

**PRESENTATION TO PENNSYLVANIA SENATE URBAN AFFAIRS AND HOUSING
COMMITTEE
MAY 29, 2013
ALLEGHENY COUNTY COURTHOUSE – GOLD ROOM**

The City of Duquesne is one of three Third Class Cities in Allegheny County. Duquesne partners with the other two Third Class Cities – McKeesport and Clairton and the Redevelopment Authority of the City of Duquesne through an Intergovernmental Cooperation Agreement for the State Enterprise Zone Program.

Through the Enterprise Zone we've leveraged substantial private and other public investment, creating new jobs and increasing the business tax base. With State Enterprise Zone resources we've assisted American Textile Company, Duquesne's largest employer with over 200 employees, Thermal Transfer Corporation and most recently Dura-Bond Industries, Inc. who invested over \$12 million, directly creating 75 new jobs. There remains well over 100 acres for redevelopment at the former United States Steel Duquesne Works now called RIDC Riverplace – The City Center of Duquesne.

A few years ago, a State Land Use Planning and Technical Assistance Program grant assisted us in the Center of the City report. This helped us attract a new developer for the Duquesne Plaza Shopping Center where new stores have come in with millions of dollars of new investment.

Currently we are embarking on the Grant Avenue Project. This main street in Duquesne, in the Center of the City, is adjacent to the Duquesne Plaza Shopping Center and intersects with State Route 837. We have commissioned a real estate consultant to work on behalf of our community to engage building and business owners and assist them if they're looking to sell, lease or expand. A website has been set up to list development opportunities and we're also posting that information on real estate-related websites.

With the Community Infrastructure and Tourism Fund we will be improving our gateways to the City from Route 837. Demolition of some larger buildings on

Grant Avenue has taken place in the last year and our Redevelopment Authority is assembling land for redevelopment.

As you can see we've been pro-active, creative and hands-on to promote development and job creation in Duquesne and our Redevelopment Authority is helping our municipal partners in McKeesport and Clairton. I might mention that our Redevelopment Authority recently provided a \$100,000 Enterprise Zone loan to Keystone Basement Systems in the Christy Park section of McKeesport.

In the neighborhoods, like many older cities, we face many challenges. Our infrastructure is deteriorating and is an on-going concern. The City borrowed \$500,000 from PennVest to replace water lines, but further borrowing would hinder our ability to provide basic services. Grant funding would be of great assistance. Our housing stock is older and we've taken steps to address this matter. For over 25 years we've provided grant funds to help people paint their homes and replace sidewalks. We've rehabilitated and built new homes with funding support from State and Allegheny County programs. ACTION-Housing, Inc. has been part of these efforts and that agency has also taken bankrupt rental properties and rehabilitated them.

Our Redevelopment Authority in 1996 established a vacant property program and using primarily State funding it has acquired and sold hundreds of vacant properties. This relieves the City from the burden of cleaning up vacant lots and places them on active tax rolls. There has been no State funding for the Vacant Property Program and our waiting list has grown to over 40 properties.

The City has been active in clearing vacant, blighted structures. We use primarily federal Community Development Block Grant (CDBG) funds to demolish approximately 20—25 structures per year. Still our waiting list is over 100 structures. With the recent freeze in CDBG funding it appears no demolition activities will take place this year.

To continue our community and economic development activities we need continued assistance of the Commonwealth. Unfortunately in recent years the elimination and consolidation of programs has made it difficult to secure State funding. The Housing and Redevelopment Assistance Program was the primary source of funding for our housing and neighborhood activities.

Thus, we request the following:

- Provide programs and funding specifically for older urban areas that permit activities such as demolition of structures and acquisition of vacant, blighted tax delinquent properties.
- Provide grant funding for infrastructure improvements, i.e. streets, sewer, water lines, etc...for older urban areas as there is a great need and borrowing is not an option due to budget constraints.
- Encourage the Pennsylvania Department of Community and Economic Development and agencies such as the Pennsylvania Housing Finance Agency to provide market rate funding assistance for rehabilitation and new construction in older urban areas.
- Continue funding and support for redevelopment activities at Brownfield sites.
- Increase funding for the Enterprise Zone Program which benefits older urban areas. Please note: Designated Enterprise Zones are being phased-out. The 3 City Enterprise Zone comprised of Duquesne, McKeesport and Clairton is to exit the Enterprise Zone Program June 30, 2014.

As discussed, Duquesne has been creative and pro-active to promote community and economic revitalization with the limited resources available to us. We have secured federal Community Development Block Grant and other funding but there are limitations on the use of such funding. Funding in the past for housing, community and economic development from the Commonwealth has proven to be flexible and useful in meeting the needs of older cities like Duquesne. We urge the legislature to prioritize and increase funding for urban areas.