



REINVESTMENT
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Northampton HNA Check In

May 6, 2021

Summary of Northampton Co. Housing Issues

- Rapidly increasing home prices, especially in walkable neighborhoods
- Severe shortage of rental housing, especially for the low-wage workforce (e.g. warehouses, casino)
- Growing number of low-income seniors with housing challenges
- Aging homes in need of repair, including very large homes that have limited market demand
- Disproportionately low homeownership rates for Black and Latino families, even when accounting for incomes
- Housing needs in rural areas, including rental housing, mobile home repair, and rural homelessness

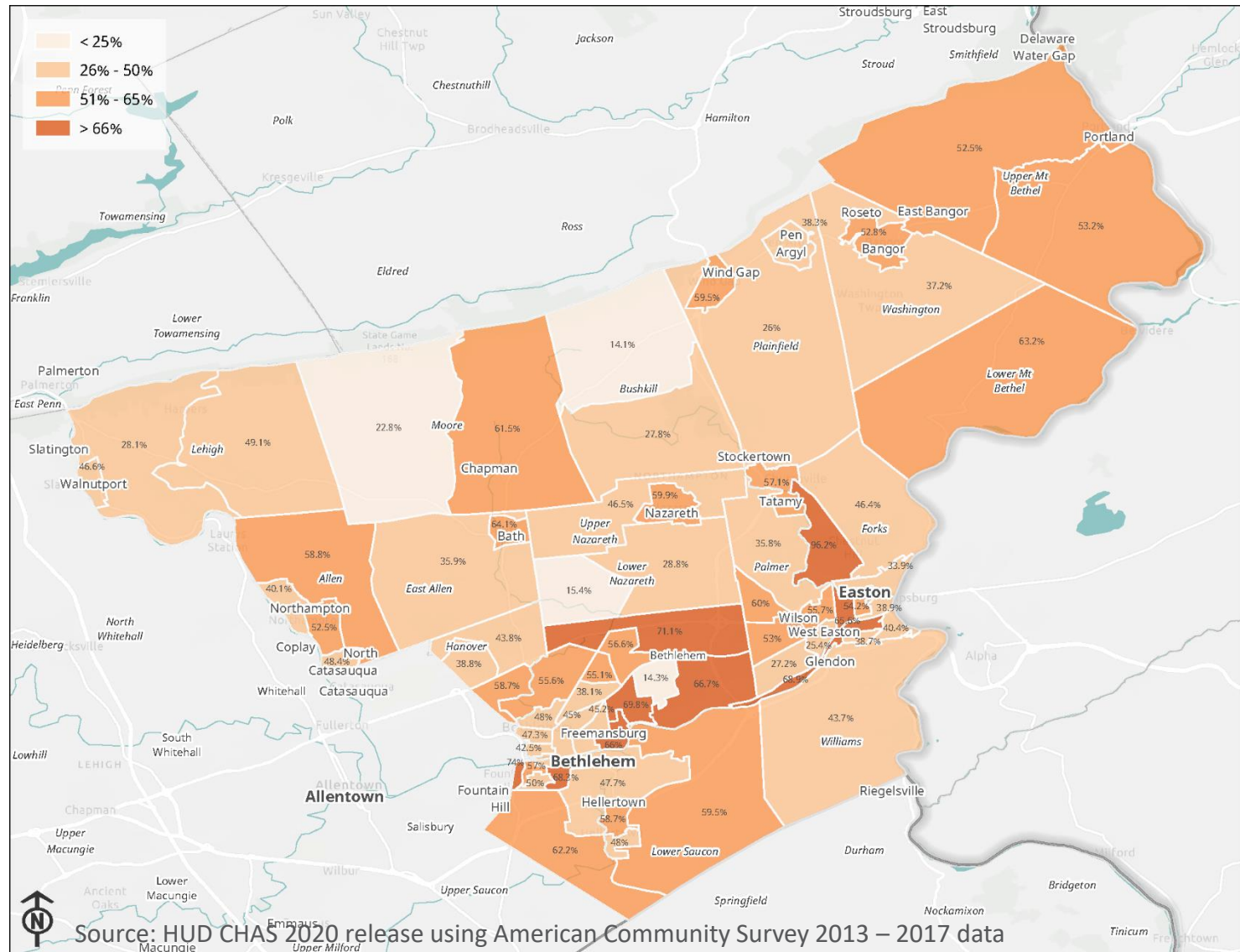
A Substantial Share of Owners and Renters Are Cost Burdened, or Live in Substandard Conditions

