



Opening



Doors

**Strategies to Build Housing
Stability in Bethlehem**

May 15, 2024

quarterly



updates



Tonight's agenda



- Opening Doors overview
- Fostering Partnerships
 - The Gateway on 4th
 - Choice Neighborhoods
- Accessory Dwelling Units (ADUs)
 - Exploring Legalizing ADUs
 - Alley House Pilot
- Eviction mediation, prevention and rental assistance
- Regional planning and advocacy
- Programs for homeowners
- Questions

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A deep national and local crisis



The highest percentage of 18-29-year-olds living at home since the Great Depression



More than 50% of all renters pay more than they can afford for housing



In 2020, 45% of all home for sales were affordable. Only 16% of homes for sale were in 2023.

Bethlehem's housing market changed rapidly

MEDIAN SALES PRICE

\$182K
May 2019



\$302K
May 2023

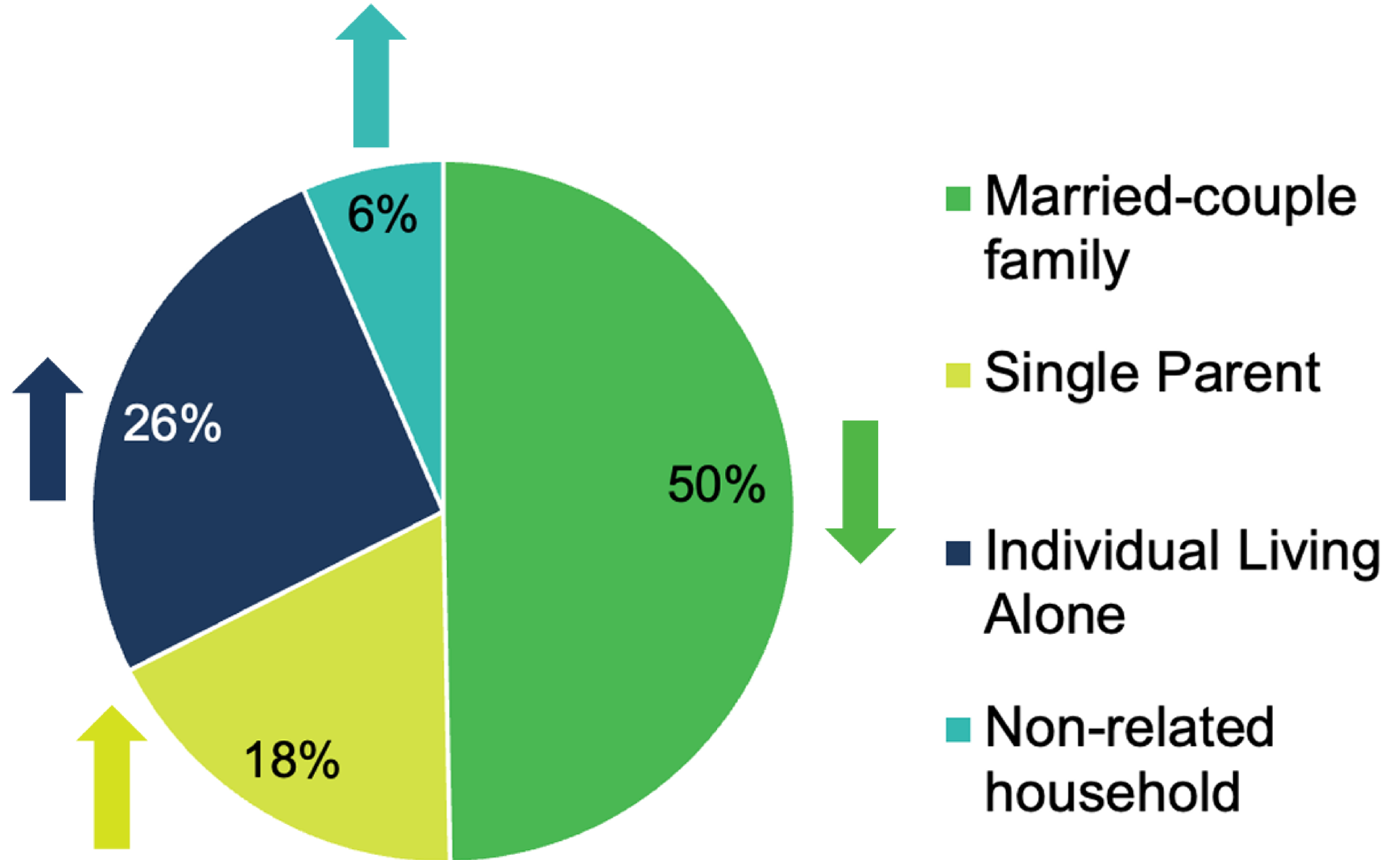
MEDIAN RENT

\$1,354
May 2019



\$1,910
May 2023

Shifting Living Preferences: Household Type



Shifting Living Preferences: Multi-Generational

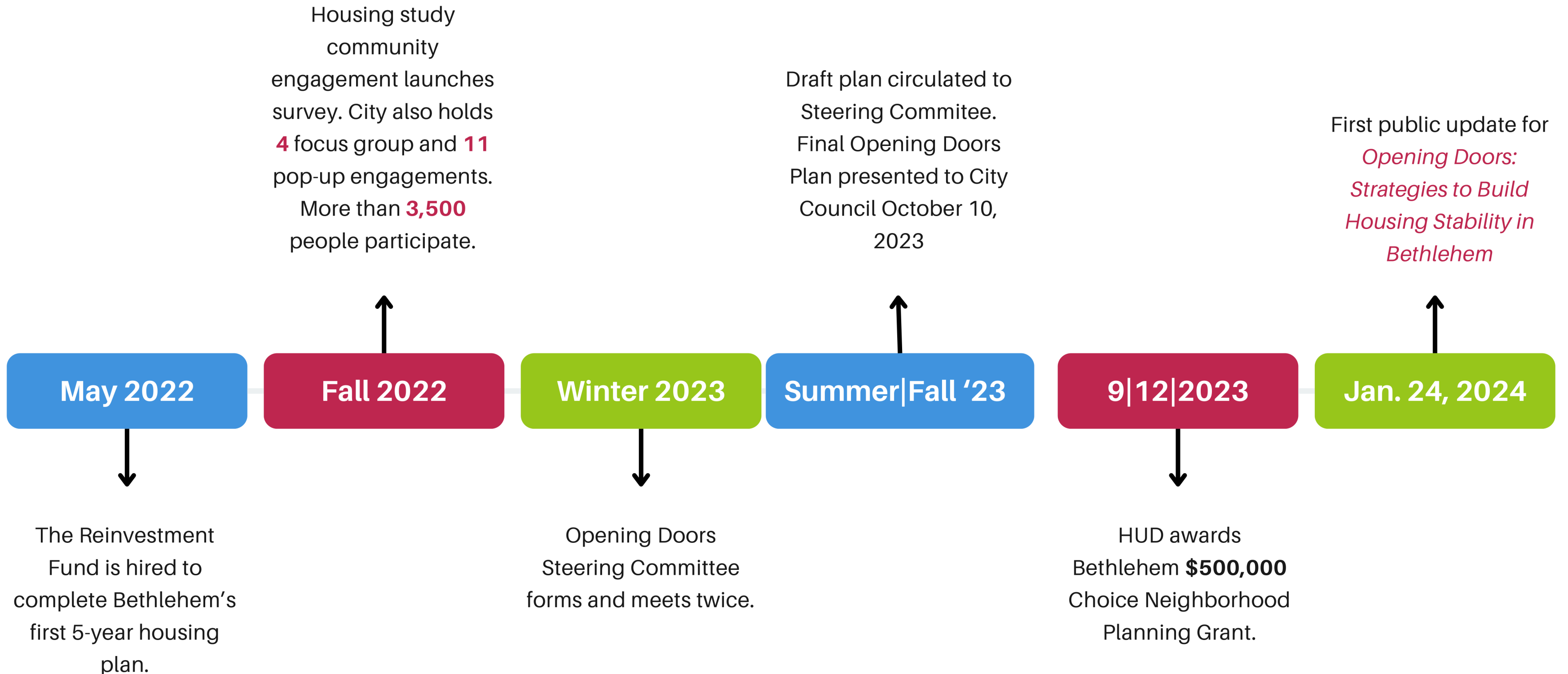
19.1%



**Increase in households living with
relatives other than parents and
children**

HOW WE GOT HERE

Opening Doors timeline



We can't do this alone



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Lehigh Valley Industrial Park, Inc.

