

Economic Development Council of Northeast Pennsylvania.
Summary of the Housing Situation in Northeast Pennsylvania
with special emphasis on the Housing Crisis in the Wyoming
Valley. 1973 April 1st

SUMMARY OF THE HOUSING SITUATION
IN NORTHEASTERN PENNSYLVANIA
WITH SPECIAL EMPHASIS ON
THE HOUSING CRISIS IN THE WYOMING VALLEY

Prepared By
Economic Development Council
Of Northeastern Pennsylvania

April 1, 1973

SUMMARY OF THE EXISTING HOUSING CRISIS¹
IN NORTHEASTERN PENNSYLVANIA

PREPARED BY THE
ECONOMIC DEVELOPMENT COUNCIL OF NORTHEASTERN PENNSYLVANIA

APRIL 1, 1973

Summary of the Current Housing Situation in the Region

According to the 1970 U.S. Census, there were 320,000 housing units in Northeastern Pennsylvania representing an increase of 4% since 1960. Since 1970, increased building activity has occurred, particularly in the Scranton, Wilkes-Barre/Hazleton and Pocono areas. Luzerne County, other than Wilkes-Barre, added 613 residential units during the first six months of 1972 (before the flood), while Wilkes-Barre registered an increase of over 1,000 units, including 900 multi-family units, between the 1970 U.S. Census and the June flood.

New Developments

New housing authorized by building or zoning permits during 1971 should result in new housing starts and completions amounting to 1,470 for Luzerne, 502 for Lackawanna, 24 for Monroe, 49 for Carbon, 93 for Wayne, 73 for Pike, and 372 for Schuylkill County. These figures represent a regional increase of 2,580 units for one year. (Note: These data cover only 19 local governments requiring permits in Lackawanna County, 8 in Carbon, 3 in Monroe, 4 in Pike, and 5 in Wayne, where urbanized areas or activity centers exist.) While single-family units still represent a major proportion of new housing starts, an increase in apartment and townhouse construction has occurred in areas where land availability, public facilities and service considerations make higher densities desirable.

A significant addition has been made to the housing stock by federally-subsidized housing programs. About 900 public housing units were added to the market in 1972, including nearly 600 units for the elderly. In addition, a number of moderate-income housing units have been built by several non-profit sponsors in the region such as Ecumenical Enterprises Inc. and Scranton Neighbors.

Flood Impact

While "Agnes" had its greatest impact in the Wyoming Valley where over 25,000 units were affected, several communities in Carbon, Schuylkill, and Lackawanna Counties also were affected. Although about 400 homes were razed as a result of the flood, the fate of additional flood-affected units will not be accurately known until vital urban renewal and flood plain management decisions are made in 1973.

¹Northeastern Pennsylvania is defined here as the following seven counties: Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill and Wayne

As a direct result of the flood, the housing stock has been temporarily increased by over 6,000 mobile homes provided by the U.S. Department of Housing and Urban Development on group and individual sites on a rent free basis for a maximum of one year. Another 3,000 additional households are in temporary rental quarters provided by HUD, primarily in northeastern Pennsylvania. Others have found temporary or permanent quarters with friends or relatives, in secondary homes, or in new homes located primarily in the Back Mountain and Mountaintop areas of Luzerne County.

Meeting the Need

Even before the flood there was a recognized need for new housing. This need for new housing in the region is affected by several factors. A majority of the present housing stock was built before 1939. There is also a recognizable void in the housing stock between \$20,000 and \$25,000 in cost.

Since most new units cost above \$30,000 when built, and suitable older units are scarce, young couples buying their first homes are among those principally affected by the regional housing shortage. Since the median family income for the 7-county region is approximately \$8,000 and current estimates indicate that a family can finance a home costing up to about 2.5 times its annual income, it is apparent that many area families cannot afford homes exceeding \$20,000 in cost. Rental housing for young families and the elderly is likewise in short supply. Since these shortages exist and because the number of local builders, while numerous, are generally small in scale (producing between 5-100 units per year), more builders and laborers must be imported into the area or produced within the area to overcome the existing shortage of housing.

It also is important to note that the amount of gross income allocated to housing and housing-related items is considerably lower in the region as compared to the State or the United States as a whole. This will change in the future due to the increasing costs of housing nationally.

Summary of the Existing Housing Crisis in the Wyoming Valley²

As stated above, on June 23rd and 24th, 1972, Tropical Storm Agnes hit the Wyoming Valley. In its wake approximately:

- ... 25,520 housing units were affected by the flood, of which:
- ... 13,510 were single family housing units
- ... 11,920 were multi-family housing units
- ... 14,400 were owner occupied and
- ... 10,270 were renter occupied

Realizing the tremendous damage the housing stock in the Wyoming Valley sustained, the Economic Development Council of Northeastern Pennsylvania (EDCNP)

²The Wyoming Valley is defined as those 45 communities which extend from Pittston to Shickshinny and from the Dallas to Mountaintop areas.

and the Luzerne County Planning and Zoning Commission hired the firm of Wilbur Smith and Associates to undertake a valley-wide comprehensive planning program which included a detailed evaluation of the Wyoming Valley's existing and future housing supply and demand, especially in light of the havoc created by Tropical Storm Agnes.

