMAN BROWN:

1                   Rigone. See, and I'm Italian. I should  
2 know this. Rigone, Westmoreland County Director of  
3 Planning and Development and executive director of  
4 Industrial Development Corporation.

5                   Thank you for being here. Good  
6 afternoon.

7                   MR. RIGONE:

8                   Good morning. And thank you very much  
9 for inviting me to participate today. Majority chair,  
10 or Madam Chair Brown, Minority Chair Sturla and  
11 Executive Director Goldbeck and the committee members.  
12 I thank you for the opportunity to present testimony  
13 before the House of Representatives Urban Affairs  
14 Committee regarding the impact of blight on our  
15 communities and the resources and programs available to  
16 address this issues.

17                   I'm going to try to stay on script, so  
18 --- I have a tendency to continue to just speak and not  
19 necessarily recognize time, so again, I'm just going to  
20 read directly from that, if that's good.

21                   My name is Jason Rigone, I'm the  
22 director of the Westmoreland Planning and Community  
23 Development. I also serve as the executive director  
24 for the Westmoreland County Industrial Development  
25 Corporation. So I wear two hats, one is the Planning

1 and Community Development aspect, the other one is an  
2 economic development director.

3 I'm here today to provide a brief  
4 summary of the impact that blight has on the  
5 communities and provide feedback on some programs and  
6 resources that are currently available, and whether  
7 they be federal, state or locally established, and  
8 lastly to provide two suggestions or key areas where  
9 we, through our partnership, could increase  
10 effectiveness addressing blight.

11 I'd also like to thank Lance and some of  
12 the others that testified. We really think that Lance  
13 did a great job with setting the stage of what we're  
14 doing here in southwestern Pennsylvania, the history  
15 and why some of this blight --- and also make the  
16 comment --- that's only the historical aspect.

17 We're also seeing changes that take  
18 place within our community. I represent Westmoreland  
19 County. We are located to the east here of Allegheny  
20 County. We're certainly seeing challenges in terms of  
21 depopulation, and Lance kind of hit on that.

22 And also has an impact not just on  
23 downtown areas and industrial locations but also  
24 suburban areas as well, especially in some of our  
25 retail locations. As things change in terms of how

1 commerce is spent, ecommerce has certainly had a big  
2 impact on upon our retail districts. We're also seeing  
3 impacts in those locations.

4           The one thing I also do is to segue, why  
5 is he doing it already. We talk about depopulation,  
6 putting on my economic development cap. We work with  
7 our --- mostly our manufacturing companies, but we see  
8 them all over.

9           The number one issue they deal with is  
10 the ability to attract and place people into jobs.  
11 They can't find enough --- our labor shortage is real.  
12 It's not necessarily just a component of the pandemic,  
13 it was there prior to --- before the COVID situation  
14 kicked in. We have to recognize that.

15           Our population, I think was in a state  
16 of losing congressional districts. It's different here  
17 I'll say East of Harrisburg --- or west of Harrisburg  
18 than it is in the Philadelphia.

19           And we talked about depopulation and  
20 some of the challenges we have on housing, abandoned  
21 houses. You know, we need people to come into the  
22 state. We need people to fill jobs we have available  
23 housing. There seems to me that we're always treating  
24 symptoms with blight instead of looking at the root  
25 cause. If we can get more people into the state that

1 can support business that needs people on the shop  
2 floor, we can also fill housing and really try to  
3 stabilize things economically.

4                   In 2018, Westmoreland County adopted a  
5 new county comprehensive plan, titled Reimagining Our  
6 Westmoreland. The plan's ultimate goal is to attract,  
7 develop and retain a diverse and stable workforce that  
8 will sustain a healthy economy. Going back to my  
9 previous comment.

10                   The mission statement of sorts was and  
11 is a response to the declining population we have in  
12 this county and this region, and really across the  
13 state. The plan identified 37 strategies with Strategy  
14 5.1 was eliminate blight. So addressing blight is a  
15 very important focus in our county.

16                   I'll throw out one statistic in terms of  
17 Westmoreland. Currently 1 in 19 properties, parcels,  
18 tax parcels are in some form of tax decline. Although,  
19 that's not necessarily evidence of blight, tax  
20 delinquency is certainly a lead indicator of a  
21 potential property deterioration. So again, just  
22 recognizing the volume of the context associated with  
23 blight or soon to be blight.

24                   Westmoreland County's always approached  
25 addressing blight by maximizing programs to ensure that

1 programs have the needed resources. We always allow  
2 communities to prioritize where their blight issues are  
3 and try to support those.

4           From an operational perspective, we  
5 partner with the County Redevelopment Authority since  
6 the early 1990s to administer a county-wide demolition  
7 program, and t his is funded primarily through the  
8 Community Development Block Grant program, a fairly  
9 funded program.

10           We invest around \$250,000, \$300,000  
11 annually. In addition to that, we adopted out of Act  
12 152 of 2016, we define it as our demo fund program.  
13 And thank you very much if you are involved in creating  
14 that, that legislation. That then allowed the creation  
15 of a supplemental funding and accountants had to pass  
16 that program. Westmoreland County did pass it, and is  
17 currently charging a \$15 fee for everyone that is  
18 indeed reported to supplement county-wide demolition  
19 program.

20           We generate around \$300,000 annually.  
21 So we're investigating somewhere between a half million  
22 and \$750,000 annually to go into addressing blighted  
23 conditions. Now, although amount is substantial,  
24 additional resources are certainly always beneficial  
25 and warranted.



1 Additional, the release of the blight  
2 program administered through DCD and the Commonwealth  
3 Finance Authority has supplement site specific project,  
4 that's involved in response and resource. However,  
5 although important, funding is only one equation.

6 ---  
7 (WHEREUPON, AN OFF RECORD DISCUSSION WAS HELD.)

8 ---

9 MR. RIGONE:

10 However although funding is only one  
11 piece of the equation to effectively address blight.

12 Westmoreland County did create a Land  
13 Bank, which was created out of Act 153 of 2012, and  
14 operation it's an extension of the County Redevelopment  
15 Authority and really is a result of municipality  
16 finding some difficult scenarios while redevelopment  
17 properties within their boundaries.

