

Wilkesburg Business District Market Analysis Update

Wilkesburg, Pennsylvania



Prepared For:



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I. EXECUTIVE SUMMARY

The following summarizes DDA's key findings, recommendations and conclusions contained within the updated market analysis.

Summary of Key Market Changes

The following key market changes occurred in Wilkinsburg since 2015.

- A decline of 1,581 persons from 2010 to 2020, six times the rate of decline estimated by ESRI in the 2016 report (265). ESRI projected a gain of eight households during this time period, with the actual loss at 350.
- There are fewer employees commuting into Wilkinsburg for work and there has been a loss of 445 employees since 2015.
- Occupancy rates in Wilkinsburg and the surrounding communities have increased three percentage points to 99%.
- There are 849 fewer housing units than in 2010 and total vacancies have subsequently dropped by 499 units.
- Rental rates in conventional rental housing are increasing at rates as much as 1.5 times the countywide average
- The municipal property tax millage rate (14.0) continues to be 1.7 to 2.2 times higher than the surrounding communities. Although reduced, the school district tax (24.5) is more than twice that of Pittsburgh.
- The CBD has two fewer restaurants today than in 2015, with Chase Bank occupying one of the restaurant spaces. The pandemic severely impacted the restaurant industry, and some restaurateurs could not find a way to stay open after closures and layoffs.
- Salvatore's remains the sole restaurant in Wilkinsburg that offers alcohol with a meal. The borough's liquor license ordinance, enacted in 2015, has not produced any other liquor license holders.
- Since 2015, there has been demolition of several buildings along the 800 Block of Penn Avenue, clearing blight from the corridor.

Appropriateness of 2016 Market-Supported Recommendations

Based on DDAs work in numerous downtowns nationwide, we believe that restaurants play a vital role in the revitalization of the CBD. Demand for restaurants in Wilkinsburg remain with local spending power of \$20 million and current estimated sales of \$11 million. It has been proven that restaurants and other eating and drinking establishments in many downtowns have improved the overall marketability of residential, offices, retail and other businesses.

There are two significant additions that are appropriate to add to the 2016 redevelopment strategies:

1. Extend the target redevelopment area to include the 800 Block of Penn Avenue and incorporate all of the 1000 Block of Wood Street
2. Redevelopment focused on residential housing with ground floor restaurants
 - a. New construction on vacant lots along Penn Avenue
 - b. Historic renovation throughout the CBD and surroundings

The poor quality of much of the available commercial space, clearly does not accommodate the market demand that exists for a variety of commercial uses throughout the CBD. There has been some turnover of tenants in the area, but the total occupants remain relatively the same. The declining household base occupies 99% of conventional rental housing, while more than eight of ten vacant housing units in Wilkinsburg are not available for purchase or rent (source: ACS).

Housing (Re)development Strategies

There are more than 2,700 one- and two-person household renters with incomes below 60% of area median household income that are eligible for the Low-Income Housing Tax Credit program. Another 1,500 one- and two-person renter households have moderate- to high-incomes that could afford market-rate housing. There is a substantial base of renter household support to redevelop or build new rental housing in and around the CBD. Following are several examples of housing redevelopment scenarios.

Renovate buildings to modernize existing residential space

A group started renovation of the second floor of the 1000 Block of Wood Street for apartments but did not finish. The new owners should encourage completion of the apartments.

There are multiple mixed-use buildings along Penn Avenue and Wood Street with apartments that have not been updated in decades, many of which are uninhabitable. The rent for a newly renovated apartment could exceed prevailing retail and office leases.



1000 Block of Wood Street

It will be important to remove or redevelop any blighted areas surrounding the properties, such as the case for the building across from the property on 1000 Wood Street shown above.

Adaptive re-use of historic structures

State and federal historic rehabilitation tax credits can qualify for as much as 45% of qualified rehabilitation expenditures. This credit could offset property taxes for at least ten years.

Adaptive re-uses of historic buildings can be challenging to finance on historic tax credit alone. Successful financing would likely involve multiple programs and potential donations.



Former High School

New construction on vacant parcels

The market will support low-income and mixed-income rental housing (market rate and low-income) along Penn Avenue. Continued demolition or renovation of blighted buildings will be important to improving the area curb appeal.

The developer should be encouraged to provide commercial ground floor space to support new food and beverage establishments. Use of the TIF and other programs like the New Market Tax Credits will be important to facilitate development.



Vacant parcel on Penn Avenue

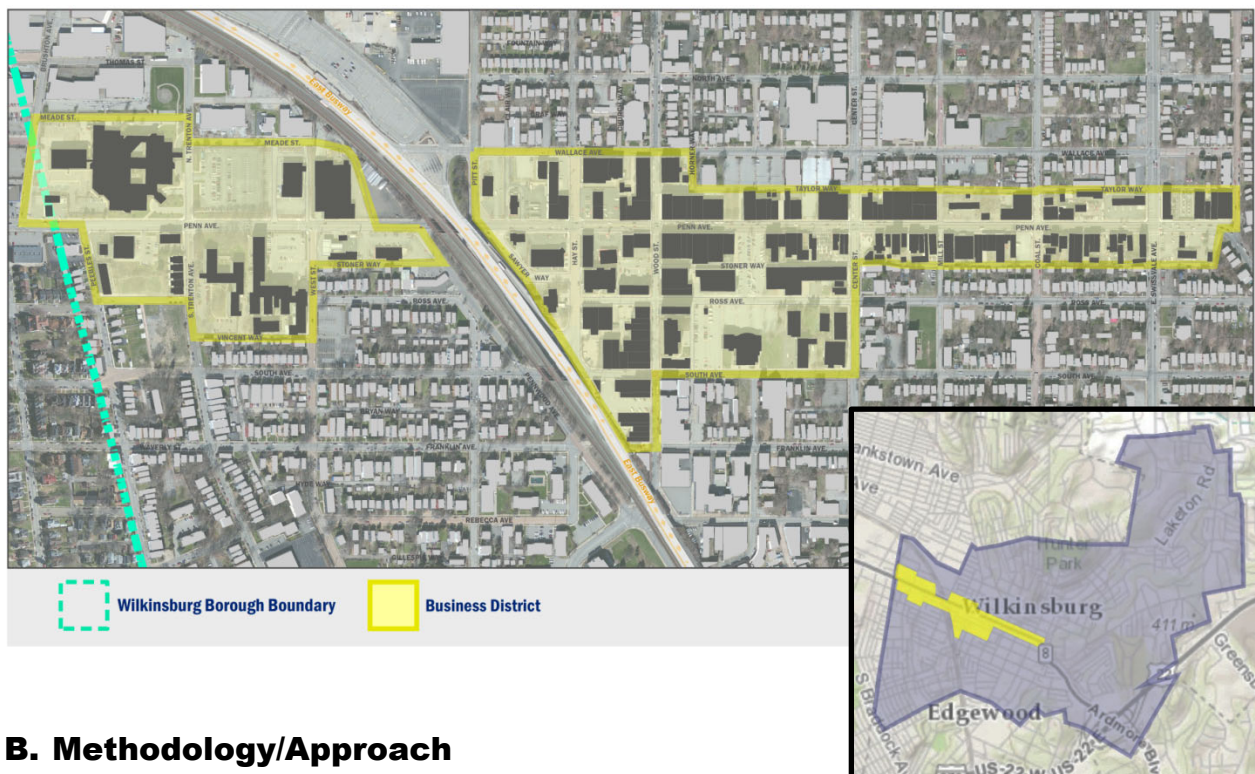
All of these development types provide much needed modern housing for the borough. In DDA's opinion, the new construction scenario provides the best opportunity as a catalytic development to encourage more investment in the CBD.

