

IMPROVING HOMEOWNERSHIP RATES IN ALLENTOWN'S CHALLENGED NEIGHBORHOODS

Submitted by Allentown Citizen Alan Jennings

THE PROBLEM

Allentown's homeownership rate is well below where most want it. Here are some reasons why:

- Density (David Rusk asserts that the concentration of poverty is a key determinant)
- Almost no green space
- Very tight parking (as formerly single-family homes were bought by investors and turned into multi-family rentals, parking demands doubled or tripled with them)
- As multiple problems accumulated, property values declined
- Those declines opened doors to people most of us wouldn't want to live next to (and that's not a commentary on color or class; frankly, it's a commentary on assholes – nobody wants to live next to an asshole)
- Crime
- Nuisances (dirt bikes, noise, double parking [even next to open spaces!], drugs and the unsavory people who come with them, trash)
- Today, perhaps most challenging and most intransigent, is Allentown School District (of 55 LMI income and/or minority prospective homebuyers who lived in the city, not one planned to buy a house in the city).

THIS AGGRESSIVE RESPONSE IS THE LEAST WE MUST DO

Raze 100+ houses on the half- and quarter-streets (regular people call them "alleys.")

- Many rows of houses have no fire wall; when there is a fire in one, there will be a fire in others
- Taking down 150 houses will displace 300 to 450 low-income families, more than 1,200 people and will cost \$1 million or more (cost includes demolition and displacement)
- Create surface lots to ease parking (Allentown Parking Authority has the resources)
- Create 5 to 10 pocket parks, costing at least \$200,000
- Give some lots to next-door property owners if they agree to maintain them (cost of demolition).

Re-establish punitive code enforcement program voters, by a 3 to 1 majority, supported by referendum more than 20 years ago.

- Systematic inspections (every five years plus responding to complaints)
- Apartments must have licenses
- Banks don't finance those landlords' latest purchases
- Disruptive tenant component
- How to assist landlords?
 - Seminars
 - Financing initiatives?

Aggressive (“moderate” to “substantial”) rehab of properties for owner-occupancy inside the “collar” (Fourth to Twelfth, Union to Gordon streets)

- Grants of \$30,000 to \$100,000 per single-family, owner-occupied house
- More for deconversions
- Focus the spending on “priority blocks” (ie, surround major rehabs with façade improvements and a variety of other amenities that will buoy property values); these blocks should be two to three blocks from the NIZ; designed to make home purchases more appealing
- Continue CACLV’s first-ever incentives for landlords to invest in their properties.

Financing for Tenants to Become Owners

CALV proposed a financing initiative that would encourage tenants in 2- to 4-unit homes to purchase the building and become an owner-occupant as well as a landlord. The special financing product would have preferential rates and assistance in improving the property (like façade improvements), training in how to be a law-abiding property owner and landlord, including financial literacy training. An added incentive to participate would be \$10,000 for exterior improvements, especially on facades that will improve neighboring property values

The Decommissioned Schools’ Lots Should Be Developed

Cleveland and McKinney elementary schools were decommissioned in favor of a new school built on Twelfth Street. ASD should turn them over to the city to be redeveloped with mixed-income housing, including market rate housing and LMI-affordable. This would put the properties back on the tax rolls and put moderate- to middle-income households in the neighborhood.

MILLIONS NEEDED; WHERE WILL WE GET IT?

Mayor Tuerk appears to recognize the urgency and scope of the problem and seems ready to commit much of the Covid relief funding for this use.

But we also need a reliable, ongoing flow of funding. That can come, finally, from the NIZ, skimming some of the new tax base for housing.

HOUSING ADVOCATE IN CITY HALL

Operating out of the Department of Community and Economic Development, this position would be charged with facilitating this plan. Data collection and analysis are key functions: analyzing the impact of these market interventions, especially on property values; tracking property transactions that can identify bad actors such as slum landlords (especially from out of town), predatory lenders and Realtors and organizing the community to assist.

COST SUMMARY

Demolition (100 houses @ \$15,000/)	\$1,500,000
Displacement (80 families for six months @ \$1,200/month)	600,000
Creation pocket parks (10@ \$20,000/)	200,000
Systematic inspection and code enforcement (annually)	500,000
Priority Blocks (3 blocks per year @ \$600,000/block)	1,800,000
Housing rehab (properties not in “priority” project @ 3/year)	300,000

PROPOSED USE OF FEDERAL COVID RESOURCES IN ALLENTOWN

PLAN B

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The federal windfall created as a hedge against the damage to communities wrought by the COVID-19 virus is a rare infusion of resources. These funds can be used to improve efficiencies and prepare for new challenges, averting a tax increase in the years ahead and investing in the community in ways that improve the quality of life and grow the economy, all of which improves the tax base that funds such quality-of-life measures.

Many of the uses proposed by the administration of funding from the Biden stimuli pass the test. However, there are notable alternatives I would recommend.

HOMELESSNESS

The shelter system in the Lehigh Valley has been designed to keep children with their families and not expose them to the realities of adult homelessness. Families with children should be sheltered with families with children.

It is those families with children that are overwhelming the emergency housing system. Every family shelter in the region is full; they were full yesterday and they will be full tomorrow. I suggest that the city place those needs ahead of the effort being made to find solutions for the adults, most of whom are single and alone.

