

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Prepared by: TDA Consultants, Atlanta, GA
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Commonwealth of Pennsylvania

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Department of Community and Economic Development

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I. Executive Summary

The Commonwealth of Pennsylvania is dedicated to ensuring its residents have access to decent, safe and affordable housing of choice free from discrimination. In so doing, the Commonwealth is committed to safeguarding against practices of discrimination in employment, housing and public accommodations. The Pennsylvania Human Relations Act, as amended (PHRA) protects against unlawful discrimination of individuals or groups on the basis of race, color, sex, familial status, religious creed, ancestry, age, national origin, handicap or disability, use of guide support animal because of blindness, deafness or physical handicap of the user or because the user is a handler or trainer of support or guide animals ((43 P. S. § § 951—963).

Additionally, the Commonwealth utilizes and sub-awards federal funding to communities to develop all aspects of housing including but not limited to; new construction, rehabilitation, financing, homeownership counseling for not only owner-occupied units but also for rental units. By utilizing these funding sources, the Commonwealth must certify that they are affirmatively furthering fairness and equal opportunity in housing for individuals and groups protected by the federal Fair Housing Act of 1968 and its amendments, which includes all protected classes of the PHRA excluding ancestry, age, and the use of guide support animals.

Jurisdictions that administer or directly receive federal funds from the U.S. Department of Housing and Urban Development (HUD) must meet their obligation to fair housing by performing an Analysis of Impediments to Fair Housing Choice (AI) as part of their consolidated planning process for housing and community development programs under the Code of Federal Regulations (CFR) 24 Part 91. In Pennsylvania, the Department of Community and Economic Development (DCED) as the recipient of Home Investment Partnership (HOME) and Community Development Block Grant (CDBG), Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) and other special purpose grants program funds, is charged with the completion of the AI.

The AI is used to identify barriers to fair housing and to develop and implement strategies and actions to overcome these impediments. It broadly analyzes actions and conditions that may have the effect of restricting housing choice for people protected under state and federal fair housing laws. The AI shall serve as the basis for fair housing planning, providing essential information to staff, public policy makers, public officials, housing providers, lenders, and fair housing advocates, and garnering community support for fair housing efforts.

The reader of this AI needs to be aware that the document pertains to the state's administration of the programs

listed above and as such only those counties and municipalities that do not receive direct HUD assistance were incorporated into the AI. Those municipalities are known as the Balance of State throughout the document. Though the consultant did review other Pennsylvania direct entitlement communities' Analysis of Impediments, the recommendations are for the sole use of Pennsylvania and its grantees under the listed programs. A listing of the Balance of State counties is listed in Section II – Introduction, Purpose, and Scope on page 8 of this document.

The AI's principal findings by method of gathering information are as follows:

Demographics

Population Trends:

- Pennsylvania experienced only a 3.7% growth in population since 2000. The national growth rate for the same period was 10.7% -- almost three times that of Pennsylvania.
- Whites were the most prominent race across all the counties in Pennsylvania including the 50 counties in the Balance of State areas (82.2%), other racial groups varied in concentration in the state.
- Persons aged 65 and over comprise a higher percentage of Pennsylvania's population than that of United States as a whole. Sixteen percent of the state's population was over the age of 65 (2,004,801 persons) - compared to the nation at 13% (2009-2013 ACS).

Disability Status:

- According to 2013 ACS 5-Year estimates, 1,651,733 Pennsylvania residents had a disability of some sort - 13.2% of the total population. The state's disability rate is slightly higher than the national rate of 12.1%.

The state's veterans experience disabilities at almost double the rate of non-veterans, with the veteran disability rate at approximately 26 % and the non-veteran rate at 15 %.

Income and Housing Costs:

- While the 2013 statewide median household income was \$52,548, there was a significant disparity amongst differing racial and ethnic groups. Whites, the largest racial group in Pennsylvania by far, had a MHI slightly higher than the state median at \$55,538. Asian households earned significantly higher than the state median at \$64,397. All other races and ethnicities earned significantly less than the statewide MHI. Black and African American households earned only \$32,426 - just 62% that of the state median. Hispanics had only a slightly higher MHI at \$33,963.
- Housing costs across the state have experienced significant increases between 2000 and 2013. Median home values, for owner occupied homes, has increased nearly 70% from \$97,000 in 2000 to \$164,700 in 2013 and the median market-rate rent has increased more than 50% across the state from \$531 to \$831.
- In 2000, 20.8% (600,717) of all owners were considered cost burdened including 15.1% (436,159) that were considered extremely cost burdened. As of 2013, just over one-third (31.7%/680,772) of all owners with a mortgage were cost burdened, including 23.5% (505,125) that were considered extremely cost burdened.
- In 2000, 35.5% (479,644) of all renters were considered cost burdened including 28.6% (386,384) that were considered extremely cost burdened. As of the 2013 calculations, just over half (50.1%/687,895) of all renters paying rent were cost burdened, including 41.4% (568,225) that were considered extremely cost burdened.

Fair Housing Focus Group Meetings

DCED held focus groups in four areas of the state to capture the diverse opinions of all the regions covering the Balance of State municipalities – one in western Pennsylvania to cover both the northwestern and southwestern regions, one in northeastern Pennsylvania, and two in central Pennsylvania, which included a stakeholders meeting. DCED also held a community resident meeting in the Central region.

- In regional focus groups, as well as the meeting with statewide interest groups, participants cited difficulties in protecting the rights of individuals with physical and mental disabilities as a rapidly emerging impediment to fair housing.
- All groups also reported that the general public is unaware of fair housing rights, and also unaware that reporting fair housing violations can have positive outcomes.

Fair Housing Surveys

Three written surveys were developed to collect perspectives of residents, jurisdictions, and stakeholder groups, including a survey in Spanish for those with limited English proficiency. The purpose for conducting the survey was to obtain information and insights about fair housing choice in the Commonwealth.

- The barriers to fair housing choice cited most often was the high cost of housing (58% of respondents cited).
- Jurisdictions cited few severe impediments to fair housing. The only exceptions were inadequate access to transportation and inadequate access to employment, where nearly 50% of respondents rated the items as severe.
- A sizeable proportion of jurisdictional respondents (41%) identified “NIMBYism” (Not in My Backyard) as a severe impediment.
- Only 17% of respondents indicated that their jurisdiction had received housing discrimination complaints.
- When compared with jurisdictions, stakeholder groups reported higher severity among various impediments to fair housing. A majority of respondents rated the following impediments as somewhat severe or very severe:
 - Inadequate access to transportation (70%)
 - Lack of employment opportunities (68%)
 - Lack of knowledge about fair housing laws (66%)
 - Inadequate information about housing availability (60%)
 - Discrimination against Section 8/Housing Choice Voucher participation, and discrimination against those with disabilities (50%)
- The highest proportion of stakeholder respondents viewed NIMBYism (65%) as the most severe local impediments to fair housing.
- One-third (33%) of stakeholder organizations have received complaints of housing discrimination.

Registered Fair Housing Complaints

Through the analysis, DCED analyzed the complaints filed through the United States Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity (HUD FHEO) and the Pennsylvania Human Relations Commission (PHRC) in the balance of state communities.

- Between 2013 and 2014, HUD FHEO recorded 79 fair housing complaints throughout the Balance of State areas. Disability discrimination was the most common complaint with 51 reported incidents.
- Between 2013 and 2014, PHRC recorded 77 fair housing complaints throughout the Balance of State areas. Disability discrimination was the most common complaint with 47 reported incidents.

Based on the culmination of research and discoveries, this assessment identifies the following impediments to fair housing choice:

1. Education and public perception – Both a lack of understanding and inadequate information on fair housing issues continues to adversely affect community attitudes toward the planning and siting of facilities for special populations of people.
2. Housing affordability – The high cost of housing and the burden those costs place on residents present a barrier to fair housing choice.
3. Disability and elder care issues – Availability and access to housing for individuals with physical and mental disabilities is a rapidly emerging impediment to fair housing. Further, discrimination against people with disabilities who seek accommodations is a rising area of fair housing complaints.
4. Access to transportation and employment opportunities – Inadequate access to and from employment centers and the availability of job opportunities where people live remains a barrier to fair housing.

To address impediments identified in the AI, the report offers a set of recommendations for consideration.

Recommendation # 1: Increase Public Awareness of Fair Housing Rights

The Commonwealth could strengthen efforts to make the public aware of fair housing rights and further emphasize how reporting fair housing violations can have positive outcomes. This would include providing communities information on fair housing laws and policies, model zoning ordinances, and advice from other communities that have succeeded in overcoming regulatory impediments to fair housing choice. The Commonwealth, in partnership with Pennsylvania Housing Finance Agency and the Pennsylvania Rental Owners Association could identify training resources for landlords and rental property owners on fair housing responsibilities - including written lease provisions and opportunities to provide modifications for renters with accessibility needs. DCED would also produce relevant materials and training for government officials on fair housing rights and offer regular training for Balance of State communities which have designated fair housing officers.

Recommendation # 2: Improve and Better Utilize Financial Assistance for Housing

High housing costs and cost burdens to both buyers and renters can be reduced through financial assistance programs. The variety and volume of programs available to low/moderate-income persons is large. Realtors, lenders and rental property owners often do not know what is available and what the qualifications are for the various programs. All could benefit from more information on the availability of home financing and rental subsidy programs. In addition, federally-supported programs could be better designed and targeted. The Commonwealth could provide more information and realign its housing finance policies to more directly confront housing affordability issues. DCED could also include targeted financial education and housing counseling requirements for HUD assisted properties and units. DCED could also work with partner organization to identify financial counseling opportunities for homeowners participating in existing owner occupied housing rehabilitation or receiving direct financial assistance from a DCED-sponsored program.

Recommendation # 3: Increase Access to Special Needs Housing

The Commonwealth should gather more information of this emerging impediment and determine to the extent to which the available supply of supportive housing is limited. Further investigation may also be necessary of potential discriminatory practices reported in recent complaints. Promoting best practices for alternative types of special needs/elderly housing and considering policy changes may be in order. Shaping community attitudes as described in the first recommendation may also be necessary to confront this barrier. Additionally, the DCED could identify through its analysis whether a set-aside or identified priority in funding program and in partnership with the other Commonwealth departments or PHFA for special needs housing.

Recommendation # 4: Strengthen Linkages between Transportation and Jobs

As stated in the findings, inadequate access to and from employment centers and the availability of job opportunities where people live remains a barrier to fair housing. To address this impediment to fair housing choice, the Commonwealth can strengthen linkages between transportation and jobs. This would first entail examining linkages between transportation, jobs and housing. Incentives for transit-oriented housing development in Pennsylvania have resulted in better linkages between transportation and jobs. Various state agencies could examine similar incentives that connect to jobs as well. Efforts could be made to link all three elements using those same incentives, jobs transportation and housing. The State government could also explore and identify regional development opportunities that locate and provide access to jobs near where people live then share success stories with local governments.

Recommendation #5: Strengthen Local Zoning Ordinances

The Commonwealth could provide assistance to local governments to strengthen zoning ordinances to further fair housing. This could include help to identify and remove regulatory impediments, to promote fair share principles articulated in the Municipalities Planning Code and in case law, and to enact regulatory best practices that further fair housing such as inclusionary zoning provisions. Also, the Commonwealth could consider amendments to the Municipalities Planning Code to provide authority, currently lacking, for enactment of mandatory inclusionary zoning provisions. The Commonwealth could provide resources for local government, zoning and planning board officials, including training and technical assistance, to address regulatory requirements and best practices.

II. Introduction, Purpose, and Scope

The Department of Housing and Urban Development (HUD) requires “actions to affirmatively further fair housing” of all jurisdictions that receive funds through the Consolidation Submission.

HUD requires each jurisdiction to certify that it “will engage in fair housing planning by:

- (1) Conducting an analysis of impediments to fair housing choice at the beginning of each five-year cycle;
- (2) Carrying out actions to overcome the effects of identified impediments;
- (3) Maintaining records and making available information and reports, including the analysis of impediments, and to document actions undertaken to eliminate identified impediments.”

As a result, each jurisdiction is required to develop an Analysis of Impediments to Fair Housing Choice. Thus, the Pennsylvania Department of Community and Economic Development is required, pursuant to 34 CFR 570.904 (c), to conduct “. . . [an] analysis to determine the impediments to fair housing choice for its housing and community development programs and activities.”

HUD defines “impediments” as: “any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin that restricts housing choices or the availability of housing choices of these protected classes.”

The term “fair housing choice” is defined as: “the ability of persons of similar income levels in the same housing market area to have a like range of choice available to them regardless of race, marital status, color, religion, ancestry, sex, sexual orientation, disability, national origin or arbitrary characteristics such as age or sources of income.”

The information in this report is organized to provide context at the state level as well as regional analyses of key factors throughout the report. The regional analyses include 50 counties referred to throughout this report as “Balance of State” areas or regions. These counties do not receive direct HUD funding as entitlements and are listed below.

The Balance of State counties are grouped into four regions for the purposes of this analysis: Central, Northwest, Northeast, and Southwest. The regions are based on the five regions covered under the organizational structure of the Pennsylvania Department of Community and Economic Development’s

Regional Housing Advisory Councils at the commencement of this report. Prior to finalization of the report, a Lehigh Valley region was added but due to timing considerations this report focuses on the original five regions. Note that the Southeast region of Pennsylvania is not included in the regional analysis because all counties and Philadelphia in the Southeast receive their own direct entitlement from HUD and as such, conduct their own individual AI.



Central Region

The Central Region consists of the following 20 counties:

Adams County, Bedford County, Blair County, Cambria County, Centre County, Clinton County, Columbia County, Franklin County, Fulton County, Huntingdon County, Juniata County, Lebanon County, Lycoming County, Mifflin County, Montour County, Northumberland County, Perry County, Snyder County, Somerset County, Union County

Northeast Region

The Northeast Region consists of the following 11 counties:

Bradford County, Carbon County, Lackawanna County, Monroe County, Pike County, Schuylkill County, Sullivan County, Susquehanna County, Tioga County, Wayne County, Wyoming County

Northwest Region

The Northwest Region consists of the following 14 counties:

Cameron County, Clarion County, Clearfield County, Crawford County, Elk County, Erie County, Forest County, Jefferson County, Lawrence County, McKean County, Mercer County, Potter County, Venango County, Warren County

Southwest Region

The Southwest Region consists of the following 5 counties:

Armstrong County, Butler County, Fayette County, Green County, Indiana County

III. Update On Previous Impediments

In 1995, the Department of Community Affairs required all CDBG entitlement communities to update their 1991 analyses. All updates submitted were to incorporate 1990 census data. As indicated in the table below, the three prevalent housing problems encountered by communities in the Commonwealth at that time included: Rehabilitation of Aging Housing Stock, Affordable Housing, and Housing for Persons with Physical Disabilities. From the information analyzed from the 1995 updates, it appeared the three most prevalent actions taken in the Commonwealth's entitlement communities to address fair housing impediments included: promote awareness (which includes activities such as passing fair housing resolutions, waging ad campaigns in newspapers, and passing statements of support from the community that they encourage and promote fair housing choice), planning and zoning improvements, and housing rehabilitation loans and grants.

1995 Local Fair Housing Analyses:
Statewide Totals

Categories	Number of CDBG Entitlement Communities	Population	Percent of CDBG Entitlement Population
Problems			
1. Rehab of Aging Housing Stock	101	1,706,824	50%
2. Affordable Housing	100	2,173,301	64%
3. Housing for Persons with Disabilities	76	1,382,562	41%
Actions			
1. Promote Awareness	55	971,209	29%
2. Planning / Zoning Improvements	53	858,277	25%
3. Housing Rehab Loans / Grants	52	1,035,305	30%

In conjunction with this review, the Commonwealth completed an Analysis of Impediments in 1995. The recommendations from that study are summarized below:

1. Technical Assistance and Training - Given the lack of training available to zoning officers on fair housing requirements the Commonwealth through the combined forces of the Pennsylvania Department of Community Affairs and the Pennsylvania Human Relations Commission should encourage communities to do a systematic review of their current zoning ordinances by offering them technical assistance and training.
2. Enact Penalties on those Communities who Enforce Regulatory Barriers - To truly achieve and maintain compliance to fair housing requirements, it may be necessary for the Commonwealth to enact penalties on those municipalities who consistently enforce zoning ordinances that limit fair housing choice. For example, withholding allocations of the liquid fuels tax could be utilized as a penalty.
3. Amendments to the Municipalities Planning Code - The Municipalities Planning Code provides the procedural guidelines and requirements for municipalities in exercising land use controls. The Commonwealth could seek to amend the Code in three ways: require provisions for fair housing in zoning ordinances, authorize the use of a certification process to site housing facilities, and provide a provision for determining a communities' fair share of different housing types.
4. Offer Incentives to Encourage Municipalities to Address and Overcome Regulatory Barriers to Fair Housing - For example, the Commonwealth could offer priority points in state-allotted funding if communities can demonstrate that they have effectively addressed and overcome regulatory barriers to fair housing choice.
5. Expansion of FAIR Plan Coverage - The costs and benefits of expanding the scope of coverage to include higher limits of coverage and/or additional liability coverage should be explored.
6. Analysis of Real Estate Practices - In order to determine the extent of the problem both within the licensed real estate industry and among the unlicensed real estate lessors, a detailed study should be conducted.
7. Support and Encourage Voluntary Affirmative Marketing Agreements - The Commonwealth through the Department of Community Affairs should encourage communities to pursue the enactment of VAMA's in their jurisdictions. The agreement is between the local Board of Realtors and the Department of Housing and Development.
8. Make Fair Housing Education a part of the Bank Licensing Process - The Commonwealth through the Department of Banking should require education and training on fair housing both during the initial licensing process as well as during the renewal.
9. Advocate Lender Self Examination - The Commonwealth through the Department of Banking should encourage self-examination by lenders, to include using outside testers.
10. Consider Structural Changes to Accompany Marketing Changes - The Commonwealth through the Department of Banking should assist banks with technical support on low-moderate income lending programs and structuring.
11. Expand Education of Financing Programs - Due to the large variety and volume of programs available to low-moderate income persons, there is the need to expand the efforts to educate both lenders and citizens on the availability of home financing programs.

IV. Methodology – (2017 AI)

In order to gain pertinent information on fair housing needs and activities in the Commonwealth of Pennsylvania for the 2017 AI, DCED conducted and analyzed Fair Housing Surveys completed by community residents, jurisdictions, and stakeholder organizations across the state; conducted state-side focus groups; interviewed key stakeholders including advocacy organizations and government officials; analyzed federal and state Analysis of Impediments reports from federal and state entitlement communities; collected and analyzed demographic and housing data; and conducted a literature review.

- **Fair Housing Surveys** - Three written surveys were developed to collect perspectives of residents, jurisdictions, and stakeholder groups. The resident survey was also made available in Spanish. The purpose for conducting the survey was to obtain information and insights about fair housing choice in the Commonwealth.

The Fair Housing Survey was conducted in two phases. First, a preliminary or screening survey was developed and distributed to a small test group in order to identify collect feedback on content and approach. Recipients of the screening survey were key stakeholders in the fields of fair housing, affordable housing, and economic development.

The second phase of the survey process entailed posting the Fair Housing Survey to DCED's website and promoting the survey through DCED's list serv. Advocacy groups and community-based organizations were asked to share the survey links as well. A total of 1,727 residents, 434 jurisdictions, and 458 stakeholder organizations completed the surveys.

- **State-wide Focus Groups** – DCED held four state-wide focus groups – one in western Pennsylvania to cover both the northwestern and southwestern regions, one in northeastern Pennsylvania, and two in central Pennsylvania. The western, northeastern, and one of the central meetings were attended by interested members of the Regional Housing Advisory Councils. The second meeting in the Central region was attended by state-focused advocacy organizations. DCED also held a community resident meeting in the Central region.

- **Housing Data-** This report uses American Community Survey data, Census data, and the Home Mortgage Disclosure Act Reporting (HMDA) data to review and analyze state demographics, housing needs, and housing/lending activity.
- **Literature Review** - In order to gain pertinent information on fair housing and related issues, the team conducted a thorough literature review of relevant publications and periodicals. Information gained from the literature review was incorporated in the findings section and was used to support recommendations offered by the team in this report.

V. Demographic and Economic Overview

A. Statewide Overview – Pennsylvania Community Profile

The goal of the community profile is to paint a picture of the current demographic, economic, and housing framework of the Commonwealth of Pennsylvania in order to aid decision makers in affirmatively furthering fair housing. The community profile is broken into two key sections: The Demographic and Economic Profile, and the Housing Profile. The Demographic and Economic profile looks at the Commonwealth from the perspective of its people – exploring variables such as race and ethnicity, age, disability status, income, employment, and poverty. The Housing Profile looks at the Commonwealth’s housing stock from various angles such as home values, rents, housing cost burden, vacancy, and substandard housing to provide a snapshot of the physical environment in which Pennsylvania’s people live. Together these pieces provide a data-driven snapshot of the Commonwealth that will empirically ground fair housing planning efforts.

The primary geographic focus for the Community Profile is statewide analysis, with highlights of Pennsylvania’s non-entitlement counties peppered throughout for the purpose of comparison. Data highlights for all 50 non-entitlement counties (Balance of State areas) follow in the Regional Overviews section.



Demographic and Economic Profile

Population

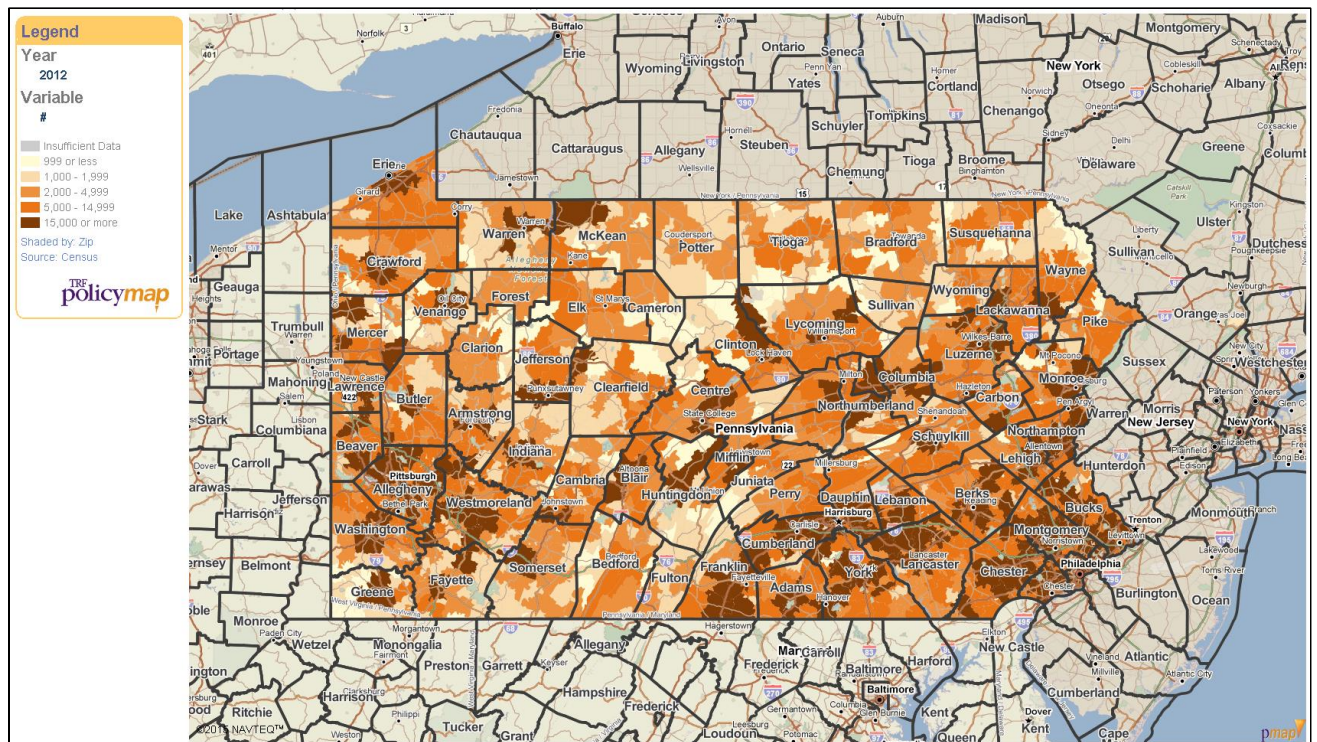
The current population of the Commonwealth of Pennsylvania is 12,731,381, according to 2009-2013 American Community Survey 5-Year Estimates. This represents a 3.7% growth since 2000. The national growth rate for the same period of 10.7% was almost three times that of Pennsylvania. The data table below details population change in Pennsylvania and the United States between 2000 and 2013.

TABLE: Population - 2000 to 2013			
	2000	2013	Percent of Change 2000-2013
Pennsylvania	12,281,054	12,731,381	3.7%
United States	281,421,906	311,536,594	10.7%
Source: 1990 Census, 2000 Census, 2009-2013 ACS			

While the cumulative growth rate for Pennsylvania from 2000 to 2013 was 3.7%, there was a wide range of population shifts throughout the state. Some counties saw very high growth rates in the double-digits while others saw their populations significantly shrink. Amongst the 50 counties in the Balance of State areas, Cameron County experienced a 16.3% population decline on end of the spectrum, and at the same time Forrest County grew by 55.6%. The 50 counties in the Balance of State areas also varied widely on total population. Amongst those counties in 2013, Erie County was the largest county with a population of 280,518 followed by Lackawanna County with 214,275 persons, while at the same time Sullivan County had a population of 6,419 and Cameron County had the lowest with a population of 5,000 persons.

The following map geographically displays the distribution of the population throughout the state. Lighter colored shades represent areas with lower populations and darker shades represent areas with higher populations.

MAP: Population



The lightest orange shaded areas represent where the concentration of population is 999 or less, and light orange shaded areas represent where the concentration is between 1,000 and 1,999 persons. The medium orange shaded areas represent where the concentration of population is between 2,000 and 4,999 persons.

The darker orange shaded areas represent where the concentration of population is between 5,000 and 14,999 persons and the darkest orange shaded areas represent where the concentration of population is highest in the state at over 15,000 or more persons.

Age

Pennsylvania is experiencing a similar demographic shift towards an older population as the rest of the United States, though the state's median age is three years older than the national median. In 2013 the median age in Pennsylvania was 40.3 according to American Community Survey 5-Year Estimates. This represents a 6% increase in the median age since the 2000 Census. Over the same period median age in the United States also increased 6% from 35.3 to 37.3. The table below breaks down population data by age cohort for Pennsylvania.

TABLE: Pennsylvania Age Distribution		
Age Cohort	Number of People in Age Group	Percent of People in Age Group
Under 5 years	722,978	5.7%
5 to 9 years	755,977	5.9%
10 to 14 years	778,727	6.1%
15 to 19 years	887,355	7.0%
20 to 24 years	873,582	6.9%
25 to 34 years	1,550,943	12.2%
35 to 44 years	1,583,055	12.4%
45 to 54 years	1,902,598	14.9%
55 to 59 years	901,191	7.1%
60 to 64 years	770,174	6.0%
65 to 74 years	1,025,070	8.1%
75 to 84 years	667,560	5.2%

85 years and over	312,171	2.5%
Source: 2009-2013 ACS		

There were 722,978 persons under the age of 5 in Pennsylvania according to 2009-2013 ACS estimates – 5.7% of the population. The largest age cohort in the state was 45 to 54 years with 14.9% of the total population (1,902,598 persons).

Elderly

Persons aged 65 and over comprise a higher percentage of Pennsylvania’s population than that of United States as a whole. Sixteen percent of the state’s population was over the age of 65 (2,004,801 persons) - compared to the nation at 13% (2009-2013 ACS). Furthermore, 2.5% of the state’s population was aged 85 years and over (312,171 persons) – compared to just 1.8% the country as a whole.

As people age they evolve a unique set of needs in terms of social services, healthcare, and housing – and as communities across the nation grow proportionately older, the needs of the elderly become an increasingly important aspect of both public and private decision making. Integral amongst these evolving needs is that of housing – housing that is decent, safe, and affordable, as well as housing that is accessible and located in proximity to services and transportation. Housing serves as a linchpin amongst the needs of the elderly because the affordability, location, and accessibility of where ones lives directly impacts the ability to access health and social services – both in terms of financial cost and physical practicality. As a 2014 study from Harvard’s Joint Center for Housing Studies further explains:

“Accessibility is essential to older adults’ health and safety as physical and cognitive limitations increase. Proximity of housing to stores, services, and transportation enables older adults to remain active and productive members of their communities, meet their own basic needs, and maintain social connections. And for those with chronic conditions and disabilities, the availability of housing with supports and services determines the quality and cost of long-term care—particularly the portion paid with public funds.

But the existing housing stock is unprepared to meet the escalating need for affordability, accessibility, social connectivity, and supportive services.

- **High housing costs force millions of low-income older adults to sacrifice spending on other necessities including food, undermining their health and well-being.**

- **Much of the nation’s housing inventory lacks basic accessibility features, preventing older adults with disabilities from living safely and comfortably in their homes.**
- **The nation’s transportation and pedestrian infrastructure is generally ill-suited to those who cannot or choose not to drive, isolating older adults from friends and family.**
- **Disconnects between housing programs and the health care system put many older adults with disabilities or long-term care needs at risk of premature institutionalization.”¹**

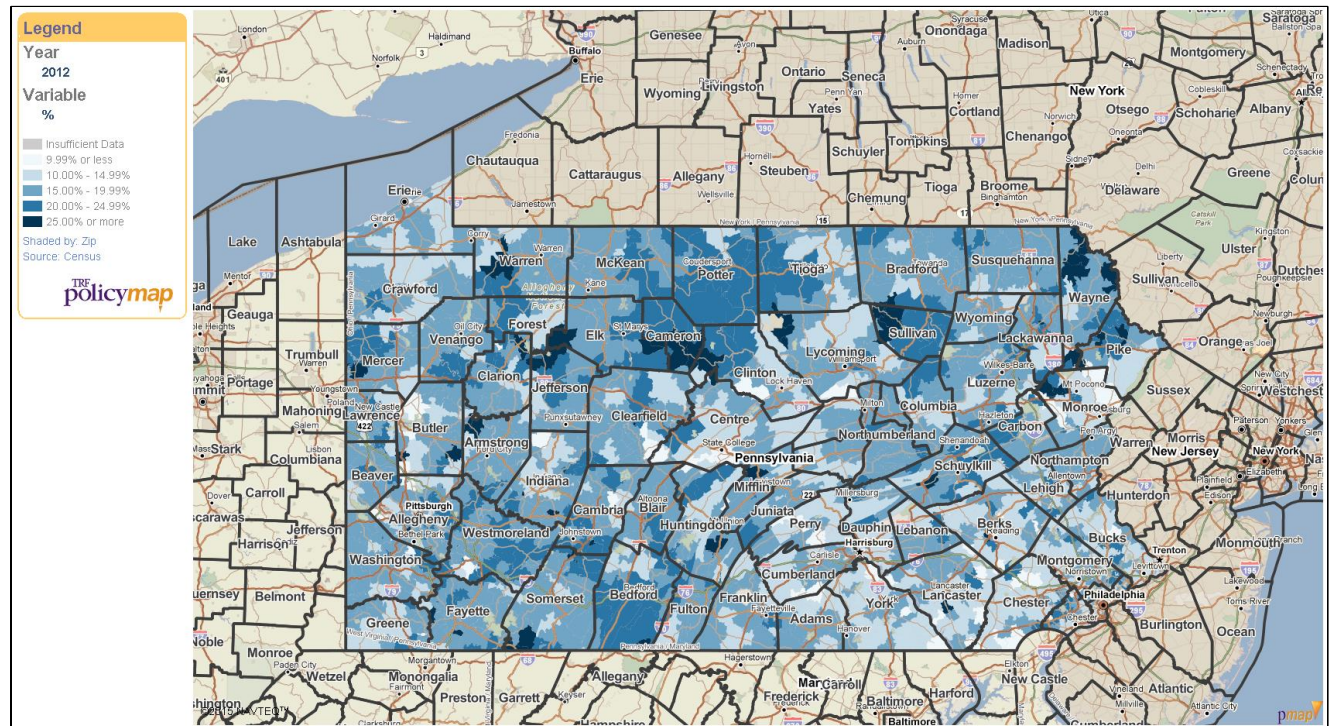
With a population growing older at rates higher than the nation as a whole, housing issues amongst the elderly will become increasingly salient to Pennsylvania policy makers in the years to come.

While the percentage of individuals 65 years and over for Pennsylvania in 2013 was 15.8%, the distribution of elderly varied widely throughout the state. Some counties saw a very high distribution of elderly while others saw their populations with a lower percentage. Amongst the 50 counties in the Balance of State areas, Sullivan County experienced a 25.1% population of elderly, while at the same time Centre County saw 11.6% of their population being elderly.

The following two maps display highlight the geographic distribution of the elderly population throughout the state. The first map details the distribution of those aged 65 and older whereas the second map details the distribution of those aged 85 and older. Lighter colored shades represent areas with lower populations and darker shades represent areas with higher populations.

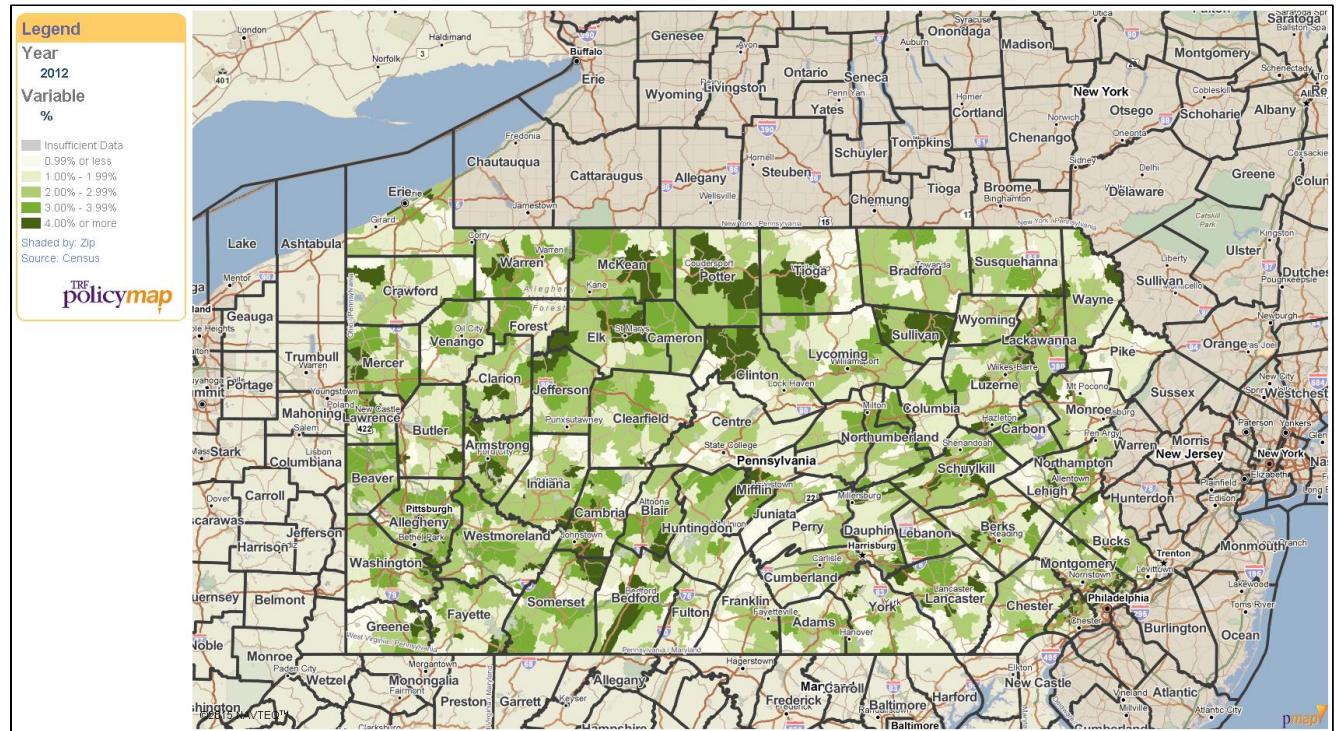
Center for Housing Studies of Harvard University, *Housing America’s Older Adults*
Retrieved from: http://www.jchs.harvard.edu/research/housing_american_older_adults

MAP: Elderly - 65 and Older



The lightest blue shaded areas represent where the concentration of elderly 65 and older is 9.99% or less of the population, and light blue shaded areas represent where the concentration is between 10.00% and 14.99%. The medium blue shaded areas represent where the concentration of elderly 65 and older is between 15.00% and 19.99%. The darker blue shaded areas represent where the concentration of elderly 65 and older is between 20.00% and 24.99% and the darkest blue shaded areas represent where the concentration of elderly 65 and older is over 25.00% or more persons in the state.

MAP: Elderly - 85 and Older



The lightest green shaded areas represent where the concentration of elderly 85 and older is 0.99% or less of the population, and light green shaded areas represent where the concentration is between 1.00% and 1.99%. The medium green shaded areas represent where the concentration of elderly 85 and older is between 2.00% and 2.99%. The darker green shaded areas represent where the concentration of elderly 85 and older is between 3.00% and 3.99% and the darkest green shaded areas represent where the concentration of elderly 85 and older is over 4.00% or more persons in the state.

Age Dependency Ratios

Age dependency ratios relate the number of working aged persons to the number of dependent aged persons (children and the elderly). These indicators provide insight into the social and economic impacts of shifts in the age structure of a population. Higher ratios of children and the elderly require higher levels of services to meet the specific needs of those populations. Furthermore, a higher degree of burden is placed on an economy when those who mainly consume goods and services become disproportionate to those who produce. It is important to note that these measures are not entirely precise – not everyone under the age of 18 and over 65 is economically dependent, and not all working age individuals are economically productive. With these

caveats in mind, dependency ratios are still helpful indicators in gauging the directional impacts of shifting age structures.

An area's dependency ratio is comprised of two smaller ratios – the child dependency ratio and the old-age dependency ratio. In 2013 Pennsylvania's overall dependency ratio was 59.8, slightly higher than the US ratio of 59.1. However, the state's old-age dependency ratio of 25.2 was significantly higher than the national ratio of 21.4. At 18% higher than the nation, Pennsylvania community leaders at all levels should keep this indicator on their radars going forward so they can adequately respond to the challenges of an aging population.

Rising age dependencies can be expected to continue in Pennsylvania as the nation as a whole continues down the same demographic path. A 2010 US Census report on aging trends in the United States provides insight into the extent of the coming shift in the United States: "By 2030, all of the baby boomers will have moved into the ranks of the older population. This will result in a shift in the age structure, from 13% of the population aged 65 and older in 2010 to 19% in 2030." As this shift occurs the working age population will simultaneously be shrinking. Sixty percent of the nation's population was aged 20-64 in 2010. The Census estimates that by "2030, as the baby boomers age, the proportion in these working ages will drop to 55%."²

Paying attention to changes in old-age dependency ratios is especially pertinent for communities with declining populations such as many of Pennsylvania's non-entitlement counties. A shrinking working age population means fewer workers producing goods and services, and consequently generating less tax revenue. All the while the aging population increases demand for social services, healthcare, and housing for the elderly. The intersection of these two trends presents a unique challenge for communities in the coming years.

Race and Ethnicity

At 82.2% of the population Whites were the largest racial group in Pennsylvania, according to 2013 ACS 5-Year Estimates. Comparatively, Whites accounted for 74% of United States as a whole. The second largest racial group in the state was Blacks or African Americans with 10.9% of population. All other races made up the remaining 6.9%. Finally, approximately 6% of the population identify as ethnically Hispanic. [Persons can identify as both ethnically Hispanic and racially as another group.] The table below provides a detailed

² US Census Bureau, *The Next Four Decades: The Older Population in the United States: 2010 to 2050*. Retrieved from: <https://www.census.gov/prod/2010pubs/p25-1138.pdf>

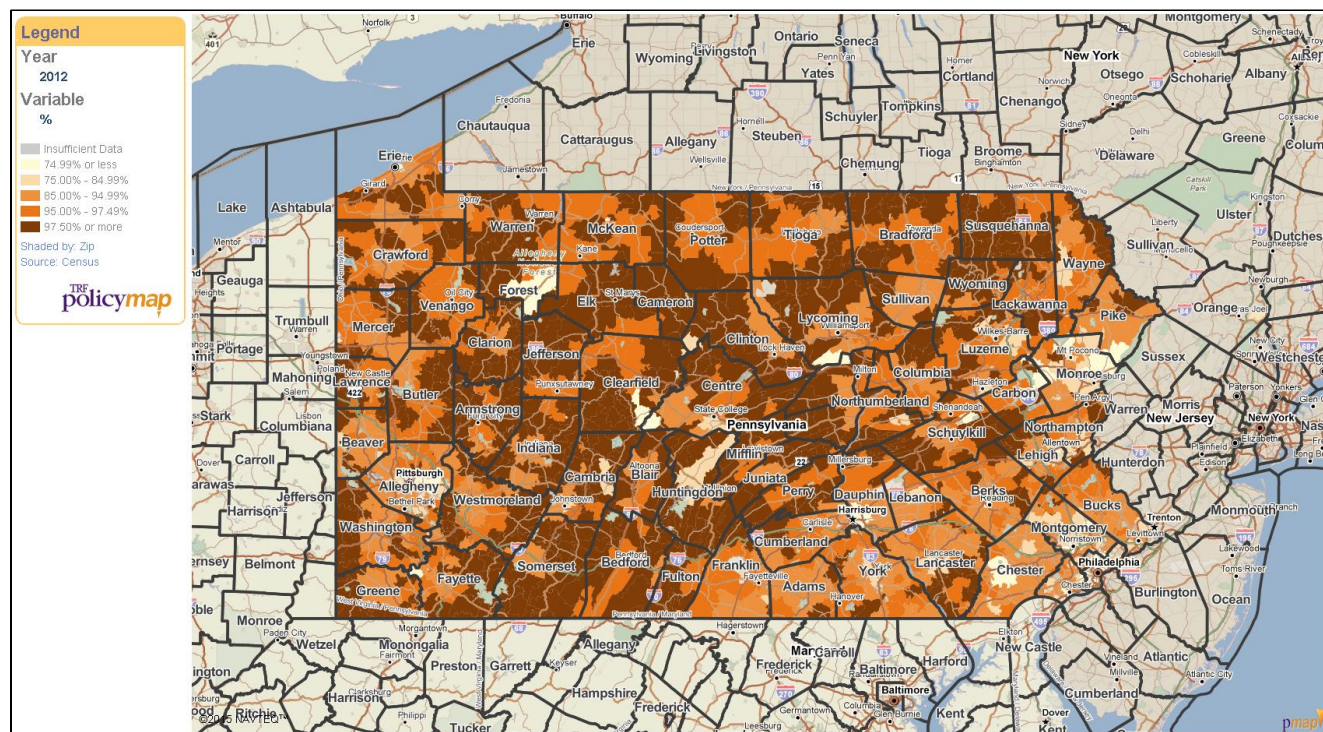
breakdown of the racial and ethnic composition of Pennsylvania compared to that of the United States as a whole.

