

**Downtown Housing Assessment
Findings and Recommendation to
The City of Allentown and ANIZDA**

Executive Summary

Over the past few decades, The City of Allentown has fallen further and further behind the surrounding region in terms of resident income, home values, construction rates, and markers of educational attainment. There are many reasons for this decline, but one of the most important factors is that Allentown has become a center for poverty in the Lehigh Valley. Through the act of building affordable housing to a degree far outsizing its population, Allentown has drawn in poverty from surrounding regions, diminishing its tax base and ability to provide social services.

Studies have shown that over-concentration of poverty causes numerous problems for cities, and cities which display a diversity of incomes display the healthiest growth potential, while also providing a stable tax base for city operations. Even though recent redevelopment efforts have started to establish Allentown as the economic and cultural centerpiece of the Lehigh Valley, further efforts needed in order for Allentown to once again become a vibrant and thriving city. Our research has led us to the conclusion that building market rate housing in order to create a mixed housing stock, paired with incentives such as residential property tax abatements to ensure investment in the city, are the best possible route forward.

This is particularly important when considering the fact that Allentown is the fastest growing city in Pennsylvania, and is expecting a 30 percent population increase over the next three decades. Allentown's housing supply, however, has not kept pace with its population increase, creating a shortage of housing in the city for residents of all income levels. Market rate residences are needed downtown not just to combat the effects of concentrated poverty, but to ensure that the city is capable of bringing in enough tax revenue in the future to be fiscally sustainable. Exclusively building affordable housing downtown in the next few years will ensure that Allentown never reaches optimal income diversity, and will weaken its tax base for decades to come.

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Part I Allentown's Economic History

Many of the multifamily rowhomes that line downtown Allentown's streets have histories that date back to the early 1900s. For decades most of them housed blue collar workers employed in the City's booming manufacturing sector. Like almost every other industrial city across the country, Allentown was dealt a crippling blow by the economic recession of the 1970s. As Allentown's manufacturing industry came to a halt, inflation and unemployment rose. Those who could afford to move out of downtown Allentown traded in their rowhomes for newer, larger homes, big backyards, and superior public schools in Whitehall, Hanover, and Salisbury Townships.

In the early 1980s, Allentown Mayor Joe Daddona, concerned with the declining number of city residents, set out to stabilize the City's population.¹ Daddona amended Allentown zoning laws to allow for multifamily dwellings in buildings that were originally single-family units, hoping that homeowners would rent out newly created units. However, the original owners continued to move out of the City, allowing for non-resident landlords to buy and rent out the homes. These dwellings suffered from poor maintenance, and the absentee landlords allowed existing electrical and plumbing problems to be exacerbated by increasing the number of people residing in each home. These downtown neighborhoods quickly transformed into overcrowded, dangerous slums as drug use, crime, and gang violence continued to rise.

Allentown's Recent Economic History

While Allentown was once one of the most prosperous cities in Pennsylvania, it has been falling behind surrounding communities at an alarming rate and indicators of poor economic

Allentown's economy has been suffering for a long time.
1. Median household income has fallen 15.6 percent
2. Poverty is double the rest of the Lehigh Valley's
3. High school graduation rate only 66 percent

health have been increasing rapidly since the late 1990s. Since 1990, Allentown's median household income has fallen by 15.6 percent to \$40,298 (after adjusting for inflation) and Allentown's poverty rate has risen by 13.5 percentage points to 26.4 percent, doubling the rate of the rest of the Lehigh Valley.

Allentown has failed to construct housing commensurate with its rate of population growth. Despite a 10.7 percent increase in the number of people living in Allentown over the past decade, Allentown has only built 2.1 percent more homes, a trend which will quickly lead to overcrowding if not rectified. Home values have not kept pace with those in the surrounding

¹ Berkwits, Jory. "My Bittersweet Homecoming." *Atlantic Publishing* (2015): Chapter 3.

region, with Allentown's home values currently 34 percent lower than those of Lehigh County as a whole, and 38 percent lower than Northampton County. Part of the home value problem might stem from the fact that Allentown has about 8.8 percent of its housing units currently vacant, which is about 50 percent greater than the rest of the Lehigh Valley.² Evidence of Allentown's issues can also be seen in the City's public schools, as only 77 percent of adults in Allentown hold a high school diploma, which falls about 10 percent below the rest of the Valley. Further, Allentown School District only has a 66 percent graduation rate, and consistently reports mathematics and reading test scores far below target levels established by the state.³

Recent efforts to bring more commerce and employment into the downtown area have largely been made possible by the Neighborhood Improvement Zone ("NIZ") program. The NIZ has enabled the construction of the 8,500 seat PPL Center arena, dozens of restaurants and retailers, a top-rated hotel, luxury apartments, and thousands of square feet of Class A office space. Over \$1 billion in projects has been built or proposed within the NIZ, resulting in more than 1.5 million square feet of new development built or under construction.⁴

If the City of Allentown wishes to capitalize on this recent economic growth, it must take measures to improve the City's housing situation. Many people employed at these new job centers do not live in Allentown, and due to this Allentown is missing out on much taxable income. To develop a course of action, we first looked at existing economic development strategies for Allentown as well as those of other similarly situated cities, then delineated the most effective techniques for improving our city's housing stock.

² Taken from U.S. Census Data

³ School Stuff

⁴ <http://www.allentownpa.gov/Neighborhood-Improvement-Zone>

Current Housing Stock

In 2014, the median Lehigh Valley home sales price was \$175,000, and of the 62 municipalities in the Lehigh Valley, the City of Allentown had the lowest median home sales price. Allentown's median price of \$99,900 was just 57 percent of the Lehigh Valley median, and of the 17 Lehigh Valley school districts, Allentown School District also reported the lowest median sales price. Allentown School District median home sales price of \$96,500 was just 55.14 percent of the Lehigh Valley median price.⁵

Over the years Allentown has become a regional hub of affordable and subsidized housing, much of which is concentrated in the City's downtown area.

According to U.S. Census data, Allentown had a total of 46,921 housing units in 2010, and a vacancy rate of 8.8 percent. The City as a whole had a owner-occupancy rate of about 54 percent, but downtown Allentown's owner-occupancy rate was about 42 percent. Allentown has a greater number of single-family attached housing and multi-family housing units than the rest of the Lehigh Valley, especially in the downtown area.⁶

Over the years Allentown has become a regional hub of affordable and subsidized housing, much of which is concentrated in the City's downtown area. Over 58 percent of all subsidized rental housing units in Lehigh County are located in Allentown despite Allentown only accounting for about 33.75 percent of the County's population. Over half of all overcrowded rental units in the Lehigh Valley are located in the City.

Of all Lehigh Valley municipalities, Allentown has the greatest share of housing at prices affordable to households between 10 percent and 80 percent of the Valley's Area Median Income ("AMI"), or households earning between \$5,870 and \$46,960 annually. About 4,500 housing units, 10 percent of the City's total housing stock, receive some kind of subsidy. Yet still, Allentown's affordable housing system is overburdened. There is nearly a 100 percent occupancy rate for all public housing developments within the City and thousands of households are on waiting lists to receive housing vouchers. Many of the public housing authorities in the City have temporarily closed their waiting lists for both public housing and vouchers due to high demand.⁷

Allentown's housing stock tends to be in poorer condition than housing in the rest of the Lehigh Valley. More than 75 percent of Allentown homes are over 50 years old, a much higher proportion than the rest of the Valley, which can be problematic because older homes are likely

⁵ LVPC Housing Market Report (2015)

⁶ Taken from US Census Data

⁷ LVPC Housing Market Report (2015)

to be in poor condition and have lower value. Older homes are also more likely to have electrical and plumbing issues. In contrast, only about 9 percent of Allentown's homes have been constructed since 1990.⁸