LVIP, Inc. is a community-owned, non-profit economic development corporation that was formed in 1959.

MISSION:

Create jobs

Diversify industry

Increase tax base

65th ANNIVERSARY in 2024



Image U.S. Geological Survey





LVIP's Why....

- Site presents an opportunity
- Legacy- Third Pillar
- Gratitude City of Bethlehem



- 120 rental units at South Bethlehem's Eastern Gateway.
- Two-thirds will charge affordable rents with 1/3 rented at market rates.
- Neighborhood compatible design with first-floor commercial on East 4th Street and stacked townhomes on East 5th Street.
- LVIP's generous donation brings a community plan to life.



The Gateway on 4th

[illegible]

Built in 1941, Pembroke was last remodeled almost 30 years ago.

Each of the 196-units must be replaced.

Choice calls for a mix of housing types at all price points. The new Pembroke is projected to include hundreds of new units.





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What is an ADU?

A small, self-contained housing unit that can be attached or separate from a home—think in-law suite or guest house.



An ADU comes in many shapes & sizes



Source: AARP "The ABCs of ADUs", 2021.

Benefits

- ✓ Affordable housing option for people of all ages
- ✓ Alternative to long-term residence care
- ✓ Multi-generational living
- ✓ Creative way to age in home and community
- ✓ Potential source of rental income
- ✓ Smart, efficient use of property with minimal neighborhood impact

The need is clear

By 2034, older adults age 65+ are projected to outnumber children under age 18 for the first time in U.S. history.



20%
of Americans
will be over the
age 65 by 2030
(US Census)

80%
of adults age 50+
want to remain
in their home
as they age*

*Source: 2021 Home and Community Preference Survey: A National Survey of Adults Age 18-Plus. AARP Research, November 2021.

Why ADUs

Accessory dwelling units (ADUs) can broaden housing options in neighborhoods offering seniors and young adults new housing choices.

Thoughtful planning can create neighborhood environments similar to the pre-1950s when they were common.





A caregiving solution

ADUs can provide housing for a loved one—or family caregiver—with perks of proximity and privacy.



1 in 5 Americans
is a family caregiver



40% of adults
care for someone living in their home



Source: Caregiving in the U.S. 2020 - AARP Research Report

The need is clear

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*Source: 2021 Home and Community Preference Survey: A National Survey of Adults Age 18-Plus. AARP Research, November 2021.

What's next



Opening Doors recommends:

- The City should pilot a program that allows Accessory Dwelling Units in targeted neighborhoods.
- The City must designate areas, target types of units and/or affordability requirements

Alley Houses

Historic housing type seen all over Bethlehem. New partnership with City, Lehigh University, New Bethany and Community Action Lehigh Valley aims to usher in their revival.



The Alley House Program Partners



The City of Bethlehem is partnering in the zoning policy reform and community engagement efforts of this program.

The City's efforts will be led by Sara Satullo, Deputy Director of Community and Economic Development, and Darlene Heller, Director of Planning and Zoning.



Community Action Lehigh Valley (CALV) is partnering in the program's construction and community engagement efforts.

CALV's efforts will be led by Anna Smith, Director of Community Action Development Bethlehem, and Chuck Weiss, Associate Executive Director of Housing.



Lehigh University is partnering in the design, construction, zoning policy reform, and community engagement efforts of the program.

Wes Hiatt, Assistant Professor of Architecture, is the program coordinator and design lead. Dr. Karen Pooley, Professor of Practice in Political Science, is leading zoning policy research efforts.

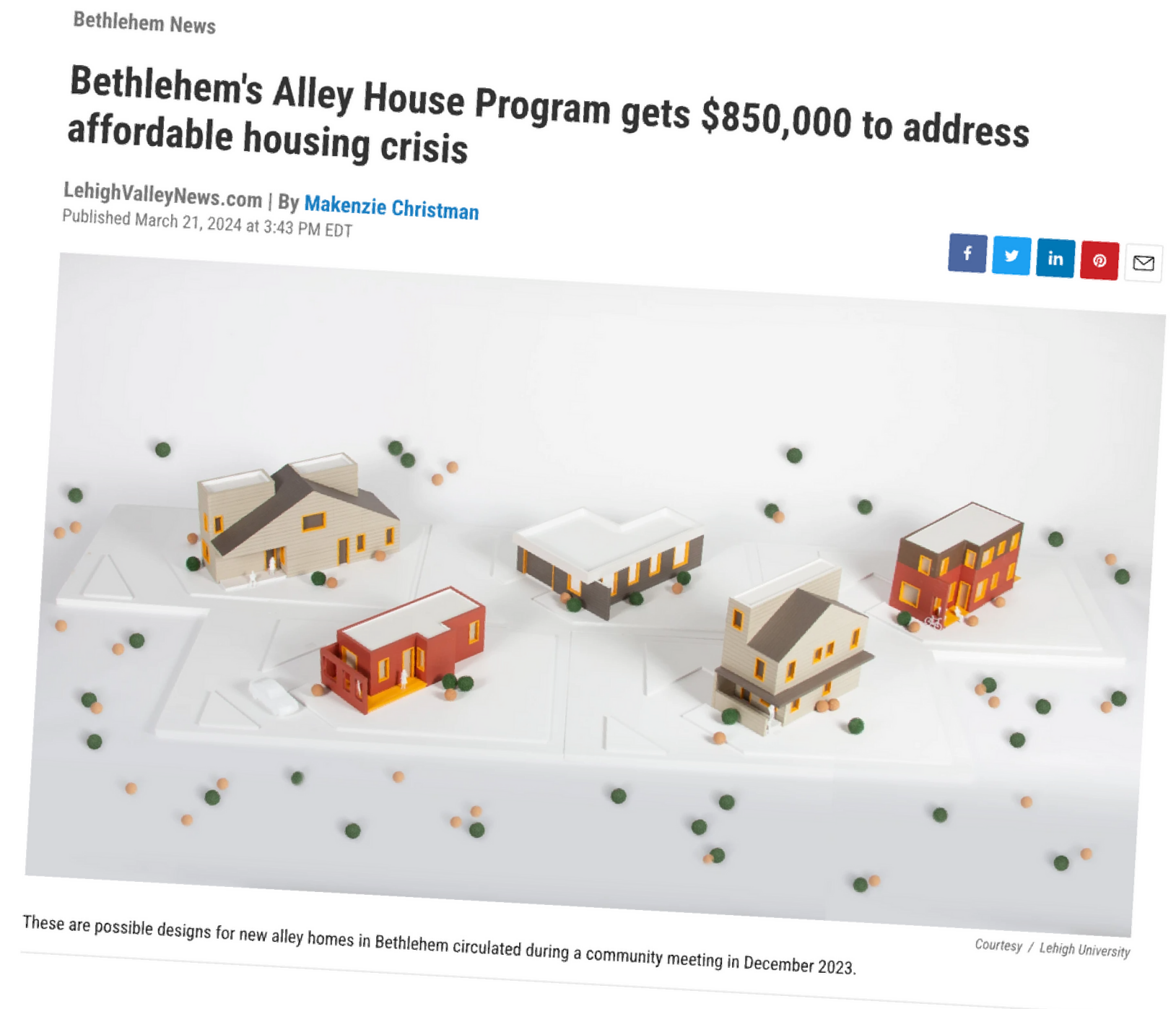


New Bethany is partnering to provide property management and tenant selection services for the program.