TABLE: Racial and Ethnic Composition				
Race	United States	Percent	Pennsylvania	Percent
White	230,592,579	74.0%	10,467,433	82.2%
Black or African American	39,167,010	12.6%	1,385,799	10.9%
American Indian and Alaska Native	2,540,309	0.8%	20,258	0.2%
Asian	15,231,962	4.9%	363,967	2.9%
Native Hawaiian and Other Pacific Islander	526,347	0.2%	3,510	0.0%
Some other race	14,746,054	4.7%	246,840	1.9%
Two or more races	8,732,333	2.8%	243,574	1.9%
Hispanic or Latino (of any race)	51,786,591	16.6%	753,701	5.9%
Source: 2009-2013 ACS				

While Whites were the most prominent race across all the counties in Pennsylvania including the 50 counties in the Balance of State areas, other racial groups varied in concentration in the state. Black or African American persons were 10.9% of the state population; however they represent 19% of the population in Forest County. Asians were 2.9% of the state population; however they represent 5.2% of the population in Centre County. Hispanic or Latino persons were 5.9% of the state population; however they represent 13.6% of the population in Monroe County. All other races had low and comparable distribution of population.

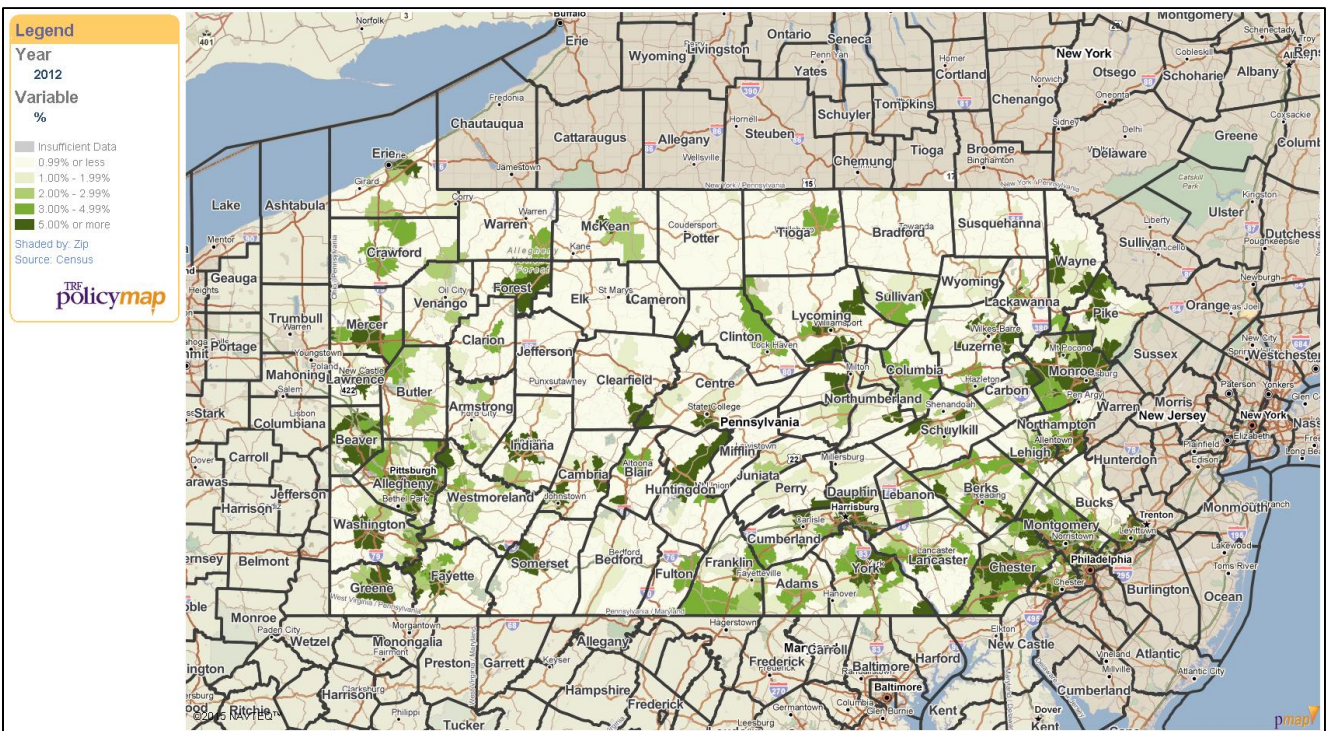
The following series of maps displays the geographic distribution of various racial and ethnic groups throughout Pennsylvania. Lighter colored shades represent areas with lower populations and darker shades represent areas with higher populations.

MAP: White



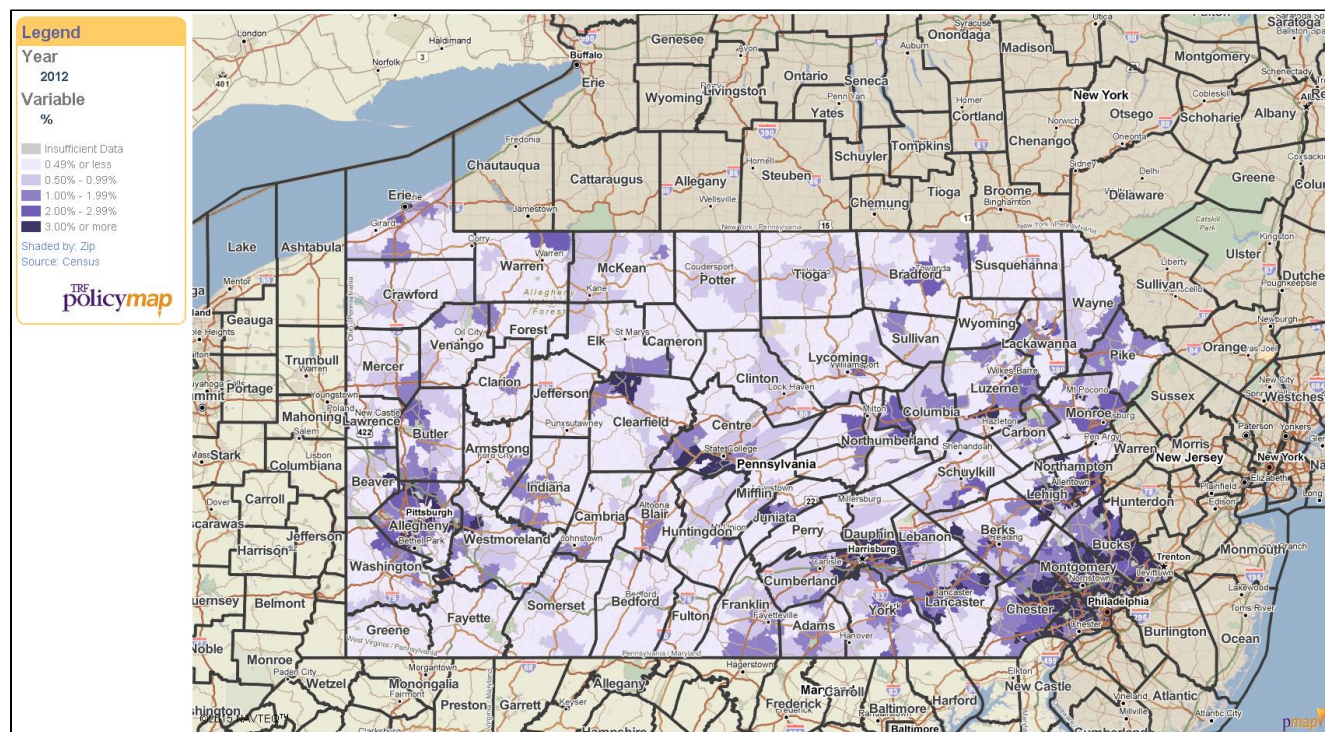
While Whites were the most prominent race in Pennsylvania at 82.2% of the population statewide, White persons varied in concentration throughout the state (2013 ACS). The lightest orange shaded areas represent where the concentration of Whites is 74.99% or less of the population, and light orange shaded areas represent where the concentration is between 75% and 84.99%. The medium orange shaded areas represent where the concentration of Whites is between 85% and 94.99%. The darker orange shaded areas represent where the concentration of Whites is between 95% and 97.49% and the darkest orange shaded areas represent where the concentration Whites is over 97.5% or more of the population in the state.

MAP: Black or African American



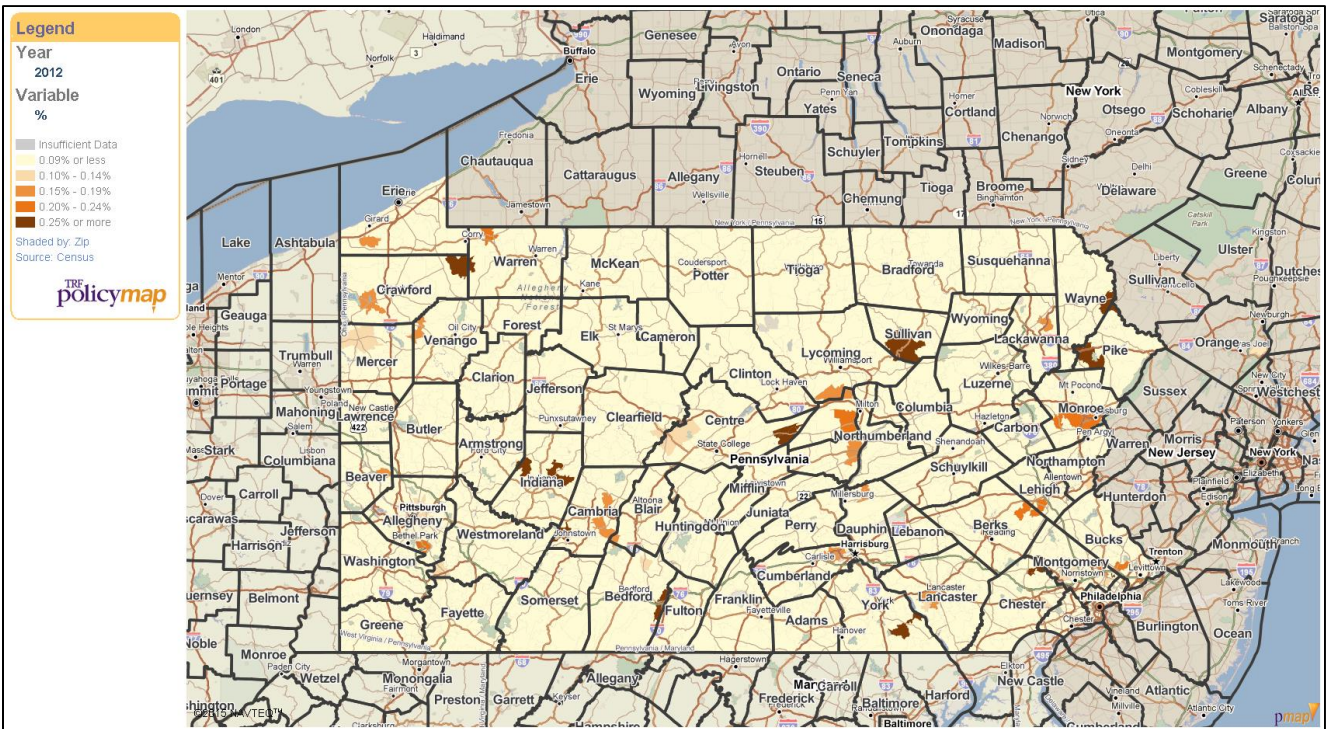
While Blacks or African Americans in Pennsylvania were 10.9% of the population statewide, the racial group varied in concentration throughout the state (2013 ACS). The lightest green shaded areas represent where the concentration of Blacks or African Americans is 0.99% or less of the population, and light green shaded areas represent where the concentration is between 1.00% and 1.99%. The medium green shaded areas represent where the concentration of Blacks or African Americans is between 2.00% and 2.99%. The darker green shaded areas represent where the concentration of Blacks or African Americans is between 3.00% and 3.99% and the darkest green shaded areas represent where the concentration Blacks or African Americans is over 4.00% or more of the population in the state. Of the 50 counties in the Balance of State areas, Monroe County had the largest representation of Blacks or African Americans with 22,583 persons in the racial group, followed by Erie County with 19,674 persons in the racial group.

MAP: Asian



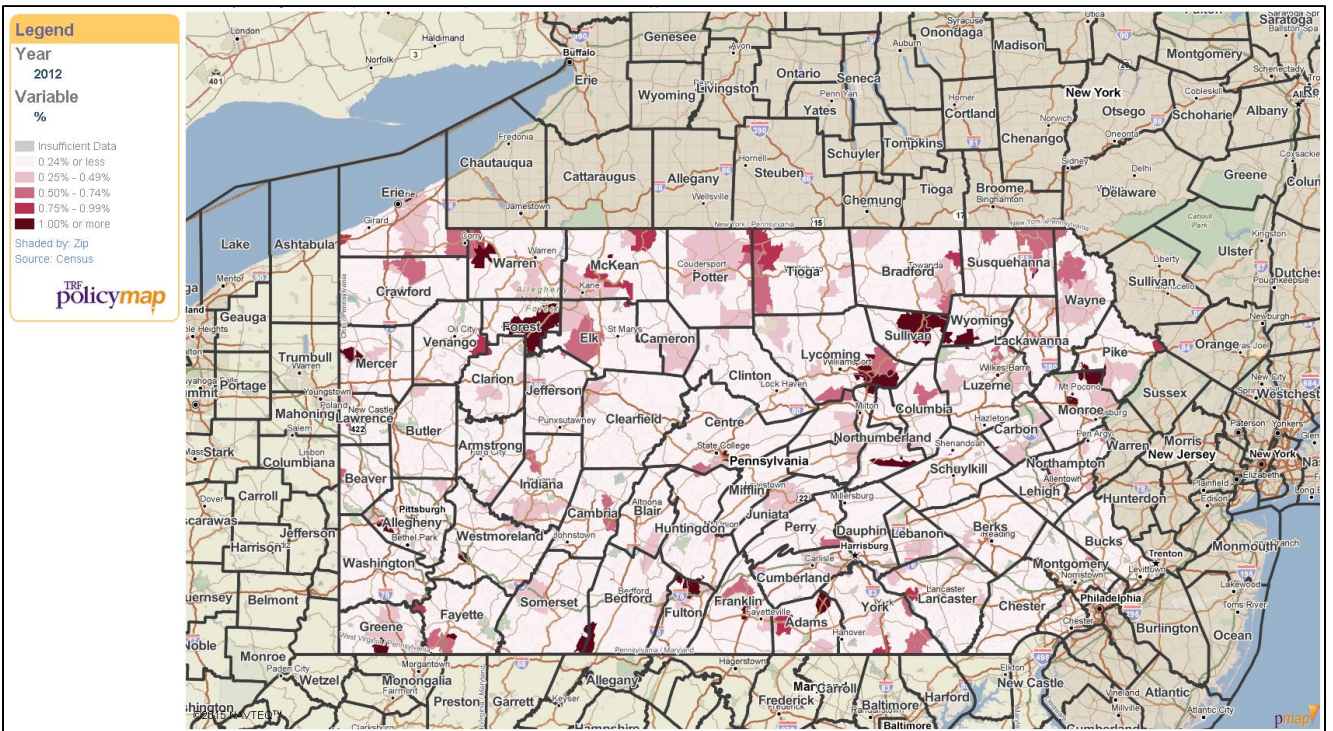
While Asians in Pennsylvania were 2.9% of the population statewide, the racial group varied in concentration throughout the state (2013 ACS). The lightest purple shaded areas represent where the concentration of Asians is 0.49% or less of the population, and light purple shaded areas represent where the concentration is between 0.50% and 0.99%. The medium purple shaded areas represent where the concentration of Asians is between 1.00% and 1.99%. The darker purple shaded areas represent where the concentration of Asians is between 2.00% and 2.99% and the darkest purple shaded areas represent where the concentration of Asians is over 3.00% or more of the population in the state. Of the 50 counties in the Balance of State areas, Centre County had the largest representation of Asians with 8001 persons in the racial group - 5.2% of the population in the county.

MAP: Hawaiian or Pacific Islander



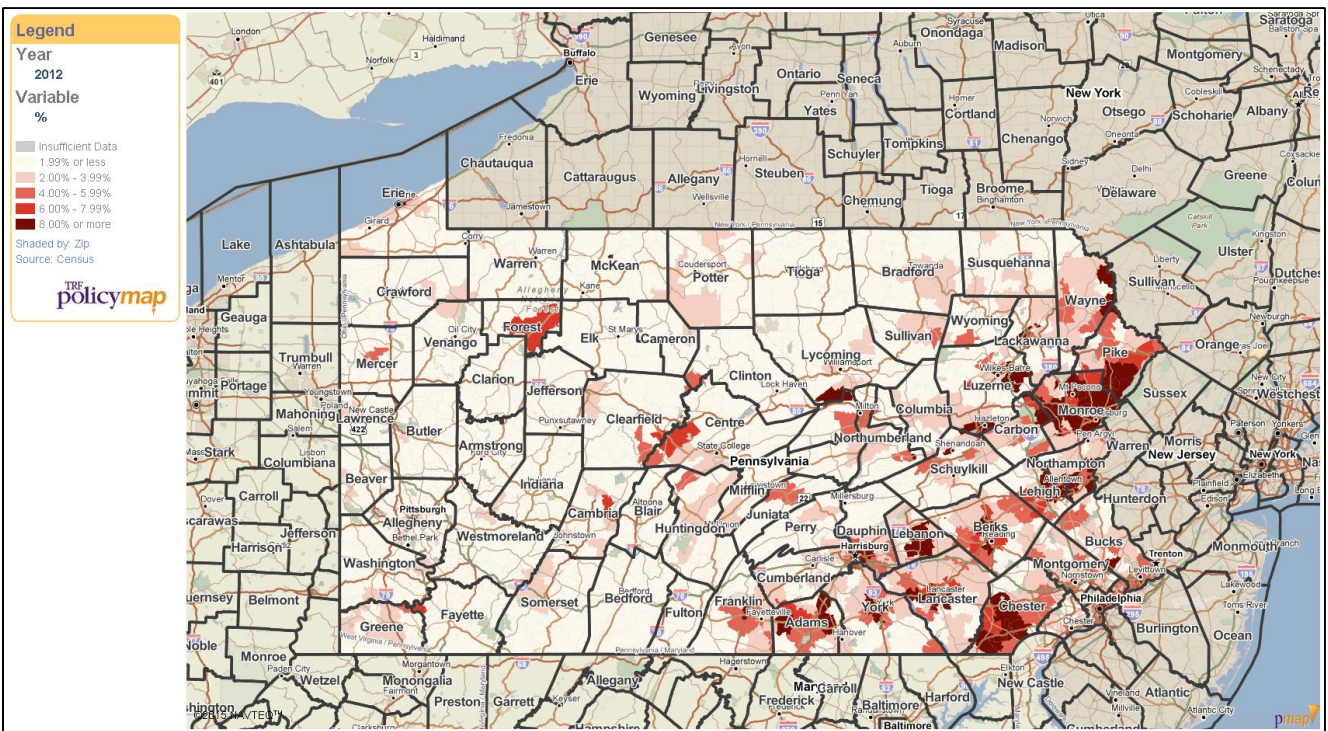
The lightest orange shaded areas represent where the concentration of Hawaiians or Pacific Islanders is 0.09% or less of the population, and light orange shaded areas represent where the concentration is between 0.10% and 0.14%. The medium orange shaded areas represent where the concentration of Hawaiians or Pacific Islanders is between 0.15% and 0.19%. The darker orange shaded areas represent where the concentration of Hawaiians or Pacific Islanders is between 0.20% and 0.24% and the darkest orange shaded areas represent where the concentration of Hawaiians or Pacific Islanders is over 0.25% or more of the population in the state. While there were less Hawaiian or Pacific Islander persons in comparison to other races, the group had pockets of concentration in Union County (67 persons), Centre County (71 persons) and Monroe County (73 persons).

MAP: American Indian or Alaskan Native



The lightest red shaded areas represent where the concentration of Native American Indians or Alaskan Natives is 0.24% or less of the population, and light red shaded areas represent where the concentration is between 0.25% and 0.49%. The medium red shaded areas represent where the concentration of Native American Indians or Alaskan Natives is between 0.50% and 0.74%. The darker red shaded areas represent where the concentration of Native American Indians or Alaskan Natives is between 0.75% and 0.99% and the darkest red shaded areas represent where the concentration of Native American Indians or Alaskan Natives is over 1.00% or more of the population in the state. Of the 50 counties in the Balance of State areas, Erie County had the largest representation of Native American Indians or Alaskan Natives with 688 persons in the racial group.

MAP: Hispanic



While Hispanic or Latino persons in Pennsylvania were 5.9% of the population statewide, the ethnic group varied in concentration throughout the state (2013 ACS). The lightest red shaded areas represent where the concentration of Hispanic or Latino persons is 1.99% or less of the population, and light red shaded areas represent where the concentration is between 2.00% and 3.99%. The medium red shaded areas represent where the concentration of Hispanic or Latino persons is between 4.00% and 5.99%. The darker red shaded areas represent where the concentration of Hispanic or Latino persons is between 6.00% and 7.99% and the darkest red shaded areas represent where the concentration Hispanic or Latino persons is over 8.00% or more of the population in the state. Of the 50 counties in the Balance of State areas, Monroe County had the largest representation of Hispanic or Latino persons by far with 22,919 persons in the ethnic group - 13.6% of the population in the county.

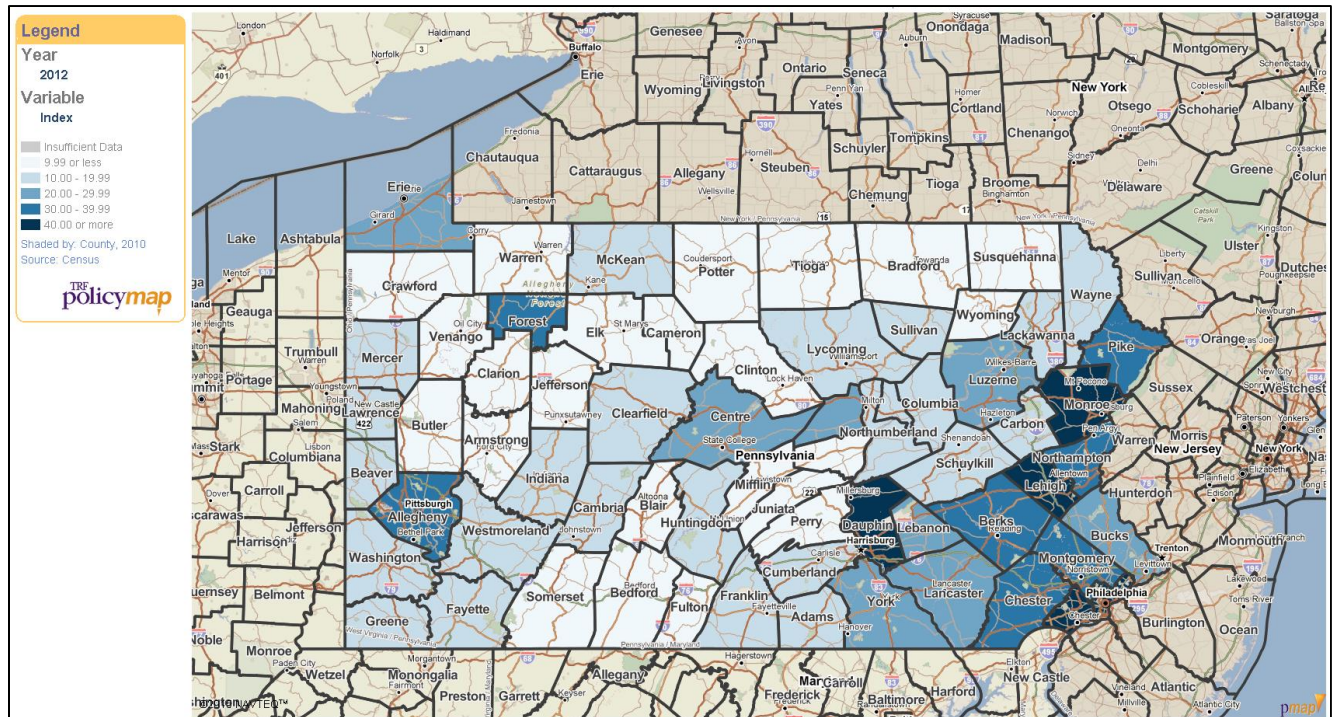
Diversity

The following map displays the Diversity Index ranking for counties throughout Pennsylvania, based on data from Policy Map. As Policy Map explains: “The diversity index is an index ranging from 0 to 87.5 that represents the probability that two individuals, chosen at random in the given geography, would be of different races or ethnicities between 2008-2012. Lower index values between 0 and 20 suggest more homogeneity and higher index values above 50 suggest more heterogeneity. Racial and ethnic diversity can be indicative of economic and behavioral patterns. For example, racially and ethnically homogenous areas are

sometimes representative of concentrated poverty or concentrated wealth. They could also be indicative of discriminatory housing policies or other related barriers.”

Lighter shaded counties carry lower Diversity Index scores (meaning less diverse), and darker shaded counties carry higher scores (meaning more diverse).

MAP: Diversity Index



The lightest blue shaded areas represent where the diversity index is 9.99 or less, and light blue shaded areas represent where the diversity index is 10.00 and 19.99. The medium blue shaded areas represent where the diversity index is between 20.00 and 29.99. The darker blue shaded areas represent where the diversity index is between 30.00 and 39.99 and the darkest blue shaded areas represent where the diversity index is over 40.00 or more in the state. Of the 50 counties in the Balance of State areas, only Monroe County has a diversity index of over forty.

Disability

According to 2013 ACS 5-Year estimates, 1,651,733 Pennsylvania residents had a disability of some sort - 13.2% of the total population. The state’s disability rate is slightly higher than the national rate of 12.1%. In addition to barriers such as housing discrimination and the difficulty of finding accessible units, persons with

disabilities face financial hardships at rates much higher than the average person. In Pennsylvania, on 21.5% of working age individuals with a disability were employed according to 2013 ACS estimates. The statewide employment rate for persons without a disability was three times as high at 65.2%. Furthermore, when disabled persons are employed they earn significantly less than the non-disabled. In 2013 the median earnings for disabled persons in Pennsylvania was \$19,904 – compared to \$31,795 for those with no disability. Unsurprisingly, the 21% poverty rate amongst the state’s disabled was more than double the rate amongst the non-disabled (2009-2013 ACS). In light of these depressed economic conditions, decent and affordable housing remains firmly out of the reach for a large portion of the disabled population.

TABLE: Disability and Age				
	United States	Percent	Pennsylvania	Percent
Persons with a disability	37,168,880	12.1%	1,651,733	13.2%
Population under 5 years	160,221	0.8%	5,587	0.8%
Population 5 to 17 years	2,812,602	5.2%	131,246	6.5%
Population 18 to 64 years	19,403,946	10.1%	839,281	10.7%
Population 65 years and over	14,792,111	36.5%	675,619	35.1%
Source: 2009-2013 ACS				

The table above provides data on the extent of disabilities amongst differing age cohorts for both the United States and Pennsylvania. Just over 35% of elderly persons in the state had a disability – a total of 675,619 elderly with a disability.

While the disability rate for Pennsylvania in 2013 was 13.2%, there was a wide range of disability rates distributed throughout the state. Some counties saw very high disability rates while others saw lower disability rates. Amongst the 50 counties in the Balance of State areas, Sullivan County experienced a disability rate of 19.3%, while on the other end of the spectrum Butler County saw a 5.1% disability rate in its population.

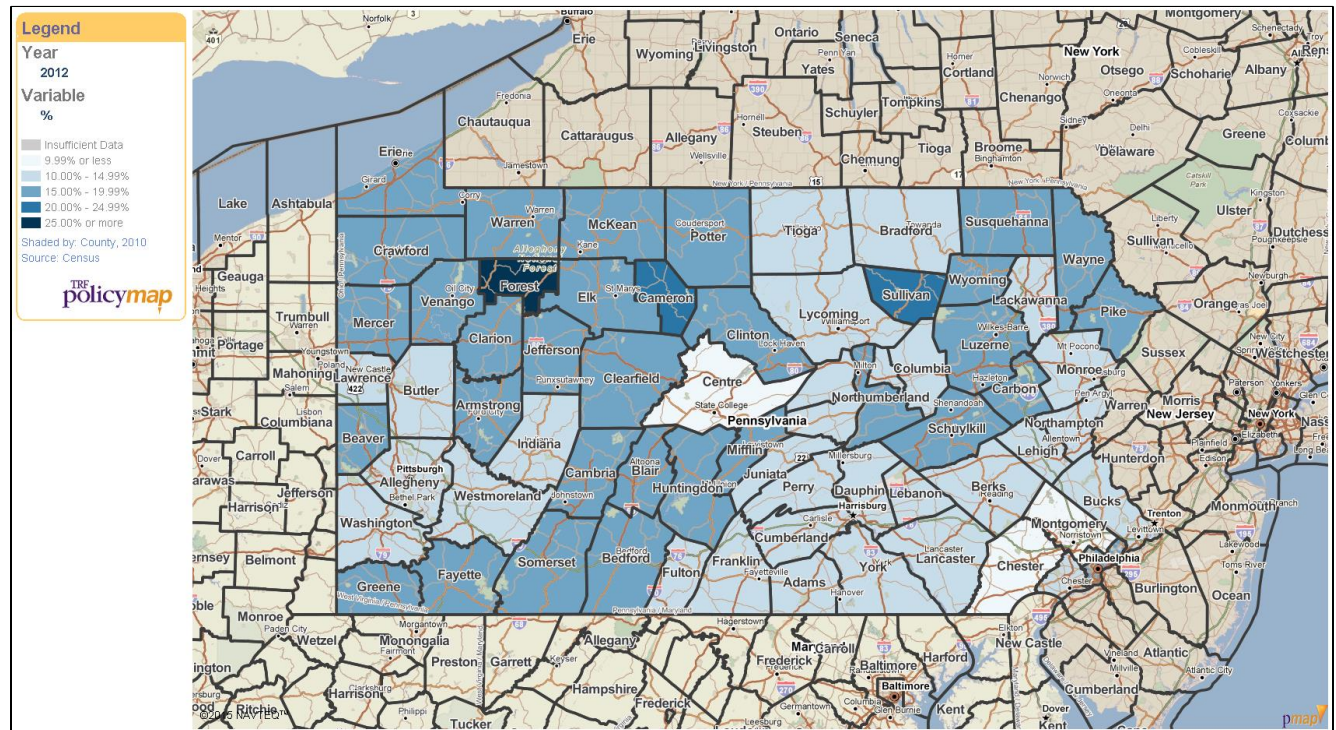
The following table provides data on the extent of disabilities amongst different racial and ethnic groups for both the United States and Pennsylvania. A number of the state's minorities experience disabilities at rates higher than the national rates for their race or ethnicity.

TABLE: Disability and Race				
	United States	Percent	Pennsylvania	Percent
White	28,465,424	12.5%	1,351,124	13.1%
Black or African American	5,216,936	13.8%	208,118	15.7%
American Indian and Alaska Native	400,799	16.2%	4,909	25.4%
Asian	980,900	6.5%	21,420	5.9%
Native Hawaiian and Other Pacific Islander	48,807	9.5%	680	19.8%
Some other race	1,114,143	7.7%	34,947	14.5%
Two or more races	941,871	11.0%	30,535	12.8%
Hispanic or Latino (of any race)	4,293,944	8.4%	97,344	13.2%
Source: 2009-2013 ACS				

Statewide, 15.7% of Blacks and African Americans have a disability – compared to 13.8% nationally. Furthermore, 13.2% of Pennsylvania's Hispanics have a disability compared to just 8.4% nationally – a significant disparity. Native Americans and Pacific Islanders in Pennsylvania experience disabilities at a rate double that of their group across the entire United States – with a 19.8% disability rate statewide and a 9.5% rate nationwide.

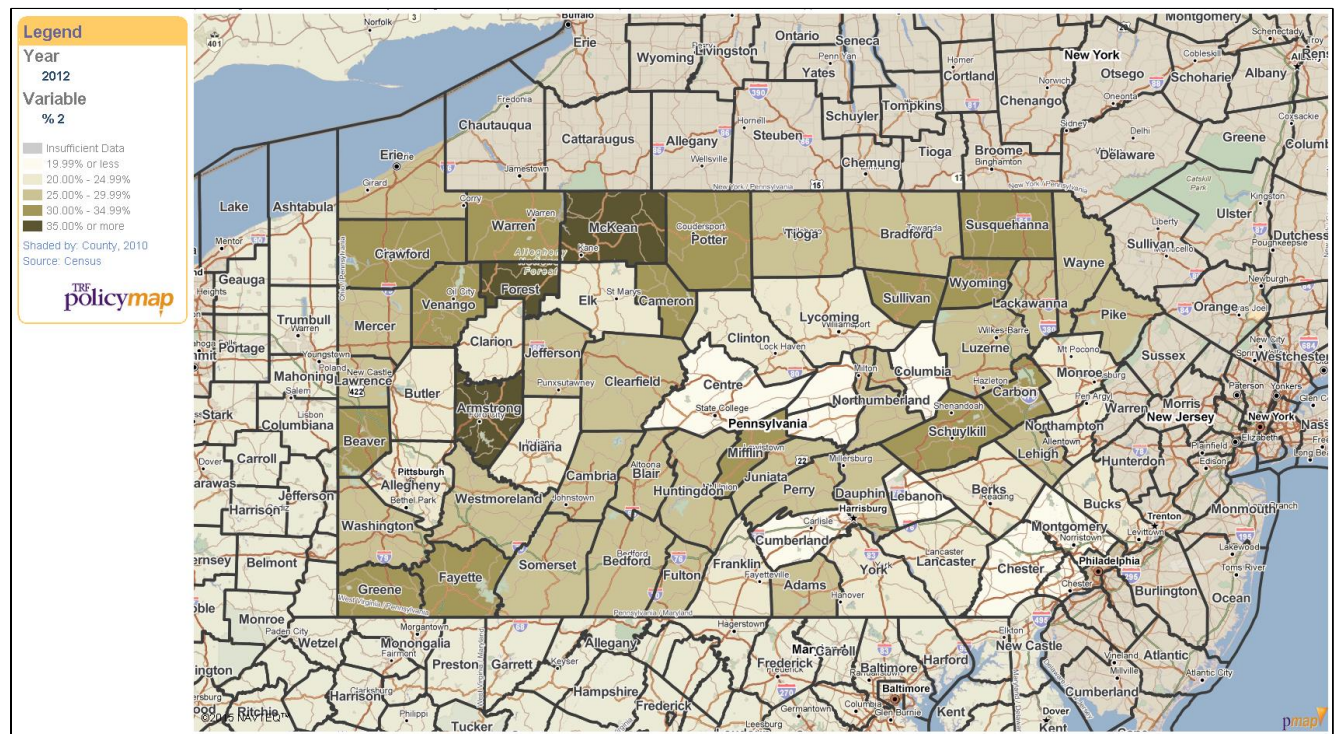
The following series of maps highlights the geographical distribution of the disabled population across differing variables. Lighter colored shades represent areas with lower populations and darker shades represent areas with higher populations.

MAP: Persons with Disability



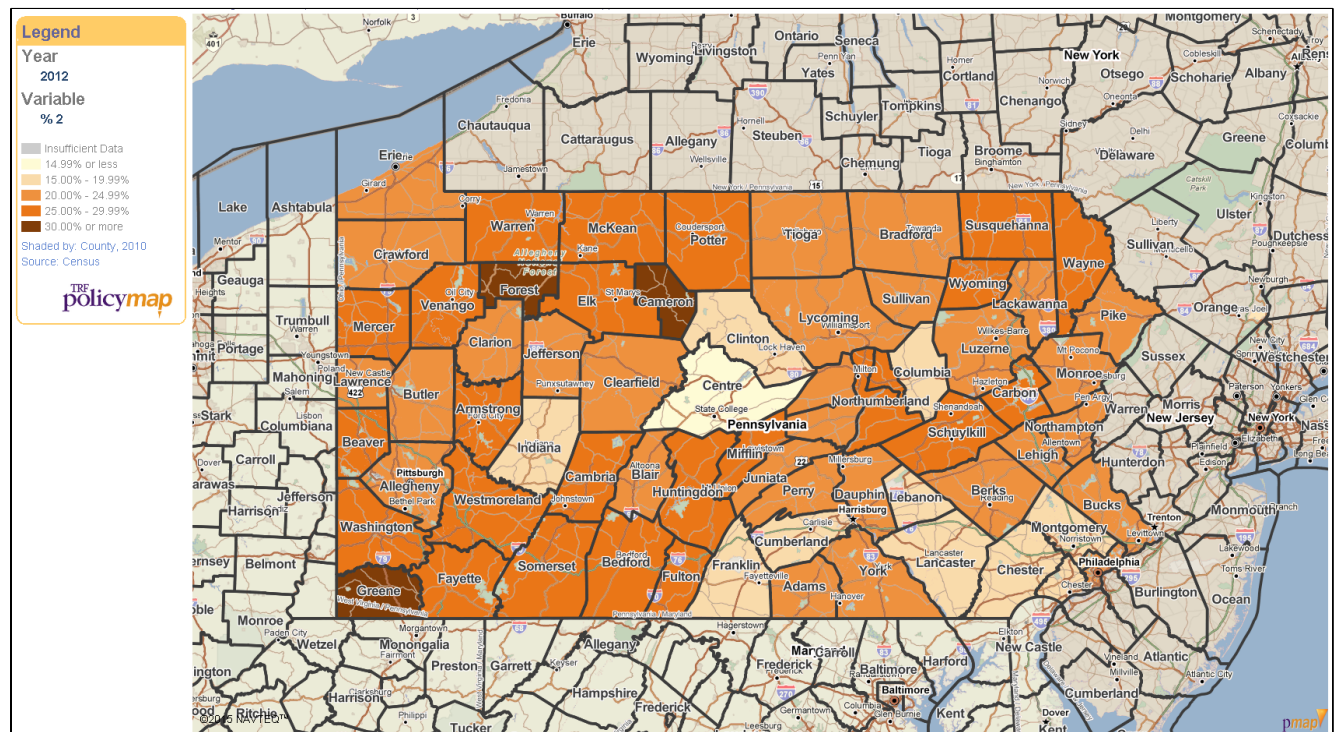
The lightest blue shaded areas represent where the concentration of persons with disability is 9.99% or less, and light blue shaded areas represent where the concentration of persons with disability is between 10.00% and 14.99%. The medium blue shaded areas represent where the concentration of persons with disability is between 15.00% and 19.99%. The darker blue shaded areas represent where the concentration of persons with disability is between 20.00% and 24.99% and the darkest blue shaded areas represent where the concentration of persons with disability is over 25.00% or more in the state. Of the 50 counties in the Balance of State areas, Sullivan County and Cameron County have disability rates between 20.00% and 24.99% and Forest County with the highest rate with 29.1%.

MAP: Unemployed with a Disability



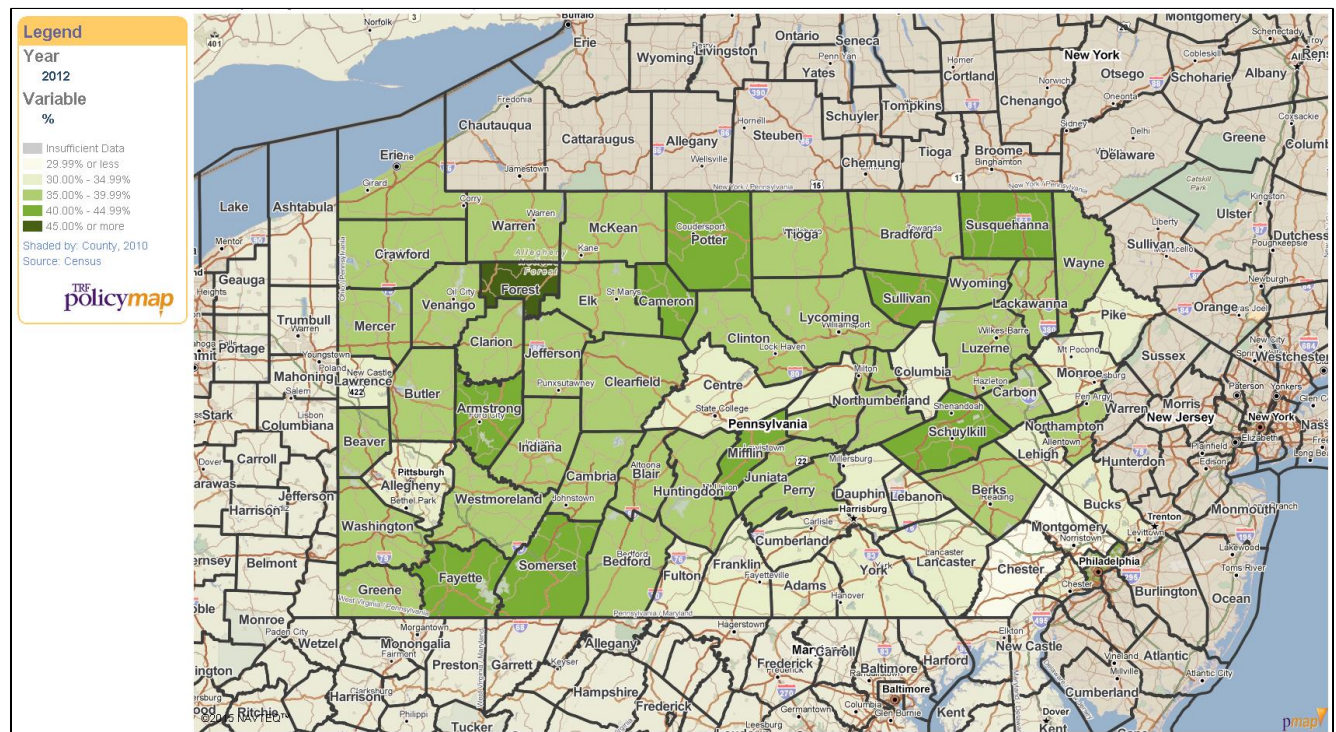
The lightest beige shaded areas represent where the concentration of persons unemployed with a disability is 19.99% or less, and light beige shaded areas represent where the concentration of persons unemployed with a disability is between 20.00% and 24.99%. The medium beige shaded areas represent where the concentration of persons unemployed with a disability is between 25.00% and 29.99%. The darker beige shaded areas represent where the concentration of persons unemployed with a disability is between 30.00% and 34.99% and the darkest beige shaded areas represent where the concentration of persons unemployed with a disability is over 35.00% or more in the state. Of the 50 counties in the Balance of State areas, Forest County, McKean County and Armstrong County all saw 35% or more for persons unemployed with a disability.

