

POLICY BRIEF

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The Strange Case of Upscale Blight

The new owners of Mt. Lebanon's upscale Galleria mall complex want taxpayers' financial help in refurbishing the mall-parking garage through a Tax Increment Financing (TIF) package. In order to qualify for a TIF, the development area must first be officially designated as blighted. Mt. Lebanon's Planning Board has duly obliged by adopting the recommendations of a study which says in there is (a) defective building design and (b) there is a faulty street layout which causes "congestion, confusion, and limited access and egress."

In this case defective building design refers to the deteriorating garage. It is argued that design flaws have led to failures at expansion joints. Bear in mind that the garage is over 30 years old and that it is unprotected from the elements. After 35 years one would expect deterioration if proper maintenance and replacement was not carried out as needed. This is a private facility that serves patrons of the shopping center. It is not the responsibility of the taxpayers.

The faulty street layout deserves special attention because it concerns two longstanding major thoroughfares, Route 19 and Gilkeson/Conner Road. Washington Road (US 19) and Gilkeson/Connor Road intersect near the Galleria. The roads are the responsibility of the Commonwealth of Pennsylvania. The Galleria has access to these roads at three places. On Route 19 (south), there is a driveway that allows a right turn into the mall and a right turn out. On Gilkeson, there are two driveways, one that allows only right turns in and out and another with a traffic signal that permits left and right turns both entering and exiting.

Documents from the Pennsylvania Department of Transportation show that a formal request was made for the traffic light at that driveway in 1988. The owners of the newly-converted mall wanted to solve the problems of getting people in and out of the lot which "was difficult and dangerous at peak periods" when the driveway served a stand-alone Kaufmann's department store. A subsequent engineering study found that traffic from that driveway exceeded the standards of average daily traffic volume at the time. The light was permitted in 1990 and activated that same year. Thus, for more than ten years the Galleria mall has been the beneficiary of a traffic light dedicated to easing entrance and exit from the mall.

But apparently that is not enough for the new owners and the Planning Board. They want to redesign the Washington Road entrance and put in another traffic light to permit left turns from the mall and the old Elby's parking lot across the street. Never mind that it is only 150 yards or so from the large, complex and heavy traffic intersection at US 19 and Gilkeson Road. Installing a traffic light at this point would likely inhibit the smooth flow of traffic through the area. And in any case, PennDOT must conduct extensive studies and grant permission before any changes are made.

In short, despite the fact that the Galleria was favored with its own traffic light on Gilkeson Road just over ten years ago, the Planning Board still decided to designate the area blighted because of limited access. No retailer in Mt. Lebanon that is similarly situated has its own traffic light. Indeed, in many shopping corridors, left turns are difficult or illegal. Using the flimsy justification applied in the Galleria case, virtually all of the municipality's shopping areas could meet the blight criteria.

Unfortunately, this episode might be the harbinger of things to come with a raft of blightings and TIF districts in the offing. Can owners of other retail establishments sit by while a group of investors receives a taxpayer subsidy that creates unfair competition for them?

We are witnessing a serious abuse and misuse of governmental power. It is very important to note that once an area is designated as "blighted" the designation never goes away, regardless of what improvements are made. Moreover, properties in a blighted area are subject to taking through eminent domain. Thus, a blight designation opens the door to future manipulation by government bodies. The Planning Board should move quickly to retract its blight designation before real harm is done.

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