

NEWS > HOUSING

City of Renting: What Reading could learn from other places in drafting a housing strategy, and what Pottstown has already learned





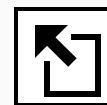
Reading Eagle: Bill Uhrich

Cathy Skitko, left, director of communications for The Hill School, and Twila Fisher, manager of community engagement and economic development for The Hill School, work on the Hobart's Run project in Pottstown.



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Pottstown bears some resemblance to Reading, its much larger cousin to the west.

The Montgomery County borough was once, like Reading, a thriving manufacturing town.

And like Reading, Pottstown has seen its owner-occupied housing stock decline since the 1970s.

The 1970 census showed that 5,235 of the borough's 8,389 occupied homes were owner-occupied, or 62.4%. By 2017 that rate fell to about 50.4%, according to census estimates.

That's not unique to Pottstown, or for that matter to Reading, [where just 40.6% of homes were owner-occupied, according to the Census Bureau's 2017 American Community Survey](#). Many cities in Pennsylvania have seen their owner-occupied rates drop over the last 49 years. Few have experienced as sharp a drop as Reading, where 55.5% of occupied homes were owner-occupied in 1970.

Fast-forward to today, and both Pottstown and Reading are working on improving their respective housing pictures.

One key difference is that while Pottstown has a housing strategy in place, Reading's is still a work in progress.

City of Renting series

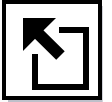
[The challenges of owners and tenants in Reading](#)

[Why Reading's homeownership rate has fallen since 1970](#)

[These 17 property owners have the most rental properties in Reading](#)

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Reading's strategy

David Hunter, Reading's acting director of community development, said on Friday that he expects a draft housing plan to be ready to present to City Council within the next month. While he couldn't provide details, Hunter did say that the city's housing strategy will include so-called "blight remediation" – dealing with dilapidated homes – and revitalizing housing in the city for all

Community Development Manager Tammy Davis-Coleman, said the plan will include affordable housing for the city's low- and moderate-income residents.

"That's important from the mayor's point of view," she said.

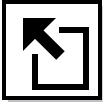
According to the 2017 American Community Survey, nearly half of those households paying rent spend 35% or more of their household income on rent, more than the 30% guideline considered the standard for most renters and landlords.

Davis-Coleman said part of the proposed housing plan involves identifying problem properties, and targeting neighborhoods that need the most help.

That's what Bethlehem did, Hunter said, noting that the city's consultant, Winnie Branton of Philadelphia-based Branton Strategies LLC, looked at several cities around Pennsylvania as she helped Reading officials draft a housing plan.

In Bethlehem, the city identified areas as either stable, marginal or transitional, then focused its efforts on improving the transitional areas, Hunter said. That approach has appeal, he said.

"We are definitely not reinventing the wheel here," Davis-Coleman said.



Pottstown's plan

Pottstown Borough Manager Justin Keller said in a recent interview that the real estate market has been brisk, but it hasn't led to a big increase in homeownership.

"We've seen a lot of flipping going on," he said.

The borough has also seen a concerted effort to increase homeownership in the last few years, driven in part by the efforts of one of its biggest residents: The Hill School.

Twila Fisher is the director of community and economic development at The Hill School and oversees the Hobart's Run neighborhood revitalization effort, a large portion of which involves bringing more home buyers into the

Both the neighborhood and the borough have seen an increase in residential home sales, according to figures that Fisher provided. From May 2015 to May 2016, for instance, there were 345 homes sold in Pottstown, with a median price of \$89,000. In the 12 months that ended in May 2019, there were 431 homes sold with a median sales price of \$120,000.

Hobart's Run, the neighborhood that immediately surrounds The Hill School, saw its median sales price jump from \$45,000 to \$131,000 over the same period.

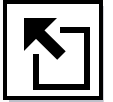
"Cheap real estate brought people in," Fisher said.

A tale of two rental pictures

The maps below show the rental rates by census tract for Pottstown (top map) and Reading.

Help from many sides

The neighborhood organization with the same name started in 2016 and became a 501 (c) (3) the following year. The nonprofit has secured grants to improve streetlights, organized efforts to invest in downtown Pottstown, installed security cameras and done other work aimed at improving the borough, including paying membership fees to the Olivet Boys & Girls Club for at-risk families.



It's far from the only organization that aims to revitalize the borough. A separate initiative by the Pottstown School District gives teachers a \$10,000 incentive to buy homes in the borough. The nonprofit Genesis Housing Corp., based in Norristown, is working to redevelop the Beech Street Factory, a former shirt factory and furniture warehouse, into a mixed-use building with apartments.

Fisher proudly touts the borough's active nightlife, pointing out that High Street – Pottstown's main drag – bustles with people on any given Friday night.

"We have an axe-throwing place, for God's sake," she said.

Reading officials recognize the economic significance of the city's renters and the importance of improving their quality of life. Managing Director Osmer Deming said Mayor Wally Scott, who himself owns multiple residential rentals in the city, does not want rents to become so high as to be unaffordable.

Rentals and recovery

“(The) quality of rental housing in Reading is critical to (the) City as a whole and individual families throughout Reading,” a [report released Thursday about the city's Act 47 exit plan](#) said.

Public Financial Management, the firm coordinating Reading's financial recovery, put together an exit plan, released last week, that would get Reading out of Act 47 in three years. That report examined many of the factors affecting Reading's economy, including the high proportion of rental housing.

Among its recommendations was a regular report to City Council about the state of rental properties, number of illegal rental properties and results of building inspections.

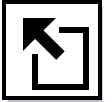
The city also got help from Albright College students to survey the city's housing stock, Davis-Coleman said. That work, while intensive, will give officials a solid, fact-based foundation on which to base their recommendations.

“The focus of this strategy is going to be data-driven,” she said.

Like Phoenixville

Whether the efforts by Pottstown and Hobart's Run have led to an increase in people living in homes they bought in the borough, it's too early to tell. The most recent housing numbers from the census are from 2017, the same year Hobart's Run incorporated as a nonprofit.

Keller said the focus isn't just on homeownership. Pottstown has also seen an increase in apartments, particularly high-end rentals, and he said that the



Pottstown, Keller said, has lots of the urban amenities that people are looking for, but is more affordable than other, more expensive towns in the Philadelphia suburbs.

“Believe it or not, we’re getting people moving here from Phoenixville,” he said, referencing the Chester County borough that has seen a resurgence over the past several years.

Cathy Skitko, director of public relations for both The Hill School and Hobart’s Run, said the elite prep school wanted to find ways to help revitalize Pottstown – in part because the quality of life in the borough affects the school’s ability to attract students and prospective faculty members.

“But really, it’s just the right thing to do,” Skitko said.

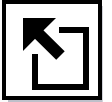
Hopeful for the future

Reading’s housing future is unwritten, but when it emerges, Davis-Coleman and Hunter both said they expect it to look vastly different from the present, and for the city to improve as a result.

Increased homeownership is a goal, but so is a reduction in the number of blighted and abandoned properties: “less obsolescence,” as Hunter put it.

Davis-Coleman said they want to see a city with affordable, quality and safe housing. The effects of that will, they said, lead to a better Reading.

“One of the goals is to improve neighborhoods as well,” Hunter said.



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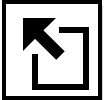


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