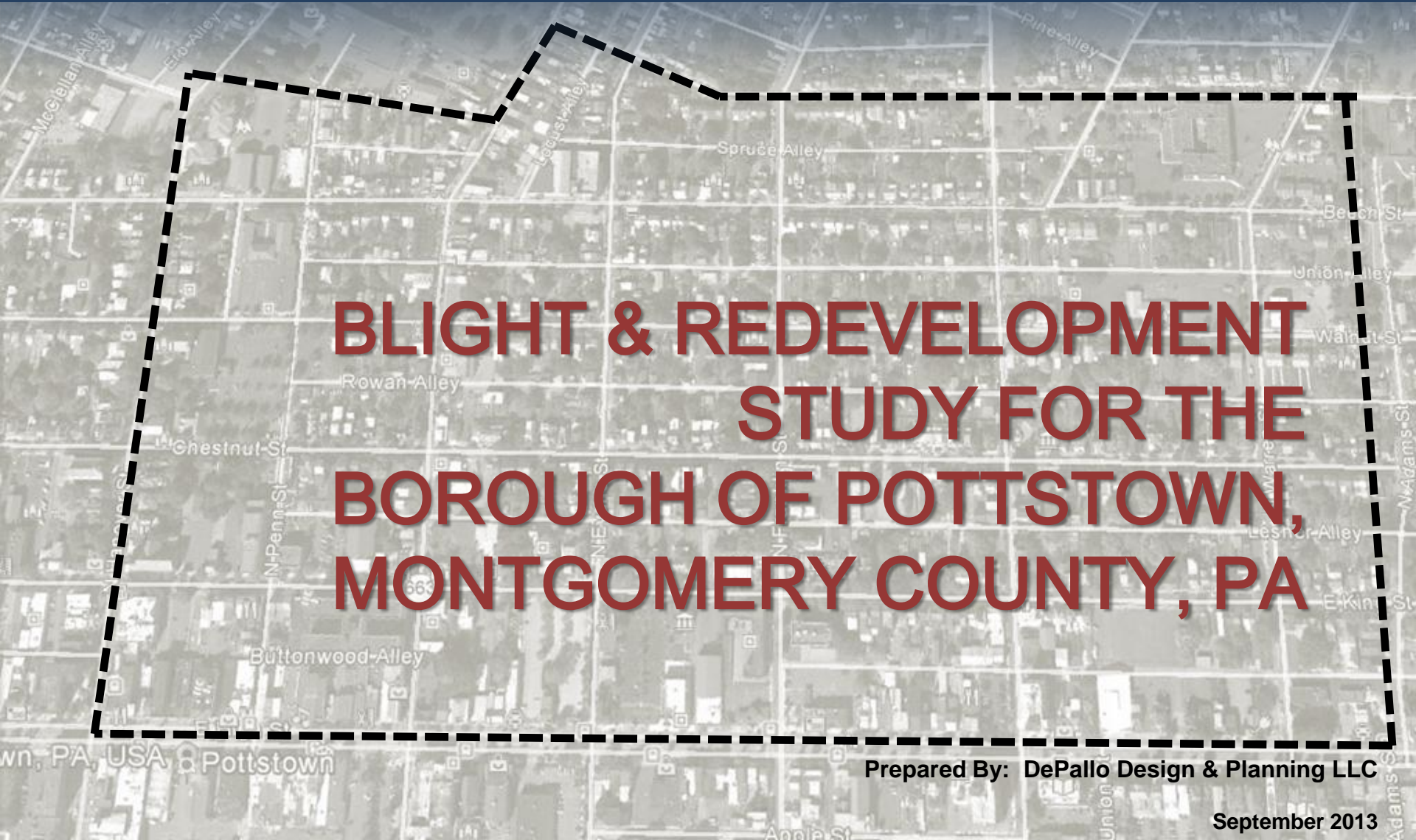


Genesis Housing Corporation



BLIGHT & REDEVELOPMENT STUDY FOR THE BOROUGH OF POTTSTOWN, MONTGOMERY COUNTY, PA

Prepared By: DePallo Design & Planning LLC

September 2013

PREFACE

Pottstown, like many older cities and towns, has declined over the decades and has struggled with the problems associated with vacant buildings and deteriorated structures. These properties lower property values in the surrounding neighborhood and strain public resources. Pottstown created a Blighted Property Review Committee that has identified hundreds of problem properties. While some properties have been renovated, many still remain a vacant and blighting influence on the community. The owners of these properties often cannot be located. The costs of renovations can exceed the value of the property. The properties remain on the “blight” list and continue to lower property values and add to Pottstown residents’ real estate tax burden.

There are new tools available to Pottstown and Montgomery County to address blight including enhanced property code enforcement and land banking. These tools are in addition to traditional tools like eminent domain. This report will highlight blighted properties in the Washington Street neighborhood and offer options for redevelopment. The Washington Street neighborhood has long been considered one of the most troubled areas in Pottstown and the conditions in the neighborhood impact the entire Borough.