II. INTRODUCTION

A. Objective

The updated report to our January 2016 *Wilkesburg Business District Market Analysis* is focused on identifying changes in market conditions and redevelopment and tenancy challenges/opportunities.

The Wilkesburg Business District, or the area's Central Business District (CBD), extends nearly one mile along the Penn Avenue corridor on the west side of the Borough of Wilkesburg, Pennsylvania. The central area of the CBD extends several city blocks south from Penn Avenue along Wood Street.



B. Methodology/Approach

DDA's conclusions for commercial redevelopment opportunities are based on the identification and analysis of market conditions within the borough and an area specific to the CBD.

The retail trade area established in 2016 generally corresponds with a three- to five-minute drive time. However, demographic estimates by demographers for drive times and polygons have proven to be inaccurate by understating the significant population decline in the area. For this reason, DDA believes that the Borough of Wilkesburg is more suitable as a trade area because reliable demographic and economic data is available at the municipal level.

The trade area remains limited by the four outlying commercial competitors: Bakery Square (East Liberty); Regent Square; Edgewood Town Center; and East Hills Plaza.

Survey Commercial and Residential Development

Development within the CBD and surrounding areas have been surveyed and personally inspected by staff at DiSalvo Development Advisors.

A complete analysis of commercial and residential markets require the following considerations:

- field survey of ground floor commercial spaces and rental housing;
- analysis of retailer and business types within the region;
- analysis of the area economy; and
- demographic analysis

Note: 2015 to 2022 inventory comparisons include additional uses not included in the 2016 report. For this reason, some inventory totals from the original study may not match those compared in the report.

Supply/Demand Analysis

The update includes analyses of economic, social, and demographic characteristics of the CBD and borough and an analysis of development (supply) relative to consumer needs (demand).

Uses, Applications, and Assumptions

Although this report represents the best information available for identifying current market status and future market trends, most markets are continually affected by demographic, economic and developmental changes. Due to COVID, there are several businesses that remain temporarily closed. These businesses are considered still in operation for purposes of our inventory and retail leakage analysis.

This analysis has been conducted with respect to a particular client's development objectives and has been uniquely developed to determine the current market's ability to support those particular objectives. For these reasons, the conclusions and recommendations in this study are applicable only to the Wilkesburg Business District as outlined in this report.

This study represents a compilation of data gathered from various sources, including prior reports, property surveys, local records, interviews with property managers, government officials, real estate professionals, and the use of secondary demographic materials. Although DDA judges these sources reliable, it is impossible to authenticate all data. The analyst does not guarantee the data and assumes no liability for any errors in fact, analysis, or judgment. The conclusions contained in this report are based on the best judgments of the analysts. DDA makes no guarantees or assurances that the projections or conclusions will be realized as stated.

III. FINDINGS & ANALYSIS

A. Retail

A retail inventory, sales and consumer spending analysis were completed to assess opportunities for the CBD to support additional types of retail. Since the CBD stretches nearly one mile, the area has been summarized by city blocks.

1. Retail Inventory

Since 2015, the total number of retail goods businesses in Wilkinsburg's Central Business District (CBD) has remained unchanged at 45. A summary of business losses and gains by category follows.

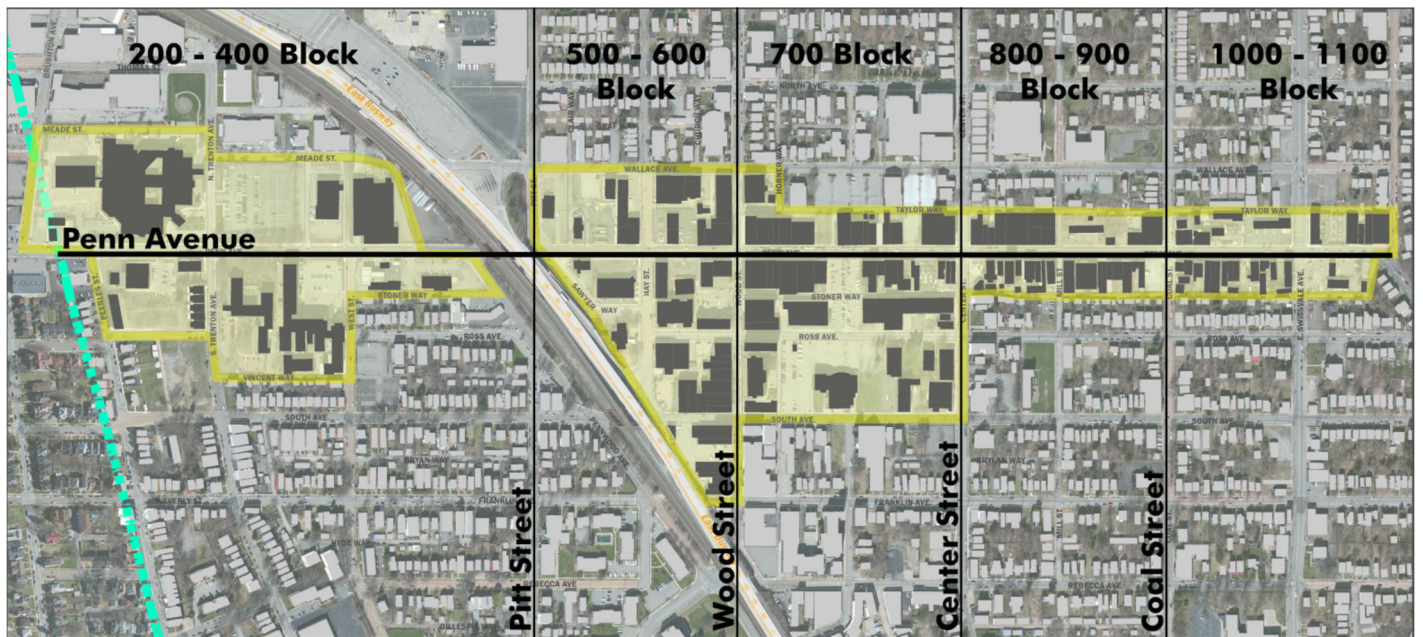
Retail Goods Business Losses	Retail Goods Business Gains
Beauty supplies	Bakery
Clothing	Computer store
Firearms	Convenience store/market
Florist	Cosmetics
Music store	Fish market
Paint/hardware store	Tobacco store
Restaurants	Used merchandise

Three of the seven new retail goods businesses in the CBD are in the 1000 Block of Wood Street (see photo below).



