



Wilkinsburg, Pennsylvania

Anti-Displacement Toolkit

Prepared for Wilkinsburg Community Development Corporation

HR&A Advisors, Inc.

Agenda

Intro Presentation + Grounding

Group Discussion

Next Steps

HR&A Advisors (HR&A) was hired to develop a recommended package or “toolkit” of anti-displacement policies and/or programs to prioritize for implementation, and a high-level overview of action steps.

Process Overview



Measure gentrification and displacement trends today in Wilkinsburg, paying particular attention to trends for the local Black population which has seen disproportionately high rates of displacement to date;

Articulate the implications of a merger on displacement pressures for current residents and businesses;

Outline methods to mitigate harmful community impacts either through policies and programs available locally in Pittsburgh through its economic development agency, the Urban Redevelopment Authority (URA), or nationally;

Describe a recommended package or “toolkit” of anti-displacement policies and/or programs to prioritize for implementation, and a high-level overview of action steps.

CONTEXT | Wilkinsburg is considering a merger to reverse economic decline due to population loss and other negative economic trends.



Stephanie Strasburg, Pittsburgh Post Gazette

Left unaddressed, many Wilkinsburg neighborhoods will see

- 1 **Continued population loss** – particularly for low income and Black individuals and families.
- 2 **Continued property and infrastructure decline**
- 3 **Prolonged vacancy in retail and commercial spaces**

CONTEXT | Merging into Pittsburgh will provide access to the City's larger tax base and administrative services.



Visit Pittsburgh

Leveraging resources available within the City of Pittsburgh can help to:

- Improve quality and level of public services such as code enforcement;
- Provide access to the City's available funding and other programs that can support borough property reinvestment;
- Provide access to the skills and expertise built up within the City to support tactical/strategic planning and implementation of strategic initiatives.

CONTEXT | Residents and business owners who call Wilkinsburg home today have an opportunity through the merger to proactively address displacement or gentrification concerns to plan for the future.

Taking advantage of programs and dollars available in Pittsburgh, or replicating programs successful nationwide, we can stem population loss and preserve community heritage.



Building new pathways to affordable business and homeownership can ensure that people across income-levels can buy a home in Wilkinsburg and build new family wealth.



Property rehabilitation and infill construction can preserve community heritage sites, improve quality of life, and affordability in Wilkinsburg's underinvested neighborhoods.



Establishing new partnerships to support equitable investment can unlock cross-sector collaboration between those invested in Wilkinsburg's long-term vitality and economic success, providing the people power required to fundraise and strategically invest in the future of each neighborhood.



Tax delinquent and vacant properties lead to reduced public service levels.