Since 1994, Genesis Housing Corporation, a 501(c)3 non-profit organization, has been actively involved in providing affordable homes in Montgomery County. Genesis Housing Corporation has built and/or rehabilitated over 300 units including more than 180 units in Pottstown. The Pottstown homes included 80 owner-occupied housing rehabs, 28 vacant property rehabs and 36 new construction homes. For a complete listing of all of our programs and completed work, please visit us at www.geneshousing.org.

*This study was funded, in part, by the Pottstown Neighborhood Partnership
through a grant from National Penn Bank.*

EXECUTIVE SUMMARY

This study has been undertaken by Genesis Housing Corporation to conduct a physical analysis of a selected Pottstown neighborhood and determine the current extent of blight, identify vacant or underutilized properties and investigate the redevelopment potential of these identified properties. The study area is bounded by High Street, North Hanover Street, North Adams Street and Beech Street (See Project Area Boundary Map). The project area was canvassed and properties exhibiting vacant, substandard and blighted conditions were mapped. Numerous sites were known to have been recently foreclosed or under other property restrictions.

Within the study area some 11 sites with over 20 properties were identified that exhibit the established blight criteria (See Project Site Location Map). Upon completion of the site identification, each site was evaluated for their existing physical conditions and their potential for redevelopment or reuse. The majority of the properties are suited for reconstruction as small-scale, single-family and multi-family residential uses. There are, however, a number of properties that possess adaptive reuse potential for mixed-use residential/commercial/office redevelopment. These include the Fecera's Furniture Site, the Fire Station Site, the Tavern & Apartment Site and the Former Dairy Site. Photo documentation and an overview of each site is included in this report.

To present a sample of the redevelopment potential and estimated project costs, the Former Dairy Site was selected to be further studied with various development scenarios conceptually designed. Conceptual Site Plans are accompanied by descriptive narrative and development cost estimates for each scenario. The scenarios include: Option #1. Land Banking for a future adaptive reuse; Option #2. Development of New Townhome Residential Units; and Option #3. Development of New Multi-Family Residential Units.

