Promoting homeownership

In Wednesday’s column, we discussed Pottstown’s rental inspection program. For the first time ever, the borough has completed a comprehensive inventory of all housing in Pottstown, including 5,413 rental units and 450 “short-term” rentals. Bi-annual code inspections of all rentals will begin shortly.

Vacant properties

At the same time, a consultant hired by the borough has identified 1,200 foreclosures in Pottstown — an astonishing one in seven borough properties. The consultant will track down the lenders for each of these properties, require them to register with the borough, and help ensure their properties comply with codes.

Newcomers needed

Useful as it is, code enforcement for rentals and vacant properties isn’t going to revitalize Pottstown. We need productive new homeowners and enterprising business people to buy buildings, fix them up, and start contributing to the life of the town.

County initiative

From 2001 to 2009, Montgomery County spent $822,000 to encourage county employees to buy homes in either Pottstown or Norristown. They received up to $15,000 to help with closing costs and property renovations if they agreed to live in the property for at least eight years.

There were 56 total homebuyers, 31 of them in Pottstown.

Pottstown initiative

Inspired by the county program, Pottstown started its own homeownership initiative in 2003 using grant money from Montgomery County. Originally, the program was designed to encourage the conversion of rental properties into owner-occupied homes. A property owner could receive $15,000 for removing one rental unit from a property, $10,000 for removing a second rental unit, and $5,000 for removing a third unit.

The program was later modified to simply offer property owners a $5,000 forgivable loan for basic improvements to an owner-occupied home. The property owner had to stay in the home for at least seven years. If the property was sold or rented within that period, a portion of the loan would have to be repaid.

$1.1 million in grants

The program has been suspended until more funds become available. But during a 10-year period, $1.1 million in grants was dispersed to the owners of 158 properties in Pottstown.

For a list of the properties, obtained from the borough, go to our www.pottstowncitizens.org Web site and click on Pottstown Borough → Issues and scroll down to Homeownership initiative.