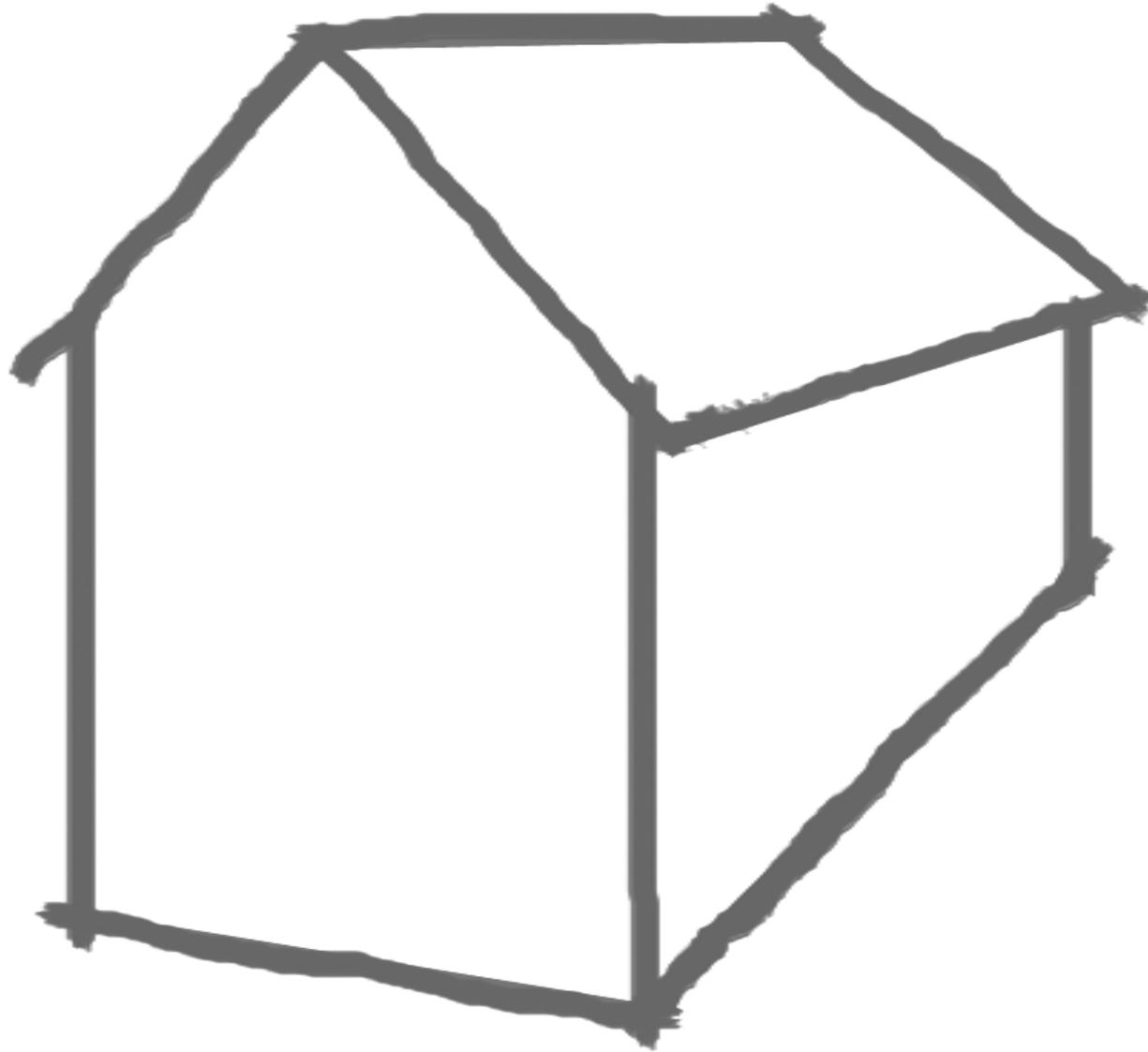


Wilkinsburg Affordable Housing Needs Assessment



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Jonathan Casiano

Gregory Tanski

Objectives

Assess the housing needs of Wilkinsburg's low and moderate income residents and the affordable housing options currently available in the Borough.

Identify opportunities to increase Wilkinsburg's stock of high-quality affordable housing, promote home ownership among low and moderate income residents, and affordably rehabilitate existing housing.

Explore the outcomes of previous projects and studies in Wilkinsburg, as well as current affordable housing efforts, to build on past work and avoid strategies that have proven unsuccessful.

Use sustainable community development principles to develop strategies for rehabilitating the existing housing stock, increasing home ownership opportunities, improving property values, reducing blight and maintaining the historic character of Wilkinsburg.

Stakeholders

Pittsburgh Housing Development Association, Inc. (Client)

Borough of Wilkinsburg Residents

Borough of Wilkinsburg Government

PHLF and Action Housing



Summary of Findings

New housing is too expensive

Many of Wilkinsburg's older homes have been poorly maintained, making rehabilitation unaffordable.

Taxes are unsustainably high due to a severely diminished tax base.

Vacant, uninhabitable properties blight the community, depress neighboring property values and constrict the stock of available housing.

Many of these properties are without clear title, investors are dissuaded from purchasing them for redevelopment.

Summary of Recommendations

Segment vacant and tax delinquent properties into *demolish, deconstruct* or *rehabilitate*

Connect home deconstruction and rehabilitation through a sweat equity program that offers home ownership opportunities for low-income residents, skills training for local youth and business, and growth opportunities for local entrepreneurs

Educate Wilkinsburg residents about home ownership through a curriculum focusing on money management & budgeting, mortgage selection, preventative home maintenance, value-adding home improvements and energy cost reduction strategies.

Promote existing home improvement and weatherization programs through a new advertising campaign highlighting the need to reduce energy costs to maintain long-term affordability

Defining Affordable Housing

“Affordable” housing is defined as housing where the total cost of rent and utilities represents less than 35% of the household income.

Low-income housing for a given market is considered households earning at or below 60% of the local area median income (AMI), excluding subsidized units or no cash rent units.

In 2008, 8.7 million renter households paid 50% or more of their income on housing, up from 8.3 million renter households in 2007 and 6.2 million in 2000.

From 2001 to 2007 the nation’s affordable rental housing stock (below 60% AMI) decreased by 6.3%, while the high-rent rental housing stock increased 94.3%. This translates into a loss of more than 1.2 million unassisted affordable rental units from 2001 to 2007.

The Goal of Affordable Housing: Healthy Properties in Healthy Communities

Government sponsors affordable housing programs in pursuit of a mixture of goals:

Poverty alleviation. Provide charitable relief to those in need.

Self-help. Create the opportunity for the industrious to improve themselves.

Urban regeneration. By definition, slums are wretched housing. Creating new affordable housing has long been a tool in slum clearance and urban regeneration.

The Goal of Affordable Housing: Healthy properties in Healthy Communities

Affordable housing is an integral link in forming healthy communities. When the community is healthy but housing is unaffordable, the neighborhood becomes exclusionary. When the housing is viable but the community is unhealthy, the housing will sink into the quicksand around it, or become a prison against the outside environment.

Because housing is a component in any healthy community, affordable housing plays a major role in urban regeneration — but they are not one and the same. Affordable housing is a component in urban regeneration but by itself it is not only sufficient but prone to failure.

Average Median Incomes

United States Average (2008):	\$52,029	60%:	\$31,217
35% of 60% AMI: $\$10,926/12 = \910 per month			
Pennsylvania Average (2008):	\$50,713	60%	\$30,428
35% of 60% AMI: $\$10,650/12 = \887 per month			
Allegheny County Average (2008):	\$48,778	60%	\$29,267
35% of 60% AMI: $\$10,243/12 = \854 per month			
City of Pittsburgh Average (2008):	\$36,709	60%	\$22,025
35% of 60% AMI: $\$7,709/12 = \642 per month			
Wilkinsburg Average (2008):	\$33,892	60%	\$20,335
35% of 60% AMI: $\$7,117/12 = \593 per month			

Defining Affordable Housing



Affordable based on 2008 income data



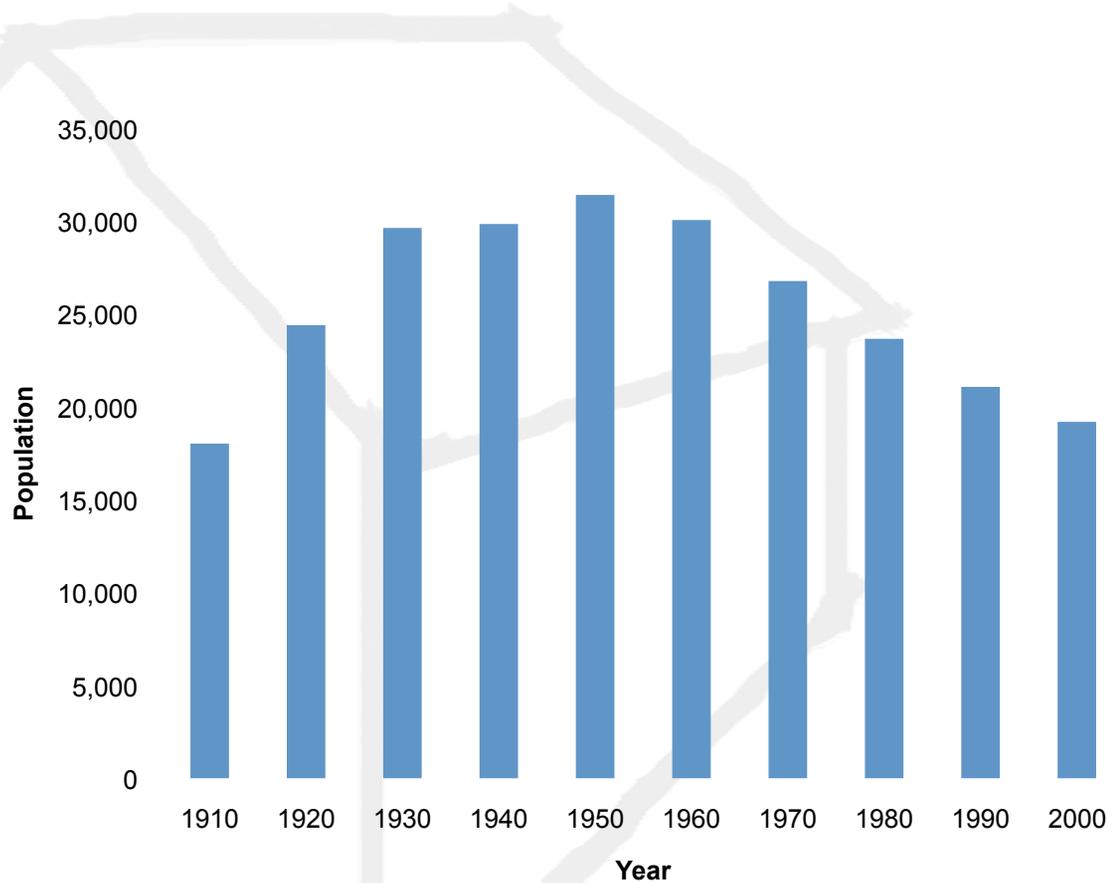
Median costs of home ownership in Wilkinsburg based on 2000 Census

So what happened?