Share of Owners and Renters Facing Housing Challenges, By Income Level

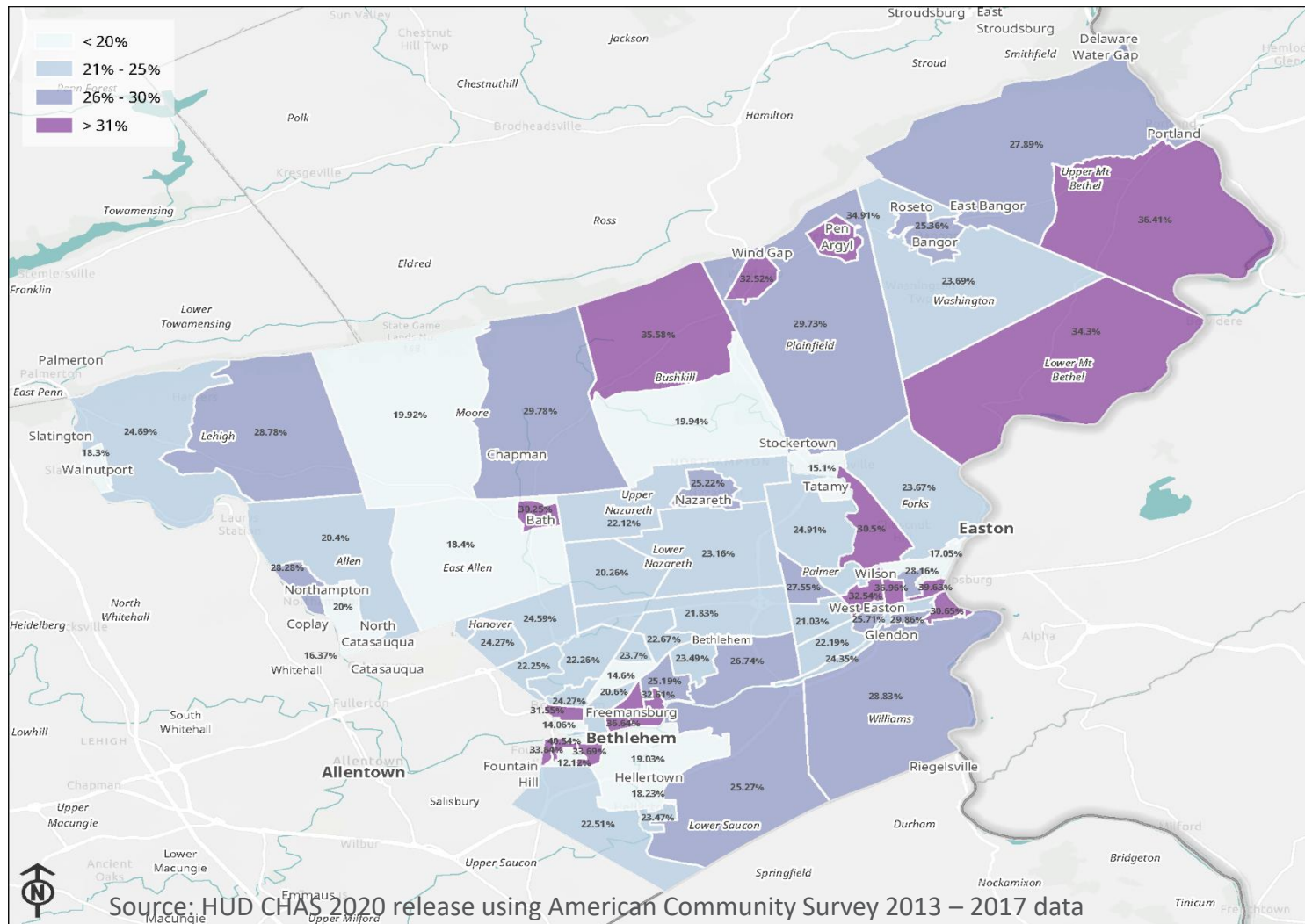
	Owners		Renters	
	Count	Percent	Count	Percent
<30% AMI	3,263	91.4%	5,515	80.4%
30% - 50% AMI	4,214	70.4%	5,063	77.9%
50% - 80% AMI	5,320	46.1%	3,956	56.4%
80% - 100% AMI	2,830	33.9%	676	22.5%
>100% AMI	4,862	9.4%	781	9.4%
Total	20,489	25.3%	15,991	50.5%

Source: HUD CHAS 2020 release using American Community Survey 2013 – 2017 data

Share of Renters Facing Housing Challenges



Share of Homeowners Facing Housing Challenges



Housing Challenges Are Not Evenly Experienced Across Different Racial/Ethnic Groups

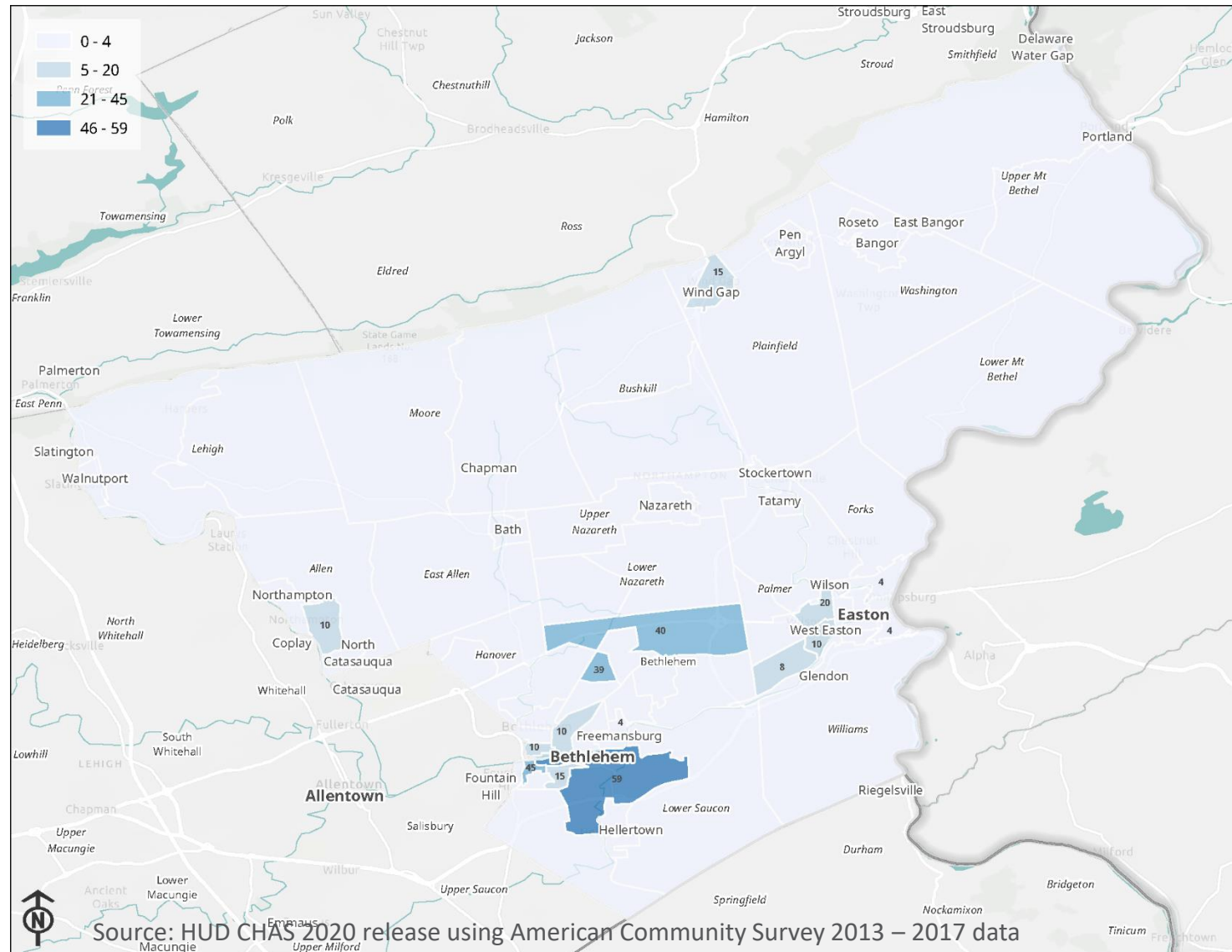
Housing Challenges by Occupancy by Race/Ethnicity