Current Housing Programs

Upside Allentown

Recognizing the need to support its residents in a number of ways, *Upside Allentown: Safe and Healthy Neighborhoods* was created in 2014. The organization was formed as a partnership between City officials, Allentown's Department of Community and Economic Development, and a number of smaller, neighborhood-focused organizations in downtown Allentown. *Upside Allentown* aims to address a number of social issues in order to improve the downtown Allentown community. Housing is among the topics addressed by the organization.⁹

Upside Allentown's principle housing objectives include:

1. Improving the condition of the housing stock;
2. Fostering homeownership;
3. Providing opportunities to introduce market rate housing into the area; and
4. Remove obsolete housing.¹⁰

The organization is committed to reaching these goals by doing things like implementing stricter building code enforcement and inspections, rehabilitating blighted properties and implementing policies encouraging others to rehabilitate properties as well, and assisting with and promoting educational programs teaching homeowners and landlords financial literacy and home improvement skills. Upside Allentown works with a number of local organizations to ensure Allentown residents have the tools and opportunity to become active participants in the local real estate market.¹¹

Community Action Committee of the Lehigh Valley

The Community Action Committee of the Lehigh Valley ("CACLV") is a nonprofit organization committed to assisting low-income residents across the Lehigh Valley. The CACLV offers educational programs concerning homeownership that have been extremely successful in recent years. About 90 Allentown residents participated in their program in 2015. A major focus of this program is enabling participants to meeting the required banking requirements necessary to

⁸ *Id.*

⁹ *Upside Allentown: Safe and Healthy Neighborhoods* (2014)

¹⁰ *Id.*

¹¹ *Id.*

purchase a home. A large number of residents end up benefitting tremendously from this relatively inexpensive program. The CACLV also runs similarly successful landlord education programs.¹²

Live Near Your Work¹³

Live Near Your Work is a program created for Allentown-based employees, where the Neighborhood Housing Services of the Lehigh Valley partners with participating employers to offer grants up to \$10,000 to employees buying houses in the downtown area; specifically three regions which span from 5th to 12th Streets and Walnut to Liberty Streets. The money can be used to subsidize down payments and closing costs, and the property must be owner-occupied for 5 years before employee receives the grant.

Facade Grant Program

Allentown's Facade Grant Program is aimed at improving the external appearance of properties in Center City, within the bounds of Tilghman St, Union/MLK, Jordan Creek, and N. 12th St. The grants can be for amounts up to \$10,000, and are intended to preserve the original building design. The grants are available to homeowners at or below 80 percent of the area median income, as well as residents of residential buildings of no more than four units, whose owner is at or below the 80 percent of the area median income. If the applicant's total household income exceeds 80 percent of the area median income, the applicant is responsible for 50 percent of the project. A 50 percent match is also required if the property has five or more units. The program's focus on properties with less than five housing units shows the city's dedication to preventing overcrowding and overuse of our converted single family homes.

Effectiveness of Existing Programs

While the aforementioned programs have been extremely useful to the city, their ability to effect change has been limited due to constraints on funding and... (need data or something, also want to be gentle since upside allentown will be reading this)

Housing Opportunities and Demands

Allentown stands on the cusp of some **Allentown is expecting a 30 percent population increase in the next 30 years, and will need new housing for residents of all incomes.** Positioned adjacent to New York and New Jersey, it is a transportation nexus near some of the most major employment centers in the United States. Due to impending growth, how the Allentown handles the next few years will determine the city's future for decades to come. In 2010, the City of

¹² CACLV Annual Report (2015)

¹³ <http://lmywallentown.com/program-information>

Allentown was home to 118,032 residents, and is now expecting a 30 percent population increase by 2040. According to Goody Clancy's 2014 *Downtown Allentown Development and Urban Design Plan*, there is a healthy demand for living downtown for potential residents of all income levels. Goody Clancy also determined that Allentown has the potential to support between 1,000 and 1,200 additional housing units by 2019.¹⁴

The Goody Clancy report found that while about 35 percent of downtown land in Allentown was being used for office space, only 12 percent was being used for residential purposes. The report recommended that at least half of all new development downtown be housing and identified a number of key downtown areas well positioned for residential development. New housing development is particularly desirable in proximity to existing housing. Spaces within the City's downtown business district too small for office space and obsolete or underutilized buildings along Hamilton Street were also recommended for residential conversion and construction. Residential development does not need to be limited to areas within the NIZ. The report also suggested areas along Turner and Walnut Streets for housing although it specified that some new housing should be located in the NIZ in order to diversify the land use mix and provide a transitional area to adjacent neighborhoods. Due to a preponderance of low-value housing located throughout the core downtown area, Goody Clancy also suggested that new development in this area be focused on market-rate multifamily units in order to provide a more balanced mix of market-rate and affordable housing in the area.¹⁵

Allentown currently has three major forces driving the demand for housing. First and foremost, the increased availability of jobs for middle and upper income individuals necessitates a greater amount of market-rate housing. These households wish to live near their employment centers, and are often willing to pay higher rent if they do not have to drive a significant distance to work. Furthermore, having middle and upper income individuals leave the city at the end of the work day means that Allentown is not capturing that tax base as efficiently as possible, missing out on property and sales taxes. Second, the continued influx of low-income residents drives a growing demand for low income housing, which will not be diminished by building more affordable housing, as more affordable housing will only draw in more people in need of subsidies. Third, households without children make up a majority of downtown Allentown's potential housing market. These households are more likely to opt for smaller rental units in multifamily buildings in walkable urban communities which is consistent with larger nation-wide shifts in housing preferences.¹⁶

¹⁴ *Downtown Allentown Development and Urban Design Plan (2014)*

¹⁵ *Id.*

¹⁶ *Id.*

Part II

The Dangers of Concentrating Poverty

Allentown is supporting a greater amount of impoverished citizens than it is equipped to handle, and is experiencing problems associated with highly concentrated poverty. Allentown's poverty rate is more than double that of the surrounding regions, and the LVPC warned against this form of over-concentrated poverty, saying, "[O]ver-concentrations of low- and moderate-income housing in any one area should be avoided... new low and moderate income housing should be located in stable neighborhoods where social and economic integration is possible."¹⁷

Studies have shown that an overabundance of low-income housing in a certain area draws in even more poverty. Particularly, researchers found that the construction of affordable and public housing significantly increases a city's growth from migration.¹⁸ Low income households will often move into an area faster than new affordable units were constructed, and the increased production of housing projects substantially increased the concentration of poverty in the area in later years. This observation has relevance to Allentown when considering that Allentown's population increase in the past decade is almost entirely due to migration, and very well could lead to the conclusion that impoverished people are moving into Allentown as opposed to other parts of the Lehigh Valley because of Allentown's relative availability of affordable housing.

Allentown also needs to deconcentrate poverty because clusters of poverty harm residents in a number of ways that ultimately make it more difficult for residents to escape poverty later in life. For example, when the percentage of high-status workers in a neighborhood falls below 5.6 percent, high school dropout rates rise dramatically.¹⁹ Generally, people living in nonpoverty regions have about a 10.9 percent chance of not completing high school, while people living in impoverished regions have about a 35.5 percent chance of not completing high school. This is a problem for residents and employers alike, because if a young male living in poverty drops out of high school, there is an 80 percent chance that he will experience unemployment for the

¹⁷ LVPC Regional Housing Plan (2014)

¹⁸ Massey, Douglas S., and Shawn M. Kanaiapuni. "Public housing and the concentration of poverty." *Social Science Quarterly* 74.1 (1993): 109-122.