18 The Land Bank can offer powerful tools  
19 necessary to obtain site control and really address a  
20 lot of those title issues that we talked about already.

21 Currently Land Bank operates in 24  
22 municipalities in Westmoreland County. We have 65  
23 total as well as signing agreements, corporation ---  
24 governmental corporation be with the school districts  
25 in which those municipalities serve. We highly

1 recommend that if any county or community that is able  
2 to establish a Land Bank, if they have not, they  
3 should. It is a powerful tool.

4                   We've addressed, through our Land Bank,  
5 113 properties to date, since its creation in 2014 or  
6 '15, '16, something like that. Most notably --- most  
7 notoriously addressing the former Monsour Hospital  
8 located around Route 30 in Hempfield Township, actual  
9 City of Jeanette.

10                   Why it's so important, this property not  
11 only being a threat to the surrounding population,  
12 there's 30,000 motorists passing it everyday. And  
13 certainly was not a symbol of Westmoreland County  
14 wanted to show the rest of the world. It --- also what  
15 makes it challenging is that it also incorporated \$40  
16 million worth of liens, federal liens, state liens,  
17 local liens.

18                   Through the Trump power we were able ---  
19 able to get --- you know, no pun intended, the power so  
20 invested within the Land Bank legislation. We were  
21 able to ensure that we got control of this site, took  
22 down the site through --- obviously through a  
23 demolition program, removed all of those liens,  
24 untangled all of those liens, because this property  
25 actually had value being on a primary artery.

1                   We thought about using Conservatorship  
2 Act, however, we weren't able to necessarily address  
3 those liens as effectively. If we left the liens in  
4 place, the property would still be sitting in the  
5 public's hands. Our goal was to put it back into  
6 productive reuse.

7                   This was done through partnership with  
8 the county industrial development corporation. It is  
9 now in the hands of a private sector whose looking to  
10 develop it from a commercial perspective.

11                   So far my testimony is solely on  
12 financial resources and organizations tasked with  
13 addressing blight that have been relatively effective.  
14 However, the remaining challenges and gaps in our  
15 ability to fully tackle blight in our communities.

16                   These following are the areas of need,  
17 and not necessarily in priority order. There was some  
18 discussion on this, and I have to agree the most  
19 effective way to address blight is not reactively.  
20 That's what we do, we throw funds and are reactive.  
21 It's needed. It's necessary, certainly, but rather  
22 proactive is the better approach.

23                   Some ideas that we certainly --- some  
24 concept we certainly always imbue within our  
25 municipalities. Number one, community plan. Start

1 with a plan and without a plan --- a strong plan and  
2 understanding of what you're trying to accomplish, a  
3 lot of times you're just spinning your wheels and  
4 you're not being as effective as you can.

5                   So blight plan follow the Pennsylvania  
6 Housing Alliance's five step blight plan process as  
7 recommended even on a regional level. It will generate  
8 a consensus for a blight strategy, assessing the nature  
9 and the extent of the blight, convene a blight task  
10 force, engaging municipal officials and sets out a  
11 blight strategy tactic necessary to address blight.

12                   Most importantly, the plan using a data  
13 driven processive discipline approach advocated in the  
14 handbook. We did this specifically with the Alle-Kiski  
15 region of Westmoreland County from a planning  
16 perspective as adopting planning districts, breaking  
17 the county up into seven areas.

18                   The Alle-Kiski area, which is just  
19 across the river, which includes New Kensington and  
20 Arnold, I believe that you had toured some of those  
21 communities yesterday, as well as some of the townships  
22 and some of the other municipalities surrounding.

23                   We worked with those communities to  
24 develop a regional plan, somewhat of a comprehensive  
25 plan. On of their tactics coming out of the strategy

1 was to address blight. That blight plan or recent  
2 application was submitted into the blight program  
3 through the CFA, most recently, unfortunately was not  
4 funded. That's okay. We recognize resources are  
5 limited and we're certainly not --- some of the stuff  
6 we're submitting again, are looking for other  
7 resources.

8                   But our approach was development that  
9 plan, more on a regional level. I'll get to that here  
10 on my next point.

11                   Code enforcement, again being proactive.  
12 Effective code enforcement task at the local level and  
13 is another proactive form of blight mitigation. Many  
14 of our communities invest in valuable resources into  
15 proper code enforcement to ensure properties are  
16 maintained in the manner outlined in their local  
17 ordinances.

18                   Unfortunately, money of our communities  
19 --- I'm sure that you represent a lot of similar  
20 situations, many of our smaller communities lack the  
21 necessary resources to maintain a full-time code  
22 enforcement officer, and I think that was discussed  
23 here earlier.

24                   And then that sometimes means that work  
25 falls on the shoulders of law enforcement, public

1 safety, is that what they're really what they're there  
2 for? No, related to the ideas to have properly trained  
3 enforcement individuals. As a county we promoted the  
4 option of a regional code enforcement situation. It  
5 helps distribute the financial burden, it results in a  
6 consistent expectation across neighboring communities.

7           Additional redevelopment towards a Land  
8 Bank, although effective tools in addressing blight,  
9 operational funding, there is no --- there is no direct  
10 consistent operational funding for those organizations.

11           We as a county do the best that we can  
12 to ensure that those type of organizations have the  
13 resources necessary. A lot of times that's addressing,  
14 not necessarily operational. So something to consider.

15           Number two, we tend to focus on  
16 demolition as a primary and correct response. Many  
17 times structures that are deteriorating, we think  
18 demolition is the only action possible. That's just  
19 the reality.

20           However, we've also observed the needs  
21 to address blight and preservation and through  
22 buildings stabilization. Because the market may not  
23 necessarily be there at that time, but it could be  
24 there at that time, but it could be there in the  
25 future.

1                   Many of our downtowns have felt the  
2 brunt of decades of suburban development, and many of  
3 our iconic buildings have deteriorated to a point where  
4 private sector investment is not an option.