Noted below are some of the salient facts which this study has brought to light:

... In 1972, there were 90,190 occupied and vacant housing units in the Wyoming Valley;

... The total 1970 population of the Wyoming Valley was 254,587 for an average of 3.0 persons per occupied unit compared to the average number of persons per unit in 1960 of 3.2. In 1972, a further decline was evident to a level of 2.9; this decrease is attributed to the high age level of the Wyoming Valley.

... Approximately 82.3% of the total housing stock in the Wyoming Valley was built before 1940; this figure is uncommonly high when it is compared with other metropolitan areas in the State.

... Single family units are the dominant form of residential construction in the Wyoming Valley (63.8%)

... Two family units are the second most prevalent housing type (23.2%).

... The median housing value for Luzerne County is \$10,700.

... The median contract rent for Luzerne County is \$57. This low value is reflective of several potential serious problems in respect to the flood recovery effort. The approximate monthly rent that should be charged for a house worth \$10,700 is \$89 (average rent to amortize a \$10,700 house over 10 years). Furthermore, if the federal standard of 25% of family income for housing is used, then \$172 should be the median monthly contract rent that should be paid for rent since the median family income for the County is \$8,244. Again this is much higher than either of the two previous figures (\$57 and \$89), showing that a smaller part of the income of a family in the Wyoming Valley is going for housing. In fact, in all the municipalities in the Wyoming Valley, the amount that a family is capable of paying exceeds the amount they are paying by as much as 100% or more.

However, it is believed that the average person now renting for \$50 to \$75 a month in the Wyoming Valley will be unwilling to pay the increase in rent for what would not be a significant improvement in living conditions!

... Public housing for the elderly will become one of the major uses of public redevelopment monies over the next few years even though over 1,200 units of elderly subsidized housing have been built in the past two years in the Wyoming Valley.

These facts and those noted on the attached tables help to point out the magnitude of the long range housing problems in the Wyoming Valley. However, the short range housing problems of the Valley are even more critical; especially in light of the current HUD moratorium on housing and the fact that many of the individuals and families currently being temporarily housed in HUD maintained group mobile homes and leased housing will have to either buy these units, start to pay rent for these units, or find permanent housing in the Wyoming Valley.

This will not be an easy chore since there are very few vacant homes for rent or sale in the Wyoming Valley and most of those which are available are beyond the financial capabilities of most of the individuals and families still residing in the mobile home parks.

Based upon the EDCNP's most recent conversations with officials of HUD (March 15, 1973) it appears that HUD is still maintaining 8,738 temporary housing units in the Wyoming Valley.

These 8,738 housing units are broken down in the following way:

- ... 2,253 units in group mobile home sites
- ... 3,652 units on private home sites
- ... 2,419 units in leased housing
- ... 414 units in government owned facilities

Unfortunately HUD does not have any detailed breakdowns to date on how many of these units are housing renters or owners of flood affected homes nor any other socio-economic data on the people in these units.

However, even though there is no definitive information available, the EDCNP's staff, based upon a very cursory evaluation on the raw data currently available, believe that approximately 75% of the individuals and/or families in these units are renters and that at least 65% are below OEO's criteria for poverty and 87% of them are, by federal standards, eligible for public or Section 235 or 236 housing.

Furthermore it appears the local Public Housing Authorities in the Wyoming Valley and its environs will not be able to rehouse these individuals and/or families since they have a waiting list of over 2,700 units (1,550 elderly and 1,150 family units) in addition to the 800 units currently on the waiting lists of the two major non-profit housing corporations in Wilkes-Barre (GRIT & EEI).

In addition to the above noted needs, the Luzerne County Redevelopment Authority is anticipating acquisition of a minimum of another 2,172 residential units in the various flood related urban renewal projects it is administering in the Wyoming Valley. The Wilkes-Barre Redevelopment Authority anticipates it will have to acquire 640 residential units; and the Nanticoke Redevelopment Authority anticipates acquiring at least another 125 residential structures in its project.

In essence the various redevelopment authorities will collectively be acquiring for demolition at least 2,997 residential structures in the Wyoming Valley within the next two years. Furthermore, it is realistic to project that at least another 300 homes will be acquired over the next year because of other non-flood related redevelopment projects and other public actions and programs.

Therefore, if you only take into consideration the fact that housing must be provided for only those individuals and/or families currently in group mobile home sites (2,253) and the 2,997 residential units to be acquired by the various urban redevelopment authorities, a minimum of 5,250 housing units are needed in the Wyoming Valley immediately!

As stated earlier, most knowledgeable people and agencies in Luzerne County believed there was a need for low and moderate income housing prior to the flood. In fact, many local public agencies, non-profit housing sponsors and limited dividend corporations submitted numerous applications to HUD for either additional public housing units or federally subsidized housing units under the various sections of the Housing Act (Section 235 home ownerships, Section 236 rental, and Section 221-d-3 for the Elderly).