MAP: Living in Poverty with Disability



The lightest orange shaded areas represent where the concentration of persons living in poverty with a disability is 14.99% or less, and light orange shaded areas represent where the concentration of persons living in poverty with a disability is between 15.00% and 19.99%. The medium orange shaded areas represent where the concentration of persons living in poverty with a disability is between 20.00% and 24.99%. The darker orange shaded areas represent where the concentration of persons living in poverty with a disability is between 25.00% and 29.99% and the darkest orange shaded areas represent where the concentration of persons living in poverty with a disability is over 30.00% or more in the state. Of the 50 counties in the Balance of State areas, Forest County, Cameron County and Greene County all saw 30% or more of persons in poverty with a disability.

MAP: Elderly with Disability



While 35.1% of elderly in Pennsylvania were with a disability, the distribution of elderly with a disability ranged throughout the state (2013 ACS). The lightest green shaded areas represent where the concentration of elderly with a disability is 29.99% or less, and light green shaded areas represent where the concentration of elderly with a disability is between 30.00% and 34.99%. The medium green shaded areas represent where the concentration of elderly with a disability is between 35.00% and 39.99%. The darker green shaded areas represent where the concentration of elderly with a disability is between 40.00% and 44.99% and the darkest green shaded areas represent where the concentration of elderly with a disability is over 45.00% or more in the state. Of the 50 counties in the Balance of State areas, Forest County saw the highest percent of elderly with a disability with over 45%.

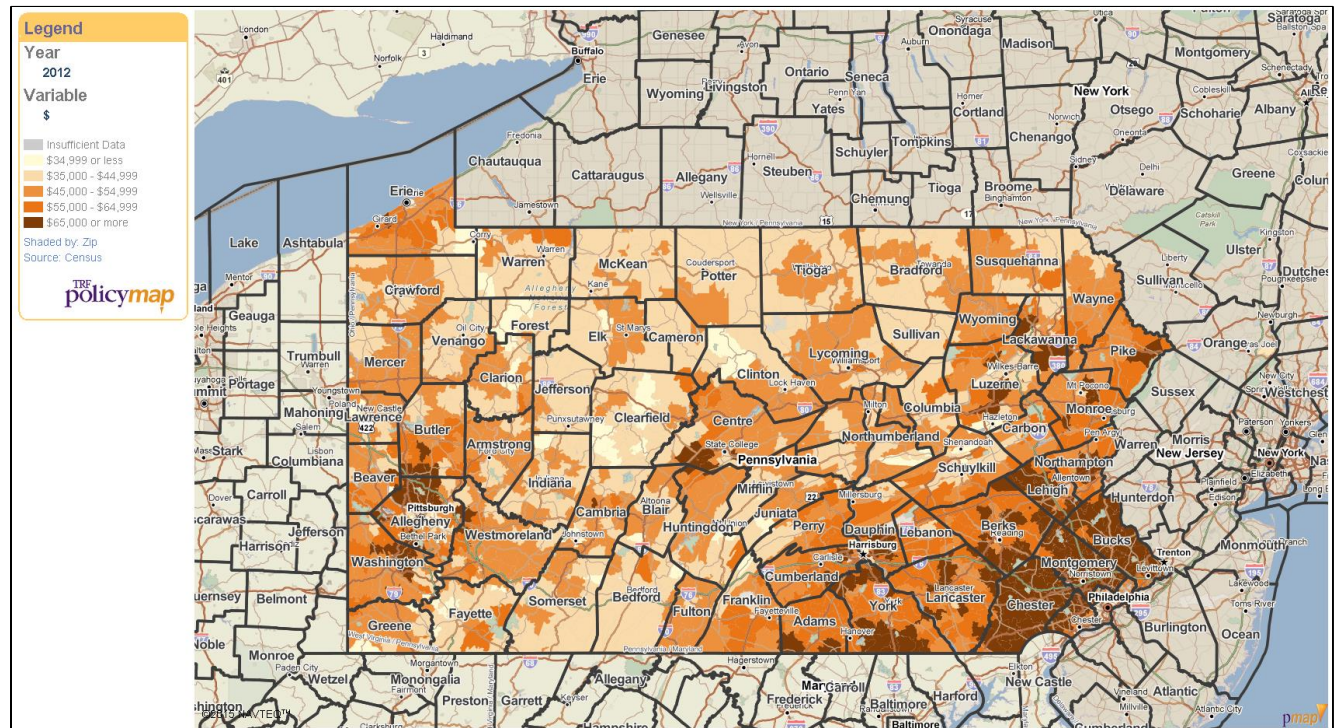
Income

According to 2009-2013 American Community Survey figures, the median household income (MHI) in Pennsylvania was \$52,548. This was only slightly behind the national MHI of \$53,046. While still lagging the United States by a small margin, state median household income grew 31% from 2000 – 5% higher than the rest of the country.

TABLE: Median Household Income			
	2000	2013	Percent of Change 2000-2013
United States	\$41,994	\$53,046	26%
Pennsylvania	\$40,106	\$52,548	31%
Source: 2009-2013 ACS			

The map below displays the geographical distribution of median household income throughout Pennsylvania. Lighter colored shades represent areas with lower MHI and darker shades represent areas with higher MHI.

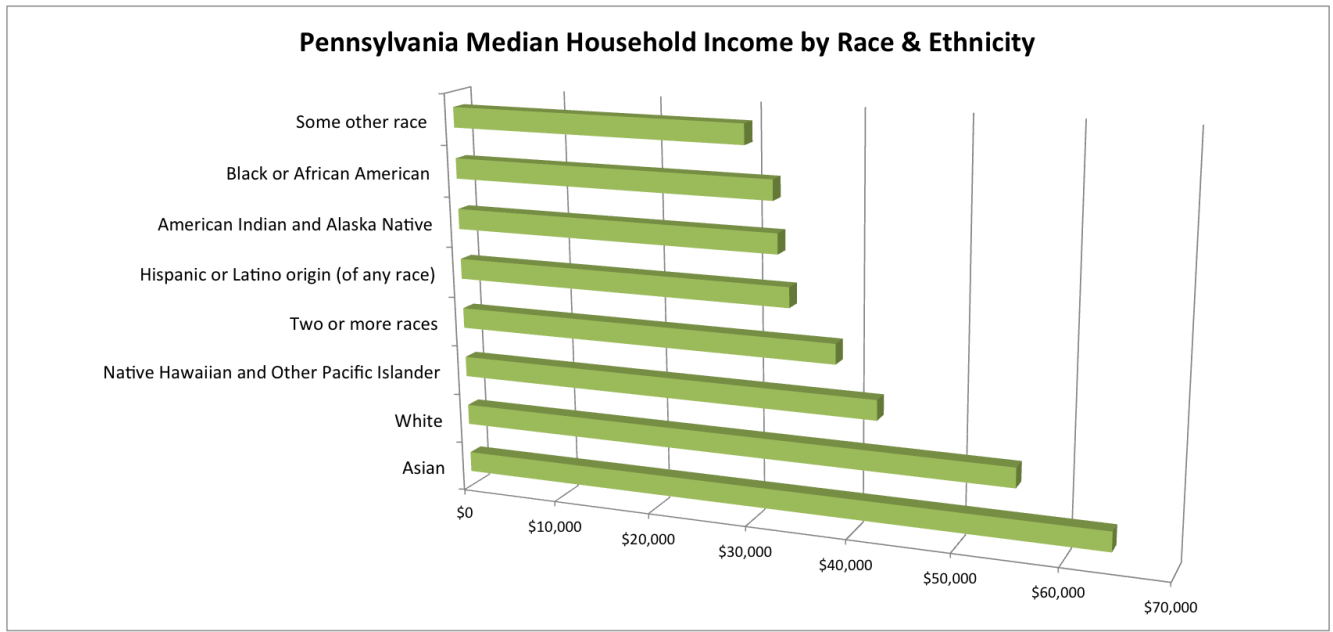
MAP: Median Household Income



While the median household income in the state was \$53,046, the range of MHI throughout the state varied widely (2013 ACS). The lightest orange shaded areas represent where the MHI is \$34,999 or less, and light orange shaded areas show where the MHI is between \$35,000 and \$44,999. The medium orange shaded areas represent where the MHI is between \$45,000 and \$54,999. The darker orange shaded areas represent where the MHI is between \$55,000 and \$64,999 and the darkest orange shaded areas represent where the MHI is over \$65,000 or more in the state. Of the 50 counties in the Balance of State areas, Clinton County, Clearfield County and Forest County all saw significant areas with MHI lower than \$34,999.

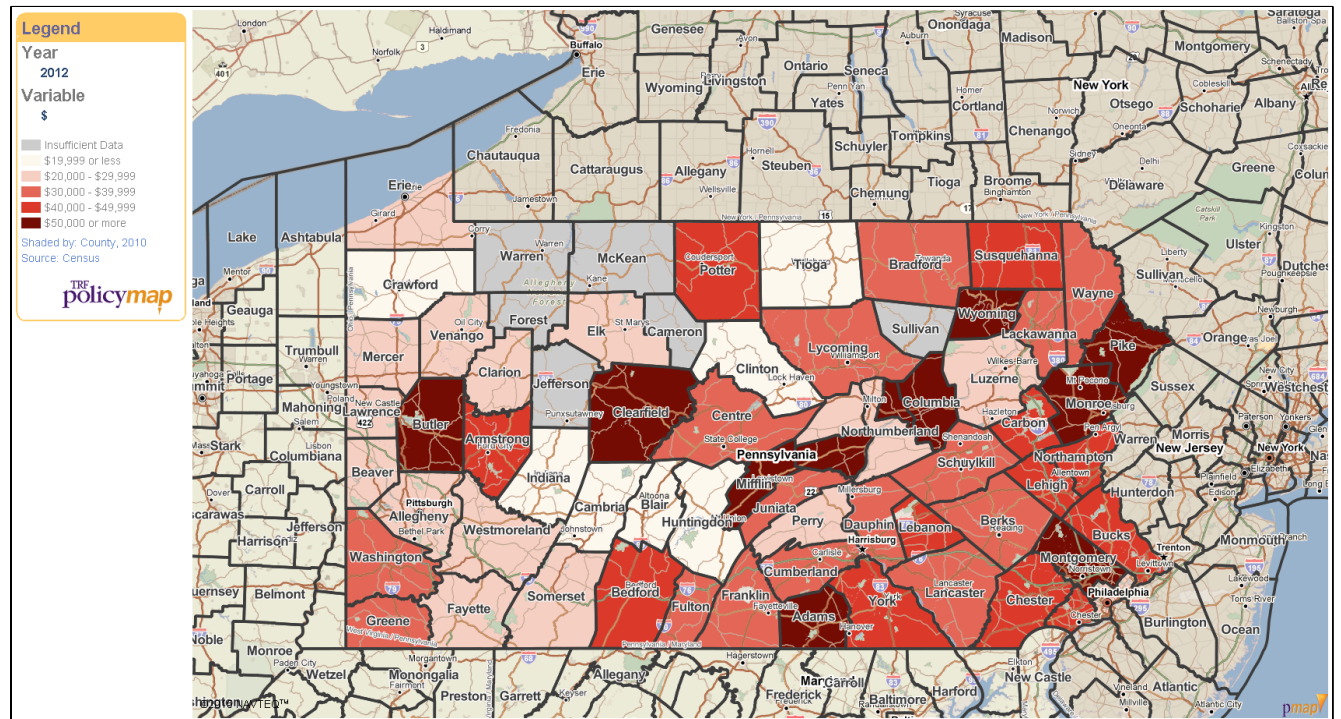
Income and Race

While the 2013 statewide median household income was \$52,548, there was a significant disparity amongst differing racial and ethnic groups. Whites, the largest racial group in Pennsylvania by far, had a MHI slightly higher than the state median at \$55,538. Asian households earned significantly higher than the state median at \$64,397. All other races and ethnicities earned significantly less than the statewide MHI. Black and African American households earned only \$32,426 - just 62% that of the state median. Hispanics had only a slightly higher MHI at \$33,963. The following chart visually compares the 2013 median income earned by households of differing racial and ethnic groups.



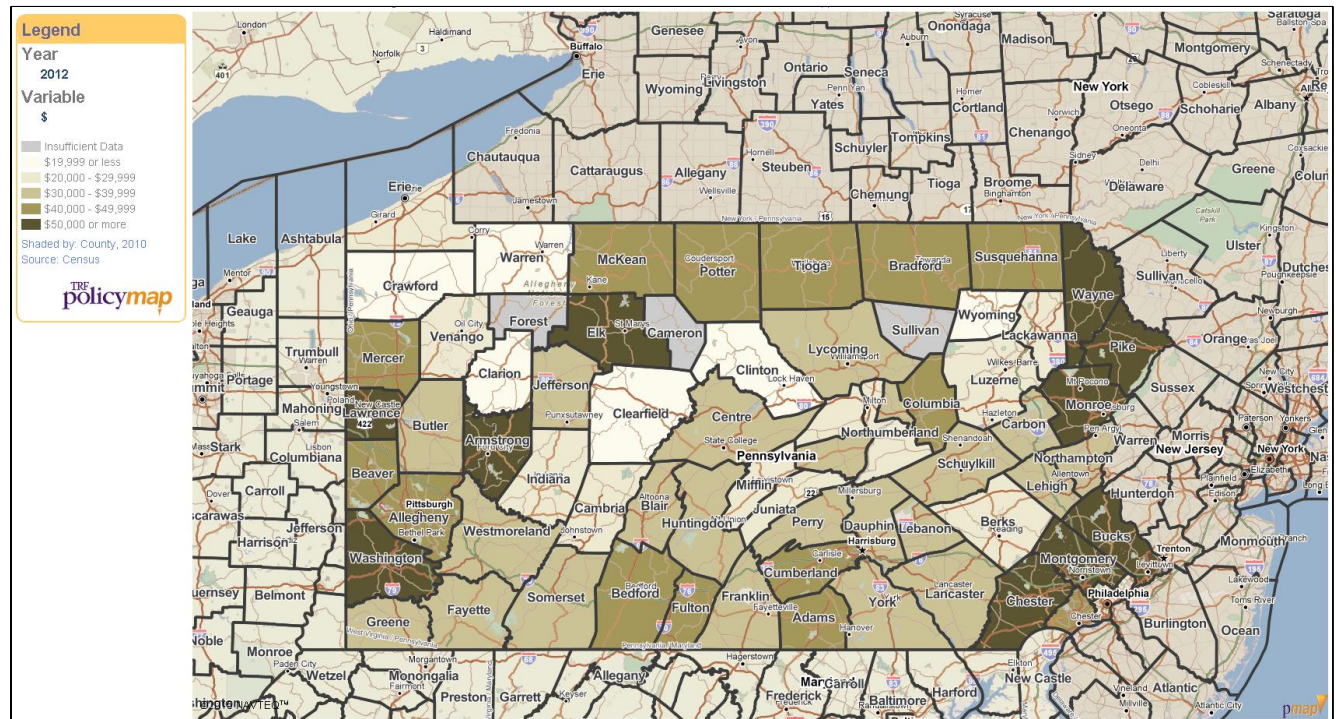
The following two maps display the distribution of Black and Hispanic households based on median household income. Lighter shaded areas represent areas where the particular groups have lower MHIs and darker shaded areas represent areas where the groups have higher MHIs.

MAP: Median Household Income – Black or African American



The lightest red shaded areas represent where the MHI for Black or African American households is \$19,999 or less, and light red shaded areas represent where the MHI for Black or African American households is between \$20,000 and \$29,999. The medium red shaded areas represent where the MHI for Black or African American households is between \$30,000 and \$39,999. The darker red shaded areas represent where the MHI for Black or African American households is between \$40,000 and \$49,999 and the darkest red shaded areas represent where the MHI for Black or African American households is over \$50,000 or more in the state. Of the 50 counties in the Balance of State areas, there were seven counties which saw Black or African American households with an MHI less than \$19,999 – they were: Crawford, Indiana, Cambria, Blair, Huntingdon, Clinton and Tioga County

MAP: Median Household Income – Hispanic



The lightest beige shaded areas represent where the MHI for Hispanic or Latino households is \$19,999 or less, and light beige shaded areas represent where the MHI for Hispanic or Latino households is between \$20,000 and \$29,999. The medium beige shaded areas represent where the MHI for Hispanic or Latino households is between \$30,000 and \$39,999. The darker beige shaded areas represent where the MHI for Hispanic or Latino households is between \$40,000 and \$49,999 and the darkest beige shaded areas represent where the MHI for Hispanic or Latino households is over \$50,000 or more in the state. Of the 50 counties in the Balance of State areas, there were seven counties which saw Hispanic or Latino households with an MHI less than \$19,999 – they were: Crawford, Warren, Clarion, Clearfield, Clinton and Wyoming County

Poverty

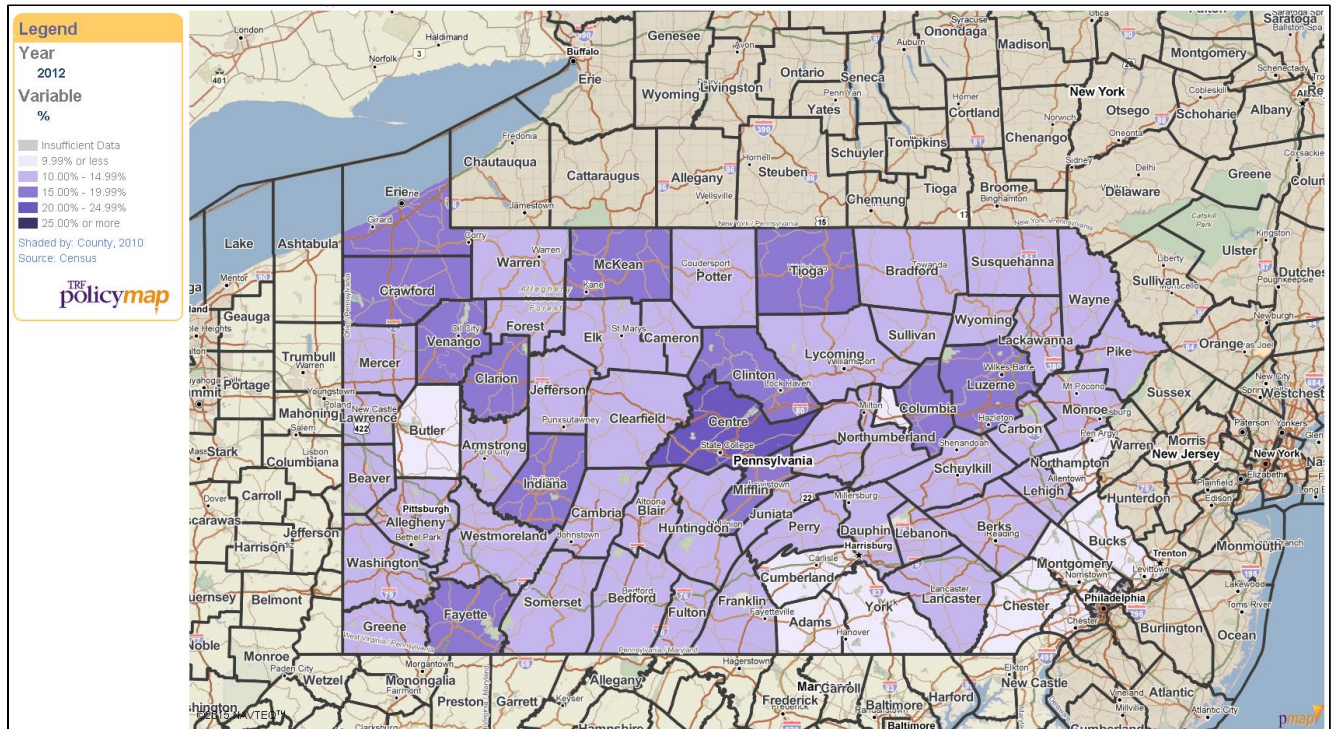
According to 2009-2013 American Community Survey figures, the poverty rate for all individuals in Pennsylvania was 13.3%. This was approximately 2% lower than the national rate of 15.4%. From 2000 to 2013 the poverty rate in Pennsylvania increased 21%; during the same time period the national poverty rate grew 24%.

TABLE: Poverty			
	Percent in poverty 2000	Percent in poverty 2013	Percent of change 2000-2013
United States	12.4%	15.4%	24.2%
Pennsylvania	11.0%	13.3%	20.9%
Source: 2009-2013 ACS			

While the poverty rate for Pennsylvania in 2013 was 15.4%, the poverty rate among the population was distributed unevenly throughout the state. Some counties saw very high poverty rates in the double-digits while others saw significantly lower poverty rates among their populations. Amongst the 50 counties in the Balance of State areas, Clinton County (16.1%), Columbia County (16.6%) and Centre County (20.5%) all experienced a poverty rate of higher than 16%, while at the other end of the spectrum Forest County (5.7%), Butler County (5.4%) and Elk County (5.0%) all saw poverty rates at less than 6%.

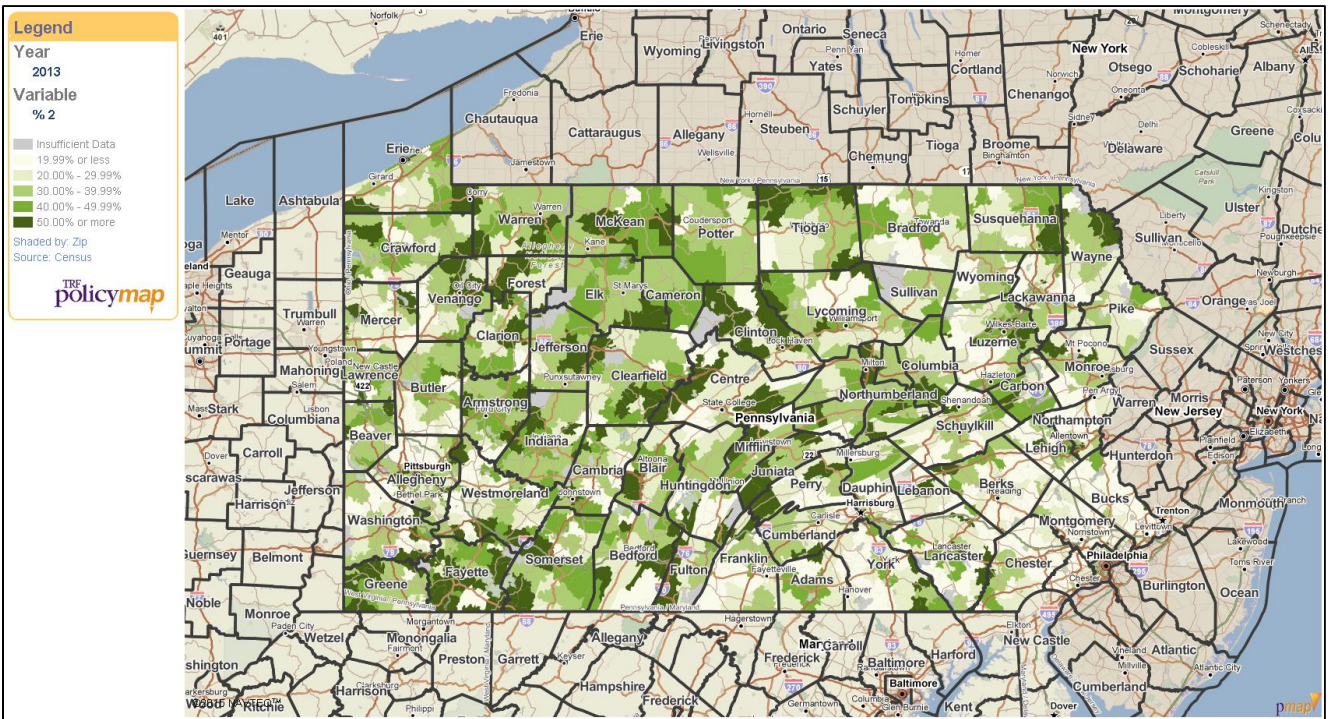
The following series of maps below display the geographical distribution of poverty throughout Pennsylvania. In the following maps, the lighter shaded areas represent less percent of families in poverty and the darker shaded areas represent more families in poverty.

MAP: People in Poverty



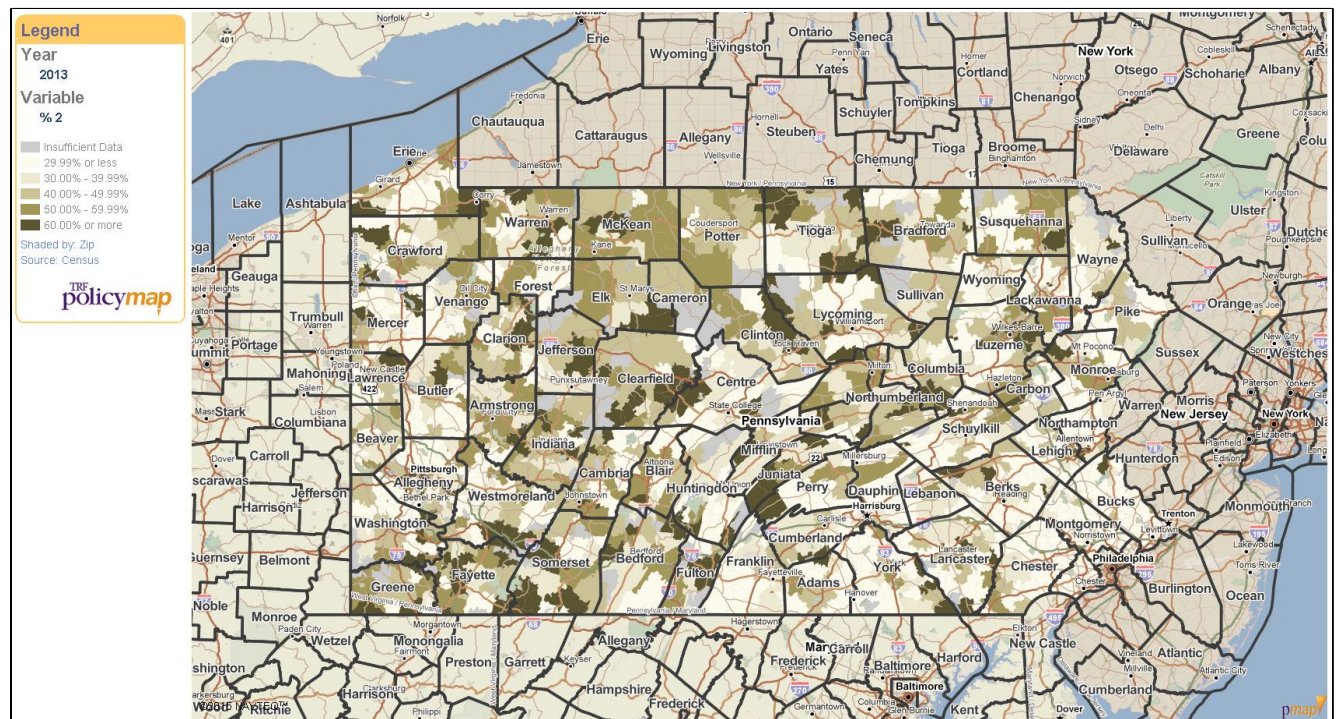
While the poverty rate for the state was 15.4%, the poverty rate among the population was distributed unevenly throughout the state (2013 ACS). The lightest purple shaded areas represent where the concentration of people in poverty is 9.99% or less, and light purple shaded areas represent where the concentration of people in poverty is between 10.00% and 14.99%. The medium purple shaded areas represent where the concentration of people in poverty is between 15.00% and 19.99%. The darker purple shaded areas represent where the concentration of people in poverty is between 20.00% and 24.99% and the darkest purple shaded areas represent where the concentration of people in poverty is over 25.00% or more in the state. Of the 50 counties in the Balance of State areas, Centre County saw the highest percentage of people in poverty at 20.50%, while at the same time Butler County saw 5.43% of people in poverty.

MAP: Single Headed Families with Children in Poverty



The lightest green shaded areas represent where the concentration of single headed families with children in poverty is 19.99% or less, and light green shaded areas represent where the concentration of single headed families with children is between 20.00% and 29.99%. The medium green shaded areas represent where the concentration of single headed families with children in poverty is between 30.00% and 39.99%. The darker green shaded areas represent where the concentration of single headed families with children in poverty is between 40.00% and 49.99% and the darkest green shaded areas represent where the concentration of single headed families with children in poverty is over 50.00% or more in the state.

MAP: Single Female Headed Families with Children in Poverty

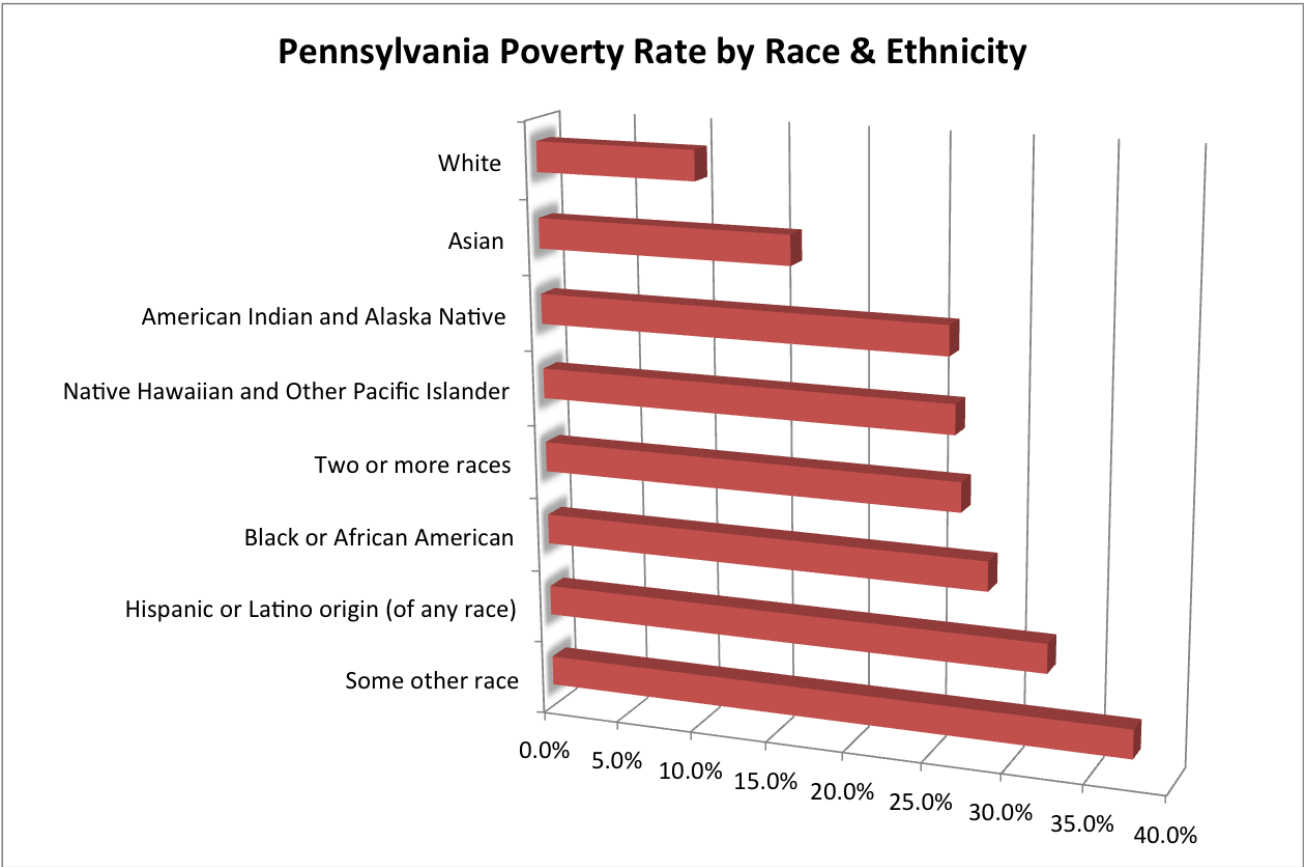


The lightest beige shaded areas represent where the concentration of single female headed families with children in poverty is 29.99% or less, and light beige shaded areas represent where the concentration of single female headed families with children is between 30.00% and 39.99%. The medium beige shaded areas represent where the concentration of single female headed families with children in poverty is between 40.00% and 49.99%. The darker beige shaded areas represent where the concentration of single female headed families with children in poverty is between 50.00% and 59.99% and the darkest beige shaded areas represent where the concentration of single female headed families with children in poverty is over 60.00% or more in the state.

Poverty and Race

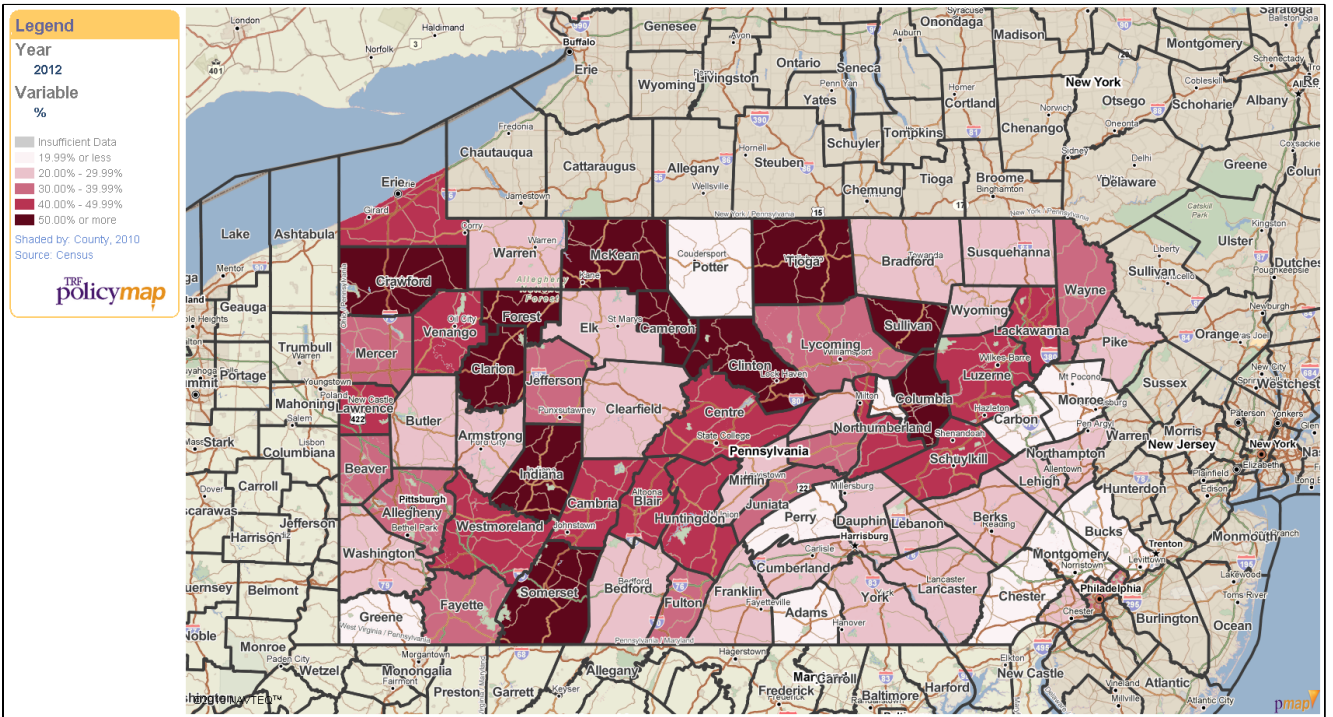
While the 2013 statewide poverty rate (all people) was 13.3%, there was a significant disparity amongst differing racial and ethnic groups. Whites, the largest racial group in Pennsylvania by far, had a poverty rate substantially lower than the statewide rate at 10.3%. All other races and ethnicities experienced poverty rates higher than the statewide rate. Almost a third of Hispanic experienced poverty – well above twice the statewide rate. Approximately 29% Black and African American persons were below the poverty level – also

more than double the Pennsylvania rate. The following chart visually compares the 2013 median income earned by households of differing racial and ethnic groups.



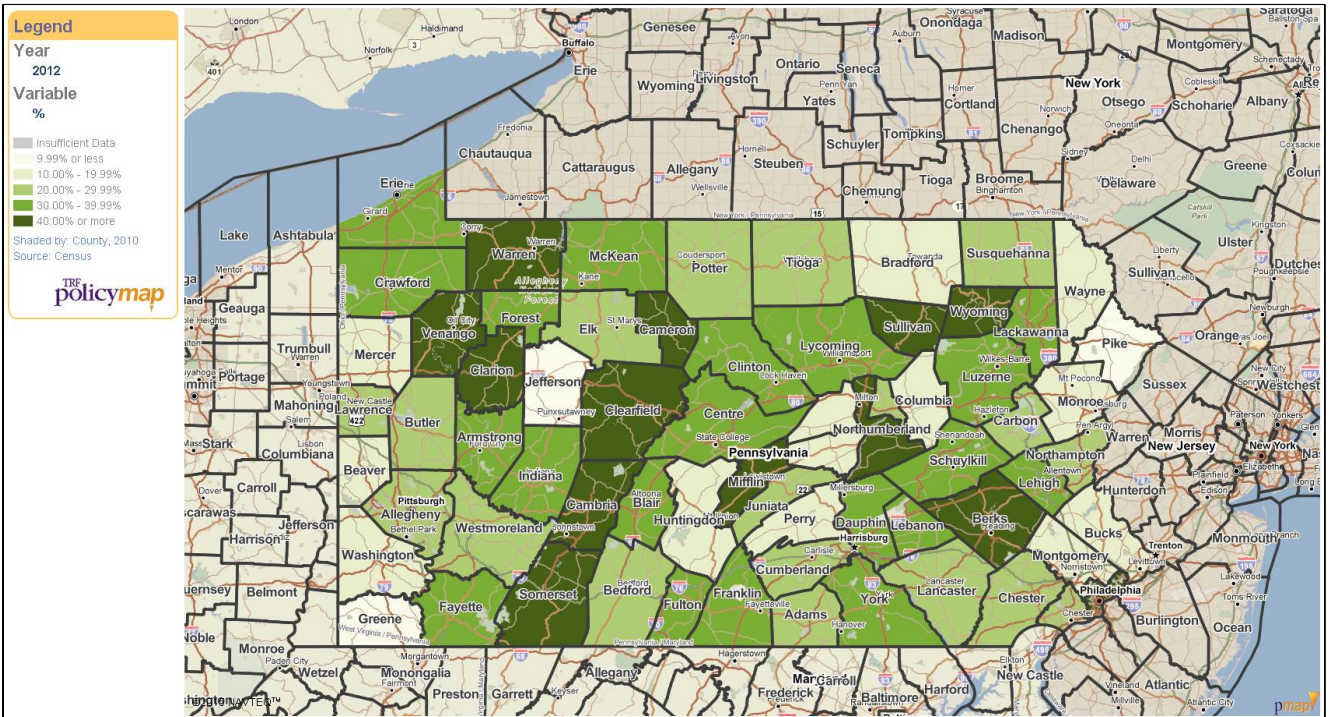
The following two maps display the distribution of the Black and Hispanic population based on poverty rate. Lighter shaded areas represent areas where the particular groups have lower rates of poverty and darker shaded areas represent areas where the groups have higher poverty rates.

MAP: Poverty Rate – Black or African American



The lightest red shaded areas represent where the poverty rate for Black or African American persons is 19.99% or less, and light red shaded areas represent where the poverty rate for Black or African American persons is between 20.00% and 29.99%. The medium red shaded areas represent where the poverty rate for Black or African American persons is between 30.00% and 39.99%. The darker red shaded areas represent where the poverty rate for Black or African American persons is between 40.00% and 49.99% and the darkest red shaded areas represent where the poverty rate for Black or African American persons is over 50.00% or more in the state.

MAP: Poverty Rate – Hispanic



The lightest green shaded areas represent where the poverty rate for Hispanic or Latino persons is 9.99% or less, and light green shaded areas represent where the poverty rate for Hispanic or Latino persons is between 10.00% and 19.99%. The medium green shaded areas represent where the poverty rate for Hispanic or Latino persons is between 20.00% and 29.99%. The darker green shaded areas represent where the poverty rate for Hispanic or Latino persons is between 30.00% and 39.99% and the darkest green shaded areas represent where the poverty rate for Hispanic or Latino persons is over 40.00% or more in the state.