5                   Lance and I had this conversation a  
6 couple months ago trying to address specific challenges  
7 that we had, trying to bounce it off he and the staff.  
8 How do we address this? How do we invest money, how do  
9 we stabilize buildings? There really aren't a lot of  
10 resources or sufficient resources to address this.

11                   Deterioration isn't lineal. It doesn't  
12 happen 1, 2, 3, 4, it happens 1, 2, 5, 10, 50. The  
13 roof comes in, once moisture gets into the building,  
14 once it evades into the envelope, it doesn't take long  
15 for a structure to completely come down. We have  
16 buildings where roofs are inside of the structure to  
17 the point it's beyond salvaged.

18                   It could have been a very important  
19 building. You toured New Kensington. There are  
20 buildings like that in New Kensington where if we  
21 could have just stabilize the structure, preserve the  
22 structure, put something on the roof. There are just  
23 aren't a lot of funds to do just that.

24                   The need for programmatic support  
25 funding that effectively preserved the downtown

1 commercial buildings with the ultimate goal to be  
2 re-used for market base use is vital.

3                   We can tear them down and address the  
4 most immediate concern, or we can more strategic and  
5 more effectively redevelop our downtown communities,  
6 our new and more flexible resources are sorely  
7 needed.

8                   And then last, as mentioned earlier,  
9 properties which fall into tax delinquent status blight  
10 could develop in the near future, and as mentioned  
11 previously --- we talked a lot about today,  
12 preservation is preferred to demolition.  
13 Unfortunately, our current laws that manage tax  
14 delinquent process require a time consuming process.  
15 As a result many of these properties deteriorate to a  
16 point where demolition is the only option.

17                   We mentioned why that happens. We  
18 recognize and respect that property ownership in the  
19 United States in this Commonwealth and the United  
20 States is certainly something we hold very dear.  
21 However, we know they have rights.

22                   However the code --- just the issues  
23 associated with --- able to address properties in a  
24 time effective manner, that process we talked about,  
25 it's a balance. We recognize people, property rights,



1 have to be protected, same time.

2                   At the same time we also recognize that  
3 we have to be able to move quickly. So again, to  
4 summarize our recommendations, additional funding for  
5 regional planning, support for code enforcement, maybe  
6 that's on a regional basis, resources for preservation  
7 and modification tax delinquent processes should be  
8 strongly considered.

9                   Thank you for your opportunity to speak  
10 today. And I'll take any questions that you have.

11                   CHAIRWOMAN BROWN:

12                   Thank you, Jason, very much. And I just  
13 have a quick question in regards to --- I know we're  
14 talking about blighted properties today. But from the  
15 economic development, industrial authority perspective  
16 ---

17                   MR. RIGONE:

18                   Sure.

19                   CHAIRWOMAN BROWN:

20                   --- the recruitment or the advertising  
21 of properties to businesses, and that you're trying to  
22 have come into the area, does it make sense to have  
23 your non-blighted properties in that recruitment, you  
24 know, happen for those properties to bring businesses  
25 in with the intention that then, hopefully workers

1 would then buy the residential blighted properties and  
2 then move to the commercial blighted property, that  
3 sort of kind of, you know, hopefully trend forward.

4 I know there's always been the funding  
5 and the mission from the economic and industrial  
6 authorities to recruit companies from other states, or  
7 whatever it may be, and is that still as strong as it's  
8 always been, or that's had weakened a little bit  
9 because of funding issues? You know, where is that in  
10 this story of blight? I'm saying almost like a  
11 non-blighted recruitment also.

12 MR. RIGONE:

13 Yeah, certainly. So you know, business  
14 attraction is important, although we do recognize eight  
15 out of every ten jobs created by local business  
16 expanded. By the same time we have to invest money  
17 into attracting the next big company that's coming into  
18 the area of small company. So certainly, as a county,  
19 as an organization, we settle resources annually to  
20 really market in the region and within the state, or we  
21 don't haven't the resources necessary to effectively  
22 market really outside of the region or outside of the  
23 state or internationally.

24 That partnership really lies with  
25 organizations like the Pittsburgh Regional Alliance or

1 DCED through some of their programs. As Lance  
2 mentioned before, talking about from a site development  
3 perspective, DCD has been largely gutted, but it also  
4 falls to programs like that as well, that they're not  
5 as effective as they once were.

6                   So yes, we, as an organization, have a  
7 tool, which is basically site selection tool, and it  
8 has all of our properties, privately and publicly  
9 owned, on a website that they're not blighted  
10 properties that can be effectively reduced tomorrow,  
11 and that is to attract --- to use in partnership in  
12 site selection, consultants or businesses looking in  
13 the area.

14                   So yeah, that's very needed, and  
15 certainly it's an effective way to approach it. The  
16 trickle down aspect of that to help, you know, build a  
17 local economy is certainly very obvious, right. So you  
18 attract the business, they employ local people or bring  
19 people in, and they buy houses and it helps build your  
20 local economy, so certainly that's part of that.  
21 Overall economic dynamic.

22                   CHAIRWOMAN BROWN:

23                   Yeah. You know, it's funny, because I  
24 think no matter where the district is located for  
25 legislator here, you're only sort of wondering what

1 that recruitment process is, you know, we here --- we  
2 see North Carolina building up their economic base and  
3 businesses, and so the small business, of course, is  
4 the foundation. But then, looking at the larger pieces  
5 and how do we do better with that recruitment.

6           Like you said, nationally,  
7 internationally, whatever it may be, and it does seem  
8 like, you know, we have the Government Action Team, we  
9 have to compete with the DCAD for the national level of  
10 recruitment, but it does seem as if you're saying, it's  
11 limited to region. Although you have these properties,  
12 you know, unless --- if I'm a large company owner,  
13 unless somebody alerts me to the possibility of, you  
14 know, I might not be looking out this way, or I might  
15 not be looking into the area of the Poconos, you know.  
16 So sometimes that additional recruitment, so I was just  
17 curious on your end how much ---?