Three new tenants on the 1000 Block of Wood Street: Confections by Casey Renee; Campbell's Caribbean Fish Market; and LuLu's.

The 700 block of Penn Avenue remains the core retail goods section of the CBD. The 800 and 900 blocks of Penn Avenue have only one retail goods business. It is important to note that this area of the CBD has been undergoing demolition of blighted buildings. A reference map and table of the retail goods businesses by block follows.



	200-400	500-600	700	800-900	1000-1100	600-900	1000	2022	2015	Change
Business Type	Penn Ave	Penn Ave	Penn Ave	Penn Ave	Penn Ave	Wood St	Wood St	Total	Total	2015-2022
Auto parts	1							1	1	0
Bakery						1	1	2	1	1
Beauty supplies			1					1	3	-2
Beverage carryout		1						1	1	0
Cell phone store			3					3	3	0
Clothing		1	2					3	4	-1
Computer store			1					1	0	1
Convenience store					2	1		3	2	1
Cosmetics			1					1	0	1
Dry cleaners						1		1	1	0
Fire arms								0	1	-1
Fish Market							1	1	0	1
Floral						1		1	2	-1
Gas station	1				1			2	2	0
General merchandise			1					1	1	0
Grocery			2	1				3	2	1
Jewelry			1					1	1	0
Music store								0	1	-1
Paint/hardware store						1		1	2	-1
Pharmacy	1	1						2	2	0
Restaurant	1	2	2		1	2	1	9	11	-2
Tobacco store			2					2	0	2
Used auto sales			1				2	3	3	0
Used merchandise			1			1		2	1	1
<i>Total</i>	<i>4</i>	<i>5</i>	<i>18</i>	<i>1</i>	<i>4</i>	<i>8</i>	<i>5</i>	<i>45</i>	<i>45</i>	<i>0</i>

The total number of service-oriented retail establishments declined by two businesses. The CBD lost two gold/pawn shops and a check cashing business. An HVAC repair shop was added to the area.

Business Type	200-400 Penn Ave	500-600 Penn Ave	700 Penn Ave	800-900 Penn Ave	1000-1100 Penn Ave	600-900 Wood St	1000 Wood St	2022 Total	2015 Total	Change 2015-2022
Auto service				3	3			6	6	0
Bank		2	2					3	3	0
Barber/salons			3		1	3	1	8	8	0
Buy gold/pawn shop								0	2	-2
Check cashing			1					1	2	-1
Childcare						1		1	1	0
Clothing alterations			1					1	1	0
Commercial printer						1	1	2	2	0
Furniture rental			1					1	1	0
HVAC repair					1			1	0	1
Locksmith					1			1	1	0
Tax service			2					2	2	0
<i>Total</i>		2	10	3	6	5	2	27	29	-2

Non-retail tenants in the CBD are led by seven healthcare providers followed by four manufacturing companies and four non-profit organizations. DDA staff identified a total of 36 vacant ground floor spaces in the CBD, resulting in an overall vacancy rate of 27.7%. Based on DDA's surveys in other similar-sized downtowns, this is considered a high ground floor vacancy rate. The 700 Block of Penn Avenue has the lowest store vacancy rate at 15%. Notably, the vacancy rate is slightly lower on a per square foot basis, however, detailed store sizes were not available for this analysis. A summary of the non-retail tenants and vacancies by street and block follows.

Business Type	200-400 Penn Ave	500-600 Penn Ave	700 Penn Ave	800-900 Penn Ave	1000-1100 Penn Ave	600-900 Wood St	1000 Wood St	2022 Total
Art studio					1	1		2
Church				1	1	1		3
Healthcare	3		1			3		7
Manufacturer	1	1		2				4
Non-profit organization			1			2	1	4
Utilities					1			1
Vacant		2	5	10	5	8	6	36

Slightly more than half the ground floor space in the CBD is occupied by retail goods and services establishments. Of the 130 total spaces surveyed, 57 (43.8%) were non-retail tenants and vacant spaces.

The demolition of several buildings along the 800 Block of Penn Avenue is clearing blight from the corridor and improving area curb appeal and increasing possibilities of new construction and redevelopment (see photo).



2. Estimated Retail Spending v. Sales

Despite the ongoing population loss, retail trade, food services (restaurants), and personal service sales within the Borough of Wilkinsburg have increased over the past five years.

Year	Estimated Sales by Consumer Category		
	Retail Trade	Food Services**	Personal Services*
2012	\$35.6	\$9.7	\$1.6
2015	\$37.6	\$9.9	Not Available
2017	\$51.6	\$10.9	\$1.5
2022	\$57.2	\$11.2	\$2.1

Sources: Economic Census (2012 and 2017), Wilkinsburg Borough Finance Department and DDA (2015) ; ESRI; Data Axle (2022)

*Personal services under NAICS Code 812

A summary of resident spending potential compared to estimated retail sales in the Borough and the CBD with the resulting retail leakage follows. Retail leakage amounts in red reflects surplus in which sales exceed local resident spending and a clear indication that the businesses are supported by consumers who reside outside of the borough.

