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## LVPC Releases Eviction and Foreclosure Risk Tool

More than half of all renters and more than a quarter of all homeowners in the Lehigh Valley are burdened by their housing costs, according to a Foreclosure and Eviction Risk tool developed by the Lehigh Valley Planning Commission at the request of city mayors and county officials.

The data-based tool was created to help county, municipal and community leaders identify the neighborhoods where housing issues are most likely to emerge now that pandemic-induced moratoriums on evictions and foreclosures are being lifted.

The tool's impact has led to a partnership between the LVPC and Federal Reserve Bank of Philadelphia, in which LVPC housing data will be combined with the Federal Reserve's economic data to identify communities with people most at risk of losing their homes or jobs.

**Government leaders that include Bethlehem Mayor Robert Donchez, Lehigh County Executive Phillips Armstrong, Allentown Director of Community and Economic Development Leonard Lightner and others,** and the Federal Reserve will kick off the partnership during the LVPC's WorkshopLV: Housing meeting at 4 pm, September 10. During the workshop, local, regional and national data will be released on where households and jobs are most at risk and what steps are being taken to manage the situation. The partnership between the cities, counties, LVPC and the Federal Reserve comes at a time when public, non-profit and profit sector leaders are determining where to best direct resources that can help people deal with the impacts of the COVID-19 Pandemic.

"This partnership, which began as a critical question by Mayor Donchez and [Easton] Mayor Sal Panto as to the potential depth foreclosures and evictions could go, is now a larger, more comprehensive and robust effort that will give the entire region the best chance of having a real impact in a community that is especially vulnerable right now," said LVPC Executive Director Becky Bradley.

The numbers in the LVPC tool are in line with national statistics on renters and homeowners, but what's perhaps most surprising is that the potential crisis reaches into every corner of the region, from the urban cores to the suburbs to the rural municipalities.

"It's not just a problem in our cities, it's all of our neighborhoods, there are families who are at risk of losing their home in the suburbs and rural areas," said LVPC Chief Planner

Samantha Smith. “It’s the elderly couple down the street and the young couple with two kids on the next block. People are struggling with housing costs everywhere, whether by circumstance or choice.”

Smith and Senior Planner Jill Seitz developed the tool after talking with Lehigh and Northampton county officials, mayors and municipal leaders about their concerns, even as federal and state moratoriums were issued temporarily preventing landlords from evicting renters and banks from foreclosing on mortgages of people whose income was eliminated or lessened by the pandemic. The moratoriums expired August 31 in Pennsylvania. Lawmakers are discussing whether to extend them, but it’s unclear whether that will happen.

“Our concern is that when the full impact of the moratoriums being lifted hits, we’re going to see a flood of evictions and foreclosures,” said LVPC Executive Director Becky Bradley. “Our hope is that the tool will help communities and organizations identify where to focus efforts and resources.”

The tool, found at [lvpc.org](http://lvpc.org), gathers and tabulates U.S. Census data for every block group in the Valley, based on households that pay more than 30% of their gross income on housing costs that include rent or mortgage, taxes and basic utilities. That 30% figure is a widely accepted model -- used by Census, housing and economy experts – to determine if a household is cost-burdened. Any household that spends more than 30% of gross income on housing is considered cost-burden – in other words paying more of their income than is recommended to remain financially stable.

The data was loaded into an interactive map which enables the user to identify the percentage and number of owners and renters who are cost-burdened in each Census block in the region. And it’s color-coded to show areas with the highest risk of foreclosures and evictions.

Valleywide, 52% of the roughly 77,000 renting households in the database, and 28% of 112,000 owner households are cost-burdened. A small percentage of Census blocks contained no data, therefore those tracts were not included in the calculations. It includes some blocks in which more than 80% of households are cost-burden, and they’re located in cities, boroughs and townships across the region.

“There really isn’t any municipality that’s immune from this problem,” Seitz said. “Even townships with relatively high household income have pockets of cost-burdened families.”

Seitz noted that paying more than 30% for housing costs doesn’t always mean the household is low income, struggling or even living beyond its means. For some, it is a lifestyle choice to spend more on housing, rather than other aspects such as entertainment or transportation.

Alan Jennings, Executive Director of the Community Action of the Lehigh Valley, had a theory about all those cost-burdened people living in the suburbs.

“I believe many are low and middle-income people who have moved to more expensive neighborhoods because they perceive that school district to be better,” Jennings said. “They chose to be cost-burdened so their kids can go to a particular school district.”

National Census data shows that about 50% of renters and 25% of owners are cost-burdened. A higher designation of extreme cost-burden – when the household spends more than 50% of income on housing – is experienced by roughly 13% of all Americans.

It has led some analysts, such as the COVID-19 Eviction Defense Project, to predict millions of evictions and foreclosures by year’s end. Ultimately, that will depend not only on whether the moratoriums are restored, but how much aid is available and how well communities prepare.

The Foreclosure and Eviction Risk Map can be found at <https://lvpc.org/data-lv-housing.html>. Registration and information on how to join the leadership team at the September 10 WorkshopLV: Housing meeting is at <https://lvpc.org/housing.html>