



Urban League of  
Philadelphia

*Empowering Communities.  
Changing Lives.*

My name is Andrea Custis, and I am the President & CEO of the Urban League of Philadelphia. We are an affiliate of the National Urban League, one of the oldest and largest community-based movements dedicated to empowering underserved urban communities.

I want to first commend the efforts of the Pennsylvania legislature and Senate Democrats for addressing the housing affordability crisis through legislation this past year. Senate Democrats have introduced legislation, including the Whole-Home Repairs Bill introduced by Senator Saval, aimed at protecting homeowners and renters in Pennsylvania and breaking down barriers to be able to access different types of home repair funding. I am grateful for their leadership on this issue. However, we know that so much needs to be done to overhaul decades of disinvestment in housing opportunities for Black communities. Not just here in the city of Philadelphia, but across Pennsylvania and the United States we have seen historic inequality between Black Americans in the housing sector because of discriminatory housing practices that still linger on into this day. I believe that it is past time that we reinvest in these communities and to begin building generational wealth in Black families.

### **Housing:**

The history of housing in America was significantly impacted by structural racism. For many individuals, owning a home symbolizes the “American dream.” Yet -- no racial group sees a greater disparity in owning versus renting than Black Philadelphians. An October 2021 study from the [Federal Reserve Bank of Philadelphia](#) found that homeownership is more expensive for Black homeowners than for White homeowners due to long standing inequalities in income and unemployment. The annual income of the average White homeowner in Philadelphia was \$30,000 more than the average Black homeowners; even though Black homeowners pay about \$300 less a month in ownership costs, they represent a larger share in household income than for White homeowners. In addition, Black homeowners tend to be more vulnerable to economic downturns and have been disproportionately impacted by the COVID-19 pandemic

Census data shows that there are nearly 34,000 fewer Black homeowners in Philadelphia than white homeowners. These facts mean that Black families hold less wealth overall. A 2020 study from the [Urban Institute](#) found that “if homeownership were racially equalized, the racial wealth gap would diminish.” Not only do we need to reinvest to level the playing field so that Black families can own homes, we need to build and maintain generational wealth for decades to come. That starts with fair



and equitable housing practices. Our government has the number one role to play in ensuring that the wrongs of the past are rectified. Black families must have equal access to affordable, high quality loans and financial coaching. When we allow that to happen, we will see opportunities for Black Americans drastically improve when it comes to education, health factors, and economic advancement.

### **COVID-19 and Housing:**

Over the past two years, COVID-19 has exacerbated the housing crisis. The Federal Reserve Bank study found that between March and May 2020, the delinquency rate among Philadelphia black mortgage holders rose from 12 to 20 percent. By January 2021, 19% of Black mortgage owners in Philadelphia were behind on their payments compared to 6% of White mortgage owners. Data from [Brookings](#) indicates that the “impact of COVID-19 on homeowners not only still exists, but it has significantly worsened, especially among Black and Hispanic households and young adults.” That study concluded that the “eviction/foreclosure rate of Black and Hispanic respondents increased by 7 percent as compared to only 2 percent among white respondents.” COVID-19 has also affected renters, “about a [quarter](#) of Black and Latino renters who responded to the survey did not pay or deferred rent in May, compared with 14 percent of white renters.”

With this in mind, solutions to the housing crisis must be race conscious or else we risk financial turmoil for Black families across the city and commonwealth. While I applauded previous moratoriums on evictions and foreclosures, the commonwealth will need robust assistance programs that protect tenants in the long term to prevent a tidal wave of people losing housing, which leads to negative health outcomes. We must make racial equity an explicit starting goal of PA’s housing policy response. This includes:

- Eviction protection and housing counseling programs
- track and measure outcomes of PA’s rental assistance program to gauge whether it is helping to reduce racial disparities;
- Provide individualized financial counseling similar to the [National Foreclosure Mitigation Counseling Program](#);
- Ensure that any housing recovery programs include the voices of those most impacted by housing policies;
- Focus on stabilizing owners of smaller rental properties by providing them mortgage forbearance and working with lenders on credit;
- Policies aimed to increase the number of affordable Housing units, address the current lack of inventory, and create the conditions that aim to stabilize the housing market;



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- Procure inclusion to foster diversity within the Appraisal Field.

These are just a few of the many policies we need to ensure we have an equitable recovery. I want to thank you all for this important and urgent discussion regarding housing in the Commonwealth. I look forward to robust, equitable legislation being implemented in the future from the Pennsylvania legislature.

Thank you,

Andrea Custis  
President and CEO Urban League of Philadelphia