¹⁹ Smith, Alastair. "Mixed-income housing developments: Promise and reality." Harvard Joint Center on Housing Studies, 2002.

majority of his life.²⁰ 25 percent of the gap in education and earnings of African-American men is due to background differences and can be accounted for by differences in neighborhood quality. There is a statistically significant correlation between neighborhood poverty levels and pregnancy among adolescents, and there is a strong association between violence and low neighborhood socioeconomic status. People who live in impoverished regions are also more likely to suffer from poor access to healthcare, are more likely to get cancer, are less likely to have quality health insurance, and are more likely to endure pain and suffering from their illnesses.²¹

Several theories exist as to why these problems emerge in communities with high concentrations of poverty. One potential reason is that fewer opportunities exist in high-poverty communities to encourage skill development and income growth. Due to lack of property tax revenue, schools are often inadequately funded and because residents in these regions often have less expendable income, business are less likely to operate there so local employment opportunities are scarce. Other researchers emphasize the social effects of economic isolation. Living in an area of condensed poverty limits access to jobs, and limits one's ability to network by a reduction of ability to socialize with residents outside of the impoverished region.²²

The Effects of Concentrated Poverty

Crime

Allentown experiences a great deal of crime, and while crime rates in recent years have been

Allentown residents see 2.5 times the national average for robberies every year.

decreasing, they are still disproportionate to the City's population.²³ Allentown has about 1.5 times more violent crimes per capita than the national average. The city also experiences 2.5 times the average number of robberies per year, and is also above the national average in property crimes.²⁴

Health

Allentown residents report a greater number of health problems, but frequent healthcare locations far less than the national average. For example, only about 6 percent of residents

²⁰ Kasarda, John D. "Inner-city concentrated poverty and neighborhood distress: 1970 to 1990." *Housing Policy Debate* 4.3 (1993): 253-302.

²¹ Freeman, Harold P. "Poverty, culture, and social injustice: determinants of cancer disparities." *CA: A Cancer Journal for Clinicians* 54.2 (2004): 72-77.

²² Smith, Alastair. "Mixed-income housing developments: Promise and reality." Harvard Joint Center on Housing Studies, 2002.

²³ *Upside Allentown: Safe and Healthy Neighborhoods* (2014)

²⁴ <http://www.city-data.com/crime/crime-Allentown-Pennsylvania.html>

reported having visited a dentist or dental clinic within the past 5 years.²⁵ Mental health issues are also more common in Allentown, with Allentown residents twice as likely to report feelings of depression compared to the rest of the Lehigh Valley.²⁶

The age of Allentown's housing stock, while seen as attractive to some by providing a historical aspect to the City, can pose a danger to the health of citizens. Many Allentown homes still contain lead paint and a large number of lead pipes still exist in the City. These factors have contributed to 23 percent of Allentown children having dangerously high levels of lead in their blood.²⁷ Without a renovation of the City's housing stock Allentown will likely continue to have health problems resulting from lead exposure.

Education

Allentown School District is the lowest rated school district in the Lehigh Valley, and runs an average deficit of over \$7 million annually.²⁸ Allentown School District consistently reports testing scores below state-determined target levels. At William Allen High school, only 34 percent of students are proficient in mathematics, and 22 percent are proficient in science on standardized tests. To compare, 84 percent of Parkland High School students are proficient in mathematics, and 73 percent are proficient in science.²⁹ Without more funding from increased property tax revenue, children within the Allentown School District will continue to fall behind their peers, dampening their economic and social futures.

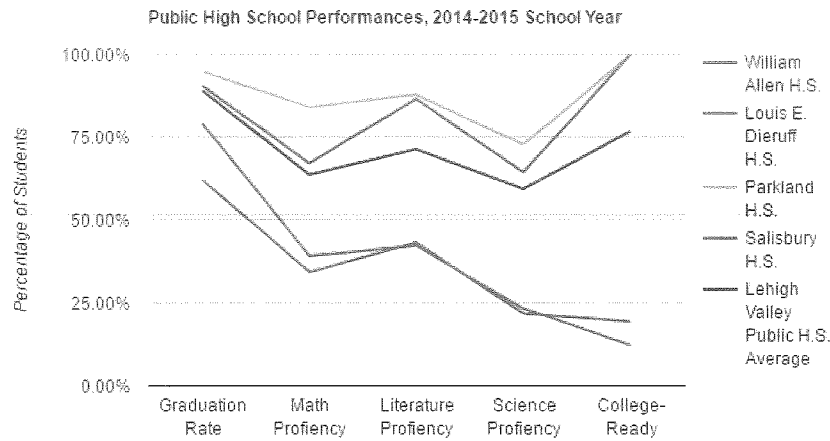
²⁵ *Id.*

²⁶ State of the Lehigh Valley (2011)

²⁷ *Id.*

²⁸ https://en.wikipedia.org/wiki/Allentown_School_District

²⁹ Data from paschoolperformance.org



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The quality of an area’s public school system is an important factor considered by households when they consider moving. Households with school-aged children often cite school districts as one of their top considerations when searching for a new home. Simply put, the Allentown School District is a deterrent for households with children considering moving into downtown Allentown.

Other Municipalities Must Build Their Fair Share of Affordable Housing

It is important to recognize that municipalities other than Allentown can and should take steps to improving the Valley’s housing market. While

“You’re going to turn our township into Newark, basically. Whatever you do, you’re bringing in trash.”

Allentown is home to about a third of all Lehigh County residents, it contains almost 60 percent of the County’s subsidized affordable rental housing units, a clearly disproportionate share. Due to the fact that few places other than Allentown in Lehigh County have elected to build affordable housing, almost 40 percent of Lehigh County residents live in a municipality with no affordable rental housing at all.³¹

There can often be resistance to building affordable housing, as seen by Whitehall’s 2016 rejection of a zoning change that would have allowed the township to initiate additional affordable housing projects. Many households protested the change, culminating in one resident

³⁰ Data from paschoolperformance.org

³¹ Tricia’s Data from excel sheet, unsure of source

openly saying to the Morning Call, “You’re going to turn our township into Newark, basically. Whatever you do, you’re bringing in trash.”³²

When other municipalities are resistant to providing their low income residents with the housing they desperately need, many of these low income households turn to Allentown because they see the City as the only location in the area where people of their income levels can obtain housing. Our final recommendation for improving Allentown’s housing situation is to strongly urge surrounding municipalities to care for their own struggling low-income residents. While the City of Allentown of course does not have the jurisdiction to force other municipalities to build anything, pass certain zoning laws, or implement policies, it can engage surrounding communities in meaningful discussion about the needs of all Lehigh Valley residents and inform other entities about what they can do to advance our community as a whole.

However, it is important to recognize that while it would be helpful to encourage other municipalities in the Lehigh Valley to begin building their fair share of affordable housing, the likelihood of persuading other cities and townships in the near future is low. Instead, it is best to look inward, to focus on areas that would most benefit from redevelopment, and to create a suitable environment for developers to build new and improved housing, while of course limiting financial risk to the City.

Part III Mixed Income Housing

Areas with a diversity of incomes have a stronger tax base and lessen the effects of concentrated poverty.

An increasingly popular way of dealing with concentrated poverty is to build mixed income housing, which is a modern philosophy of city planning which encourages new developments to include multifamily housing both market-rate and affordable. Mixed income housing is a mechanism designed to eliminate neighborhoods of concentrated poverty, and to combat residential segregation, both of which are created when public housing offers 100 percent of its housing units to those living in poverty. Since Allentown already has more than its fair share of affordable housing, the city must allow for more market rate housing to be built if it wishes to achieve a balanced array of incomes and participate in modern development strategies. Many of these strategies seek to build the low income housing and the market rate housing in the same building, but given Allentown’s current housing situation, it would likely have the same effect to simply build these residences in close proximity to one another.