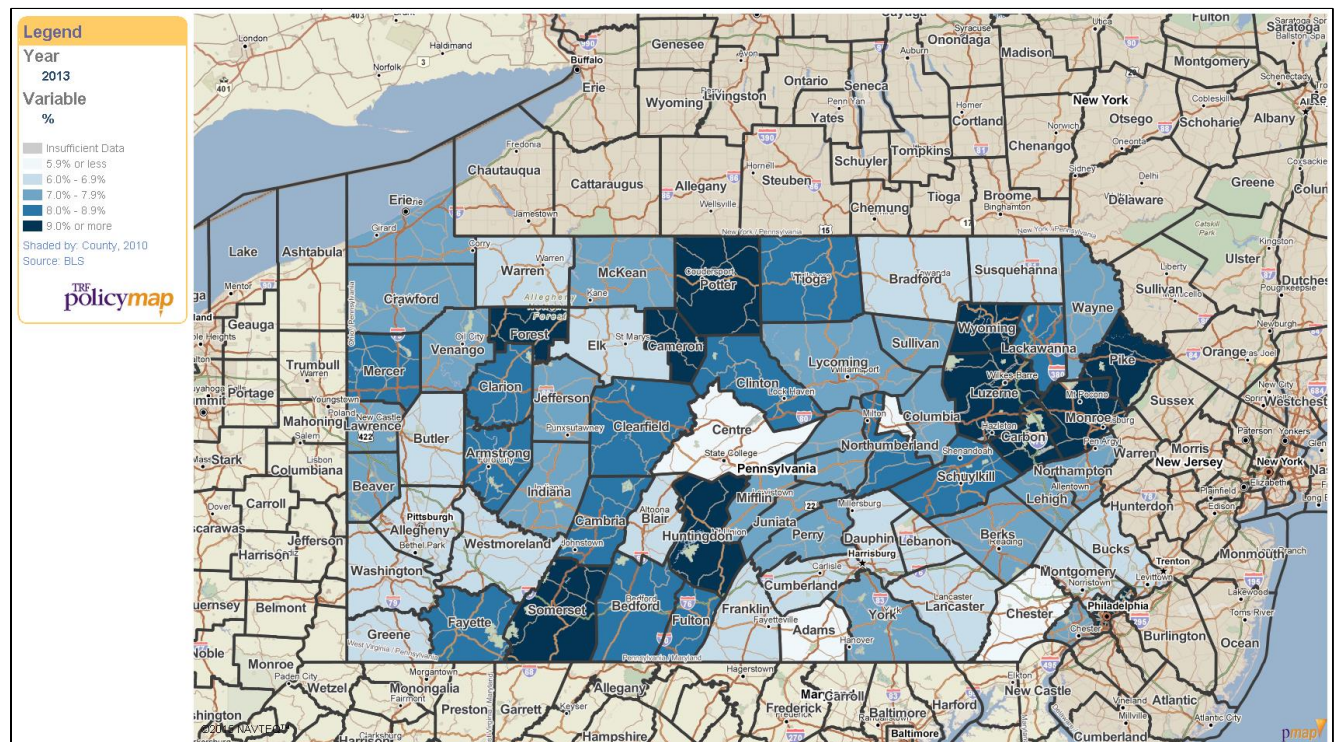
Employment

According to 2009-2013 American Community Survey figures, the unemployment rate for all individuals in Pennsylvania was 9.0%. This was nearly 1% lower than the national rate of 9.7%. From 2000 to 2013 the unemployment rate in Pennsylvania increased 157.1%; during the same time period the national unemployment rate grew 162.1 percent. Pennsylvania, like the rest of the United States, was affected greatly by the Great Recession in 2007-2009.

TABLE: Unemployment			
	Percent in unemployed 2000	Percent in unemployed 2013	Percent of change 2000-2013
United States	3.7%	9.7%	162.1%
Pennsylvania	3.5%	9.0%	157.1%
Source: 2009-2013 ACS			

The map below displays the geographical distribution of unemployment throughout Pennsylvania. The lightest shade of blue represents areas where the unemployment rate was 5.9% or less. The unemployment rate increases as the shades turn darker, with the darkest shaded areas having an unemployment rate greater than 9.0%.

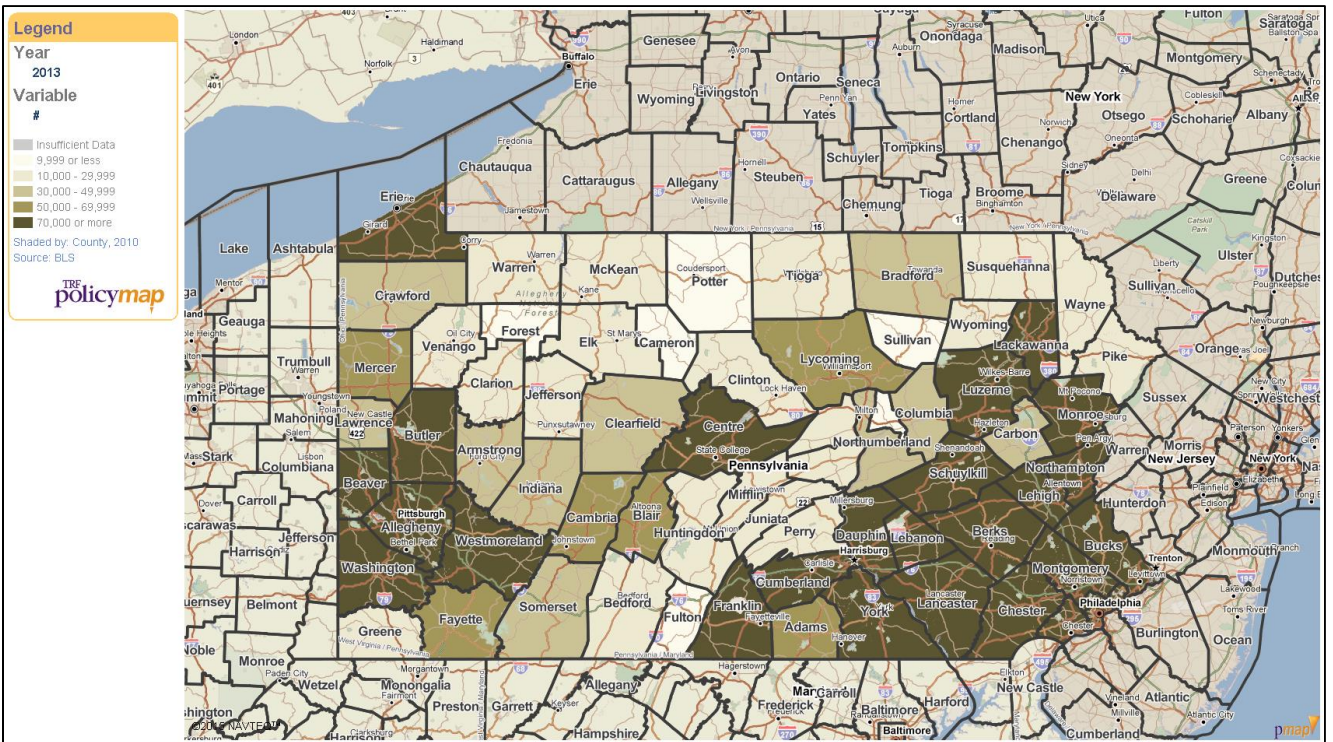
MAP: Unemployment



The lightest blue shaded areas represent where the unemployment rate in the state is 5.9% or less, and light blue shaded areas represent where the unemployment rate is between 6.0% and 6.9%. The medium blue shaded areas represent where the unemployment rate in the state is between 7.0% and 7.9%. The darker blue shaded areas represent where the unemployment rate in the state is between 8.0% and 8.9% and the darkest blue shaded areas represent where the unemployment rate is 9.0% or more. Of the 50 counties in the Balance of State areas, Forest, Somerset, Cameron, Potter, Wyoming, Carbon and Monroe counties all experienced an unemployment rate of 9% or more.

The map below displays the geographical distribution of the labor force in Pennsylvania. The lightest shade represents areas where the labor force is less. The labor force increases as the shades turn darker.

MAP: Labor Force



The lightest beige shaded areas represent where the labor force in the state is 9,999 persons or less, and light beige shaded areas represent where the labor force is between 10,000 and 29,000 persons. The medium beige shaded areas represent where the labor force in the state is between 30,000 and 49,000 persons. The darker beige shaded areas represent where the labor force in the state is between 50,000 and 69,000 persons and the darkest beige shaded areas represent where the labor force is 70,000 or more persons.

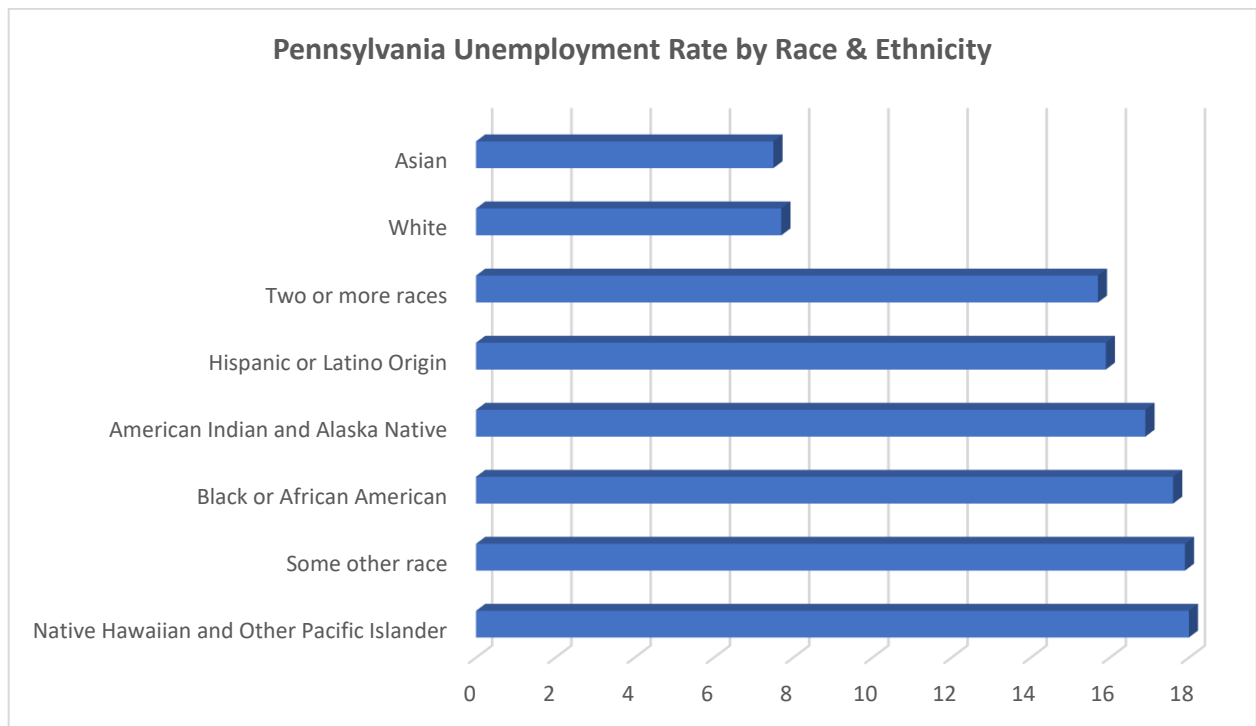
Jobs by Industry

The chart below outlines the labor statistics in Pennsylvania by Industry. The largest industry by far is Education and Health Care Services with 25.9%. The second largest job producing industry is Manufacturing with 12.4%, followed closely by Retail Trade by at 11.8%. Many industries are within 1% of the national representation, though some key industries do stand out. Pennsylvania has larger sectors in Education and Health Care Services and Manufacturing, while the state has smaller sectors in Arts, Entertainment, Accommodations and Professional, Scientific, Management Services. It should be noted that according to the Bureau of Labor Statistics the fastest growing sector in the United States is the Education and Health Care Services, particularly jobs in Health Care Services, while Manufacturing is by far the most rapidly declining sector in the US.

Business by Sector	Number of Workers (Pennsylvania)	Share of Workers (Percent) (Pennsylvania)	Number of Workers (US)	Number of Workers (Percent) (US)
Agriculture, Mining, Oil & Gas Extraction	81,562	1.4%	2,731,302	1.9%
Arts, Entertainment, Accommodations	482,168	8.2%	13,262,892	9.3%
Construction	339,203	5.7%	8,864,481	6.2%
Education and Health Care Services	1,531,907	25.9%	32,871,216	23.2%
Finance, Insurance, and Real Estate	381,895	6.5%	9,469,756	6.7%
Information	105,649	1.8%	3,056,318	2.2%
Manufacturing	732,754	12.4%	14,867,423	10.5%
Other Services	276,018	4.7%	7,043,048	5.0%
Professional, Scientific, Management Services	573,861	9.7%	15,300,528	10.8%
Public Administration	246,774	4.2%	7,034,048	5.0%
Retail Trade	696,381	11.8%	16,415,217	11.6%
Transportation and Warehousing	300,135	5.1%	7,010,637	4.9%
Wholesale Trade	166,569	2.8%	3,937,876	2.8%
Total	5,914,876	--	141,864,697	--

Unemployment and Race

While the 2013 statewide unemployment rate was 9.0%, there was a significant disparity amongst differing racial and ethnic groups. Whites, the largest racial group in Pennsylvania by far, had an unemployment rate lower than average at 7.7%. Asian individuals had a slightly lower unemployment rate at 7.5%. All other races and ethnicities had a significantly higher unemployment rate. Black and African American individuals had an unemployment rate of 17.6%. Hispanics had only a slightly lower unemployment rate at 15.9%. The following chart visually compares the 2013 unemployment rate by differing racial and ethnic groups.



Transportation

According to 2009-2013 American Community Survey figures, the mean travel time to work in Pennsylvania was 25.9 minutes. This was nearly identical to the national mean travel time of 25.5 minutes. In terms of method of commute driving a vehicle alone is by far the most popular form of transportation in Pennsylvania with 76.7% of the labor force using personal vehicles. This is similar to the national rate of 76.3%. A distant second is carpooling with 8.9% and the third most used method is Public Transportation with 5.4%. These two methods are also in line with the national rate at 9.8% and 5.0%, respectively. In fact, the only area where Pennsylvania varies significantly from the national rates is “Walking” where over 1% more of Pennsylvanians walk than the national rate.

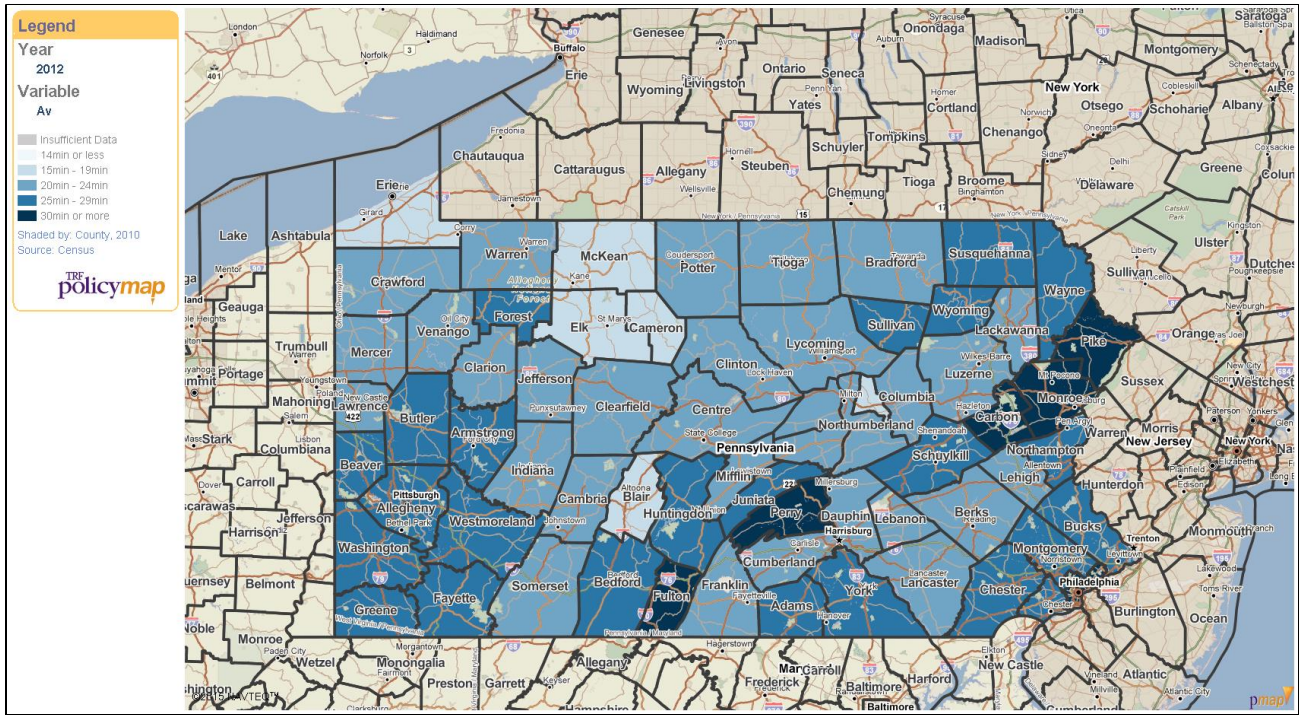
Commuting to Work (Method)

	Pennsylvania (Estimate)	United States (Estimate)	Pennsylvania (Percent)	United States (Percent)
Car, Truck, Van – Drove Alone	4,446,086	106,725,474	76.7%	76.3%
Car, Truck, Van – Carpool	513,714	13,631,263	8.9%	9.8%
Public Transportation	313,722	7,000,722	5.4%	5.0%
Walked	224,425	3,922,801	3.9%	2.8%
Other Means	76,501	2,456,994	1.3%	1.8%
Work from Home	220,044	6,046,385	3.8%	4.3%

The maps below show travel times to work. The first map shows the Average Travel Time to Work. The lightest blue represents those who travel less than 14 minutes to work. As the areas get darker the travel time increases until the darkest blue which represents 30 minutes or more. The second map shows the percentage of the population who commutes more than one hour to work. The lightest green means that 2.99% or less of

the population must commute one hour or more. The darkest green represents areas where 12% or more of the population commutes one hour or more.

MAP: Average Travel Time to Work



Legend

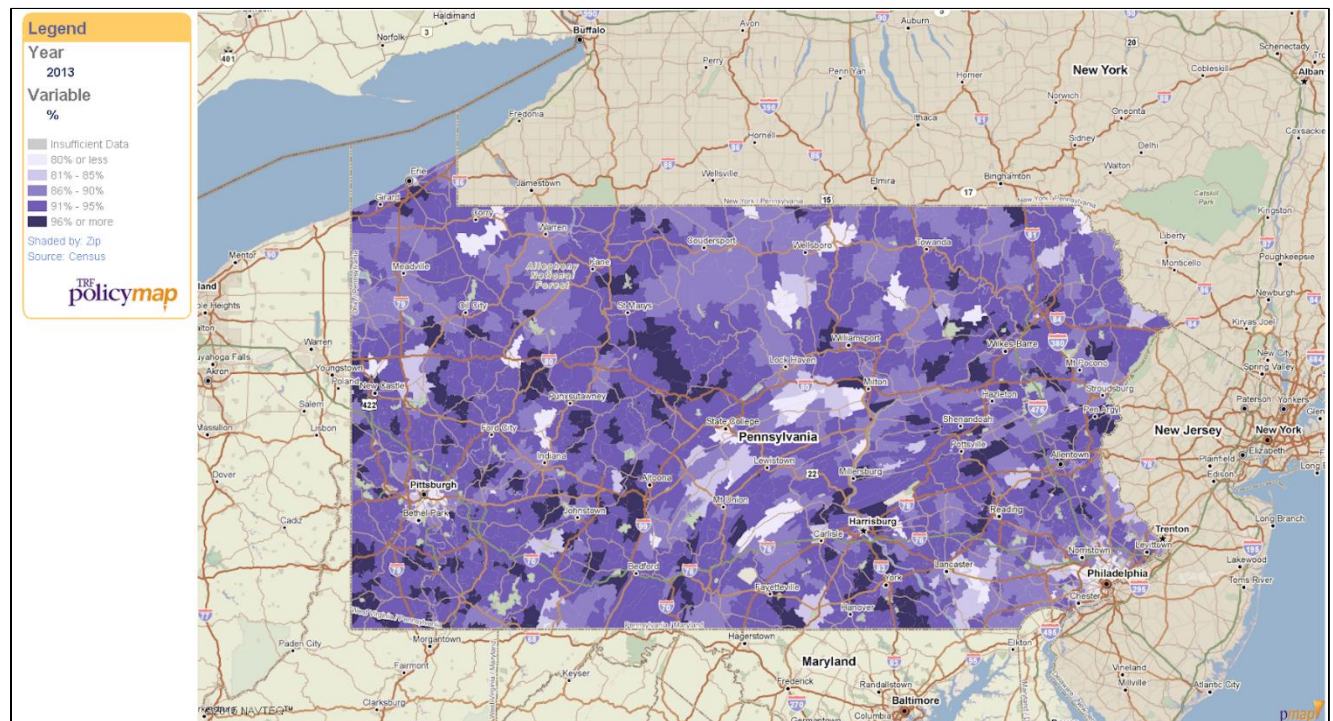
Year: 2012
Variable: %

Insufficient Data
2.99% or less
3.00% - 5.99%
6.00% - 8.99%
9.00% - 11.99%
12.00% or more

Shaded by: County, 2010
Source: Census

policymap

MAP: Drive to Work



The lightest purple shaded areas represent where 80% or less drive to work, and light purple shaded areas show where between 81% and 85% drive to work. The medium purple shaded areas represent where between 86% and 90% drive to work. The darker purple shaded areas represent where between 91% and 95% drive to work and the darkest purple shaded areas represent where the unemployment rate is 96% or more drive to work.

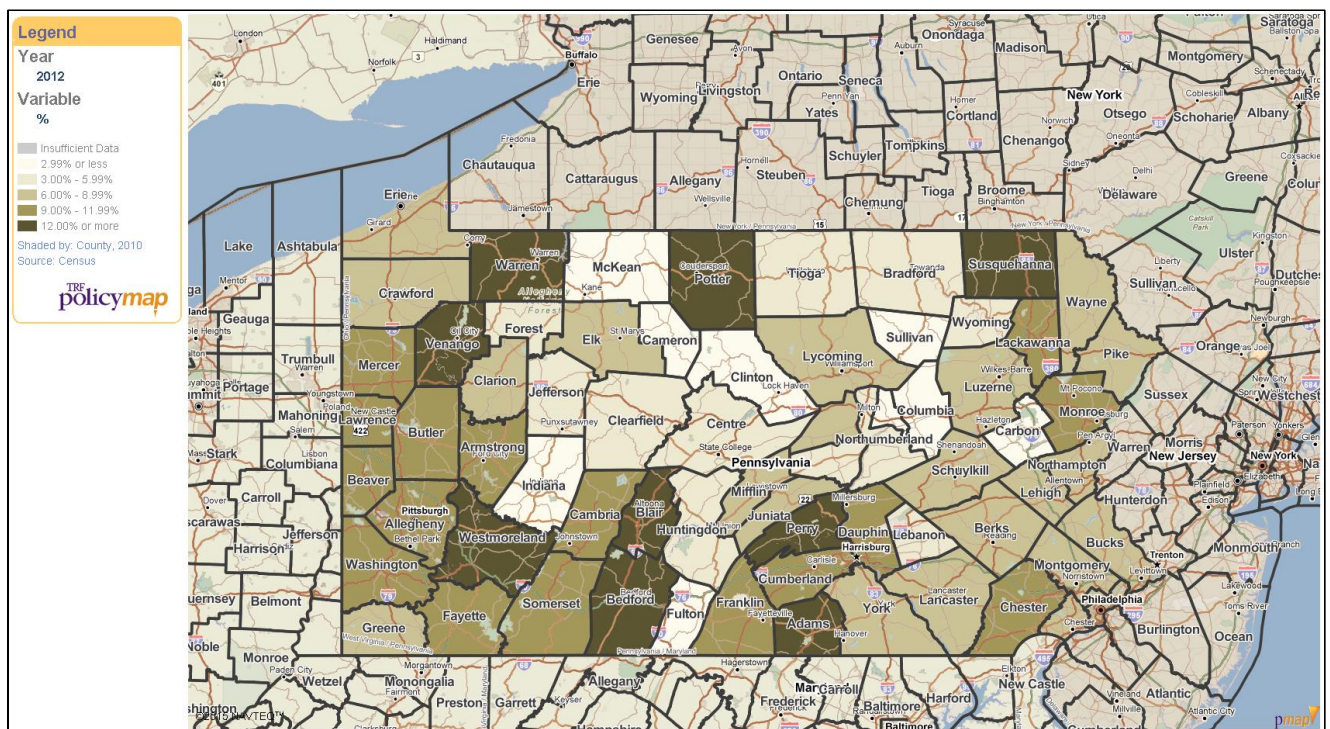
Veterans

As of the 2009-2013 ACS, there were 943,417 veterans living in Pennsylvania. Of those, approximately 94% were male and approximately 6% were female. Pennsylvania veterans had higher incomes than the state's civilian population (over 18 and with an income, with veterans having a median income \$33,791 compared to the \$26,180 of non-veterans. Pennsylvania veterans are more likely to have graduated high school but less likely to have a bachelor's degree than non-veterans. Approximately 41% of the state's veterans have at least a high school diploma or equivalent, compared to 37% of non-veterans. On the other hand, approximately 21% of veterans had a bachelor's degree or higher, compared to 28% of non-veterans. Veterans and non-veterans

in Pennsylvania experienced the same unemployment rate in 2013, both at 8.7%. The state's veterans experience disabilities at almost double the rate of non-veterans, with the veteran disability rate at approximately 26% and the non-veteran rate at 15%.

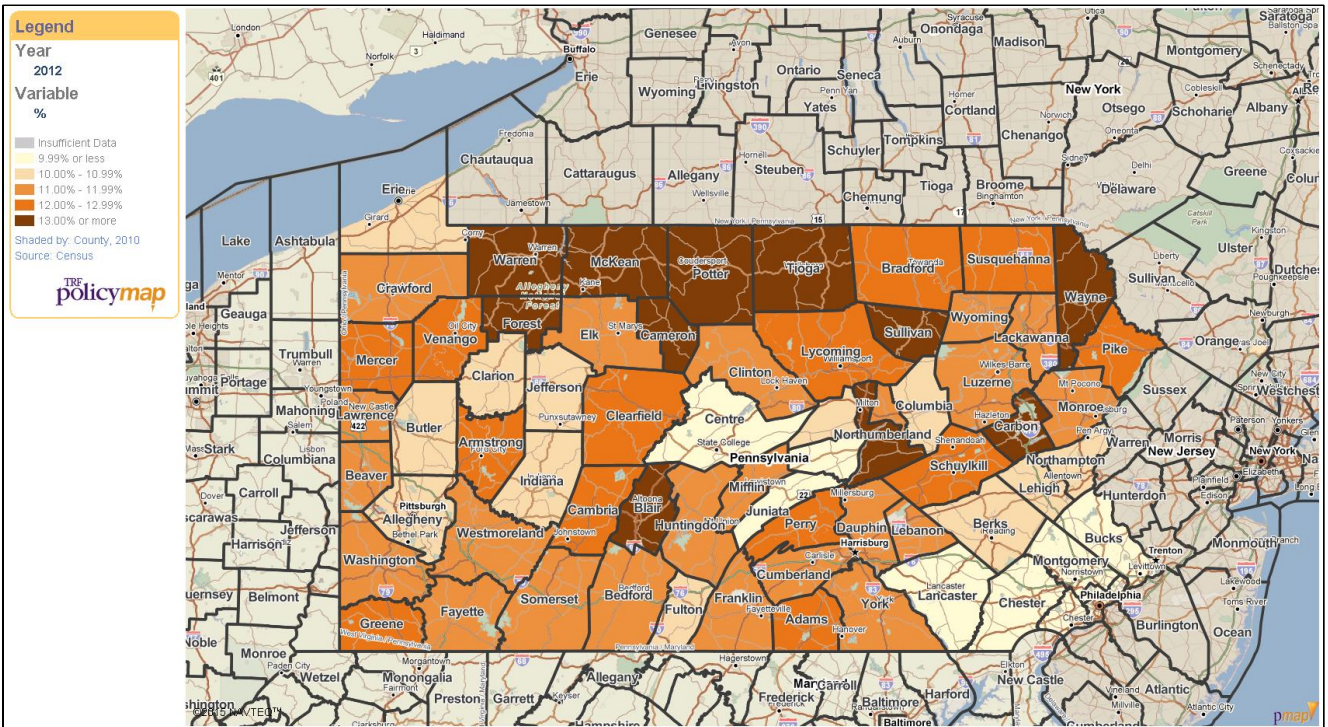
The following four maps display the distribution of veterans by race throughout the state. Lighter shaded areas represent areas with lower densities of veterans from each race or ethnic group, whereas darker areas represent higher densities.

MAP: Black or African American Veterans



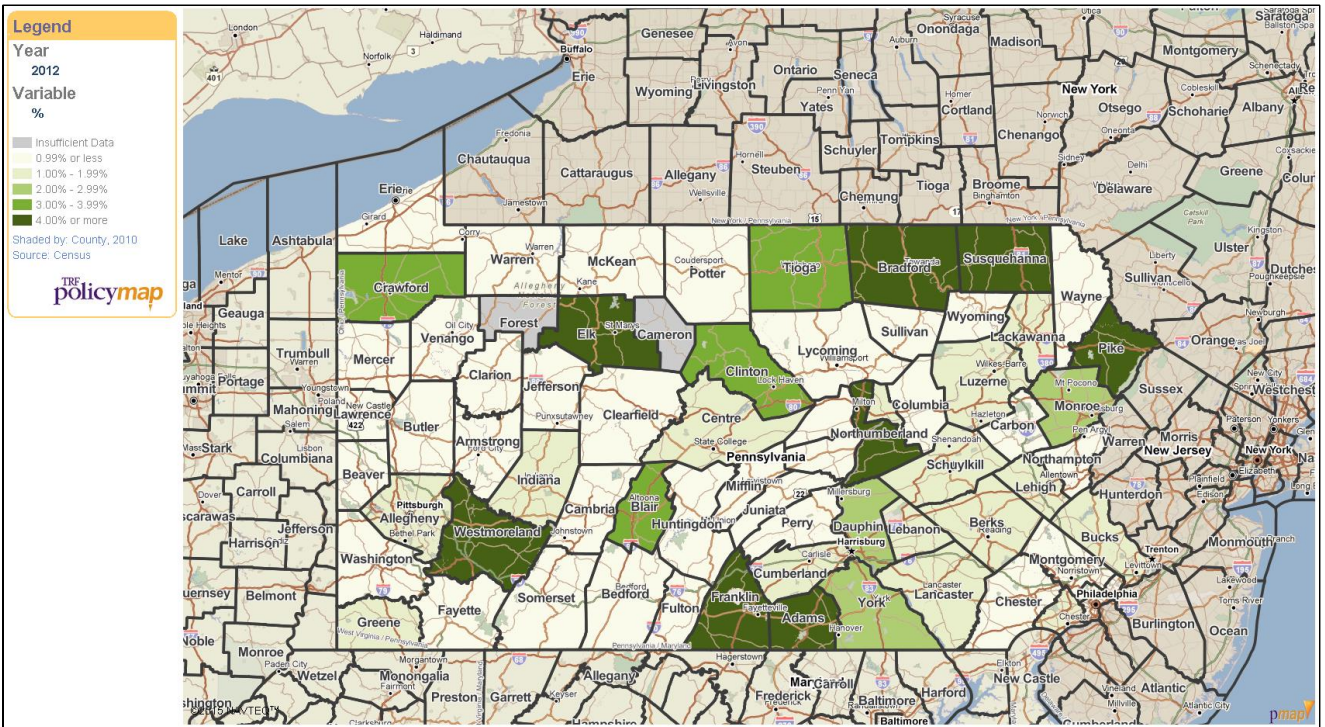
The lightest beige shaded areas represent where a Black or African American veterans is 2.99% or less, and light beige shaded areas represent where a Black or African American veterans is between 3.00% and 5.99%. The medium beige shaded areas represent where a Black or African American veterans is between 6.00% and 8.99%. The darker beige shaded areas represent where a Black or African American veterans is between 9.00% and 11.99% and the darkest beige shaded areas represent where a Black or African American veterans is 12.00% or more.

MAP: White Veterans



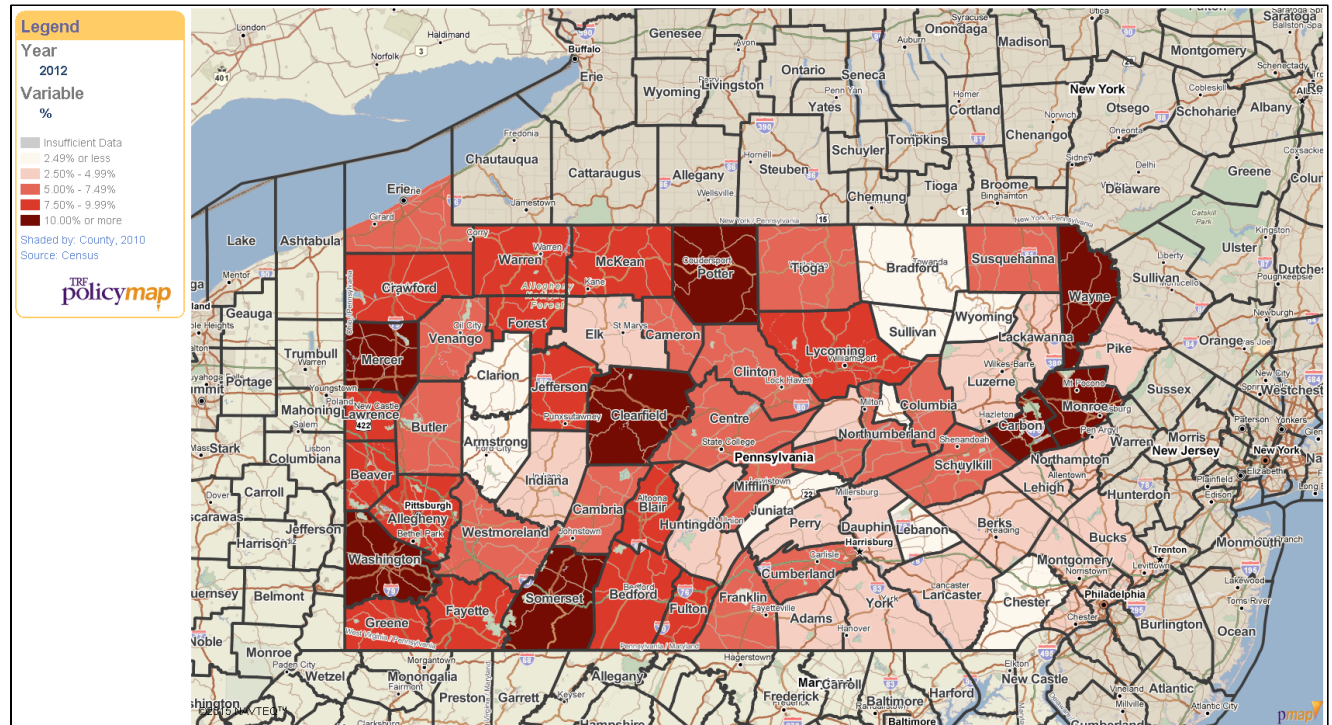
The lightest orange shaded areas represent where White veterans is 9.99% or less, and light orange shaded areas represent where White veterans is between 10.00% and 10.99%. The medium orange shaded areas represent where White is between 11.00% and 11.99%. The darker orange shaded areas represent where White veterans is between 12.00% and 12.99% and the darkest orange shaded areas represent where White veterans is 13.00% or more.

MAP: Asian Veterans



The lightest green shaded areas represent where Asian veterans is 0.99% or less, and light green shaded areas represent where Asian veterans is between 1.00% and 1.99%. The medium green shaded areas represent where Asian veterans is between 2.00% and 2.99%. The darker green shaded areas represent where Asian veterans is between 3.00% and 3.99% and the darkest green shaded areas represent where Asian veterans is 4.00% or more.

MAP: Hispanic Veterans



The lightest red shaded areas represent where Hispanic or Latino veterans is 2.49% or less, and light red shaded areas represent where Hispanic or Latino veterans is between 2.50% and 4.99%. The medium red shaded areas represent where Hispanic or Latino veteran is between 5.00% and 7.49%. The darker red shaded areas represent where Hispanic or Latino veterans is between 7.50% and 9.99% and the darkest red shaded areas represent where Hispanic or Latino veterans is 10.00% or more.

Housing Profile

Housing Type & Size

According to the 2009-2013 American Community Survey estimates, 1-unit detached structures made up the largest percent of types of unit in Pennsylvania at 57% (3,176,161 units). The second largest unit type in the state is 1-unit attached structures at 18% (1,018,136 units). It should be noted that HUD's definition of multifamily is a structure with more than four housing units – single family is therefore not just a structure with one unit but also structures with up to four housing units (see note on the following page for further explanation).

RESIDENTIAL PROPERTIES BY TYPE & NUMBER OF UNITS

	2000		2009-2013 ACS	
Property Type	Number	Percent	Number	Percent
1-unit detached structure	2,935,248	55.9%	3,176,161	57.1%
1-unit, attached structure	940,396	17.9%	1,018,136	18.3%
2 units	273,798	5.2%	262,815	4.7%
3 or 4 units	241,745	4.6%	231,557	4.2%
5-9 units	179,909	3.4%	187,336	3.4%
10-19 units	131,691	2.5%	141,133	2.5%
20 or more units	283,714	5.4%	317,217	5.7%
Mobile Home	258,551	4.9%	230,205	4.1%
Boat, RV, van, etc.	4,698	0.1%	1,093	0.0%
<i>Total</i>	5,249,750	100%	5,565,653	100%
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

Given HUD's definitions of single-family housing, the data shows that the most prevalent housing type in Pennsylvania is overwhelmingly single-family, with 84.3% of all housing units being found in structures of one to four units.

Housing Unit Size

Three bedroom units make up the largest portion of the state's housing stock by far at 43 % of all units. The second largest housing size is 2 bedroom units at 23%. At 17% of the housing stock, 4 bedroom units are the third largest housing size in Pennsylvania. The table compares unit sizes from 2000 to 2013.

HOUSING UNITS BY SIZE

	2000		2009-2013 ACS	
Housing Units	Number	Percent	Number	Percent
No bedroom	83,671	1.6%	104,270	1.9%
1 bedroom	597,366	11.45	586,886	10.5%
2 bedrooms	1,294,804	24.7%	1,294,193	23.3%
3 bedrooms	2,275,007	43.3%	2,397,807	43.1%
4 bedrooms	806,244	15.4%	947,624	17.0%
5 or more bedrooms	192,244	3.6%	234,873	4.2%
<i>Total Housing Units</i>	5,249,750	100%	5,565,653	100%
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

HOUSING CONDITIONS

The table below provides data on the age of Pennsylvania's housing stock by year cohort in comparison to the United States. The largest cohort in the state is units built before 1940, comprising 27% of the state's housing stock (over one and a half million units). In comparison, the largest cohort in the United States is that of units built between 1970 and 1979 at 15.9% of the national housing stock- just over 21 million units.

YEAR UNIT BUILT

	United States		Pennsylvania	
Range	Number	Percent	Number	Percent
Built 2010 or later	771,765	0.6%	19,565	0.4%
Built 2000 to 2009	19,385,497	14.7%	456,718	8.2%
Built 1990 to 1999	18,390,124	13.9%	518,872	9.3%
Built 1980 to 1989	18,345,244	13.9%	545,895	9.8%
Built 1970 to 1979	21,042,566	15.9%	710,217	12.8%
Built 1960 to 1969	14,634,125	11.1%	566,585	10.2%
Built 1950 to 1959	14,464,282	11.0%	774,073	13.9%
Built 1940 to 1949	7,231,811	5.5%	459,271	8.3%
Built 1939 or earlier	17,792,390	13.5%	1,514,457	27.2%
Total	132,057,804	100%	5,565,653	100%
Data Source: American Community Survey 2009-2013 5 Year Estimates				

The housing stock in Pennsylvania is considerably older than the country as a whole. While 49.4% of the housing stock in the state was built in 1959 or earlier, the country as a whole saw 30% of the housing stock built in 1959 or earlier - a difference of 19.4%. Furthermore, 27.2% of the state's housing stock was built before 1940 – compared to 13.5% nationally. The state also saw a smaller percentage of new homes in comparison to the country as a whole. While 8.6% of units in Pennsylvania were built in 2000 or after, the country as a whole saw 15.3% of units built over that period.

The map below details the median year built for housing units by census tract.

Legend

Year
2012

Variable
Mdn

Insufficient Data
1959 or less
1960 - 1969
1970 - 1979
1980 - 1989
1990 or more

Shaded by Zip
Source: Census

TRF policymap

65

HOUSING OCCUPANCY CHARACTERISTICS

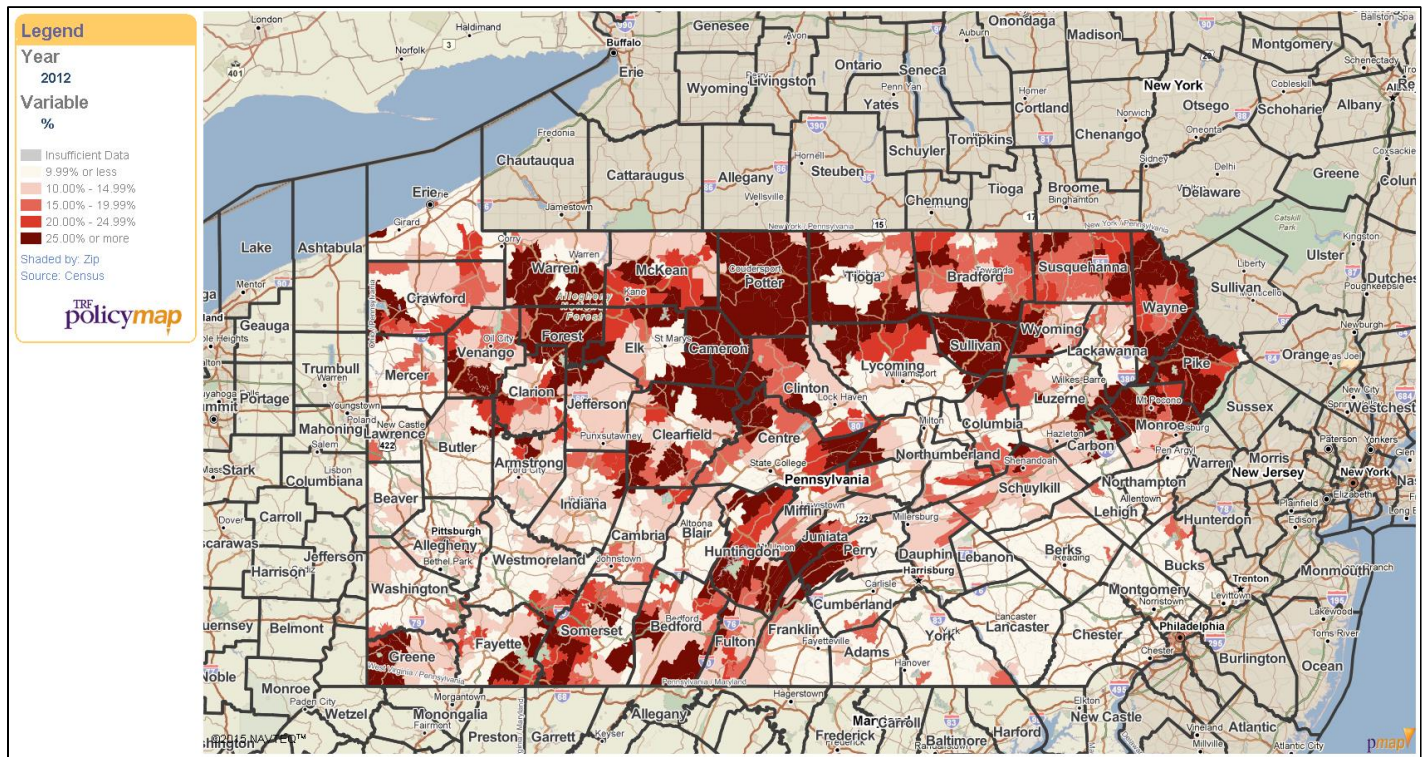
The table below compares renter and owner occupancy data in Pennsylvania for 2000 and 2013.

