

BLIGHT RECERTIFICATION

OSAGE REDEVELOPMENT AREA

**Philadelphia City Planning Commission
November 2001**

Blight Recertification: Osage Redevelopment Area

I. Introduction

This report presents an evaluation of blight in the area bounded by Pine Street, 62nd Street, Addison Street and 63rd Street. These two city blocks are part of the Cobbs Creek neighborhood of West Philadelphia and are located within the West Philadelphia Redevelopment Area, which was certified by the Philadelphia City Planning Commission on August 20, 1963.

This area was the scene of a major fire on May 13th and 14th, 1985. Sixty-one attached houses were affected: 53 houses were totally consumed by the fire and 8 additional houses suffered severe damage. These homes were located on the 6200 block of Osage Avenue and the south side of the 6200 block of Pine Street. A month after the fire and for the purpose of facilitating renewal, the area bordered by Pine Street, 62nd Street, Addison Street and 63rd Street was recertified as blighted by the Planning Commission and the Osage Redevelopment Area Plan was published. Now, 16 years later and for the reasons cited later in this report, blight continues to exist and conditions in the same area have deteriorated to the point where redevelopment is needed again.

This recertification study reviews existing conditions in relation to seven criteria used to determine whether or not blight exists in an area. The criteria are set forth in redevelopment law, which stipulates that one of the criteria must be met in order for an area to be deemed as blighted. The law also states that blighted conditions need not be evident throughout the area under study. The fact that individual properties are free from blight does not make the finding of blight arbitrary, according to the law, because comprehensive planning requires that areas be considered in their entirety and not in their unseverable parts.

II. Criteria

Pennsylvania Urban Redevelopment Law has established the following criteria for evaluating blight in a particular area.

- Unsafe, unsanitary, inadequate or overcrowded conditions
- Inadequate planning
- Excessive land coverage
- Lack of proper light, air and open space
- Faulty street and lot layout
- Defective design and arrangement of buildings
- Economically or socially undesirable land use

III Analysis

Blight continues to exist in the area partly because the rebuilt homes were poorly constructed and have deteriorated at an accelerated pace. Many severe construction deficiencies have been documented and despite the fact that the housing is relatively new, it would not be cost-effective to repair the homes. Even if repairs were made, the ability to sell the homes will be severely constrained due to the effects of unfavorable publicity and notoriety.

Existing conditions indicate that two of the seven criteria are met within the study area. They are the presence of (1) unsafe, unsanitary and inadequate conditions, and (2) economically or socially undesirable land uses.

Unsafe, unsanitary and inadequate conditions

Evidence of unsafe, unsanitary and inadequate conditions is presented in the following categories: the existence of numerous violations of the Philadelphia Code and the existence of numerous vacant structures located within the study area.

The existence of violations of the Philadelphia Code has been documented by the Philadelphia Department of Licenses and Inspections (L & I) in a report dated June 26, 2000.

Vacancy is evidence of unsafe, unsanitary and inadequate conditions. Within the blight recertification boundary, there are presently 35 vacant structures. This is a vacancy rate of 30%.

Economically or socially undesirable land uses

The vacant homes that exist on the 6200 blocks of Osage and Pine Streets will, in all likelihood, cause more homes to become vacant in the future. Future vacancies can be expected to occur among the rebuilt homes and among the surrounding homes in the neighborhood. The expected increase in blight will be damaging to property values and the tax base of the City, causing increasing economic harm. Decisive action is needed at this time to prevent blight from spreading and causing more widespread economic problems.

Conditions in this area represent economically and socially undesirable land use because the rebuilt homes have been the subject of years of negative media attention. Even discounting the national news reports of MOVE confrontation and the original fire, the rebuilt homes at Osage/Pine have been the subject of numerous regional newspaper and television stories detailing homeowner complaints, Code violations and the high cost of repairs. This negative publicity, coupled with the existence of the L & I report of June 26, 2000, have caused these homes to have developed a reputation and a notoriety that will cause potential homebuyers to avoid buying there.

