

October 17, 2023

Pennsylvania Department of Aging
c/o Master Plan
555 Walnut Street, 5th Floor
Harrisburg, PA 17101

Re: Housing Needs of Older Pennsylvanians and People with Disabilities

Dear Department of Aging:

Regional Housing Legal Services (RHLS) is a nonprofit law firm that works with nonprofit organizations to create and preserve quality, affordable, and sustainable housing for lower income Pennsylvanians. Our mission is to help create housing and economic opportunity in underserved communities in Pennsylvania and to effect systemic change for the benefit of lower income households statewide. RHLS drives successful housing creation because of its unique expertise in affordable and sustainable housing, community and economic development, utility matters, and preservation of home ownership.

In both our representation of housing and community development organizations and our policy work on systemic issues we are mindful of equity and inclusion and of the many ways current systems work to the detriment of people of color, those with disabilities, and other marginalized people. These comments include that perspective where the data provide ample information.

RHLS is also mindful of the interconnectedness of housing and health, a particularly significant intersection for older individuals and people with disabilities. Sometimes our work takes the form of a new housing development with on-site health and supportive services. Sometimes it is housing structured to meet the particular needs of residents with behavioral health challenges. Other times, and especially in our policy work, it is an emphasis on the fact that where we live affects our health. Housing is healthcare. The ability to breathe clean air free of mold, to be warm in the winter and cool in the summer, and to access every part of one's home profoundly impacts residents' health.

These comments, then, focus on the housing related challenges of lower income older Pennsylvanians. Most of those same challenges are also faced by lower income disabled individuals.

A Picture of Older Pennsylvanians

Almost 2.54 million Pennsylvania are 65 years old or older.¹ Eighty-seven percent are white and nearly 78% are homeowners.² Their median household income is \$50,330.³ But this composite picture does not tell the whole story.

Looking more closely at households where the owner or lessee is 65 or older, 381,767 have household incomes under \$25,000 a year.⁴ Ten percent of seniors live in poverty.⁵ But the hardships of poverty are not spread evenly across the population. Using 2021 American Community Survey data, America's Health Rankings (United Health Foundation) found that while 9.6% of Pennsylvania seniors lived in poverty, only 8.3% of the elderly white population did, while for Blacks the percentage was 18.9, for Latinos 23.7, and for Asians 16.3.⁶

Most Pennsylvanians 65 and up are homeowners (78%), but that does not always translate into housing affordability. Over a quarter pay more than 30% of their income for housing costs, making them "cost-burdened" according to the U. S. Department of Housing and Urban Development. While only 22% percent of seniors are renters, 54% of them are cost burdened.⁷ Renters frequently face rent increases while many homeowners struggle with property taxes.

Goals for the Master Plan for Older Adults [and People with Disabilities]

1. Ensure that seniors and people with disabilities who want to remain in their homes can do so safely.

Many seniors would like to age in place, i. e., stay in the homes where they raised their children and where the community is familiar. Unfortunately, for some their current home is not a safe place to live, whether because it is in need of extensive repairs or because their mobility limitations make it difficult to use the stairs, bathroom, or other features of the house.

¹ American Community Survey (ACS) 2022 1-year estimate, dataset S0103: Population 65 Years and Over in the United States (Pennsylvania),

<https://data.census.gov/table/ACSST1Y2022.S0103?t=Age+and+Sex&g=040XX00US42>.

² Ibid.

³ American Community Survey 2022 1-year estimate, dataset S1903: Median Income in the Past 12 Months (in 2022 Inflation-Adjusted Dollars) (Pennsylvania),

<https://data.census.gov/table/ACSST1Y2022.S1903?t=Income+and+Poverty&g=040XX00US42>.

⁴ ACS dataset B19037: Age of Householder by Household Income in the Past 12 Months (in 2022 Inflation-Adjusted Dollars) (Pennsylvania),

<https://data.census.gov/table/ACSDT1Y2022.B19037?q=income+by+age&t=Income+and+Poverty&g=040XX00US42>

⁵ ACS dataset S1703: Selected Characteristics of People at Specified Levels of Poverty in the Past 12 Months, <https://data.census.gov/table/ACSST1Y2022.S1703?t=Income+and+Poverty&g=040XX00US42>. The 2023 poverty level for a one person household is \$14,580. For two people it is \$19,720. See,

<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

⁶ America's Health Rankings (United Health Foundation), <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

⁷ All data in this paragraph is from ACS dataset S0103.