Population Decline

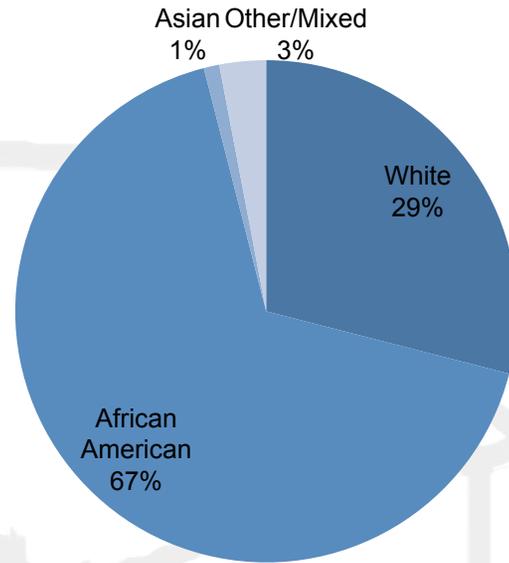
After peaking in 1950, Wilkinsburg's population has seen a steady decline. As of 2008, the population was 17,522.



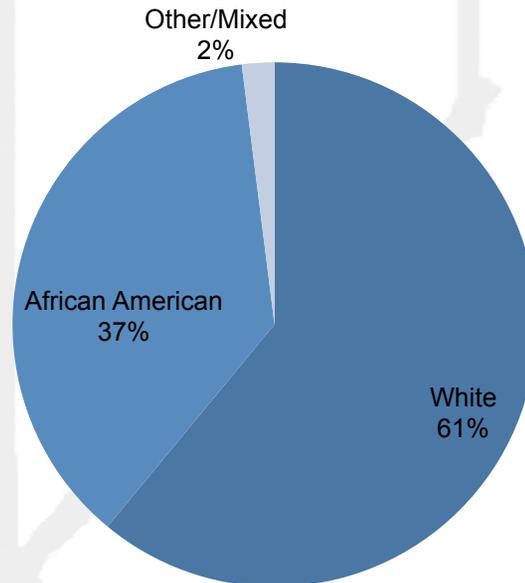
White Flight

From 1980 to 2008, the population of Wilkinsburg has shifted from approximately 2/3 white to approximately 2/3 African American.

2008



1980



Poverty Concentration

Average Median Household Income 2008

United States	\$52,029
Pennsylvania	\$50,713
Allegheny County	\$48,778
City of Pittsburgh	\$36,709
Wilkinsburg	\$33,892

Wilkinsburg's AMI is 65% of the national average. **18.7% of the families in Wilkinsburg are below the poverty line**, compared to the 11% in the state of Pennsylvania.

Aging Housing Stock

39.5% of the homes in
Wilkinsburg pre-date 1940

73% were built before 1960

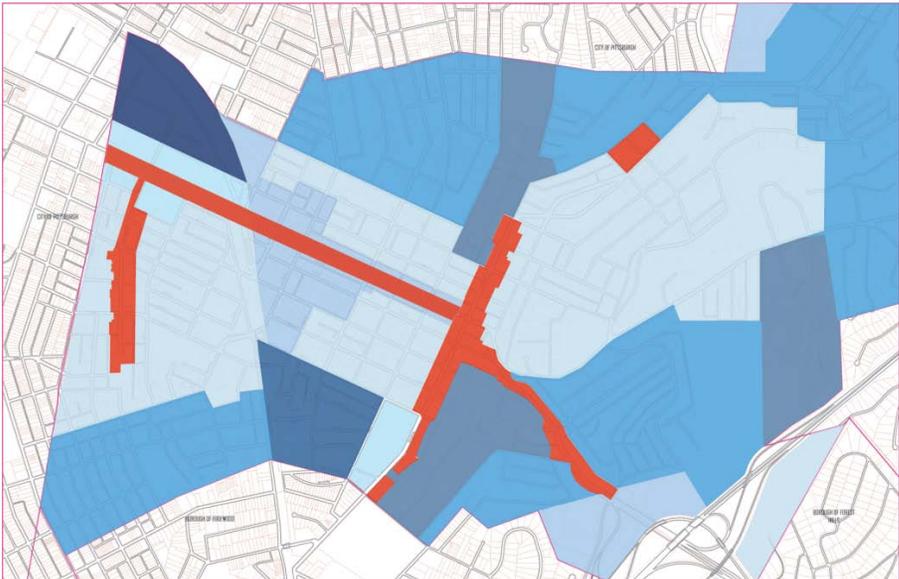
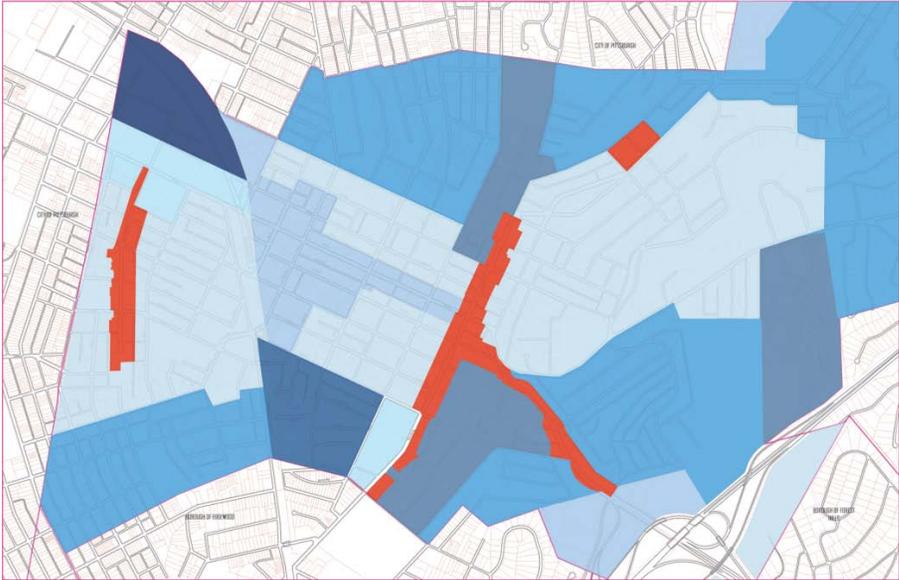
94% were built before 1980



Changes in Zoning

Currently, the Penn Avenue Business district is zoned C-1 Commercial, despite having originally been designed as a mixed-use Main Street.

Following the suggestion of Burt Hill's recently completed plan for revitalization of the business district, rezoning Penn Avenue as mixed-use so that the large amount of existing housing above storefronts would increase affordable rental housing and traffic in the business district.



- MIXED USE
- TRANSIT ORIENTED DEVELOPMENT OVERLAY
- R-1 RESIDENTIAL
- INDUSTRIAL
- R-2 RESIDENTIAL
- C1-COMMERCIAL
- R-3 RESIDENTIAL

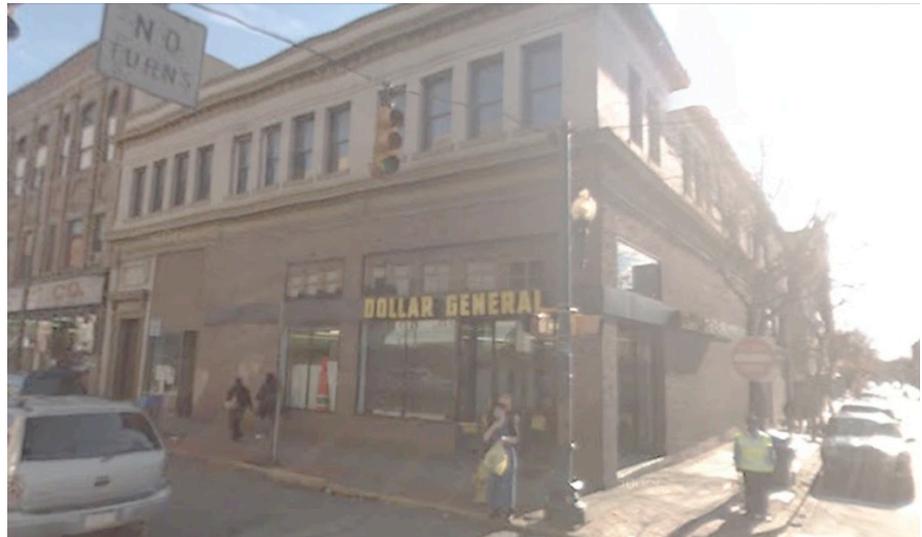
Loss of Vibrancy

In 1907, Caldwell and Graham Dry Goods re-opened at the corner of Penn and Wood, where it operated successfully for over 60 years. Part of the success of the Penn Avenue business district was the traffic generated by residents living above the stores.

Without drastically changing the physical landscape, existing assets in the neighborhood can be used to add affordable rental housing and increase business within the Borough.