NAICS Code	Business Type	Resident Spending Potential	Estimated Retail Sales		Estimated Retail Leakage
			Borough Sales	CBD Sales	
44112	Used car dealers	\$3,068,381	\$2,836,000	\$1,418,000	\$232,381
4413	Automotive parts, accessories, and tire stores	\$3,478,418	\$9,341,000	\$3,061,000	(\$5,862,582)
442	Furniture and home furnishings stores	\$4,325,337	\$0	\$0	\$4,325,337
4421	Furniture stores	\$2,300,119	\$0	\$0	\$2,300,119
4422	Home furnishings stores	\$2,025,218	\$0	\$0	\$2,025,218
443	Electronics and appliance stores	\$3,245,502	\$1,243,000	\$0	\$2,002,502
44412	Paint and wallpaper stores	\$458,300	\$624,000	\$624,000	(\$165,700)
4451	Grocery stores	\$26,199,235	\$10,633,000	\$0	\$15,566,235
44511	Supermarkets and other grocery (except convenience)	\$24,959,278	\$4,132,000	\$3,512,000	\$20,827,278
44512	Convenience Stores	\$1,239,957	\$3,307,000	\$2,067,000	(\$2,067,043)
4452	Specialty food stores	\$888,679	\$3,194,000	\$0	(\$2,305,321)
4453	Beer, wine, and liquor stores	\$2,152,676	\$998,000	\$0	\$1,154,676
4461	Health and personal care stores	\$12,335,234	\$7,774,000	\$7,523,000	\$4,561,234
4481	Clothing stores	\$7,046,798	\$3,012,000	\$1,890,000	\$4,034,798
4482	Shoe stores	\$1,316,351	\$0	\$0	\$1,316,351
44831	Jewelry stores	\$1,176,090	\$1,621,000	\$1,621,000	(\$444,910)
45111	Sporting goods stores	\$1,644,309	\$171,000	\$0	\$1,473,309
45112	Hobby, toy, and game stores	\$595,572	\$0	\$0	\$595,572
451211	Book stores	\$325,014	\$648,000	\$0	(\$322,986)
45299	All other general merchandise stores	\$2,899,767	\$2,889,000	\$1,156,000	\$10,767
4531	Florists	\$199,913	\$917,000	\$917,000	(\$717,087)
4532	Office supplies, stationery, and gift stores	\$1,037,321	\$0	\$0	\$1,037,321
45399	All other miscellaneous store retailers	\$1,452,317	\$995,000	\$995,000	\$457,317
454	Nonstore retailers	\$27,341,983	\$0	\$0	\$27,341,983
7224	Drinking places	\$878,632	\$0	\$0	\$878,632
7225	Restaurants and other eating places	\$20,675,074	\$11,000,000	\$8,918,000	\$9,675,074
722511	Full service restaurants	\$10,227,828	\$5,214,000	\$3,031,000	\$5,013,828
72513,14,15	Limited service eating places	\$10,447,245	\$5,887,000	\$5,887,000	\$4,560,245
81211	Hair, nail, and skin care services	\$1,169,127	\$1,518,000	\$1,161,000	(\$348,873)
8123	Drycleaning and laundry services	\$1,017,729	\$336,000	\$336,000	\$681,729
81291	Pet care (except veterinary) services	\$209,197	\$233,000	\$0	(\$23,803)

Based on the comparison of resident spending to estimated sales, there are nine categories that appear to accommodate the local market:

- Automotive parts
- Paint stores
- Convenience stores/markets
- Specialty food stores
- Jewelry stores
- Book stores
- Florist
- Hair, nail and skin services
- Dollar stores (all other general merchandise category)

The largest retail leakage occurring in Wilkinsburg remains in restaurants and other eating establishments. The following conclusion from the 2016 study is still valid.

The evolution of retail in a core urban corridor generally starts with food and beverage establishments, is followed by resident/business services and visitor/tourist-oriented business. With the Wilkinsburg Trade Area significantly underserved by restaurants, the path to revitalization of the Wilkinsburg Business District begins with restaurants.

3. Availability and Lease Rates

Although there are 36 vacant ground floor spaces in the CBD, many are not listed online or with a broker and most are in a state of disrepair.

Retail space

There is a dichotomy of rent levels, the low \$7 to \$10 per square foot associated with poor quality space not up to building codes and the high \$15 to \$18 per square foot for a storefront that is in fair to good condition and up to code. Nancy’s Diner and an adjacent space on South Avenue are the exceptions with good quality space leasing from \$12 to \$14 per square foot, net utilities.

The lowest lease rate identified in the CBD is \$7.20 per square foot, not including utilities, along the 800 Block of Wood Street. Some of the highest lease rates identified in the CBD are in a multitenant commercial building along the 1000 Block of Wood Street. The building has attracted four new tenants and is leasing at \$17.50 per square foot, net utilities (landlord pays property taxes).

Office space

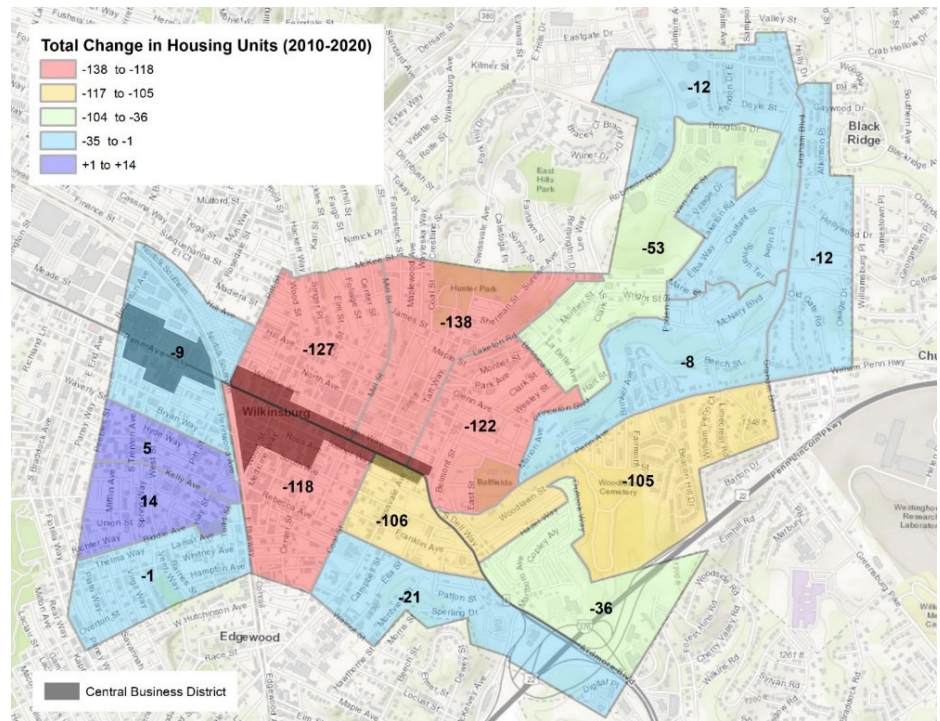
Based on our recent search, DDA staff found office space leasing from as low as \$12 per square foot, net utilities, at the renovated train station and up to \$17 per square foot, triple net, at the Spectrum Family medical office building. A space on the third floor of the Lohr Building leases at \$20 per square foot, but the overall cost is lower than the medical office space because it includes water, property taxes, and other building expenses. A summary of office lease rates by building and address follows.

Building	Address	Lease Rate Per Square Foot
Penn	727 Penn Avenue	\$15, modified gross
Lohr	725-729 Wood Street	\$14 to \$20, tenants pay gas and electric
Train Station	901 Hay Street	\$12 and higher, net utilities
Spectrum Family	221 Penn Avenue	\$17, triple net

B. Residential

The 2020 Census identified 9,197 total housing units in Wilkinsburg, 849 fewer than in 2010 (see table below). Most housing unit declines occurred in the central portion of Wilkinsburg through a combination of demolition and units no longer habitable.