Marc Rittle, Executive Director, and Veronne Demesyeux, Associate Executive Director, will lead New Bethany's efforts.

2024 Funding Updates

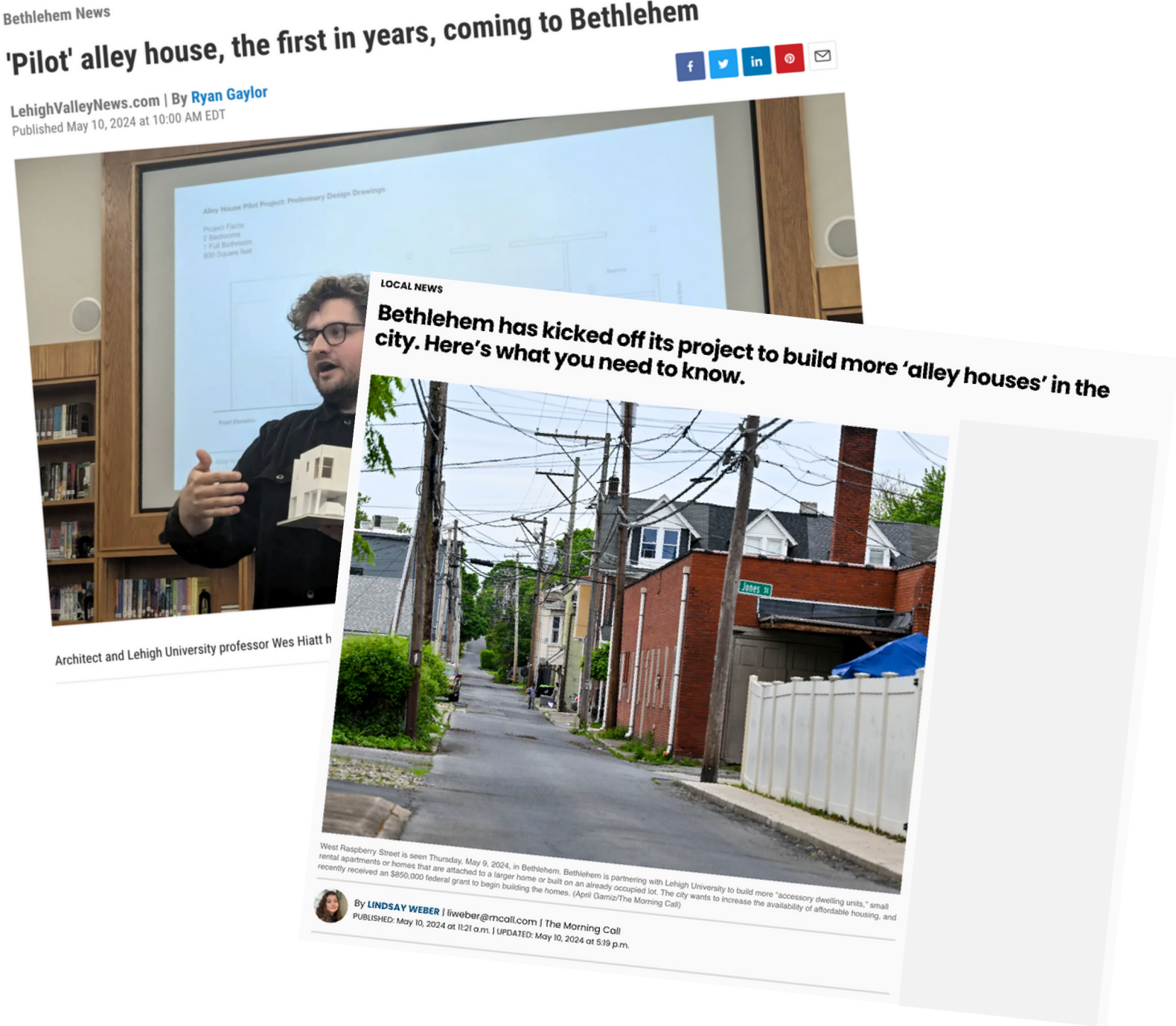
1. US Department of Housing and Urban Development (HUD) Research Grant – **\$196,744 awarded January 2024.** Grant will support research for zoning and land-use reform, as well as an ADU best-practice survey in small cities similar to Bethlehem.
2. FY24 Congressionally Directed Spending / Community Projects Funding (CPF) – **\$850,000 awarded March 2024.** Grant will support pilot project construction and related programmatic efforts



Since January 2024...

Community Meetings: Program partners held two community meetings in West Bethlehem to inform residents about the Program and solicit feedback on the Pilot Project.

Pilot Project: A homeowner and site in West Bethlehem have been identified for the Pilot Project. A schematic design was developed in partnership with the homeowner and City of Bethlehem, and was approved by the Zoning Hearing Board for all necessary variances.