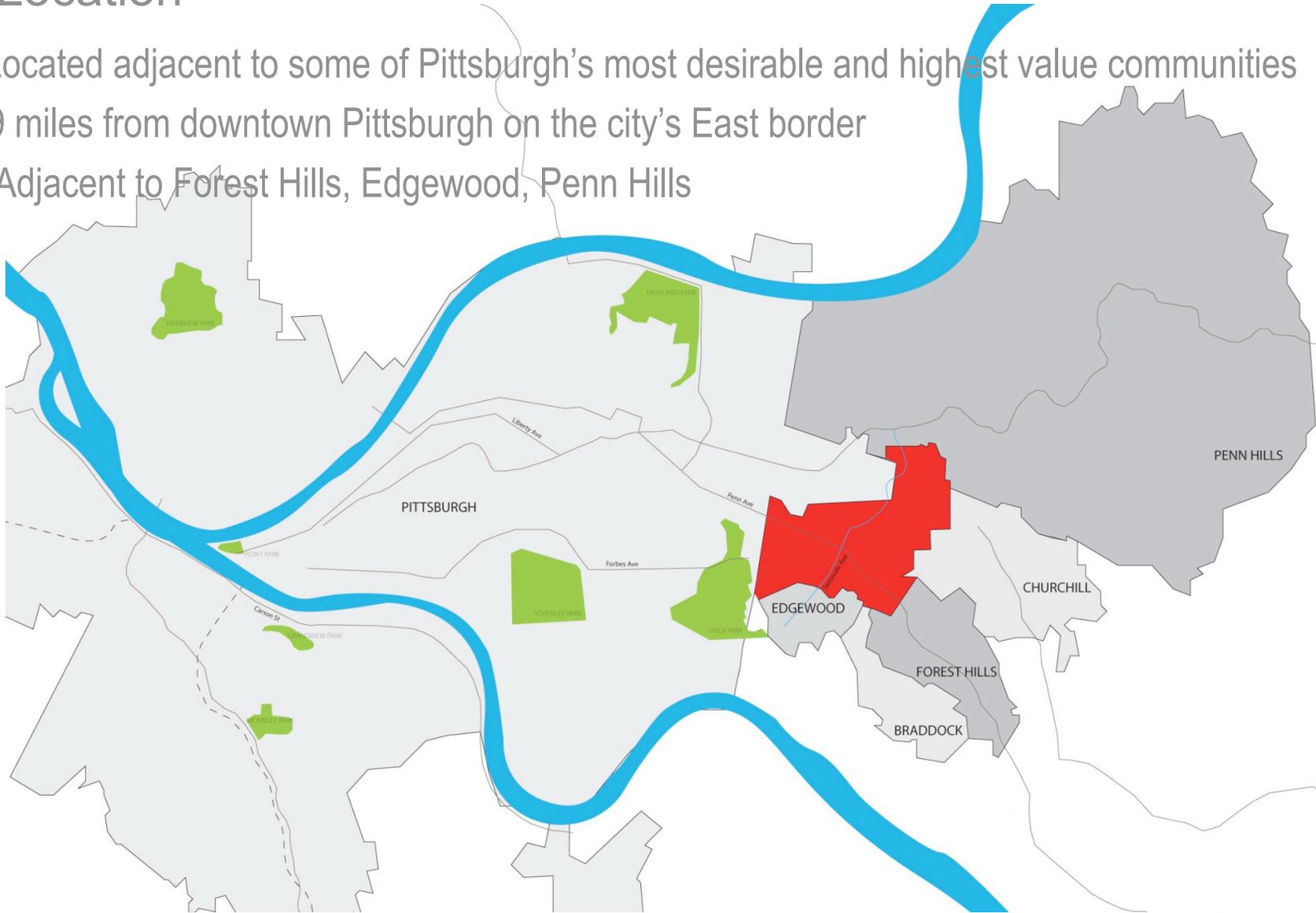
1907 Penn Ave at Wood Street



2010 Penn Ave at Wood Street

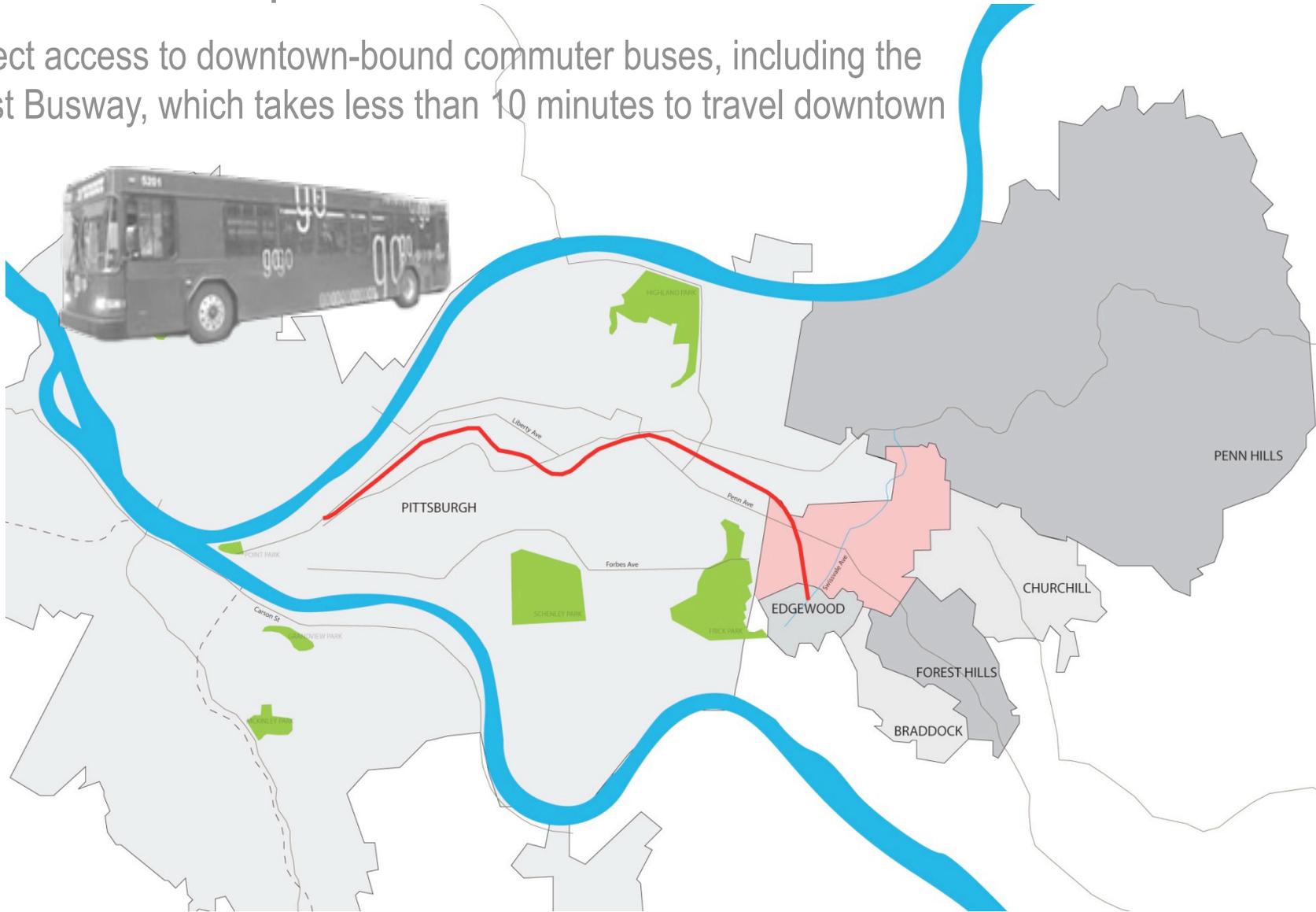
Location

Located adjacent to some of Pittsburgh's most desirable and highest value communities
9 miles from downtown Pittsburgh on the city's East border
Adjacent to Forest Hills, Edgewood, Penn Hills



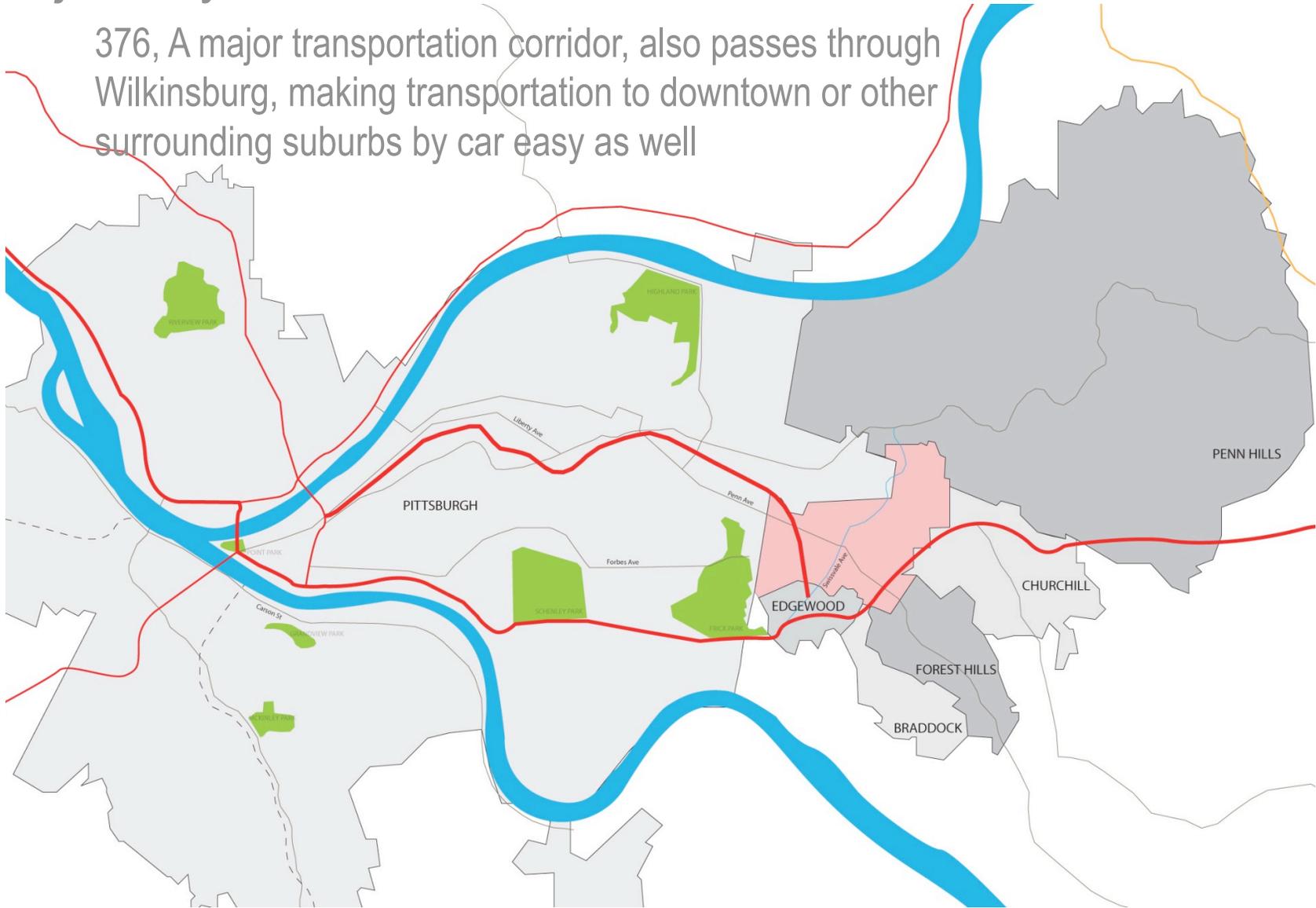
Public Transportation

Direct access to downtown-bound commuter buses, including the East Busway, which takes less than 10 minutes to travel downtown