Total vacancies have subsequently dropped by 499 units. More importantly, the ACS categorized 82.3% of the vacant housing units in Wilkinsburg as “Other Vacant.” This vacant category represents units not available for purchase or rent, often under one of the following situations:



Common “Other Vacant” Scenarios

- Unwilling to rent or sell
- Elderly living elsewhere
- Repairs or renovations in process
- Unit used for storage
- In foreclosure
- Settlement of estate in process

2020 Census Blocks	Total Housing Units			Total Vacant Housing Units		
	2010	2020	Change	2010	2020	Change
5604.01	439	430	-9	81	80	-1
5604.02	555	560	5	70	49	-21
5605.01	624	638	14	54	41	-13
5605.02	725	724	-1	58	54	-4
5647.03	886	768	-118	316	207	-109
5647.01	446	340	-106	164	122	-42
5647.02	424	403	-21	77	86	9
5648.01	550	412	-138	175	99	-76
5648.02	839	712	-127	256	148	-108
5614.01	316	304	-12	17	18	1
5614.02	589	577	-12	73	76	3
5614.03	732	679	-53	110	84	-26
5614.04	984	976	-8	117	87	-30
5615.01	905	800	-105	76	95	19
5615.02	533	497	-36	97	63	-34
5615.03	499	377	-122	153	86	-67
Wilkinsburg	10,046	9,197	-849	1,894	1,395	-499

Rental Housing Survey

A survey of conventional apartment developments was conducted to establish the overall strength of the rental housing market and to identify prevailing rental rates among apartment developments in the Wilkesburg area.

DDA was able to gather rental information on 37 apartment properties within the Wilkesburg area and surrounding areas totaling 1,826 units. Of the properties surveyed, 32 were market-rate without income limitations or rental assistance. A summary of the survey and changes in the market since 2015 follows.

Occupancy Rates

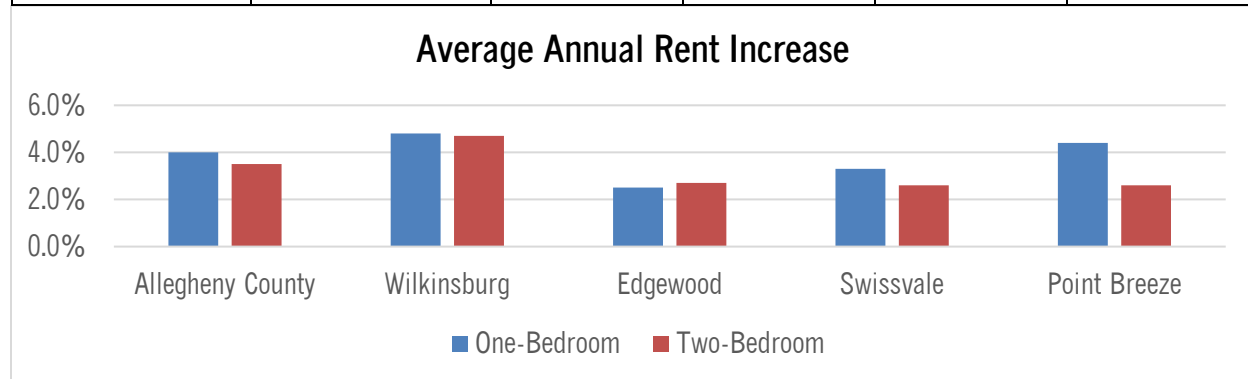
The occupancy rate in Wilkesburg and the neighboring communities was high in 2016 at 96%. In 2022, the occupancy rate has increased another three percentage points to 99%. The extremely high occupancy rate means that families find it difficult to move to a different home in the community as their household dynamics (e.g., size and income) changes. We were unable to update several small rental properties we surveyed in 2016 due to a change in ownership and management and no available contact information.

Six income-restricted and rental-assisted properties in Wilkesburg, totaling 441 units, were also contacted. The properties are 100% occupied and management reported waiting lists.

Collected Rents – Wilkesburg and Surrounding Communities/Neighborhoods

Since 2016, collected rents have increased at a higher annual rate in Wilkesburg than the outlying communities and overall Allegheny County. A summary of annual average rent increases for one- and two-bedroom units by community follows.

Bedroom Type	Annual Average Rent Increase by Community/Neighborhood and Bedroom Type				
	Allegheny County	Wilkesburg	Edgewood	Swissvale	Point Breeze
One-Bedroom	4.0%	4.8%	2.5%	3.3%	4.4%
Two-Bedroom	3.5%	4.7%	2.7%	2.6%	2.6%



The highest annual average rent increase in the area was 6.5% in the western portion of Wilkesburg west of the railroad tracks, including the Regent Square Area. One-bedroom rents in this area are increasing at a rate more than 1.5 times the countywide average. A list of collected rents for each property by community follows.

Community	Property	Total Units	Collected Monthly Rent by Bedroom Type			
			Studio	One-Bedroom	Two-Bedroom	Three-Bedroom
Wilkinsburg	1004 Penn Avenue	5	-	-	\$800	\$1,000
	Ambassador East & West	172	\$550 - \$625	\$795	\$895	-
	Beacon Hill	95	-	-	\$1,650	-
	Brittany	97	\$729 - \$830	\$860 - \$960	\$1,049	-
	Bryn Mawr	193	-	\$1,029	\$1,400	-
	Carriage House	127	-	\$900	\$1,030	-
	Frick Park Village	70	-	\$880	\$985 - \$1,000	-
	Kalla & Anico	90	\$625	\$725 - \$750	-	-
	Kenyon Properties	6	-	\$999	-	-
	Pennwood Square	90	-	-	\$1,180	-
	Roberta Gardens	24	\$670	\$815	\$930	-
	Tamarind	14	-	\$1,015 - \$1,095	-	-
	Trenton Square	70	-	\$950	\$1,300	-
	Village Square	48	\$899	\$1,050	\$1,199	-
	Whitney Hall	18	-	\$875	\$975	-
William Penn Heights	137	\$625	\$650 - \$675	\$775	-	
Swissvale	Columbia Ridge	36	-	\$800	\$850	-
	Forest	198	-	\$815 - \$835	\$920	-
	Hidden Pines	50	-	\$750	\$870	-
Point Breeze	Chalet	18	-	-	\$1,175	-
	Cloisters	18	\$790	\$950	\$1,315	-
	Flats on Penn	10	-	\$970	\$1,080	-
	Heidelberg	17	-	-	\$1,485 - \$1,520	\$1,615 - \$1,735
Edgewood	Cambridge Court	36	-	\$900	\$1,050	-
	Edgewood Court	72	-	\$845	\$1,025	-
	Tudor Court	24	-	\$930	\$1,080	-
Total		1,735	\$550 - \$899	\$650 - \$1,095	\$775 - \$1,650	\$1,000 - \$1,735