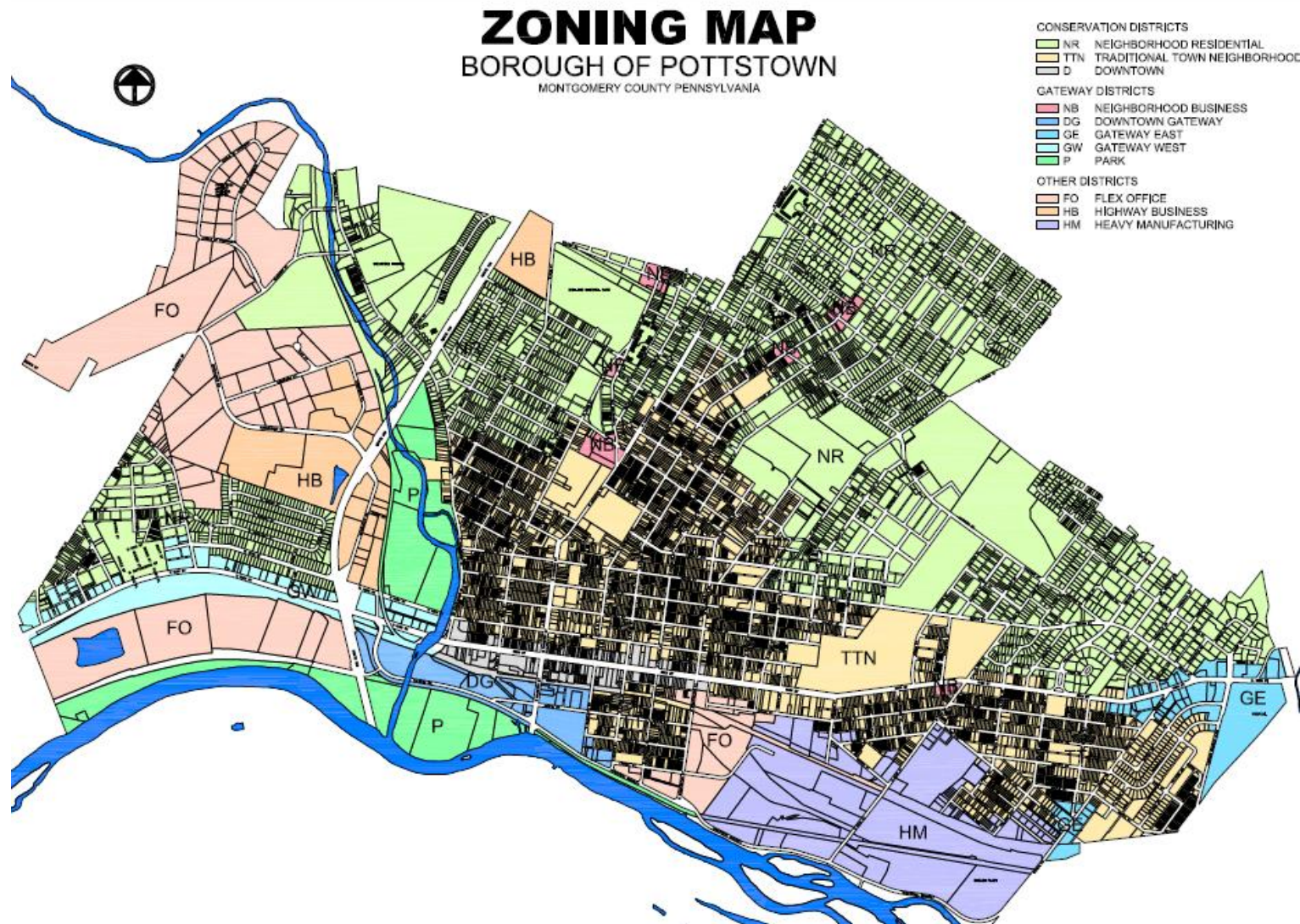
Pottstown Blight Study

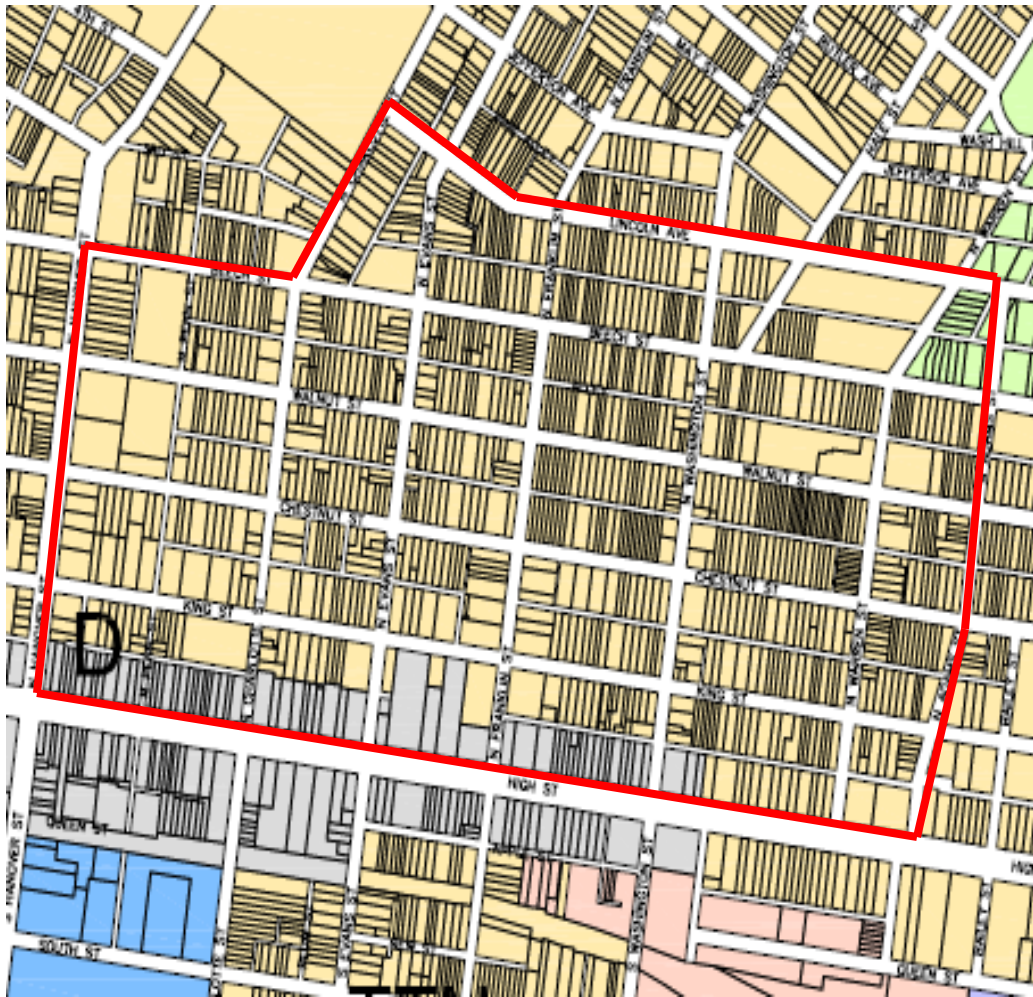
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Project Area Boundary Map