HOUSING OCCUPANCY

	2000		2009-2013 ACS	
Housing Occupancy	Number	Percent	Number	Percent
Total Housing Units	5,249,750	100%	5,565,653	100%
Occupied Housing Units	4,777,003	91.3%	4,958,427	89.1%
Owner Occupied Housing Units	3,406,337	71.3%	3,462,512	69.8%
Renter Occupied Housing Units	1,370,666	28.7%	1,495,915	30.2%
Data Source: Census 2000, American Community Survey 2009-2013 5 Year Estimates				

Since the 2000 Census, the total number of occupied housing units has increased by 315,903, but as a percentage of the total housing stock occupancy has slightly decreased. The overall occupancy rate has declined from 91.3% to 89.1% and owner-occupancy has decreased from 71.3% to 69.8%. On the other hand, the percentage of occupied housing units that are occupied by renters has increased from 28.7% to 30.2%. The map below depicts residential vacancy rates by census tract for the state.

MAP: Residential Vacancy

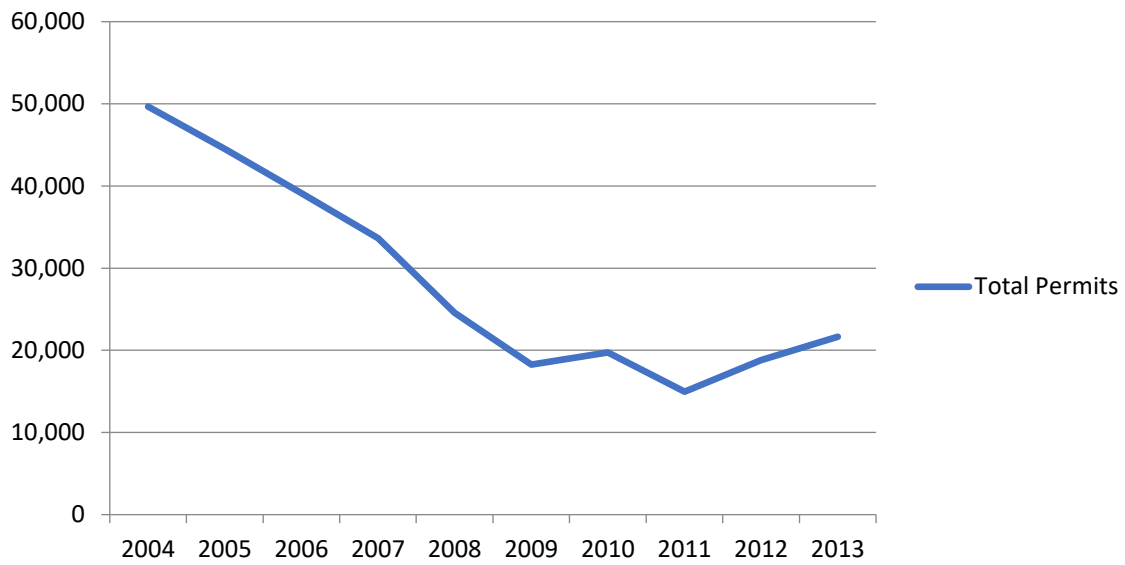


The lightest red shaded areas represent where the vacancy rate is 9.99% or less, and light red shaded areas represent where the vacancy rate is between 10.00% and 14.99%. The medium red shaded areas represent where the vacancy rate is between 15.00% and 19.99%. The darker red shaded areas represent where the vacancy is between 20.00% and 24.99% and the darkest red shaded areas represent where the vacancy rate is 25.00% or more. Of the 50 counties in the Balance of State areas, Forest County, Cameron County, Potter County and Sullivan County show large areas with 35% or more vacancy rate.

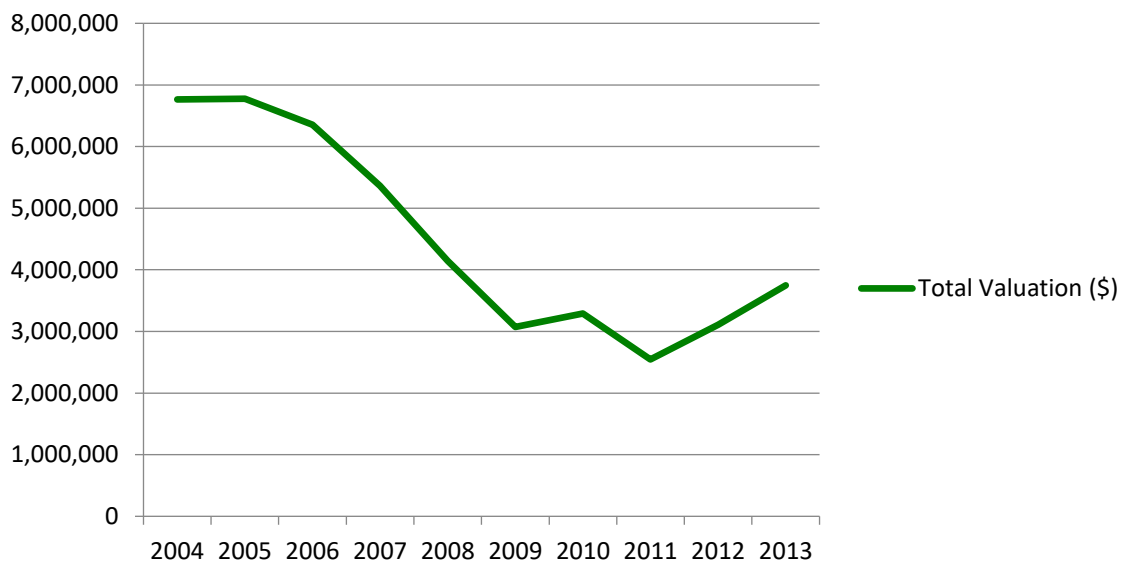
Construction Activity

The line graphs below depict perhaps the best representation of the collapse of the housing boom and very slow recovery between 2004 and 2013 throughout the State of Pennsylvania. The first graph displays the steep decline in the number of residential building permits issued each year between 2004 and 2013. The second graph details the precipitous drop in the total valuation of new construction building permits each year during the same period.

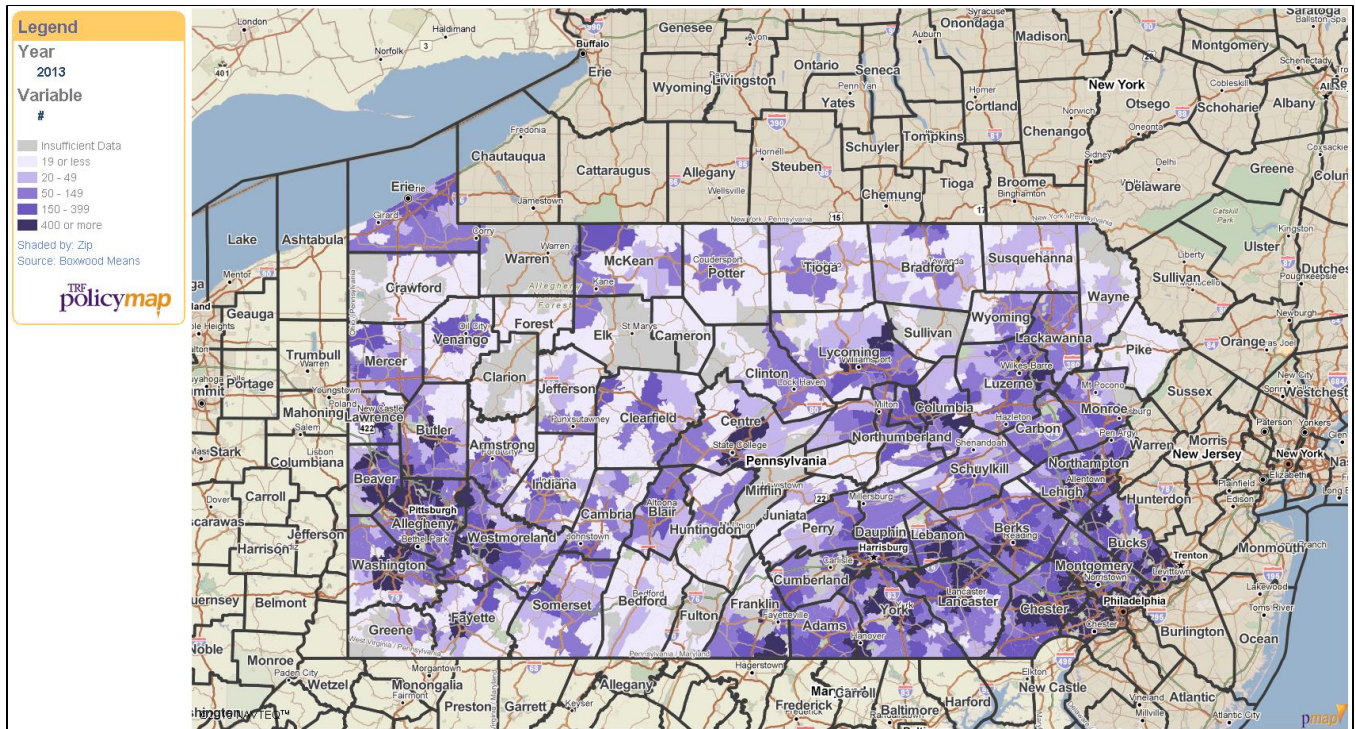
Residential Construction Permits Issued



Total New Construction Valuation



Annual Home Sales

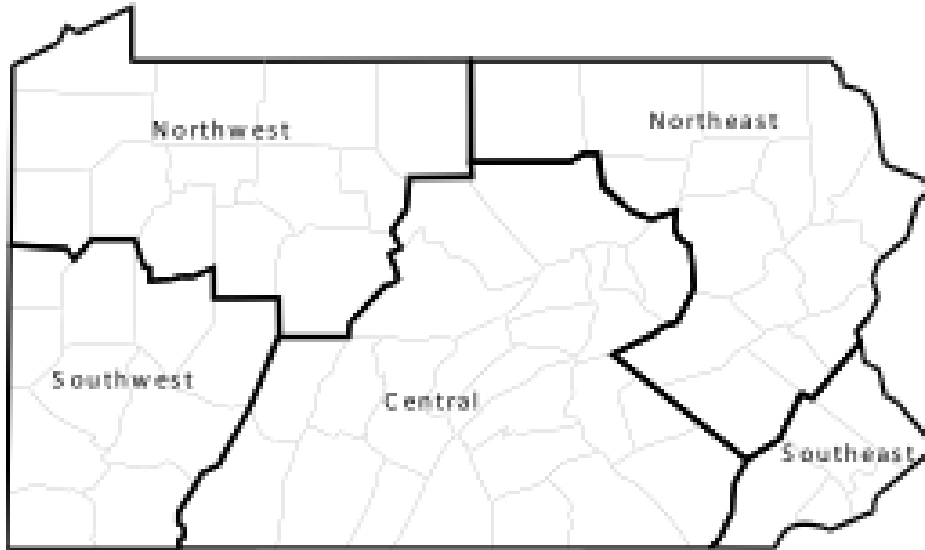


The lightest purple shaded areas represent where annual home sales were 19 or less, and light purple shaded areas show where annual home sales were between 20 and 49. The medium purple shaded areas represent where annual home sales were between 50 and 149. The darker purple shaded areas represent where annual home sales were between 150 and 399 and the darkest purple shaded areas represent where annual home sales were 400 or more.

B. Balance of State Overview – Community Profile

Regional Overviews

This section provides a big-picture data analysis for the 50 Balance of State counties that do not directly receive HUD funding as entitlements. The Balance of State counties are grouped into four regions for the purposes of this analysis: Central, Northwest, Northeast, and Southwest. The regions are based on the five regions covered under the organizational structure of the Pennsylvania Department of Community and Economic Development at the commencement of this report – the Southeast region is not included due to having no non-entitlement counties. The regional overviews serve as a data supplement to the Pennsylvania Community Profile, providing a geographically more nuanced view of key indicators.



Central Region

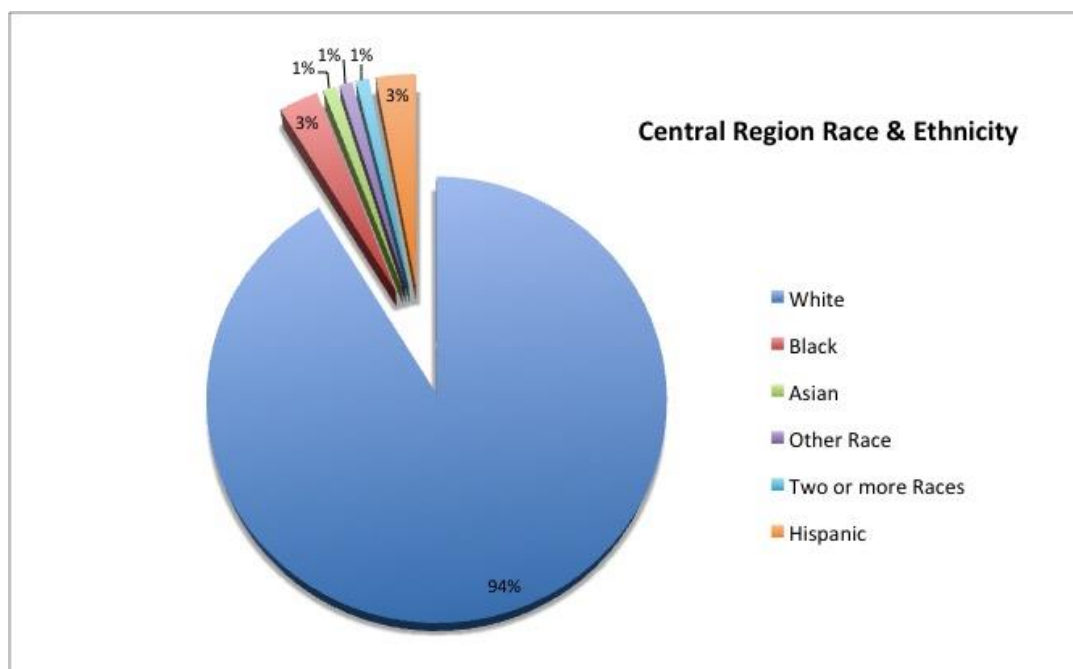
The Central Region consists of the following 20 counties:

ADAMS COUNTY, BEDFORD COUNTY, BLAIR COUNTY, CAMBRIA COUNTY, CENTRE COUNTY, CLINTON COUNTY, COLUMBIA COUNTY, FRANKLIN COUNTY, FULTON COUNTY, HUNTINGDON COUNTY, JUNIATA COUNTY, LEBANON COUNTY, LYCOMING COUNTY, MIFFLIN COUNTY, MONTOUR COUNTY, NORTHUMBERLAND COUNTY, PERRY COUNTY, SNYDER COUNTY, SOMERSET COUNTY, UNION COUNTY

The 20 non-entitlement counties comprising the Central Region experienced a net population growth of 4% between 2000 and 2013 – growing from a cumulative population of 1,475,266 to 1,535,668 (2000 Census, 2009-2013 ACS). There was a large disparity amongst counties in the region over the 13-year time period -

with some experiencing double-digit growth and others seeing a decline. Franklin County saw the largest growth in population at 16%, rising from 129,313 in 2000 to 150,594 in 2013. Cambria County saw the sharpest decline in population at 7%, shrinking from 152,598 in 2000 to 142,448 in 2013.

The Central Region is predominantly White, with Whites accounting for 94% of regional population and all remaining racial groups making up the remaining 6%. Blacks/African Americans account for 3% and Asians account for 1% of the population. Persons identifying as Other Race and persons identifying with Two or More Races both comprise an additional one percent of the regional population each. Finally, 3% of the region identify as ethnically Hispanic.



Seniors comprised 17% of the Central Region’s population, with a total of 259,360 persons aged 65 and over Bedford County had the highest proportion of seniors at 19.3% and Centre County had the lowest proportion of seniors at 11.6% (2009-2013 ACS). Thirteen percent of the regional population had a disability – 206,139 persons. Cambria County had the highest proportion of disabled persons at 17.6% and Centre County had the lowest proportion of disabled persons at 9.1% (2009-2013 ACS).

HUD defines housing cost burden as when a household spends more than 30% of monthly income on housing related costs. Forty-seven percent of renters in the Central Region (69,000 households) were cost burdened according to 2009-2013 ACS estimates. Amongst homeowners, 29% of owners with a mortgage (70,457 households) and 14% of owners without a mortgage (25,139 households) were housing cost burdened.

Homeowners without mortgages who cost burdened are often households on fix incomes (such as the elderly) that pay an inordinate amount of their monthly income on taxes, insurance, and other housing related costs.

An additional indicator of financial strife is poverty. There were 195,996 persons living below the poverty line according to 2009-2013 ACS estimates – 12.8% of the regional population. Adams County experienced the lowest poverty rate at 8.7% (8,490 persons), and Centre County experienced the highest poverty rate at 20.5% (28,141 persons).

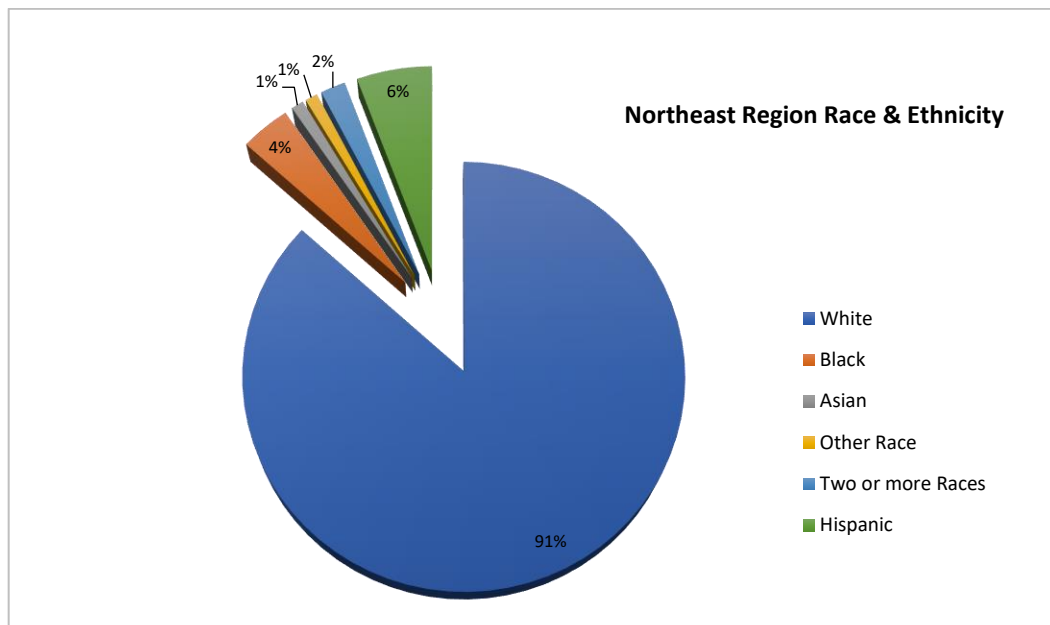
Northeast Region

The Northeast Region consists of the following 11 counties:

BRADFORD COUNTY, CARBON COUNTY, LACKAWANNA COUNTY, MONROE COUNTY, PIKE COUNTY, SCHUYLKILL COUNTY, SULLIVAN COUNTY, SUSQUEHANNA COUNTY, TIOGA COUNTY, WAYNE COUNTY, WYOMING COUNTY

The 11 non-entitlement counties comprising the Northeast Region experienced a net population growth of 6% between 2000 and 2013 – growing from a cumulative population of 836,152 to 887,822 (2000 Census, 2009-2013 ACS). There was a large disparity amongst counties in the region over the 13-year time period - with some experiencing double-digit growth and others seeing a decline. Pike County saw the largest growth in population at 23%, rising from 46,302 in 2000 to 57,179 in 2013. Schuylkill and Sullivan County both saw a decline in population at 2% each. Schuylkill County shrank from 150,336 in 2000 to 147,700 in 2013, while Sullivan County shrank from 6,556 in 2000 to 6,419 in 2013.

The Northeast Region is predominantly White, with Whites accounting for 91% of regional population and all remaining racial groups making up the remaining 9%. Blacks/African Americans account for over 4% and Asians account for 1% of the population. Persons identifying as Other Race and persons identifying with Two or More Races both each comprise an additional 1% of the regional population each. Finally, 6% of the region identify as ethnically Hispanic.



Seniors comprised 17% of the NE Region's population, with a total of 153,765 persons aged 65 and over. Sullivan County had the highest proportion of seniors at 25.1% and Monroe County had the lowest proportion of seniors at 13.4% (2009-2013 ACS). Fifteen percent of the regional population had a disability – 132,295 persons. Sullivan County had the highest proportion of disabled persons at 19.3% and Monroe County had the lowest proportion of disabled persons at 13.2% (2009-2013 ACS).

HUD defines housing cost burden as when a household spends more than 30% of monthly income on housing related costs. Fifty percent of renters in the NW Region (45,026 households) were cost burdened according to 2009-2013 ACS estimates. Amongst homeowners, 27% of owners with a mortgage (41,124 households) and 13% of owners without a mortgage (15,633 households) were housing cost burdened. Homeowners without mortgages who cost burdened are often households on fix incomes (such as the elderly) that pay an inordinate amount of their monthly income on taxes, insurance, and other housing related costs.

An additional indicator of financial strife is poverty. There were 74,826 persons living below the poverty line according to 2009-2013 ACS estimates – 7.9% of the regional population. Elk County experienced the lowest poverty rate at 5.0% (1,603 persons), and Clarion County experienced the highest poverty rate at 10.6% (4,207 persons).

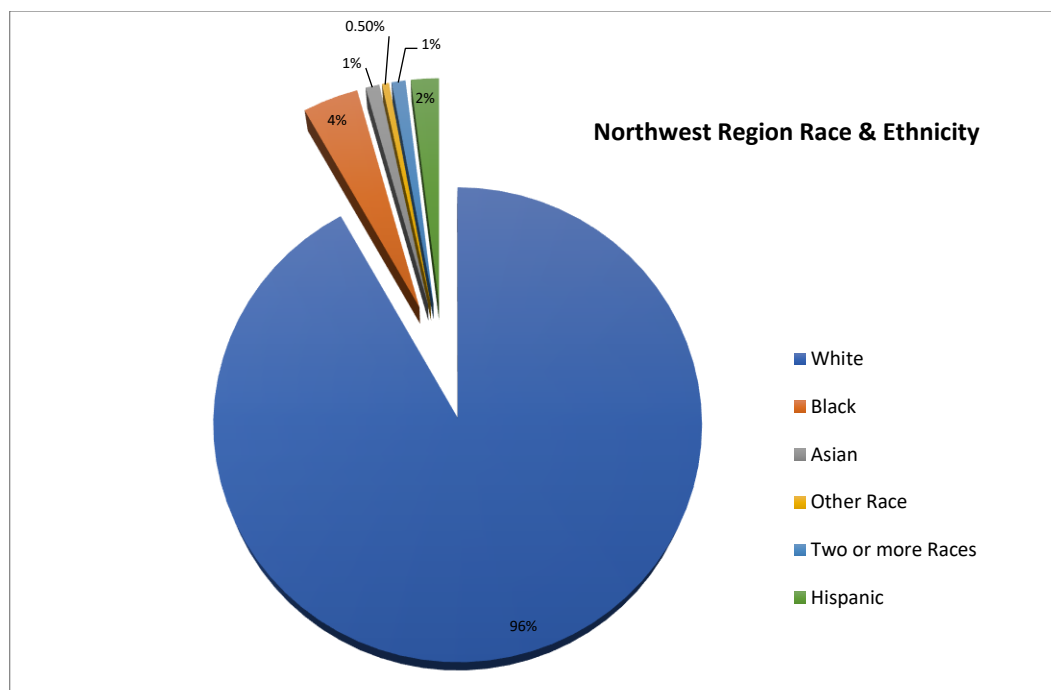
Northwest Region

The Northwest Region consists of the following 14 counties:

CAMERON COUNTY, CLARION COUNTY, CLEARFIELD COUNTY, CRAWFORD COUNTY, ELK COUNTY, ERIE COUNTY, FOREST COUNTY, JEFFERSON COUNTY, LAWRENCE COUNTY, MCKEAN COUNTY, MERCER COUNTY , POTTER COUNTY, VENANGO COUNTY, WARREN COUNTY

The 14 non-entitlement counties comprising the Northwest Region experienced a net population decline of 3% between 2000 and 2013 – shrinking from a cumulative population of 968,700 to 942,690 (2000 Census, 2009-2013 ACS). There was a large disparity amongst counties in the region over the 13-year time period - with some experiencing double-digit growth and others seeing a decline. Forest County saw the largest growth in population at 56%, rising from 4,946 in 2000 to 7,696 in 2013. Cameron County saw the sharpest decline in population at 6%. Cameron County shrank from 5,974 in 2000 to 5,000 in 2013.

The Northwest Region is predominantly White, with Whites accounting for 96% of regional population and all remaining racial groups making up the remaining 4%. Blacks/African Americans account for almost 4% and Asians account for almost 1% of the population. Persons identifying as Other Race and persons identifying with Two or More Races both each comprise an additional 1% of the regional population combined. Finally, 2% of the region identify as ethnically Hispanic.



Seniors comprised 17% of the Northwest Region’s population, with a total of 162,936 persons aged 65 and over. Cameron County had the highest proportion of seniors at 21.8% and Erie County had the lowest proportion of seniors at 14.8% (2009-2013 ACS). Seven percent of the regional population had a disability – 72,927 persons. Cameron County had the highest proportion of disabled persons at 9% and Elk County had the lowest proportion of disabled persons at 6.6% (2009-2013 ACS).

HUD defines housing cost burden as when a household spends more than 30% of monthly income on housing related costs. Forty-eight percent of renters in the NE Region (36,285 households) were cost burdened according to 2009-2013 ACS estimates. Amongst homeowners, 36% of owners with a mortgage (55,119 households) and 19% of owners without a mortgage (19,684 households) were housing cost burdened. Homeowners without mortgages who cost burdened are often households on fix incomes (such as the elderly) that pay an inordinate amount of their monthly income on taxes, insurance, and other housing related costs.

An additional indicator of financial strife is poverty. There were 108,278 persons living below the poverty line according to 2009-2013 ACS estimates – 12.2% of the regional population. Pike County experienced the lowest poverty rate at 9.1% (5,119 persons), and Tioga County experienced the highest poverty rate at 15.3% (6,199 persons).

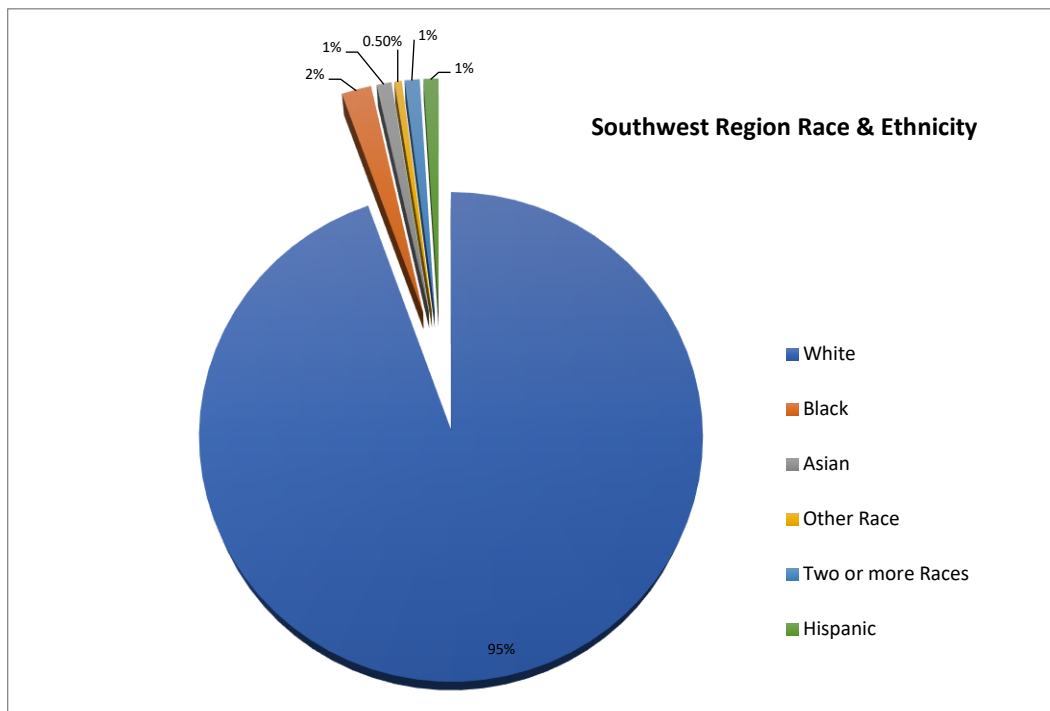
Southwest Region

The Southwest Region consists of the following 5 counties:

ARMSTRONG COUNTY, BUTLER COUNTY, FAYETTE COUNTY, GREENE COUNTY, INDIANA COUNTY.

The 5 non-entitlement counties comprising the Southwest Region experienced a net population decline of 2% between 2000 and 2013 – shrinking from a cumulative population of 525,396 to 516,060 (2000 Census, 2009-2013 ACS). There was a large disparity amongst counties in the region over the 13-year time period - with one experiencing some significant growth and the others seeing a decline. Butler County saw the only growth in population at 6%, rising from 174,083 in 2000 to 184,535 in 2013. Fayette County saw the sharpest decline in population at 8% and shrank 148,644 in 2000 to 136,145 in 2013.

The Southwest Region is predominantly White, with Whites accounting for 95% of regional population and all remaining racial groups making up the remaining 5%. Blacks/African Americans account for 2% and Asians account for almost 1% of the population. Persons identifying as Other and persons identifying with Two or More races both each comprise an additional 1.5% of the regional population combined. Finally, 1% of the region identify as ethnically Hispanic.



Seniors comprised 17% of the Southwest Region’s population, with a total of 87,047 persons aged 65 and over. Armstrong County had the highest proportion of seniors at 18.9% and Butler County had the lowest proportion of seniors at 15.6% (2009-2013 ACS). Seven percent of the regional population had a disability – 37,966 persons. Fayette County had the highest proportion of disabled persons at 9.8% and Butler County had the lowest proportion of disabled persons at 5.1% (2009-2013 ACS).

HUD defines housing cost burden as when a household spends more than 30% of monthly income on housing related costs. Forty-eight percent of renters in the Southwest Region (21,695 households) were cost burdened according to 2009-2013 ACS estimates. Amongst homeowners, 25% of owners with a mortgage (20,928 households) and 13% of owners without a mortgage (8,873 households) were housing cost burdened. Homeowners without mortgages who cost burdened are often households on fix incomes (such as the elderly) that pay an inordinate amount of their monthly income on taxes, insurance, and other housing related costs.

An additional indicator of financial strife is poverty. There were 40,281 persons living below the poverty line according to 2009-2013 ACS estimates – 7.8% of the regional population. Butler County experienced the lowest poverty rate at 5.4% (10,031 persons), and Indiana County experienced the highest poverty rate at 10.5% (9,286 persons).

VI. Statewide Housing Assessment

A. Introduction

Housing is one of the fastest growing elements of consumer spending. Housing costs are rising faster than income, making it increasingly more difficult for Pennsylvanians to find decent shelter. While the housing market is producing ample affordable units for middle and upper income residents, the same units are out of reach for low-income households.

What is Affordable Housing?

A definition of Affordable Housing was developed by the Advisory Commission on Regulatory Barriers to Affordable Housing (Advisory Commission, 1991). They concluded that:

"...there is not enough affordable housing when a low or moderate-income family cannot afford to rent or buy a decent quality dwelling without spending more than 30 percent of its income on shelter, so much that it cannot afford other necessities of life."

Needs Assessment

Pennsylvania's Consolidated Plan indicates significant housing needs among the extremely low-income, low-income, and moderate-income households. Approximately 1.8 million Pennsylvania households are low-income households (less than 50% of median family income) or moderate-income households (51 to 80% of the median).

AFFH and Affordable Housing

Affordability as an issue in fair housing is a complicated issue to address. Current legislation does not include low-income people as a protected class of people and thus are not protected by the Fair Housing Act.

The U.S. Department of Housing and Urban Development (HUD) has found confusion among its grantees on the distinction between affordable housing activities and Affirmatively Furthering Fair Housing. Some clarification on this point can be found in HUD's Fair Housing Planning Guide, which describes the affordable fair housing issue as "not equivalent but also not entirely separate." HUD went on to explain that building or rehabilitating housing for low and moderate-income families is not in and of itself sufficient to affirmatively further fair housing. HUD further indicated, "when steps are taken to assure that housing is fully available to all residents of the community, regardless of race, color, origin, gender, handicap or familial status, those are the actions that affirmatively further fair housing." (Fair Housing Planning Guide, 1995, pg. 5-2).

Federal Assistance

The Commonwealth of Pennsylvania receives federal housing assistance from the HUD under several programs, among which include:

1. Community Development Block Grant Program (CDBG)
2. HOME Investment Partnership Program (HOME)
3. Emergency Solutions Grant Program (ESG)
4. Housing Opportunities for persons with AIDS (HOPWA)
5. Neighborhood Stabilization Program (NSP)
6. National Housing Trust Fund (HTF)
7. Community Development Block Grant – Disaster Recovery (CDBG_DR)

As a recipient of these funds, the Commonwealth must certify to HUD that it will affirmatively further fair housing by undertaking fair housing planning. HUD defines this obligation to affirmatively further fair housing as the requirement of all grantees to conduct an analysis to identify impediments to fair housing choice and to take appropriate actions to overcome the effects of any impediments identified through the analysis.

B. Barriers to Affordable Housing

Negative Effects of Public Policies on Affordable Housing and Residential Investment

When it comes to public policy, many rural local governments in Pennsylvania do not have zoning codes or land use ordinances so public policy is not a major issue with most of the municipalities affected with the non-entitlement CDBG funding. There are cities and counties though that do have such policies and the Commonwealth is working with these communities in identifying impediments to affordable housing.

State government agencies, led by DCED, have also given significant attention to the issues of land use that often pose barriers to affordable housing. As a result of state legislation and a Governor’s Executive Order, the Governor’s Center for Local Government Services (GCLGS) has issued a regular report on land use and growth management. This 2015 report outlines the Commonwealth’s efforts to grow smarter and promote sound land use practices. These reports can be found at: <https://dced.pa.gov/download/state-land-use-growth-management-report-2015/?wpdmdl=65493>. Or <https://dced.pa.gov/download/regional-trends-supplement/?wpdmdl=73834>

Moreover, GCLGS is the lead agency in state government to assist local governments with community planning, land use issues and the Municipalities Planning Code (MPC). Planning is the springboard for successfully tackling these issues — the MPC provides authority for comprehensive plans and for ordinances, zoning or subdivision and land development, to move communities in new, positive directions.

GCLGS assists communities through training and publications. The Planning Series publications can be found at: <https://dced.pa.gov/download/planning-series-10-reducing-land-use-barriers-to-affordable-housing/?wpdmdl=56208> Local Government/Publication and Documents/Planning Series (1-10)

C. Housing Profile - Pennsylvania

Housing Conditions and Market Analysis

RESIDENTIAL PROPERTIES BY TYPE & NUMBER OF UNITS

	2000		2009-2013 ACS	
Property Type	Number	Percent	Number	Percent
1-unit detached structure	2,935,248	55.9%	3,176,161	57.1%
1-unit, attached structure	940,396	17.9%	1,018,136	18.3%
2 units	273,798	5.2%	262,815	4.7%
3 or 4 units	241,745	4.6%	231,557	4.2%
5-9 units	179,909	3.4%	187,336	3.4%
10-19 units	131,691	2.5%	141,133	2.5%
20 or more units	283,714	5.4%	317,217	5.7%
Mobile Home	258,551	4.9%	230,205	4.1%
Boat, RV, van, etc.	4,698	0.1%	1,093	0.0%
<i>Total</i>	5,249,750	100%	5,565,653	100%
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

Housing Unit Size

HOUSING UNITS BY SIZE

	2000		2009-2013 ACS	
Housing Units	Number	Percent	Number	Percent
No bedroom	83,671	1.6%	104,270	1.9%
1 bedroom	597,366	11.4%	586,886	10.5%
2 bedrooms	1,294,804	24.7%	1,294,193	23.3%
3 bedrooms	2,275,007	43.3%	2,397,807	43.1%
4 bedrooms	806,244	15.4%	947,624	17.0%
5 or more bedrooms	192,244	3.6%	234,873	4.2%
<i>Total Housing Units</i>	5,249,750	100%	5,565,653	100%
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

HOUSING CONDITIONS

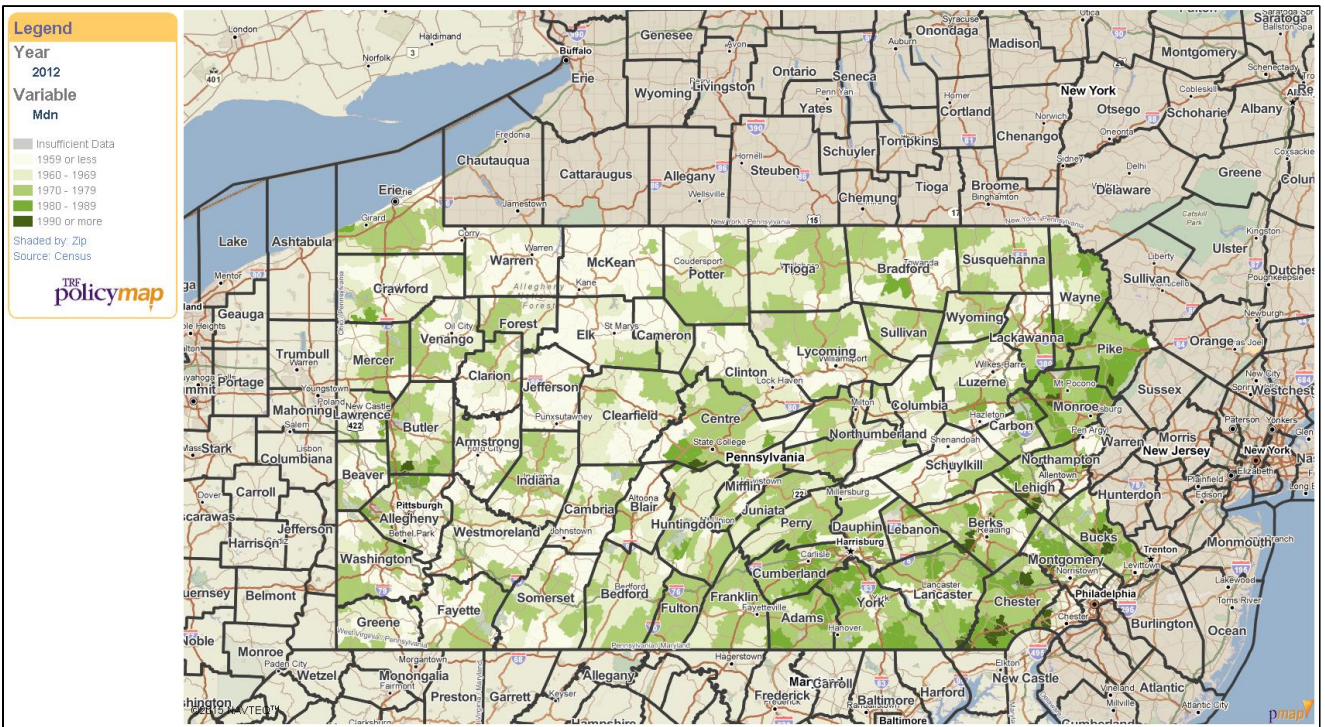
YEAR UNIT BUILT

	2000		2009-2013 ACS	
Range	Number	Percent	Number	Percent
Built 2010 or Later			19,565	0.4%
Built 2000-2009			456,718	8.2%
1999-March 2000	66,916	1.3%		
Built 1990 to 1999	479,361	9.2%	518,872	9.3%
Built 1980 to 1989	531,986	10.1%	545,872	9.8%
Built 1970 to 1979	709,768	13.5%	710,217	12.8%
Built 1960 to 1969	595,897	11.4%	566,585	10.2%
Built 1940 to 1959	1,275,149	24.3%	1,233,344	22.2%
Built 1939 or earlier	1,590,673	30.3%	1,514,457	27.2%
Total	5,249,750	100%	5,565,653	100%
Data Source: American Community Survey 2009-2013 5 Year Estimates				

Note: an increase in housing built in prior decades simply indicates a statistical margin of error from one survey (2000) to the next (2009-2013 five-year estimates). A decrease in units built in a particular time frame indicates either a loss of units via demolition, deconstruction, natural disaster, etc. or again, a statistical margin of error between the two survey results.

The 2000 Census indicated roughly 79.5% of all housing units in the state were built during or prior to 1979. By the 2009-2013 ACS survey, that figure had decreased to 72.4%. This decrease in the percentage of all housing units built during or prior to 1979 is in part due to the new construction of just over 476,000 housing units during or after 2000 as well as the loss of 146,000 units built during or prior to 1979. The map below details the median year built for housing units by census tract.

