

THE BOROUGH OF BRENTWOOD



MUNICIPAL BUILDING – 3624 BROWNSVILLE ROAD
PITTSBURGH, PA 15227-3199

Office 412-884-1500 FAX 412-884-1911

**Testimony for the Senate Urban Affairs and Housing Committee
Thursday, September 16, 2010
Penn State Beaver**

Presented by George Zboyovsky, PE
Borough Manager
Brentwood Borough
3624 Brownsville Road
Pittsburgh, PA 15227
gboyovsky@brentwoodboro.com

Good morning. I want to first thank you for providing me the opportunity to present testimony to the Senate Urban Affairs and Housing Committee associated with this important piece of legislation that will have a beneficial affect on local municipalities in Pennsylvania.

My name is George Zboyovsky and I am the Borough Manager for Brentwood Borough. I have served in this capacity since 2008. Prior to entering the public sector, I worked for nearly 15 years as a Civil Engineer where I worked on projects ranging from land development to highway projects. I also serve as a liaison to the Brentwood Business Owner's Association, Economic Development South, and the Rt. 51 Corridor redevelopment Steering Committee.

General Description

Brentwood is a small borough in the South Hills of Pittsburgh. The southern half of the municipality is surrounded by the Borough of Whitehall. The northern half of the community is roughly divided along its north-south axis by the City of Pittsburgh, to the west, and the Borough of Baldwin, to the east. Brownsville Road divides the community roughly in half along its east-west axis. It is a densely-populated community in Allegheny County: its 9,800 people live in houses and apartment buildings within an area that is only 1.5 square miles.

Most of these homes are older than the County average, since Brentwood was one of the first towns incorporated in Allegheny County. Over the decades, Brentwood has maintained its charm as a town with short, walkable blocks through tree-lined streets that lead to a small downtown area and to its parks and pool.

Brentwood is one of those Pittsburgh area communities in which families stay for generations, but it is also a community that attracts and welcomes people who discover it and move here because:

- **The cost of housing is lower.** The price of homes in Brentwood is less than comparable residences in Whitehall and Baldwin Boroughs, the adjacent communities. (This has both positive and negative impacts on the Borough). The median income of Brentwood households is just under \$55,000 so the housing value is an important feature of the community for most individuals and families.

Brentwood is comprised of approximately 5,000 properties, both residential and commercial.

Tax rates for Brentwood Borough break down to

County	=	4.69 mils
Municipality	=	8.50 mils
School Dist.	=	<u>28.27 mils</u>
Total	=	41.46 mils*

*This is the second highest in Allegheny County.

The total assessed property value of Brentwood is approx. \$335 million. This equates to roughly \$335,000 per mil or approximately \$2.8 million of property taxes. The Borough's annual operating budget is roughly \$7,000,000. So as you can see, the Borough has to account for over \$4.0 million elsewhere.

The amount of revenue a municipality receives from Property taxes is affected by two (2) primary components. The first component is population. The more residents residing in a community the more that community receives in property taxes (among other things). The second component is the total assessed value of the properties in the community. The higher the assessed value of the property the more real estate taxes are generated. For instance, a comparison of median property values and the community's tax rate for a few of the communities in the South Hills of Pittsburgh demonstrates that as the median property value increases the tax rate decreases.

Mean Property Values vs. Tax Rate

<u>Community</u>	<u>Median Property Value</u>	<u>Tax Rate (mils)</u>
Brentwood	= \$72,200	8.5
Baldwin Borough	= \$83,600	6.61
Whitehall Borough	= \$101,400	5.50
Bethel Park	= \$115,800	2.18

There is not a lot the Borough of Brentwood can do to substantially increase its population. Being a built out community there is no room for housing development. However, I believe that one of the primary reasons why the property values are so much lower in the Borough of Brentwood as compared to the surrounding communities is due to the number of vacant and abandoned properties that are in a state of disrepair and thus have a direct impact on the surrounding property values.

This is such an important issue to the Borough that during a recent Council Strategic Planning Session, the number one goal identified by the Borough Council was to increase code enforcement and the improvement of the properties in the hopes this will help increase the property values within the Borough. Brentwood Borough's Department of Code Enforcement consists of one certified Code Enforcement Officer who is also the Borough's Building Inspector. This is typical in

a lot of smaller Communities. There is only so much a one or small Code Enforcement Department can do.

Each year, the Borough's Department of Code Enforcement addresses approximately 500 property code violations and complaints. Of these, approx. 25% are related to abandoned properties. The Borough is taking a hard line approach to cleaning up some of these properties. Through violation letters, citations, and aggressive delinquent tax collections efforts the Borough is moving forward with improving the quality of life for those residents who live next to some of these properties. This is a slow and arduous process. With the little means that the Borough does have, the Borough has identified some of the more serious offenders and is trying to take action to have these structures demolished due to their unsafe conditions. This year, the Borough has applied for a Community Development Block Grant for funding to help demolish four (4) residential properties and one (1) vacant apartment building that have been identified as dilapidated. All of these properties have been inspected by a structural engineer and labeled as unsafe. They have all been abandoned for years and it is only through the means of a grant that the Borough is hoping to demolish them.

The costs associated with the demolitions are:

- \$80,000 for demolition of commercial property
- \$79,200 for the demolition of four (4) dilapidated properties.

This equates to \$159,200 total. Being a matching grant program the Borough will still need to fund nearly \$80,000. This is \$80,000 that could go have gone towards renovations to the Park or to pave some streets.

Once these structures are demolished, this will have addressed the public safety issue and nuisance issue but now the Borough will have 5 empty lots. Empty lots that will be need to be maintained. If not by the property owners then by the Borough's Department of Public works. These are also empty lots that will now bring in even less tax revenues to the Borough. These are only a fraction of the nearly hundred or so residential and commercial properties that are either vacant or unoccupied. A majority of these properties line the Rt. 51 Corridor and have been vacant for years and serves as an uncomplimentary "welcome" to the South Hills and Brentwood by the 64,000 commuters that pass them each day.

Ideally it would have been better had these properties been rehabilitated and remain on the Borough taxes. However smaller municipalities have neither the knowledge nor staff to undertake redevelopment projects.

This is where the value of a Land Bank will be realized. Having an organization in a community dedicated to returning vacant, abandoned, and tax-delinquent properties to productive use will serve as a great asset.

In closing, I would like to state that Brentwood applauds the steps the state legislature is taking to give municipalities the resources to address these issues. Senate Bill No. 900 along with House Bill No. 712 are two pieces of legislation that will provide the tools to the communities to help “clean up” their neighborhoods, bring valuable properties back on the tax rolls, and thus increase the property values in those communities who have been plagued by slum landlords, abandoned properties, and tax delinquent property owners. Ultimately increasing the quality of life in the communities we have grown to love.