Project Area Zoning Districts

CONSERVATION DISTRICTS

- NR NEIGHBORHOOD RESIDENTIAL
- TTN TRADITIONAL TOWN NEIGHBORHOOD
- D DOWNTOWN

GATEWAY DISTRICTS

- NB NEIGHBORHOOD BUSINESS
- DG DOWNTOWN GATEWAY
- GE GATEWAY EAST
- GW GATEWAY WEST
- P PARK

OTHER DISTRICTS

- FO FLEX OFFICE
- HB HIGHWAY BUSINESS
- HM HEAVY MANUFACTURING

Borough of Pottstown Blight Study Property Overview

Name: Walnut St. Single Family Homes

Location: Walnut Street & Franklin Street

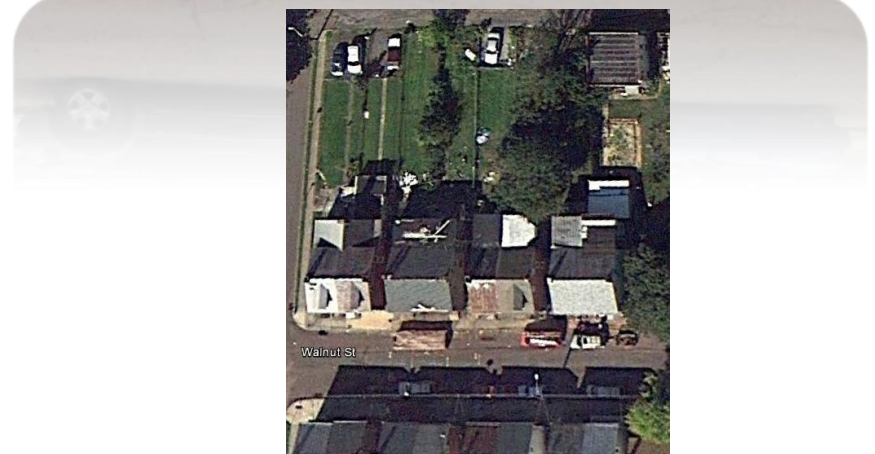
Lot Area: Approx. 2,000 sf/lot

Zoning : TTN – Traditional Town Neighborhood

Current Use: Mixed single family & rental apartments. Blight listed.

Physical Condition: Predominately deteriorating and sub standard.

Proposed Reuse: Concentrate redevelopment efforts on major restoration to bring building conditions up to standard and promote single family ownership.



Borough of Pottstown Blight Study Property Overview

Name: Adams St. Single Family Homes

Location: North Adams Street

Lot Area: Approx. 3,000 sf/lot

Zoning : TTN – Traditional Town Neighborhood

Current Use: Vacant, Foreclosed.

Physical Condition: Predominately deteriorating and sub standard.

Proposed Reuse: Concentrate redevelopment efforts on major restoration to bring building conditions up to standard and promote single family ownership.



Borough of Pottstown Blight Study Property Overview

Name: Walnut Street Multi-Family Home

Location: Walnut Street – Mid-Block

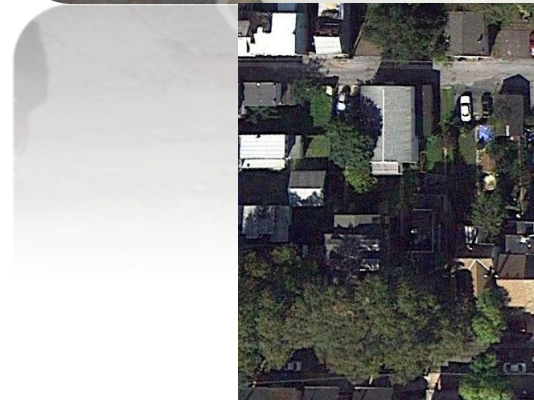
Lot Area: Approx. 3,000 sf/lot

Zoning : TTN – Traditional Town Neighborhood

Current Use: Vacant. Blight listed.

Physical Condition: Subject of fire damage slowly being rehabbed.

Proposed Reuse: Concentrate redevelopment efforts on major restoration to bring building conditions up to standard and promote multi-family ownership.



Borough of Pottstown Blight Study Property Overview

Name: North Evans Street Row Homes

Location: North Evans Street and Beech Street

Lot Area: Approx. 2,000 sf/lot

Zoning : TTN – Traditional Town Neighborhood

Current Use: Mixed vacant and rental apartments.
Blight listed.

Physical Condition: Predominately deteriorating
and sub standard.

Proposed Reuse: Concentrate redevelopment
efforts on demolition and new infill residential.
Consider acquisition of properties for land
banking.



Borough of Pottstown Blight Study Property Overview

Name: Walnut Street Row Homes

Location: Walnut Street & North Adams Street

Lot Area: Approx. 2,000 sf /lot

Zoning : TTN – Traditional Town Neighborhood

Current Use: Mixed vacant and rental units.
Blight listed. One property was acquired by the Borough for delinquent utility bills.

Physical Condition: Predominately deteriorating and sub standard.

Proposed Reuse: Concentrate redevelopment efforts on major restoration to bring building conditions up to standard and promote single family ownership.



Borough of Pottstown Blight Study Property Overview

Name: Former School Site

Location: Chestnut Street near North Franklin St.

Lot Area: Approx. 2 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: Commercial/Warehouse for plumbing services.

Physical Condition: Stable and underutilized.

Proposed Reuse: Adaptive reuse of this property was the focus of a previous study that proposed its redevelopment to mixed use.



Borough of Pottstown Blight Study Property Overview

Name: Tavern & Apartments Site

Location: N. Washington Street & King Street

Lot Area: Approx. .25 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: First Floor - Vacant; Upper Floors - rental apartments. Foreclosed.

Physical Condition: Predominately deteriorating and sub standard.

Proposed Reuse: Reduce building density on this site by demolishing the rear of the building for reuse as parking. Reconstruct the first floor as a commercial/restaurant use; renovate upper floors for apartments.



Borough of Pottstown Blight Study Property Overview

Name: Automotive Services Site

Location: King Street & Buttonwood Alley

Lot Area: Approx. 1.5 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: Asphalt parking lot.

Physical Condition: Stable and maintained.

Proposed Reuse: Redevelopment opportunity for the construction of new single-family or multi-family residential units.



