

# PROPOSED USE OF FEDERAL COVID RESOURCES IN ALLENTOWN

## PLAN B

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. We would place those needs ahead of the effort being made to find solutions for the adults, most of whom are single and alone.

**We 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. We 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). We 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. **We propose \$1**

**million be committed 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. We 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:

improvements), training in how to be a law-abiding property owner and landlord, including financial literacy training.

### **REMOVE BLIGHTED HOUSING**

Research shows that the concentration of poverty is one of the most powerful predictors of a functioning community and its marketplace. CALV would argue that 100 to 300 homes in and around the NIZ should be razed. A determination should be made on whether to convert them to lots and simply given to neighboring property owners, pocket parks owned and maintained by the city (or adopted by civic groups) or surface parking lots owned and maintained by the Allentown Parking Authority.

### **CITY HOUSING TRUST FUND SOURCE**

Dating back to the planning stages of creating the Allentown Neighborhood Improvement Zone Development Authority, I have tried to find a way to “skim” funding from the NIZ. I finally found it.

The tax base is growing, thanks to the NIZ. Every taxing body that is named in the legislation should be generating new tax revenue as projects go online.

The city should pass an ordinance declaring that a set percentage of all **new** revenue be claimed and placed in a funding pool for the express and exclusive purpose of improving the city’s housing stock in the collar.