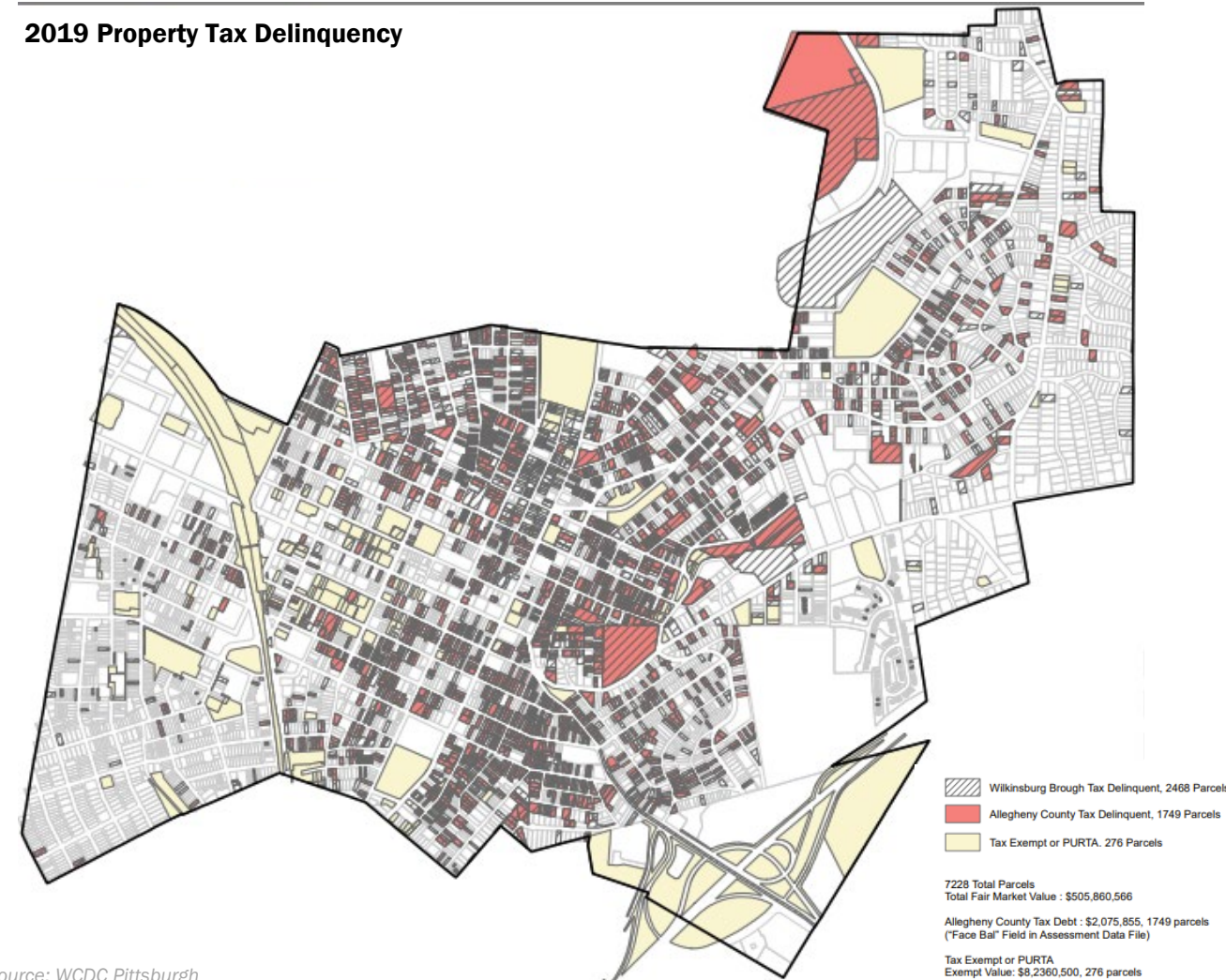
Many local properties today lie vacant or have relinquished control to the borough due to high taxes.

Pre-pandemic, nearly 2,500 parcels were chronically delinquent and could be sold or see price increases to cover back taxes and reinvestment should property taxes drop.

Reduced public funds and a reluctance to invest has lowered quality of life in some areas

These trends may more sharply impact Black residents.