18           MR. RIGONE:

19           Certainly. We use electronic tools,  
20 electronic websites, thing of that, to make sure that  
21 we are out. We rely on those partnerships as projects  
22 come in to me, the Commonwealth, then they have direct  
23 access with working with GAT, Government Action Team,  
24 so on so forth.

25           The one thing we mentioned about other

1 states, the area that we fall short on, and I hate to  
2 say it, is in the senate-type programs. We really  
3 don't have much to offer companies. If you are  
4 competing with the likes of North Carolina, Kentucky,  
5 Tennessee, if you want to see why the auto industry is  
6 located in those areas and why they're in those areas,  
7 go look at the benefits package that is offered to  
8 those companies when they're locating to those states.

9                   If we don't want to create or have  
10 resources like that, it's hard to compete.

11                   CHAIRWOMAN BROWN:

12                   Thank you.

13                   Chairman Sturla?

14                   CHAIRMAN STURLA:

15                   Yeah. Yesterday, there was a couple  
16 times where it was like this side of the street is this  
17 municipality, and that side of the street is that  
18 municipality. And I noticed you mentioned, and I might  
19 be the only person that can ask this question or one of  
20 the few people, if somebody's local here, they probably  
21 can't ask this question.

22                   You talked about multi municipal efforts  
23 and regional code enforcement. How can we help to  
24 ensure that your local municipal officials don't get  
25 territorial and instead work regionally and

1 cooperatively and are willing to give up, you know  
2 --- like, not everybody needs to be able to call their  
3 local guy and say I need the police chief down here, it  
4 can be a regional thing. How can we break down those  
5 barriers so that you don't have --- on this side of the  
6 line we're doing this, and on that side of the line  
7 you're doing something completely different and you're  
8 at odds?

9                   You're --- so basically you're spending  
10 money at odds with each other in some cases, so how can  
11 we make sure that doesn't happen?

12                   MR. RIGONE:

13                   Well --- and again, if you're asking the  
14 question as what can the state do, that's one thing. I  
15 think the way we approach it is education and awareness  
16 about the financial benefits and the impact it can have  
17 on community.

18                   We don't take it as one --- we're going  
19 in there and saying you're doing it wrong. How the  
20 state can help certainly is making sure that there are  
21 resources to support those efforts. If you do this,  
22 you have access to this level of resources, because at  
23 the end of the day, if those communities are more  
24 effective, addressing a lot of these issues, that means  
25 there's a value for the state as well in the

1 Commonwealth.

2                   So you're making an investment that has  
3 a benefit locally, but then again there's a certainly  
4 an impact at the state level as well.

5                   CHAIRMAN STURLA:

6                   So --- I mean, I agree and I want to be  
7 able to figure out how to do this legislatively,  
8 because if I look at my municipality, which has, like,  
9 no farmland and my neighboring municipality, which has  
10 farmland, it's hard for me to do a regional thing,  
11 because they're concerned about farmland, and I'm not.

12                   In this particular case, I think you  
13 have two communities, from all I can see, have the  
14 exact same interest. But how do I define that so that  
15 my municipality doesn't say well, we lost out on  
16 funding because we didn't do a multi-municipal effort.  
17 And rightfully so --- certainly you can get access to  
18 it and get more because you did it, because you have  
19 the same interests.

20                   MR. RIGONE:

21                   It certainly is a challenge. We went  
22 through this process when we mentioned our  
23 comprehensive plan. Mentioned a planning district, so  
24 we broke the county up into seven districts, because  
25 the county's over a thousand square miles. It's a big

1 area.

2                   We tried --- as we're working with local  
3 municipalities, continue to educate and advocate on  
4 behalf --- it's a partnership. It really is.

5                   The City of Greensburg, which is the  
6 county seat, Hempfield Township wraps around it, those  
7 two communities would certainly do better if both of  
8 them are succeeding. And so again, I hate to say it,  
9 it's --- part of this is just education awareness and  
10 leadership. You going out to your communities and  
11 working directly with them and providing them that  
12 direction and support, right, is very important.

13                   I think you would be surprised on how  
14 responsive that can be and showing the value of  
15 partnering together to address some of these things,  
16 number one.

17                   Number two, some of this is becoming  
18 obvious. Communities are recognizing that they can't  
19 afford a full-time code enforcement individual. What's  
20 their options. Well, their options are is that's when  
21 that education awareness comes in, that partnership  
22 with your neighbor, we're starting to see that. We're  
23 starting to see communities recognize that that's the  
24 option for them.

25                   So we, as a county, you as the state,



1 continue to provide that leadership, that direction,  
2 that education awareness, can lead to success at the  
3 local level.

4                   The other thing we can talk about, and  
5 it's probably - it's a 900 pound gorilla municipal  
6 consolidation.

7                   REPRESENTATIVE LEWIS-DELROSSO:

8                   You said it. You said it.

9                   MR. RIGONE:

10                   I'm not saying that in terms of  
11 enforcing it. I'm saying in terms there are  
12 communities that would consider it, are there resources  
13 and mechanisms in place that allows them to easily make  
14 that connection. Right? You have to find a partner.

15                   That's what we always say. Oh, I got to  
16 find a dance partner. And some communities, they're  
17 ready to do that, but is the state providing the  
18 resources necessary to help those communities find that  
19 common goal and find that common ground to become one  
20 municipality and become more effective.

21                   CHAIRWOMAN BROWN:

22                   Representative Twardzik?

23                   REPRESENTATIVE TWARDZIK:

24                   You just mentioned incentive programs.  
25 We have an economic growth caucus Tuesday, and we're

1 putting together packages, trying to find out how do we  
2 get more effective again when we're losing projects to  
3 New York City State. That's a sad statement about  
4 Pennsylvania.

5                   One of the challenges has been we're  
6 more short-term based, maybe a three-year program with  
7 grants and loans and training, trying to figure out New  
8 York City wins because they do tax credits that run for  
9 ten years. So when you look at the page, we have a  
10 three-year program, here is the value. A ten years'  
11 program is a lot bigger.

12                   And if you --- maybe we go back to tax  
13 credits, because while the business always has some tax  
14 credits, they say that they're also employing people  
15 and they're paying taxes, and the business is buying  
16 materials and paying taxed.