Adjacency to Corridors

376, A major transportation corridor, also passes through Wilkinsburg, making transportation to downtown or other surrounding suburbs by car easy as well



Large Housing Stock

Wilkinsburg has a significant number of historic homes with high quality construction and impressive architectural detail



Walkable Business District

Wilkesburg has the infrastructure in place to be a highly walkable, mixed-use community. In recent years, Penn Avenue has seen revitalization in the Strip District, Lawrenceville, and East Liberty. Wilkesburg's business district lies on the same corridor, and has the ability to continue the trend of revitalization.



Penn Avenue, Wilkesburg



Penn Avenue, Strip District

Decon to Rehab: A Sustainable sweat equity model

Increasing Home Ownership and Reducing blight through community collaboration

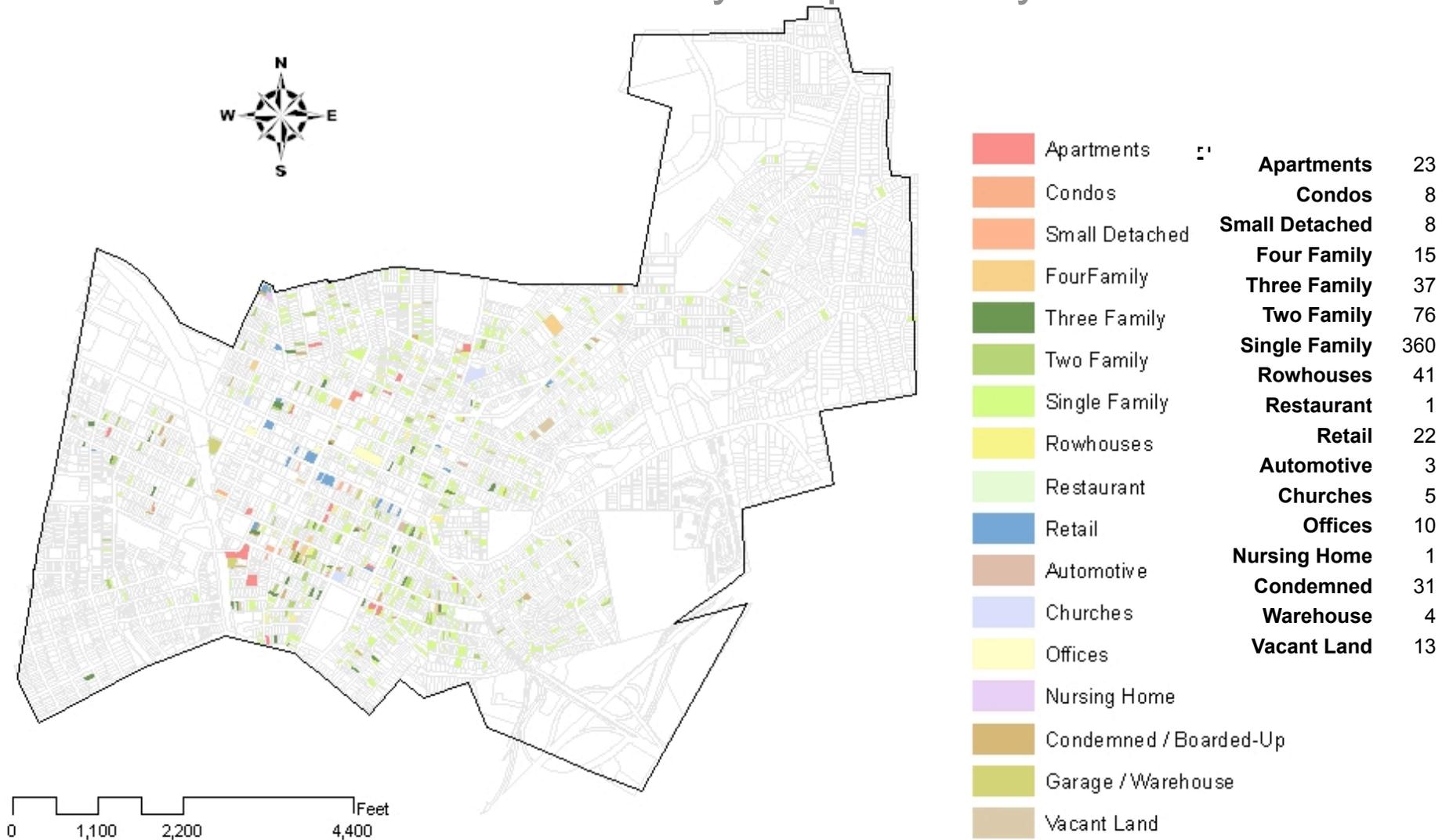


A holistic approach

Wilkinsburg Affordable Housing Needs Assessment

Housing Stock

Abandoned Structural Inventory Properties by Land Use

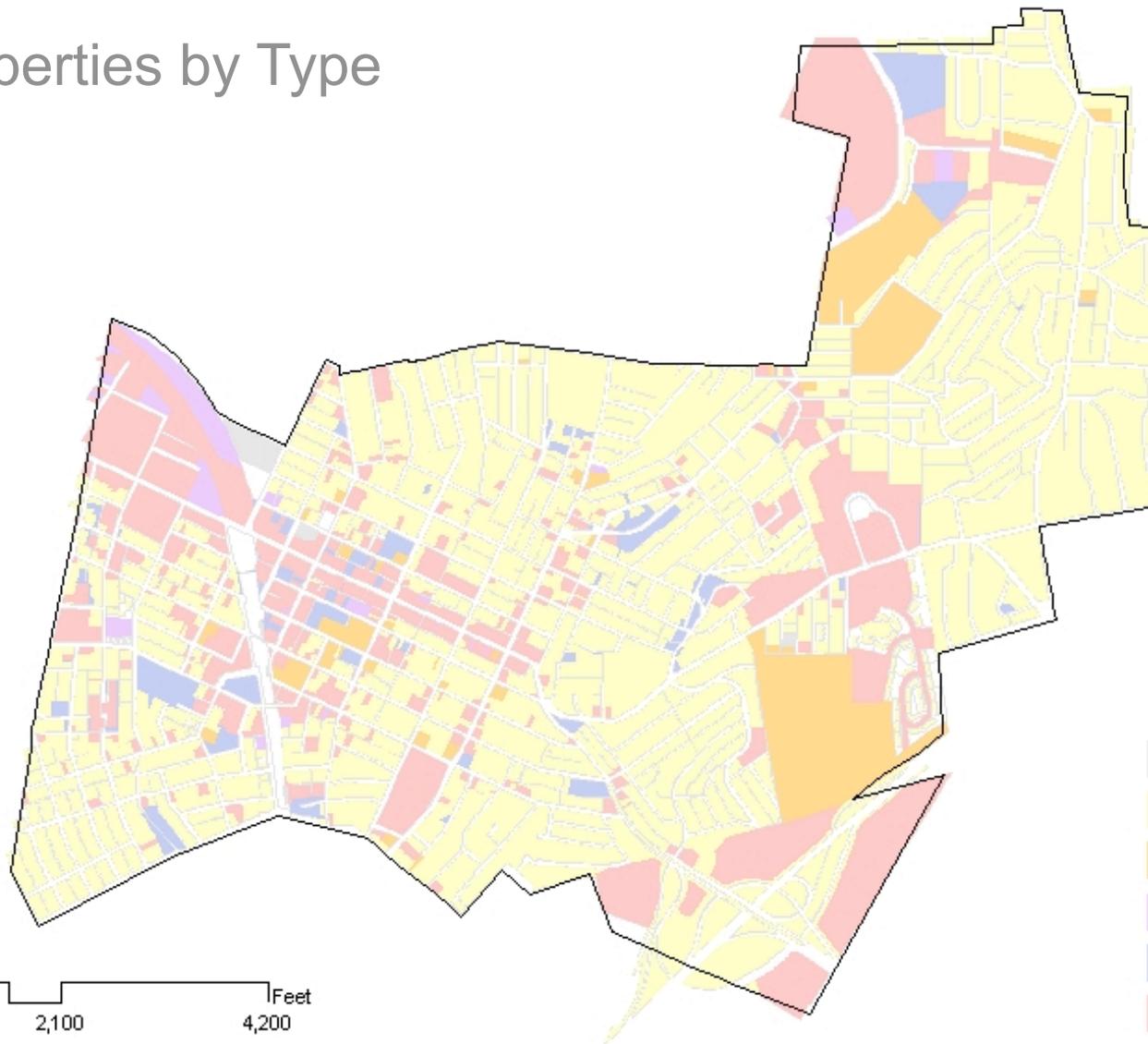


Map Data Sources: Borough of Wilkinsburg
 Glenn Engineering and Associates, Ltd.
 Wilkinsburg Affordable Housing Needs Assessment