³²<http://www.mcall.com/news/local/whitehall/mc-whitehall-zoning-for-affordable-housing-20160614-story.html>

The Urban Land Institute (“ULI”) has worked to dispel many common misconceptions regarding mixed income housing in their series titled *Mixed-Income Housing: Myth and Fact*. While some may believe that high-income residents will not want to live near lower income households for various social and political reasons, ULI cites many success stories, including Atlanta's Historic District Development Corporation, which renewed residential neighborhoods in the Sweet Auburn National Historic District, producing more than 50 units of affordable rental housing and more than 110 single-family homes. Overall, building mixed income housing lessens many problems associated with concentrated poverty that higher income renters and buyers find aversive and provides a greater diversity of home options for people moving into the area.³³

Developers and residents alike may fear that low-income housing causes blight and decreases property values. People with a more traditional understanding of affordable housing might envision the “drab, monolithic, concrete high rises that characterized some of the most visible public housing projects of the mid-20th century.”³⁴ Modern mixed-income housing, however, can deviate drastically from this stereotype as the housing inherently must be attractive to higher income households seeking residence in the project’s market-rate units in order to be profitable for developers. In projects such as Nava Adé, a privately developed master-planned community in Santa Fe, New Mexico, only 35 percent of the housing units were affordable, with the rest market-rate. The community needed little advertising and within its first year, all 143 homes built were sold. In the following year, 78 more houses were constructed and sold.³⁵

Mixed income neighborhoods also promote greater social interaction between residents, fostering relationships across income lines. According to a research paper titled *Why Do We Want Mixed-Income Housing and Neighborhoods?* mixed income housing promotes interactions between socioeconomic classes, opening up more opportunities through socialization. Lower-income residents also end up having access to higher quality schools, hospitals, and other social services than they would otherwise receive in strictly low-income regions. Despite these benefits, the paper warns that an increased number of social encounters also has the potential to lead to conflict and that there is no guarantee that income segregation will not passively occur within these communities.³⁶

Of course, mixed income housing developments are not the only way to decentralize poverty, and many other alternatives already exist. HUD’s Section 8 Housing Choice Voucher, which has

³³ *Mixed-Income Housing: Myth and Fact* (2003)

³⁴ *Id.*

³⁵ *Id.*

³⁶ DeFilippis, James, and Jim Fraser. “Why do we want mixed-income housing and neighborhoods?” *Critical urban studies: New directions* (2010): 135-147.

been implemented in many major metropolitan areas across the country, aims to reduce the effects of having clusters of very low income individuals in one area. The Section 8 Housing Choice Voucher allows low income households to use a monthly voucher to pay for rents and utilities in units owned by private landlords, and allows low income residents to move to places they might otherwise not be able to afford.³⁷ However, it is often difficult for recipients to find housing that will accept the vouchers, so this plan should be regarded as supplemental, rather than the primary means of deconcentrating poverty.

(Maybe drop) Mixed income housing, despite the presence of alternatives, is currently the most popular method for deconcentrating poverty, and HUD has been leading the way in mixed income redevelopment with its HOPE VI program. HOPE VI has transformed public housing projects into new mixed income communities funded by a combination of public dollars and private investment.³⁸

Education and Employment

HUD's annual analysis of worst case housing needs found that 80 percent of America's housing problem is not housing inadequacy or overcrowding, but affordability. If residents cannot afford their current homes, they are unlikely to properly maintain or upgrade them. Thus, policies that help people increase their incomes will help address housing hardship as well. Allentown needs more initiatives that help low-income families find and keep jobs, build skills, and advance economically in order to have any long-term solution to our disproportionately large number of low-income homes in the City. It is also critical that the jobs are not only available, but that the employment is accessible and available to people of differing experience and education levels. Without accessible jobs to improve employment prospects for Allentown's new residents, any housing initiative will eventually become unsustainable.

Allentown's manufacturing sector has shrunk more than 30 percent in the last 10 years.

According to a report titled *The City of Allentown Re-Industrialization Strategy*, Allentown's manufacturing sector, a major asset to the economy which provides well-paid jobs to residents without college educations, has shrunk over 30 percent in the past 10 years, losing over 2,500 jobs, and is expected to continue shrinking in the future. Many industrial sites have been abandoned, or have been taken over by small, service sector businesses such as dog kennels, which employ fewer residents at a lower wage, and lack the GDP-multiplying effect manufacturing jobs provide. While the rate of decline is expected to slow significantly in the

³⁷ http://portal.hud.gov/hudportal/HUD?src=/topics/housing_choice_voucher_program_section_8

³⁸ http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/p/h/hope6

near future, this industry is expected to continue to shed jobs moving forward. Bringing industry back to Allentown through business-oriented tax incentives could provide a stable economic base upon which Allentown could improve the City's health and housing.³⁹

Jobs capable of reliably paying the rent usually require at least a high school diploma, and with Allentown School District's graduation rate at about 66 percent, major changes need to occur if our school system is going to be competitive in the long term. A 2014 study by the National Bureau of Economic Research titled *The Effect of School Finance Reforms on the Distribution of Spending, Academic Achievement, and Adult Outcomes* revealed that a 20 percent increase in per-pupil spending each year for all 12 years of public school for children from poor families leads to a 20 percent reduction in the annual incidence of adult poverty, 25 percent higher earnings, and about one more completed year of education. The magnitudes of these effects were sufficiently large to eliminate between two-thirds and all of the gaps in these adult outcomes between those raised in poor families and those raised in non-poor families.⁴⁰

Part IV **How To Encourage Investment**

It is apparent that the City of Allentown is in need of additional redevelopment and reinvestment in order for it to continue growing in a healthy manner. Above, we have established that many of Allentown's issues stem from overconcentration of poverty, and a lack of market-rate housing being built to accommodate the increasing demand for housing for middle and upper income residents.

Now, we address how exactly the city can get those market rate houses built. We researched the housing plans of other cities across the country, and have compiled the best practices of cities seeking redevelopment.

Overall, we concluded that Allentown's goals should include

- Increasing low income homeownership
- Encouraging deconversions of single family detached homes which have been subdivided into multiple housing units
- Increasing availability of market-rate housing to meet demand
- Improving existing housing stock in terms of condition, value
- Improving public safety and perceptions of safety for residents

³⁹ City of Allentown Re-Industrialization Strategy (2013)

⁴⁰ Jackson, C. Kirabo, Rucker Johnson, and Claudia Persico. *The effect of school finance reforms on the distribution of spending, academic achievement, and adult outcomes*. No. w20118. National Bureau of Economic Research, 2014.

Public Safety is also a factor critical to the success of any redevelopment effort. If residents and businesses do not feel safe in an area, they simply will not live and operate businesses there. For this reason, it is important that any community development occurs in a close working relationship with police, as police are deeply involved with the community, and know better than almost anyone which areas of a city are most in need of help. For example, the Nuestra Comunidad Development Corporation invited police to weigh in on which vacant properties it should prioritize for acquisition and rehabilitation when attempting to move a high-foreclosure neighborhood in the right direction. Police told them which properties harbored the most crime, and worked with the development corporation in ensuring those properties saw continuous police presence during renovation. This is just one way of many that private-public partnerships can improve the safety of an area.⁴¹

Residential Property Tax Abatements

Tax abatement policies are very low risk, and can be profitable even before the abatements expire.

Pursuant to 1971's Act No. 34 of the Commonwealth of Pennsylvania, Allentown is capable of establishing special tax abatement zones in order to incentivize

development in the City by waiving some or all property tax increases on designated properties for a period of time.⁴² The City could provide residential property tax abatements on areas including vacant and abandoned properties as a way of motivating developers to turn these sites into revenue-generating residential properties at little financial risk to the City. Philadelphia, Cleveland, Portland, and a number of other cities have instituted residential property tax abatement policies with the intention of directing investment towards low-value properties and neighborhoods.

