WORKSHOP LV HOUSING

The Housing Working Group for the Lehigh Valley

September 10, 2020
Virtual Meeting Protocol

As we can’t see each other and wish to support the public dialogue we need to conduct the meeting a bit differently:

All questions and comments can be sent via the Q&A on the webinar screen.

At the end of the presentation Becky Bradley will be moderating questions and comments that are entered into the chat box.

This webinar is being recorded.

Call-In Information:
+1 872-239-5796
Conference ID: 462 725 848#
promote the health, safety + general welfare of Lehigh + Northampton counties

maximize utilization of the existing infrastructure + plan new infrastructure as needed to fulfill the goals + objectives of the regional comprehensive plan

guide the orderly growth, development + redevelopment of the Lehigh Valley in accordance with the long-term objectives, principles + standards that are in the best interest + welfare of its municipalities + political subdivisions

improve the social + economic climate of the area + promote equality through planning

coordinate + integrate the plans for orderly growth, development + redevelopment of the Lehigh Valley

encourage appropriate land use through implementation of the regional comprehensive plan

collect, analyze + distribute useful regional data

promote + achieve a safe, well-maintained multimodal transportation system

promote conservation of energy, land, water + air in the Lehigh Valley + preservation of unique historic + natural features
Municipalities Planning Code
County Planning

- Future Development
- Housing
- Transportation
- Parks and Open Space
- Natural Resources
- Historic Assets
- Farmland Preservation
- Water Resources
- Scenic Areas
- Energy Conservation
- Land Uses of Regional Significance
Our Purpose

Improve access to attainable housing by diversifying the type, location, cost and other aspects of housing to meet the social, economic and future needs of the Lehigh Valley.
Meeting Agenda

- Tools to Address COVID-19 Impacts
- City and County Impacts
- Larger COVID-19 Impacts
- Q+A / Discussion
- Closing and Next Steps
Tools to Address COVID-19 Impacts: Regional Equity Analysis - Identifying Eviction and Foreclosure Risk
COVID-19 Impacts
Cities and Counties
Federal Reserve Bank of Philadelphia

COVID-19 Impacts in the Larger Region

Eileen Divringi, Community Development Research Associate

Davin Reed, Community Development Economic Advisor
Which Neighborhoods and Households Will Be Most Impacted by COVID-19?

September 10, 2020

Eileen Divringi, Community Development Research Associate
Davin Reed, Community Development Economic Advisor
Outline

• Defining at risk
• Neighborhoods at risk
• Households at risk
• Takeaways and questions
Defining at Risk
Defining Risk of Job Loss from COVID-19

- Workers in *occupations* requiring close physical interaction (< 6 feet)
  - More likely to be minorities, younger, lower-income
  - (From Wardrip and Tranfaglia, 2020)

- Aggregate to *industry* level to study neighborhoods
  - Calculate share of neighborhood residents working in at-risk industries

- Use individual-level risk for household analysis
Neighborhoods at Risk
Share of Residents Working in At-Risk Industries

Percent at Risk (%)

- (29, 39]
- (28, 29]
- (27, 28]
- (25, 27]
- [17, 25]

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FEDERAL RESERVE BANK OF PHILADELPHIA • COMMUNITY DEVELOPMENT & REGIONAL OUTREACH
Share of Residents Working in At-Risk Industries

Percent at Risk (%)
- (28.8, 32.1)
- (27.9, 28.8)
- (26.8, 27.9)
- (26, 26.8)
- [23.7, 26]
## Characteristics of At-Risk Neighborhoods

<table>
<thead>
<tr>
<th></th>
<th>Pennsylvania</th>
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<tbody>
<tr>
<td></td>
<td>Highest Risk</td>
</tr>
<tr>
<td>At risk</td>
<td>30.4</td>
</tr>
<tr>
<td>Bachelor’s degree (pct)</td>
<td>19.1</td>
</tr>
<tr>
<td>Black (pct)</td>
<td>13.3</td>
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<tr>
<td>Hispanic or Latino (pct)</td>
<td>9.6</td>
</tr>
<tr>
<td>Asian (pct)</td>
<td>1.9</td>
</tr>
<tr>
<td>Other (pct)</td>
<td>2.7</td>
</tr>
<tr>
<td>White (pct)</td>
<td>72.5</td>
</tr>
<tr>
<td>Poverty (pct)</td>
<td>21.7</td>
</tr>
<tr>
<td>Income (median $)</td>
<td>45,813</td>
</tr>
<tr>
<td>Pct. renters</td>
<td>40.9</td>
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<tr>
<td>Rent (median $)</td>
<td>809</td>
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<tr>
<td>Rent as pct. of income</td>
<td>31.4</td>
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<tr>
<td>Neighborhoods</td>
<td>643</td>
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</tbody>
</table>
## Characteristics of At-Risk Neighborhoods

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Lehigh and Northampton</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Highest Risk</td>
</tr>
<tr>
<td>At risk</td>
<td>29.9</td>
</tr>
<tr>
<td>Bachelor’s degree (pct)</td>
<td>12.9</td>
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<tr>
<td>Black (pct)</td>
<td>9.6</td>
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<tr>
<td>Hispanic or Latino (pct)</td>
<td>45.4</td>
</tr>
<tr>
<td>Asian (pct)</td>
<td>2.1</td>
</tr>
<tr>
<td>Other (pct)</td>
<td>2.8</td>
</tr>
<tr>
<td>White (pct)</td>
<td>40.2</td>
</tr>
<tr>
<td>Poverty (pct)</td>
<td>27.8</td>
</tr>
<tr>
<td>Income (median $)</td>
<td>39,949</td>
</tr>
<tr>
<td>Pct. renters</td>
<td>61.8</td>
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<tr>
<td>Rent (median $)</td>
<td>950</td>
</tr>
<tr>
<td>Rent as pct. of income</td>
<td>34.6</td>
</tr>
<tr>
<td>Neighborhoods</td>
<td>28</td>
</tr>
</tbody>
</table>
Households at Risk
10 Largest Industries for At Risk Workers in Lehigh Valley*