The actual marketability of the homes has been irreparably damaged. The staff of the Planning Commission believes (using in-house and inter-agency expertise and after

consulting with a neighborhood realtor and builder) that homes in this area (rebuilt since the fire) would not sell successfully because of the negative publicity. Potential homebuyers have many other choices locally and regionally and they would probably bypass an opportunity to purchase these homes because of the notoriety.

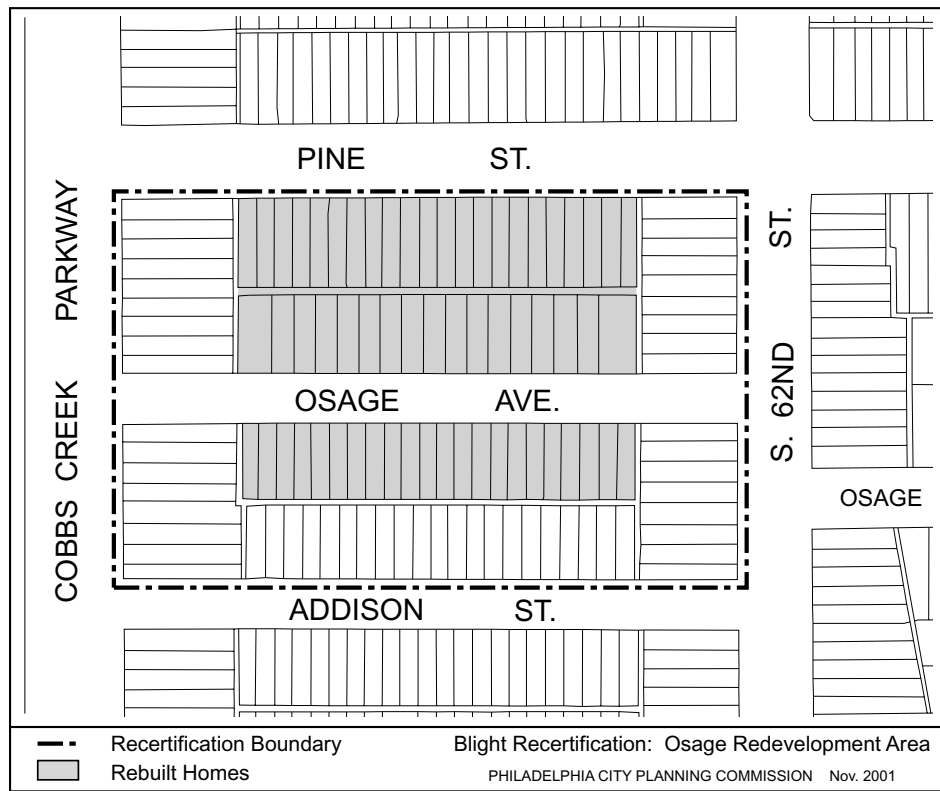
Problems with homeowner's insurance also provide additional evidence that there are significant economic and marketability problems at the Osage / Pine study area. One of the nations's largest insurers has notified the City that the company will no longer insure these homes. This will provide another reason for potential buyers to buy elsewhere. Buyers will face another similar hurdle because of the problem that exists with L & I Certification. When a property is sold in Philadelphia, an L & I Certification is required stating that there are no code violations. Because of the report issued by L & I on June 26, 2000, the agency will be unable to issue the clean Certification. Without the Certification (and also because of the insurance problem mentioned above), mortgage companies could refuse to proceed to settlement and the sale or resale of the properties will be jeopardized.

Tax delinquency is additional evidence of economically undesirable land use. When real estate tax is not paid, privately-owned properties are benefiting from municipal services without contributing to the revenue base that pays for those services. As of November 1, 2001 within this Recertification Area, 11 properties (over 13% of the privately owned properties) were found to be tax delinquent for two or more years. Therefore, it is apparent that the area currently does not provide full economic return to the City.

The foregoing conditions are beyond remedy or control by regulatory processes within the study area and cannot be effectively dealt with by private enterprise under existing law.