Median Year Built



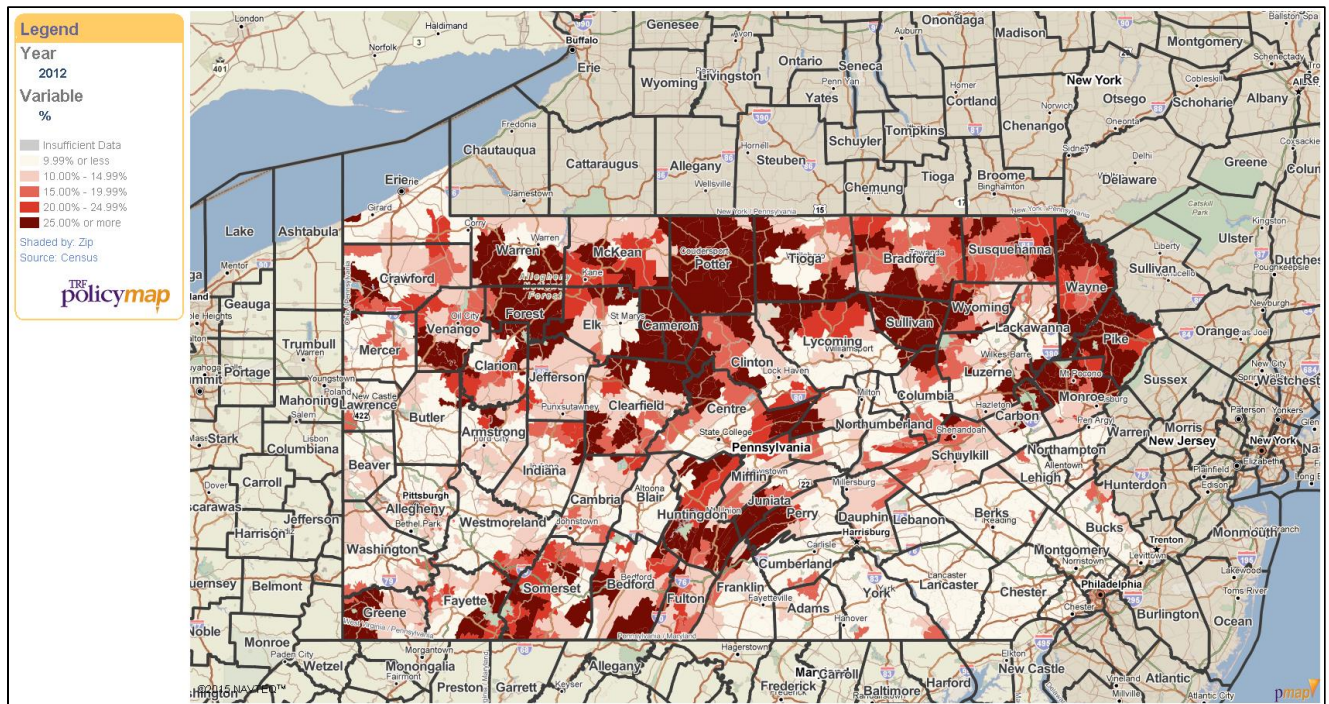
HOUSING OCCUPANCY CHARACTERISTICS

HOUSING OCCUPANCY

	2000		2009-2013 ACS	
Housing Occupancy	Number	Percent	Number	Percent
Total Housing Units	5,249,750	100%	5,565,653	100%
Occupied Housing Units	4,777,003	91.3%	4,958,427	89.1%
Owner Occupied Housing Units	3,406,337	71.3%	3,462,512	69.8%
Renter Occupied Housing Units	1,370,666	28.7%	1,495,915	30.2%
Data Source: Census 2000, American Community Survey 2009-2013 5 Year Estimates				

Since, the 2000 Census, the number of occupied housing units has increased 315,903 or slightly more than 6%. However, the percentage of occupied housing units has decreased as well as the percentage of occupied housing units that are owner-occupied. The overall occupancy rate has declined from 91.3% to 89.1% and owner-occupancy has decreased from 71.3% to 69.8%. On the other hand, the percentage of occupied housing units are occupied by renters has increased from 28.7% to 30.2% of all occupied housing units. The map below depicts residential vacancy rates by census tract for the state.

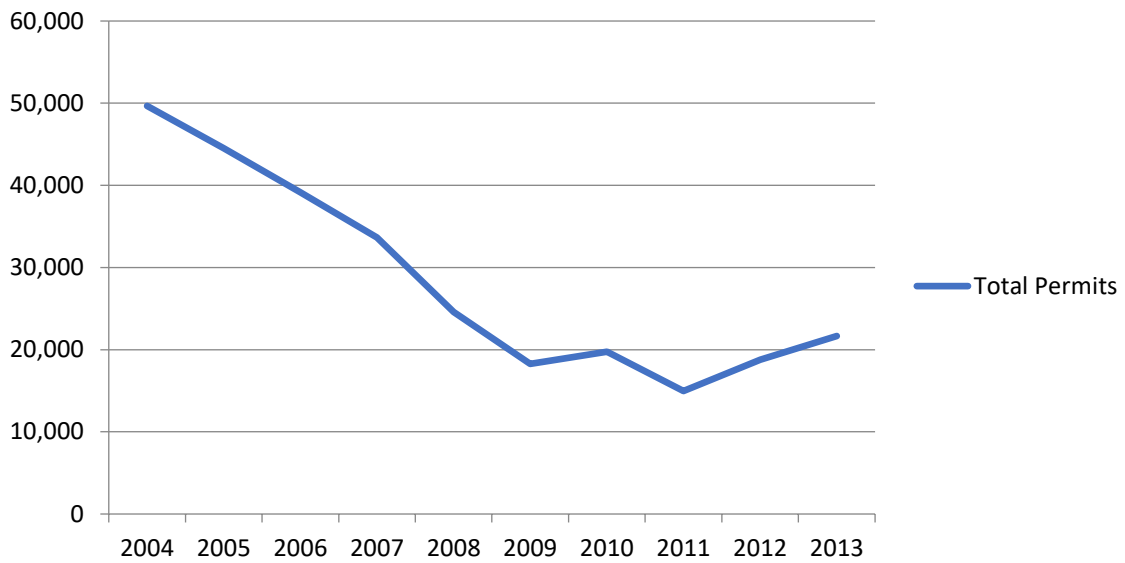
Residential Vacancy



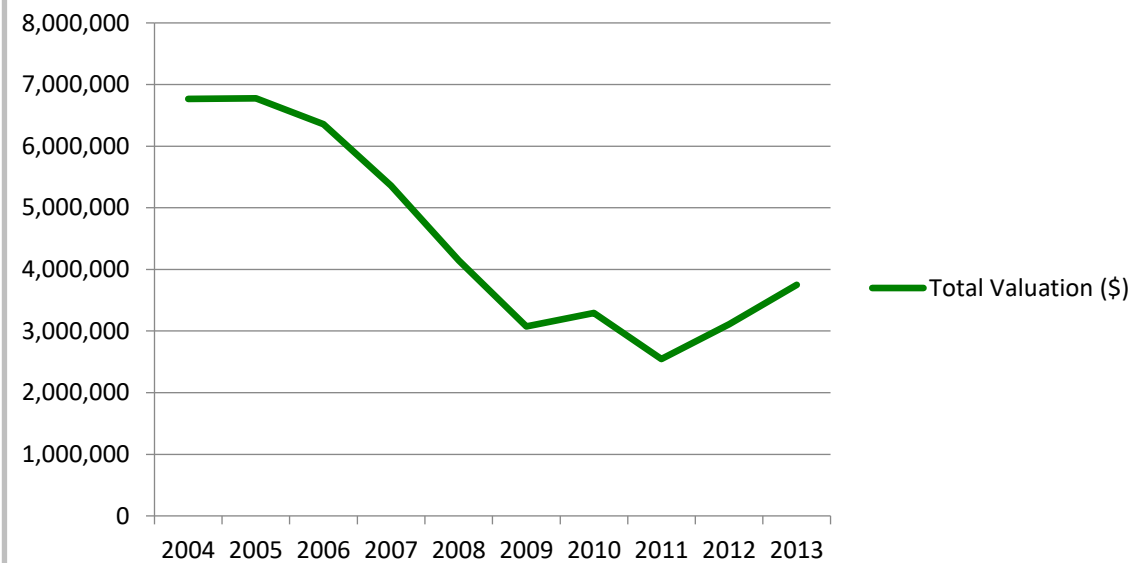
Construction Activity

The line graphs below depict perhaps the best representation of the collapse of the housing boom and very slow recovery between 2004 and 2013 throughout the State of Pennsylvania. The first graph displays the steep decline in the number of residential building permits issued each year between 2004 and 2013. The second graph details the precipitous drop in the total valuation of new construction building permits each year during the same period.

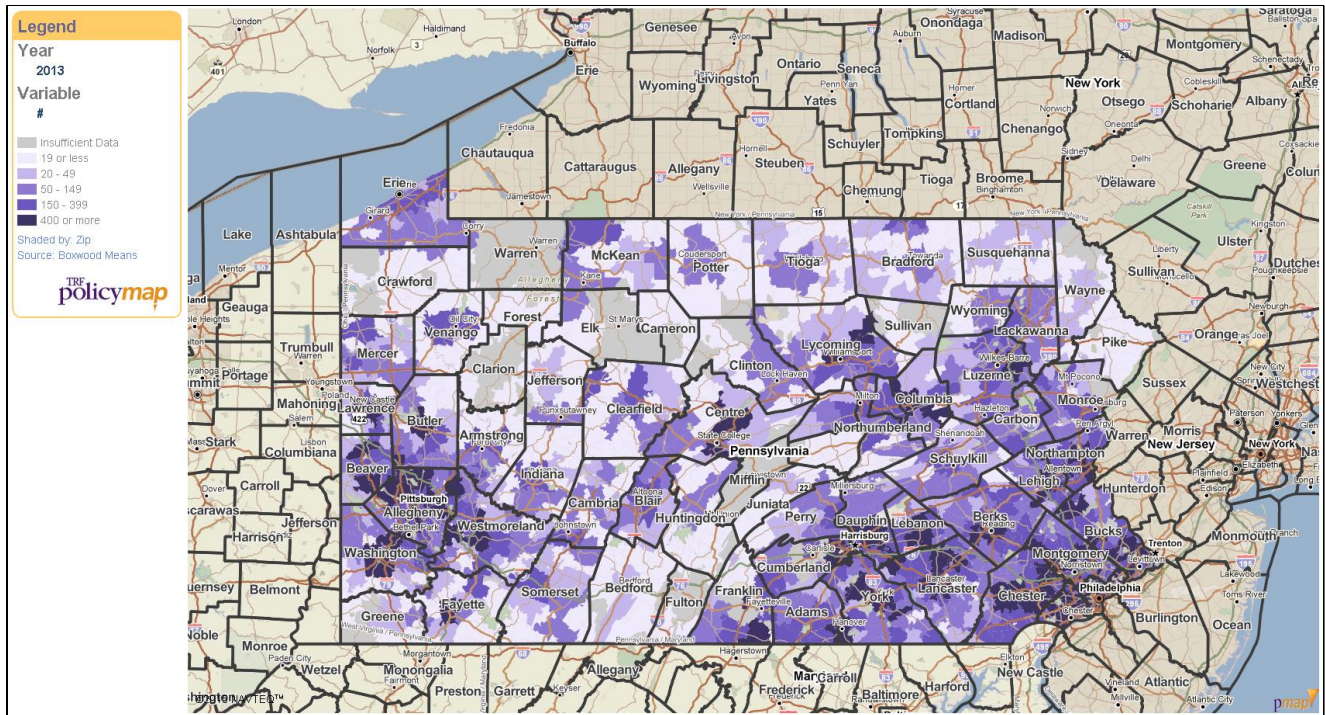
Residential Construction Permits Issued



Total New Construction Valuation



Annual Home Sales



Housing Costs

The following section examines the housing costs for owners and renters across the State of Pennsylvania. The data tables provide a comparison between the 2000 Census and the 2009-2013 American Community Survey 5 – Year Estimates. There are several instances where the way the data was collected and/or reported has changed between the two surveys. In each case, a data note is provided to clarify the data sets being presented.

CHANGE IN COST OF HOUSING

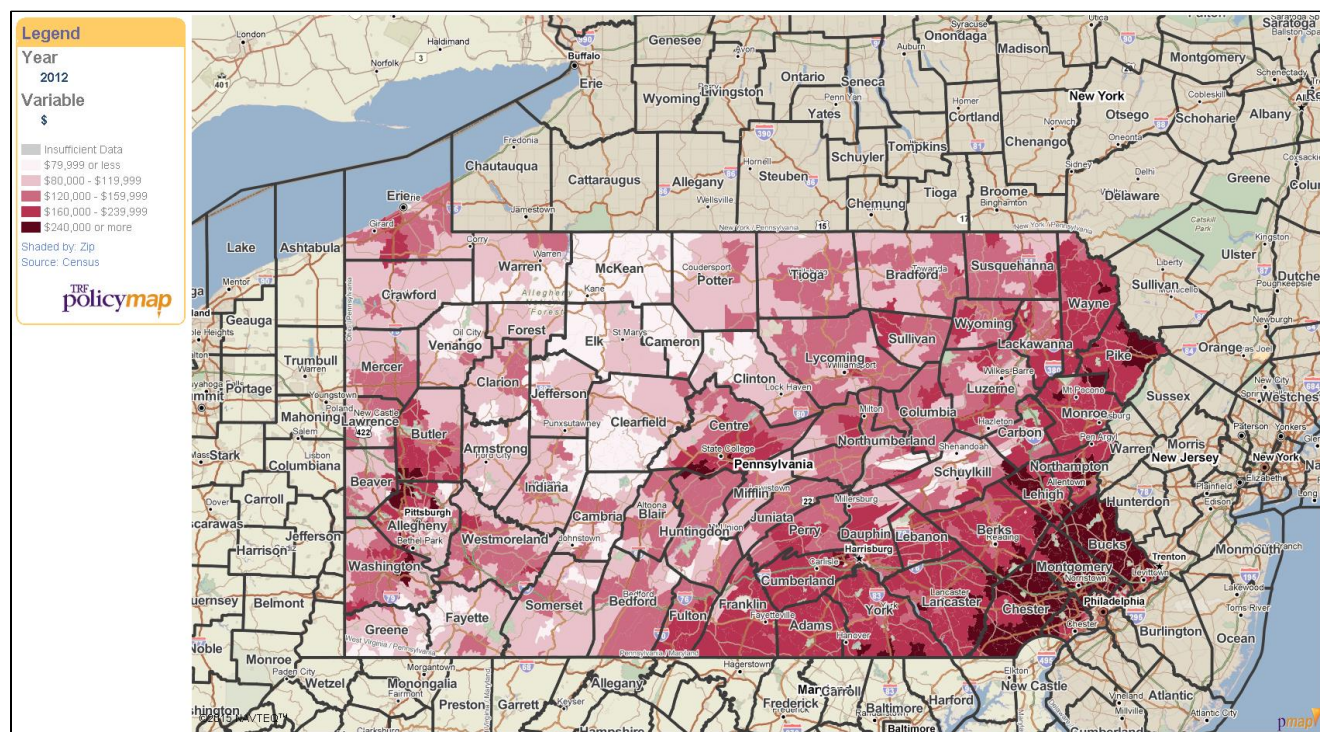
	2000	2009-2013 ACS	Percent of Change
Median Home Value	\$97,000	\$164,700	69.8%
Median Contract Rent	\$531	\$813	53.1%
Data Source: 1990, 2000 Census & 2009-2013 American Community Survey 5 Year Estimates			

Housing costs across the state have experienced significant increases between 2000 and 2013. Median home values, for owner occupied homes, have increased nearly 70% and the median rent has increased more than 50% across the state. As detailed above, new unit production is only a fraction of what it once was and thus the relatively fewer units coming to market each year has added to the upward pricing for both owner and renter options.

MEDIAN HOME VALUE (OWNER OCCUPIED UNITS)

	2000		2009-2013 ACS	
Value	Number	Percent	Number	Percent
Less than \$50,000	435,193	15.1%	322,395	9.3%
\$50,000 to \$99,999	1,079,698	37.4%	617,115	17.8%
\$100,000 to \$149,999	703,093	24.3%	587,022	17.0%
\$150,000 to \$199,999	344,172	11.9%	593,387	17.1%
\$200,000 to \$299,999	214,812	7.4%	698,059	20.2%
\$300,000 to \$499,999	84,425	2.9%	461,347	13.3%
\$500,000 to \$999,999	23,654	0.8%	152,646	4.4%
\$1,000,000 or more	4,437	0.2%	30,541	0.9%
Total Units/Median Value	2,889,484	\$97,000	3,462,512	\$164,700
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

Median Home Value

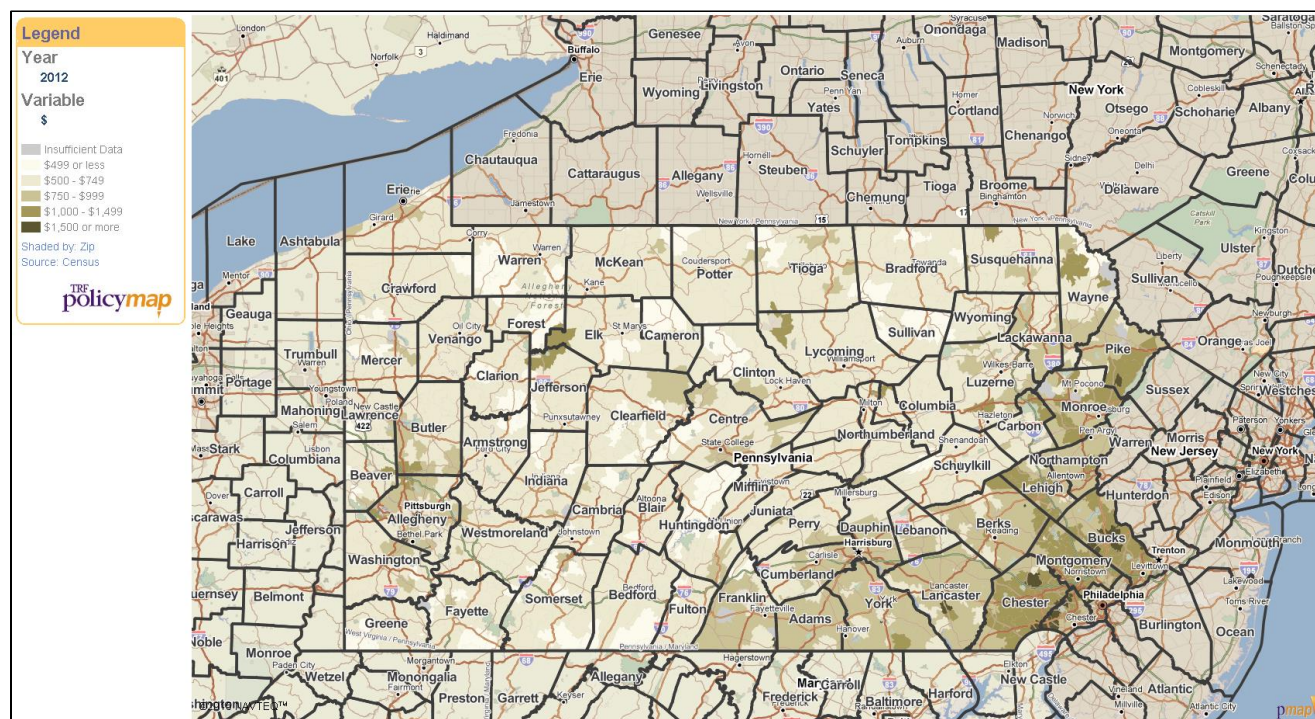


RENTAL HOUSING COSTS

	2000		2009-2013 ACS	
Rent Paid	Number	Percent	Number	Percent
No rent paid	77,987	5.8%	92,255	6.2%
Less than \$200	85,346	6.3%	29,662	2.0%
\$200-299	89,493	6.6%	61,645	4.1%
\$300-499	389,144	28.9%	141,540	9.5%
\$500-749	454,749	33.7%	366,641	24.5%
\$750-999	167,064	12.4%	373,865	25.0%
\$1,000-\$1,499	65,230	4.8%	311,617	20.1%
\$1,500 or more	19,811	1.5%	118,690	8.0%
Total Units/Median Rent	1,348,824	\$531	1,495,915	\$813
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

Data note: Median Rent is calculated based only on those renters actually paying rent.

Median Rent



HOUSING AFFORDABILITY

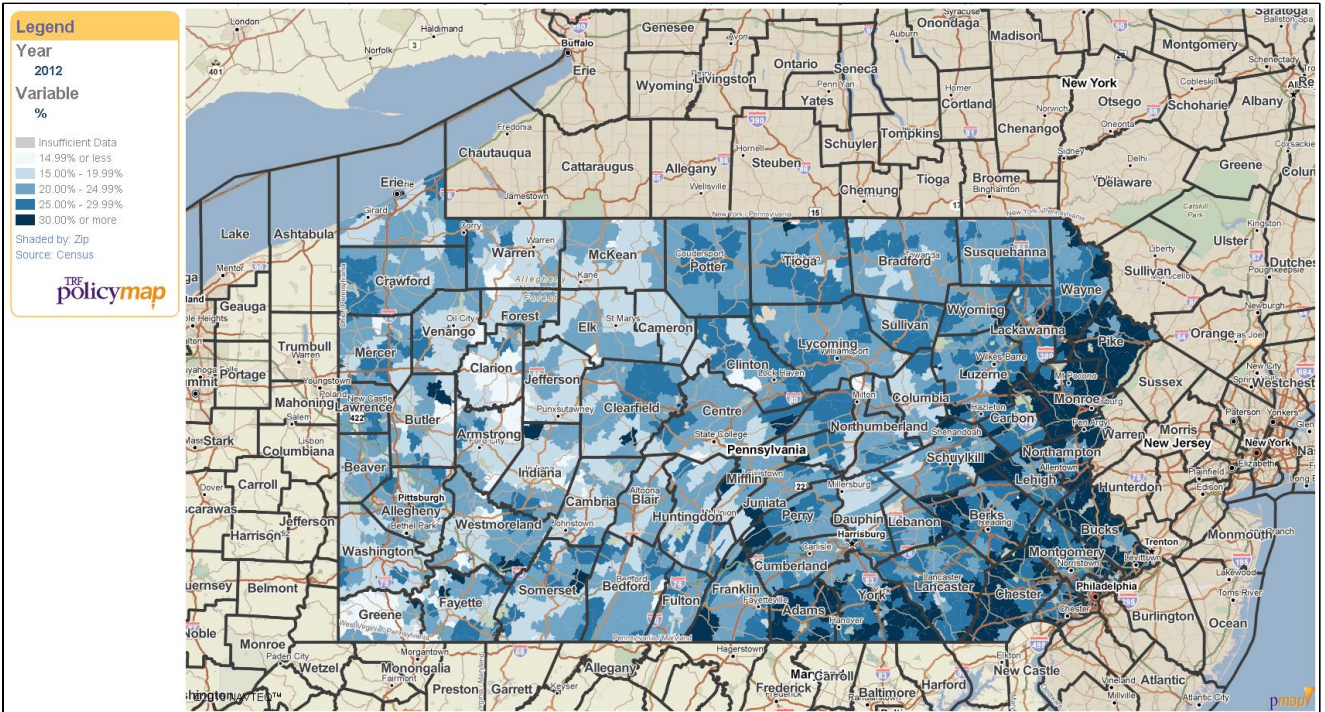
By HUD's definition, households paying in excess of 30% of their household income towards housing costs (renter or owner) are said to be cost burdened. The map below details the percentage of households that are defined as cost burdened.

SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME

	2000		2009-2013 ACS	
	(all owners)		(owners with mortgage)	
	Number	Percent	Number	Percent
Less than 15%	1,091,368	37.8%	-	-
15 to 19%	509,245	17.6%	-	-
Less than 20%	-	-	854,002	39.7%
20 to 24%	399,694	13.8%	357,794	16.6%
25 to 29%	264,015	9.1%	260,749	12.1%
30 to 35%	164,558	5.7%	175,647	8.2%
35% or more	436,159	15.1%	505,125	23.5%
Not computed	24,445	0.8%	8,622	-
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

Data note: the 2000 Census includes all owner households, even those without a mortgage, and those where calculations could not be made, in the percentages for each income range. However, the 2009-2013 ACS only includes owners with a mortgage, where the calculations could be made, in the percentages for each income range. Therefore, some of the increase between the 2000 Census and the 2009-2013 ACS can be attributed to the change in the way the Census Bureau reports these figures. Nonetheless, in 2000, 20.8% of all owners were considered cost burdened including 15.1% that were considered extremely cost burdened. As of the 2013 calculations, just over one-third (31.7%) of all owners, with a mortgage, were cost burdened including 23.5% that were considered extremely cost burdened. Again, at least some of the significant increase from year to year can be attributed to the change in the way the data is presented but that should not lessen the significance of such a high percentage of owner households facing extreme cost related burdens. The map below depicts concentrations of cost burdened owner occupied households.

Cost Burdened Homeowners



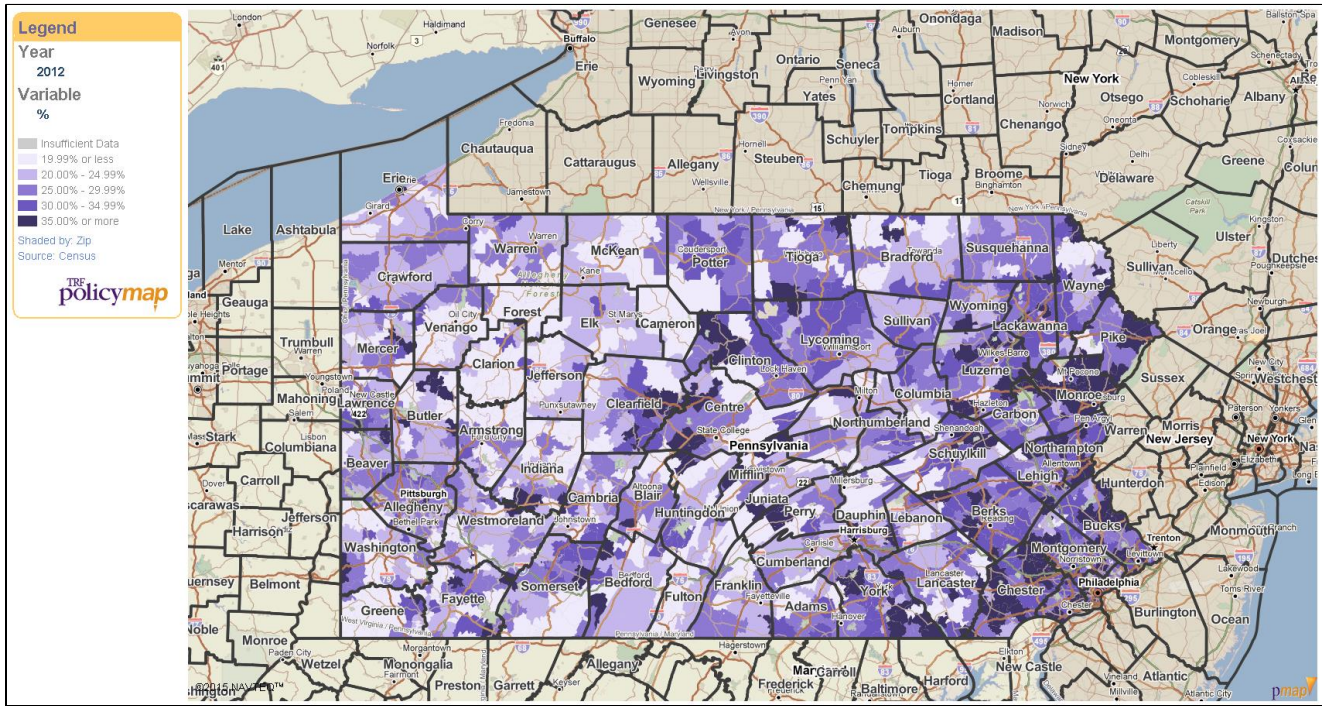
SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME

	2009-2013 ACS	
	(owners without mortgage)	
	Number	Percent
Less than 10%	454,264	35.3%
10.0 to 14.9%	263,627	20.5%
15.0 to 19.9%	171,269	13.3%
20.0 to 24.9%	110,905	8.6%
25.0 to 29.9%	75,421	5.9%
30.0 to 34.9%	50,164	3.9%
35.0% or more	162,552	12.6%
Not computed	12,371	-
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates		

The 2009-2013 ACS report specifically identifies housing costs for owner occupied households without a mortgage. In such case, housing costs are most often attributable to home owners insurance premiums and property taxes. As indicated in the table above, 16.5% of owner occupied households, without a mortgage are cost burdened, including 12.6% that were considered extremely cost burdened. There is a strong

correlation between these cost burdened owner occupied households and cost burdened seniors who own their homes. The map below identifies concentrations of cost burdened owners age 65 and older.

Cost Burdened Homeowners 65 years Old or Older



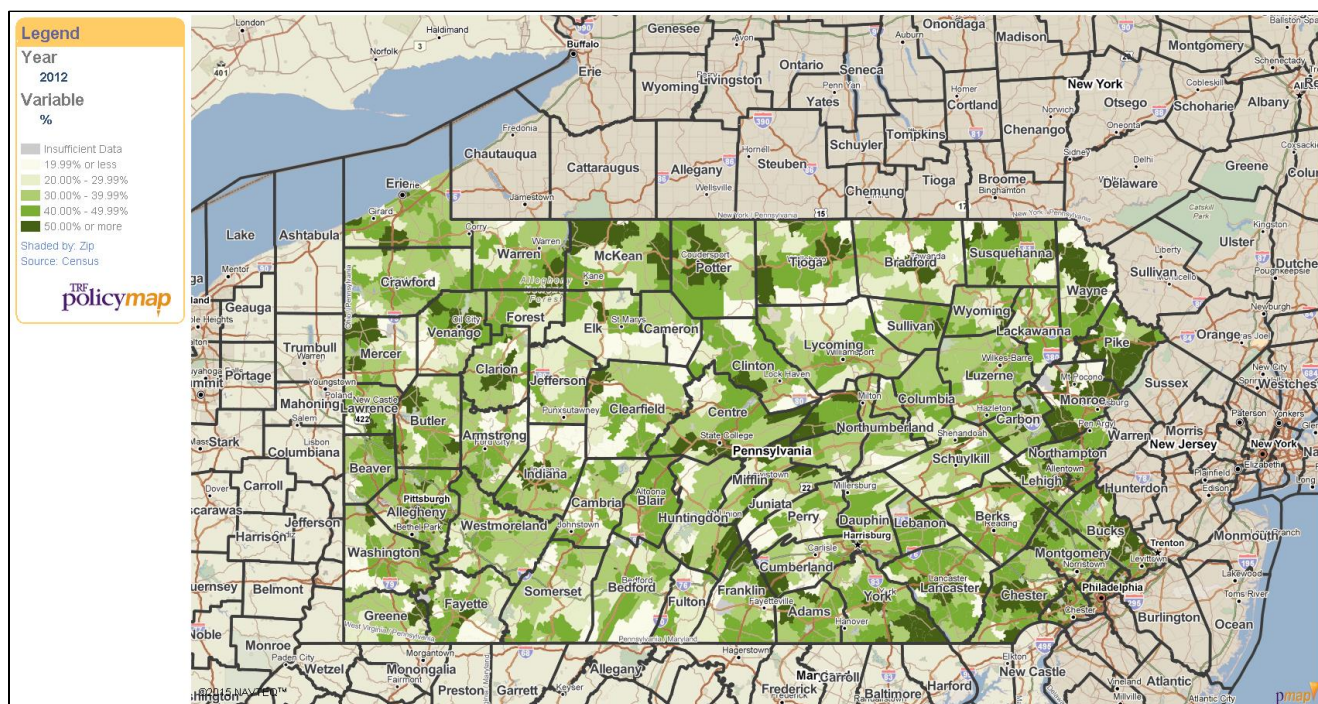
SELECTED MONTHLY RENTER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME

	2000		2009-2013 ACS	
	(all renters)		(occupied units paying rent)	
	Number	Percent	Number	Percent
Less than 15%	259,386	19.2%	177,025	12.9%
15 to 19%	193,612	14.4%	171,400	12.5%
20 to 24%	165,624	12.3%	172,565	12.6%
25 to 29%	139,877	10.4%	162,334	11.8%
30 to 35%	93,260	6.9%	119,670	8.7%
35% or more	386,384	28.6%	568,225	41.4%
Not computed	110,681	8.2%	124,696	-
Data Source: 2000 Census, 2009-2013 American Community Survey 5 Year Estimates				

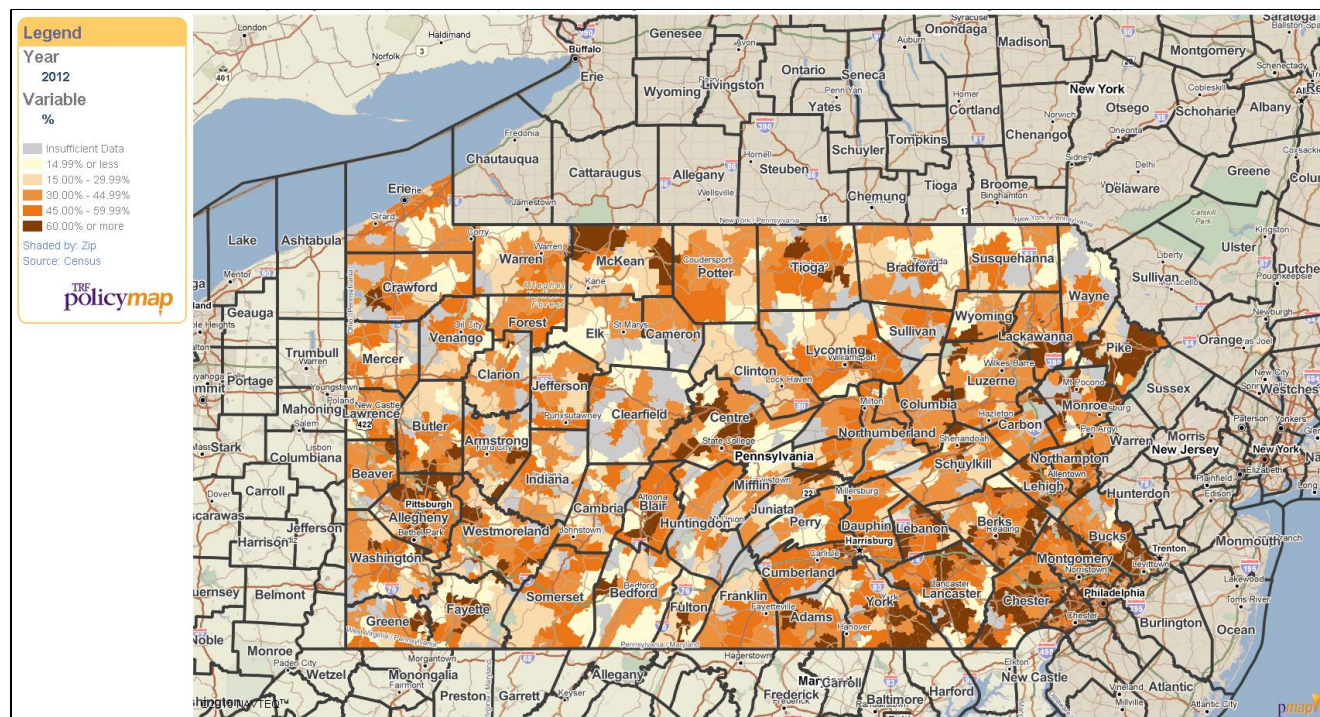
Data note: The 2000 Census includes all renters, even those not paying rent and those were calculations could not be made, in the percentages for each income range. However, the 2009-2013 ACS only includes

occupied units paying rent, where the calculations could be made, in the percentages for each income range. Therefore, some of the increase between the 2000 Census and the 2009-2013 ACS can be attributed to the change in the way the Census Bureau reports these figures. Nonetheless, in 2000, 35.5% of all renters were considered cost burdened including 28.6% that were considered extremely cost burdened. As of the 2013 calculations, just over half (50.1%) of all renters, paying rent, were cost burdened including 41.4% that were considered extremely cost burdened. Again, at least some of the significant increase from year to year can be attributed to the change in the way the data is presented but that should not lessen the significance of such a high percentage of renter households facing extreme cost related burdens. When renter households face these extreme cost burdens they are less likely to be able to save money towards becoming homeowners and they are more likely to experience poverty conditions. The following map details concentrations of cost burdened renter households. The second map below further identifies concentrations of cost burdened renter households with occupants aged 65 or older.

Cost Burdened Renters



Cost Burdened Renters 65 years Old or Older



VII. Private Sector Analysis and Impediments

A. Introduction

Discrimination in lending continues to be a factor facing the protected classes in applying for mortgages. No one doubts that there is some level of discrimination in mortgage lending; the conflict is in where that level is and who is responsible. Some researchers feel that it is an institutionalized problem; others feel that it is individuals who are prejudiced. Most studies tend to verify the author's preconceptions. Finance industry studies show some isolated instances of individual discrimination, community group and race-based group studies show that there is a major institutionalized discrimination problem. Data that is useful to laymen regarding lending discrimination is difficult to find. Once found, even the experts don't know what to make of it. Many studies have been done on lending discrimination with varying conclusions.

Regulatory Issues

There are multiple laws imposing fair lending and/or fair housing requirements. The primary laws are: The Fair Housing Act (FHA) of 1968 (Amended in 1988), the Equal Credit Opportunity Act (ECOA) of 1974, the Community Reinvestment Act (CRA) of 1977, and the Home Mortgage Disclosure Act (HMDA) of 1975.

The ECOA authorizes regulators to seek out and punish acts of discrimination by lenders. The FHA also deals with lending discrimination. Liability, under both acts, is civil rather than criminal. Evidence of discrimination can be overt discrimination, disparate treatment, and disparate impact. Overt discrimination is the refusal of a lender to deal with people in the protected classes. Disparate treatment is where the protected person is treated differently, e.g. higher costs, additional fees, more documentation required than for a white male applicant. Disparate impact deals mainly with commercial practices where these practices disproportionately harm minorities. The acts proscribe various fair lending activities and define several criteria which are illegal to use in lending decisions.

The CRA establishes a requirement for the banks to help meet the credit needs of the communities in which they do business. This is an effort to address the perceived problem of "redlining". It covers all insured depositories except credit unions. The Act was enacted in 1977. In 1993, the President issued a directive to reevaluate the Act. More than 14,000 comments were received, and final rulemaking was adopted in May 1995 (COSDA, 1995). The CRA requires financial institutions to do five things. First, they must define their local community without excluding low-and moderate-income areas. Second, they must adopt a CRA statement that includes, among other things, a list of the types of credit offered. Third, they must post a CRA notice. Next, the bank must maintain a public comment file on their CRA related performance. Finally, they must implement strategies that are consistent with assessment factors listed in the act.

Programs

A publication by the Federal Reserve Bank of Philadelphia, "Options for Investing in our Communities", attempts to list the lending and reinvestment programs within their district. It lists 82 programs covering everything from Community Development Block Grants to rehabilitation loans to individuals. These programs are administered by a variety of agencies and community development groups.

Outside testers have been used by some lending institutions to determine whether disparate treatment is being given. Some experts feel that roughly 50% of lending discrimination occurs during the pre-application period. People seeking mortgages are told that loans are not available or that they would be better off at some other lender. Another discreet method of discrimination is the continual delay in processing the loan in the hope that the applicant will become frustrated and walk away. These discreet methods of discrimination do not show in the statistics as denials. The use of matched pairs of minority and non-minority testers should be encouraged by the Commonwealth to determine if equitable service was given. This should be encouraged for lenders as a quality control measure on a random basis or if it is felt that circumstances warrant it. It is recommended that the institutions start a self-examination program by checking with their legal departments

and using a reliable experienced outside source to conduct the tests (Barefoot, 1994). One group of researchers differentiate between research auditing (or testing), which is to determine the extent of the problem, and evidence auditing, which is used to gather evidence for legal proceedings (Fix, 1993).

The main problem with federal and state home financing and home ownership programs is that most people have no knowledge of what is available to them. The number of programs and the wide variety of agencies administering them makes it difficult for the "experts" to keep track of them. Informing the public of these programs is necessary to open the market.

Technical assistance is needed by lending institutions who aggressively market to low/moderate-income households. By increasing marketing to low/moderate income persons without a change in the structure of the lender's mortgage programs could cause problems. A higher share of unqualified applicants may apply and be denied which would hurt the lender's CRA and HMDA ratings.

B. Private Sector Impediments

This section will cover financial assistance for refinancing and sale of housing using data from the Home Mortgage Disclosure Act (HMDA). HMDA was enacted by Congress in 1975 and provides the public loan data that can be used to assist:

- in determining whether financial institutions are serving the housing needs of their communities;
- public officials in distributing public-sector investments so as to attract private investment to areas where it is needed; and
- Identifying possible discriminatory lending patterns.

HMDA data was used to evaluate various racial and ethnic groups' access to the housing market through mortgages or loans. The following analysis first looks at whether these groups have applied for a loan. It then examines if certain groups face disparities in originated or approved home loans, applications, denials, and subprime mortgage rates as possible reasons for unequal access to the housing market. HMDA data covers housing-related loans and applications from banks, credit unions, saving associations, and some for-profit non-depository institutions. The mortgage loans must be insured, guaranteed, or supplemented by a federal agency or intended for sale to Federal National Mortgage Association (Fannie Mae) or Federal Home Loan Mortgage Corporation (Freddie Mac). For this report, HMDA data is analyzed for households that are purchasing a home as an owner-occupied unit for their principal residence based on two criteria:

1. Loan Denial Data and Lending Practices- Loan Denial data will show loan denial data for minority applicants for the most recent years for which data is available.
2. High Cost Loan Data- High cost loan data and trends for the state will be covered to assess whether mortgage loan products are available equally to persons in similar economic circumstances by race and ethnicity.

1. Loan Denial Data and Lending Practices

Loan Denial Data

Since enactment of the HMDA in 1975, lending institutions have been required to collect and publicly disclose data regarding applicants including: location of the loan (by Census tract and MSA); income, race and gender of the borrower; the number and dollar amount of each loan; property type; loan type; loan purpose; whether the property is owner-occupied; action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one-to-four family units, manufactured housing and multi-family developments.