	Owners		Renters	
	Count	Percent	Count	Percent
White, Non-Hispanic	17,282	24.0%	10,584	64.4%
Black, Non-Hispanic	833	37.7%	1,229	65.1%
Asian, Non-Hispanic	491	27.8%	293	82.1%
Hispanic, All Races	1,640	37.6%	3,787	67.3%

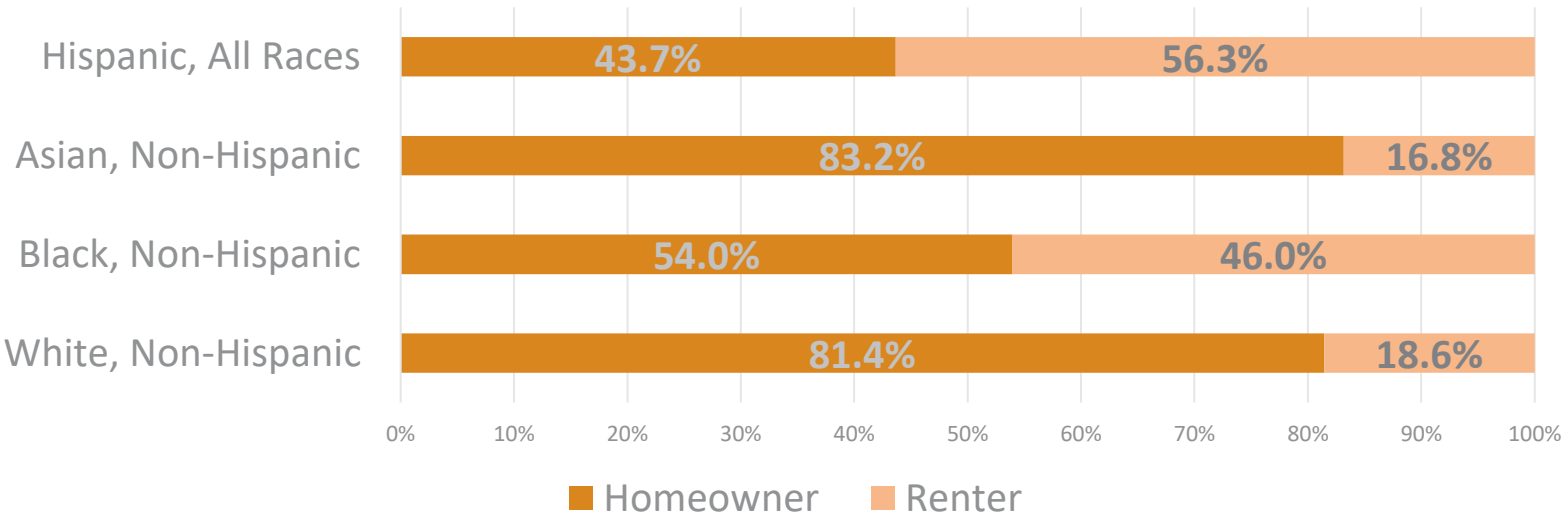
Source: HUD CHAS 2020 release using American Community Survey 2013 – 2017 data

- Black and Hispanic homeowners are more likely to experience housing challenges than White or Asian homeowners
- However, Black and Hispanic renters face comparable challenges to White renters.
- Asian renters, though small in number, disproportionately experience housing challenges

Asian Renter Households Facing Housing Challenges



Homeownership Rates by Race/Ethnicity



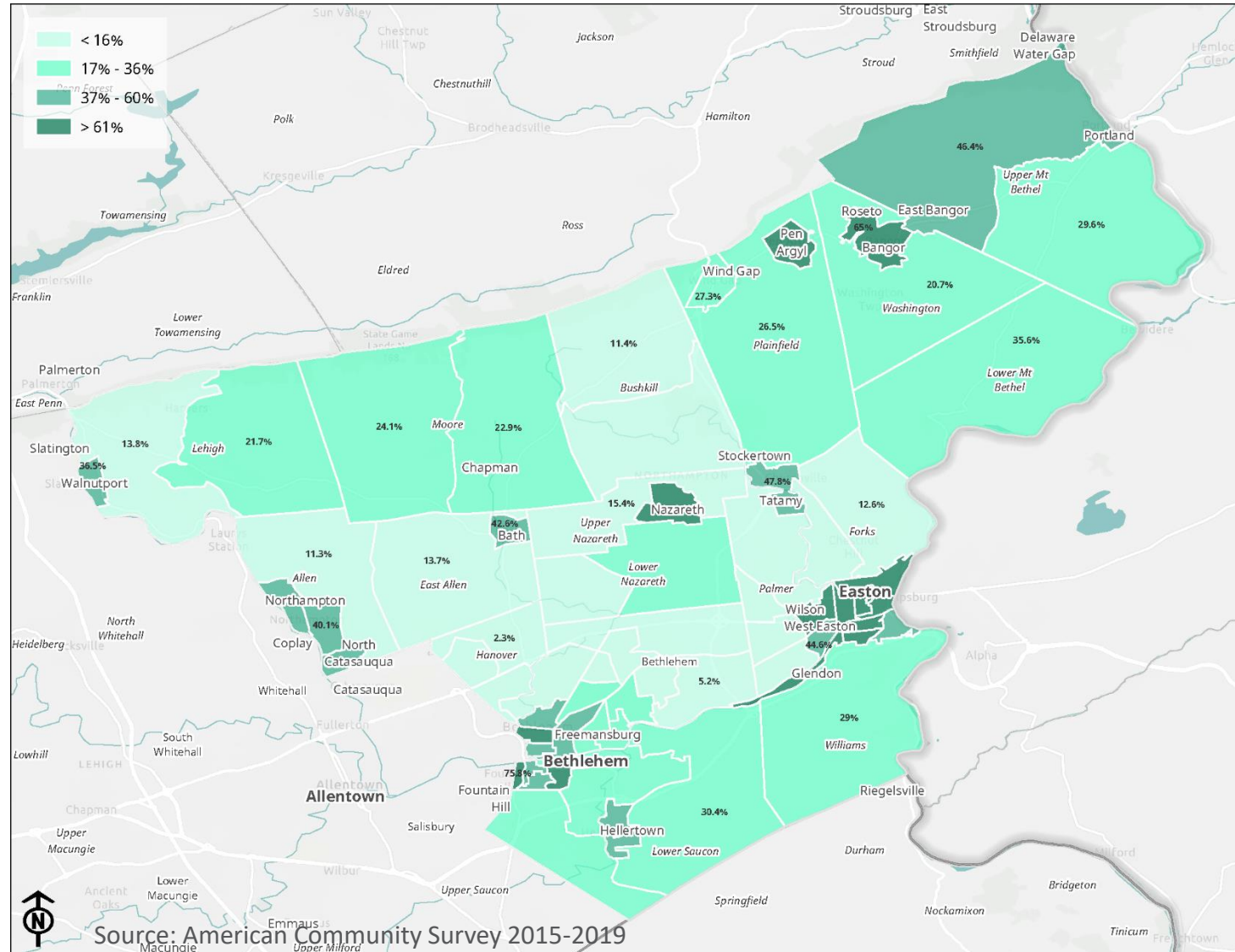
Source: HUD CHAS 2020 release using American Community Survey 2013 – 2017 data