17                   The other thing we talked about, how  
18 important would, I guess, trying to get permitting  
19 faster, fast track it. Do you have any ideas how we  
20 can help get permitting faster to create these  
21 projects?

22                   MR. RIGONE:

23                   Well, it just depends on the permitting  
24 that you're referring to. If you're talking about air  
25 permits, it certainly falls within the realm of the DEP

1 - PADEP. If you're talking about local building  
2 permits, obviously that falls in the local  
3 municipality.

4                   But going back to, I think, your  
5 original question about incentive programs, certainly  
6 I'm not one who advocates a lot of these incentive  
7 programs. And I think we invest our money into the  
8 sites and workforce development and infrastructure,  
9 you're making that intrinsic value. It's there no  
10 matter what. The same time, if you want to be  
11 competitive, you have to understand what you're doing  
12 as well.

13                   And so, if you talk to the secretary,  
14 I'm sure that he thought of a whole list of programs  
15 that were occurring in placement of the locations that  
16 could be impactful, but not every --- not every deal  
17 needs the same thing. So if it's a startup type  
18 business, and they have tax credits may not be any  
19 good, because they're going to have years worth of ---  
20 you know, they're not going to have tax liabilities,  
21 but you may have others that are, obviously,  
22 traditional manufacturers that need --- I'll call it  
23 infrastructure type development or onsite specific  
24 development funds, or - you know, I hate to see just  
25 cash, you know, type programs go out, but again I think

1 you need to go back and look at neighbors and see what  
2 they have, and what we don't and we're successful being  
3 --- you know, where such success is being had and  
4 seeing what were we have gaps.

5 Thank you very much.

6 CHAIRWOMAN BROWN:

7 Thank you very much, Jason. I  
8 appreciate it.

9 MR. RIGONE:

10 Thank you for having me.

11 CHAIRWOMAN BROWN:

12 Okay.

13 Our last testifier today is Sean Watson  
14 real estate owner, Commonwealth Investments, owner  
15 Sustainable Matters and co-owner BotL --- BotL?

16 MR. WATSON:

17 BotL (corrects pronunciation).

18 CHAIRWOMAN BROWN:

19 We said it yesterday. Restaurant and  
20 co-owner of Dattola Theater, which we also toured  
21 yesterday.

22 MR. WATSON:

23 Thank you. Thank you, Chairwoman Brown,  
24 Chairman Sturla, Representative Lewis-DelRosso. I  
25 appreciate it.

1                   This is really important. I'll be  
2 brief. I know we've been here a long time.

3                   CHAIRWOMAN BROWN:

4                   I'm very happy to have you here as the  
5 last person, because the last person in my last policy  
6 hearing was John Nelson, so two close, not just good  
7 friends, but also professionals that I've been working  
8 with for a while. So thank you very much for being  
9 here.

10                  MR. WATSON:

11                  I appreciate that. And I'll - I don't  
12 know if I drank as much river water when I was a kid,  
13 but I'll be just as sporadic, if that's okay.

14                  So I'm a father of four, a husband, a  
15 business owner. I got two of - the cute ones are in  
16 the back here making some noise.

17                  I am first generation from Italy. My  
18 mother was born in Italy, raised in Venezuela. My  
19 grandfathers both fought in World War II against each  
20 other and then met later on in life when my grandfather  
21 came her to America and was naturalized as a citizen.

22                  So a little background there. Started  
23 to - moved to New Kensington, my father is a mutt from  
24 Natrona Heights and I - I started to believe in New  
25 Kensington - around 2016 I had what I would call a

1 successful loss running for state representative,  
2 knocking on doors in 2016. Something that no one here  
3 probably has any idea what's that like, knocking on  
4 doors.

5 CHAIRWOMAN BROWN:

6 That's how I met Sean.

7 MR. WATSON:

8 I learned a lot about who I was as a  
9 person, what I wanted to do and where I could be  
10 effective.

11 Hello? Okay.

12 As far as being effective as a developer  
13 and property owner, I wanted to be a landlord I wanted  
14 to start building. I wanted to get back to that old  
15 fashion of life of a town where you didn't post on  
16 social media what you were doing today. You parked and  
17 said hello to someone that was standing in front of you  
18 and you knew who they were. And I wanted that feeling,  
19 that old fashioned life where we we're surrounding by  
20 beautiful buildings and infrastructure.

21 So we started to volunteer --- at the  
22 time it was called Better Block. I don't know if you  
23 ever heard of this. New Kensington was the 65th, I  
24 believe, city to do the Better Block event. The first  
25 was in Austin, Texas.

1                   You pretend the town is school, you  
2 paint things on broken storefronts, on all the blighted  
3 properties, and we were told at the time it was crazy  
4 and we painted bike lines and making it seem like  
5 something was going to be interesting here was not the  
6 way to do it. They're not here to say that anymore,  
7 but it turned into that.

8                   And I knew we talked about Lawrenceville  
9 a lot, and Lawrenceville gets mentioned way too much,  
10 it gets way too much credit, but you know, growth is  
11 growth to a certain extent. And we don't want to be -  
12 I don't want to be anything like Lawrenceville, but I  
13 do want to be like the New Kensington and the New  
14 Springdale, and this area, kind of provides that  
15 opportunity.

16                   And I think - the only thing I want to  
17 touch on here, is some of the intangibles, some of the  
18 things that aren't directly - I mean, these guys  
19 handled it wonderfully. Lance, I mean, dialed in  
20 re-read everything that they said and put that change  
21 together, because there are some things that you just  
22 can't --- you can't really touch on how these things  
23 and how momentum is created.

24                   I'm not a big investor. The resume  
25 sounded like I was. I'm not. I have an old truck, it

1 breaks down sometimes I do these things with my own  
2 hands.

3                   My business partner here, Corey, you met  
4 him last night, he has his own project at the beautiful  
5 Bloser Mansion. But we work hand in hand together on a  
6 lot of things. He was at that first Better Block  
7 event. I put a big pallet garden, you know, a beer  
8 garden at the time that he was there. He had better  
9 hair than me and I didn't like that. I hope this is on  
10 record. It took us a while to become friends, but now  
11 here we are.