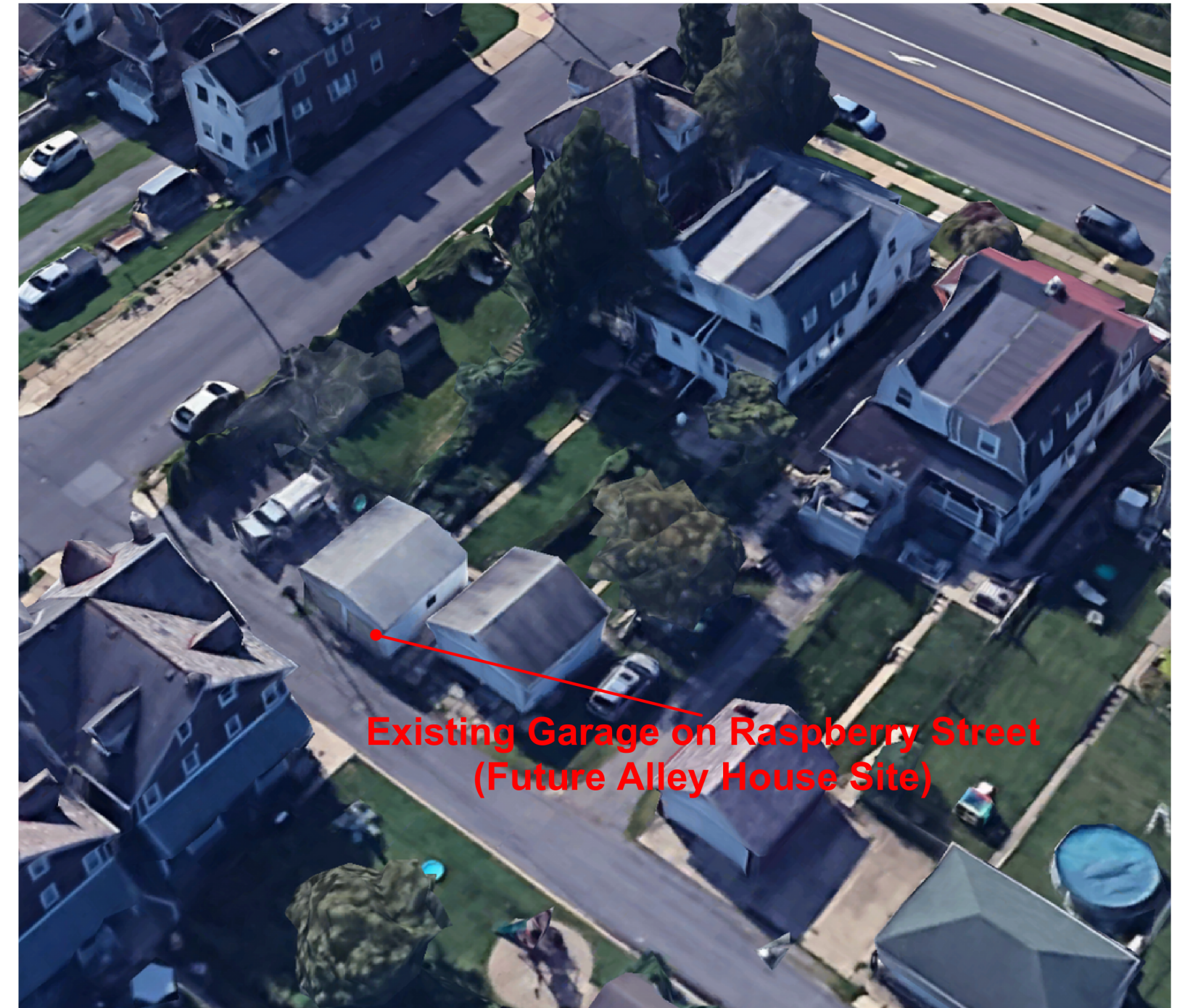


Alley House Pilot Project: 1604 W Broad Street

W Broad Street will be the site of the Alley House Pilot Project.

The homeowners will continue to live in the street-facing house while **the Alley House in their backyard is rented affordably for 15+ years.**

Affordability commitments and **tenant management services** will be provided by Community Action Lehigh Valley and New Bethany.

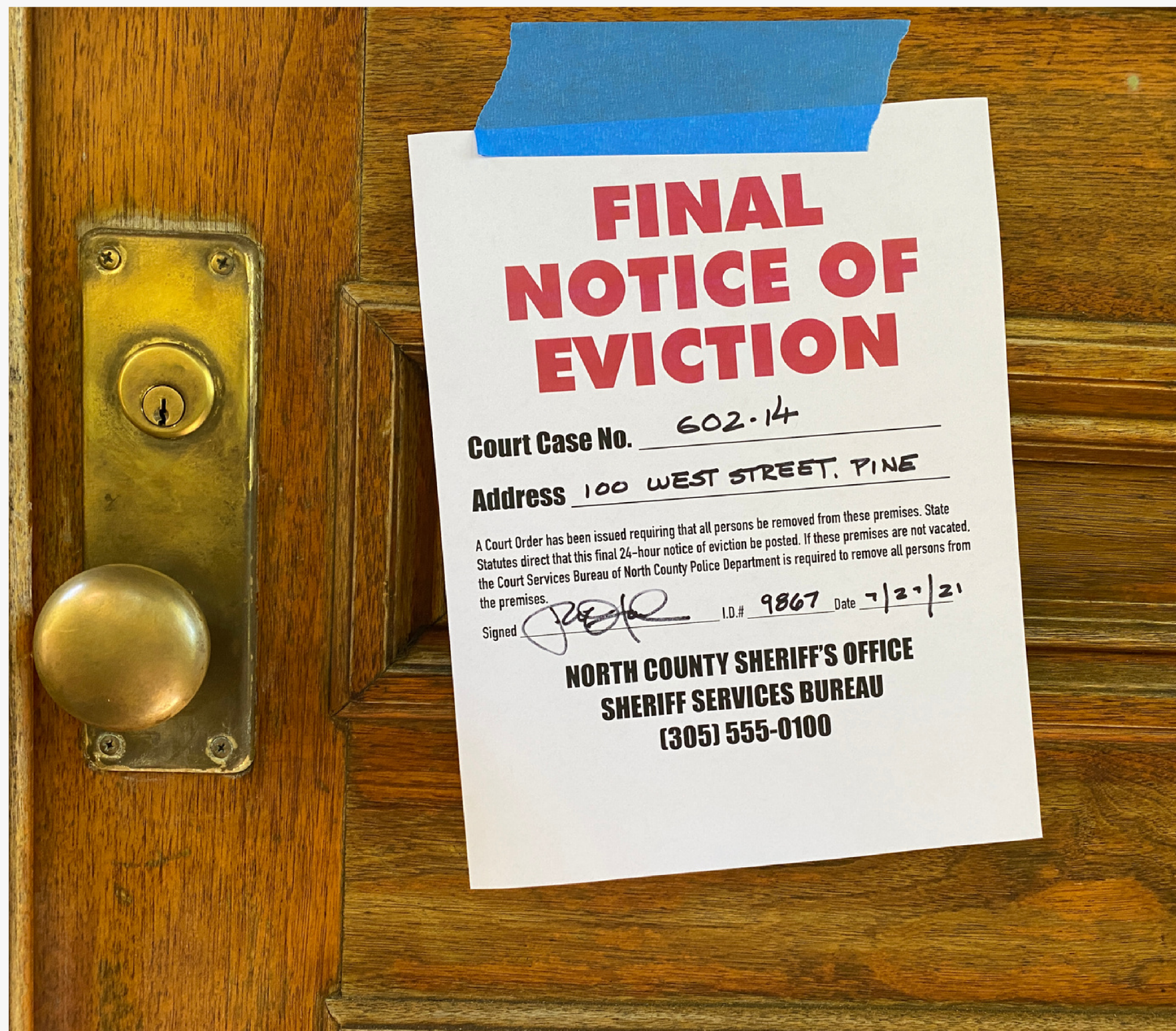


Existing Garage on Raspberry Street
(Future Alley House Site)

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Implement Eviction Prevention and Rental Assistance

Partnering with New Bethany
Inc., Community Action
Development Bethlehem
and North Penn Legal
Services to provide
mediation, court
representation and rental
funding