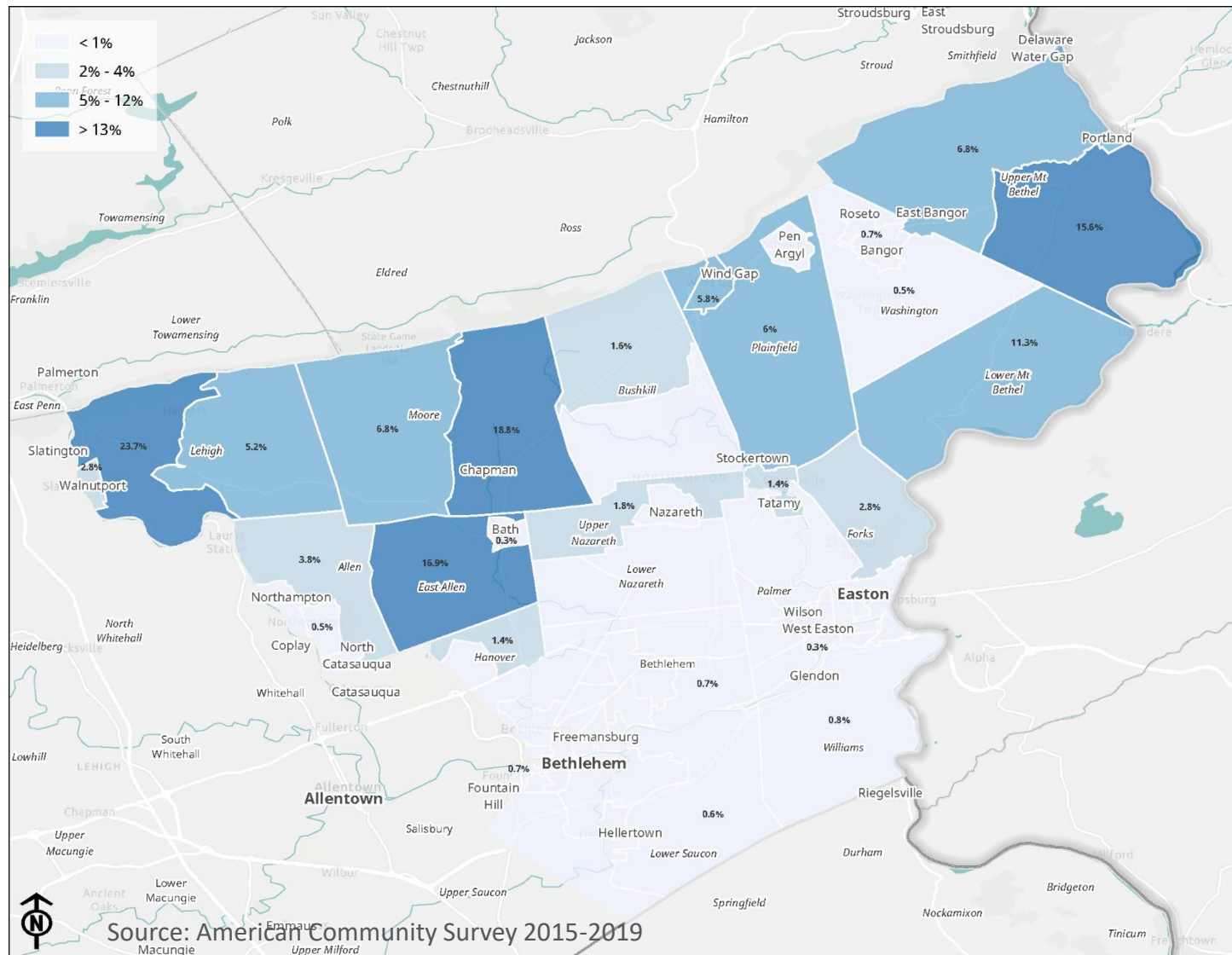
Share of Seniors Facing Housing Cost Burden

	<30% AMI	30% -50% AMI	50% - 80% AMI	80% - 100% AMI
Owners - County	84.6%	75.3%	30.9%	21.2%
Renters - County	57.3%	65.5%	63.6%	25.5%
Owners - State	76.7%	42.8%	25.0%	16.1%
Renters - State	63.4%	64.6%	43.3%	21.9%

Source: HUD CHAS 2020 release using American Community Survey 2013 – 2017 data

Concentration of Homes Built Before 1950







The Size of Existing Housing Stock Presents Challenges

- The county has an above-average concentration of larger homes, but homes with a similar number of bedrooms
- These homes tend to be older, and include a range of non-essential rooms: libraries, solariums, breakfast rooms, etc...
- This presents challenges for demand, as fewer buyers want (or can afford) large homes with non-essential rooms, particularly in low, moderate, and middle income neighborhoods.

Home Sizes

	Homes with Nine or More Rooms	Homes with Five or More Bedrooms
Northampton County	15.5%	4.4%
Pennsylvania	14.0%	4.3%

Source: American Community Survey 2015-2019

Public Housing is Underutilized

	Public Housing Units	Senior Public Housing Units	Vacancy Rate	Vouchers	Voucher Utilization Rate
Easton	418	278	6.0%	562	90%
Bethlehem	1,065	449	2.0%	508	79.3%
Northampton County	160	N/D	8.1%	966	60%

Source: Public Housing Survey administered March 2021

Challenges/Issues

1. Extremely low voucher utilization rate in the county; high vacancy rate in the public housing units. Potential issues of housing conditions and supply of rural rental housing stock.
2. Extremely low vacancy rate in Bethlehem; low voucher utilization rate. Clear issues of supply in participating landlords.