Income- and Rent-Controlled Collected Rents – Borough of Wilkinsburg

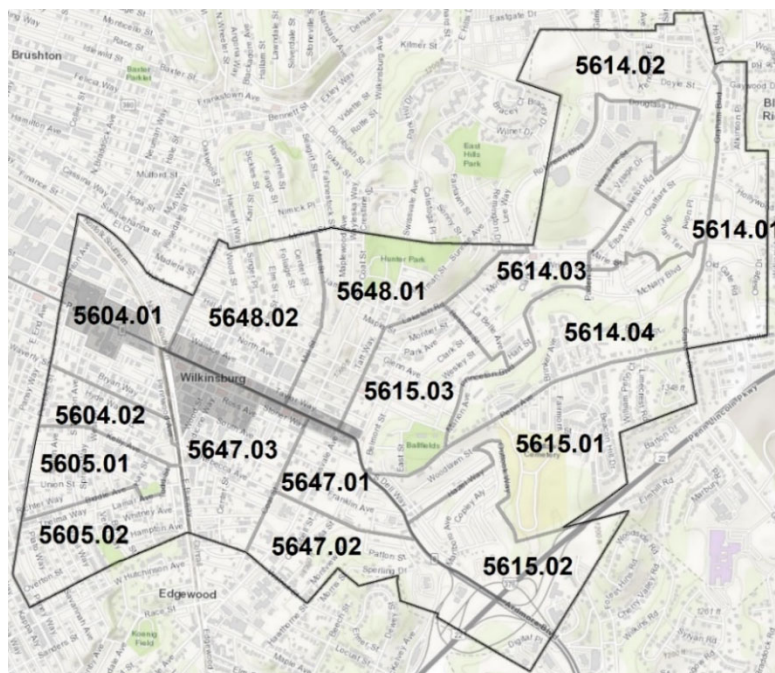
Properties operating under affordable housing programs in Wilkinsburg offer a wide range of rents for persons with little or no income upward to those with incomes up to 80% of area median household income. Four of the properties are located within the CBD: Shields; Sperling; Wood Towers; and Generations.

Property	Total Units	Collected Monthly Rent by Bedroom Type				
		Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	
Crescent & Wilson House	27	-	\$187 - \$595	\$205 - \$675	\$210 - \$795	
Douglas Plaza	248	\$699	\$770	-	-	
Falconhurst	33	-	\$190 - \$645	\$704 - \$770	\$840 - \$885	
Shields Building	30	\$585	\$624	-	-	
Sperling Building	8	-	\$625	\$761	\$1,084 (4BD)	
Wood Towers	97	Not Available - Senior Housing				
Dumplin Hall	46	Not Available				
Generations	15	Not Available - Senior Housing				
Total		504	\$550 - \$699	\$187 - \$770	\$205 - \$770	\$210 - \$1,084

C. Demographic & Economic Analysis

1. Population Trends

From 2010 to 2020, the population of Wilkinsburg decreased from 15,930 to 14,349, a decline of 1,581 or 9.9%. The Black or African American population experienced the largest loss (20.4%). There are 1.4 times more renters among this group, reflecting a much higher transiency rate than homeowners. Furthermore, the Black or African American population decline was likely attributed, in part, to their overall low average incomes in comparison to all households combined with high rent increases in the area. (sources: 2020 5-Year ACS and DDA survey) Without available and affordable alternatives in the community, renter households will often move



to other communities. The largest share of losses for the Black or African American population was on the west side of Wilkinsburg across the train tracks in Census Blocks 5604 and 5605. Census Block Group number 5614.04 is the only area of Wilkinsburg with an increase in the Black population (see map on right), a predominately single-family homeowner area.

There was a 72.6% increase in population increase among persons identifying as multi-racial. The Asian population increased by 81 persons or 49.7% and those persons who identified as “Other” races increased by 125 persons, an increase of 181.2% since 2010.

Census Blocks	Percentage Change 2010 to 2020					
	Population	White Alone	Black Alone	Asian Alone	Other Alone	Two+ Races
5604.01	-3.1%	86.7%	-47.8%	320.0%	100.0%	123.8%
5604.02	1.9%	68.7%	-23.9%	16.7%	350.0%	-4.4%
5605.01	1.2%	10.6%	-54.4%	100.0%	214.3%	125.8%
5605.02	0.4%	2.0%	-47.0%	25.8%	33.3%	106.5%
5647.03	-2.2%	14.9%	-14.8%	500.0%	*	61.4%
5647.01	-25.4%	-10.8%	-32.9%	50.0%	-28.6%	140.0%
5647.02	-28.8%	-30.3%	-35.7%	33.3%	275.0%	75.9%
5648.01	-15.8%	43.6%	-23.2%	50.0%	400.0%	103.8%
5648.02	-17.3%	6.0%	-18.8%	-71.4%	20.0%	3.9%
5614.01	-8.4%	-12.5%	-11.5%	50.0%	80.0%	130.8%
5614.02	-11.7%	2.0%	-23.5%	180.0%	1600.0%	65.1%
5614.03	-9.7%	-39.3%	-10.2%	800.0%	100.0%	64.0%
5614.04	4.6%	-10.0%	5.5%	-3.7%	180.0%	47.6%
5615.01	-16.1%	-26.5%	-20.4%	300.0%	340.0%	222.2%
5615.02	-12.3%	-12.9%	-15.1%	-20.0%	400.0%	30.8%
5615.03	-25.8%	-43.5%	-24.9%	-50.0%	100.0%	37.5%
Wilkinsburg	-9.9%	1.6%	-20.7%	49.7%	181.2%	72.6%