HOUSING STABILITY COLLABORATIVE

Coordinated tenant advocacy, eviction prevention and diversion pipeline



Tenant Education



**Landlord Tenant
Mediation**



Rental Assistance



Case Management



Access to Counsel



AFTER *the* PAUSE

The rise of eviction filings post-pandemic
NORTHAMPTON COUNTY, PA

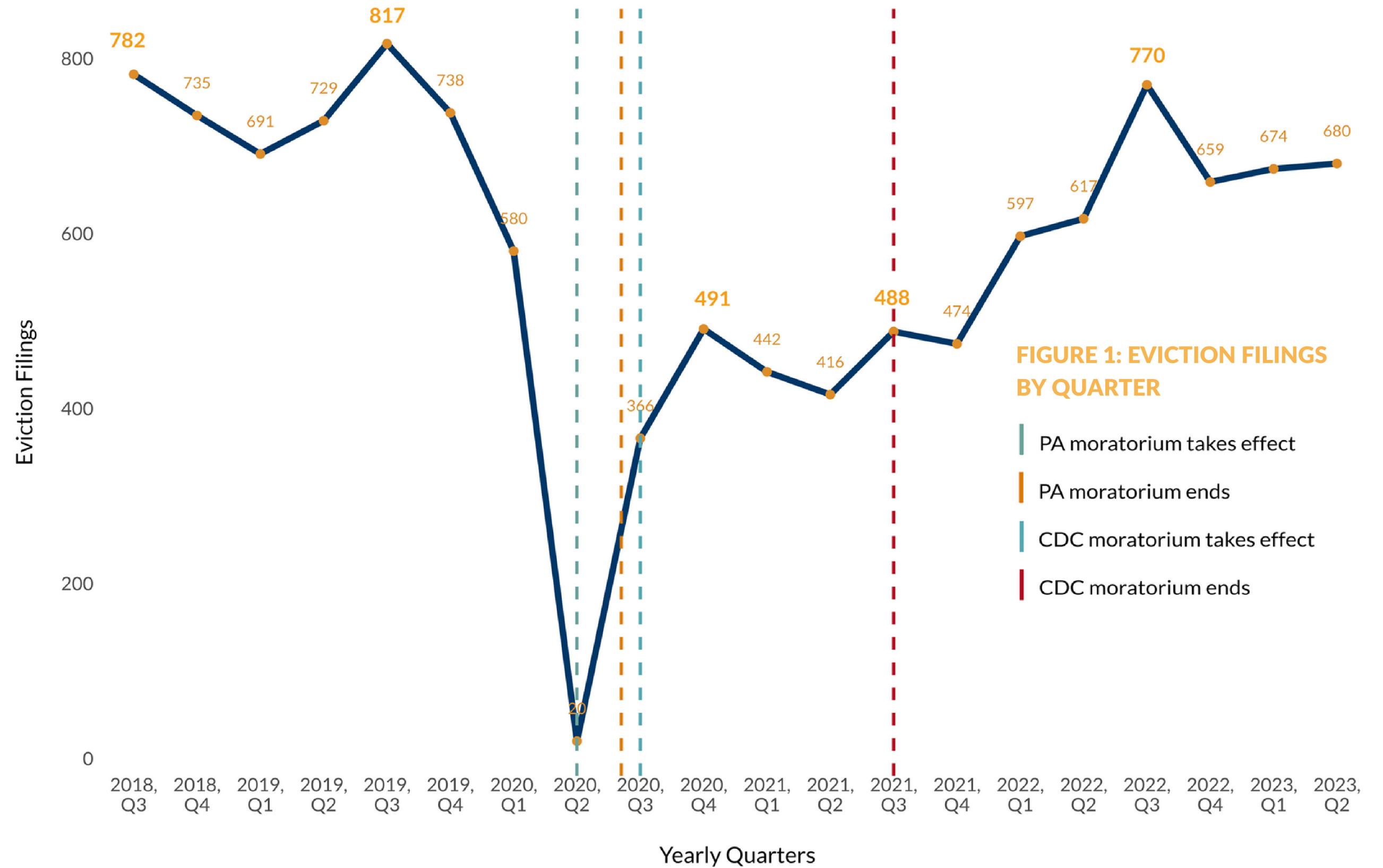
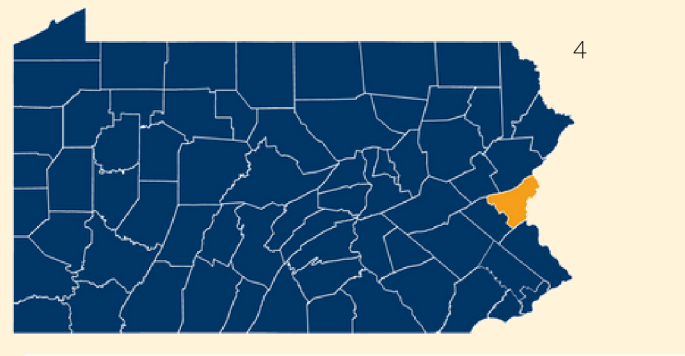


FIGURE 1: EVICTION FILINGS BY QUARTER

- PA moratorium takes effect
- PA moratorium ends
- CDC moratorium takes effect
- CDC moratorium ends

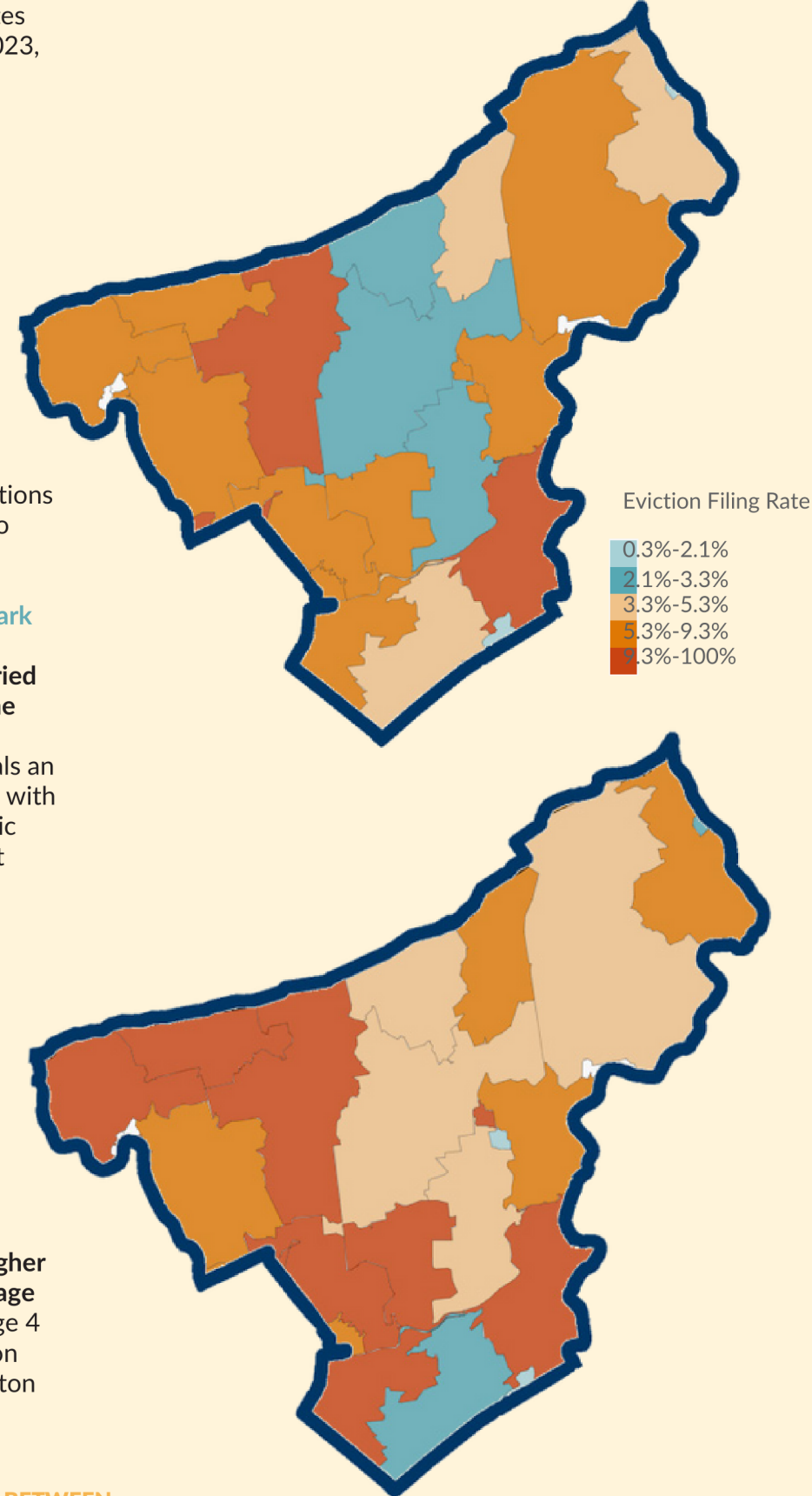
AT THE ZIP CODE LEVEL...