The County has a Strong Economic Base

Economic Strengths

	Workers	Businesses	Compared to National Average
Transportation and Warehousing	13,804	225	314%
Manufacturing	14,332	372	140%
Food Products	1,559	34	130%
Clothing	480	11	766%
Metals	1,241	8	449%
Non-Metallic Minerals (e.g. gravel, marble)	1,282	36	404%
Education	4,495	90	191%
Food Service & Accommodation	12,353	656	110%

U.S. Bureau of Labor Statistics, 2019 Annual Averages

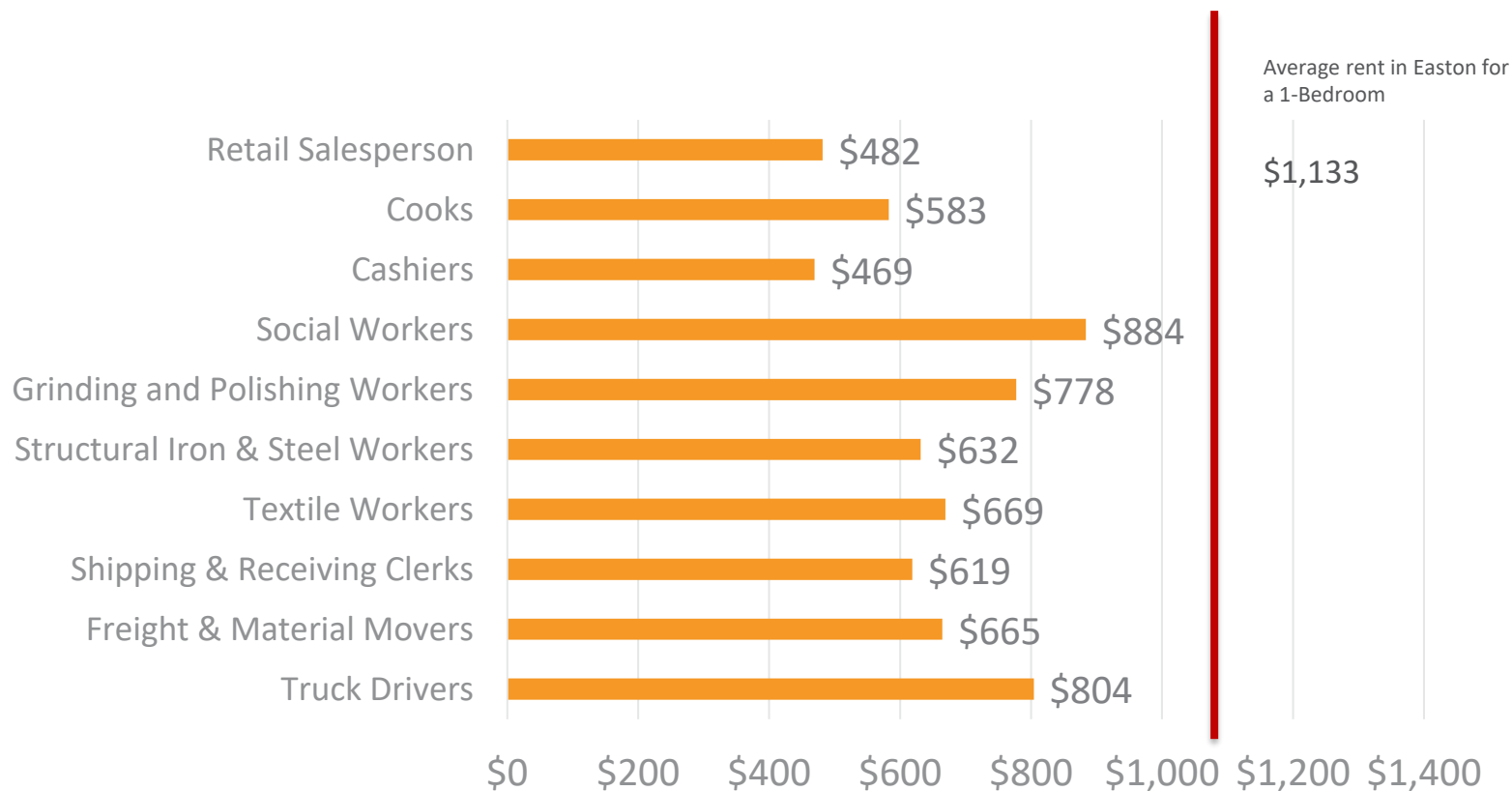
Market Rents 2021

Municipality	1 Bedroom	2 Bedroom	3 Bedroom
Bangor	\$650	\$900	\$1,350
Bath	\$1,026	\$1,190	\$1,526
Bethlehem	\$1,011	\$1,186	\$1,428
Easton	\$1,133	\$1,357	\$1,704
Nazareth	\$784	\$1,297	\$1,950
Pen Argyl	\$800	\$900	\$1,100

Source: Rent Survey of available listings, March – April 2021 (2,968 units)

What can our workers pay in rent?

