

SENATE URBAN AFFAIRS AND HOUSING COMMITTEE
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“COMMUNITY REVITALIZATION PROJECTS IN TIMES OF BUDGET STRESS”

Testimony of Jeffrey A. Feeser
Director of Housing and Community Development
Schuylkill Community Action
206 North Second Street
Pottsville, PA 17901
570-622-1995
www.schuylkillcommunityaction.com

Good morning! My name is Jeffrey Feeser. I am the Director of Housing and Community Development for Schuylkill Community Action (SCA). SCA is a private, non-profit Community Action Agency (CAAP) serving the needs of the lower-income residents of Schuylkill County since 1965. SCA is a PA DCED-certified Community Housing Development Organization (CHDO). SCA is also a US HUD-certified Housing Counseling agency since 1994. Our agency funding is derived from public and private resources such as the United States Department of Housing and Urban Development (US HUD), the Pennsylvania Department of Community and Economic Development (PA DCED), the Pennsylvania Housing Finance Agency (PHFA), the United States Department of Agriculture – Rural Housing Services (USDA), local lending institutions, and others. SCA’s expenditures average between \$3 - \$3.5 million annually and contract administration exceeds \$6 million on an annual basis.

Schuylkill Community Action has taken a proactive stance on community revitalization and affordable housing for over twenty-five years. SCA’s affordable housing programming includes, but is not limited to: demolition; new construction; housing rehabilitation and repair; accessibility modifications; rental development; and community revitalization. Over the past fifteen years, SCA has completed sixty (60) homeownership projects consisting of either whole-house renovation or demolition and new construction. I have attached pictures of several community revitalization initiatives that were recently completed by SCA in the Boroughs of Mahanoy City, Shenandoah, and Girardville. These projects involved the elimination of neighborhood blight through

the acquisition, demolition, and new construction of single-family residential homes. Strong municipal partnerships and funding from the Pennsylvania Department of Community and Economic Development has enabled SCA and the respective Boroughs to eliminate blight and provide homeownership opportunities for lower-income families.

Schuylkill County suffers from a variety of physical, personal, and economic factors which serves to exacerbate the depressed economy, out-migration, and disinvestment in community. Schuylkill County has not recovered from the demise of the anthracite coal industry and subsequent economic decline. The most notable factors affecting Schuylkill County's recovery include: a high unemployment rate (9.4% as of April 2009)^{***}; large elderly population (18.4% aged 65 or older)*; large disabled population (20% of population 5 years and older)*; high percentage of households existing on incomes below the poverty level (families 9.3% - individuals 12.3%)*; substandard housing stock (54.8% of housing stock built prior to 1939)**; and a high vacant housing rate (15.2%)**. All these factors play a role in deterring revitalization efforts while communities continue to disintegrate.

Deteriorated, blighted, and abandoned properties have a serious and adverse affect on adjoining properties, as well as, the neighborhood and municipality as a whole. Vacant, blighted properties devalue the neighborhood and municipality; degrade quality of life; create a loss of tax base for local governments and school districts; are a public and attractive nuisance; fosters illicit activities and crime; serve as an incubator for rodents and pests; create health and safety hazards; and provide for the potential for catastrophe.

Community revitalization can not be achieved without the financial investment of the state and federal governments. Programs such as Main Street, Elm Street, *Home Investment Partnerships Program (HOME)*, Community Development Block Grant (*CDBG*), Local Government Municipal Resources Development (*LGMRDP*), and Housing and Redevelopment Assistance (*H&RA*), to name a few, are essential to the revitalization efforts undertaken by the municipalities and non-profit developers in the

County. Without these vital source of funds, property values will continue to degrade; communities will continue to decline; and community blight will continue to worsen.

Some of the many benefits associated with community revitalization efforts include job creation, economic development, affordable housing opportunities, community stabilization, increased property values, increased tax base and revenues, and enhanced quality of life.

Community revitalization efforts in times of budget stress will require strong partnerships between non-profit developers, municipalities, and other community partners; stricter code enforcement activity; wise investment of available funds; and increased legislative initiatives. Recent legislative initiatives such as Senate Bill 286 and House Bill 711 support community revitalization efforts by providing a process to transform abandoned, blighted and tax delinquent properties into productive use through a tax sale and redevelopment agreement. House Bill 712 would provide a mechanism to transform vacant or tax delinquent properties into productive reuse enabling communities to modernize and revitalize through the creation of land banks or authorities. Continued financial commitment, such as the Neighborhood Stabilization Program and Stimulus funding, as well as further blight legislation, will certainly help support community revitalization efforts to eliminate blight. We must continue to fight the battle to re-establish our once vibrant communities.

* U.S. Census Bureau – American FactFinder
** U.S. Census Bureau – 2007 American Community Survey
*** Center for Workforce Information and Analysis