III. Conclusion

The existing conditions in the area bounded by Pine Street, 62nd Street, Addison Street and 63rd Street are consistent with two of the criteria necessary to produce a finding of blight under the Pennsylvania Redevelopment Law. Those criteria are (1) unsafe, unsanitary, inadequate, or overcrowded conditions, and (2) economically or socially undesirable land use. The preceding analysis has demonstrated that these two criteria for establishing the presence of blight are satisfied and the area is eligible for recertification.



Amendments to the Redevelopment Area Plan Osage Redevelopment Area

**PHILADELPHIA CITY PLANNING COMMISSION
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The Redevelopment Area Plan for Osage Redevelopment Area was approved by the Philadelphia City Planning Commission on May 16, 1985. The boundaries of the redevelopment area were established as follows: Pine Street on the north, Addison Street on the south, 62nd Street on the east and Cobbs Creek Parkway on the west.

The following changes are proposed:

1. Proposed Land Use

For the area occupied by homes rebuilt after 1985, the Proposed Land Use will change to "Residential and Related" from the previous designation "Residential" (see attached map). This area includes the south side of the 6200 block of Pine Street and the north and south sides of the 6200 block of Osage Avenue.

2. Rehousing of Displaced Families

Some existing properties will require relocation assistance. All relocation will be accomplished in accordance with the terms and conditions of the Pennsylvania Eminent Domain Code.

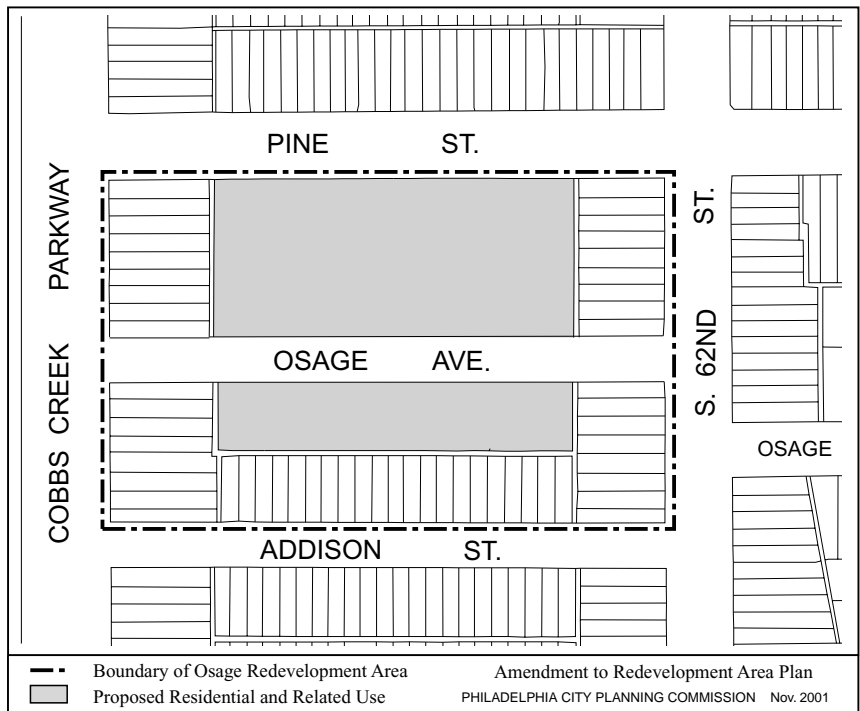
3. Estimated Costs of Redevelopment

Specific cost estimates will be prepared by the Redevelopment Authority.

4. Proposed Land Use

The attached site plan sets forth a new plan for land use.

Aside from these changes, the provisions of the Redevelopment Area Plan of May 16, 1985 will remain in effect.



--- Boundary of Osage Redevelopment Area
■ Proposed Residential and Related Use

Amendment to Redevelopment Area Plan
PHILADELPHIA CITY PLANNING COMMISSION Nov. 2001