*Zero in 2010; 13 persons in 2020

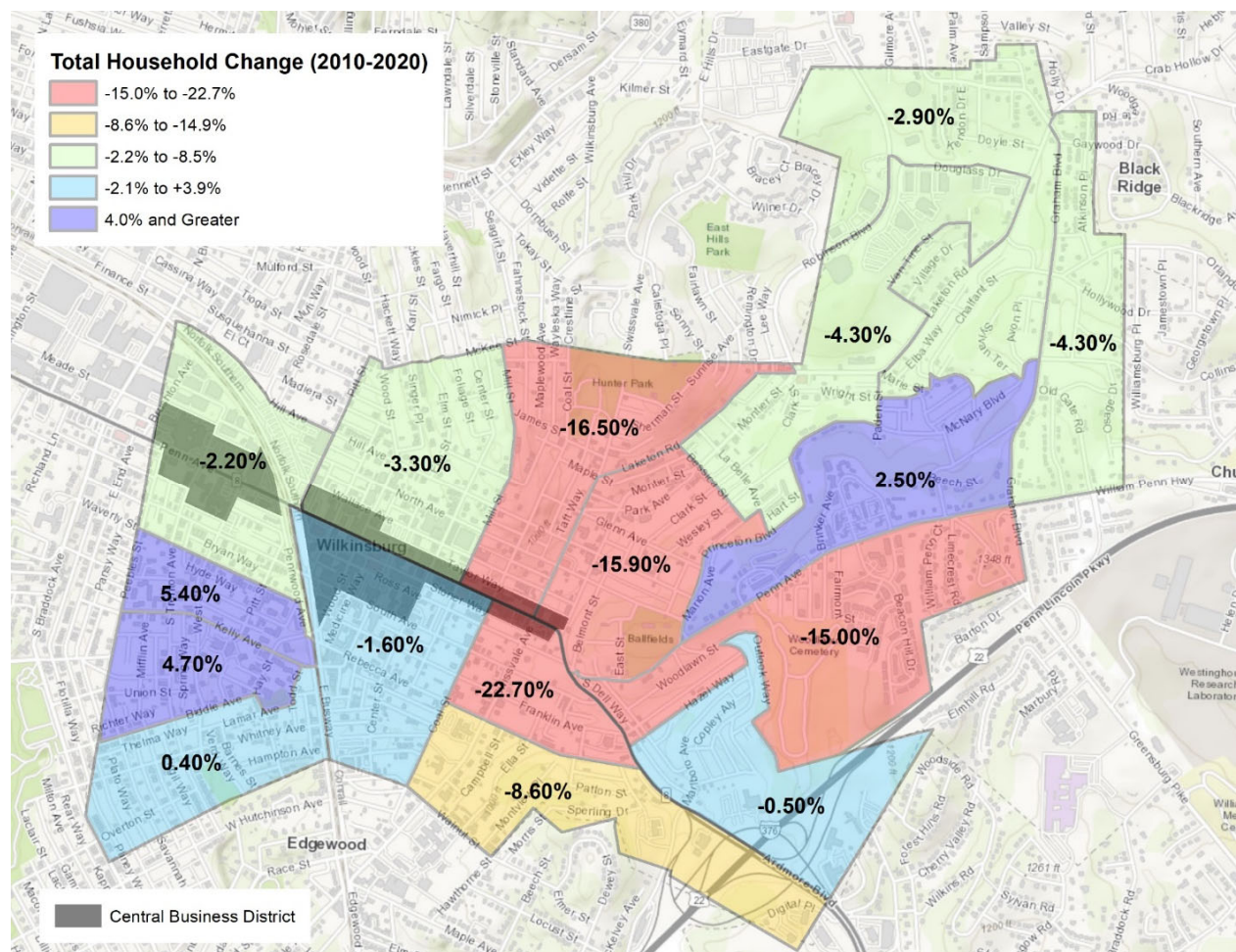
2. Household Trends

The Census reports households declined at 4.3%, half the rate of the population decline, from 8,152 in 2010 to 7,802 in 2020. Notably, the annual average rate of household decline has slowed considerably from the prior decade. Household sizes or number of persons per households are trending smaller, similar to most other areas of the country.

Household Trends - Wilkinsburg, Pennsylvania			
	2000	2010	2020
Households	9,086	8,152	7,802
Household Change	-	-934	-350
Percent Change	-	-10.3%	-4.3%
Household Size	2.06	1.92	1.71*

Sources: Decennial Census and American Community Survey*

As the thematic map below shows, there is a concentration of household losses occurring on the far east side of the Central Business District (900 Block of Penn Avenue) and continuing eastward along Penn Avenue.



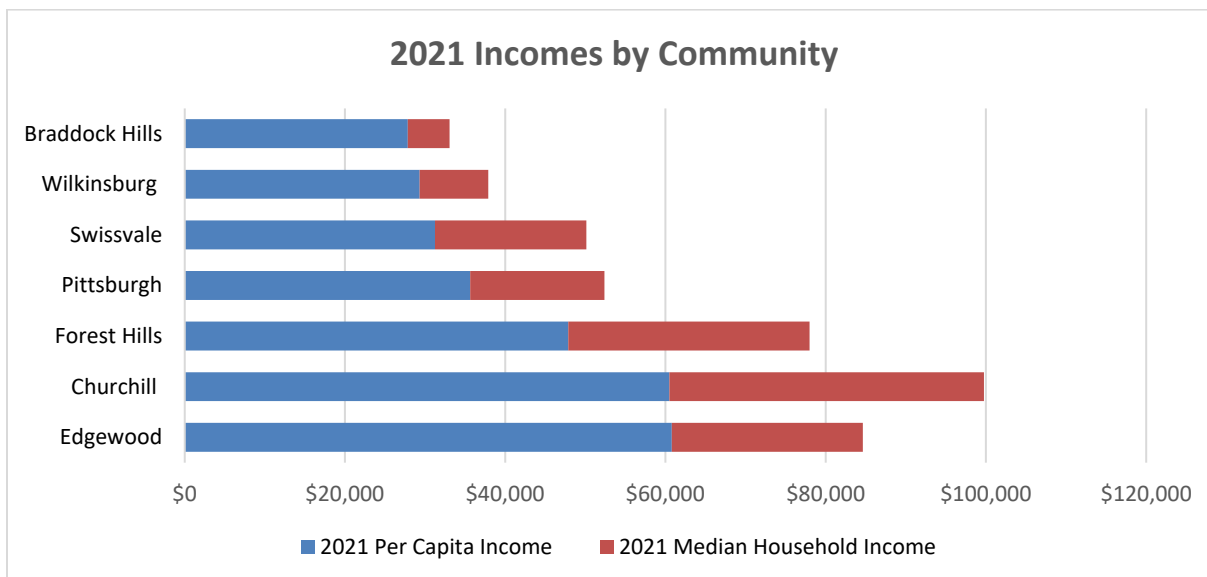
3. Household Incomes

The median household income of Wilkinsburg residents has increased an estimated 27.9% since 2010 from a median of \$29,620 in 2010 to \$37,888 in 2021. Wilkinsburg has the second lowest median and per capita income in the region (see bar graph below).

Household Income	2010 (5-Year ACS)		2020 (5-Year ACS)		2021 (ESRI Estimated)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	1,802	22.1%	1,709	21.9%	1,415	18.2%
\$15,000 - \$24,999	1,696	20.8%	1,006	12.9%	1,085	14.0%
\$25,000 - \$34,999	1,247	15.3%	952	12.2%	1,035	13.3%
\$35,000 - \$49,999	1,312	16.1%	1,162	14.9%	1,359	17.5%
\$50,000 - \$74,999	1,092	13.4%	1,350	17.3%	1,248	16.1%
\$75,000 - \$99,999	514	6.3%	523	6.7%	643	8.3%
\$100,000 - \$149,999	310	3.8%	796	10.2%	519	6.7%
\$150,000 & Higher	179	2.2%	304	3.9%	463	6.0%
Total	8,152	100.0%	7,802	100.0%	7,767	100.0%
Median Income	\$29,620		\$37,649		\$37,888	
Per Capita Income	\$20,426		\$31,524		\$29,314	

Sources: American Community Survey, ESRI, 2020 Census and DDA

Note: The American Community Survey (ACS) incomes are averages over a five-year period including inflation multipliers. The ESRI income estimates account for ACS data as well as many other resources for an annual income distribution. For this reason, DDA deems the ESRI data more accurate and up to date.