In a University of Pennsylvania study titled *Fiscal Analysis of Philadelphia's Ten-Year Tax Abatement: A Case Study*, Philadelphia's residential property tax abatements were shown to be highly effective as revenue-generating programs even before the abatement period expired. For every \$1 in property tax revenue that was foregone due to the Abatement, Philadelphia received about \$2 from other revenue sources over the ten years of the Abatement's life. The Abatement was so successful in Philadelphia because while the city's wage tax accounted for 57 percent of total new revenues, the real estate transfer tax constituted the second-largest source of new revenues, bringing in 24 percent of all new revenues.⁴³

⁴¹ <http://www.instituteccd.org/news/2730>

⁴² <http://www.legis.state.pa.us/WU01/LI/LI/US/PDF/1971/0/0002..PDF>

⁴³ Gillen "Philadelphia's Ten-Year Property Tax Abatement" (2013)

The benefits do not end there, however. When Philadelphia's abatement was implemented in 2000, it was followed by an immediate surge in new construction of 263 percent, peaking at 417 percent in 2004. After the abatement expired, the developed and abated units paid on average 563 percent more property taxes than before. The study concluded that the profitability of abatements is highly tied to the number of new residents living in the abated properties. At 9 percent new resident occupation, the abatement was a pre-expiration fiscal gain to the City, and after that point, the profit margin begins to rise sharply as the number of new residents increases.

44

Tax abatements have proven to be enormously popular in Pennsylvania. Harrisburg recently signed into law a similar ordinance providing a 100 percent tax cut for residential improvement projects and a minimum 50 percent tax break for commercial properties over a decade. Commercial developers could earn higher tax breaks up to 100 percent depending on the number of permanent jobs created.⁴⁵ Bethlehem has also had a tax abatement program called LERTA since 1977, which has been so successful that they are now seeking to expand it to residential districts in order to encourage the same kind of housing stock improvement that Allentown wishes to accomplish.⁴⁶

Tax abatement programs have the potential to be incredibly profitable for the City if properties are developed in anticipation of the expected 30 percent population increase in the next three decades. Allentown could use tax abatements to initiate renovation of its many vacant and dilapidated properties which could bring investors into regions which have experienced an extended period of divestment. An increase in the real estate transfer tax could help the City generate more revenue from properties that have been abated, and would be especially beneficial when developers attempt to sell the property at the end of the abatement period. Allentown currently has a 1 percent real estate transfer tax, but increasing that tax to 3 percent like Philadelphia could bring in a great deal additional revenue while not providing any tangible burden on our city's low income residents.

Tax Increment Financing

Tax Increment Financing ("TIF") is one of the most widely used types of tax incentives nationwide. TIF is a relatively new tax policy which has quickly gained popularity. Currently 49 U.S. states have passed

Tax Increment Financing can be very effective at getting employment centers and other big projects off the ground.

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ <http://www.bethlehem-pa.gov/econdev/>

legislation allowing TIF.⁴⁷ Cities that start using TIF tend to continue using it and almost always extend their TIF programs after seeing success of initial projects. TIF allows a city to subsidize development by financing properties with loans taken out from lending institutions. Cities then pay back those loans using increases in property taxes gained from that development.

TIF is primarily used for large development projects and commercial enterprises, but can also be used to restore large areas by dividing the bonds into a greater number of smaller investments. Allentown has a need for both infrastructure improvements as well as large development projects, and TIF is capable of funding projects of all sizes.

There has been proof of TIF success in cities across the country. In the Washington, D.C. neighborhoods of Georgetown and Old Town Alexandria, local governments brought back to life long-neglected historic Main Streets.⁴⁸ Fullerton, California also used TIF in the 1990s to restore its downtown, preserving over seventy historic buildings. By the 2000s, downtown Fullerton emerged as an “acknowledged social and cultural center” and “a magnet for people from surrounding communities.”⁴⁹

There are some concerns about TIF, however. Politicians in River City and Prairieville, two cities that have used TIF quite extensively, have expressed concern that TIF is a form of “corporate welfare,” that it produces unsustainable debt, and that repaying it diverted crucial resources.⁵⁰ Despite such reservations, however, their city councils have always unanimously approved TIF packages. These arguments have some merits, and as with any incentive program, proper oversight is required to ensure that developers are not overestimating the projected increases in property value in order to obtain a greater amount of TIF financing.

The widespread use of TIF paired with the desire to find creative solutions to economic stagnation during a recession have also lead development professionals to develop new TIF-like instruments, such as some cities securitizing projected sales tax receipts and creating structured bonds backed by this revenue stream in addition to projected increases in property taxes.

Housing Trust Funds

Housing Trusts provide a direct line of assistance to those most in need, so long as they can maintain funding.

Housing trust funds can be an effective and proactive way of aiding a city's

⁴⁷ Kerth et. al. “Tax-Increment Financing The Need for Increased Transparency and Accountability in Local Economic Development Subsidies” (2011)

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.*

residents most in need, reducing rates of homelessness and cost-burdening for the most vulnerable segments of society while increasing school performance and attendance for the children of families in the lowest income bracket, as instability of living situation is often one of the most damaging to a child's academic performance and future vertical mobility.

The Pittsburgh Affordable Housing Report recommended that Pittsburgh establish a housing trust fund, and laid out specifics of how that would be accomplished, which could be instructional should Allentown choose to establish one.⁵¹ The housing trust would include oversight by both a governing and advisory board, through the Urban Redevelopment Authority, and would set an initial target of raising \$10 million annually. The funds could be used for a wide array of purposes, including new construction, acquisition, rehabilitation, rental assistance, down payment assistance, education, counseling, or emergency repairs, while remaining focused on helping those most in need by ensuring that:

1. 50 percent of the funds should be targeted to families and individuals earning at or below 30 percent of AMI;
2. 25 percent of the funds should be targeted to families and individuals earning at or below 50 percent of AMI; and
3. 25 percent of the funds should be targeted to families and individuals earning at or below 80 percent of AMI.

St. Louis, Missouri's housing trust fund provided \$9.9 million in grants and loans to nonprofit agencies and developers in 2013, with 40 percent of funds serving households at 20 percent AMI and below. In turn, 254 new homes were created, 122 homes were made accessible, and 374,454 people were provided with a variety of housing crisis services, such as counseling, rental assistance and transitional housing.⁵²

The trust fund would be run by a five-person governing board that that would establish policies and give final approval to decisions regarding the use of funds. A twelve-person advisory board would also make recommendations regarding policies and the use of funds as well as provide oversight of projects. The report also recommends that the housing trust be paired with policies such as tax abatements, tax increment financing, or height and density bonuses in order to increase the effectiveness of the money spent by the trust.

While Allentown does have about \$3,000,000 in reserves for housing right now, it would need a dedicated revenue source other than CBDG grants in order for a housing trust program to remain

⁵¹ Affordable Housing Task Force Findings and Recommendations to Mayor William Peduto and the Pittsburgh City Council (2016)

⁵² *Id.*

viable. Given the recent boom in business in the downtown area, local businesses would have much to gain in terms of public perception and community investment if they made long-term partnerships with the city to ensure that Allentown's most in need could find housing.

Increasing Homeownership

Tenant Opportunity to Purchase Act

Washington D.C. has an effective policy to help protect renters from displacement, known as the Tenant Opportunity to Purchase Act (“TOPA”), which also has the added benefit of increasing rates of homeownership, a goal expressed by the Upside Allentown Committee as well as many housing reports.⁵³ Under TOPA, owners of rental housing units must give their tenants the right of first refusal to purchase their property before selling it to anyone else. Tenants have the right to match an offer for sale, and must be given time to obtain financing if they indicate interest. According to *An Analysis of the Strengths and Deficiencies of Washington, D.C.’s Tenant Opportunity to Purchase Act*, TOPA has increased low-income resident much more than expected, and has also allowed those residents who choose to purchase their homes to begin accumulating wealth to a greater degree than was possible before they became homeowners.⁵⁴

Expansion of Lease to Own Programs

Lease to own programs allow a resident to lease a home or apartment for 2 years, and after those 2 years, they are given the option to purchase the home or apartment. Currently, Allentown’s lease-to-own program is primarily focused on detached single family homes, and given the price of those homes listed, most would be inaccessible to residents of lower incomes. Starting apartment-based lease to own programs would dramatically reduce the price barrier to lower income residents, and would encourage a greater number of potential homeowners to take the final steps.

