

Senate Democratic Policy Committee Hearing on PA's Housing Crisis

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Common barriers to securing housing/staying housed

- Although Chester County is the wealthiest county in Pennsylvania, there is still a poverty rate of 7%. The real need in our community becomes clearer when we consider there is an additional 20% rate of ALICE households (Asset Limited, Income Constrained, Employed). Coupled with those under the poverty line, more than 1 in 4 of Chester County residents are unable to make ends meet. The biggest impact of the COVID-19 pandemic has been on the ALICE population with many losing their employment.
- Over the last few years, Chester County has consistently had the highest median housing price in the region and state, according to U.S. Census data, which uses people's estimates of their home's value. In 2017, Chester County had a median housing value of \$337,000, based on sales.
- Household income has not kept pace with increases in housing costs. After adjusting for inflation, between 1990 and 2010 median household income increased only 6% and median housing cost increased 25%. (Not adjusted for inflation, the increases are 81% and 112% respectively).
- County residents who rent are particularly vulnerable to escalating housing costs. After adjusting for inflation, between 2005 and 2017 median rents increased 4.9%. (Not adjusted for inflation, the increase is 33.5%).
- Many county household budgets are stretched by high housing costs, paying more than 30% of their income towards housing. According to the U.S. Department of Housing and Urban Development, spending up to 30% of total household income on housing is considered to be affordable, with any percentage above viewed as unaffordable. These percentages include both renters and owners. (Housing costs include all costs associated with housing, such as mortgages, rents, taxes, insurance, utilities, maintenance, HOA fees, etc.)
- In 2000, a family with a full-time working middle-school teacher with a part-time accountant spouse could afford 30.5% of the homes in Chester County. By 2017, this family could only afford 12.9% of the homes in Chester County.

Chester County Overview:

- Because of the perception of Chester County as a wealthy county, and due to the size of the County, many think that most housing consists of a single-family home on a half-acre lot with a married couple and two children.
- While Chester County used to be overwhelmingly dominated by single-family detached houses, that is now changing.
- There have always been some multi-family housing units, such as duplexes, garden apartments, and mid-rise apartments. However, in recent years, there has been an increase in multi-family units, particularly mid-rise apartments. Other housing includes mobile homes, trailers, tents, boats, and other unique housing.
- Population forecasts developed by the Delaware Valley Regional Planning Commission for the Philadelphia region in July 2016 project that the county will add over 146,000 people by 2045. Thus, one can conservatively say that over the next ten to 15 years, it is likely that 50,000 new residents will move to, or be born in, Chester County.

- Moreover, population forecasts developed for Landscapes-Chester County's Comprehensive Plan (adopted November 2018), projected that the senior population for Chester County will double in coming decades as the large Baby Boomer population ages.
- To accommodate the population growth, the county will need ~55,000 new homes.
- The percentage of renters in Chester County has been rising and may expand because of the increasing number of single-person and other households that are more likely to rent. From 2000 to 2017, the percent of renter occupied units rose from 23.7% to 24.6%. Assuming that there will be 55,000 more units by 2045, ~25% will be renter occupied.

How many people are experiencing housing insecurity and/or homelessness

- On an annual basis, the Chester County Department of Community Development facilitates the annual Point in Time Count, a national effort sponsored by the U.S. Department of Housing and Urban Development. The purpose of this initiative is to determine the number of people currently experiencing homelessness on a given night, to better understand homelessness in Chester County and across the nation, and to support Decade to Doorways, our community's plan to prevent and end homelessness. Data from the count is included in the Annual Homeless Assessment Report, which is presented to Congress.
- The night of 2020's count there were 499 sheltered and 23 unsheltered individuals for a total of 522 people experiencing homelessness in Chester County (this data pre-dates COVID-19).

Client story

Like any single parent to two school-aged children, Amanda was used to juggling a lot: school schedules and activities, playdates, two part-time jobs – including one in the restaurant industry- the list goes on. Amanda was already struggling to make ends meet when the coronavirus pandemic hit. Like millions of other Americans, Amanda was laid off from both of her positions. She immediately applied for unemployment compensation, but she still hadn't received confirmation of her eligibility, let alone any benefits, by the time her rent was due. There was an eviction moratorium in place, but her landlord was still pressuring her to pay up.

With donated funds, Open Hearth was able to pay Amanda's rent, giving her some breathing room until the backlog of unemployment filings could be processed. This also took away some stress so Amanda could focus on getting internet service for her kids' virtual schooling and support them through these trying times.