HMDA data is a useful tool in accessing lending practices and trends within a jurisdiction. While many financial institutions are required to report loan activities, it is important to note that not all institutions are required to participate. Depository lending institutions - banks, credit unions, and savings associations – must file under HMDA if they hold assets exceeding the coverage threshold set annually by the Federal Reserve Board, have a home or branch office in one or more metropolitan statistical areas (MSA), originated at least one home purchase or refinancing loan on a one-to-four family dwelling in the preceding calendar year. Such institutions must also file if they meet any one of the following three conditions: is a federally insured or regulated institution; originates a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originates a loan intended for sale to Fannie Mae or Freddie Mac. For-profit, non-depository institutions (such as mortgage companies) must file HMDA data if: their value of home purchase or refinancing loans exceeds 10% or more of their total loan originations or equals or exceeds \$25 million; they either maintain a home or branch office in one or more MSAs or in a given year execute five or more home purchase, home refinancing, or home improvement loan applications, originations, or loan purchases for properties located in MSAs; or hold assets exceeding \$10 million or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered in isolation, but must be considered in light of other factors. For instance, while it is possible to develop conclusions simply on the basis of race data, it is more accurate when all possible factors are considered, particularly in relation to loan denials and loan pricing. According to the FFIEC, “with few exceptions, controlling for borrower-related factors reduces the differences among racial and ethnic groups.” Borrower-related factors include income, loan amount, lender, and other relevant information included in the HMDA data. Further, the FFIEC cautions that the information in the HMDA data, even when controlled for borrower-related factors and the lender, “is insufficient to account fully for racial or ethnic differences in the incidence of higher-priced lending.” The FFIEC suggests that a more thorough analysis of the differences may require additional details from sources other than HMDA about factors including the specific credit circumstances of each borrower, the specific loan products that they are seeking, and the business practices of the institutions that they approach for credit.

Typically HMDA data is made available at the Metropolitan Statistical Area or MSA level thus, reviewing state level data can be somewhat cumbersome. In the following section this report provides a summary of the 2013 HMDA data available for the State of Pennsylvania. Where specific details are available, a summary is provided below for loan denials including information regarding the purpose of the loan application, race of the applicant and the primary reason for denial. For the purposes of analysis, this report will focus only on the information available and will not make assumptions regarding data that is not available or was not provided as part of the mortgage application or in the HMDA reporting process.

In 2013, residents of the State of Pennsylvania applied for roughly 620,000 home loans. Of those applications, about 328,500 or 53% were approved and originated. Of the remaining 291,500 applications just over 65,000 or 10.5% were denied for reasons identified below. It is important to note that financial institutions are not required to report reasons for loan denials, although many do so voluntarily. Also, while many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan. The balance of the 291,500 applications that were not originated were closed for one reason or another including a) the loan was approved but not accepted by the borrower, b) the application was closed because of incomplete information or inactivity by the borrower or c) in many instances the application may have been withdrawn by the applicant.

A further examination of the 65,000 denials indicates that nearly 37,500 or 57.7% of all denials were for applicants seeking to refinance existing mortgages for owner occupied, primary residences. Overwhelmingly, the number one reason for denial of refinance applications was a Lack of Collateral. Typically, homeowners,

seeking to refinance their existing home mortgage, are able to use their home as collateral. When the denial reason given for a refinance is a Lack of Collateral, this would indicate the home is worth less than the existing mortgage and therefore refinancing is not an option – these homes are commonly referred to as “under-water” or the borrowers are “upside-down” in their mortgage. The table below provides details for denials of existing homeowners seeking to refinance their existing mortgage or borrow money for home improvements. Nearly one-third (29.1%) of all refinancing loans that were denied, were denied due to a lack of collateral. Almost half, (45.19%) of all borrowers seeking a home improvement loan were denied due to poor Credit History.

Owner Occupied Non-purchase Applications Denials by Purpose & by Reason (all housing types)			
Loan Purpose	Primary Reason for Denial	Denial Count	Percent of Denials
Home Improvement	Total Denials	8,438	100.00%
	Collateral	1801	21.34%
	Credit Application Incomplete	109	1.29%
	Credit History	3813	45.19%
	Debt to Income Ratio	1156	13.70%
	Employment History	40	0.47%
	Insufficient Cash	42	0.50%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	122	1.45%

	Other	336	3.98%
	No Reason Provided	1019	12.08%
Refinance	Total Denials	37,436	100.00%
	Collateral	10904	29.13%
	Credit Application Incomplete	1516	4.05%
	Credit History	3722	9.94%
	Debt to Income Ratio	1921	5.13%
	Employment History	120	0.32%
	Insufficient Cash	454	1.21%
	Mortgage Insurance Denied	15	0.04%
	Unverifiable Information	393	1.05%
	Other	1088	2.91%
	No Reason Provided	17305	46.23%

Mortgage applicants that were non-owner occupants experienced similar reasons for denial when seeking to refinance an existing mortgage or make home improvements. As with owner occupants, the number one reason for denial of a refinancing application was a Lack of Collateral with roughly 29.1% being denied for this reason. Those seeking to make improvements were also denied for lack of Credit History as 9.9% were denied because of their Credit History.

Non-Owner Occupied (all housing types) Denials by Purpose & by Reason			

Loan Purpose	Primary Reason for Denial	Denial Count	Percent of Denials
Home Improvement	Total Denials	2019	100.00%
	Collateral	154	7.63%
	Credit Application Incomplete	23	1.14%
	Credit History	877	43.44%
	Debt to Income Ratio	310	15.35%
	Employment History	0	0.00%
	Insufficient Cash	5	0.25%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	23	1.14%
	Other	143	7.08%
	No Reason Provided	491	24.32%
Home Purchase	Total Denials	1885	100.00%
	Collateral	339	17.98%
	Credit Application Incomplete	156	8.28%
	Credit History	137	7.27%
	Debt to Income Ratio	379	20.11%
	Employment History	12	0.64%

	Insufficient Cash	50	2.65%
	Mortgage Insurance Denied	3	0.16%
	Unverifiable Information	64	3.40%
	Other	162	8.59%
	No Reason Provided	583	30.93%
Refinance	Total Denials	6225	100.00%
	Collateral	1338	21.49%
	Credit Application Incomplete	722	11.60%
	Credit History	702	11.28%
	Debt to Income Ratio	1105	17.75%
	Employment History	42	0.67%
	Insufficient Cash	147	2.36%
	Mortgage Insurance Denied	7	0.11%
	Unverifiable Information	231	3.71%
	Other	714	11.47%
	No Reason Provided	1217	19.55%

Applicants seeking to purchase a new home, where they did not intend to make their primary residence, were denied for a number of reasons. The leading reason provided was a Debt-to-Income Ratio that exceeds lending guidelines. This is followed closely by a lack of sufficient collateral. A lack of sufficient collateral often indicates a high loan-to-value ratio with little money paid as a down payment, which would reduce the loan-

to-value ratio. Often those borrowers that do not intend to make the home their primary residency are required to provide higher down-payments , in many cases up to 20% of the home value.

The percentage of loan application denials for traditional home purchase loans for one-to-four family housing in Pennsylvania varies by race and ethnicity. Oddly, 64.33% of the mortgage applications denied to white borrowers did not have a reason provided, the only reason that was provided was a lack of sufficient Collateral. No other races had the same primary denial reason. African Americans or Blacks were denied primarily because of poor Credit History (24.29%) or Debt-to-Income Ratios (19.58%) too high for lending guidelines. Hawaiian or Pacific Islanders had denial rationale similar to African Americans with 23.81% denied due to Credit History and 16.67% denied due to the Debt-to-Income Ratios. Asians and American Indians or Alaskan Natives had primary reasons for denial stated as Debt-to-Income Ratios too high for lending guidelines with 24.87% and 14.29% respectively. After the Debt-to-Income rationale, Asians had denials reasons states as a lack of Collateral, Credit Application Incomplete and poor Credit History each with 11% of the denials. American Indians' or Alaskan Natives' second most prevalent reason for denial was Credit History with 11.43% followed closely by Collateral and Credit Application Incomplete with 10% of the denials each.

Though not a race rather an Ethnicity, applicants identifying themselves as Hispanic most often did not have a primary reason for denial provided with 54.13% of denials having no rationale reported. However, Collateral (18.67%), Credit History (11.47%) were the two primary reasons stated for denial of Hispanic applicants.

Home Purchase (Single Family - Owner Occupied) Denials by Race, Ethnicity & by Reason			
Race	Primary Reason for Denial	Denial Count	Percent age of Denials
White	Total Denials	4410	100.00%
	Collateral	1573	35.67%
	Credit Application Incomplete	0	0.00%
	Credit History	0	0.00%
	Debt to Income Ratio	0	0.00%
	Employment History	0	0.00%
	Insufficient Cash	0	0.00%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	0	0.00%
	Other	0	0.00%
	No Reason Provided	2837	64.33%
African American /Black	Total Denials	1190	100.00%
	Collateral	129	10.84%

	Credit Application Incomplete	76	6.39%
	Credit History	289	24.29%
	Debt to Income Ratio	233	19.58%
	Employment History	19	1.60%
	Insufficient Cash	42	3.53%
	Mortgage Insurance Denied	4	0.34%
	Unverifiable Information	31	2.61%
	Other	73	6.13%
	No Reason Provided	294	24.71%
Asian	Total Denials	587	100.00%
	Collateral	66	11.24%
	Credit Application Incomplete	66	11.24%
	Credit History	66	11.24%
	Debt to Income Ratio	146	24.87%
	Employment History	21	3.58%
	Insufficient Cash	24	4.09%
	Mortgage Insurance Denied	3	0.51%
	Unverifiable Information	28	4.77%
	Other	50	8.52%

	No Reason Provided	117	19.93%
American Indian or Alaskan Native	Total Denials	70	100.00%
	Collateral	7	10.00%
	Credit Application Incomplete	7	10.00%
	Credit History	8	11.43%
	Debt to Income Ratio	10	14.29%
	Employment History	2	2.86%
	Insufficient Cash	1	1.43%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	3	4.29%
	Other	10	14.29%
	No Reason Provided	22	31.43%
Hawaiian or Pacific Islander	Total Denials	42	100.00%
	Collateral	5	11.90%
	Credit Application Incomplete	2	4.76%
	Credit History	10	23.81%
	Debt to Income Ratio	7	16.67%

	Employment History	1	2.38%
	Insufficient Cash	2	4.76%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	2	4.76%
	Other	3	7.14%
	No Reason Provided	10	23.81%
Hispanic	Total Denials	375	100.00%
	Collateral	70	18.67%
	Credit Application Incomplete	8	2.13%
	Credit History	43	11.47%
	Debt to Income Ratio	28	7.47%
	Employment History	3	0.80%
	Insufficient Cash	8	2.13%
	Mortgage Insurance Denied	0	0.00%
	Unverifiable Information	5	1.33%
	Other	7	1.87%
	No Reason Provided	203	54.13%
No Race Provided	Total Denials	1628	100.00%
	Collateral	227	13.94%

	Credit Application Incomplete	236	14.50%
	Credit History	282	17.32%
	Debt to Income Ratio	268	16.46%
	Employment History	34	2.09%
	Insufficient Cash	54	3.32%
	Mortgage Insurance Denied	5	0.31%
	Unverifiable Information	47	2.89%
	Other	94	5.77%
	No Reason Provided	381	23.40%

Community Reinvestment Act

Since the passage of the *Community Reinvestment Act* (CRA) in 1977, banks have been strongly encouraged to serve the credit needs of all persons within the community, including those with low and moderate incomes. The CRA establishes a regulatory mechanism for monitoring the level of lending, investments and services in low and moderate-income neighborhoods that have traditionally been underserved by lending institutions. While most mortgage companies, finance companies, and credit unions are required by HMDA to provide information on their lending activities, many are exempt from CRA coverage and its examination process. Because only federally-insured financial institutions are covered by CRA, mortgage companies, finance companies and credit unions are all exempt from CRA regulations. Commonly, it is considered that only depository financial institutions are covered by CRA.

Four Federal Financial Institutions Examination Council (FFIEC) agencies conduct CRA examinations and enforcement – the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift

Supervision (OTS). Examiners from the four FFIEC agencies assess and “grade” lenders’ activities in low and moderate-income neighborhoods. Large institutions are graded on how well they meet their CRA obligation according to a three-part test that evaluates actual performance in lending, investing, and providing banking services to the entire community including low and moderate income (LMI) borrowers and borrowers (individuals or businesses) located in LMI areas. Smaller institutions are subject to a more streamlined examination that focuses on lending.

Lending institutions receive one of four ratings or grades after a CRA exam. The top two ratings of “*Outstanding*” or “*Satisfactory*” mean that a federal examiner has determined that a lender has met its obligation to satisfy the credit needs of communities in which it is chartered. The two lowest ratings, “*Needs to Improve*” or “*Substantial Noncompliance*,” reflect a failure on the part of the lending institution to meet the credit needs of communities, particularly the low and moderate income communities, in which it is chartered. The four federal agencies examine large banks approximately once every two years. However, large lending institutions, with *Satisfactory* ratings, may be examined once every four years and institutions with *Outstanding* ratings may be examined once every five years.

While poor CRA ratings do not result in immediate sanctions for a lender, receipt of a low CRA rating can curtail an institution’s future plans for service changes or mergers with other financial institutions. When a lender plans to merge with another institution or open a new branch, they must apply to the Federal Reserve Board and/or to its primary regulator for permission. Receipt of one of the two lowest CRA ratings is considered in the review of the application by the federal agency. The reviewing federal agency has the authority to delay, deny, or add conditions to an application.

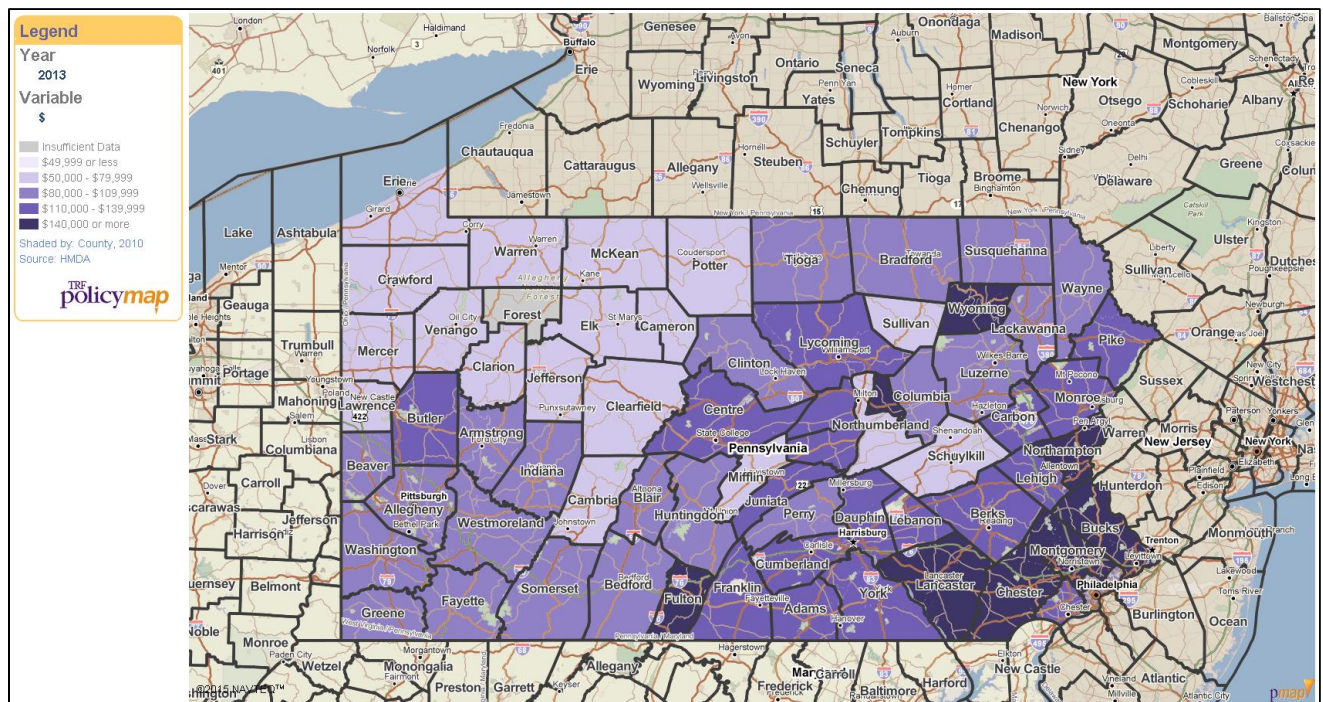
A review of the CRA ratings for the lenders in Pennsylvania reveals that of the depository financial institutions reviewed, 346 institutions received ratings of either *Outstanding* and another 1766 institutions received a rating of *Satisfactory* in their most recent review. However, since 2009 there have been three institutions that received a rating of *Needs to Improve* and one bank received a *Substantial Noncompliance rating*.

Details of these institutions are provided in the table below.

Lenders' CRA Ratings				
Bank	Location	CRA Rating	Rating Period	Bank Size
First FS & LA of Greene County	Waynesburg	Needs to Improve	2010	Intermediate-Small Institution
Customers Bank	Phoenixville	Needs to Improve	2013	Large
Colonial America Bank	Horsham	Needs to Improve	2009	Small
Second FS & LA of Philadelphia	Philadelphia	Substantial Noncompliance	2009 2010 2011	Small
Source: FFIEC CRA Rating Database April 2015				

b) High Cost Loans

The map below identifies areas of concentration for high-cost loans, formerly called Sub-prime loans.



High Cost Originations

In PolicyMap, a loan is considered high cost when there is a rate spread reported. In the fourth quarter of 2009, HMDA changed its rules for reporting rate spreads in an effort to more accurately capture the current high-cost lending activity. Therefore, data shown here separates the first three quarters of 2009 from the last quarter of 2009. The 2010, 2011 and 2012 data in the table below represents the rate spread rule change implemented in 2009Q4. Change calculations between 2012 and years previous to 2010 should not be made due to the adjusted reporting rules implemented beginning in the fourth quarter of 2009.

For 2004-2009 Q3, the rate spread on a loan was the difference between the Annual Percentage Rate (APR) on the loan and the treasury security yields as of the date of the loan's origination. Rate spreads were only reported by financial institutions if the APR was three or more percentage points higher for a first lien loan, or five or more percentage points higher for a second lien loan. A rate spread of three or more suggested that a loan was of notably higher cost than a typical loan.

For 2009 Q4, 2010, 2011 and 2012, the rate spread on a loan is the difference between the Annual Percentage Rate (APR) on the loan and the estimated average prime offer rate (APOR). Rate spreads are only reported by financial institutions if the APR is more than 1.5 percentage points higher for a first lien loan, or more than 3.5 percentage points higher for a second lien loan.

High-Cost Lending

About two percent (2.1%) of loans originated in this area were high-cost loans in 2012, compared to 2.1% of loans in Pennsylvania.

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	57,434	84,595	89,300	53,318	28,346	16,136	1,228	6,269	7,296	6,529
Median Loan Amount	\$84,000	\$100,000	\$102,000	\$102,000	\$88,000	\$87,000	\$72,000	\$83,000	\$89,000	\$88,000
Percent of All Loans	13.62%	20.89%	24.21%	17.4%	11.73%	5.69%	3.36%	2.23%	2.95%	2.1%
National										
Number of Loans	1,709,639	2,909,619	2,827,156	1,364,023	556,800	311,065	23,951	145,203	163,776	171,247

Median Loan Amount	\$116,000	\$145,000	\$152,000	\$144,000	\$107,000	\$103,000	\$81,000	\$88,000	\$99,000	\$100,000
Percent of All Loans	14.55%	25.17%	28.07%	17.62%	9.92%	4.53%	2.67%	2.15%	2.77%	2.08%

High-Cost Lending by Loan Type

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
Purchase										
Number of Loans	16,645	28,492	31,553	17,038	8,816	4,573	338	1,801	2,761	1,997
Median Loan Amount	\$89,000	\$105,000	\$110,000	\$108,000	\$100,000	\$108,000	\$85,500	\$91,000	\$97,000	\$96,000
Percent of Purchase Loans	10.37%	16.93%	19.3%	12.32%	8.52%	5.5%	2.7%	2.1%	3.57%	2.33%
Refinance										
Number of Loans	40,789	56,103	57,747	36,280	19,530	11,563	890	4,468	4,535	4,532
Median Loan Amount	\$82,000	\$98,000	\$100,000	\$100,000	\$83,000	\$78,000	\$70,000	\$81,000	\$85,000	\$85,000
Percent of Refinance Loans	15.61%	23.71%	28.12%	21.58%	14.13%	5.77%	3.7%	2.28%	2.67%	2.01%

High-Cost Lending by Race

Looking across high-cost loans originated in 2012 in this area, 82.39% were to Whites, 8.61% were to African Americans, 1.33% were to Asians, and 2.63% were to Hispanics.

High-Cost	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
Loans to Whites										
Number of Loans	39,690	57,427	60,087	36,732	21,928	13,626	1,045	5,229	5,864	5,379
Median Loan Amount	\$86,000	\$101,000	\$103,000	\$102,000	\$86,000	\$84,000	\$71,000	\$83,000	\$90,000	\$90,000
Percent of Loans to Whites	11.83%	17.84%	20.71%	15.33%	11.12%	5.72%	3.43%	2.2%	2.79%	2.03%
Percent of High-Cost Loans	69.11%	67.88%	67.29%	68.89%	77.36%	84.44%	85.1%	83.41%	80.37%	82.39%
Loans to African Americans										
Number of Loans	5,534	8,911	11,002	6,273	2,742	937	57	462	911	562
Median Loan Amount	\$74,000	\$86,000	\$94,000	\$95,000	\$89,000	\$94,000	\$84,000	\$78,500	\$84,000	\$77,000
Percent of Loans to African Americans	28.45%	42.8%	48.43%	36.13%	23.69%	10.54%	4.31%	5.14%	11.93%	6.38%

Percent of High-Cost Loans	9.64%	10.53%	12.32%	11.77%	9.67%	5.81%	4.64%	7.37%	12.49%	8.61%
Loans to Asians										
Number of Loans	552	1,135	1,159	615	299	171	23	108	96	87
Median Loan Amount	\$104,000	\$120,000	\$126,000	\$127,000	\$105,000	\$111,000	\$92,000	\$115,500	\$113,000	\$117,000
Percent of Loans to Asians	6.02%	11.27%	14.22%	9.03%	5.31%	2.47%	2.2%	1.42%	1.46%	0.99%

Percent of High-Cost Loans	0.96%	1.34%	1.3%	1.15%	1.05%	1.06%	1.87%	1.72%	1.32%	1.33%
Loans to Hispanics										
Number of Loans	2,105	4,076	5,213	2,834	1,181	481	27	177	358	172
Median Loan Amount	\$80,000	\$99,000	\$102,000	\$98,000	\$84,000	\$86,000	\$90,000	\$74,000	\$83,000	\$77,000
Percent of Loans to Hispanics	19.58%	32.48%	37.97%	26.66%	16.69%	8.18%	3.1%	3.06%	7.2%	2.84%
Percent of High-Cost Loans	3.67%	4.82%	5.84%	5.32%	4.17%	2.98%	2.2%	2.82%	4.91%	2.63%
Loans to Non-Hispanics										
Number of Loans	41,542	64,218	68,739	41,807	24,045	14,281	1,093	5,623	6,549	5,892
Median Loan Amount	\$85,000	\$100,000	\$102,000	\$102,000	\$87,000	\$85,000	\$72,000	\$84,000	\$90,000	\$89,000
Percent of Loans to Non-Hispanics	12.77%	18.88%	22.12%	16.12%	11.51%	5.74%	3.41%	2.26%	2.97%	2.12%
Percent of High-Cost Loans	72.33%	75.91%	76.98%	78.41%	84.83%	88.5%	89.01%	89.7%	89.76%	90.24%

High Cost Lending by Borrower Income

4.67% of loans in this area where the borrowers' income was less than 50% of the Metropolitan Statistical Area's (MSA) Median Income were high cost in 2012 (< ranged from \$22,750 to \$40,750), and 2.6% of loans where borrowers' incomes were between 50% and 80% of MSA (or "area") income (between \$22,750 to \$40,750 and \$36,400 to \$65,200) were high cost. 2.07% of loans that went to borrowers with incomes between 80% and 120% of area income (between \$36,400 to \$65,200 and \$54,600 to \$97,800) were high cost, and 1.24% of loans that went to borrowers with incomes >120% of area income (ranged from \$54,600 to \$97,800+) were high cost. MSA Median Income (area income) ranged from \$45,500 to \$81,500 in this area in 2012.

High-Cost Loans to Borrowers w/ <50% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	8,882	10,962	11,534	7,127	4,432	2,298	210	885	1,165	1,009
Median Loan Amount	\$58,000	\$63,000	\$63,000	\$63,000	\$56,000	\$53,500	\$40,500	\$53,000	\$65,000	\$61,000
Percent of Loans with Borrower Inc <50% MSA Median	23.26%	32.86%	35.52%	28.64%	22.54%	11.68%	6.51%	4.39%	6.34%	4.67%
National										
Number of Loans	168,082	224,013	183,930	97,781	64,579	39,532	3,429	18,282	21,934	23,771
Median Loan Amount	\$68,000	\$76,000	\$75,000	\$69,000	\$59,000	\$62,000	\$50,000	\$55,000	\$62,000	\$65,000
Percent of Loans with Borrower Inc <50% MSA Median	21.51%	33.04%	33.21%	23.88%	18.43%	8.51%	4.99%	3.96%	5.08%	4.16%

High-Cost Loans to Borrowers w/ 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	17,344	24,173	24,578	14,358	8,018	4,141	302	1,319	1,697	1,453
Median Loan Amount	\$77,000	\$87,000	\$88,000	\$88,000	\$79,000	\$75,000	\$66,000	\$69,000	\$78,000	\$75,000
Percent of Loans with Borrower Inc 50% - 80% MSA Median	19%	28.27%	30.6%	21.93%	15.9%	7.55%	3.97%	2.54%	3.71%	2.6%

National										
Number of Loans	443,791	667,937	541,967	268,361	135,900	69,407	5,076	26,950	33,992	36,846
Median Loan Amount	\$98,000	\$112,000	\$111,000	\$105,000	\$89,000	\$88,000	\$69,000	\$73,000	\$85,000	\$85,000
Percent of Loans with Borrower Inc 50% - 80% MSA Median	19.28%	31.44%	31.54%	19.93%	12.79%	5.65%	3.09%	2.3%	3.35%	2.69%

High-Cost Loans to Borrowers w/ 80%-120% of MSA Median	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	16,807	25,330	25,953	15,182	7,915	4,172	264	1,364	1,490	1,541
Median Loan Amount	\$96,000	\$113,000	\$117,000	\$115,000	\$100,000	\$92,000	\$83,000	\$84,000	\$94,000	\$92,000

Percent of Loans with Borrower Inc 80% - 120% MSA Median	14.81%	23.05%	25.65%	18.47%	12.23%	5.89%	3.04%	1.97%	2.54%	2.07%
National										
Number of Loans	520,313	861,179	759,974	360,189	150,771	72,872	4,823	26,812	32,606	36,020
Median Loan Amount	\$126,000	\$150,000	\$150,000	\$140,000	\$116,000	\$108,000	\$80,000	\$87,000	\$102,000	\$104,000
Percent of Loans with Borrower Inc 80% - 120% MSA Median	16.68%	28.36%	29.95%	18.54%	10.35%	4.47%	2.38%	1.7%	2.44%	1.92%

High-Cost Loans to Borrowers w/ > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	13,071	21,898	23,939	15,037	7,603	4,620	337	1,746	1,696	1,752
Median Loan Amount	\$131,000	\$153,000	\$160,000	\$158,000	\$140,000	\$122,000	\$88,000	\$121,000	\$133,000	\$128,000
Percent of Loans with Borrower Inc > 120% MSA Median	8.51%	14.04%	16.84%	11.92%	7.56%	3.78%	2.54%	1.34%	1.54%	1.24%
National										
Number of Loans	528,844	1,058,526	1,166,227	567,319	192,233	99,584	7,012	43,478	49,046	55,224
Median Loan Amount	\$175,000	\$235,000	\$247,000	\$221,000	\$156,000	\$133,000	\$106,000	\$116,000	\$138,000	\$137,000
Percent of Loans with Borrower Inc > 120% MSA Median	11.2%	21.13%	25.09%	15.3%	7.71%	3.39%	2.03%	1.41%	1.85%	1.47%

High Cost Lending by Tract Income

14.87% of high-cost loans in this area where the Census Tract income was <50% of the Metropolitan Statistical Area (MSA) Median Income were high cost in 2012 (< ranged from \$22,750 to \$40,750), and 7.04% where the Census Tract income was between 50% and 80% of the MSA Median Income were high cost (between \$22,750 to \$40,750 and \$36,400 to \$65,200). 3.5% of loans where the Census Tract income was between 80% and 120% of the MSA Median Income were high cost (between \$36,400 to \$65,200 and \$54,600 to \$97,800), and 1.17% of loans where the Census Tract income was >120% of the MSA Median Income were high cost (ranged from \$54,600 to \$97,800+). MSA Median Income (area income) ranged from \$45,500 to \$81,500 in this area in 2012.

High-Cost Loans to Borrowers in Tracts with <50% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	2,111	3,135	3,964	2,621	1,119	353	32	253	357	378
Median Loan Amount	\$52,000	\$59,000	\$62,000	\$65,000	\$62,000	\$64,000	\$72,000	\$63,000	\$68,000	\$57,500
Percent of Loans with Tract Inc <50% MSA Median	27.45%	38.15%	47.93%	37.18%	26.22%	11.75%	6.94%	8.5%	14.87%	8.61%
National										
Number of Loans	65,327	99,302	83,881	37,684	11,390	4,241	371	2,268	2,274	3,989
Median Loan Amount	\$92,000	\$126,000	\$140,000	\$128,000	\$89,000	\$88,000	\$70,000	\$71,000	\$79,000	\$73,000
Percent of Loans with Tract Inc <50% MSA Median	21.96%	35.47%	47.37%	31.06%	17.49%	8.15%	5.15%	4.59%	5.42%	4.25%

High-Cost Loans to Borrowers in Tracts with 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	12,114	17,999	19,824	11,547	5,688	2,334	186	957	1,369	1,115
Median Loan Amount	\$66,000	\$77,000	\$82,000	\$84,000	\$76,000	\$73,000	\$61,000	\$70,000	\$74,000	\$70,000
Percent of Loans with Tract Inc 50% - 80% MSA Median	24.14%	34.79%	38.82%	28.74%	20.07%	9.75%	5.26%	4.14%	7.04%	4.34%
National										
Number of Loans	369,563	618,486	594,856	271,006	99,428	45,156	3,678	21,821	23,500	28,947
Median Loan Amount	\$96,000	\$126,000	\$135,000	\$124,000	\$87,000	\$83,000	\$67,000	\$69,000	\$75,000	\$80,000
Percent of Loans with Tract Inc 50% - 80% MSA Median	23.52%	38.2%	40.6%	26.36%	15.89%	7.81%	4.64%	4.03%	5.03%	3.61%

High-Cost Loans to Borrowers in Tracts with 80%-120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	33,511	48,270	49,909	30,019	16,957	10,091	773	3,866	4,358	3,762
Median Loan Amount	\$87,000	\$103,000	\$106,000	\$105,000	\$88,000	\$81,000	\$71,000	\$83,000	\$89,000	\$89,000
Percent of Loans with Tract Inc 80% - 120% MSA Median	14.66%	22.04%	24.89%	18.01%	12.98%	6.94%	4.04%	2.75%	3.5%	2.59%

National										
Number of Loans	915,011	1,551,306	1,499,882	739,646	321,786	180,608	13,874	82,408	93,676	87,999
Median Loan Amount	\$113,000	\$139,000	\$144,000	\$135,000	\$102,000	\$97,000	\$77,000	\$85,000	\$94,000	\$96,000
Percent of Loans with Tract Inc 80% - 120% MSA Median	15.77%	26.62%	29.32%	18.76%	11.25%	5.44%	3.18%	2.58%	3.35%	2.52%

High-Cost Loans to Borrowers in Tracts with > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	2012
State (Pennsylvania)										
Number of Loans	9,698	15,191	15,551	9,085	4,480	3,246	230	1,162	1,178	1,244
Median Loan Amount	\$139,000	\$160,000	\$166,000	\$171,000	\$143,000	\$138,000	\$100,000	\$125,000	\$142,500	\$135,500
Percent of Loans with Tract Inc > 120% MSA Median	7.17%	12.06%	14.36%	9.88%	5.76%	2.93%	1.73%	1.01%	1.17%	0.92%
National										
Number of Loans	359,736	640,524	636,611	310,051	118,903	76,197	5,569	36,540	42,504	48,600
Median Loan Amount	\$157,000	\$191,000	\$200,000	\$198,000	\$152,000	\$140,000	\$120,000	\$124,000	\$137,500	\$136,000
Percent of Loans with Tract Inc > 120% MSA Median	8.82%	16.71%	19.76%	11.99%	5.96%	2.7%	1.54%	1.25%	1.65%	1.28%

VIII. Fair Housing Laws and Public-Sector Impediments

A. Overview of Federal Fair Housing Laws and Executive Orders

Both federal and state fair housing laws establish protected classes and govern the treatment of these individuals and are designed to affirmatively further access to housing and community development resources to persons of protected classes. This section provides an overview of these laws.

Title VI of the Civil Rights Act of 1964: Prohibits discrimination on the basis of race, color or national origin in programs and activities receiving federal financial assistance.

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) and as amended 1988: Prohibits discrimination in the sale, rental and financing of dwellings, and in other housing-related transactions, based on:

- Race;
- Color;
- National origin;
- Religion;
- Sex;
- Familial status (including children under the age of eighteen living with parents or legal custodians, pregnant women and people securing custody of children under the age of eighteen), and
- Persons with physical, mental and developmental disabilities.

Specifically, in the sale and rental of housing no one may take any of the following actions based on these protected classes:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions, or privileges for sale or rental of a dwelling
- Provide different housing services or facilities

- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as multiple listing service) related to the sale or rental of housing
- Refuse to allow reasonable modifications to dwelling or common use areas, at the expense of the renter or owner, if necessary, for the disabled person to use the housing
- Refuse to make reasonable accommodations in rules, policies, practices, or services if necessary for the disabled person to use the housing

In Mortgage Lending: No one may take any of the following actions based on these protected classes:

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan
- Set different terms or conditions for purchasing a loan

In addition, it is illegal for anyone to:

- Threaten, coerce, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right, or
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

Section 504 of the Rehabilitation Act of 1973: Prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of Title I of the Housing and Community Development Act of 1974: Prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs or activities receiving financial assistance from HUD's Community Development Block Grant

Program. Sections 104(b) and 106 (d) (5) specifically require CDBG Program grantees to certify that they will affirmatively further fair housing. This requirement was also included in Section 105 (c) (13) of the National Affordable Housing Act of 1990.

Title II of the Americans with Disability Act of 1990: Prohibits discrimination based on disabilities, services, or activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance, and housing referrals.

Architectural Barriers Act of 1968: Requires that buildings and facilities designed, constructed, altered or leased with certain federal funds after September 1969 must be accessible to, and usable by handicapped persons.

Age Discrimination Act of 1975: Prohibits discrimination of basis of age in programs or activities receiving federal financial assistance.

Equal Credit Opportunity Act of 1974: Prohibits discrimination in lending based on race, color, religion, national origin, sex, marital states, age, receipt of public assistance or the exercise of any right under the Consumer Credit Protection Act.

Community Reinvestment Act (CRA) of 1977: According to the Federal Office of the Comptroller of the Currency, the CRA provides a framework for financial institutions, state and local governments and community organizations to jointly promote banking services to all members of a community. The CRA:

- Prohibits redlining (denying or increasing the cost of banking to residents of racially defined neighborhoods), and
- Encourages efforts to meet the credit needs of all community members, including residents of low- and moderate-income neighborhoods.

The Community Reinvestment Act (CRA) provides that “regulated financial institutions have continuing and affirmative obligations to help meet the credit needs of the local communities in which they are chartered.” CRA establishes federal regulatory procedures for monitoring the level of lending, investments and services in low- and moderate-income neighborhoods defined as underserved by lending institutions. CRA creates an obligation for depository institutions to

serve the entire community from which its deposits are garnered, including low- and moderate-income neighborhoods.

Home Mortgage Disclosure Act (HMDA) of 1975: Requires banks, savings and loan associations and other financial institutions to publicly report detailed data on their home lending activity. Under HMDA, lenders are required to publicly disclose the number of loan applications by census tract, income, race and gender of the borrower, the type of loan and the number and dollar amount of loans made. Starting in 1993, independent mortgage companies were also required to report HMDA data. HMDA creates a significant and publicly available tool by which mortgage- lending activity in communities can be assessed. HMDA data can be analyzed to determine bank performance and borrower choices.

Executive Order 11063: Prohibits discrimination in the sale, leasing, rental or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 12892 (as amended): Requires federal agencies to affirmatively further fair housing in their programs and activities and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, chaired by the Secretary of HUD.

Executive Order 12898: Requires each federal agency conduct its program, policies and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color or national origin.

Executive Order 13166: Eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.

Executive Order 13217: Requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

B. Review of State Statutes, Policies, and Plans

In Pennsylvania, the PA Human Relations Act covers a gap in the federal law by making housing discrimination on the basis of age (over 40) illegal. Many jurisdictions throughout Pennsylvania have also enacted local anti-discrimination ordinances that ensure equal access to housing, regardless of a person's marital status, sexual orientation, gender identity, source of income and other characteristics.

In 1955, the General Assembly of Pennsylvania passed the Pennsylvania Human Relations Act. This legislation prohibited certain practices of discrimination against individuals or groups, because of race, color, religious creed, ancestry, age, national origin, handicap or disability, use of guide or support animal because of the blindness, deafness or physical handicap of the user or because the user, is a handler or trainer of support or guide animals. (P.L. 744, No. 222 as amended December 20, 1991 by Act 51 of 1991).

The Act also created the Pennsylvania Human Relations Commission (PHRC) to investigate discrimination claims and provide education in order to eliminate prejudice. The PHRC works closely with the Department of Housing and Urban Development (HUD); the PHRC and HUD have adopted a Memorandum of Understanding (MOU) to prosecute discrimination related to housing.

Most recently, the Commonwealth passed legislation tightening its ethnic intimidation law. The law, which took effect on December 26, 1995 prohibits anyone from entering another person's property with the intent to threaten or cause damage (The Patriot, 1995 October). While it may be impossible to remove all prejudicial and discriminatory attitudes, the Commonwealth can and has enacted legislation enabling quick redress, so everyone can have access to decent housing.

The Commonwealth also promotes fair housing by undertaking fair housing planning to certify that it affirmatively furthers fair housing (AFFH). HUD's fair housing planning requirement places a dual responsibility on Pennsylvania: a responsibility that pertains to the State as well as to state-funded jurisdictions that receive Community Development Block Grant (CDBG) funding. In meeting this responsibility, Pennsylvania must:

1. Ensure that state-funded jurisdictions comply with the certification requirement to affirmatively further fair housing and;
2. Undertake fair housing at a state level.

C. Public Sector Impediments

This section will assess the laws and ordinances in the jurisdictions that comprise the DCED service area. This assessment of laws, local ordinances, plans, and policies will help define possible actions or omissions in the public sector (including public housing, community development, transportation, and community services) that may affect housing choice. Specifically, this section will include:

- Review of the state's application processes and project selection criteria for CDBG and HOME-funded programs to determine how fair housing factors are considered in funding decisions. TDA will also assess how well sub-recipients, including local units of government, are educated about fair housing responsibilities and how sub-recipients are monitored for fair housing compliance.
- Summary of discussion with local planners to determine the existence of discriminatory requirements or provisions. TDA will identify discriminatory requirements or provisions in municipal zoning ordinances, such as group home restrictions, minimum lot sizes, and other development standards that impact the cost and location of housing.
- Review of local Comprehensive Plans to understand how local governments have advocated for affordable housing and included fair housing policies in its long-range planning document.
- Assessment of the Section 8 Housing Choice Voucher Program and other forms of assisted housing to identify discriminatory language or provisions.
- Review of the status of local Section 504 Needs Assessments and Transition Plans.
- Assessment of the effectiveness of intake, processing and investigation procedures associated with processing fair housing complaints.
- Analysis of how the various tax rates in the relevant taxing districts may impact housing affordability across the state.

- Determine how accessibility measures are enforced through state and local codes.
- Assess how public transit is provided to public and other assisted housing and how well the transit system links lower income housing with jobs.

IX. Fair Housing Complaints

A. Introduction

Complaints filed under fair housing laws can be useful indicators to identify the type of discrimination that is most common in Pennsylvania and characteristics of households experiencing discrimination in housing. This section uses data collected from the U.S. Department of Housing and Urban (HUD) Office of Fair Housing and Equal Opportunity (FHEO) and PHRC. The data used for the various tables below was collected by HUD from 2013 to 2014. This data will identify the following:

- The number of complaints filed in Pennsylvania with HUD,
- Complaint closures and outcomes of cases, and
- Areas with higher rates of complaints.

In analyzing this data, several limitations were identified:

- The complaint process relies on people self-reporting; those individuals that believe they have experienced discrimination. This does not represent all acts of housing discrimination, as all incidents may not be reported.
- Larger and denser areas are more likely to have larger number of complaints due to larger populations.
- Complaint data may be skewed due to the time between filing and closing a complaint.

B. Complaints by Agency

The data in this section is collected by HUD FHEO and PHRC and is presented in the context of the basis of each complaint. The reader should be aware that the total number of complaints will outnumber the total cases filed. This is due to the fact that complaints can be made on one or more bases and will be counted as one single filed case.

As indicated in the table below, HUD FHEO recorded 79 fair housing complaints and the PHRC recorded 77 complaints during the 2013-2014 throughout the Balance of State areas.

Agency	Race	National Origin	Disability	Familial Status	Religion	Sex	Retaliation	Total Cases Filed
HUD FHEO	15	2	51	6	1	4	5	79
PHRC	19	3	47	9	-	4	6	77

Source: HUD FHEO 2013-2014 and PHRC 2013-2014

(a) HUD Fair Housing and Equal Opportunity Office (FHEO) Complaints

The HUD FHEO Office for the Commonwealth of Pennsylvania is located in Philadelphia, Pennsylvania. HUD Region III FHEO Office investigates complaints of housing discrimination based on race, color, religion, national origin, sex, disability, or familial status. HUD will investigate the complaint and try to conciliate the matter with both parties.

The table below identifies the number and type of complaints received by HUD FHEO during the period 2013 to 2014 throughout the Balance of State areas. During this time HUD FHEO recorded 79 fair housing complaints. In reviewing the data from this period disability discrimination was the most common complaint with 51 reported incidents. Followed by racial discrimination with 15 complaints. Familial status (6), retaliation (5), sex (4), national origin (2), and religion (1) complaints followed in this order.

Due to a limitation in the data, a more thorough analysis of several years was not possible.

	Basis of Complaint							
	Filed Cases Total	Race	National Origin	Disability	Familial Status	Religion	Sex	Retaliation

Central	51	10	1	35	3	-	4	1
Northeast	7	1	1	5	-	-	-	-
Northwest	17	2	-	10	1	1	-	4
Southwest	4	2	-	1	2	-	-	-
TOTAL	79	15	2	51	6	1	4	5

Source: HUD FHEO 2013-2014

(b) Housing Complaint Rates

This section of the AI analyzes the data compared to the state total complaint rate during the same 2013 to 2014 period. The State of Pennsylvania has a very low complaint rate per total Commonwealth population.