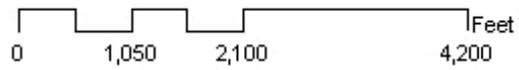
Map designed by Ryan Carter on 4-13-10

GIS Analysis

Properties by Type



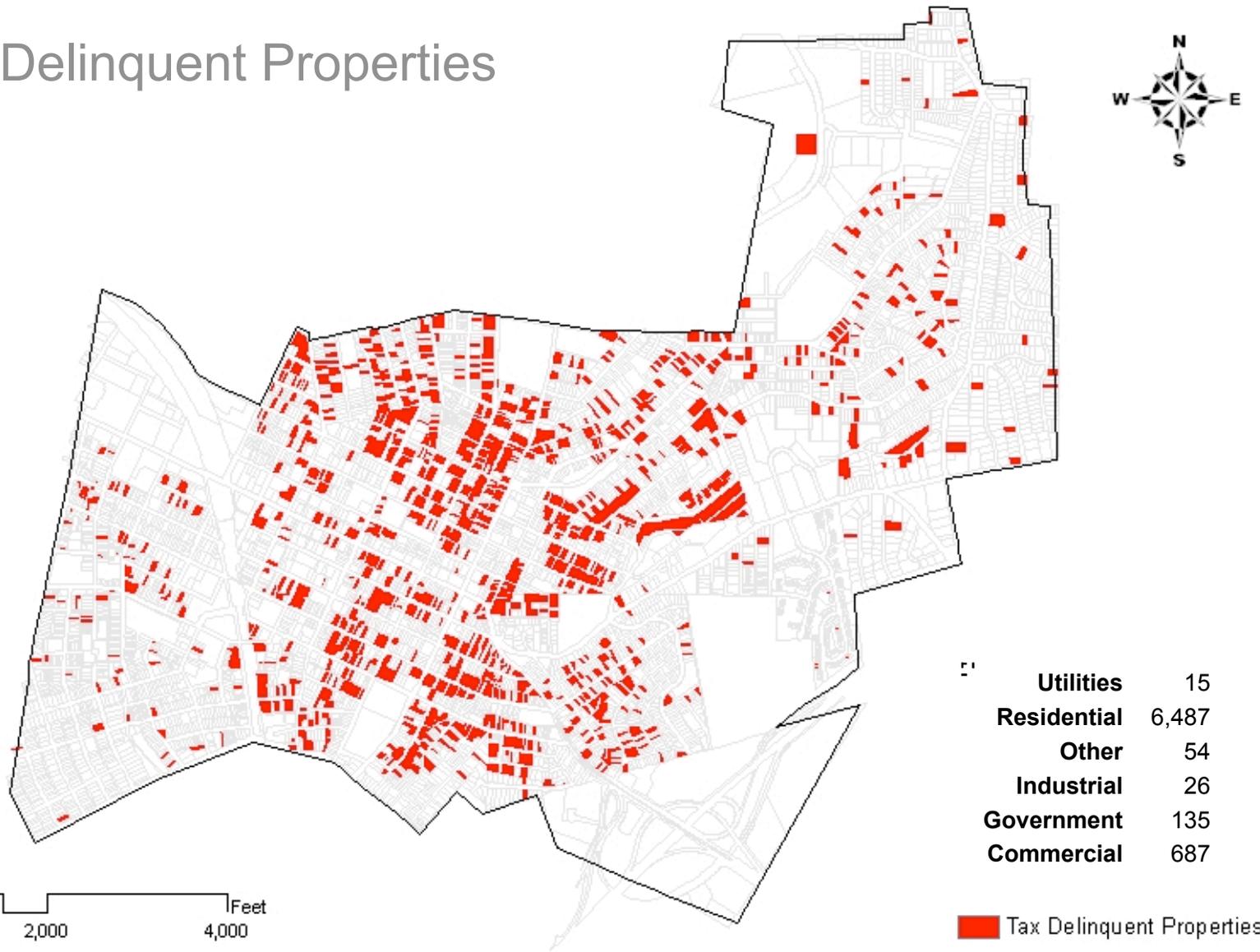
Utilities	15
Residential	6,487
Other	54
Industrial	26
Government	135
Commercial	687



Map Data Sources: Borough of Wilkinsburg
Glenn Engineering and Associates, Ltd.

Map designed by Ryan Carter on 4-13-10

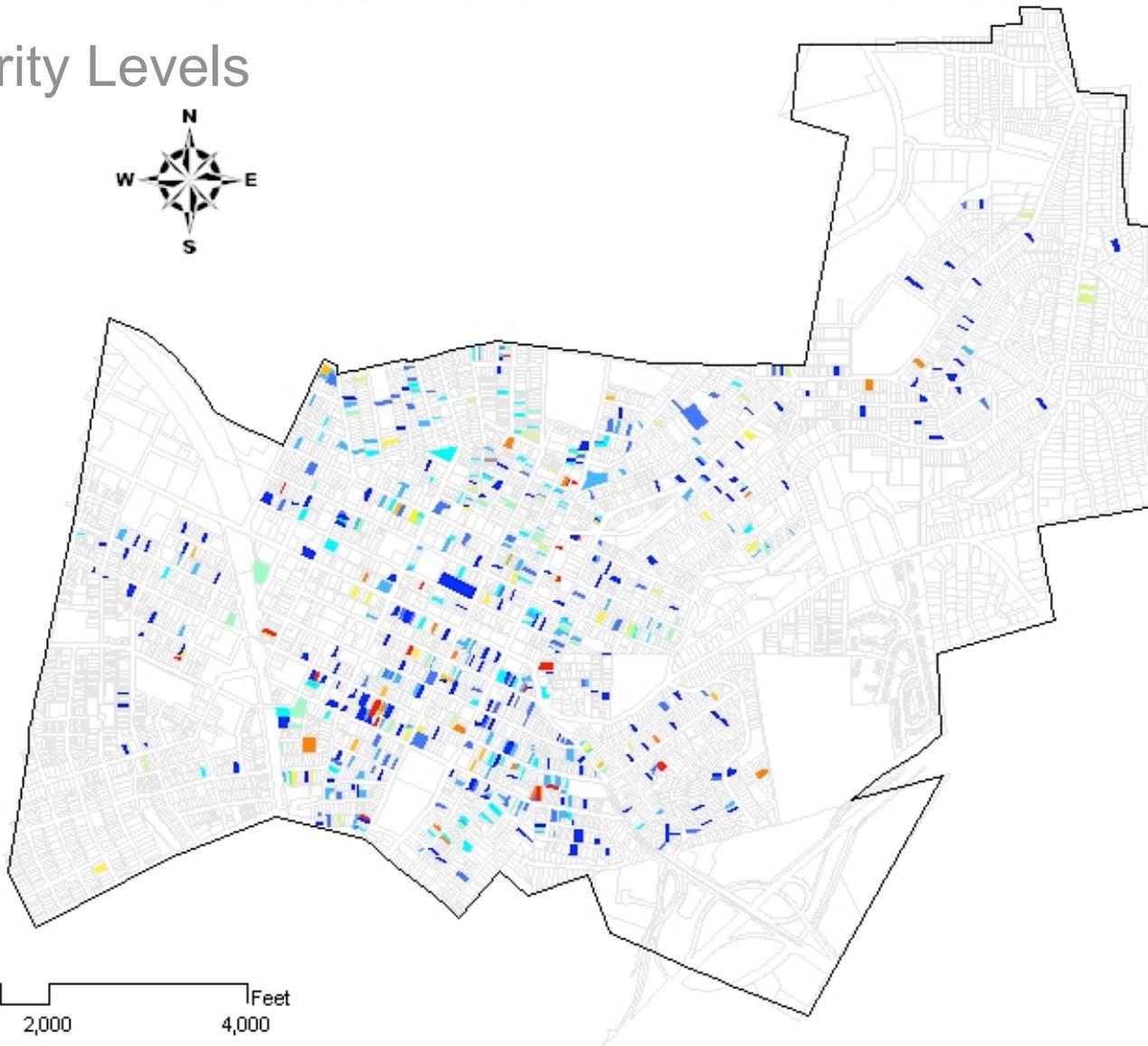
Tax Delinquent Properties



Map Data Sources: Borough of Wilkinsburg
Glenn Engineering and Associates, Ltd.

Map designed by Ryan Carter on 4-13-10

Priority Levels



1	29
2	25
3	20
4	29
5	31
6	39
7	92
8	123
9	81
10	205



0 1,000 2,000 4,000 Feet

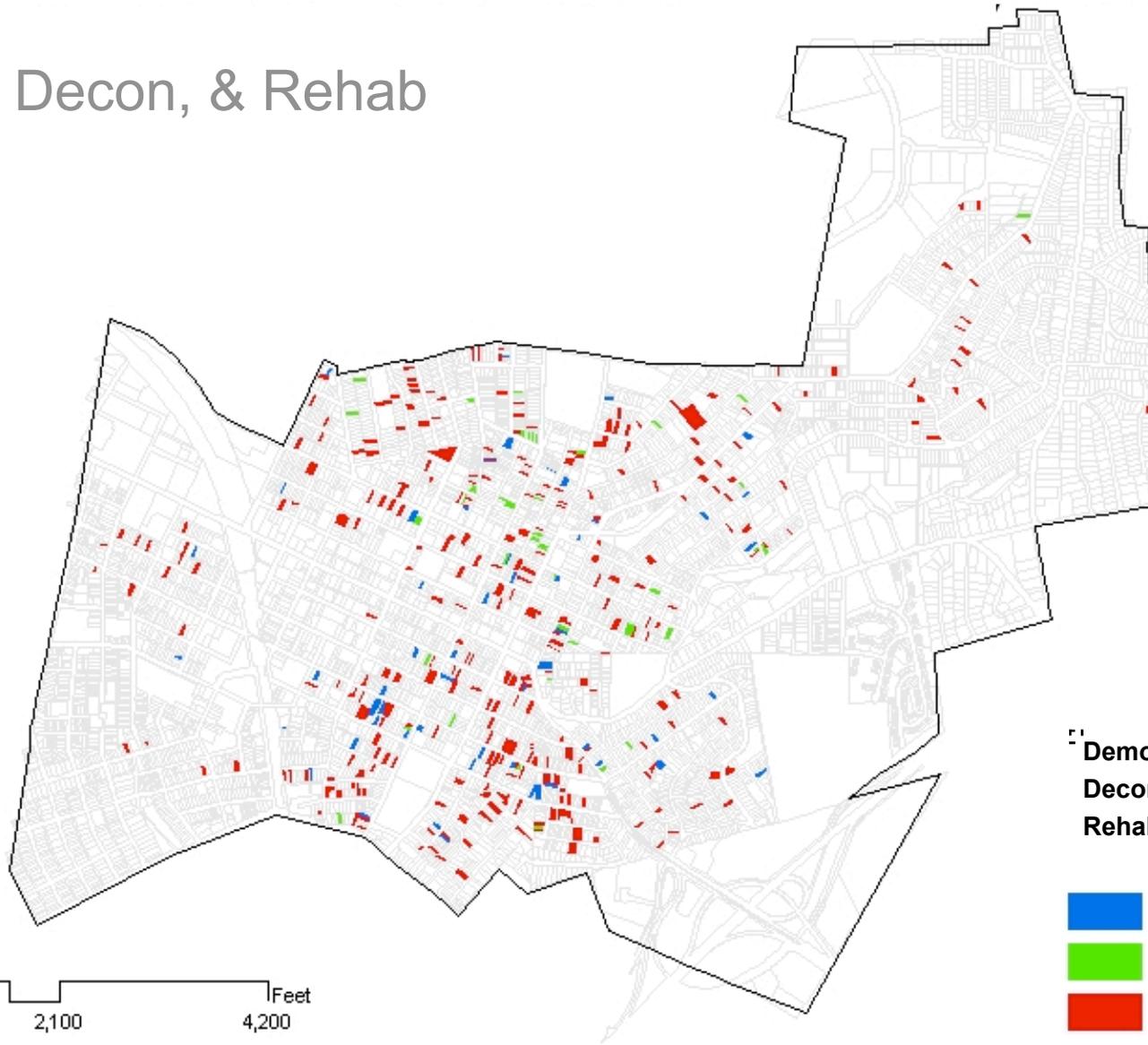
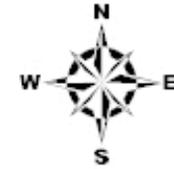
Map Data Sources: Borough of Wilkesburg
Glenn Engineering and Associates, Ltd.

