

VACANT PROPERTY STRATEGY

In October of 2011, Philadelphia's Department of Licenses and Inspections ("The Department") launched a new initiative as part of a larger program led by the Managing Director and the Finance Director's Offices regarding how both City and privately owned vacant property is bought, sold, and maintained. This initiative was recognized by *American City and County* magazine as one of the 6 most innovative government programs of 2011. The program was selected based on its ability to achieve impressive results in addressing infrastructure improvements and economic development despite economic constraints.

The Department's efforts focus on holding property owners responsible for the vacant and blighted conditions of their properties. The initiative seeks to make private owners accountable for the maintenance of their vacant property by incenting them to repair or sell their properties thereby improving the neighborhood in accordance with the vision of residents and community groups.

The Department identified approximately 25,000 structures in its database that were believed to be vacant because the owner had either obtained a vacant property license or had been cited for the violations that are the likely indicators of vacancy. The Department mapped these properties, and depending on the market conditions of the overall neighborhood, planned to use a variety of legal tools to hold owners accountable for the state of their properties.

Having identified these properties, the Departments initiative had three main objectives:

1. **Finding the Right Owners.** In the past, the City faced difficulty in identifying private property owners to hold them responsible for the condition of their blighted or vacant properties. This was the result of inconsistent or incomplete ownership information that in turn prevented effective notice and legal actions from being taken. In its current initiative, the Department is using a dedicated team of researchers to cross-reference several databases to find good names and addresses for these owners.
2. **Utilizing New Enforcement Measures.** The Department is now enforcing a "doors and windows" ordinance passed by Philadelphia City Council that allows the Department to ask the court to fine owners \$300 per day, per opening that is not covered with a functional door or window. Properties in violation of this ordinance are posted with a bright pink poster. Also, Pennsylvania's Neighborhood Reclamation and Revitalization Act, commonly known as "Act 90," allows the Department to ask the court to attach these potentially high dollar fines to owner's personal property. Further, the Department can leverage these fines to bring the property to sheriff sale.
3. **Dedicating Legal Resources.** In the past, enforcement efforts faced difficulty in getting cases into the court system. In its current initiative the Department has worked alongside with the City of Philadelphia Law Department and Judge Bradley Moss to dedicate court dates exclusively to address vacant property cases, functionally to establish "Blight Court" also authorized by Act 90. This ensures that these cases flow through the legal process quickly. L&I also works with community groups, non-profits, and private developers to target and rehabilitate vacant properties using new legal tools such as The Blighted and Abandoned Property Conservatorship Act.

Through efforts so far, the Department will collect almost \$1.1 million in license and permit fees alone.

VACANT PROPERTY STRATEGY BY THE NUMBERS

Total properties inspected as part of vacant strategy: 12,499

Total properties cited: 8,218

Total compliance of cited properties: 33%

Total properties cited for Vacant Doors and Windows (VDW) violations: 2,665

Number of low-density/target VDW properties cited: 1,918

Percentage of low-density/target VDW properties that complied violations: 37%

Percentage of low-density/target VDW properties that obtained permits: 9%

Percentage of low-density/target VDW properties that sold property: 7%

Total compliance of low-density/target VDW properties: 53%

Total properties taken to Blight Court: 490

Total compliance of Blight Court properties: 62%

Total fines assessed in Blight Court: \$494,303

Total of default judgments in Blight Court: \$446,295

Permits/licenses/certificates issued for all properties inspected as part of vacant strategy: 4,378

Total revenue from permits/licenses/certificates: \$1,051,596