12                   I still want that to be on the record.

13                   CHAIRWOMAN BROWN:

14                   That's what we're going to remember,  
15 right?

16                   MR. WATSON:

17                   So aside from buying loan-created value  
18 through growth, you know, we wanted to really --- how  
19 do you change a community and even among all of people  
20 saying you can't do it, or I don't believe in it, those  
21 conversations happen more then, and then less and less  
22 over time. And I think that's the thing that we missed  
23 sometimes is, out of a hundred conversations in a week,  
24 when everyone is saying that you can't do it, and two  
25 conversations says, you know, what, I think you can, a



1 year later then it's 7:30, a year later it switched to  
2 7:30, right, because that's a tipping point there.

3                   And how do you get to that tipping point  
4 on the mindset on the perspective of getting there? We  
5 dove into that theater, we are under agreement now to  
6 purchase that property through the Redevelopment  
7 Authority of New Kensington.

8                   You should be supporting all  
9 Redevelopment Authority as best as we can. That's a  
10 big part of this, but we put that together, and then  
11 COVID hit, and things hit pause, so we saw the  
12 opportunity to buy, I would call, it a blighted  
13 building and we redid that.

14                   Many people in this room have been  
15 there, and we stayed productive, you know. We just  
16 wouldn't give up. Now we have a bar that you have to -  
17 you don't have to have reservation, but it's small, it  
18 gets packed on Friday and Saturday nights in a town  
19 that never had reservations before.

20                   And we had this conversation before,  
21 would I think New Kensington is coming back. We're  
22 here talking about it, and that's how we know it is.  
23 And it doesn't have to be like any other town. It has  
24 to be this.

25                   So those conversations have changed from

1 what it used to be, from what it is, and then I've had  
2 people ask me from surrounding communities - and this  
3 is when I really knew something was happening,  
4 something unique, when someone from a neighboring  
5 community said what can we do to start growth like New  
6 Kensington is.

7                   And it wasn't saying that something  
8 else. I speak from New Kensington because my eggs are  
9 in that basket, but I do own property here in Tarentum  
10 and all ships rise with the tide and moment anything  
11 positive happens here, I'll support across the river.  
12 Because you make a good point, who doesn't use a  
13 waterfront, what towns that use a waterfront, aren't  
14 successful.

15                   Yeah, you know, we want that to happen.  
16 I don't know how we get the hurdle out of the way. I  
17 don't have all those ideas, but I'm boots on the ground  
18 ready to do whatever it takes. And sometimes it's just  
19 those conversations early and often.

20                   Some of the problems that we do have -  
21 some hurdles, just briefly. You know, I have an old  
22 building, it has electric through it, I have a  
23 wonderful tenant name Patty, who cuts hair every day to  
24 women like my mother, helmet heads, just like sprayed  
25 perfume, you know what I'm talking about.

1                   She said it's electric there, the rest  
2 of the building doesn't, but she's grandfathered into  
3 having electric there, but if I want to do anything to  
4 my building, I have to put all the meters outside.  
5 Even though the smart meters, you don't have to go  
6 inside the building anymore - like, I use this crazy  
7 thing called commonsense in conversation and it doesn't  
8 go anywhere with the utility company at all.

9                   You know, what's that do, it makes me  
10 put money in the building, it makes it look like  
11 there's improvement. And you know, what something that  
12 looks like it's improvement, it's not improvement, not  
13 really. Optics is one thing, but real improvement,  
14 real - we need more than that. So it's a problem that  
15 I can see it happening with other people in town as  
16 well. It makes it a little more difficult.

17                   I'm a consultant with a good friend  
18 who has an aerial that I bought. It's a technology  
19 company, but they do a lot of drone surveillance for  
20 oil and gas industry. Started at the corner, great  
21 success story on the New Kensington corner, and he's  
22 running out of room. He would like to be able to  
23 expand my building, but there's nothing in town that he  
24 can move in to and be at the size he wants to be.

25                   Business people in this town are growing

1 faster than what's available, what kind of planning is  
2 that. We need to fix that, right?

3 I'd like to see more owner occupiers. I  
4 mean, that's a double edge sword. I want more  
5 buildings. I want other people to have buildings. I  
6 want somebody who buys a building that's going to be  
7 there. I don't know how you can make incentive to  
8 people that are selling, that might help that. We got  
9 lucky in New Kensington with a large property owner,  
10 follow-up properties that's doing things, he's not just  
11 holding them. That doesn't happen in every town. So  
12 that's something to consider.

13 I also think there's something to be  
14 said with domino effect. We talked about that a lot,  
15 habits and how you get things done exponentially  
16 faster. One domino can knock over a larger domino,  
17 actually double the size. So it takes around 29  
18 dominos, where 29 would be the size of the Eiffel  
19 Tower.

20 So where do you set the first investment  
21 to create that Domino effect? Lawrenceville was easy  
22 because it's a linear town investment here, investment  
23 here and everyone in the middle goes up in value.

24 New Kensington is not very different.  
25 You have to frame that in. You don't necessarily

1 invest downtown intersection, you go here, come to the  
2 waterfront and come here, and then everything in the  
3 middle starts to grow. So be very strategic on what is  
4 going to create that momentum is key. It's not just  
5 here, we set money here, this building looks better.  
6 Maybe the next one --- the one next to it will do  
7 something.

8                   We want we want help, but until you get  
9 out of the way, you don't have enough money to do this  
10 for every town. You need to get it started and get out  
11 the way and let these things grow, like - you know,  
12 like a farm, you know. Like crops.

13                   Not that I don't want you involved, but  
14 if we - if we can't do it by ourselves. You know, I  
15 don't want to be dependent on help forever. I want a  
16 ladder. I don't want a lift. If you want to climb up  
17 the ladder, someone else can climb up behind us.