2019 Property Tax Delinquency



Source: WCDC Pittsburgh

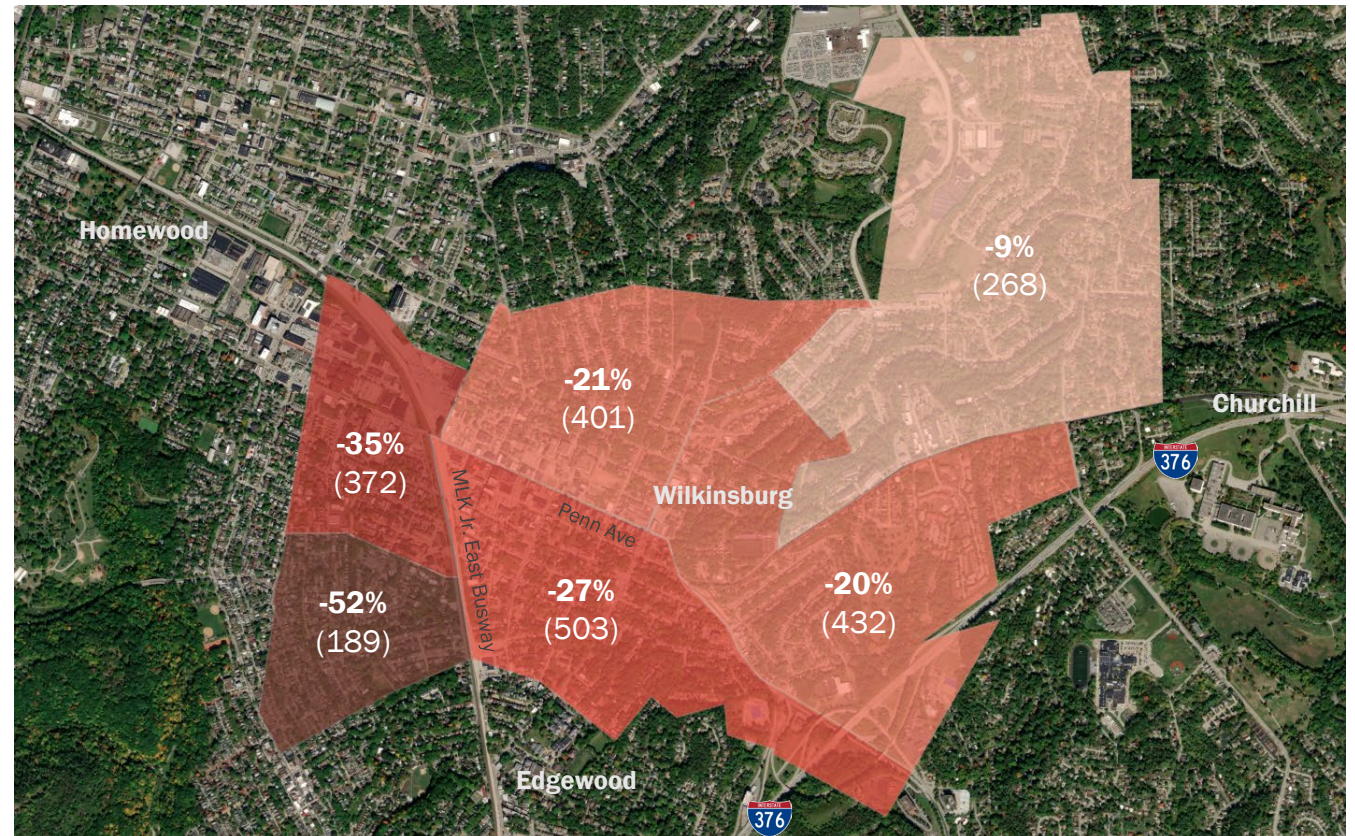
Lower quality of life often leads to relocation of residents to other neighborhoods – as shown with the displacement disproportionately occurring today with Wilkinsburg’s Black residents.

Displacement can occur when residents no longer find their quality of life acceptable or when they can no longer afford to remain in their homes.

Decades of residential and commercial displacement have reduced the numbers of families and commercial institutions in Wilkinsburg.

Currently there is a need to reverse the trend of disinvestment and support the return of vacant, abandoned, tax delinquent homes to productive use. But without outside support, under resourced homeowners will struggle to restore these properties.

**Wilkinsburg Black Population Change by Census Tract
(2010-2020)**



Source: US Census, Census 2020

Today, approximately 3,500 Wilkinsburg households are cost-burdened, putting them at risk of displacement should housing costs rise.