Borough of Pottstown Blight Study Property Overview

Name: Fire Station Site

Location: N. Franklin Street & Chestnut Street

Lot Area: Approx. 1 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: Vacant

Physical Condition: Stable and underutilized.

Proposed Reuse: Redevelop the first floor for a commercial/ neighborhood retail. Redevelop the upper floor as apartments.



Borough of Pottstown Blight Study Property Overview

Name: Fecera's Furniture Site

Location: N. Evans Street & Beech Street

Lot Area: Approx. 2 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: Vacant

Physical Condition: Stable and underutilized.

Proposed Reuse: Redevelop the first floor as an office/commercial /apartment use. Redevelop the upper floors as apartment-style housing.



Borough of Pottstown Blight Study Property Overview

Name: Former Dairy Site

Location: N. Washington Street & King Street

Lot Area: Approx. 1 ac.

Zoning : TTN – Traditional Town Neighborhood

Current Use: Vacant; Tax Sale.

Physical Condition: Blighted and deteriorating.

Proposed Reuse: Demolition and redevelop this site as a potential land bank, new single-family townhomes or multi-family residential.



Borough of Pottstown Blight Study ~ Sample Redevelopment Project

PROJECT DESCRIPTION

The Former Dairy Building site is located at the intersection of Washington Street and Chestnut Street. An alley is located to the rear of the property thus accommodating vehicular access on three sides. It occupies about 1 acre of ground. The surrounding neighborhood is predominately residential in use with the housing types being composed of single family and twin homes.

The site is primarily covered with asphalt surface in disrepair. Remnants of stormwater management facilities were discovered but are not functioning due to sediment deposition. One large shade tree exists on site and may be worthy of saving as part of the site restoration.

Currently, three structures are located on the property. They include a single-family residence, and two industrial-style, brick warehouse structures. All of the buildings are vacant and are deteriorating due to age and lack of maintenance. It has been determined that salvaging and restoration of the buildings is too costly to be feasible and that the demolition and site restoration presents that most feasible and efficient reuse of the property.

This property has been selected to present the typical redevelopment options that may be achieved through the acquisition, demolition and redevelopment of the site into a standard use that will significantly eliminate blight and enhance the quality of life in the neighborhood. For the purposes of this study, three reuse options are presented. They include:

Option #1. Acquisition, Demolition, Site Restoration and Land Banking for a future adaptive reuse.

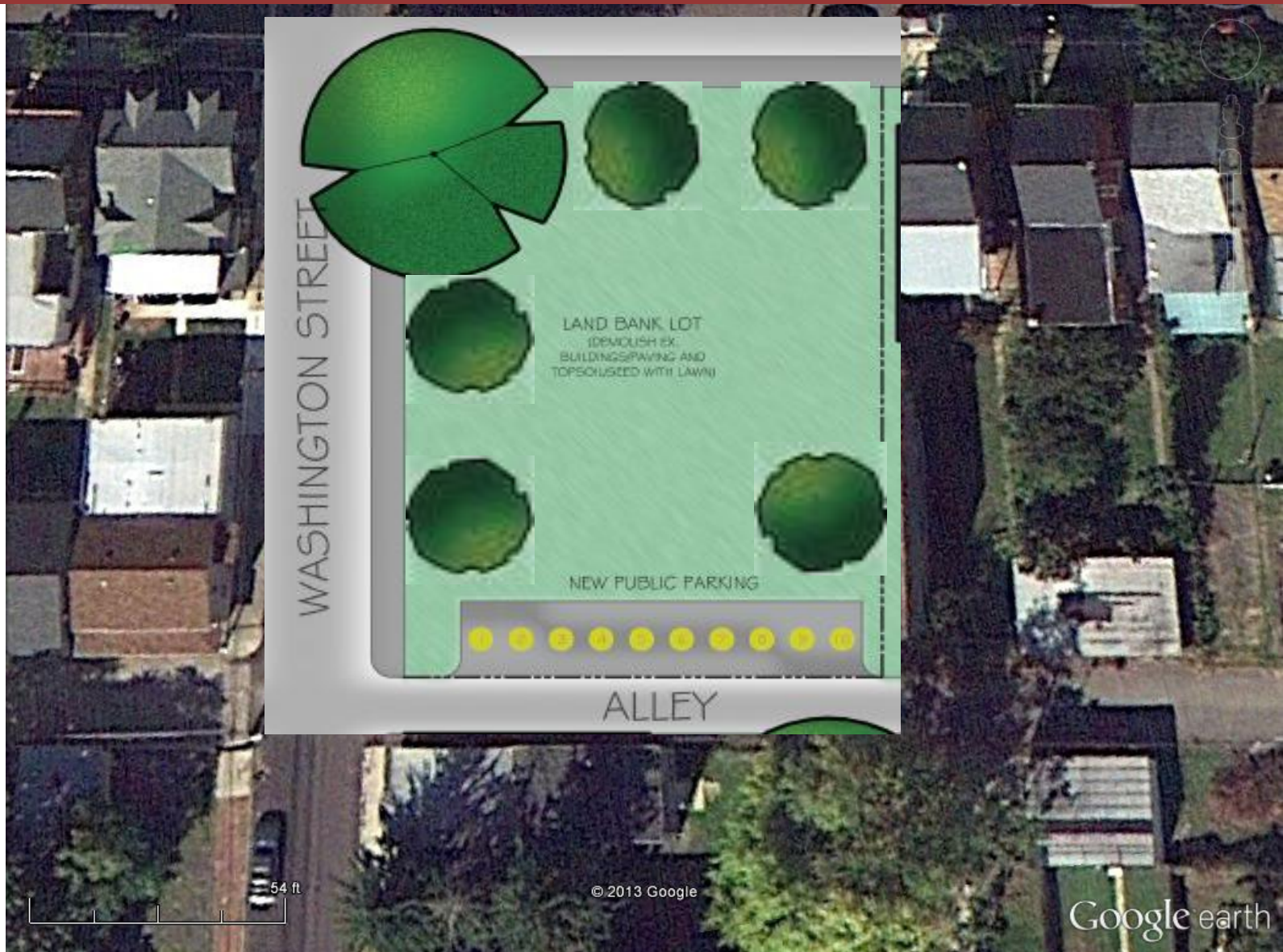
Option #2. Acquisition, Demolition, Site Restoration Development of New Townhome Residential Units.