18                   Some other ideas. We have a lot of  
19 missing teeth in these towns. You know, you knock a  
20 house down, then you have house, house, house, empty  
21 lot, house, house, house, empty lot. What do you do  
22 with those? I would like to see the possibility of  
23 helping it steer those lots towards a possible  
24 neighboring lot, adjacent property has always helped  
25 the value there. All of sudden, if I have a house that

1 has a very tight property line, and I had the  
2 opportunity to buy the open lot next to it, I can have  
3 a garage or driveway or whatever, that makes my  
4 property more valuable, which brings in more tax  
5 dollars. That alone takes away the missing teeth and  
6 who cuts that yard and looking like nothing there.

7                   Because I mean, blight stinks, but just  
8 an empty lot with grass isn't a lot of fun either.  
9 Possible park lifts, create something in those lots,  
10 low cost. I've seen these old tires that, you know  
11 cross fitters throw up and down, that was dug into the  
12 ground kids can play on.

13                   Because one of the hard things here to  
14 do is how are we going to get long time tenants that  
15 have been here in the community, and a new investor  
16 that's buying a home, how do you get them to unite and  
17 like each other. Forget about the word gentrification,  
18 how do you get people really to be happy for each other  
19 that they're in a community. You get a new investor,  
20 and you have someone that's been here. I don't know,  
21 maybe a little place to sit and meet each other, and  
22 let's do that old fashion thing again and talk. I  
23 think it's feasible.

24                   I think the way that momentum happens in  
25 a lot of ways is that - my wife always talks about fear

1 of missing out. When you create that investment,  
2 people say oh, it's not going to work. It's not until  
3 you think you're going to miss out, you know, with that  
4 property where everyone jumps in. And you have to  
5 create that fear of missing out, and that's what -  
6 that's the intangible, that's something that you can't  
7 legislate, that's something that you have to keep that  
8 perspective that paradigm in your minds, how you get  
9 there.

10                   We need more parking. Corey before I  
11 met him, started a beautiful gallery that's called Mod  
12 Finish, it's down in New Kensington, and you can hear a  
13 pin drop. There's no one around. He can't find  
14 parking now on his own street. It's a great problem.  
15 These are the problems that we want. I love good  
16 problems, but speaking about planning for parking is  
17 huge. We want to have a big theater and have it be a  
18 big draw.

19                   Where are they going to park? Something  
20 for us to think about. That's on our own little small  
21 scale, but that goes to the planning side of this.

22                   CHAIRWOMAN BROWN:

23                   Sean, can I ask you one quick question  
24 regarding the City of New Kensington?

25                   I want to say it was maybe six years ago

1 they had brought on a consultant to, I think, put  
2 together a comprehensive plan for the City of New  
3 Kensington, and actually I have yet to see it. I'm  
4 looking - have you been in talks with them about this?

5                   Because as we've had - and we have  
6 people come in and buy up - I know Michael Malcanes,  
7 who owns Voodoo Brewery, has been buying up properties,  
8 as well. Comprehensive plans are no viable, but they  
9 are guides for people to follow, especially when  
10 getting grants.

11                   Do you have any access to that?

12                   MR. WATSON:

13                   I do not. A comprehensive plan for New  
14 Kensington, I would love to see it. I think every  
15 community, if you don't have guidance, if you don't  
16 have a plan, you know, it's hard to predict. It's hard  
17 to get into second gear if you don't know where -.

18                   CHAIRWOMAN BROWN:

19                   And I'm sorry to interrupt you, but  
20 that's one of the things. It's very important.

21                   MR. WATSON:

22                   I agree. I haven't heard about that in  
23 the past. I've never seen it, no.

24                   And I'll just kind of finish in closing  
25 with the way that this has felt diving in, has felt a



1 lot like the wild west might have felt way back in the  
2 day.

3                   You find out about a new person coming  
4 into town, and you didn't even know who they were and  
5 they already have their chips in, bought a building,  
6 starting a business, and you're saying hi. The week  
7 before you didn't know.

8                   An hour ago I just saw a post about a  
9 guy with a restaurant in the downtown area called  
10 Pressure and Fuel and he has smoked wings. And I think  
11 we have one of best things in the world, I'm hungry for  
12 that, I can always stop and try these smoked wings.  
13 It's just something brand new, and it wasn't here  
14 earlier. It wasn't here yesterday. And that's  
15 something that I love. I love that side of it, so  
16 there's a little bit of this - you know, this chaos  
17 that goes on with a new town like that, and I think  
18 this is an area, District 33, Representative  
19 Lewis-DelRosso's district, is a cause for effective  
20 investment.

21                   Nothing against any other parts of  
22 Pittsburgh, but you know the South Hills reminds me of  
23 north Jersey. All kinds of plazas and plazas. We have  
24 this unique little area here where the costs of buy-in  
25 is low. The infrastructure is there, the access to the

1 city is there, everybody has their own waterfront, it's  
2 a gold rush. For me it's a no brainer. It has it all.

3 So my as of you you guys is help us make  
4 this that first domino.

5 Thank you.

6 CHAIRWOMAN BROWN:

7 Thank you, Sean, very much. And I  
8 don't believe there's any questions. We did see you  
9 yesterday a little bit, I think that might be why. We  
10 are pretty good with our questioning.

11 So that is the conclusion of the hearing  
12 today. I would myself and Rep Sturla might have a few  
13 comments. I want to thank all of the testifiers of all  
14 the tours for yesterday. Very, very helpful.  
15 Extremely thoughtful in the testimony to help us sort  
16 of hone in and strengthen some of our current policies  
17 and laws that will make it beneficial.

18 As I said in the beginning of the  
19 hearing, beneficial to move forward. It is the people  
20 that we met yesterday and today, many of you have  
21 jumped in, as you mentioned, Sean, it's contagious  
22 when you have improvements happening, and you can't  
23 legislate that. But I think my mindset coming on to  
24 this committee is to help build the environment that  
25 allows it to occur productively and fairly.

1                   I know we have the judicial system that  
2 we mentioned. There is that balance there, but  
3 tightening up things that can help want to keep that  
4 positive attitude of building our communities and  
5 dealing with the blight, and also helping with  
6 recruitment of businesses and things that can help the  
7 overall situation.