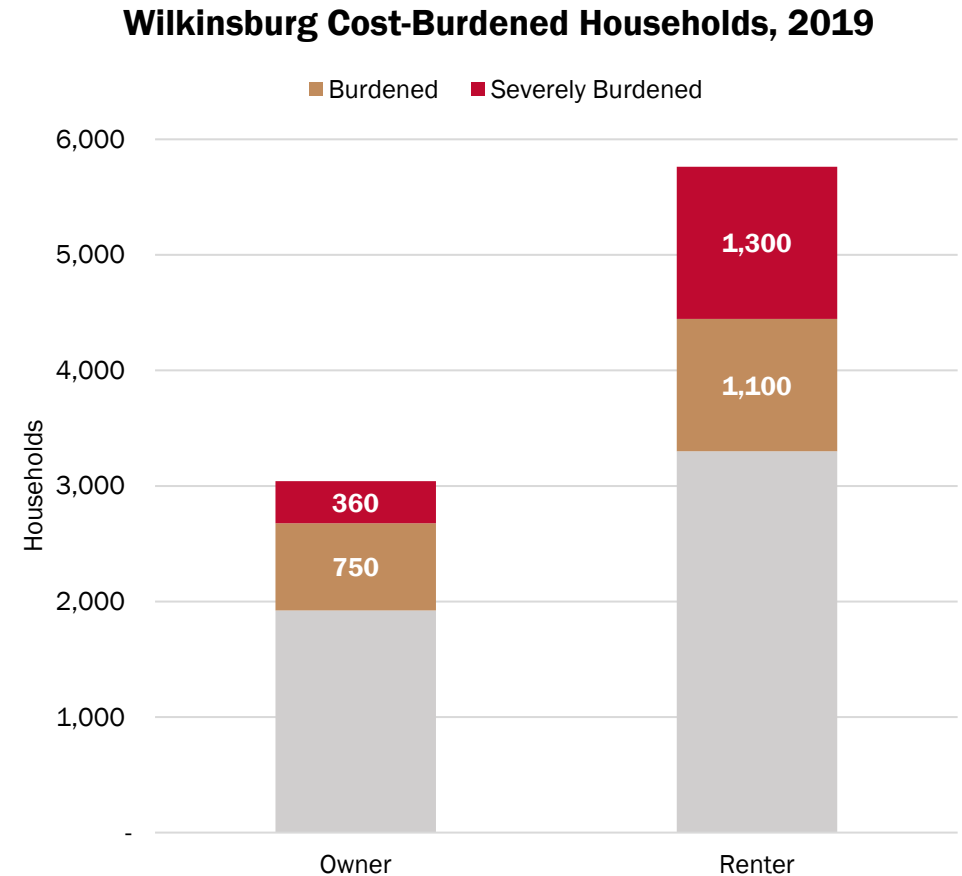
Wilkinsburg households most likely to be affected by increased displacement pressure are **those households spending a disproportionate share of income on housing.**

Cost-burdened renters may see housing costs increase if landlords sell or reinvest properties to appeal to higher-income renters.

Cost-burdened homeowners – more than a third of borough homeowners – will benefit from lower property taxes, but for some this reduction will not alleviate the burden sufficiently.

Cost-burdened Households spend between 30% - 50% of income on housing costs (rent, mortgage, taxes, etc.)

Severely Cost-burdened Households spend 50% or more of income on housing costs (rent, mortgage, taxes, etc.)



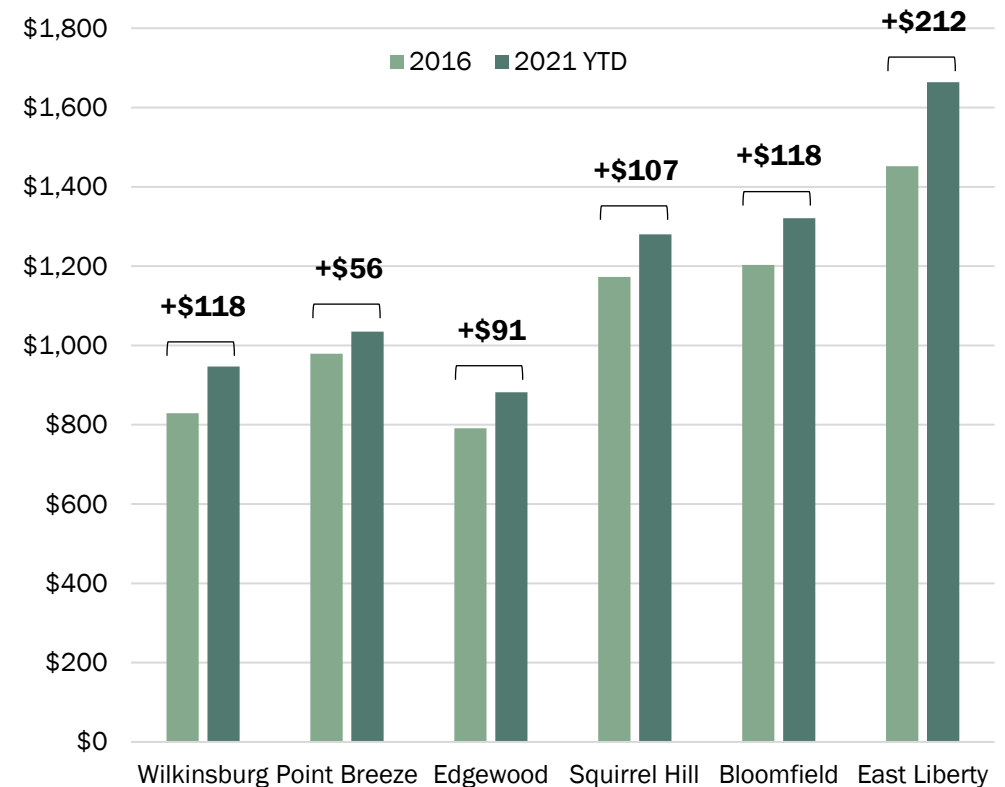
Source: American Community Survey 2019 (5-Year Estimates)