Option #3. Acquisition, Demolition, Site Restoration Development of New Condominium Residential Units.

Former Dairy Site Redevelopment - Existing Site Plan



Option #1. Land Banking - Proposed Site Plan



Former Dairy Site Redevelopment – Option #1. Land Banking

Genesis Housing Corporation

PROJECT DESCRIPTION

Option #1. Acquisition, Demolition, Site Restoration and Land Banking for a future adaptive reuse.

This option includes the safe demolition of all structures, paving and miscellaneous site features. It proposes backfilling with clean topsoil and reseeding and landscaping of the site. Preservation of the shade tree is intended.

It also locates a limited number of new public off-street parking available to the neighborhood to relieve on street parking congestion. Passive open space amenities may be added that will serve the neighborhood until future reuse is feasible.

The cost for acquisition and redevelopment is estimated to be approximately \$500,000.

COST ESTIMATE SCENARIO #1. Land Banking					
ITEM DESCRIPTION	UNIT	QTY.	UNIT PRICE	EST. TOTAL	SUB TOTAL
ACQUISITION					300,000
ACQUISITION	LS	1	300,000	300,000	
SITE PREP					100,000
DEMO	LS	1	100,000	100,000	
SITE WORK					35,000
TOPSOIL/RESEEDING	AC	1	10,000	10,000	
LANDSCAPING	LS	1.5	10,000	15,000	
NEW PARKING AREA	LS	1	10,000	10,000	
SUBTOTAL				435,000	435,000
CONTINGENCY		15%		65,000	65,000
TOTAL ESTIMATE				500,000	500,000

Option #2. Townhomes - Proposed Site Plan



Former Dairy Site Redevelopment – Option #2. Townhomes

Genesis Housing Corporation

PROJECT DESCRIPTION

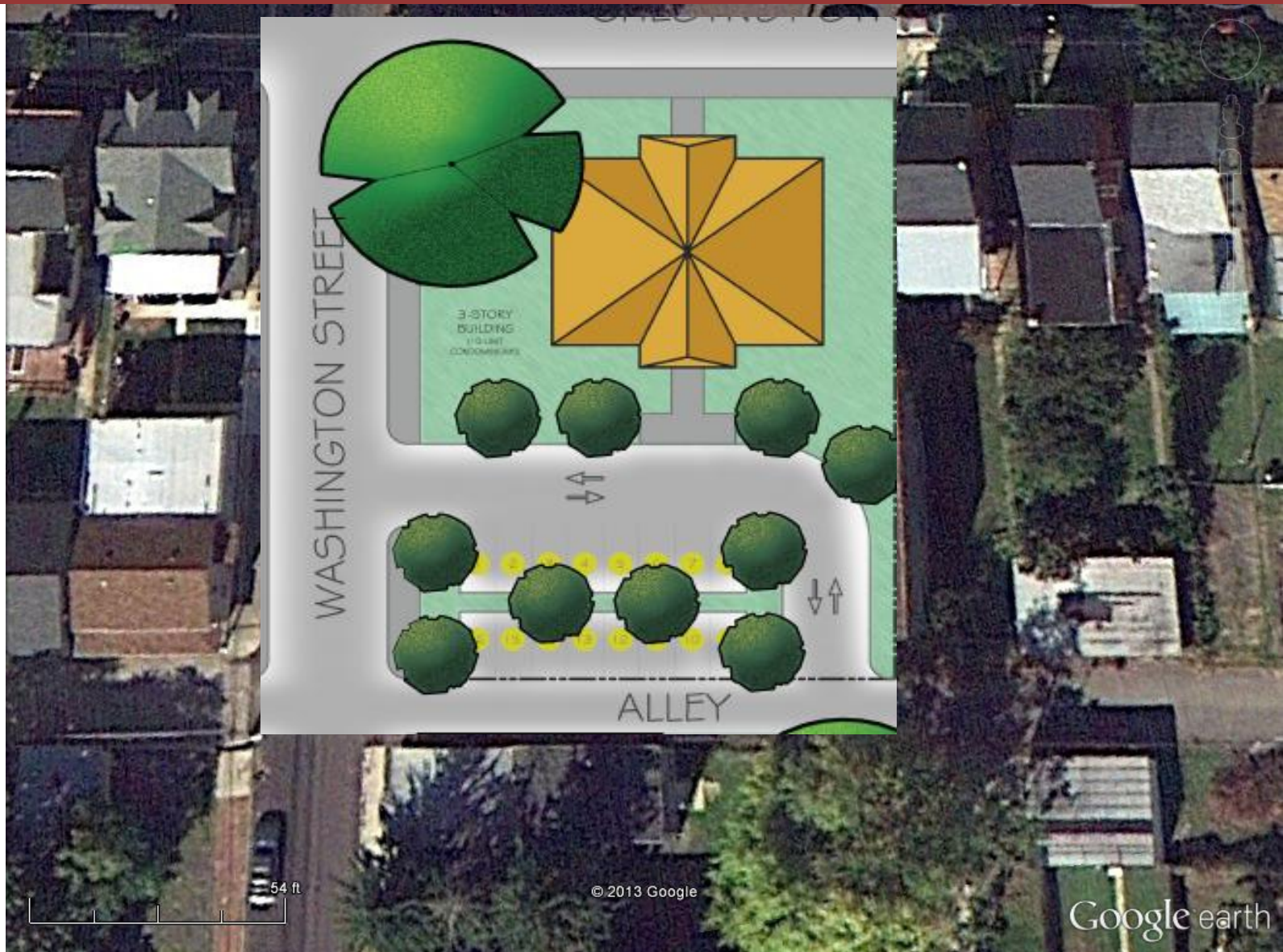
Option #2. Acquisition, Demolition, Site Restoration Development of New Townhome Residential Units.