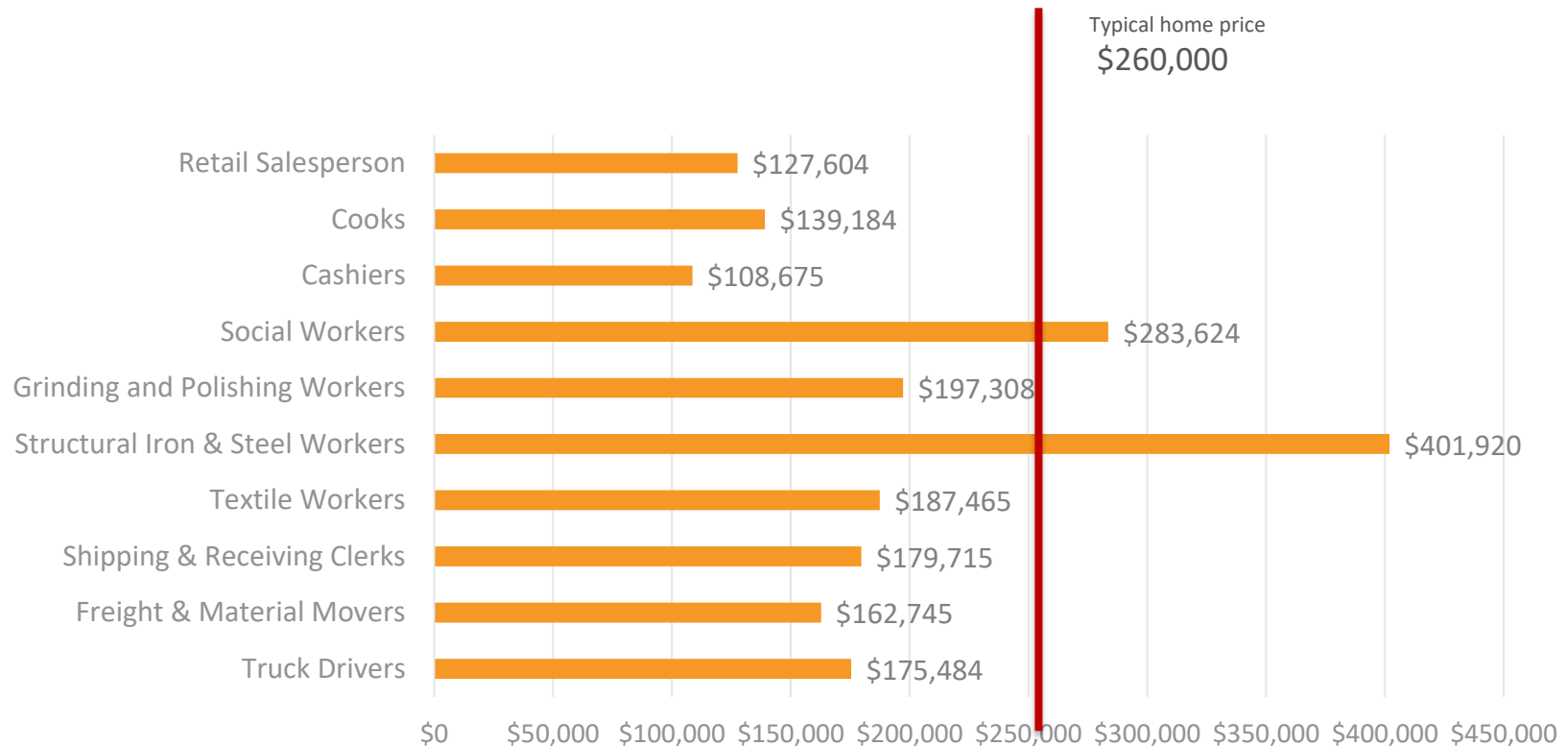
Using 30% of reported income for various occupations in the region at an entry level position



Source(s): Occupational Wages Survey 2019 at 25th percentile, U.S. Bureau of Labor Statistics; rent survey March – April 2021 available units only

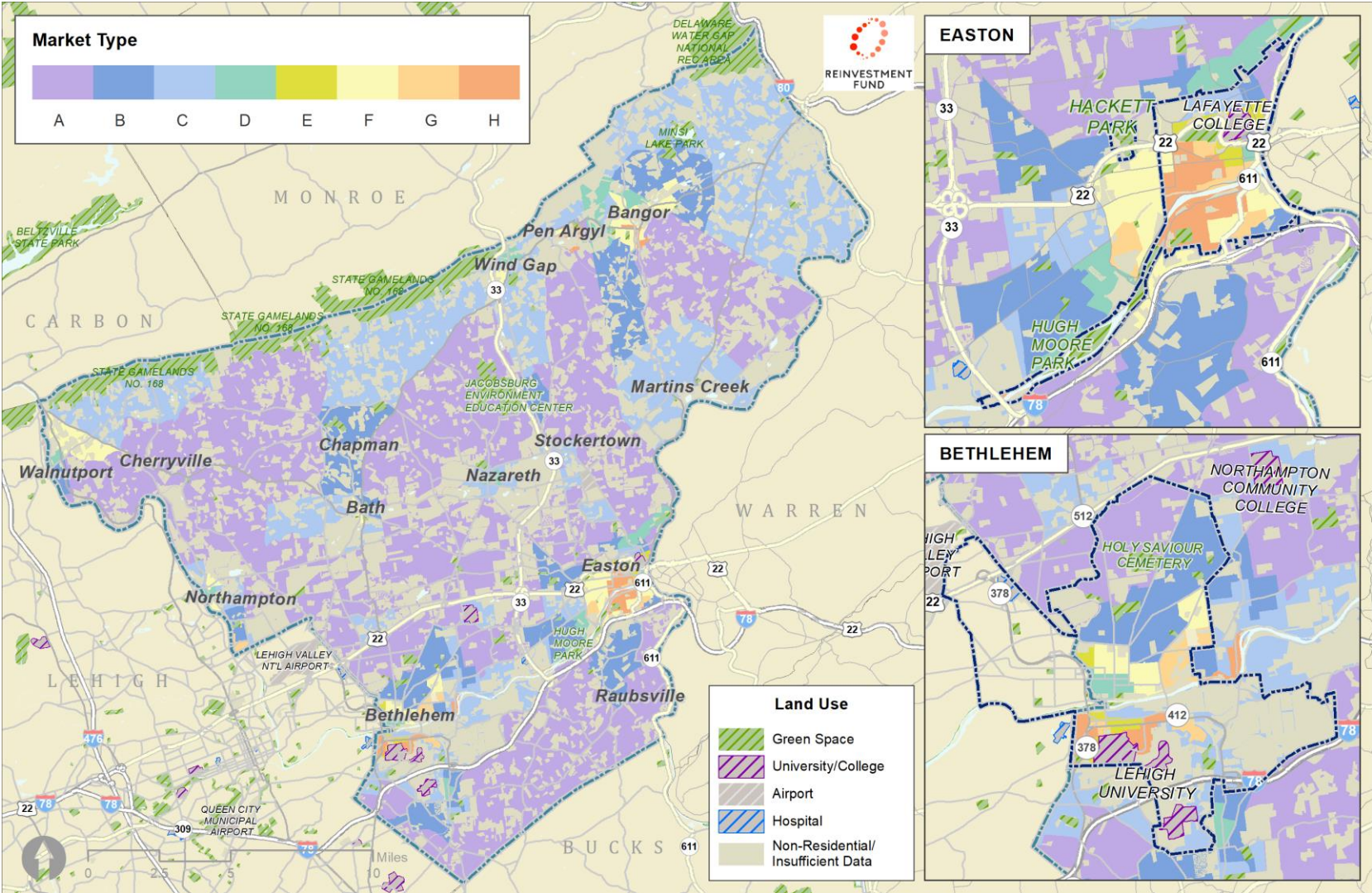
What priced home can our workers buy?