Wilkinsburg multifamily rents remain on par with nearby communities and are substantially more affordable than places like East Liberty, Squirrel Hill, and Bloomfield.

Though rising, **rents have not been the primary cause of displacement in Wilkinsburg**, where many residents motivated by quality-of-life issues are choosing nearby communities with similar or higher average rents.

Higher property taxes and relatively low rents have made attracting new housing development to the borough – market rate and affordable – difficult. **However, a strategy to proactively address future residential displacement is vital** to preparing the borough to accommodate growth as conditions change post-merger.

Market Rate Multifamily Asking Rents per Unit for Selected Submarkets



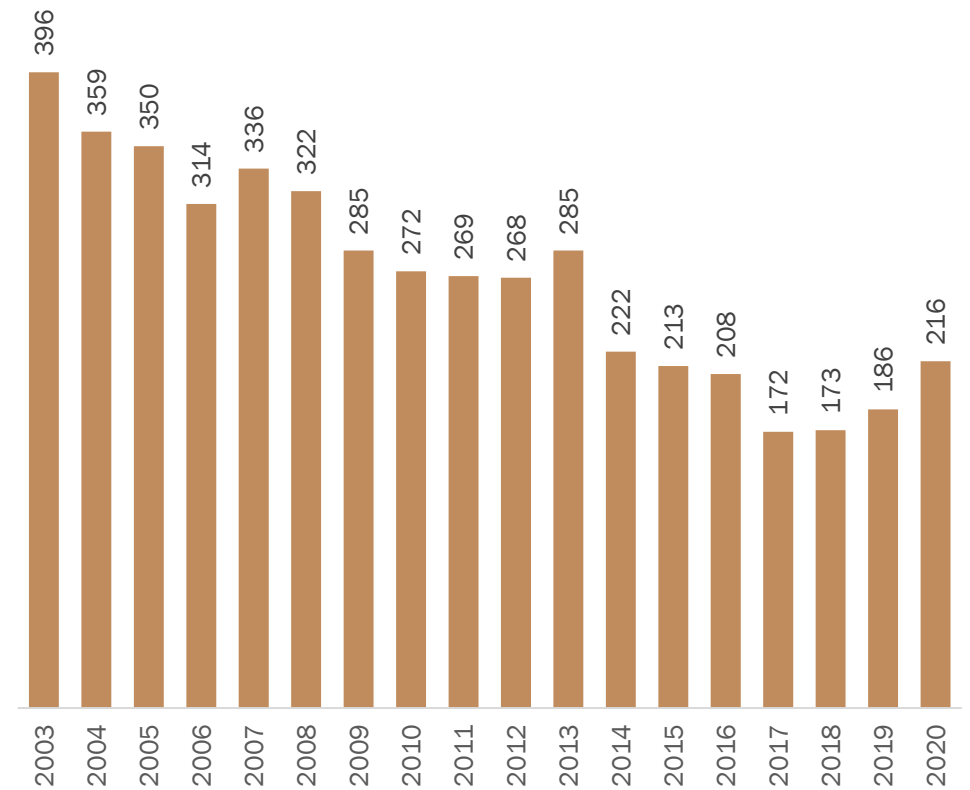
Source: Costar

More businesses have closed or relocated than have formed or moved into Wilkinsburg and despite affordable spaces, commercial businesses face a diminishing local customer base.

The number of Wilkinsburg businesses has declined and may continue to fall if the borough's population continues to decrease and businesses cannot pull from a wider customer base.

Many businesses that have located in Wilkinsburg have benefitted from lower-cost spaces. **But those businesses who do not own their space may be at risk for displacement after a merger** if landlords reinvest and reposition their properties to seek higher rents. This pressure is most acute for small businesses that cannot withstand substantial increases in overhead costs.