I propose \$1 million be committed to acquiring and retrofitting a building, as well as the first two years of program staffing, while the program administrators look for longer-term, reliable funding.

A substantial share of those literally sleeping in camps and on the street are individuals with problems that must be resolved if we are ever going to staunch the rise in homelessness. There is little we can do for those who choose not to help themselves. I support funding to operate a shelter that will expect people to own their problems and make legitimate effort to overcome whatever demons they face.

The common thread for just about every homeless person is the absence of housing options that are affordable. For the homeless adults, we propose scattering apartments that can be occupied by three to four homeless adults, each with their own room and shared kitchen and bathroom (much like upper-class suites on college campuses). I propose providing \$25,000 per housing unit to

retrofit them to house 2 to 4 unrelated adults. The funds would be used to make basic improvements to the unit (both code compliance and comfort), install new, energy-efficient major appliances and a multi-year supply of linens. It would also fund two caseworkers/social workers. **Commit \$1 million to support fifteen such units that would house between 40 and 75 adults, resulting in a dramatic reduction in homelessness.**

HOUSING

An argument can be made that one of the most challenging and stubborn problems Allentown faces is the quality of its housing stock and its affordability. A substantial amount of the stock is substandard (in disrepair), almost all of it is obsolete, there is too little parking and too few places for children, there is almost no place to play or enjoy green surroundings. Hundreds of units should be demolished and replaced with pocket parks or parking lots or given to the neighbors to maintain. Hundreds more should be rehabilitated with an all-out campaign using stimulus funding. (It should be noted that spending money on rehab or construction of housing is the quickest way to create jobs, too.)

The project should start with determining what blocks can have the most strategic value in a revitalization are located two to three blocks from the Neighborhood Improvement Zone and concentrating resources on those blocks with the expectation that investment will then be attracted to the blocks in between. On those blocks the city should do substantial rehab on two or three homes for owner occupancy, preferably de-converting multi-unit homes back to single-family and as many façade improvements as feasible. The goal should be to increase the homeownership rate and elevate property values to the extent possible. Allentown should, at the very least, invest \$7 million to \$10 million. This should create the conditions to encourage additional investment in the blocks between the priority block and the NIZ.

As much as we favor owner-occupied housing, multi-unit buildings exist throughout the poorest neighborhoods. It is safe to say that these buildings are usually the source of the problems that push people to abandon the downtown. While better tenant selection would help, the reality is that an apartment in barely habitable condition is a magnet for people who don't want to play by the rules.

Community Action pioneered an initiative that matches funding from landlords who actually improve the condition of the interior units for the purpose of improving the "curb appeal" of the property and its neighbors.' The match, then, is used to make façade improvements to the property. TD Bank funded the pilot project. I propose extending the program using stimulus funds.

Many 2- to 4-unit properties are occupied by households who, with some help, could buy the entire building and rent the other units to pay for the building. We suggest investing funds in assisting such deals. We would then have more homeownership, the owners would be gaining wealth and the neighborhood gets the benefit of the return on investment.

COMMUNITY AND ECONOMIC DEVELOPMENT

Some funding should be set aside for marketing Allentown as it aggressively works to improve its housing stock, reduce crime, increase its tax base and make a better quality of life for all. Marketing would be committed to the following goals:

- Promote the shops and restaurants among suburban residents
- Promote living downtown
- Promote minority-owned businesses.

DAWN GODSMARK
COMMUNITY ACTION LEHIGH VALLEY

5/25/22

Nineteen children and two adults were killed yesterday by a troubled 18-year-old young man.

I cried. I literally cried while watching the news.

You see, it was such a news story that was the reason I got out of the news business. I worked for ABC News during Columbine. And I covered that story day after day after day as we tried to piece together WHY anyone would kill children.

And then Sandy Hook happened. Another story of children who killed children.

In these cases, it is troubled children who were at the front end of the killing spree. Children who have been hurt themselves in some way. It's probably safe to say that they were bullied or demeaned, or have a lack of self-esteem and no real direction for their lives. I'm sure you've heard the expression that hurt people hurt people.

I have been before this Council several times now, asking for your help in establishing a youth center for our kids.

I see on your agenda that you are proposing funding for another youth center. Community Action is requesting an application for what we are proposing:

A state-of-the-art Youth Center where our children can learn to be entrepreneurs, learn to create and record their own music in our recording studio, classrooms for homework and mentoring, trade workshops to introduce students to a variety of vocational trades, studio space for a variety of dance classes, technology space for video and multi-media projects, theatre space to engage in theatric productions, a sports facility for soccer, football, basketball and volleyball, a student lounge with games and snacks, a place for parents to relax while waiting for their children, but we've recently added the concept of teaching parents computer skills or English as a second language while their children are engaged in other activities, and a community space with satellite offices for other nonprofits and agencies.

Our children NEED this. Our community needs this. So that we don't continue to kill one another, let's provide a safe space not just for sports, but for them to learn and grow and thrive. To have the confidence to be better and to do better.

Otherwise, we will just continue to bury our children. A tragedy, considering we can do something about it... NOT LATER...but NOW!