This option includes the safe demolition of all structures, paving and miscellaneous site features. It proposes the construction of 5 new Townhomes with porches. Also provided are 2 off-street parking spaces per unit accessed from the alley and a storage shed for each unit. Preservation of the shade tree is intended.

The cost for acquisition and redevelopment is estimated to be approximately \$2,000,000.

COST ESTIMATE SCENARIO #2. Townhomes					
ITEM DESCRIPTION	UNIT	QTY.	UNIT PRICE	EST. TOTAL	SUB TOTAL
ACQUISITION					300,000
ACQUISITION	LS	1	300,000	300,000	
SITE PREP					100,000
DEMO	LS	1	100,000	100,000	
BLDG. CONSTRUCTION					1,250,000
BUILDING	EA UNIT	5	250,000	1,250,000	
SITE WORK					130,000
SITE & UTILITIES	LS	1	100,000	100,000	
TOPSOIL/RESEEDING	AC	0.5	10,000	5,000	
LANDSCAPING	LS	1	15,000	15,000	
NEW PARKING AREA	LS	1	10,000	10,000	
SUBTOTAL				1,780,000	1,780,000
CONTINGENCY		15%		220,000	220,000
TOTAL ESTIMATE				2,000,000	2,000,000

Option #3. Apartment Condos - Proposed Site Plan



Former Dairy Site Redevelopment – Option #3. Apartment Condos

Genesis Housing Corporation

PROJECT DESCRIPTION

Option #3. Acquisition, Demolition, Site Restoration Development of New Condominium Residential Units.

This option includes the safe demolition of all structures, paving and miscellaneous site features. It proposes the construction of a new 3-story, 10 unit apartment/condominium building, Also provided are 2 off-street parking spaces per unit accessed from the alley. Preservation of the shade tree is intended along with some open space area for landscaping.

The cost for acquisition and redevelopment is estimated to be approximately \$3,500,000.

COST ESTIMATE SCENARIO #3. Condos					
ITEM DESCRIPTION	UNIT	QTY.	UNIT PRICE	EST. TOTAL	SUB TOTAL
ACQUISITION					300,000
ACQUISITION	LS	1	300,000	300,000	
SITE PREP					100,000
DEMO	LS	1	100,000	100,000	
BLDG. CONSTRUCTION					2,500,000
BUILDING	SF	10000	250	2,500,000	
SITE WORK					150,000
SITE & UTILITIES	LS	1	100,000	100,000	
TOPSOIL/RESEEDING	AC	0.5	10,000	5,000	
LANDSCAPING	LS	1	15,000	15,000	
NEW PARKING AREA	LS	1	30,000	30,000	
SUBTOTAL				3,050,000	3,050,000
CONTINGENCY		15%		450,000	450,000
TOTAL ESTIMATE				3,500,000	3,500,000

Recommendations

- ❑ Provide resources for high quality code enforcement.
- ❑ Support the creation of a Montgomery County Land Bank
- ❑ Concentrate redevelopment efforts on major restorations to bring buildings conditions up to standard or the demolition of severely blighted buildings.
- ❑ Reduce building density by demolishing blighted additions of the buildings for land banks, parking and open space.
- ❑ Support redevelopment opportunities for the construction of new single-family or multi-family residential units.
- ❑ Support the redevelopment of first floors for commercial/neighborhood retail/apartment uses and upper floors as apartments.