There are many ways to help low income seniors improve the accessibility, safety, and comfort of their homes. Last year, Pennsylvania created the Whole-Home Repairs Program (WHRP), administered by the Dept. of Community and Economic Development (CDED), to address such problems. WHRP was funded for one year with American Rescue Plan money. Hopefully, it will be funded with state funds this year, although at a lower level. In addition, many cities and counties run home repair programs utilizing federal funds.

Related to home repairs are the variety of weatherization and energy efficiency programs as well as home modification programs to make properties accessible. The federal Weatherization Assistance Program is administered in Pennsylvania by DCED with local providers in each county. Most energy efficiency programs are run by the gas and electric companies. Home modifications can run through Medicaid Waivers or grant funded programs such as the program run by Inglis Community Services.⁸

Home repairs and related programs are usually thought about in relation to homeowners, but most are also available for rental properties. However, renters often have difficulty accessing these programs because many landlords are reluctant to participate.

We recommend that the Department of Aging:

- Advocate for full funding for Whole-Home Repairs, Weatherization Assistance Program, and home modification programs.
- Publicize home repair, weatherization, energy efficiency, and home modification programs with county-specific contact information.
- Engage landlords to participate in home repair, weatherization, energy efficiency, and home modification programs.

2. Ensure that seniors and people with disabilities who want to remain in their homes can afford to do so.

As noted above, many senior Pennsylvanians are cost burdened, whether they are homeowners or renters. For the hundreds of thousands of senior households with incomes below \$25,000, that does not leave much for other expenses like food and medicine. Many people with disabilities struggling to live on Supplemental Security Income (SSI) find that area rents exceed their monthly income. The National Low Income Housing Coalition calculates that a person in Pennsylvania living on SSI can only afford \$281 in rent.⁹

While improving the condition of the home can make utility costs more affordable by reducing energy consumption, many seniors need direct financial help paying their utility bills. Some programs currently exist, like utility company sponsored Customer Assistance Programs (CAPs). However, with income limits at 150% of the federal poverty guidelines (\$21,870 for a single

⁸ <https://www.inglis.org/programs-and-services/inglis-community-services/home-modification-program>

⁹ National Low Income Housing Coalition, *Out of Reach, Pennsylvania state data*, <https://nlihc.org/oor/state/pa>.

person; \$29,580 for a couple), many struggling seniors can not take advantage of CAPs. The Low Income Home Energy Assistance Program (LIHEAP) also helps low income households with utility bills by providing a one-time grant. But LIHEAP is only available during the winter and does not assist with cooling that is becoming more and more important.

Many seniors also need help with their property taxes, mortgage, or rent. The Homeowners Emergency Mortgage Assistance Program, administered by the Pennsylvania Housing Finance Agency (PHFA), aids homeowners facing foreclosure as long as they have reasonable prospects of being able to resume their monthly payments. HEMAP will also pay for delinquent property taxes, but only if the homeowner is facing mortgage foreclosure.

The commonwealth's Property Tax and Rent Rebate Program was recently amended to allow more Pennsylvanians to apply for rebates and to increase the amounts of the rebates. However, one flaw still exists with the program: homeowners have to *pay* their taxes in order to qualify for the rebate. For low income homeowners that can be a prohibitive hurdle. The program would help more low income homeowners if the state funds were paid directly to the taxing bodies and the amount of the tax bills were reduced accordingly.

Other approaches to helping seniors with property tax bills include Philadelphia's property tax freeze program for low income seniors¹⁰ and the Longtime Owner Occupants Program (LOOP).¹¹ Under the tax freeze program neither re-assessments nor rate hikes will increase tax bills for income eligible homeowners 65 years or older or their spouses. LOOP limits increases in the assessed value for low income households who have lived in their homes for 10 years or more. Legislation is needed to allow municipalities and counties outside of Allegheny and Philadelphia to enact LOOP ordinances and outside of Philadelphia to enact property tax freezes.

For renters, the federally funded Covid-related Emergency Rental Assistance Program (ERAP) was very successful, but in most counties ERAP is out of funds. Also, the rent delinquency had to have been related to Covid. Pennsylvania needs a new emergency rental assistance program to prevent evictions. It is important to avoid the dire consequences of eviction, especially for older Pennsylvanians and people with disabilities. It is also more cost effective for the commonwealth to keep people housed than to pay for homeless services or nursing home care for individuals who have lost their homes.