(c) Discussion of Complaints by Region

Central – The Central region of Pennsylvania had the most complaints of all other regions in the Commonwealth. The Central region is also the most populated region when compared to the other regions in this analysis. Disability complaints were the highest complaint in the region with 35 out of 51 total complaints. The second highest complaint was Race, 10 Fair Housing complaints, this amount is larger than all other Regions combined for reported Race complaints.

Northeast – The Northeast region of the Commonwealth had a total of seven (7) Fair Housing complaints. Like the Central region, disability was the biggest complaint for the Northeast region, with five (5) Fair Housing complaints. Both Race and Nation Origin each had one (1) Fair Housing complaint in the Northeast region.

Northwest – The Northwest region of Pennsylvania had the second highest number of total complaints in the Commonwealth. Similar to the Central and Northeast regions, disability was the highest complaint for the Northwest region with 10 Fair Housing complaints. Retaliation was the second largest complaint in the Northwest, with 4 Fair Housing

complaints. When compared to the other regions in the Commonwealth the Northwest exceeds in the total number of retaliation complaints.

Southwest – The Southwest region of the Commonwealth had the fewest complaints overall when compared to the three (3) geographic regions. The Southwest had two (2) Fair Housing Complaints regarding Race and two (2) Fair Housing complaints regarding Familial Status.

As you can conclude, the more populated and dense regions of the Commonwealth will have the more Fair Housing complaints per total population. The table above helps depict this conclusion, as the Central region has the most Fair Housing complaints when compared to other Commonwealth regions.

X. Public Involvement

A. Methodology

In coordination with TDA, DCED met the public participation requirements for this Analysis of Impediments by hosting a series of focus groups and conducting three surveys targeted to specific interest groups.

Focus Groups

DCED hosted a series of focus groups to receive interest group input on impediments to fair housing in the Commonwealth and recommendations to address these impediments.

Information about the focus groups is located in the table below.

Location	Region	Date (2015)	Invited Participants	Number of Participants
Cranberry Township	Northwest, Southwest	January 7	Northwest RHAC, Southwest RHAC, select stakeholders	13
West Pittston	Northeast	January 12	Northeast RHAC, select stakeholders	9

Harrisburg	Central	January 13	Central RHAC, select stakeholders	8
Harrisburg	Central	January 13	Public (as announced in newspapers)	0
Harrisburg	Central	January 14	Statewide stakeholder groups	7

The first three focus groups were held in conjunction with the annual meetings of the Regional Housing Advisory Committees (RHAC) in various locations throughout the Commonwealth. RHAC members were invited to stay behind after their annual meeting to participate, and in some cases DCED invited fair housing stakeholder groups in the area that do not serve on the RHAC. One focus group for members of the public was advertised throughout the state in newspapers, but no members of the public attended this session. Lastly, DCED organized one focus group for statewide stakeholder groups, some involved primarily in housing and others tangentially (e.g. veteran's groups).

DCED and TDA drafted a series of questions to act as prompts for conversation. In general, these questions asked about impediments to fair housing and fair housing choice, unfair or questionable practices in housing markets, access to social and public services as related to housing, fair housing practices by jurisdictions and stakeholders, issues related to non-English speakers in the housing market, and recommendations related to addressing impediments to fair housing. The focus group list of attendees to each meeting and summaries can be found in Appendices C and D. The results of the focus groups are discussed below.

Surveys

DCED also conducted three surveys to gather public input. The target groups for the surveys were local government jurisdictions receiving funds from DCED, non-profit and stakeholder groups with an interest in fair housing, and citizens of the Commonwealth. Survey questionnaires were drafted with input from DCED staff, TDA staff, and a select group of stakeholders. The surveys were administered electronically using surveymonkey.com as a host site, from March 24, 2015 to June 8, 2015. A link to the survey was posted on the DCED website, and DCED distributed the link to a wide range of jurisdictions, stakeholder groups, and citizens. All respondents were encouraged to distribute the link amongst their peers. Jurisdictional and stakeholder respondents were asked to complete the survey from an organization, and not

personal, standpoint, but were welcome to complete the citizen survey separately. A Spanish-language version of the citizen survey was also available; one respondent completed the survey in Spanish.

A total of 2,005 individuals accessed the survey and completed the first step of identifying the proper survey (jurisdiction, stakeholder, or public). However, only 1,727 of these individuals completed the next, mandatory question on their chosen survey (for all surveys, this mandatory survey item was to select their County). Given that respondents could not submit the survey form without completing this item, the total number of respondents was 1,727. Note that respondents were only required to choose the proper survey and select their County—all other survey items were optional. So, the number of respondents for each item varied widely.

While the survey results, including results by region, are discussed below, it is important to note that all three surveys received a disproportionately high number of responses from Allegheny County. This is especially noteworthy given that Allegheny County does not receive funds from DCED, and thus is not a focus of this Analysis of Impediments.

B. Results

Focus Groups

Summary of Impediments Identified Statewide

In all regional focus groups, as well as the meeting with statewide interest groups, cited housing for individuals with physical and mental disabilities as a rapidly emerging impediment to fair housing. Specific issues related to housing for these individuals include: lack of knowledge among disabled individuals and landlords about reasonable accommodation and reasonable modification laws, issues surrounding service and emotional support animals, and NIMBYism surrounding housing of individuals with mental health issues.

All groups also agreed that all other impediments identified in the previous Analysis of Impediments (1995) remain prevalent, especially aging housing stock, availability of affordable housing, financing, NIMBYism, and zoning ordinances. Issues with non-English speakers were more prevalent in non-Latino new American communities that have fewer resources. In several areas of the state, new Americans from South Asia were reportedly an emerging group in need of resources.

Summary of Recommendations Identified Statewide

Most areas of the state have jurisdictions or stakeholder groups that try to hold fair housing educational events, but have trouble attracting interest from the wider public. When fair housing training is not mandated as part of some larger homebuyer process, it is rare for individual citizens to get involved. All groups supported experimenting with incentives or alternative advertising for fair housing events.

All groups also reported that the wider public is unaware of their fair housing rights, and also unaware that reporting fair housing violations can have positive outcomes. The groups recommended jurisdictions and stakeholder groups inform local media of fair housing rights facts and victories that have occurred as a result of reporting fair housing violations.

Summary of Impediments by Region

i. Northwest and Southwest Regions

This group agreed that the items on the 1995 list remain impediments to fair housing, though some are more prevalent than others. They also identified several new impediments that were not found in 1995. Housing for persons with both mental and physical disabilities is perhaps the most pressing issue in Western Pennsylvania. Landlord and property managers have little understanding of reasonable accommodations and modifications regulations. The group stated that, in particular, persons with service or emotional-support animals face difficulties in finding suitable housing. In addition to housing for those with disabilities, group members reiterated that aging housing stock, lack of affordable housing, and NIMBYism persist as impediments to fair housing in Western Pennsylvania. Lenders identified a lack of qualified, credit-worthy perspective low-income homebuyers as a major obstacle to increasing homeownership. This issue is partly related to difficulty of connecting potential buyers with lending and credit counseling programs. The group noted that Western Pennsylvania has a much smaller population of non-English speakers than other areas of the state, but jurisdictions and service providers are taking some limited action to reach out to this small minority.

ii. Northeast Region

Perhaps the most important impediment identified by this group was a general lack of knowledge and materials about fair housing in this region of Pennsylvania. As compared with

other areas of the state, fewer agencies are doing work dedicated to fair housing in this area. Similar to other areas of the state, group members identified issues related to housing persons with physical and mental disabilities as major barriers to fair housing. This included specifically issues with service and emotional support animals. Other general impediments identified in 1995 continue to be problematic according to the group—aging housing stock, lack of decent affordable housing, etc. One newly identified issue was especially alarming: some businesses are calling themselves “credit repair” and promising to fix prospective homebuyers credit quickly for a fee. Some barriers are inherent to this geographic area. For example, it is commonplace to have verbal rather than written leases in many of the rural areas. This has led to eviction and disputes with landlords. There are few non-English speakers in this region, but their numbers are growing.

iii. Central Region

Group members stated that the 1995 list of impediments are all still prevalent in Central Pennsylvania. The group specifically mentioned lack of affordable housing, NIMBYism, and aging housing stock, amongst other items on the 1995 list. As with past focus groups, much of the discussion surrounded housing for persons with mental and/or physical disabilities; like their peers elsewhere in the state, this issue is amongst the most prominent in Central Pennsylvania. In particular, the service animal issue was again a problem area for landlords and other stakeholders. This focus group mentioned zoning issues as impediment more than previous focus groups. The group also agreed about impediments to fair access to non-housing services like education and transportation.

Summary of Recommendations by Region

i. Northwest and Southwest Regions

This group listed literature, marketing, some training, and partnerships between different types of organizations as current practices to address impediments to fair housing. Training is particularly common for service providers, but not necessarily for landlords, property managers, and the public at large. The group agreed that it’s difficult to attract the public to general training event and that more creative ways of providing education may be necessary. Fair

housing training for prospective homebuyers is usually only successful as part of a more comprehensive homebuyer program. The group described issues with reporting fair housing violations—outright discrimination and tactics such as steering may still occur, but are hard to “prove” because they are more subtle than in the past. They also presented “wish-list” items to combat impediments to fair housing, including funding for more staff and trainings to address fair housing, better code enforcement, funding for housing rehabilitation, and land banking programs.

ii. Northeast Region

Resources for fair housing initiatives are scarce in Northeast Pennsylvania. One participant commented that he has not seen a fair housing brochure in years, even though he works in the housing industry. There are few organizations that offer much in the area of fair housing training—PHFA and North Penn Legal Services are the only two organizations that were mentioned. Still, there have been some innovations in the area of fair housing. One non-profit in Luzerne County has partnered with the local magistrate, who informs the organization when he believes fair housing violations may be taking place. Some organizations have found formed relationships with the press so that success stories can be shared in the community. The group agreed that this was a great strategy to increase awareness of fair housing issues in this area.

iii. Central Region

Based on the conversation, activities to address impediments to fair housing seem limited in Central Pennsylvania. When DCED reminded the group that all state grantees should have a fair housing officer, some brought up issues about these officers. In a particularly odd case, the Housing Authority is the fair housing officer, but people have fair housing complaints about the Housing Authority. The group identified trainings as a weakness in the area. On the homebuyer side, wide areas of rural Pennsylvania have no credit counselors to serve them. Finding ways to expedite training for credit counselors could alleviate this issue.

Surveys

Citizen Survey

The citizen survey consisted of 30 questions covering perceptions of barriers to housing choice, experiences with housing discrimination, awareness of rights, and respondent demographics. A

total of 914 individuals began the citizens survey, though only 835 answered the first mandatory question (meaning only 835 responded with usable data).

Respondents were disproportionately skewed in one direction in most demographic areas. Large majorities were white (91%) and non-Latino (99%) and had lived in Pennsylvania for over 10 years (94%). One-third of respondents (66%) identified as female. A plurality of respondents (45%) reported household annual income over \$71,000, much higher than the Commonwealth's median income of \$52,500 (U.S. Census Bureau), and a plurality (45%) reported living in a two-person household. Other demographic areas were less skewed, such as disability; 9% of respondents reported a disability, compared to 13.5% of the Commonwealth population (U.S. Census Bureau).

While long-tenure of respondents was unsurprising and may have provided more valuable results about changes in Pennsylvania housing over time, the disproportionate results for race and ethnicity of respondents are worrying. In 2013, Pennsylvania was 12% African-American and 6% Latino (U.S. Census Bureau), but only 5% of survey respondents identified as African-American and 1% as Latino. This is particularly troubling given the history of housing discrimination against these classes. The disproportionate number of high-income respondents is also particularly troubling, given that high-income individuals typically encounter fewer barriers to fair housing.

Citizen respondents reported experience or observation of a number of barriers to fair housing choice. The most cited barriers were high cost of housing (58% of respondents cited), lack of access to public transit (43%), utility costs (38%), physical condition of housing stock (36%), and lack of access for those with disabilities (32%). Notably, only 16% of respondents reported no experience with barriers to fair housing choice.

Some respondents also reported experiences with housing discrimination. One-fifth (20%) had witnessed housing discrimination in their community, with race, color, and handicap the leading causes of that discrimination. Personal experience with housing discrimination was lower, at 12% of respondents. Source of income (42%), race (24%), familial status (22%), handicap (21%), and age (21%) were the perceived causes of this discrimination. Respondents overwhelmingly cited landlords as the person performing the discrimination (65%) and single-family housing neighborhoods as the place the act of discrimination occurred (47%), suggesting that perceived

discrimination may be higher when individuals are renting or attempting to rent single-family homes. Over three-quarters (77%) of respondents did not report the incident of discrimination, for reasons such as perceived futility of reporting (64%), uncertainty of rights (29%), and uncertainty of where to report (29%). These results demonstrate a need to highlight efficacy and methods of reporting housing discrimination among the Commonwealth's population.

The survey also asked respondents about housing rights education. About one-quarter (23%) of respondents indicated awareness of opportunities for training or learning about housing rights, but only 12% reported previous attendance at such events.

Citizen Survey: Regional Analysis

In general, the results of the citizen survey in each of the regional areas mirrored the statewide results. However, there were a few exceptions, outlined below by region.

Central

Central Region respondents made up 21% of the citizen survey respondents (174 total respondents). The area where Central Region respondents most differed from the statewide results was the causes of housing experienced housing discrimination. Central Region respondents reported more perceived discrimination based on handicap or disability (20% higher), age (20% higher), familiar status (10%), and income source (11% higher). In addition, a higher proportion of Central Region respondents reported lack of access to transportation as a barrier to fair housing (10% more respondents). Finally, a substantially larger portion of Central Region respondents indicated not knowing where to report perceived housing discrimination—44% as compared to 29% for the entire state.

Northeast

Northeast Region respondents made up just 8% of the citizen survey respondents (68 respondents). Smaller proportions of these respondents identified housing for the disabled and access to transportation as barriers to fair housing choice—about 10% lower than the statewide respondents in both areas. Furthermore, just 16% of Northeast Region respondents reported handicap or disability as a cause of observed housing discrimination, as compared to 37% of respondents statewide. Clearly residents of this region view housing for those with disabilities

differently than respondents in other regions. Northeast Region respondents also reported significantly less awareness of education opportunities about fair housing (11% lower).

Northwest

Northwest Region respondents made up 13% of the citizen survey respondents (111 total respondents). These respondents most differed from the statewide results in their views of race in housing discrimination. Substantially lower numbers reported observing housing discrimination in their community based on race (20% lower than statewide results) as well as experiencing housing discrimination based on race (18% lower).

Southwest

Southwest Region respondents made up just 4% of the citizen survey respondents (33 total respondents). This low number of respondents made comparisons with the statewide results difficult; in some areas no Southwest Region respondent answered a specific survey item, making comparison impossible. However, in one notable difference, a larger portion of Southwest Region respondents reported awareness of educational opportunities about fair housing (20% higher than statewide). However, these same respondents did not indicate higher attendance at these events.

Jurisdiction Survey

The survey for jurisdictions (i.e. local governments) receiving funding from DCED consisted of 17 items covering perceived impediments to fair housing, experiences of housing discrimination and barriers to fair housing, fair housing practices, and organization background. (Note: the fair housing practices results are discussed in the Public Impediments to Fair Housing section of this report.) While 524 individuals began the survey by indicating they were responding as a jurisdiction, only 434 answered the first mandatory question (meaning 434 individuals provided usable data). Of these respondents, 86% worked for local governments and 6% for non-profits. The remaining respondents worked for a variety of institutional support players (consultants, property managers, etc.). A large majority of respondents reported at least some familiarity with fair housing laws; only 15% cited no familiarity with fair housing laws.

Jurisdictions cited few severe impediments to fair housing. When asked to rate the severity of a list of impediments, the majority of respondents selected “not an impediment” or “not a severe impediment” for all almost all items, including race, ethnicity, national origin, limited English proficiency, religion, age, gender, familial status, disability status, use of Section 8/Housing Choice Voucher, among others. The only exceptions were inadequate access to transportation and inadequate access to employment, where nearly half of respondents rated the items “somewhat severe” or “very severe” impediments to fair housing.

Jurisdictions had similar views of local impediments to fair housing, with a sizeable proportion of respondents (42%) only identifying NIMBYism as a severe impediment. The other choices that respondents did not perceive as impediments included lack of housing planning, ignorance of law and modes of assistance by local officials, reactive (rather than proactive) methods of identifying discrimination, insufficient monitoring of fair housing activities, inadequate enforcement of fair housing laws, building codes and zoning laws, and absences of local grievance opportunities, among others. Most items on this list may be responsibilities of the jurisdictions receiving DCED, and the respondents may have been unwilling to rate themselves poorly in these areas.

Only 17% of respondents indicated that their jurisdiction had received housing discrimination complaints. The leading reasons for these complaints were handicap/disability (50%) followed by race (38%) and familial status (19%). The survey did not ask whether the jurisdiction is charged with receiving complaints of fair housing discrimination. However, given that most jurisdictions directed to the survey by DCED are required to name a fair housing officer, the low number of jurisdictions receiving complaints is striking. The reasons for the complaints mirror the results of the focus groups—disability is a major cause of housing discrimination in Pennsylvania.

Very few jurisdictional respondents perceived barriers or questionable practices in housing markets. Ten percent or fewer of respondents indicated awareness of barriers or questionable practices in the following housing markets: rental (10%), real estate (3%), lending (5%), minority presence on governing bodies (6%), and other barriers (3%). There is a clear disconnect between the perceptions of jurisdictions and citizens, given that the citizen respondents reported a number of perceived barriers to fair housing.

Jurisdiction Survey: Regional Analysis

In general, the results of the jurisdiction survey in each of the regional areas mirrored the statewide results. However, there were a few exceptions, outlined below by region.

Central

Central Region respondents made up 22% of the jurisdiction survey respondents (96 total respondents). These respondents rated two impediments to fair housing as more severe than the statewide respondents: reactive mechanisms for identifying discrimination (13% higher) and insufficient monitoring of fair housing activities (10% higher). In addition, jurisdictions in this region reported race as less of a cause of housing discrimination complaints (0% compared to 38% statewide) and familial status as more of a cause of complaints (38% compared to 19% statewide).

Northeast

Northeast Region respondents made up 14% of the jurisdiction survey respondents (47 respondents). These respondents rated several impediments and barriers to fair housing as more severe than the statewide respondents: language for non-English speakers (10% higher), building codes inhibit affordable housing (18% higher), and environmental concerns (15% higher). However, fewer Northeast Region respondents saw NIMBYism as a barrier, with only 30% rating this item as severe compared to 40% statewide. Finally, only one respondent indicated that their organization had received complaints of housing discrimination, compared to 17% of jurisdictions statewide.

Northwest

Northwest Region respondents made up 22% of the jurisdiction survey respondents (97 total respondents). These respondents rated several barriers and impediments to fair housing as less severe than the statewide survey, including: language for non-English speakers (10% lower), reactive mechanisms for identifying discrimination (13% lower), insufficient monitoring of fair housing activities (15% lower), and local zoning laws prohibit dense housing development (12% lower). These results contrast with those from the Central Region, where most of these impediments were rated as more severe than the statewide numbers.

Southwest

Southwest Region respondents made up just 6% of the citizen survey respondents (24 total respondents). This low number of respondents made comparisons with the statewide results difficult. However, these respondents did rate the severity of a number of barriers and impediments to fair housing higher than the statewide results: lack of knowledge about fair housing rights in community (11% higher), inadequate access to public and social services (50% higher), and NIMBYism (10% higher). Finally, only two respondents indicated that their organization had received complaints of housing discrimination, compared to 17% of jurisdictions statewide.

Stakeholder Survey

The survey for stakeholder groups (i.e. advocacy, non-profit, and community groups) consisted of 19 items covering perceived impediments to fair housing, experiences of housing discrimination and barriers to fair housing, fair housing practices, and organizational background. (Note: the fair housing practices results are discussed in the Public Impediments to Fair Housing section of this report.) This survey was nearly identical to the jurisdiction survey, with two additional questions. A total of 567 individuals began the survey by indicating they were responding as a stakeholder group, but only 458 answered the first, mandatory question (meaning 458 individuals provided usable data). The majority of these respondents (67%) selected “non-profit organization” for their organization type, while the remaining respondents selected a variety of organizational types (the next highest was property management group at 4%). Two-thirds (66%) of respondents cited familiarity or high familiarity with fair housing laws.

When compared with jurisdictions, stakeholder groups reported higher severity among various impediments to fair housing. A majority of respondents rated the following impediments as somewhat severe or very severe: inadequate access to transportation (71%), lack of employment opportunities (68%), lack of knowledge about fair housing laws (66%), inadequate information about housing availability (60%), discrimination against Section 8/Housing Choice Voucher participation, and discrimination against those with disabilities (50%). Stakeholder groups also viewed local impediments as more severe. The highest proportion of respondents viewed NIMBYism (65%) and reactive rather than proactive mechanism for identifying discrimination (54%) as the most severe local impediments to fair housing.

One-third (34%) of stakeholder organizations have received complaints of housing discrimination, a larger proportion than jurisdictions (17%). Based on these results, the public may feel more comfortable reporting discrimination to non-profit groups than governmental bodies. However, the leading reasons for these complaints were similar to those noted by jurisdictions: handicap/disability (61%), familial status (41%), and race (39%). It is notable that both jurisdictions and stakeholders have received a large number of complaints about housing discrimination based on race, but neither group identified race as a severe impediment to fair housing. This suggests that jurisdictions and stakeholder groups may view racial discrimination claims as unfounded, or that victims of racial discrimination find it easier to report violations.

Stakeholder respondents reported higher awareness of barriers or questionable practices in housing markets than their jurisdictional counterparts. More than one-third (34%) reported barriers in the rental housing market, and more than 10% are aware of barriers in the mortgage market (11%), minority representation on governing bodies (14%), other housing services (13%), and zoning laws (13%). Less than 10% cited barriers in the real estate market (9%) and land use policies (8%).

The results of the stakeholder survey suggest that non-profit and other community groups perceive more barriers to fair housing and housing discrimination than governmental jurisdictions. While there was some agreement across the three surveys (e.g. all groups found inadequate access to transportation to be an impediment to fair housing), in general, the three groups have different perceptions about the severity of impediments to fair housing and different experiences of housing discrimination.

Stakeholder Survey: Regional Analysis

In general, the results of the stakeholder survey in each of the regional areas mirrored the statewide results. However, there were a few exceptions, outlined below by region.

Central

Central Region respondents made up 18% of the stakeholder survey respondents (81 total respondents). These respondents found a significant number of barriers and impediments less severe than the statewide respondents: language for non-English speakers (11% lower), lack of knowledge about fair housing (12% lower), inadequate access to public and social services (10%

lower), inadequate access to technology (13% lower), reactive mechanisms to identifying discrimination (12% lower), and NIMBYism (12% lower). In addition, a smaller proportion of the Central Region stakeholder groups received housing discrimination complaints than statewide, 21% compared to 34% statewide.

Northeast

Northeast Region respondents made up 9% of the stakeholder survey respondents (43 respondents). In contrast to the Central Region stakeholder groups, these respondents found a number of barriers and impediments to fair housing more severe than the statewide results, including: domestic violence (18% higher), lack of information about fair housing (15% higher), lack of information about available housing (10 % higher), ignorance of laws by local officials (13% higher), and absence of local grievance opportunities (11% higher). The Northeast Region respondents also found two impediments less severe than the statewide respondents—racial housing discrimination and environmental concerns (both 13% lower).

Northwest

Northwest Region respondents made up 18% of the stakeholder survey respondents (83 total respondents). These respondents rated several barriers and impediments to fair housing as less severe than the statewide survey, including: racial housing discrimination (12% lower), language for non-English speakers (18% lower), inadequate access to public and social services (13% lower), reactive mechanisms to identify discrimination (15% lower), and environmental concerns (12% lower). Fewer Northwest Region respondents reported questionable practices in zoning laws—just 2% compared to 13% statewide.

Southwest

Southwest Region respondents made up just 4% of the citizen survey respondents (17 total respondents). This low number of respondents made comparisons with the statewide results difficult; the majority of survey items had no respondents from this regional group. However, seven of ten Southwest stakeholder groups reported receiving discrimination complaints from the public. This doubles the proportion of organizations who reported receiving complaints statewide (35%).

XI. Conclusions and Recommendations

This AI broadly analyzes actions and conditions that may have the effect of restricting housing choice for people protected under State and federal fair housing laws. The AI not only identifies impediments to fair housing choice, but also makes recommendations to overcome the effects of those impediments and shall serve as the basis for fair housing planning, providing essential information to staff, policy makers, housing providers, lenders, and fair housing advocates, and assisting with garnering community support for fair housing efforts.

The AI's principal findings by method of gathering information are as follows:

Demographics

Population Trends:

- Pennsylvania experienced only a 3.7% growth in population since 2000. The national growth rate for the same period of time was 10.7% -- almost three times that of Pennsylvania.
- Whites were the most prominent race across all the counties in Pennsylvania including the 50 counties in the Balance of State areas (82.2%), other racial groups varied in concentration in the state.
- Persons aged 65 and over comprise a higher percentage of Pennsylvania's population than that of United States as a whole. Sixteen percent of the state's population was over the age of 65 (2,004,801 persons) - compared to the nation at 13% (2009-2013 ACS).

Disability Status:

- According to 2013 ACS 5-Year estimates, 1,651,733 Pennsylvania residents had a disability of some sort - 13.2% of the total population. The state's disability rate is slightly higher than the national rate of 12.1%.
- The state's veterans experience disabilities at almost double the rate of non-veterans, with the veteran disability rate at approximately 26 % and the non-veteran rate at 15 %.

Income and Housing Costs:

- While the 2013 statewide median household income was \$52,548, there was a significant disparity amongst differing racial and ethnic groups. Whites, the largest racial group in Pennsylvania by far, had a MHI slightly higher than the state median at \$55,538. Asian households earned significantly higher than the state median at \$64,397. All other races and ethnicities earned significantly less than the statewide MHI. Black and African American households earned only \$32,426 - just 62% that of the state median. Hispanics had only a slightly higher MHI at \$33,963.

- Housing costs across the state have experienced significant increases between 2000 and 2013. Median home values, for owner occupied homes, has increased nearly 70% from \$97,000 in 2000 to \$164,700 in 2013 and the median market-rate rent has increased more than 50% across the state from \$531 to \$831.
- In 2000, 20.8% (600,717) of all owners were considered cost burdened including 15.1% (436,159) that were considered extremely cost burdened. As of 2013, just over one-third (31.7%/680,772) of all owners with a mortgage were cost burdened, including 23.5% (505,125) that were considered extremely cost burdened.
- In 2000, 35.5% (479,644) of all renters were considered cost burdened including 28.6% (386,384) that were considered extremely cost burdened. As of the 2013 calculations, just over half (50.1%/687,895) of all renters paying rent were cost burdened, including 41.4% (568,225) that were considered extremely cost burdened.

Fair Housing Focus Group Meetings

DCED held focus groups in four areas of the state to capture the diverse opinions of all the regions covering the Balance of State municipalities – one in western Pennsylvania to cover both the northwestern and southwestern regions, one in northeastern Pennsylvania, and two in central Pennsylvania, which included a stakeholders meeting. DCED also held a community resident meeting in the Central region.

- In regional focus groups, as well as the meeting with statewide interest groups, participants cited difficulties in protecting the rights of individuals with physical and mental disabilities as a rapidly emerging impediment to fair housing.
- All groups also reported that the general public is unaware of fair housing rights, and also unaware that reporting fair housing violations can have positive outcomes.

Fair Housing Surveys

Three written surveys were developed to collect perspectives of residents, jurisdictions, and stakeholder groups, including a survey in Spanish for those with limited English proficiency. The purpose for conducting the survey was to obtain information and insights about fair housing choice in the Commonwealth.

- The barriers to fair housing choice cited most often was the high cost of housing (58% of respondents cited).
- Jurisdictions cited few severe impediments to fair housing. The only exceptions were inadequate access to transportation and inadequate access to employment, where nearly 50% of respondents rated the items as severe.
- A sizeable proportion of jurisdictional respondents (41%) identified “NIMBYism” (Not in My Backyard) as a severe impediment.
- Only 17% of respondents indicated that their jurisdiction had received housing discrimination complaints.

- When compared with jurisdictions, stakeholder groups reported higher severity among various impediments to fair housing. A majority of respondents rated the following impediments as somewhat severe or very severe:
 - Inadequate access to transportation (70%)
 - Lack of employment opportunities (68%)
 - Lack of knowledge about fair housing laws (66%)
 - Inadequate information about housing availability (60%)
 - Discrimination against Section 8/Housing Choice Voucher participation, and discrimination against those with disabilities (50%)
- The highest proportion of stakeholder respondents viewed NIMBYism (65%) as the most severe local impediments to fair housing.
- One-third (33%) of stakeholder organizations have received complaints of housing discrimination.

Registered Fair Housing Complaints

Through the analysis, DCED analyzed the complaints filed through the United States Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity (HUD FHEO) and the Pennsylvania Human Relations Commission (PHRC) in the balance of state communities.

- Between 2013 and 2014, HUD FHEO recorded 79 fair housing complaints throughout the Balance of State areas. Disability discrimination was the most common complaint with 51 reported incidents.
- Between 2013 and 2014, PHRC recorded 77 fair housing complaints throughout the Balance of State areas. Disability discrimination was the most common complaint with 47 reported incidents.

Based on the culmination of research and discoveries, this assessment identifies the following impediments to fair housing choice:

5. Education and public perception – Both a lack of understanding and inadequate information on fair housing issues continues to adversely affect community attitudes toward the planning and siting of facilities for special populations of people.
6. Housing affordability – The high cost of housing and the burden those costs place on residents present a barrier to fair housing choice.
7. Disability and elder care issues – Availability and access to housing for individuals with physical and mental disabilities is a rapidly emerging impediment to fair housing. Further, discrimination against people with disabilities who seek accommodations is a rising area of fair housing complaints.

8. Access to transportation and employment opportunities - Inadequate access to and from employment centers and the availability of job opportunities where people live remains a barrier to fair housing.

To address impediments identified in the AI, the report offers a set of recommendations for consideration.

Recommendation # 1: Increase Public Awareness of Fair Housing Rights

The Commonwealth could strengthen efforts to make the public aware of fair housing rights and further emphasize how reporting fair housing violations can have positive outcomes. This would include providing communities information on fair housing laws and policies, model zoning ordinances, and advice from other communities that have succeeded in overcoming regulatory impediments to fair housing choice. The Commonwealth, in partnership with Pennsylvania Housing Finance Agency and the Pennsylvania Rental Owners Association could identify training resources for landlords and rental property owners on fair housing responsibilities - including written lease provisions and opportunities to provide modifications for renters with accessibility needs. DCED would also produce relevant materials and training for government officials on fair housing rights and offer regular training for Balance of State communities which have designated fair housing officers.

Recommendation # 2: Improve and Better Utilize Financial Assistance for Housing

High housing costs and cost burdens to both buyers and renters can be reduced through financial assistance programs. The variety and volume of programs available to low/moderate-income persons is large. Realtors, lenders and rental property owners often do not know what is available and what the qualifications are for the various programs. All could benefit from more information on the availability of home financing and rental subsidy programs. In addition, federally-supported programs could be better designed and targeted. The Commonwealth could provide more information and realign its housing finance policies to more directly confront housing affordability issues. DCED, through their partnership with PHFA, could also include targeted financial education and housing counseling requirements for HUD assisted properties and units. DCED could also work with additional partner organizations to identify financial counseling opportunities for homeowners participating in existing owner occupied housing rehabilitation or receiving direct financial assistance from a DCED-sponsored program.

Recommendation # 3: Increase Access to Special Needs Housing

The Commonwealth should gather more information of this emerging impediment and determine to the extent to which the available supply of supportive housing is limited. Further investigation may also be necessary of potential discriminatory practices reported in recent complaints. Promoting best practices for alternative types of special needs/elderly housing and considering policy changes may be in order. Shaping community attitudes as described in the first recommendation may also be necessary to confront this barrier. Additionally, the DCED could identify through its analysis whether a set-aside or

identified priority in funding program and in partnership with the other Commonwealth departments or PHFA for special needs housing.

Recommendation # 4: Strengthen Linkages between Transportation and Jobs

As stated in the findings, inadequate access to and from employment centers and the availability of job opportunities where people live remains a barrier to fair housing. To address this impediment to fair housing choice, the Commonwealth can strengthen linkages between transportation and jobs. This would first entail examining linkages between transportation, jobs and housing. Incentives for transit-oriented housing development in Pennsylvania have resulted in better linkages between transportation and jobs. Various state agencies could examine similar incentives that connect to jobs as well. Efforts could be made to link all three elements using those same incentives, jobs transportation and housing. The State government could also explore and identify regional development opportunities that locate and provide access to jobs near where people live then share success stories with local governments.

Recommendation #5: Strengthen Local Zoning Ordinances

The Commonwealth could provide assistance to local governments to strengthen zoning ordinances to further fair housing. This could include help to identify and remove regulatory impediments, to promote fair share principles articulated in the Municipalities Planning Code and in case law, and to enact regulatory best practices that further fair housing such as inclusionary zoning provisions. Also, the Commonwealth could consider amendments to the Municipalities Planning Code to provide authority, currently lacking, for enactment of mandatory inclusionary zoning provisions. The Commonwealth could provide resources for local government, zoning and planning board officials, including training and technical assistance, to address regulatory requirements and best practices.

XII. Fair Housing Action Plan

Based on the Analysis of Impediments to Fair Housing Choice, the Pennsylvania Department of Community and Economic Development (DCED) proposes specific goals and action aimed at overcoming barriers to fair housing choice and expanding public awareness of fair housing issues throughout the state. This plan contains long- and short -term goals. Its supporting actions are specific, measurable, attainable and realistic, and they correspond directly with impediments identified in the preceding section. Appropriate maps are available in the AI to support all recommendations.

The plan is informed by a report on the progress and the success of Fair Housing educational promotion by organizations within the state as well as a description of accomplishments of fair housing enforcement and its limitations. As described in the body of the AI, the Commonwealth has made significant progress in addressing impediments since the last AI was published in 1995. Data analysis, survey results, focus groups, and interview records indicate past barriers are being removed.

- There is heightened awareness of public housing rights, fewer incidents of discrimination, less questionable lending practices, and better understanding of the importance of affordable housing.
- Nonetheless, inadequate information on fair housing issues continues to adversely affect community attitudes toward the planning and siting of facilities for special populations of people.
- Discrimination against people with disabilities who seek accommodations is a rising area of fair housing complaints.
- High housing costs create even higher cost burdens to both buyers and renters while funding for long-term financial assistance programs has been substantially reduced in the last 20 years.
- Inadequate access to and from employment centers and the availability of job opportunities where people live remains a barrier to fair housing.
- And local governments do not understand how the lack of affordability restricts fair housing choice.

A set of tables containing the specific goals and actions appear on the following pages.

Goal	Duration	Action Steps	Responsibility	Completion	Deliverable	Comments
Goal # 1: To Increase Public Awareness of Fair Housing Rights	Long-term					
		a) Update existing guidance on fair housing rights	DCED	2017	Training content, reliable information and targeted outreach strategies	Incorporate into existing efforts, annual conference and State solicitations (use GLGS as resource)
		b) Educate local governments to better understand different types of housing, affordable housing and impediments to fair housing choice	DCED	2019	Highlighted coverage at Grant Award Startup Meeting, feature at Municipal League Conference, one-on one sessions as appropriate	Use local officials to publicize (find champion of cause in different areas of the State and enlist support) and add section to DCED website
		c) Augment and reinforce message from State government	Trade and Advocacy Groups	2020	Prepared content for trade publications	Involve Home Builders, APA, PA Association of Township Officials, ICMA, and individual Township Managers
		d) Diversify form and content of outreach	DCED, Grantees	2016	Discuss at Grant Award start up alternatives to traditional fair housing outreach that may reach different populations or present a fresh way of sharing information; also, develop a LAP	Collect best practices and outcomes to share with grantees. (This will be ongoing, and updates will be provided annually in CAPER.)

		e) Develop and offer targeted training resources for landlords and rental property owners on fair housing responsibilities - including written lease provisions and opportunities to provide modifications for renters with accessibility needs.	DCED	2019	Training content, reliable information and targeted outreach strategies	DCED with PHFA and PA Rental Owners Association
		f) Produce relevant materials and training for government officials on fair housing rights and offer regular training for Balance of State communities which have designated fair housing officers.	DCED, Grantees	2017 - 2019	Training content, reliable information and targeted outreach strategies	DCED requires Balance of State grantees to designate a local fair housing officer responsible for notification and distribution of fair housing information or may designate a third-party agency which includes HUD and PHRC. This training would provide ongoing guidance for fair housing officers on their responsibilities and DCED expectations for grantees.

Goal	Duration	Action Steps	Responsibility	Completion	Deliverable	Comments
Goal # 2: To Improve and Better Utilize Financial Assistance for Housing	Short-term					

		a) Modify selection process for competitive funding proposals	DCED	2016	Revised policy, protocol, and selection criteria	Pattern after PHFA experience with risk-based targeting (details available at http://www.phfa.org), add changes to DCED website
		b) Examine fiscal and tax policies to more directly confront housing affordability issues	Governor's Office	2019	Issuance of Executive Order, study tax rates in state by region	Incorporate changes into State Budget
		c) Advocate use of inclusionary zoning as a way to reduce costs and entice developers to build affordable housing	Regional Planning Commissions, Local Governments	2019	Best practice examples from APA, Urban Land Institute, Ten Thousand Friends of PA	Tie to planning grants, make planning grants for zoning changes, create model language and share with local officials
		d) Diversify information on the availability of home financing and rental subsidy programs	DCED	2018	Expanded multi-lingual services and outreach to special needs population and the organizations that serve these populations	Ensure website and social media has all materials in minority languages in discussions with organizations that serve these populations (will be necessary to establish best modes of outreach and coordination)
		e) Develop targeted financial education and housing counseling requirements for HUD assisted properties and units.	DCED, PHFA	2019	Revised policy and protocols for DCED/HUD assisted properties	Work with partner organizations to identify financial counseling opportunities for homeowners participating in existing owner occupied housing rehabilitation or receiving direct financial

						assistance from a DCED-sponsored program.
Goal	Duration	Action Steps	Responsibility	Completion	Deliverable	Comments
Goal # 3: To Increase Access to Special Needs Housing	Short-term					
		a) Further investigate potential discrimination complaints from disabled persons	PHRC, Governor 's Cabinet for People with Disabilities, Advisory Committee	2018	Targeted outreach strategies and possible enforcement action	Use testing techniques and involvement of realtors
		b) Promote alternative types of special needs/elderly housing	DCED, PHFA	2018	Additional resources, e.g. for a Section 811 project, to serve target population;	Coordinate with DHS & PHFA as well as Department of Aging (This action will be ongoing.)
		c) Create policies that give preference for such housing and encourage use of best practices (aging in place, retrofitting)	DCED, PHAC	2019	Adopted polices, HUD Action Plan's Method of Distribution	Make changes as necessary (This action will be ongoing.)

Goal	Duration	Action Steps	Responsibility	Completion	Deliverable	Comments
Goal # 4: To Strengthen Linkages between Transportation and Jobs	Long-term					
		a) Fully examine linkages between transportation and jobs and housing as well as incentives	DCED, PennDOT, L&I and DGS	2019	Coordination among those agencies; best practice examples	Coordinate with PennDOT and DVRPC. Also include Regional Planning Commission and Transit Authorities
		b) Explore and identify regional development opportunities that locate and provide access to jobs near where people live	Governor's Office	2022	Establish and implement incentive package for business recruitment	Engage Chambers of Commerce and regional economic development groups

Goal	Duration	Action Steps	Responsibility	Completion	Deliverable	Comments
Goal # 5: Strengthen Local Zoning Ordinances	Long-term					
		a) Provide education on regulatory impediments, fair share principals*, and regulatory best practices to promote fair housing	DCED, Local Governments, Builders and Developers	2019	Educational materials	Encourage self-evaluation with support from DCED, work with PA Local Government Training Partnership
		b) Promote inclusionary zoning provisions and incentives that reward development of affordable housing	DCED, Municipalities	2020	Best practice examples of model codes; facilitate information sharing and networking among municipalities	Compile best practices from other states, ask APA and ICMA for best practices
		c) Prepare amendment to the MPC that would authorize mandatory inclusionary zoning	DCED	2020	Draft amending language	
		d) Prepare update to DCED Planning Series manual #10: Reducing Land Use Barriers to Affordable Housing	DCED	2018	Educational materials	In partnership with Governor's Center for Local Government Services provide update to planning manual to incorporate fair housing laws and provisions noted in this AI and best practices in affordable housing and fair housing.
		e) Develop and deliver twenty (20) training sessions across Pennsylvania targeted to municipal	DCED	2020	Training and education materials	In partnership with the Governor's Center for Local Government Services and the

		planning, zoning, and code enforcement officials using the updated Planning Series publication #10: Reducing Land Use Barriers to Affordable Housing (as noted above)				PA Training HUB, DCD will offer in person training at 20 locations throughout the Commonwealth delivering a comprehensive perspective of affordable housing and fair housing from planning and legal ends of the spectrum.
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* The Municipalities Planning Code (MPC) currently requires local comprehensive plans to address housing needs for all income levels and requires local zoning ordinances to provide for housing of various dwelling types. Pennsylvania court case law prohibits zoning ordinances from excluding otherwise lawful land uses and provides a methodology to determine if zoning ordinances provide fair shares of all types of housing.

Glossary of Abbreviations:

APA: American Planners Association
CAPER: Consolidated Annual Performance and Evaluation Report
DCED: Pennsylvania Department of Community and Economic Development
DGS: Pennsylvania Department of General Services
DHS: Pennsylvania Department of Human Services
DVRPC: Delaware Valley Regional Planning Commission
ICMA: International City/County Management Association

L&I: Pennsylvania Department of Labor and Industry
LAP: Language Assistance Plan
PennDOT: Pennsylvania Department of Transportation
PHAC: Pennsylvania Housing Advisory Committee
PHFA: Pennsylvania Housing Finance Agency
PHRC: Pennsylvania Human Relations Commission

XIII. Appendices

- A. Survey Instruments
- B. Survey Results
- C. Focus Group Attendees
- D. Focus Group Summaries
- E. Stakeholder Interviews