Wilkinsburg Businesses, 2003-2020



Source: ReferenceUSA

Solutions are available both locally and nationwide to address the displacement that is occurring in Wilkinsburg.

By putting into place strategies to prevent continued displacement, **we can avoid pressures that may lead to local small business displacement at the expense of larger chains and low-income residents being replaced with newer, higher income (and often white) residents** through gentrification in the future.



Source:PublicSource

Undoing years of disinvestment can turn around displacement in Wilkinsburg.

Turning back the tide of disinvestment through the acquisition and rehabilitation of properties is complex and costly but can be aided through a merger with the City of Pittsburgh.

Costs vary substantially by property and condition, but excluding any cost of acquisition, **stabilizing a home as a “vanilla box” for a new owner to come in and renovate could cost up to \$50k alone.**

The Strong Neighborhoods Initiative currently provides technical assistance, education and networking opportunities, and resources like small grants for acquiring vacant property, exterior repairs and updates, and estate planning. Lessons from this initiative can be leveraged as part of a broader toolkit for Wilkinsburg post-merger.

1500 Center Street

Property identified for acquisition and activation as part of the Strong Neighborhoods Initiative



1500 Center Street is one of five lead sites that community organizers have identified for acquisition and rehabilitation in order to create a healthy walk connector in the Singer Place neighborhood.

Wilkinsburg's commercial rents remain affordable, but additional support is critical to successful business ventures.

While many of Wilkinsburg's small businesses are also at risk for displacement should population numbers continue to fall or if commercial rents rise, **strategic investments by business owners can help secure their position for the long term.**

By investing in property ownership, business owners can avoid rising rents or displacement. Leona's Ice Cream purchased the building in Wilkinsburg where they produce their ice cream, cookie dough, and package their products.

This story demonstrates what is possible with greater business owner access to financial and technical supports. Other initiatives can subsidize the renovation of commercial and retail buildings in exchange for offering affordable space for renting businesses.

However, **Wilkinsburg's access to resources is limited when compared to the City of Pittsburgh.**

Leona's Ice Cream expanded their operations by purchasing the former Smith's Bakery on Penn Avenue in 2014.



Source: Bridgeway Capital

The City of Pittsburgh has many tools available to support Equitable Development.

If merged with Pittsburgh, Wilkinsburg and its residents could be eligible for – and would contribute toward – URA programs that can reduce residential displacement pressure.

By expanding existing tools and using the administration and process established by the City, Wilkinsburg can avoid duplicating administrative costs.

The City of Pittsburgh offers three major types of benefits or resources that can help to preserve community fabric and begin again to grow Wilkinsburg:

Provides access to URA tools like gap financing, first-time homeowner support, and other resources.

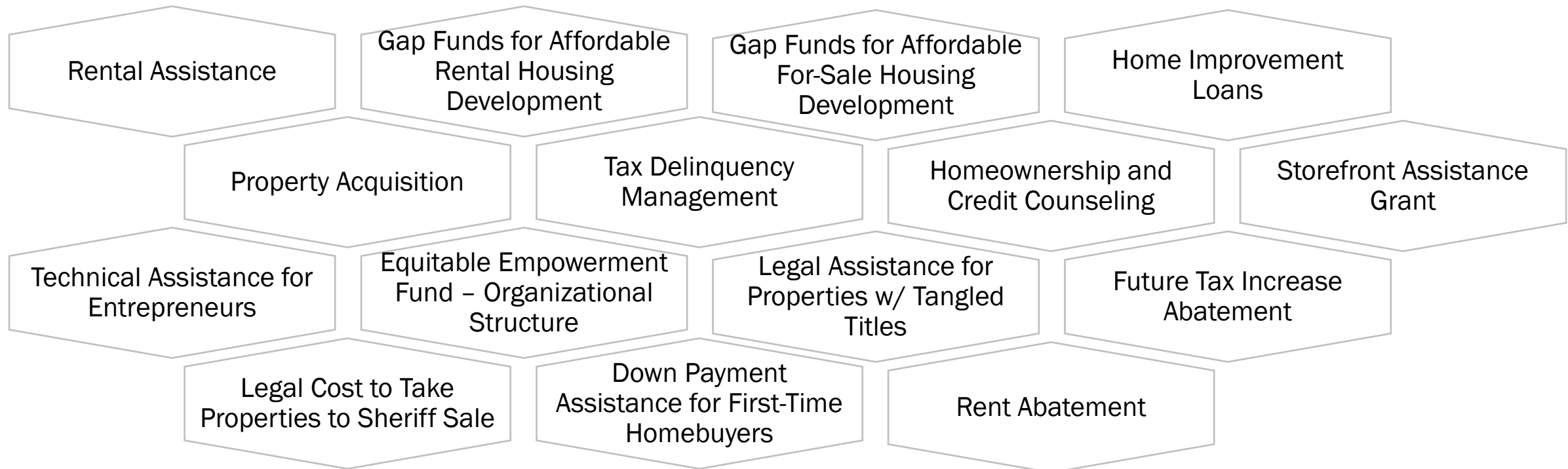
Enhances public services provided by a larger city.