Map designed by Ryan Carter on 4-13-10

Wilkesburg Affordable Housing Needs Assessment

GIS Analysis

Demo, Decon, & Rehab



0 1,050 2,100 4,200 Feet

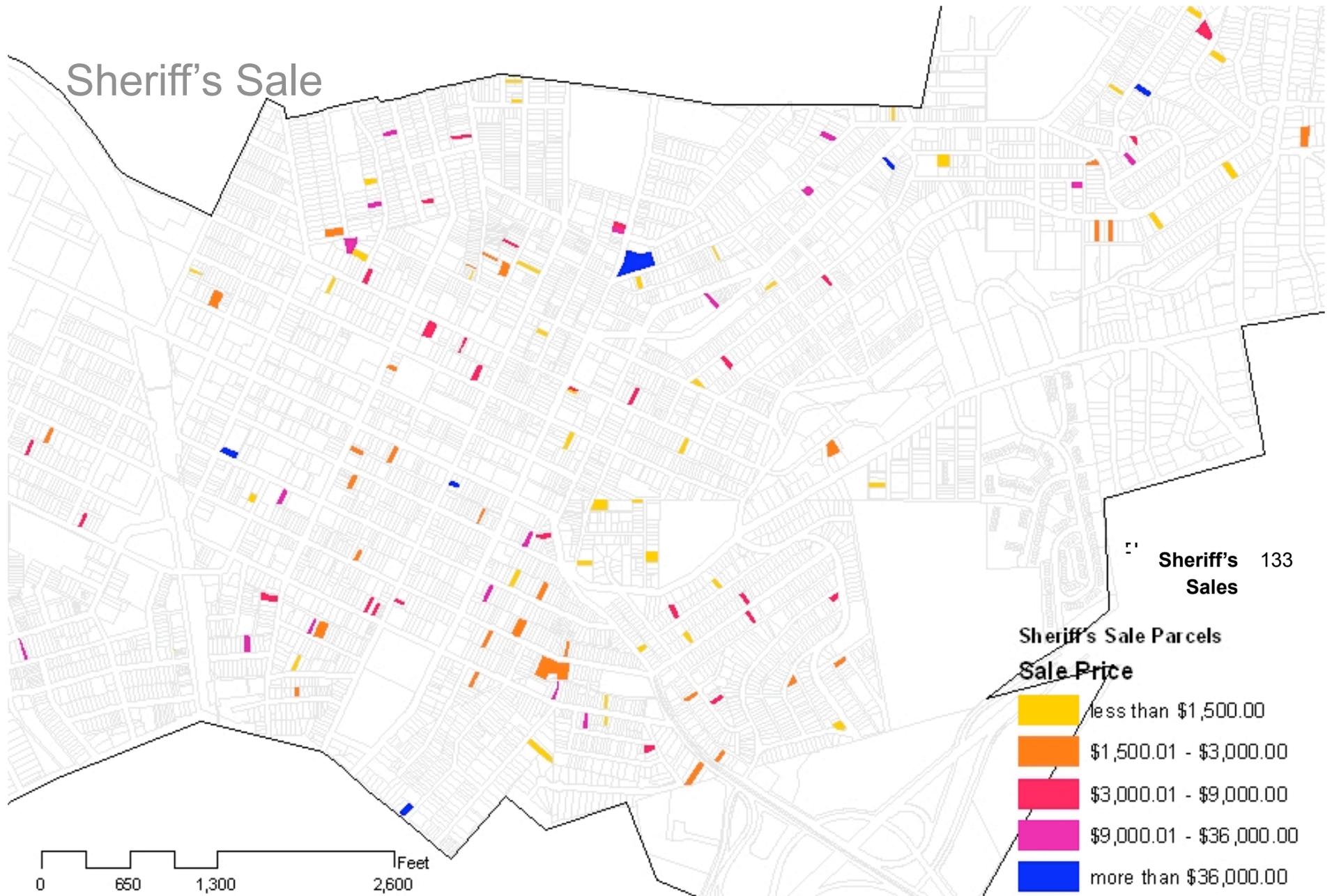
Demolish	74
Deconstruct	45
Rehabilitate	357

-  Demolish Parcels
-  Deconstruct Parcels
-  Rehab Parcels

Map Data Sources: Borough of Wilkinsburg
Glenn Engineering and Associates, Ltd.