Owner-Occupancy Ordinance

Allentown, like many metropolitan areas, has an inordinately large number of absentee landlords. Some cities deal with this by instituting owner-occupancy ordinances, which require any purchaser and subsequent owner of an affordable housing unit to occupy the unit for the entire duration of their ownership, unless otherwise approved by the city.⁵⁵ The ordinance is intended to reduce speculation and increase the quality of properties, as owners have to live in their rental properties, making them immediately available to solve any problems, and encouraging them to maintain the upkeep of the property.

⁵³ *An Analysis of the Strengths and Deficiencies of Washington, D.C.’s Tenant Opportunity to Purchase Act*

⁵⁴ *Id.*

⁵⁵ Eunice Kim “Mitigating Displacement Due to Gentrification: Tools for Portland, Oregon” (2001)

Vacant Upper Floors Program

A Vacant Upper Floors program can ensure that we maximize the use of existing spaces.

According to Goody Clancy's report, vacant and underutilized spaces downtown represent a significant opportunity for residential development. The report also suggested converting space too small for office use into residential units. In Allentown, there are a large number of vacant floors above retailers and restaurants that have the potential to be converted into residential space, creating additional market-rate housing downtown. Specifically, there are a number of underutilized residential spaces along many of our commercial corridors, such as 7th Street and Hamilton Street.

In 2006, the Pittsburgh Downtown Partnership proposed a *Vacant Upper Floors Loan Fund Program* which was then enacted in 2009. The program aimed to promote infill, create a critical mass of residents, and add vitality and sustainability to Downtown Pittsburgh by facilitating conversions of unused and underutilized upstairs space in the area. The program's \$3.5 million revolving loan fund was provided by investments by a number of both public and private institutions. Downtown property owners can apply for loans covering up to 50 percent of the total project cost, \$500,000, or \$75,000 per residential unit, whichever is least. A loan review committee considers applications and evaluates them on the basis of who the owner or developer, projected income, expenses, value of assets and other project evaluations, and community benefit. The loans are available on a first come, first served basis and distributed by the Pittsburgh Downtown Partnership.⁵⁶

The City of La Crosse, Wisconsin has also implemented an upper floor residential conversion program in 2002. Unlike Pittsburgh's program, La Crosse's *Upper Floor Renovation Loan Program* can be used to convert upper floors for commercial as well as residential uses. The program provides approved applicants with direct loans up to \$200,000 for their projects. The program's loans, however, cannot be the only source of financing for the project as lender and equity funds are also required. Developers and owners pay back the loans at an interest rate not to exceed the interest rate the city pays on bonds provided by the State of Wisconsin which finance the program. The City of La Crosse's *Upper Floor Renovation Loan Program* was created to enhance and benefit the community. Therefore, projects that use the program's funding must result in an increase in property value of at least 25 percent of the amount of the given loan.⁵⁷

⁵⁶ http://www.ura.org/pdfs/Downtown_Upstairs_Fund_Program_Guidelines_final.pdf

⁵⁷ https://www.cityoflacrosse.org/filestorage/593/844/3964/3997/UFRL_Guidelines_201510191032403326.pdf

Conclusion

Due to Allentown's long-term buildup of affordable housing, the City has suffered in terms of public health, crime, and economic diversity. In order to improve the the City's health and finances, we have concluded that the most effective strategy is to increase the production of market rate housing and to decentralize the highly concentrated poverty downtown. As shown above, we should follow the trail of modern economic development strategies; our goal should be to increase the production of mixed housing stock, which will not only improve the City's attractiveness to investors, but will also improve the lives of our residents, create a larger tax base, and give low-income residents greater vertical mobility.

We have suggested a number of ways to increase both development of market rate homes and the homeownership of low-income residents. These suggestions include residential property tax abatements, tax increment financing, housing trusts, opportunities for renters to purchase their apartments, and lease to own programs, amongst others.

Overall, the financially safest and most effective strategy for development, according to our research, is a tax abatement policy for the city of Allentown. A tax abatement, when implemented properly, offers little to no financial risk to a city, as the city would only lose tax revenue if those properties which are abated were going to have investors regardless of the abatement. The tax abatement should also be used to target the development and improvement of single family homes, through a facade grant-inspired design which applies the abatement only to properties which will contain four or less housing units. This way, we could encourage landlords to renovate and deconvert the single family detached homes which now house five or more families in sub-par conditions, while balancing the demand for housing by encouraging more housing units to be constructed. I have based my draft of a potential tax abatement ordinance on Philadelphia's residential tax abatement ordinance, and have made modifications, some of which are mentioned above, with the intent of better matching it to Allentown. Of course, it is still very open to modifications, and section 3(a) could be changed to have the abatement include apartment buildings, single family residences exclusively, or whatever city council would desire.

ATTACHMENT A: RESIDENTIAL PROPERTY TAX ABATEMENT DRAFT

AN ORDINANCE Amending Title 5 of The City of Allentown Code, relating to annual taxes, by adding a section authorizing the Department of Community and Economic Development,⁵⁸ on behalf of the City of Allentown, to exempt improvements to residential properties from real estate taxes, under certain terms and conditions. The Council of the City of Allentown hereby ordains:

SECTION 1. Title 5 of The Allentown Code, relating to annual taxes, is amended by adding a new section to read as follows:

§353.02 AUTHORIZATION TO OFFER EXEMPTION FROM REAL ESTATE TAXES ON IMPROVEMENTS TO RESIDENTIAL PROPERTIES

1. *Legislative Findings.* The Council finds that:
 - a. A great percentage of Allentown's housing is built prior to 1950, and there are, in all neighborhoods in the City, numbers of occupied and vacant dwellings in need of repair and rehabilitation. It is in the City's interest to encourage such repair and rehabilitation, in order to preserve and improve the City's residential neighborhoods.
 - b. Act No. 34 of the Commonwealth of Pennsylvania, authorizing the exemption from real estate taxes of certain improvements to deteriorated dwellings, was duly approved by the Governor of the Commonwealth of Pennsylvania on July 9, 1971.
 - c. In accordance with said Act, the Council of the City of Allentown has held a public hearing to determine the boundaries of deteriorated neighborhoods within the City of Allentown.
2. *Eligible Neighborhoods.*
 - a. The Council of the City of Allentown has found and determined as a fact that [INSERT DESIGNATED NEIGHBORHOODS/BLOCKS/BOUNDARIES] constitute "eligible neighborhoods" for the purpose of Act No. 34 of 1971.⁵⁹

⁵⁸ It may be necessary to establish a new board akin to ANIZDA rather than delegate the responsibility of applicant processing and oversight entirely to the Department of Community and Economic Development, but the degree of necessity would depend mostly upon anticipated administrative burden. This I would leave to the judgment of city council.

⁵⁹ Act No. 34 of 1971 requirements for establishing boundaries of deteriorated neighborhoods: "Prior to the adoption of the ordinance or resolution authorizing the granting of tax exemptions, the local taxing authority shall affix the boundaries of a deteriorated neighborhood or neighborhoods, wholly or partially located within its jurisdiction, if any. At least one public hearing shall be held by the local taxing authority for the purpose of determining said boundaries. At the public hearing the planning commission or redevelopment authority and other public and private agencies and individuals, knowledgeable and interested in the improvement of deteriorated neighborhoods, shall present their recommendations concerning the location of boundaries of a deteriorated neighborhood or neighborhoods for the guidance of the local taxing authorities, such recommendations taking into account the criteria set forth in the act of May 24, 1945 (P.L.991, No.385), known as the 'Urban Redevelopment Law,' for the determination of