(Using 30% of reported income for various occupations at a senior level position)

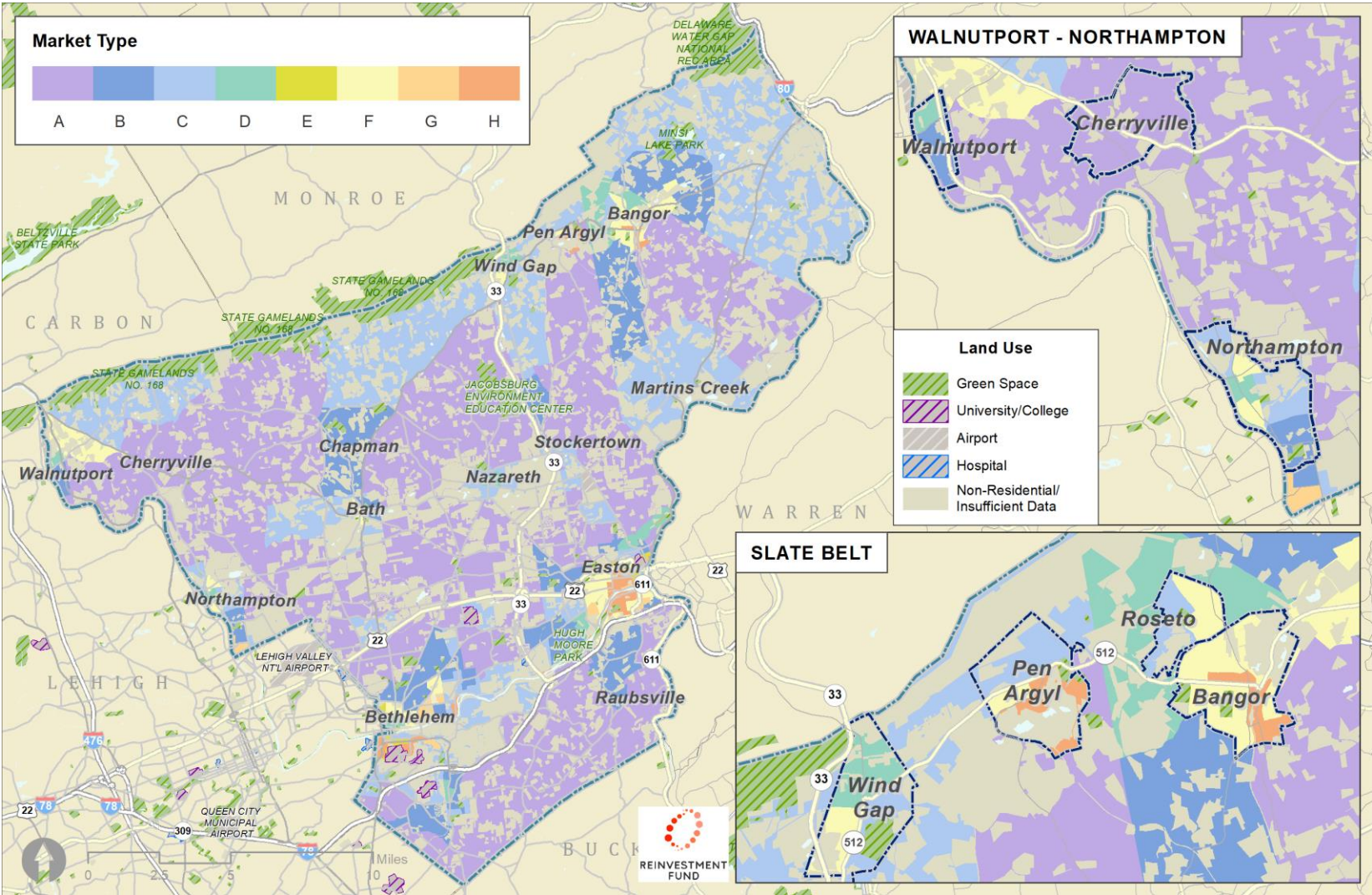


Source(s): Occupational Wages Survey 2019 at 75th percentile, U.S. Bureau of Labor Statistics; Zillow ZORI home prices 2021. Assumes 3.5% interest rate for a 30-year mortgage and 20% of monthly housing costs for property taxes and insurance

The 2018 Market Value Analysis Identifies Relative Market Strength Across the County



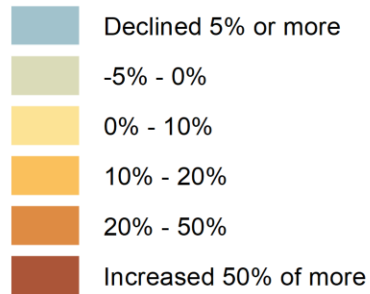
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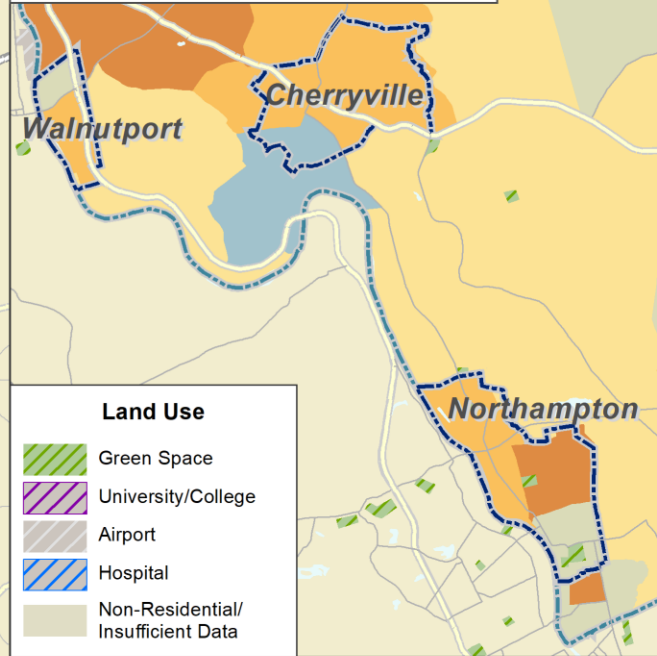
Change in Median Sales Price, 2016/2017-2019/2020