Lowers tax rates, making the costs of home ownership more affordable in the neighborhood.

An “Equitable Empowerment Fund” could help to take advantage of URA programs and ensure merger benefits.

The proposed “Equitable Empowerment Fund” would combine Wilkinsburg’s resources with programs available at the URA, philanthropic dollars, and more to address specific displacement pressures identified by community members.

Community-Identified Policy Priorities

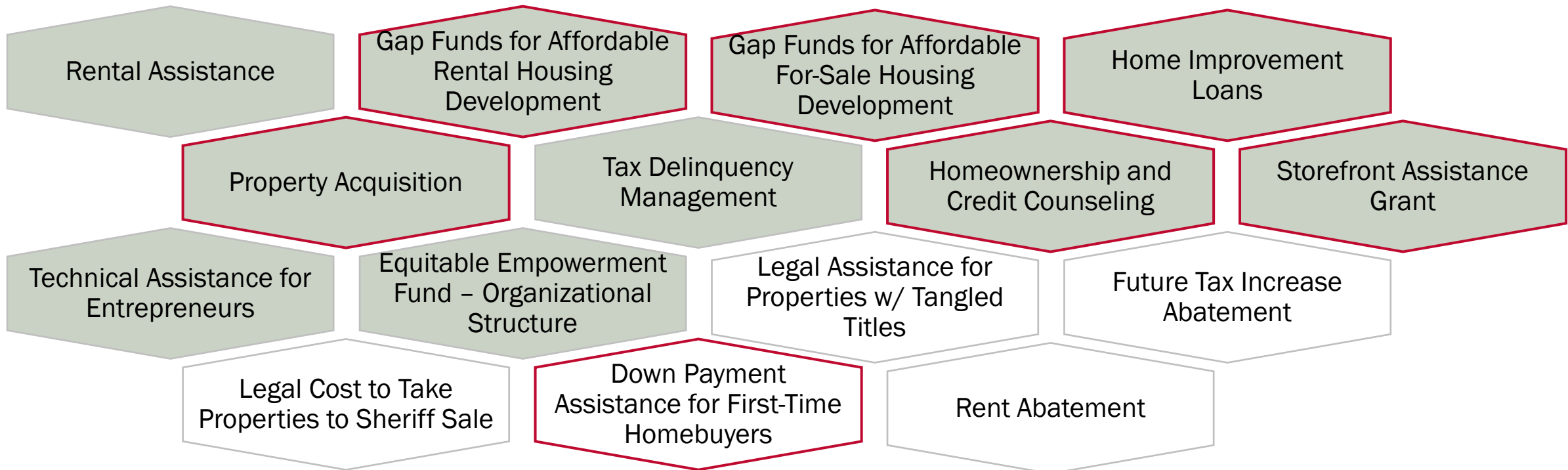


Such a fund can address gaps in existing URA portfolio and supplement existing tools, resources, or expertise to target support for Wilkinsburg.

Existing URA Programs

Toolkit Priorities

Community-Identified Policy Priorities



GROUP DISCUSSION

What questions do you have about displacement in Wilkinsburg?

How well do these strategies address your priorities and/or concerns?

Do you have concerns or advice about taking action in support of the identified community priorities?

What would make these efforts successful?

What next steps can the Merger Committee and community take to educate and elevate issues related to displacement?