APPENDIX

- 1) Summary of Tools to Address Blight
- 2) Summary of PA Land Banks Legislation
- 3) Charts listing properties identified as blighted by the Pottstown Borough

Summary of Tools to Address Blight

The following information is from the Housing Alliance of Pennsylvania report “Quick Guide - New Tools to Address Blight and Abandonment” dated February 2011. The complete report is available on their website www.housingalliance.org.

- ❑ **Blighted and Abandoned Property Conservatorship Law** (Act 135 of 2008) allows a court-appointed third party to take control of a blighted property when the owner has died or refuses to act. If the owner has not redeemed the property, the court may approve the sale of the property.
- ❑ **Land Banks Legislation** (Act 153 of 2012) allows municipalities to establish land banks to acquire and dispose of eligible properties. More detailed information on land banks is in the next appendix.
- ❑ **Neighborhood Blight Reclamation & Revitalization Act**
 - ❑ **Private Asset Attachment** allows municipalities to collect costs related to code violations by filing judgments against property owners, not just liens against the properties.
 - ❑ **Permit Denial** allows municipalities to enforce their codes by denying permits and licenses to property owners with code violations or tax delinquencies.
- ❑ **Landlords with Revoked Rental Licenses, Delinquent Property Owners** who are delinquent in paying a local tax or municipal utility charges and **Housing Code Violators** are prohibited from purchasing property at tax sales.
- ❑ **Eminent Domain** laws allow the condemnation and transfer of blighted properties by a municipality or redevelopment authority. Recent code amendments limit transfer of properties for private enterprises but may still be used for abandoned properties and blight remediation.
- ❑ **Improvement of Deteriorating Real Estate Property or Areas of Tax Exemption Act** allows real estate taxes exemptions for the assessed value of the improvements (tax abatement) over a ten year period in neighborhoods designated by the taxing body.

Summary of PA Land Bank Law

The following information is from the Housing Alliance of Pennsylvania *Summary of PA Land Bank Legislation*. The full summary is available on their website www.housingalliance.org.

- ❑ Land Banks are public agencies created by a county or municipalities (population over 10,000) in accordance with Act 153-2012.
- ❑ Land Banks are governed by a board of directors that must include one member who is a community resident and not a public official or employee.
- ❑ Land Banks can hire staff or use municipal personnel.
- ❑ Land Banks can borrow money, issue revenue bonds and invest money.
- ❑ Land Banks can acquire property through purchase, donation or transfer from a redevelopment authority.
- ❑ Land Banks have the power to develop, construct, demolish, rehabilitate or otherwise improve real property.
- ❑ Land Banks can enter into partnerships and joint ventures.
- ❑ Land Banks must create an inventory of its real property available for the public to inspect.
- ❑ Land Banks may sell, transfer, lease or mortgage any real property of the land bank.
- ❑ Land Banks can receive funding from government grants and loans, payment for services, rents, investment income and tax recapture. Tax recapture is by agreement with the taxing jurisdictions for no more than 50% of the real property taxes collected for five years after the transfer of the property.

**PROPERTIES BLIGHTED AND CERTIFIED BUT NOT SENT
TO MONTGOMERY COUNTY REDEVELOPMENT AUTHORITY
AUGUST 1, 2013**

Property Address	Date Certified
244 3 rd Street	03/22/12
5 W. 4 th Street	02/28/13
10 W. 5 th Street	08/23/12
27 N. Adams Street	02/28/13
444 Apple Street	03/25/10
448 Apple Street	03/25/10
248 Beech Street	09/30/10
310 Beech Street	09/30/10
363 Beech Street	02/24/11
407 Beech Street	08/23/12
527 Beech Street	09/30/10
307 Berks Street	10/25/12
329 Chestnut Street	03/28/13
403 Chestnut Street	05/27/10
539 Chestnut Street	03/25/10
549 Chestnut Street	03/28/13
623 Chestnut Street	02/24/11
164 N. Evans Street	10/25/12
171 N. Evans Street	08/25/11
173 N. Evans Street	02/28/13
477 N. Evans Street	05/23/13
4 W. Fourth Street	05/23/13
164 S. Franklin Street	03/25/10
28 S. Hanover Street	10/25/12
384 High Street	03/28/13
433 High Street	08/23/12
542 High Street	09/30/10
446 King Street	08/23/12
451 King Street	11/17/10
412 Laurel Street	03/22/12
422 South Street	04/29/10
853 South Street	08/23/12
63 Walnut Street	02/28/13
410 Walnut Street	05/23/13
411 Walnut Street	05/23/13
629 Walnut Street	09/30/10
67 N. Warren Street	08/23/12
119 S. Washington Street	02/24/11
173 S. Washington Street	03/22/12
183 S. Washington Street	03/22/12

**PROPERTIES BLIGHTED AND CERTIFIED TO
MONTGOMERY COUNTY REDEVELOPMENT AUTHORITY
AUGUST 1, 2013**

Property Address	Date Certified to Montgomery County Redevelopment Authority
323 King Street	December, 2009
423 Lincoln Avenue	December, 2009
351 Walnut Street	November, 2008
355 Walnut Street	November, 2008
68 N. Washington St. a/k/a 502 Chestnut St.	December, 2009