- b. Therefore, persons making improvements to eligible residential properties within the definition contained in this ordinance within any of the foregoing eligible neighborhoods, may apply for, and Department of Community and Economic Development may grant, a real estate tax exemption upon such improvements in the amount and in the manner hereinafter provided.
3. *Definitions.* In this Section the following definitions shall apply:
- a. “Eligible residential property” shall be any property that will have four (4) or less dwelling units upon completion of renovations, is located in an eligible neighborhood, and also meets one of the following criteria:
 - i. Any property which is owner occupied and has an assessed building value of less than \$[TBD] per dwelling unit; OR
 - ii. Any property which has been, or, upon request, is, certified by the Bureau of Building Standards and Safety or the Bureau of Health as unfit for human habitation; OR
 - iii. Any property which has been the subject of any order to be vacated, condemned, or demolished by reason of non-compliance with laws, ordinances, or regulations of the City of Allentown; OR
 - iv. Any property which has been vacant for two (2) or more years.
 - b. “Assessed building value per dwelling unit” shall be the building assessment of record at the time of application for abatement, divided by the number of legal dwelling units in the building.
 - c. “Improvements” shall be:
 - i. Any repairs, constructions, or reconstruction, including additions and alterations, which have the effect of rehabilitating a structure so that it becomes habitable or attains a higher degree of housing safety, health or amenity, or is brought into compliance with the laws, ordinances, or regulations of the City of Allentown.
 - ii. Reconstruction of a residential property following a demolition shall be deemed an improvement if the property has been vacant for at least two (2) years, is condemned, or is non-compliant with the laws, ordinances, or regulations of the City of Allentown.
 - iii. Ordinary upkeep and maintenance shall not be deemed an improvement.
4. *Exemption Amount.*
- a. The exemption from real estate taxes shall be limited to that portion of the additional assessment attributable to the actual cost of improvements to eligible residential property, not in excess of \$[TBD] per dwelling unit.

‘blighted areas,’ and the criteria set forth in the act of November 29, 1967 (P.L.636, No.292), known as the ‘Neighborhood Assistance Act,’ for the determination of ‘impoverished areas,’ and the following criteria: unsafe, unsanitary and overcrowded buildings; vacant, overgrown and unsightly lots of ground; a disproportionate number of tax delinquent properties; excessive land coverage, defective design or arrangement of buildings, street or lot layouts; economically and socially undesirable land uses. The ordinance shall specify a description of each such neighborhood as determined by the local taxing authority, as well as the cost of improvements per dwelling unit to be exempted, and the schedule of taxes exempted as hereinafter provided.

- b. The exemption from real estate taxes shall be limited to that improvement for which an exemption has been requested in the manner set forth below, and for which a separate assessment has been made by the Department of Community and Economic Development.

5. *Exemption Schedule.*

- a. For the first, second, third, fourth, fifth, and sixth year in which eligible improvements would otherwise be taxable, one hundred percent of the eligible assessment shall be exempted; for the seventh year, eighty percent of the eligible assessment shall be exempted; for the eighth, ninth, and tenth years, sixty, forty, and twenty percent, respectively, of the eligible assessment shall be exempted. After the tenth year, the exemption shall terminate.
- b. The exemption from taxes granted under this ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.
- c. If an eligible property is granted tax exemption pursuant to the ordinance, the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.

6. *Procedure for Obtaining Exemption*

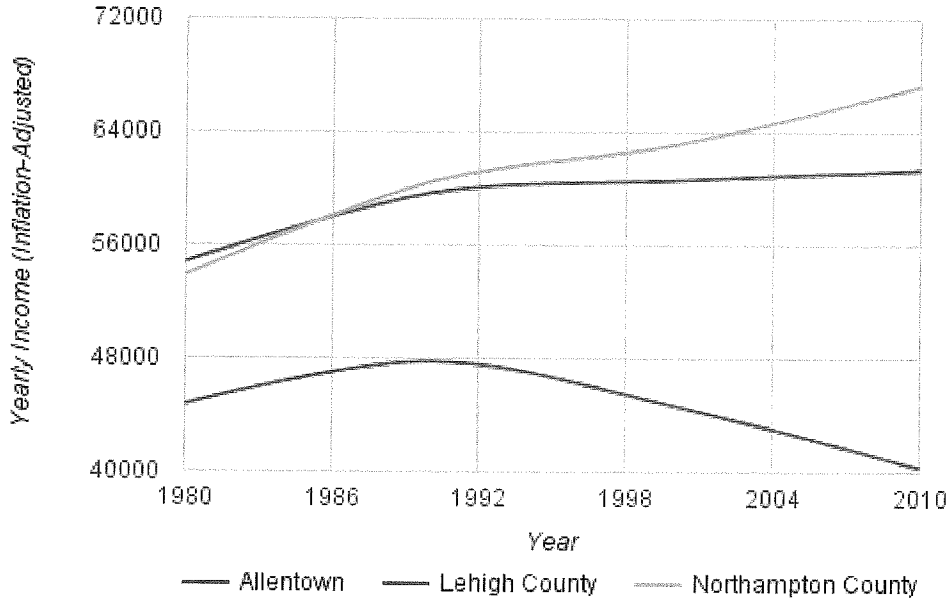
- a. At the time a building permit for the construction of an improvement for which exemption is desired is approved, the taxpayer shall apply to the Department of Community and Economic Development for such exemption. The application shall be in writing upon forms prescribed by the Department of Community and Economic Development.
- b. The Department of Community and Economic Development shall determine whether the exemption shall be granted. A copy of the approved request for exemption shall be forwarded by the Department of Community and Economic Development to the taxpayer.
- c. If the exemption request is approved, the Department of Community and Economic Development shall have the right make the exemption contingent upon the applicant signing a clawback agreement. The clawback agreement will obligate the applicant to repay to the City of Allentown all property taxes abated should it be discovered that the applicant willfully misrepresented any facts about the property, that the applicant uses or intends to use the property for any non-residential purpose, or if the applicant violates any other provision of the clawback agreement which the Department of Community and Economic Development elected to include as part of the agreement.⁶⁰
- d. Upon completion of the improvement, the taxpayer shall notify the Department of Community and Economic Development, so that the Department may assess the improvements separately for the purpose of calculating the amount of assessment eligible for exemption.

⁶⁰All tax incentives can be prone to abuse and fraud, and most successful programs contain clawback agreements to combat this. It would be wise to allow Department of Community and Economic Development to adapt the clawback agreement to unexpected problems which might emerge in the future.

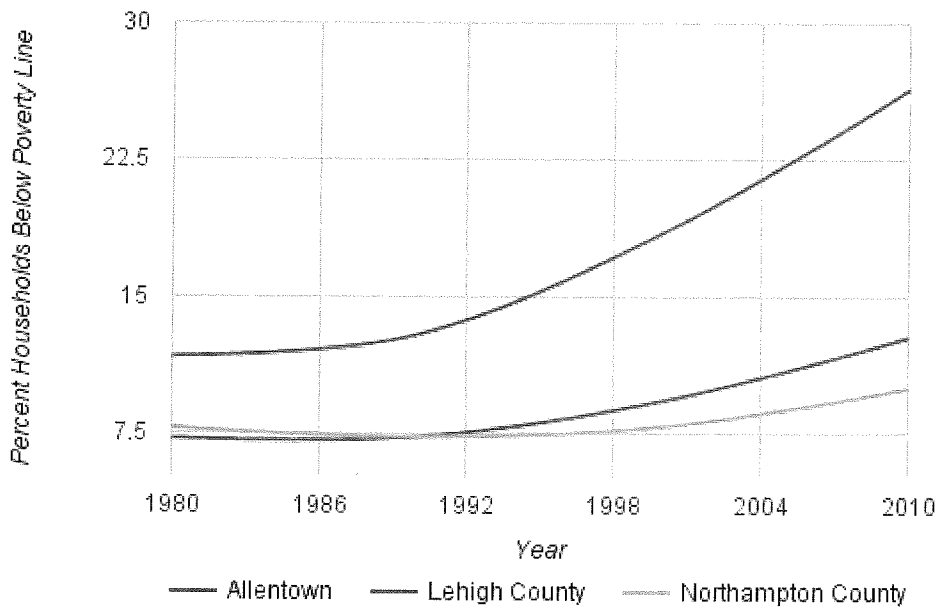
- e. The Department of Community and Economic Development shall notify the taxpayer of the amount of assessment eligible for exemption.
- f. Appeals from the re-assessment and the amount eligible for the exemption may be taken by the City or by the taxpayer as provided by law.