<table>
<thead>
<tr>
<th>NAICS Industry</th>
<th>Number of Workers</th>
<th>Percent of At-Risk Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>44-45: Retail Trade</td>
<td>17,828</td>
<td>20.8</td>
</tr>
<tr>
<td>72: Accommodation and Food Services</td>
<td>14,134</td>
<td>16.5</td>
</tr>
<tr>
<td>23: Construction</td>
<td>11,482</td>
<td>13.4</td>
</tr>
<tr>
<td>31-33: Manufacturing</td>
<td>9,270</td>
<td>10.8</td>
</tr>
<tr>
<td>62: Health Care and Social Assistance</td>
<td>6,491</td>
<td>7.6</td>
</tr>
<tr>
<td>48-49: Transportation and Warehousing</td>
<td>5,603</td>
<td>6.5</td>
</tr>
<tr>
<td>81: Other Services, Except Public Administration</td>
<td>5,375</td>
<td>6.3</td>
</tr>
<tr>
<td>56: Administrative and support and waste management</td>
<td>4,951</td>
<td>5.8</td>
</tr>
<tr>
<td>71: Arts, Entertainment, and Recreation</td>
<td>3,935</td>
<td>4.6</td>
</tr>
<tr>
<td>61: Educational Services</td>
<td>1,974</td>
<td>2.3</td>
</tr>
</tbody>
</table>

*Lehigh Valley defined as Lehigh, Northampton, and Carbon Counties.
Methodology – Income Sufficiency Calculation

Household Income after COVID-related Job Loss (Housing + Living Expenses)

**Post-COVID Job Loss Residual Income**

**Positive Residual Income** – household able to cover basic living expenses in event of job loss.

**Negative Residual Income** – household unable to cover basic living expenses in event of job loss.

Full methodology available in Eileen Divringi and Davin Reed, *Which Neighborhoods and Households Will Be Most Impacted by COVID-19?*
Renters

Gross rent includes monthly contract rent and average monthly cost of basic utilities such as water, electricity, and heating.

Homeowners

Selected monthly owner costs includes mortgage payment(s) for households with mortgages, real estate taxes, insurance, average monthly cost of basic utilities, and other fees where applicable.

Full methodology available in Eileen Divringi and Davin Reed, Which Neighborhoods and Households Will Be Most Impacted by COVID-19?
# Methodology – Estimated Living Expenses

<table>
<thead>
<tr>
<th>Health Care</th>
<th>Food</th>
<th>Transportation</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Includes the cost of health insurance premiums and out-of-pocket medical expenses.</td>
<td>Includes the cost of the USDA monthly low-cost food plan.</td>
<td>For households with cars, includes car payments, gas, and maintenance. For households without cars, includes public transit costs.</td>
<td>Includes personal items, clothing, other household goods.</td>
</tr>
</tbody>
</table>

Full methodology available in Eileen Divringi and Davin Reed, *Which Neighborhoods and Households Will Be Most Impacted by COVID-19?*
Financial Insecurity After Job Loss – Tenure

Estimated number of at-risk Lehigh Valley* households unable to afford basic living expenses

- Households in Lehigh Valley: 277,870
- With at least one at-risk worker: 63,584
  - Unable to afford basic living expenses before COVID: 10,906
  - Unable to afford basic living expenses after COVID: 34,445

*Lehigh Valley defined as Lehigh, Northampton, and Carbon Counties.
Financial Insecurity After Job Loss – Race/Ethnicity

Estimated number of at-risk Lehigh Valley* households unable to afford basic living expenses

Among at-risk households:
- 67% of Hispanic/Latino householders and
- 51% of White householders would be unable to afford basic living expenses after job loss.

*Lehigh Valley defined as Lehigh, Northampton, and Carbon Counties.

## Financial Insecurity After Job Loss – Household Type

Estimated number of at-risk Lehigh Valley* households unable to afford basic living expenses

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Before Job Loss</th>
<th>After Job Loss</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married Couple</td>
<td>3,680</td>
<td>16,380</td>
<td>20,060</td>
</tr>
<tr>
<td>Female Householder</td>
<td>4,357</td>
<td>7,810</td>
<td>12,160</td>
</tr>
<tr>
<td>Male Householder</td>
<td>1,941</td>
<td>6,980</td>
<td>8,921</td>
</tr>
<tr>
<td>Other Nonfamily</td>
<td>928</td>
<td>3,275</td>
<td>4,203</td>
</tr>
</tbody>
</table>

### Households with Children

- **Total:** 76,276
- **At-Risk Households:** 23,778
- **Unable to make ends meet after COVID:** 14,324

*Lehigh Valley defined as Lehigh, Northampton, and Carbon Counties.

Main Takeaways

• The neighborhoods whose residents are at greatest risk of job loss are lower-income, have higher rent burdens, and are more likely to be communities of color.

• At-risk renters, householders of color, and households with children are disproportionately vulnerable to living income deficits following COVID-related job losses.

• The pandemic is likely to worsen pre-existing inequalities and housing insecurity.
Next Steps:
Continued Collaboration and Lehigh Valley Housing Needs Analysis