Map designed by Ryan Carter on 4-13-10

Sheriff's Sale

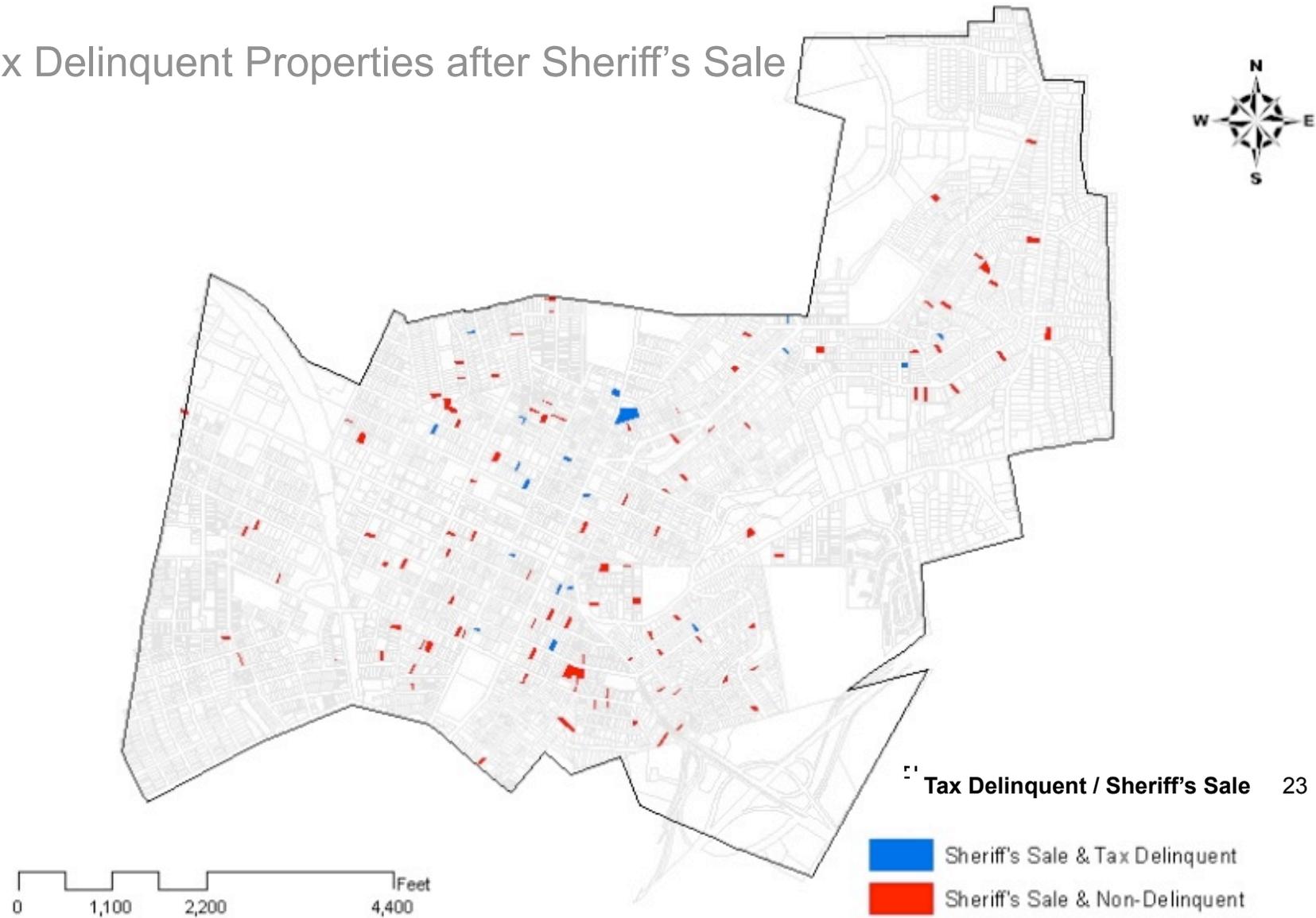


Sheriff's Sales 133

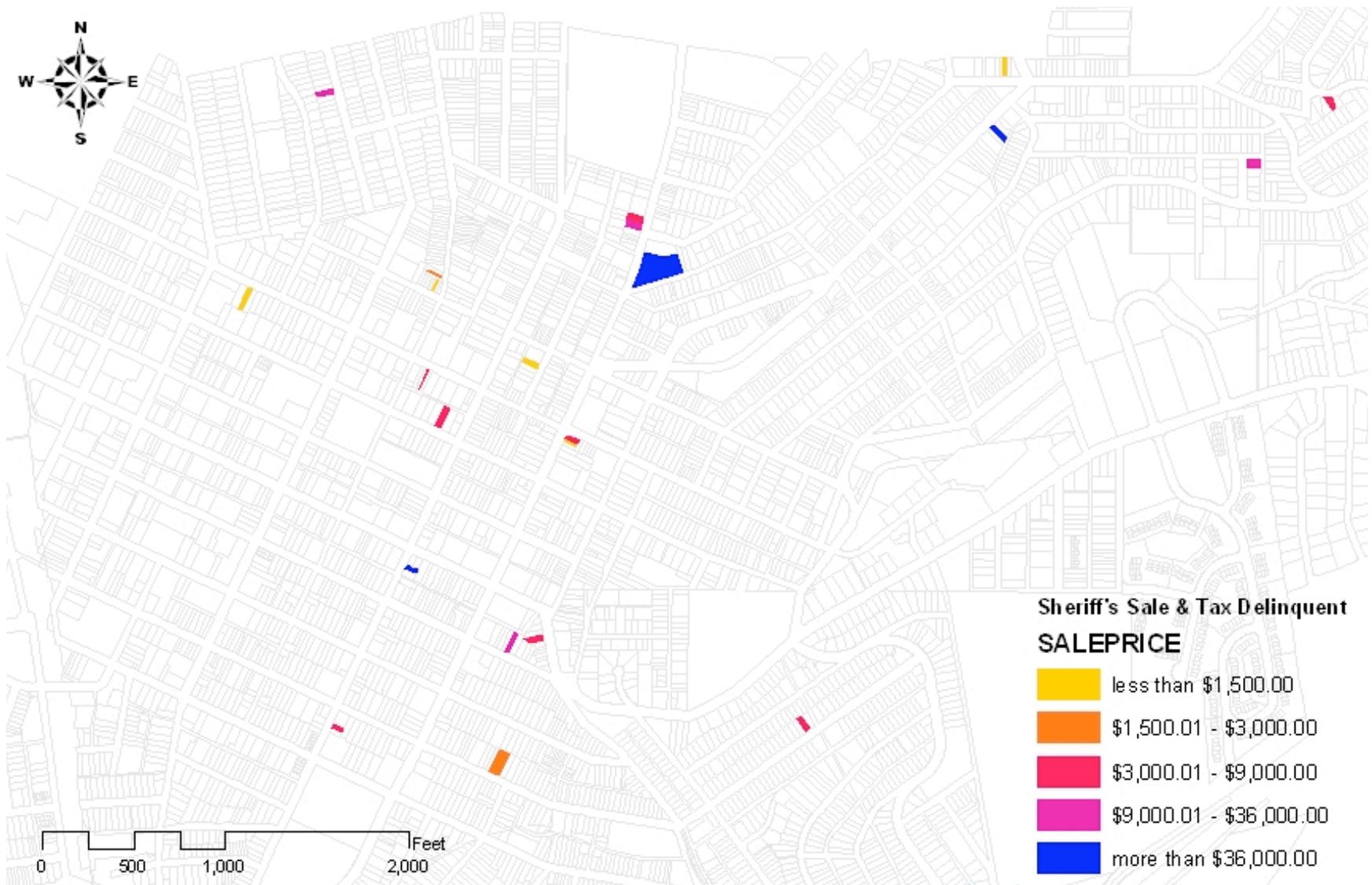
- Sheriff's Sale Parcels**
Sale Price
- less than \$1,500.00
 - \$1,500.01 - \$3,000.00
 - \$3,000.01 - \$9,000.00
 - \$9,000.01 - \$36,000.00
 - more than \$36,000.00

0 650 1,300 2,600 Feet

Tax Delinquent Properties after Sheriff's Sale



Tax Delinquent Properties after Sheriff's Sale—Sale Prices



Decon to Rehab: A Sustainable sweat equity model

Synopsis

Tackles neighborhood blight and the affordable housing in tandem by reusing materials from deconstructed homes in local rehabilitations

Prospective homeowners contribute labor on deconstruction & rehab projects to earn sweat equity credits toward the purchase and rehabilitation of a Wilkinsburg home

Youth skills training is incorporated to develop Wilkinsburg's workforce, reduce juvenile crime and increase project capacity

Supervision and technical assistance contracts extended to local entrepreneurs in the building trades to help them grow their businesses and serve as mentors for youth participants

Decon to Rehab: A Sustainable sweat equity model

Optional program components

Engage local youth offenders in skills training through partnership with Allegheny county juvenile probation department.

Juvenile offenders could work off community service sentences and gain marketable skills.

Involve Wilkinsburg public schools by turning over deconstructed properties for use in a nutrition and urban farming curriculum.

Produce could be given to low-income families in Wilkinsburg or sold at weekly farmer's market.

Benefits of Deconstruction

Potentially higher quality and often less expensive materials

Grant funding

High demand for certain salvaged building materials

Reduced waste disposal costs

Numerous environmental benefits

Job creation



Potential Downfalls of Deconstruction

Physical and environmental hazards

Difficulty finding convenient and affordable storage space

Often more expensive (if environmental benefits are without a price) than demolition

Deconstruction costs are influenced by numerous, hard to predict variables

Though deconstruction is most always preferable to demolition, it may not always be suitable

More time in initial planning (for deconstruction as well as building with salvaged materials)

Salvaged wood may require re-milling in order to be sellable

Tips for Successful Deconstruction

Establish a marketing plan and potential customers for all salvaged materials

Conduct a thorough building material inventory

Consider *all* costs associated with deconstruction

Strategically plan the storage and flow of materials

Economy of scale—deconstruct more than one house at a time

Adopt more efficient and proven deconstruction techniques

Train and direct laborers in proper deconstruction techniques

Decon to Rehab: A Sustainable sweat equity model

Habitat for humanity

Nation's premier sweat equity program for affordable home ownership

Puts local families in homes with monthly mortgage payment \$400 - \$500



Wilkinsburg Affordable Housing Needs Assessment

Model Programs

Decon to Rehab: A Sustainable sweat equity model

YouthBuild

Allows youth 16-24 to earn GED/diploma while training in the building trades
Awarded deconstruction grants last year



Wilkinsburg Affordable Housing Needs Assessment

Model Programs

Decon to Rehab: A Sustainable sweat equity model

Apollo Alliance – Newark’s Green Future

Facing many of the same problems, Newark, NJ conceived a plan to improve its neighborhoods and develop its economy by embracing the principles of sustainability and community cooperation



=



Wilksburg Affordable Housing Needs Assessment

Model Programs

Decon to Rehab: A Sustainable sweat equity model

Potential funding sources

Deconstruction

Department of labor – pathways out of poverty & Green capacity building

Sustainable communities

Environmental Protection Agency – office of sustainable communities

HUD – sustainable communities initiative

Private funders

Home Depot Foundation

Enterprise Green Communities

Affordable housing

HUD – home investments partnership program

Decon to Rehab: A Sustainable sweat equity model

Sweat equity

HUD – Self-help home ownership program (SHOP)

Job training

Environmental Protection Agency – brownfields and land revitalization grants

Department of Labor – community-based job training grants

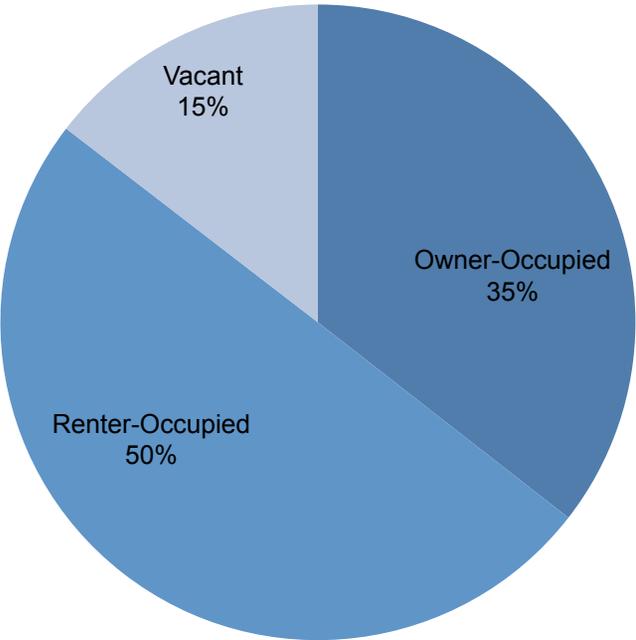
Department of Labor – employment and training administration

Job Corps

Advantages of Homeownership

- Can usually deduct mortgage interest on your tax return
- Can build equity paying a mortgage, not while paying rent
- Home values generally appreciate over time
- Can avoid increases in monthly rent payments
- Can cash in on equity built on a home