Despite the population loss over the past decade, the aggregate income for Wilkinsburg has increased by \$90 million, from \$325 million in 2010 to \$416 million in 2021.

Renter Household Incomes

Approximately two-thirds of the renter households in Wilkinsburg have incomes below 60% of area median household income and are eligible for the Low-Income Housing Tax Credit program. Nearly 1,500 one- and two-person renter households have incomes that would support the cost of constructing new market-rate housing. There is a substantial base of renter household support to redevelop or build new rental housing in and around the CBD. The 2021 estimated income by renter household by household size follows.

Renter Households	2021 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5+Person	
Less Than \$15,000	822	164	68	30	21	1,106
\$15,000 - \$24,999	575	149	56	30	23	834
\$25,000 - \$34,999	564	197	67	37	30	894
\$35,000 - \$49,999	484	216	60	37	29	825
\$50,000 - \$74,999	342	273	81	39	30	765
\$75,000 - \$99,999	82	98	32	29	17	258
\$100,000 - \$149,999	81	79	31	25	10	226
\$150,000 & Higher	77	52	20	17	14	181
Total	3,029	1,228	416	242	174	5,089
Low-Income Renters	2,117	660	255	145	122	3,299
Market-Rate Renters	912	568	161	97	52	1,790

Sources: ESRI; American Community Survey; Custom Census Tabulations; DDA; and HUD income limits

4. Employment Trends

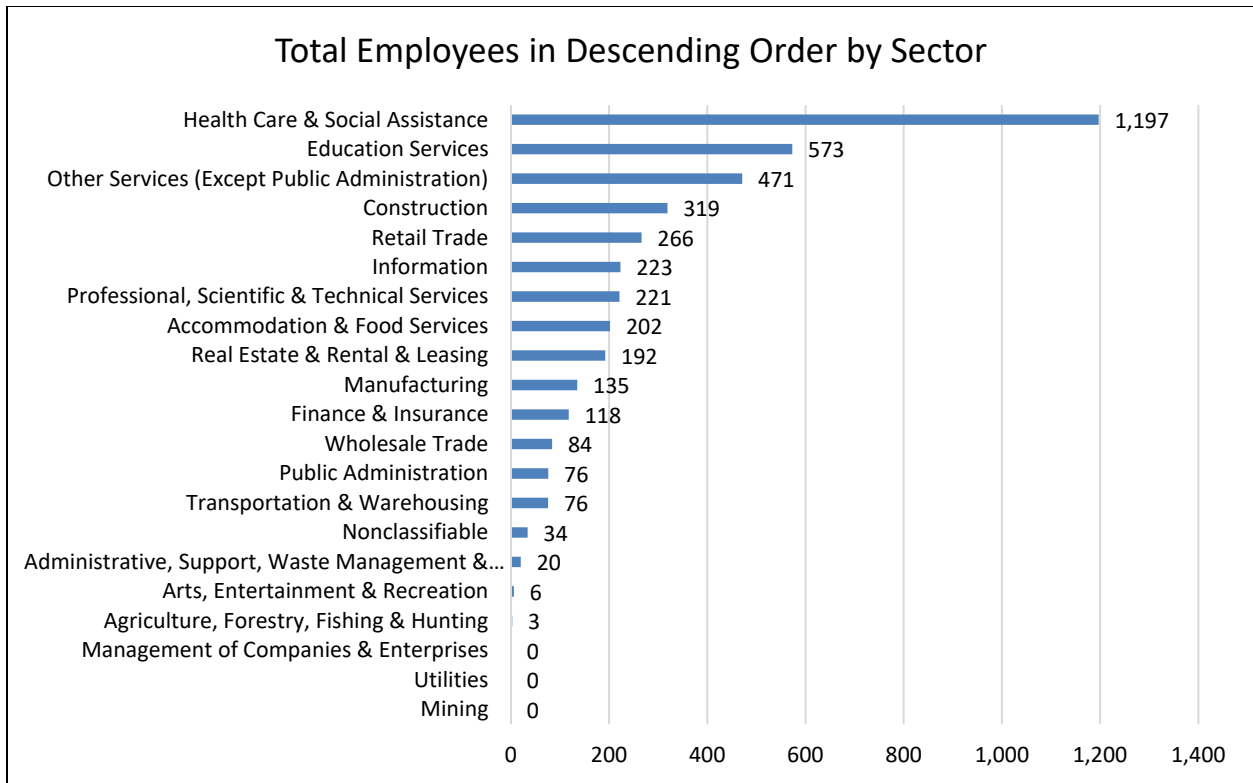
According to the Census' 2019 Longitudinal Employer-Household Dynamics data (LEHD), approximately 3,400 employees live outside the area and commute into Wilkinsburg, 935 less employees commuting into Wilkinsburg than in 2015. Wilkinsburg lost an estimated 445 total jobs from 2015 to 2022.

According to ESRI's labor force provider, Data Axle, the healthcare and social assistance sector leads the labor market with more than one-fourth of Wilkinsburg's workforce. Education and Other Services sectors represent another quarter of the employment in Wilkinsburg.

The Professional, Scientific and Technical Services sector, which are typically in office environments totals only 221 employees.



A bar graph of current employment counts by sector follows.



D. Summary of Key Market Changes

The following key market changes occurred in Wilkinsburg since 2015.

- A decline of 1,581 persons from 2010 to 2020, six times the rate of decline estimated by ESRI in the 2016 report (265). ESRI projected a gain of eight households during this time period, with the actual loss at 350.
- There are fewer employees commuting into Wilkinsburg for work and there has been a loss of 445 employees since 2015.
- Occupancy rates in Wilkinsburg and the surrounding communities have increased three percentage points to 99%.
- There are 849 fewer housing units than in 2010 and total vacancies have subsequently dropped by 499 units.
- Rental rates in conventional rental housing are increasing at rates as much as 1.5 times the countywide average
- The municipal property tax millage rate (14.0) continues to be 1.7 to 2.2 times higher than the surrounding communities. Although reduced, the school district tax (24.5) is more than twice that of Pittsburgh.
- The CBD has two fewer restaurants today than in 2015, with Chase Bank occupying one of the restaurant spaces. The pandemic severely impacted the restaurant industry, and some restaurateurs could not find a way to stay open after closures and layoffs.
- Salvatore's remains the sole restaurant in Wilkinsburg that offers alcohol with a meal. The borough's liquor license ordinance, enacted in 2015, has not produced any other liquor license holders.
- Since 2015, there has been demolition of several buildings along the 800 Block of Penn Avenue, clearing blight from the corridor.