Figure 4 provides a classification of areas based on their filing rates between July 2022 and June 2023, spanning a 12-month period.

FIGURE 4: EVICTION FILING RATE BETWEEN JULY 2022 AND JUNE 2023

[To access an interactive version of this map, click here](#)

The regions marked in **red** and **orange** indicate filing rates that are **approaching or surpassing the statewide average of 7.1%**. Notably, these areas are populations centers where it is more likely to see concentration of vulnerable populations at risk of eviction. The areas marked in **light** and **dark blue** have relatively lower filing rates, **below 3.3%**, and have **varied significantly before and after the pandemic**. Comparing **Figure 4** and **5** reveals an interesting trend that ZIP codes with higher rates before the pandemic also tend to have higher rates at present.



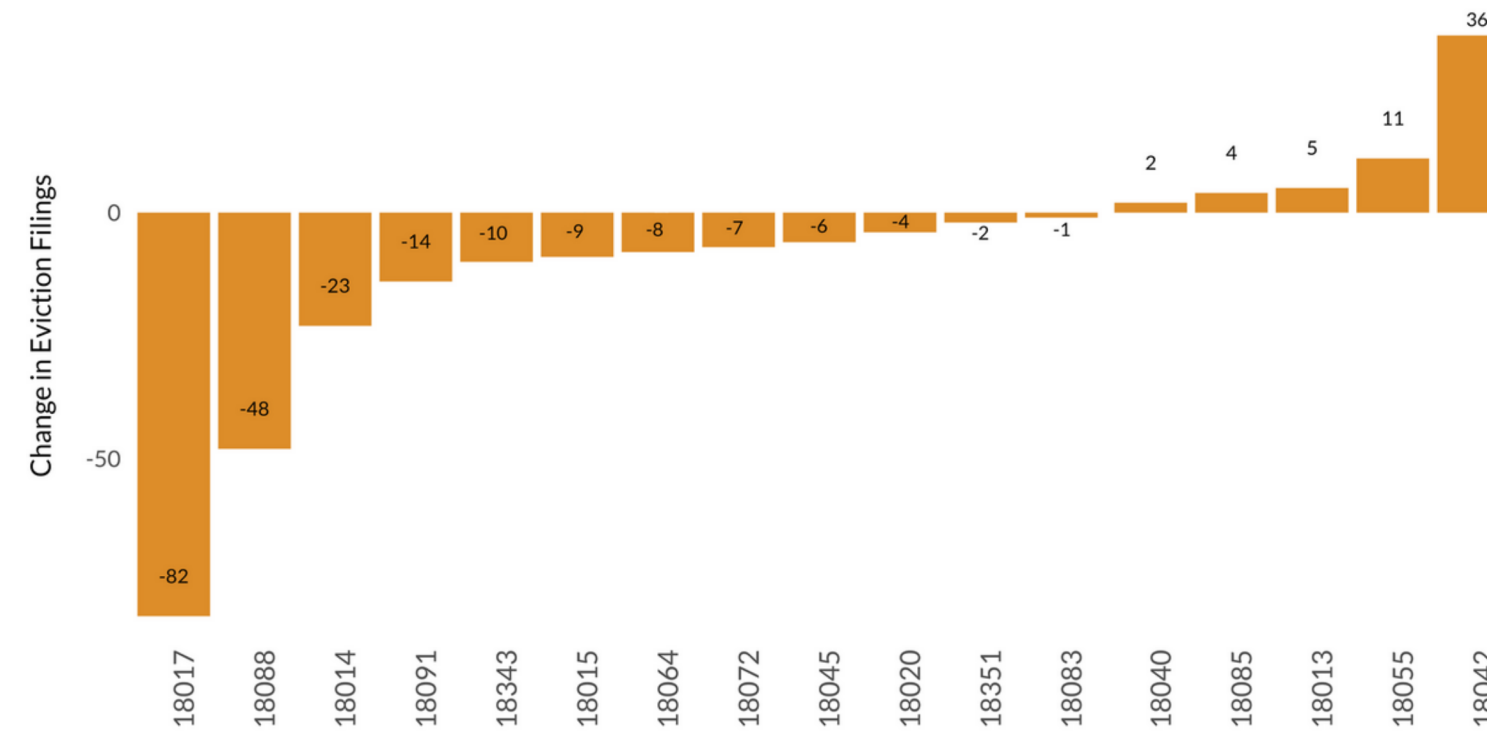
6 out of 21 ZIP codes have a higher filing rate than the county average of 8.2 (page 4). The table on page 4 provides a breakdown of eviction filings by ZIP code in Northampton County.

FIGURE 5: EVICTION FILING RATE BETWEEN JULY 2018 AND JUNE 2019

[To access an interactive version of this map, click here](#)

AT THE ZIP CODE LEVEL...

FIGURE 6: CHANGE IN EVICTION FILINGS BEFORE & AFTER THE PANDEMIC, FOR NORTHAMPTON COUNTY ZIP CODES



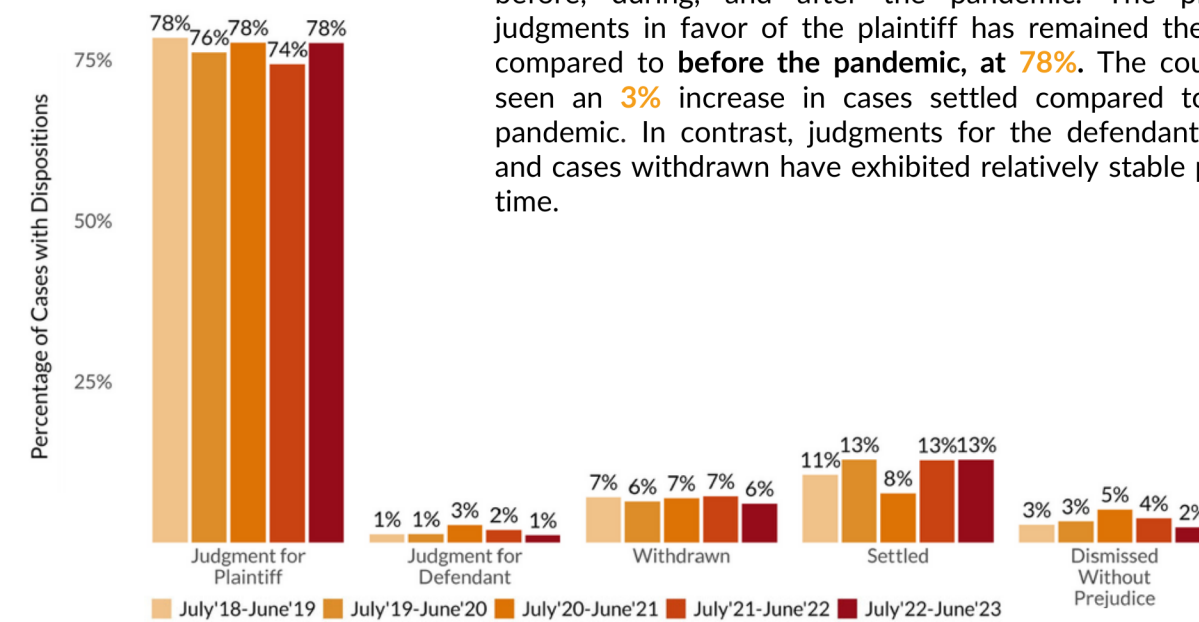
6 out of 21 ZIP codes have a higher filing rate than the county average of **8.2**. The full table can be found in the appendix section of the report on page 10.