8                   So this was time very well spent for all  
9 of us. I thank the committee members for being here  
10 yesterday and today, for their involvement. And  
11 Representative Lewis-DelRosso for really pushing very  
12 strongly for us to come here and to ensure that we  
13 understood this area. And we do have some other  
14 hearings in Chairman Sturla's area coming up soon in  
15 July that we'll continue on the blight issue. And it's  
16 something that we're going to be working at as a team,  
17 and I think we'll have some great results.

18                   So thank you all once again for your  
19 help for us to do our jobs better. Thank you.

20                   CHAIRMAN STURLA:

21                   If I could just make a comment. In  
22 touring New Kensington the other day, I really felt  
23 like I was in Lancaster 30 years ago. We had a million  
24 square feet of vacant space in downtown Lancaster 30  
25 years ago.

1                   If you can find me ten square feet I'll  
2 buy it and rent it, because I'll have a tenant the next  
3 minute. And you can see that sort of - there's enough  
4 bones there. There's enough things happening, there's  
5 - you know, you can start to see that.

6                   The one thing I will say, and I think -  
7 we had done urban redevelopment in the '60s and tore  
8 down parts of town and built all those, you know, big  
9 monolithic monstrosities and frivolous architecture  
10 that nobody wanted to be around and all that kind of  
11 fun stuff.

12                   And the town fathers at the time  
13 declared that we were done - we had done the town, we  
14 had fixed everything, and by the late '80s we realized  
15 that we were in just as bad of a situation that we were  
16 in before we tore down a bunch of things and changed  
17 things and tried to renew it. And I think there was a  
18 sense at that point in time that - or at least a  
19 realization and an understanding among everybody that  
20 what saying, let's go fix this again, that you never  
21 actually get done fixing it. The day you think you're  
22 done is the day that you start your decline again,  
23 because there's always going to be a business that  
24 closes. Well, you have to make sure you got another  
25 one line lined up to go in. There's always going to be

1 another issue that happens, and --- but if you say  
2 well, we're done, I'm going to rest back and look at  
3 this now. You'll never get - you will start that  
4 decline again. But I think - I mean, what I've seen  
5 there in New Kensington and what I see as the potential  
6 in the other places that we toured, they might not be  
7 as far along as New Kensington right now.

8 I mean, there is a huge potential there,  
9 and so I'm excited to - I sort of want to come back,  
10 you know, ten years from now and see like, okay, hey,  
11 guess what, because you can tell it's going to happen  
12 you know. So that's just my observation there.

13 MR. CHIMKA:

14 Let me comment - and certainly New  
15 Kensington - I was like Sean, I was like Corey,  
16 willing to take a risk. It is amazing. I'm looking to  
17 add to that. I'm going back to that for assistance.  
18 Are you saying you have to keep - it's not going to  
19 happen by itself. You have to kind of plant the seeds.

20 In terms of New Kensington, to me the  
21 galvanizing individual organization is Chancellor  
22 Snyder of Penn State. He's constantly harping - and  
23 it's not just about what value things bring to Penn  
24 State, it's what value to bring to New Kensington.

25 He knows that New Kensington is growing,

1 the university is going to succeed, but he's there at  
2 every meeting. He's advocating. He's tracking things  
3 down, making sure things happen. And he's like he's  
4 galvanizes.

5 He's that center point, that so many  
6 things are happening. And others are coming in and out  
7 making that - taking that risk. It's so big for them  
8 to come in and take that step. But again it's the  
9 center. It's that institutional knowledge investment  
10 and willingness to always be -.

11 REPRESENTATIVE LEWIS-DELROSSO:

12 Chairman, Dr. Snyder actually testified  
13 at the last public hearing, which was out here on  
14 economic growth, and he talked about all of this as  
15 well as his next program with manufacturing coming back  
16 with technology that brings more jobs into the area.

17 He is a driving force. He is a  
18 wonderful human being. Like you said, it's at the tip.  
19 It's coming back. And I hope in ten years we can come  
20 back and go back to the Bloser Mansion again.

21 MR. WATSON:

22 Since the last meeting, too, we did set  
23 up a downtown partnership that Chancellor Snyder is on  
24 and myself, Mike Malcanes. Numerous people are on  
25 that. And so more people are stronger together, and

1 we're putting that together as well so we can help the  
2 united front on change that.

3 CHAIRMAN STURLA:

4 If I can just comment on this, the  
5 institutions, like the college, we had a major move of  
6 a rail yard that was sort of wedged into downtown, and  
7 we actually moved the rail yard out of town, and that  
8 freed up development.

9 It was a \$35 million demolition program.  
10 And the college, Franklin and Marshall College, and the  
11 hospital, Lancaster General, spearheaded that. And  
12 when that demolition project started, the president of  
13 the college and the president of the hospital said  
14 today, both our institutions --- both of those  
15 institutions have been in town for a hundred years.

16 Today we can start to realize the next  
17 phase of our hundred year plan. As people that do  
18 development, you're an always happy to hear somebody  
19 say they have a two-year plan or a five-year or 20-year  
20 plan, they're a visionary. These guys are talking be  
21 their hundred year plan for their institutions. That  
22 is a key factor in that - in that they're somebody  
23 that's going to be there whether the place is down  
24 trodden or not. Maybe - they maybe struggle, but  
25 they're going to be there a hundred years from now.

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And if you can get them as part of your stability that's always going to be there, that's huge.

CHAIRWOMAN BROWN:

Once again, thank you everyone. Have a wonderful week. Please be well. And this hearing is adjourned

\* \* \* \* \*

HEARING CONCLUDED

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CERTIFICATE

I hereby certify that the foregoing proceedings, House Urban Affairs Committee , was reported by me on 6/3/2021 and that I, Danielle S. Ohm, read this transcript, and that I attest that this transcript is a true and accurate record of the proceeding.

Dated the 3 day of August, 2021

  
\_\_\_\_\_  
Court Reporter  
Danielle S. Ohm