Sales Price Change

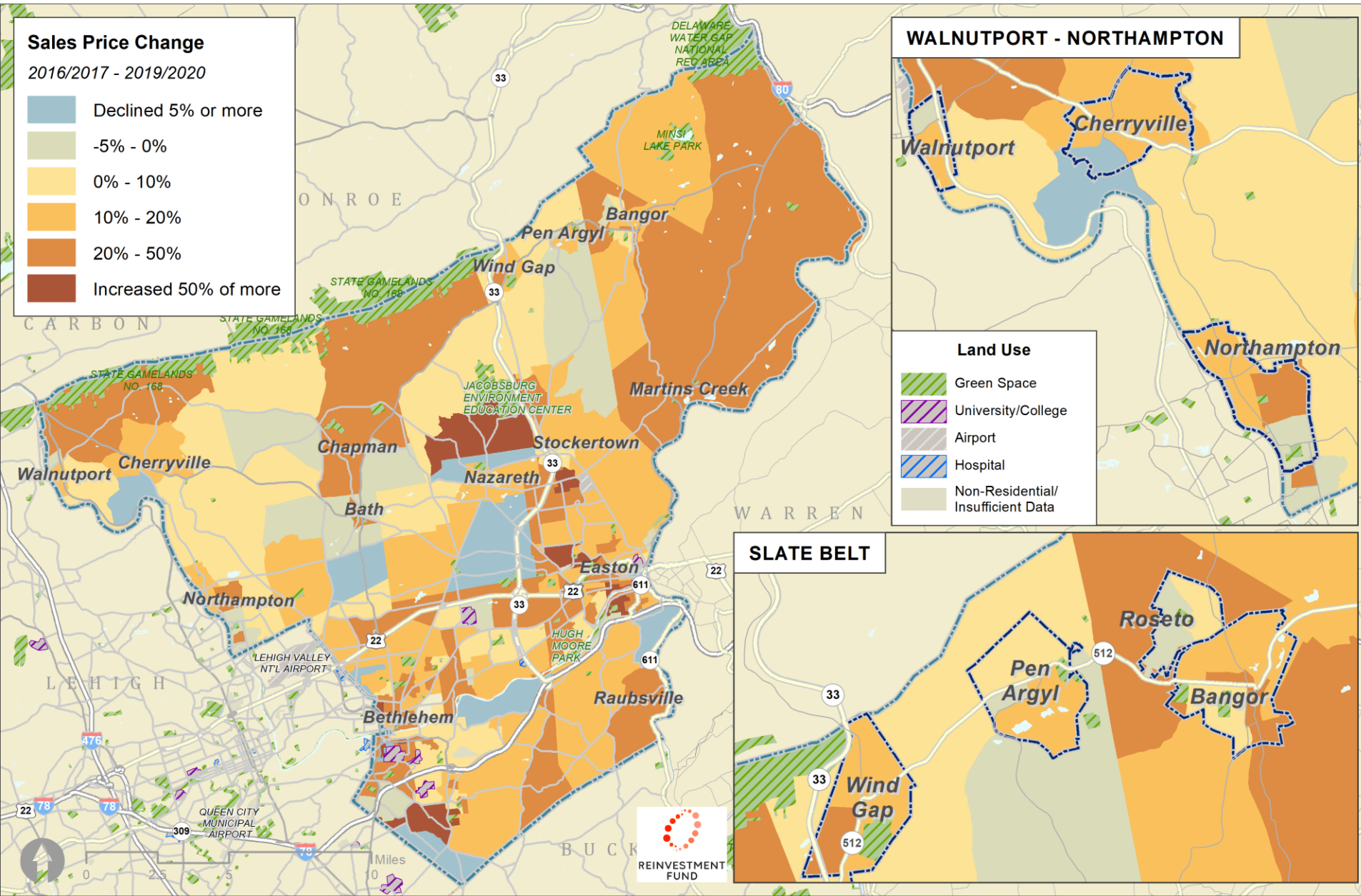
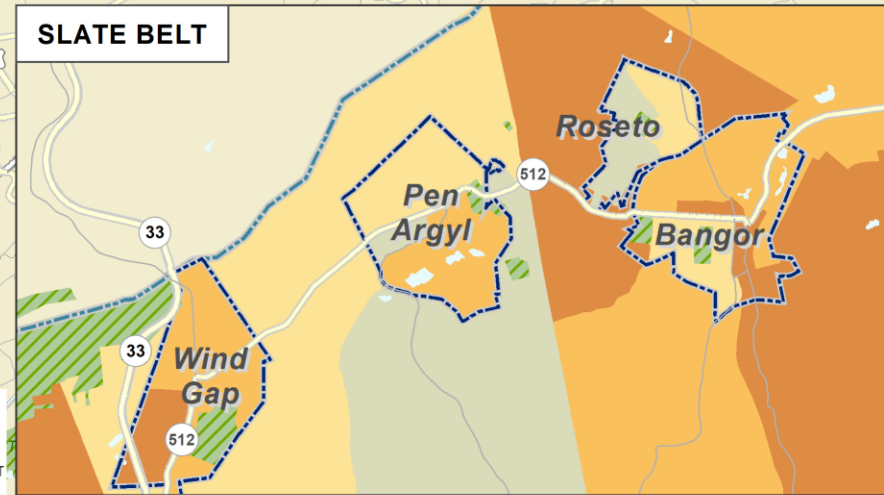
2016/2017 - 2019/2020



WALNUTPORT - NORTHAMPTON



SLATE BELT



Sales Prices are Increasing Across all MVA Categories

Cluster	Block Group (#)	Median Sales Price, 16/17	Median Sales Price, 19/20	% Sale Price Change
A	52 (25%)	\$278,981	\$309,061	10.8%
B	45 (22%)	\$174,583	\$210,433	20.5%
C	39 (19%)	\$173,897	\$212,851	22.4%
D	11 (5%)	\$189,609	\$201,964	6.5%
E	6 (3%)	\$120,967	\$157,176	29.9%
F	26 (13%)	\$113,040	\$143,276	26.7%
G	9 (4%)	\$91,768	\$118,775	29.4%
H	19 (9%)	\$73,778	\$115,053	55.9%
County	208	\$180,195	\$212,951	18%

Home Prices

Place	Typical Home Value	Price Increase Past Year
Bethlehem	\$243,619	+ 14.5%
Easton	\$254,957	+ 15.6%
Nazareth	\$299,312	+ 12.9%
Middletown	\$272,446	+ 9.9%
Bangor	\$229,436	+ 20.0%
Wind Gap	\$257,979	+ 15.4%
Pen Argyle	\$215,098	+ 19.0%
Northampton	\$272,446	+ 9.9%
Pennsylvania	\$217,984	+ 10.4%

Source: Zillow market trends 2021

Next Steps & Timelines

- Complete Data Collection for Housing Needs Assessment
- Focus Groups & Interviews with Key Stakeholder
 - July 2021

- Finalize Housing Needs Assessment Report
 - August/September 2021

- Develop an Action Plan to Implement Key Strategies that Address Affordable Housing Needs in the County
 - September/October 2021

Questions