ZIP CODE	CITY	CASES (JULY'22- JUNE'23)	FILING RATE	RENTER HOUSEHOLDS
18042	Easton	954	13%	7,110
18014	Bath	81	12%	660
18020	Bethlehem	102	10%	1,029
18038	Danielsville	6	9%	68
18015	Bethlehem	527	9%	5,989
18017	Bethlehem	432	8%	5,152

WHILE A MAJORITY OF CASES WERE DECIDED IN FAVOR OF THE LANDLORD, AN INCREASED NUMBER OF CASES WERE SETTLED

FIGURE 7: EVICTION CASE OUTCOMES

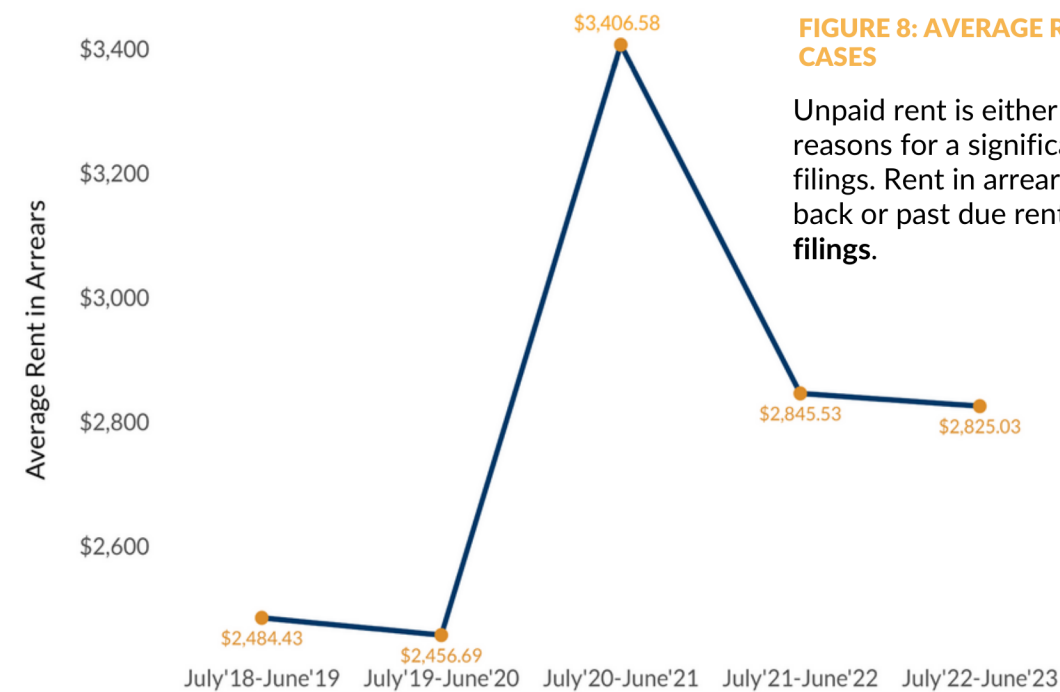
Figure 7 provides insights into the outcomes of eviction cases filed before, during, and after the pandemic. The proportion of judgments in favor of the plaintiff has remained the same when compared to **before the pandemic, at 78%**. The county also has seen an **3%** increase in cases settled compared to before the pandemic. In contrast, judgments for the defendant (the tenant) and cases withdrawn have exhibited relatively stable patterns over time.



MOST EVICTIONS CASES INVOLVE BACK RENT

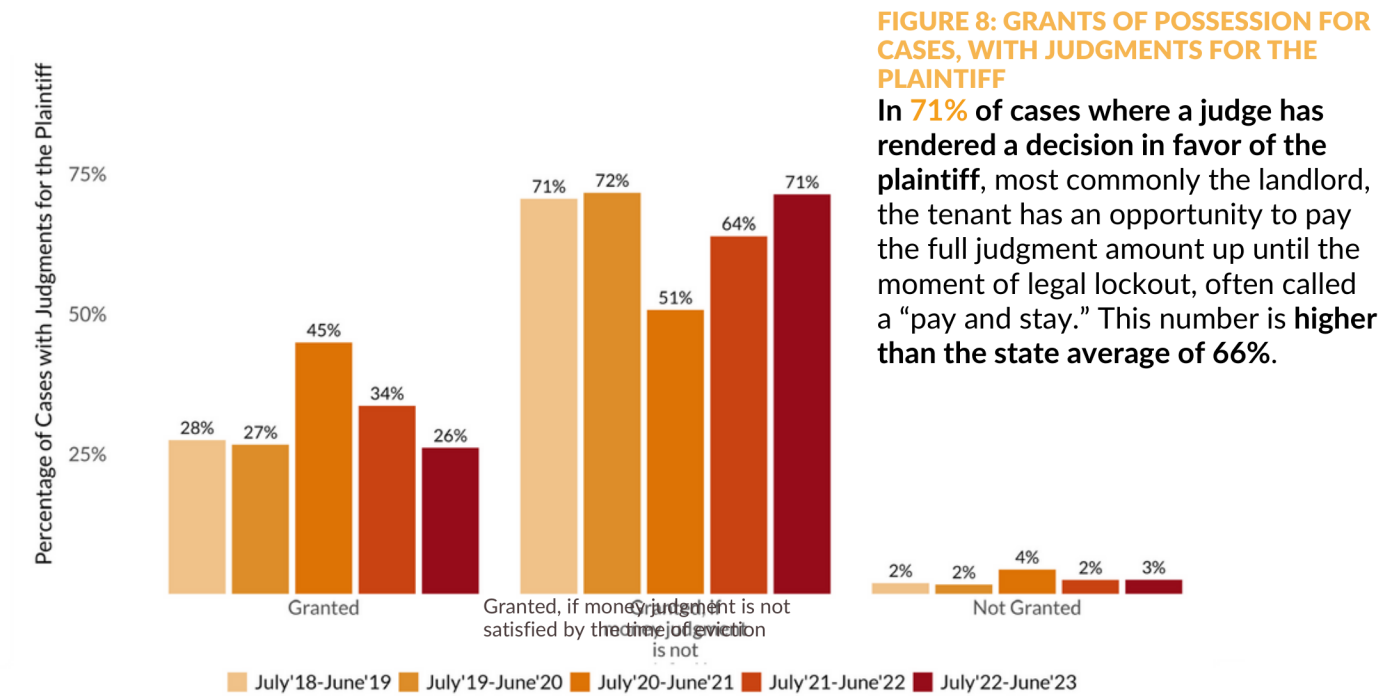
FIGURE 8: AVERAGE RENT IN ARREARS IN EVICTION CASES

Unpaid rent is either the sole or one of multiple reasons for a significant majority of eviction filings. Rent in arrears, often referred to as back or past due rent, is a claim in **91% eviction filings**.