ATTACHMENT B: Allentown Economic and Housing Data

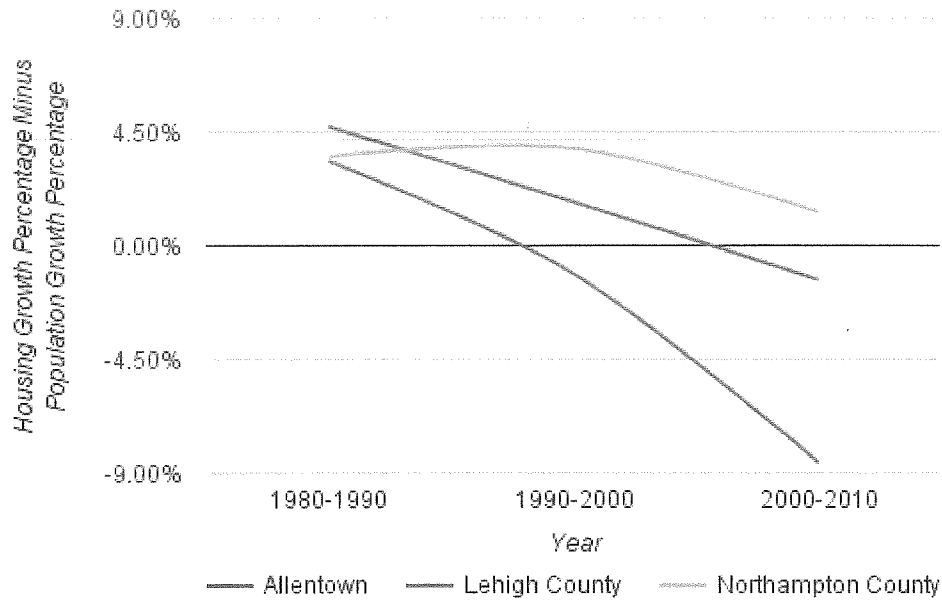
Median Household Income



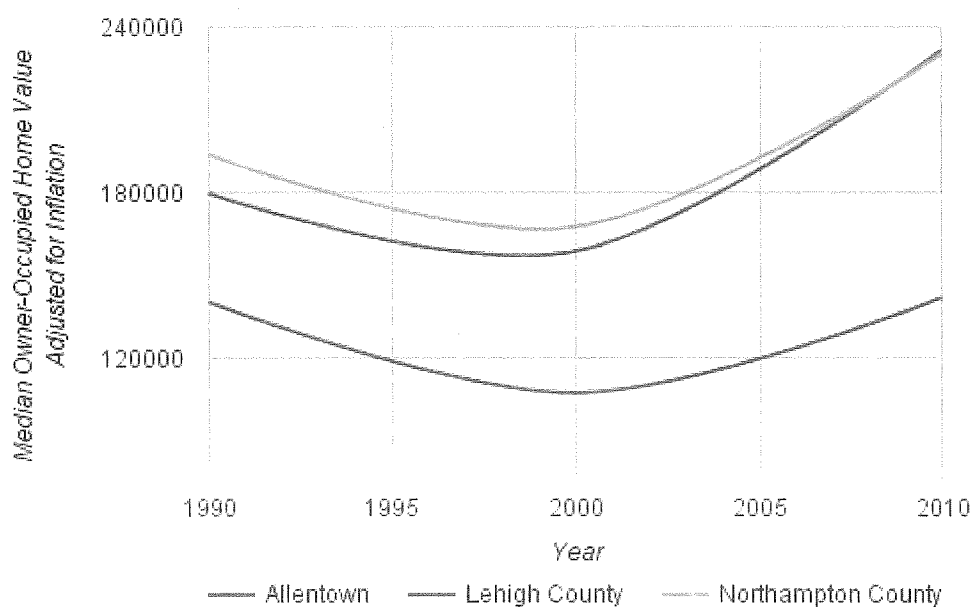
Poverty Rate



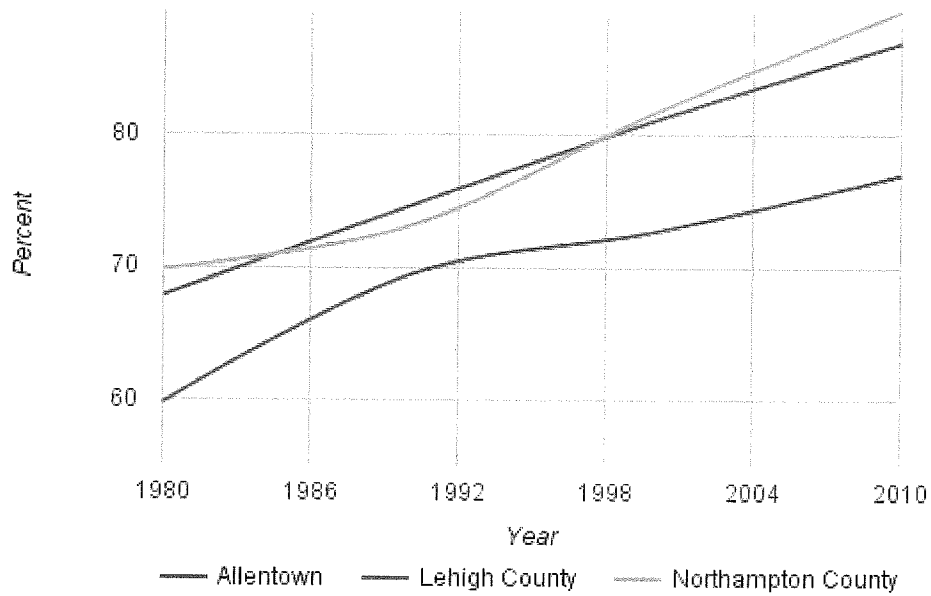
Housing Construction Compared to Population Growth



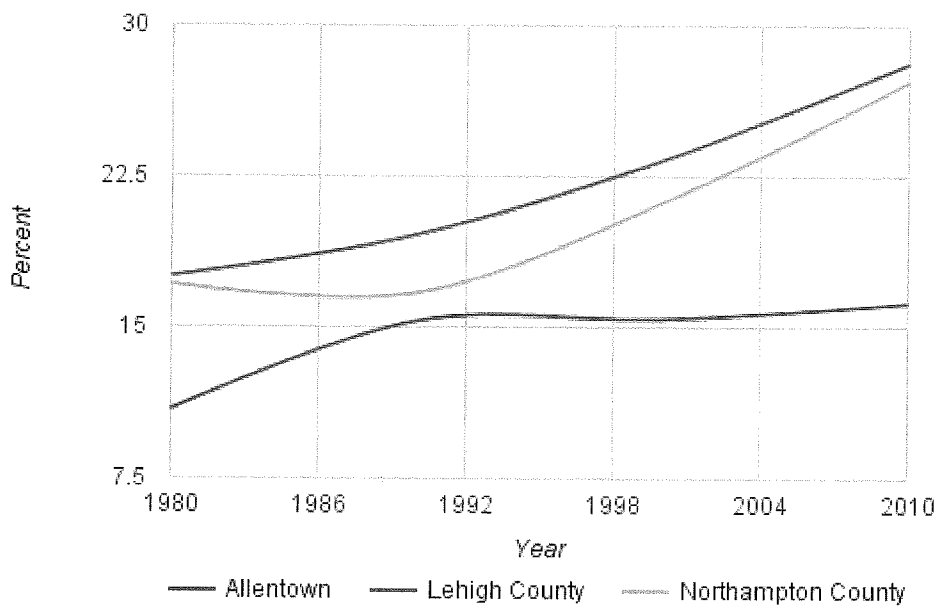
Home Values



Adults With High School Diplomas



Adults With Bachelor's Degrees



Vacant Homes