As noted above, more than half of older renters pay more than a third of their income for housing costs (rent and utilities). Many are eligible for federal programs like public housing or Housing Choice Vouchers, but eligibility does not mean assistance. Federal housing programs are not entitlements and they are severely underfunded. Only one in four households that

¹⁰ <https://www.phila.gov/services/property-lots-housing/property-taxes/get-real-estate-tax-relief/low-income-senior-citizen-real-estate-tax-freeze/>

¹¹ <https://www.phila.gov/services/payments-assistance-taxes/payment-plans-and-assistance-programs/income-based-programs-for-residents/apply-for-the-longtime-owner-occupants-program-loop/>

qualify for federal rental assistance receive any, and that is usually after waiting years on wait lists.¹² More assistance is needed, whether federal or state, to allow low income Pennsylvanians, including seniors and people with disabilities, to afford quality, accessible rental homes.

We recommend that the Department of Aging:

- Encourage the General Assembly to allow taxing authorities to create exemptions or freezes on property taxes and assessments for low income seniors and people with disabilities.
- Support changes to the Property Tax and Rent Rebate Law making it a direct payment to taxing authorities thereby reducing the payment required by homeowners.
- Advocate for expansion of the Housing Choice Voucher program or establishment of a state funded rental assistance program.
- Advocate for the creation of an eviction prevention emergency assistance program.
- Support an increase in the income limits for Customer Assistance Programs.
- Support the expansion of LIHEAP to include a state-funded summer cooling component.
- Advocate to make the federal Low-Income Household Water Assistance Program permanent or create a similar state funded program.

3. Ensure that seniors and people with disabilities who want or need to move to a different residence have appropriate, accessible, and affordable options. Ensure that no senior or person with a disability is homeless.

Older Pennsylvanians who would like to or must move face a housing shortage and unaffordable prices, whether for rentals or homeownership. Most retirement communities are out of reach for many middle class seniors let alone those with low incomes. Even standard rentals with no services are in short supply. According to the Federal Reserve Bank of Philadelphia' Rental Housing Affordability Data Tool,¹³ there is a shortage of more than 270,000 rental homes that are both affordable and available to people with incomes at or below 30% of the area median income. Looked at another way, there are only 35 affordable and available units for every 100 extremely low income households.

While the Fed's data is a few years old, national and local media have been filled with stories over the past year about rising rents and the growing housing crisis. The situation has only gotten worse for low income individuals. For seniors and people with disabilities looking for one-story living the market is even tighter, and for those who need supportive services there is truly a crisis.

¹² Acosta, S. and Guerrero, B., "Long Waitlists for Housing Vouchers Show Pressing Unmet Need for Assistance", Center for Budget and Policy Priorities, <https://www.cbpp.org/research/housing/long-waitlists-for-housing-vouchers-show-pressing-unmet-need-for-assistance>.

¹³ <https://www.philadelphiafed.org/surveys-and-data/community-development-data/housing-data-dashboard>

In 2022, building permits were issued for 28,008 new units in Pennsylvania, but only 9,758 of those were for apartments.¹⁴ New construction generally commands higher rents, except for the very few subsidized developments. In that same year, PHFA awarded Low Income Housing Tax Credits and other funds for the development of 1,459 rental units for low income households. Of those, 553 units will be for seniors. Adding subsidized rentals to the market at the rate of 1,500 units a year will take 180 years to fill the gap just for extremely low income households (30% of area median income). Pennsylvania desperately needs more affordable rentals for low income households, including seniors and disabled individuals.

We recommend that the Department of Aging:

- Work with PHFA to expand resources for more affordable rental housing, including senior housing and permanent supportive housing for those who require supportive services. (Note that designating a portion of existing funds for such developments is not sufficient. Doing so would result in fewer affordable homes for struggling families and other populations. We must increase the size of the pie.)
- Work with the Department of Human Services (DHS) to maximize the use of Medicaid waivers for housing supports and rental assistance.
- Advocate for the federal government to better coordinate housing programs and supportive services.

Conclusion

RHLS applauds the Department of Aging for undertaking the Master Plan for Older Adults [and People with Disabilities] and for including housing as one of the focus areas. A safe, affordable, and accessible home is essential for good health and a good quality of life, whether that means aging in place or moving to a more appropriate residence. RHLS is available to discuss our recommendations and to work with the Department to implement them.

Sincerely,

Cynthia Witman Daley

Director of Community Development Initiatives

Copy: Dina Schlossberg, Executive Director

¹⁴ Property Management, "Housing Starts Data & Statistics" (Pennsylvania), <https://ipropertymanagement.com/research/housing-starts#pennsylvania>.