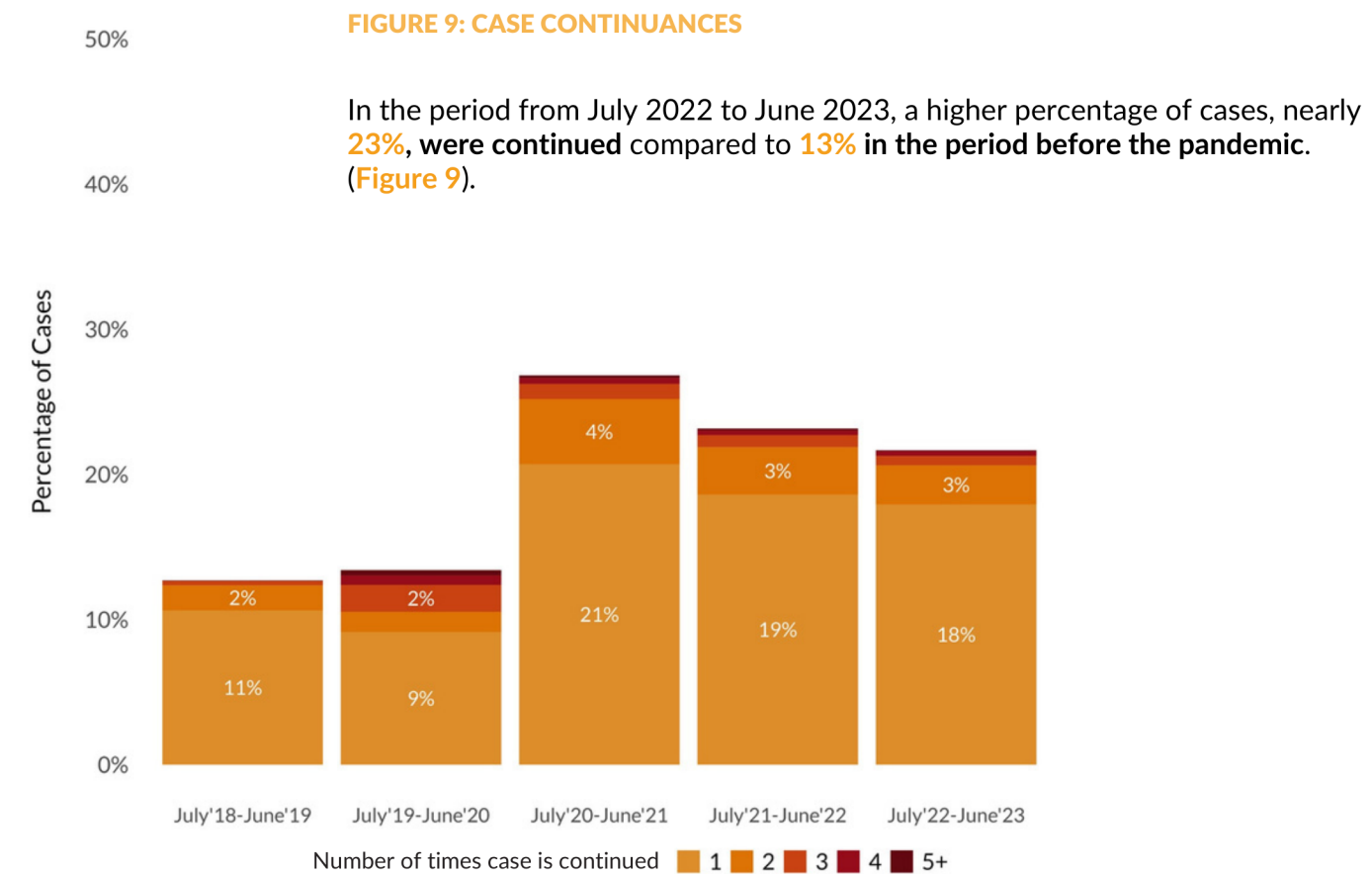


Tenants involved in eviction cases are further **behind in rent this past year compared to before the pandemic**. Between July 2018 to June 2019, approximately **19.2%** of renters were behind by more than 3 months in their rent payments. However, this figure has escalated to **21.8% between July 2022 and June 2023**. Additionally, average rent in arrears has also **significantly increased since before the pandemic**. It's important to note that the additional fees and charges incorporated into the judgment award can be substantial, potentially escalating the tenant's debt by as much as 6.1%

81% OF JUDGMENTS FOR PLAINTIFF PROVIDE A SMALL WINDOW FOR TENANTS TO PAY BACK RENT AND AVOID EVICTION



MORE CASES ARE RECEIVING CONTINUANCES



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2024 Housing Supply + Attainability Strategy



FEDERAL RESERVE BANK
PHILADELPHIA



Pennsylvania proposed legislation

- Funding for programs like PHARE and Whole Home Repairs
- Fighting blight
- Reforming land use
- Limiting access to eviction records



POTENTIAL IMPACT:

Eviction records can be the start of the cycle of poverty, not just for adults but also for their children.

More than **114,000** Pennsylvanians had evictions filed against them between the summers of 2022 and 2023. This policy change would immediately provide limited access to over **35,000** **eviction filings** from the previous year and likely every year going forward.

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“

**The most affordable
house is the one someone
is living in right now**

Karen Black

”

**70% of our 1,374
low-income
homeowners
households are
cost burdened.**

1955 = median age housing stock in Bethlehem

1964 = median age housing stock in all of Pennsylvania

To meet this need

**We will continue to
invest in our:**

- **Housing rehab
program**
- **First -time
homebuyers'
program**

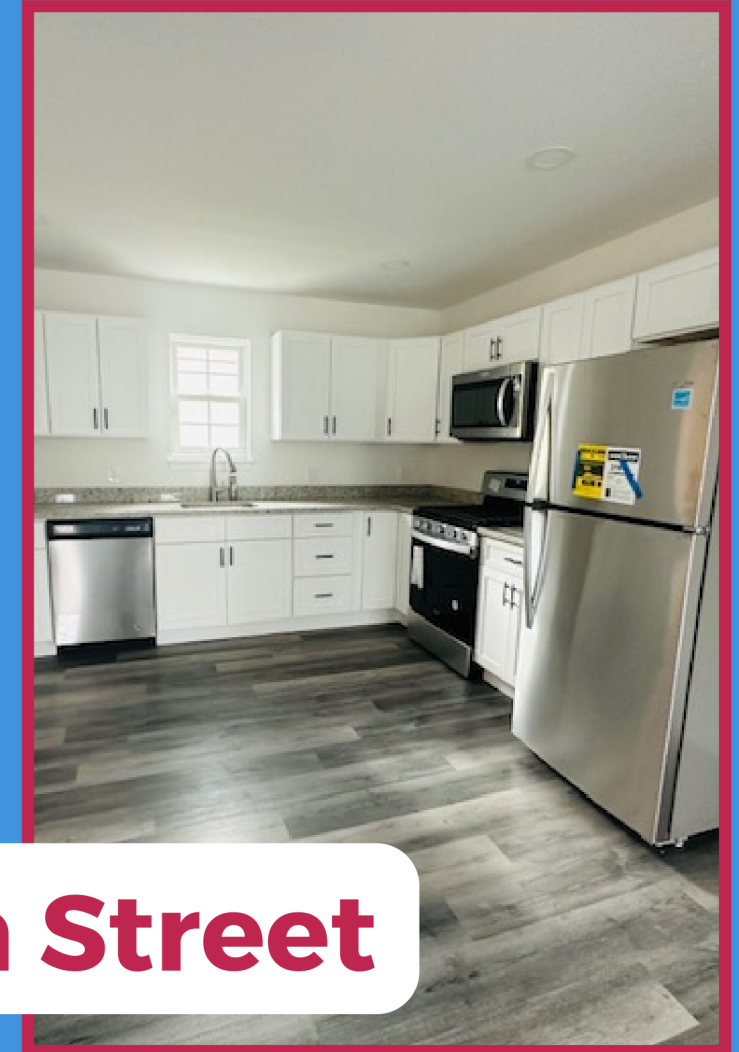
HABITAT FOR HUMANITY LEHIGH VALLEY

City invested \$300,000
into William Street
project.

Intends funding new
Phillip Street
townhomes.



William Street



Phillip Street



Next Steps

Upcoming Choice Neighborhoods field trip this summer.

Sign up for our mailing list to be informed of future meetings.

Next Opening Doors public update will be in September.

