How much poverty can we handle?

Pottstown is becoming overwhelmed with poor people.

Fifty years ago, the borough was a thriving manufacturing center with a vibrant downtown and healthy residential neighborhoods.

Today, much of Pottstown’s industry and retail trade is gone, and home values have plummeted.

One sector that has grown by leaps and bounds, however, is social services. Low housing prices, public transportation, and an abundance of government and private agencies has turned Pottstown into a magnet for the poor.

Cluster expands

No agency has grown more than the Pottstown Cluster of Religious Communities, a non-profit that moved into the former American Legion building in 2010. As the Cluster’s board president wrote in a recent report, “We’ve grown in three short years from a candy store operation to a major contributor of quality service to the community.”

The Cluster reported it raised and spent the equivalent of $1 million distributing more than 400,000 tons of food and 17,000 items of clothing and house wares.

This is admirable, but one major ramification is attracting more poor families to Pottstown than borough taxpayers can support.

Schools overwhelmed

In 1970, less than 20 percent of Pottstown schoolchildren came from low income families. Today 70 percent of our children are “economically disadvantaged.” School spending, especially on special education, has skyrocketed.

Going back at least 10 years, taxes in the Pottstown School District have been higher than 95 percent of the districts in Pennsylvania.

Business discouraged

Pottstown’s economic development director has said the primary impediment to new and expanding business in Pottstown is high taxes.

Tax base shrinks

The borough’s tax base has been shrinking for years. The total assessed valuation of taxable Pottstown property is lower than it was in 1998, the last time Montgomery County reassessed.

Zoning waiver needed

Now the Cluster plans to expand by purchasing the historic Wainman house next door, despite Pottstown’s zoning ordinance which specifically excludes “client-based social service providers” in the neighborhood. The Cluster will need a waiver from the Zoning Hearing Board.

Tax-exempt real estate

About a fifth of Pottstown real estate is tax exempt, including the $481,000 Cluster building. If the Cluster buys the Wainman property, it, too, will qualify for a tax exemption.

Tipping point?

Pottstown is approaching the point where it is no longer a viable community. This town cannot afford to allow the Cluster to expand.