However, only 35% of homes in Wilkinsburg are owner occupied



Home Owner
Education

Homeownership Education Curriculum

Before Buying a Home

Lesson 1 – Money Management

Lesson 2 – Establishing your Credit

Lesson 3 – Home Inspection and Insurance

Post Homeownership

Lesson 4 – Home Maintenance

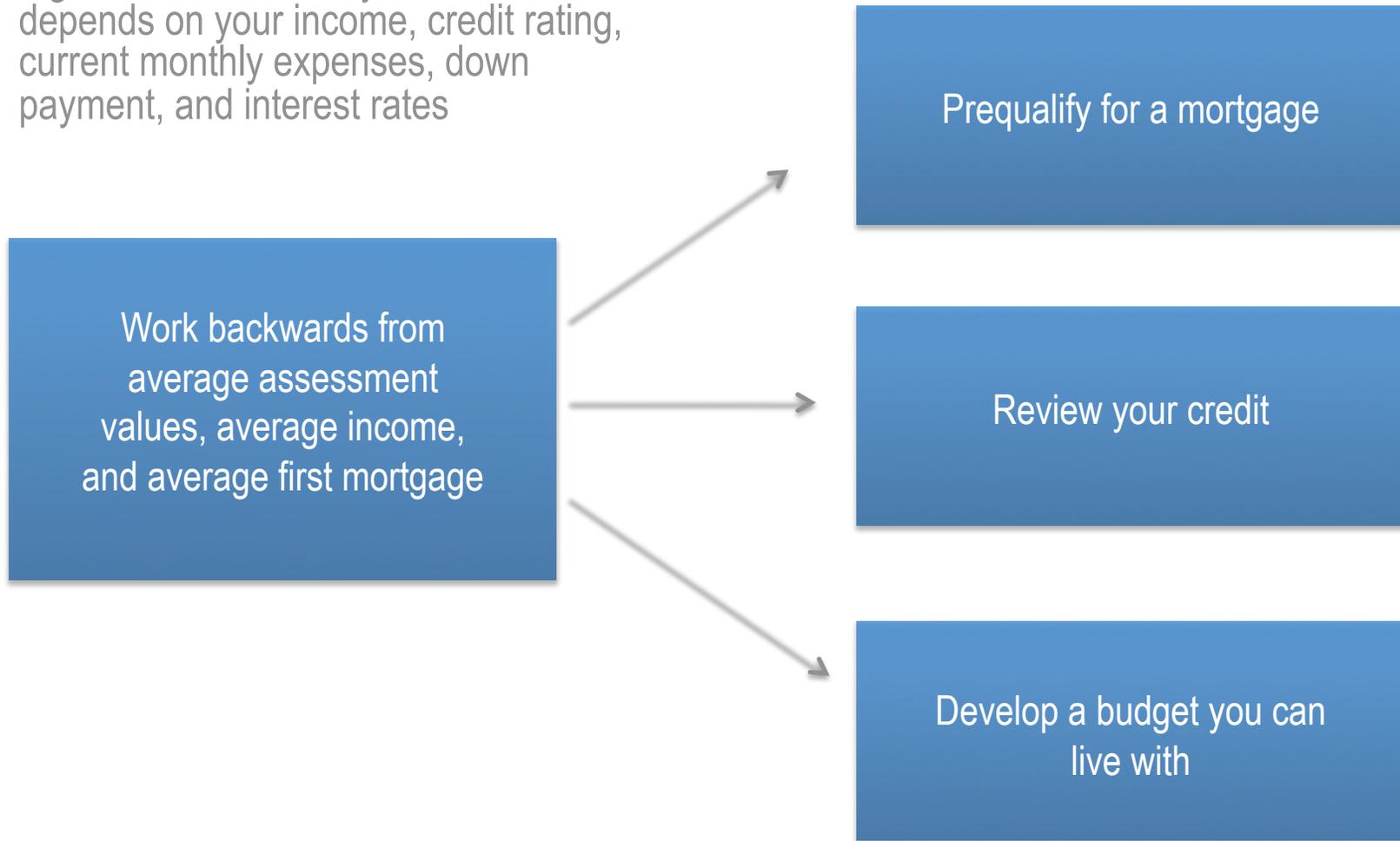
Lesson 5 – Energy Cost Reduction Strategies

Lesson 6 -- Budgeting

This education will occur through workshops and consultations and could be implemented through the Pittsburgh Historic Landmark Foundation's proposed housing resource center, to be located in Wilkinsburg

Lesson 1: Money Management

Figure out how much you can afford – depends on your income, credit rating, current monthly expenses, down payment, and interest rates



Lesson 2: Establishing your Credit

Review your credit score

Open a checking and savings account and make regular deposits in your savings account to establish a history of savings

Apply for credit gradually

Don't apply for more credit than you can manage

Make regular payments – late payments and minimum payments get people into trouble



Lesson 3: Home Inspection and Insurance

A home inspection checklist should be used along with a professional home inspection. Homebuyers should also shop around for home insurance in order to get the best deal.

Example
checklist for
exterior surfaces

Exterior Surfaces

___ Adequate clearance between ground and wood siding materials (6" minimum); no wood-to-earth contact

___ Siding: no cracking, curling, loose, rot or decay

___ Masonry veneers: no cracks in joints, no broken, spalling or flaking components

___ Stucco: no large cracks (discuss all stucco cracks with a professional inspector)

___ Vinyl or aluminum siding: no dents, damage, no bowing or loose siding

___ No vines on surface of structure

___ Exterior paint or stain: no flaking or blisters

___ No stains on exterior surfaces

Lesson 4: Home Maintenance

Essential to retaining and growing the value of your home

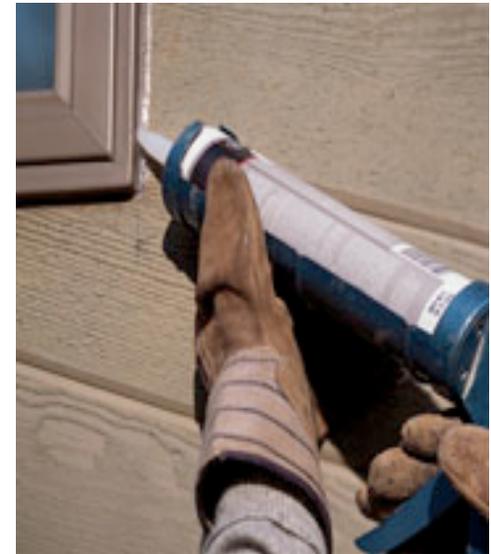
Prevents more costly repairs in the future

Value-adding improvements can greatly increase the resale cost of your home



Important items to consider:

- Roof, gutters, chimney
- Mortar and flashing
- Windows – screens, caulking, storm windows
- Smoke detectors
- Plumbing systems – drainage and leaks

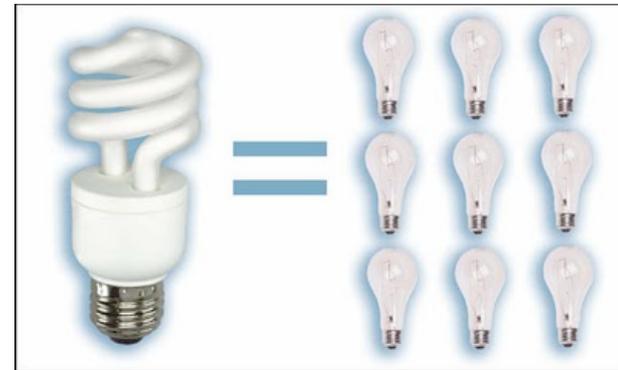


Lesson 5: Energy Cost Reduction Strategies

Weatherization techniques and programs – can save up to **40%** on energy bill for heating and cooling

Efficient lighting and appliance

- Replacing incandescent bulbs with fluorescent bulbs can result in **71%** cost savings over the lifetime of the bulb

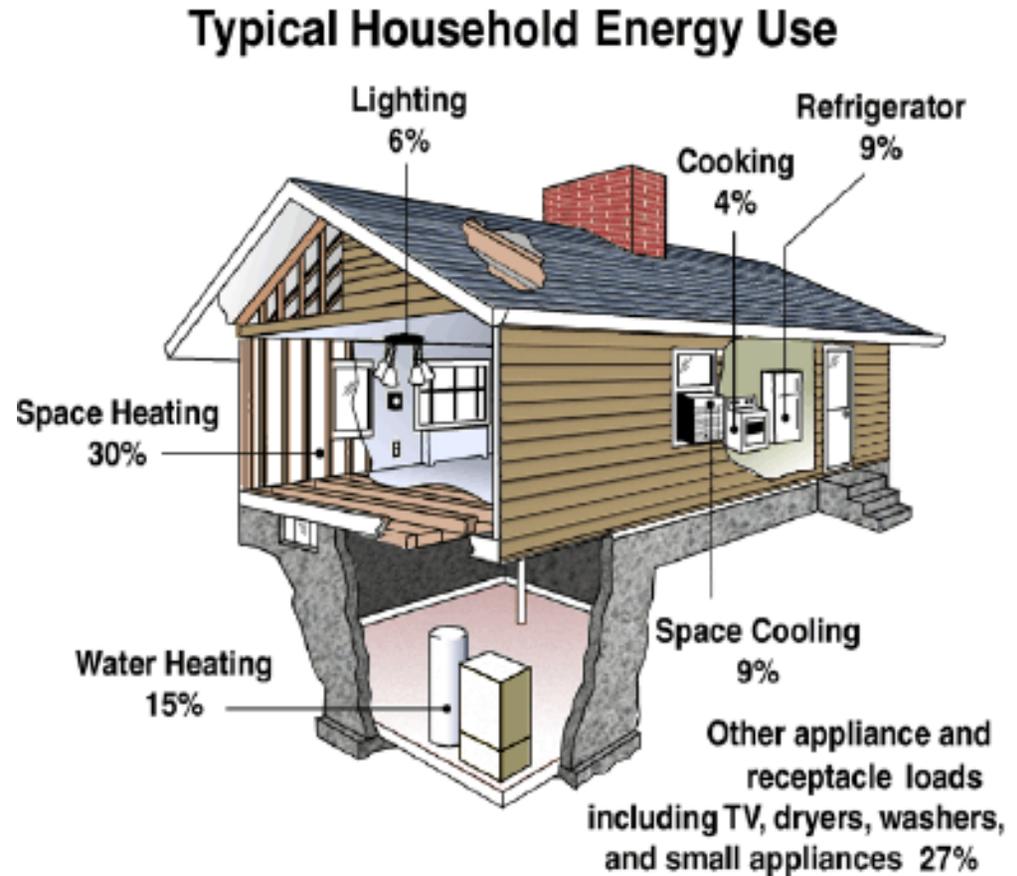


- Using energy star appliances can save up to **30%** of your energy requirements
- Other ways to save on lighting include using brighter bulbs in open areas and dimmer bulbs in closed areas, taking advantage of daylight whenever possible, and keeping bulbs clean

Weatherization Assistance Program

For homes that qualify, funding is available for weatherization of low-income homes to help reduce energy costs. Eligible applicants include low-income individuals (at or below 200% of the federal poverty level), with priority given to higher risk residents such as the elderly, disabled individuals, families with children and high energy users.

A 2002 DOE survey showed an average savings of 32% per household annually on utility bills



Lesson 6: Budgeting

Similarly to developing a budget when purchasing a home, it is important to keep track of your budget once the purchase is made. Write down all of your expenses and income information to see where you can save. Make sure to include home maintenance costs, bills, and savings for any unexpected damages or problems with your home.



Summary of recommendations

Segment vacant and tax delinquent properties into *demolish*, *deconstruct* or *rehabilitate*.

Connect home deconstruction and rehabilitation through a sweat equity program that offers home ownership opportunities for low-income residents, skills training for local youth and business, and growth opportunities for local entrepreneurs.

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