

## Summary of 2014 Amendments to Act 135

Conservatorship – the court appointment of a third party to deal with a blighted and abandoned property – is getting an upgrade. The law has been very popular since its enactment, with cases filed in Schuylkill, Butler, Centre, Columbia, Allegheny, and Philadelphia Counties, and perhaps more. Municipalities and community groups alike love it.

The law went into effect in early 2009. From the experience of practitioners since then, recommendations were made to improve the process. Those recommendations became HB 1363 (Taylor, R-Philadelphia), which is now Act 157 of 2014. The bill includes the following amendments:

- includes vacant lots where a building has been demolished
- specifically defines “developer’s fee” rather than relying on PHFA’s definition
- allows more nonprofits and neighbors to file petitions
- allows the petition to include two adjacent properties if they are owned by the same owner and used for a related purpose
- ensures that the conservator will have lien information from municipal authorities, such as water authorities
- redefines “actively marketed” to preclude owners from avoiding conservatorship by listing a property at an unreasonably high price
- clarifies that the exclusion for properties in foreclosure does not include tax sales
- provides for reimbursement of a petitioner’s costs where the owner agrees to repair the building after the petition was filed
- exempts from the competitive bid requirement a contractor or developer providing its own financing
- allows the conservator to present a final plan for remediation at the initial hearing instead of waiting for a subsequent hearing
- clarifies that references to “senior lienholder” do not include governmental lienholders
- allows for the sale of the building after 3 months rather than 6

Act 157 will go into effect on December 21, 2014.