In fact, the HUD regional office in Philadelphia had approximately 20 applications from Luzerne County totaling over 3,800 units in various stages of processing prior to the HUD moratorium cut-off date of January 5, 1973.

Unfortunately only 9 of these applications containing 1,618 housing units (264 elderly and 1,354 family) have been approved to date.

The other 11 applications containing 2,188 housing units (702 elderly and 1,486 family) which were submitted prior to the January 5, 1973 deadline have not been approved.

Furthermore, another 5 additional applications have been submitted between January 5, 1973 and March 15, 1973, requesting another 1,342 units (738 elderly and 604 family). These applications also have not been approved.

In essence, HUD has only approved 1,618 (264 elderly and 1,354 family) of the total 5,148 (1,704 elderly and 3,444 family) units currently in its offices for funding. Needless to say this gap of 3,530 units (1,440 elderly and 2,090 family) has to be eliminated since these units and the other noted needs are direly needed to help the Wyoming Valley recover from the shock of Agnes and to help it provide the housing required to maintain the Wyoming Valley as a viable place to live.

TABLE I

Individuals and/or Families Living in HUD Temporary Housing Units in the Wyoming Valley (as of 3-15-73)

Public Group Mobile Home Sites	2,253 Units
Private Mobile Home Sites	3,652 Units
Leased Housing Sites	2,419 Units
Government Owned Housing Sites	<u>414 Units</u>
Total Units	8,738 Units

Source: HUD's Wilkes-Barre Housing Management Office

TABLE II

Public Housing Agency Needs in Luzerne County

<u>Public Housing Authority</u>	<u>Elderly Units</u>	<u>Family Units</u>
Hazleton	1,000	200
Wilkes-Barre	200	300
Pittston	250	350
Nanticoke	<u>100</u>	<u>300</u>
Total Units (2,700)	1,550	1,150

Source: Public Housing Authority Directors Meeting convened on 3-7-73 by EDCNP

TABLE III

Public Housing Agency Needs in the Rest of the 7 County Area (Information on Pike Wayne and Carbon Counties is not presently available).

<u>Public Housing Authority</u>	<u>Elderly Units</u>	<u>Family Units</u>
Scranton and rest of Lackawanna County	700	1,300
Monroe County	300	150
Pottsville and rest of Schuylkill County	<u>300</u>	<u>300</u>
Total Units (3,050)	1,300	1,750

Source: Public Housing Authority Directors Meeting convened on 3-7-73 by EDCNP

TABLE IV

Non-Profit Housing Sponsor Needs in Wilkes-Barre

Ecumenical Enterprises, Inc. (Wilkes-Barre)	400
Grit (Wilkes-Barre)	<u>400</u>
Total Units in Wilkes-Barre	800

Source: Public Housing Authority Directors Meeting convened on 3-7-73 by EDCNP

TABLE V

Housing Units to be acquired through various flood related urban renewal projects
in the Wyoming Valley (as of 3-15-73)

Wilkes-Barre City	4 projects - Central
Swoyersville Boro	700-Business District, Brookside
Luzerne Boro	190 Iron Triangle, S. W-B
Plymouth Boro	50
Plymouth Township	175
Edwardsville Boro	170-2 projects - W. Nanticoke &
Forty Fort Boro	180 Plymouth Twp. #2
Kingston Boro	110
Plains Township	800
West Wyoming Boro	30
Hanover Township	12
Shickshinny Boro	250
West Pittston Boro	150
Wyoming Boro	30
Nanticoke City	25
	<u>125</u>
	2,997

Source: Luzerne County Redevelopment Authority and Part I and II Mid-Planning
Urban Renewal Reports as of 3-12-73

TABLE VI

Projects which met the 1-5-73 HUD Deadline

<u>Project</u>	<u>Location</u>	<u>Cost (\$M)</u>	<u>Section</u>	<u>Elderly</u>	<u>Family</u>
East Side, Nanticoke			236 (low & moderate income rental)		120
Sherman Hills I, Wilkes-Barre			236		215
Hilltop Village, Hazel Twp.			236		125
Inman Park, Hanover Twp.			236		200
Gateway Court, Edwardsville	4.2		236		264
Washington Sq. Apt., W-B	4.15		236		205
Hanover Village, Hanover Twp.			221-d-3 Rent Supplement		
Plymouth Borough			LRPH (ACC		
			Conventional	99	
Nanticoke			LRPH (Turnkey)	165	75
Total Units (1,618)				264	1,354

In essence HUD has approved the following units in the Wyoming Valley:

1,129 Section 236 family units
 150 221-d-3 Family rent supplement units
 99 LRPH ACC Conventional Units for the elderly
 164 LRPH Turnkey for the elderly
 75 LRPH Turnkey for families

1,618 Total Units

(1,354) family units
 (264) elderly units

Source: HUD Scranton Office: Data presented at EDCNP's 3-13-73 Planning and Development Agencies Meeting

TABLE VII

Projects which did not meet the 1-5-73 HUD Deadline

<u>Project</u>	<u>Location</u>	<u>Cost (\$M)</u>	<u>Section</u>	<u>Elderly</u>	<u>Family</u>
Gaylord Manor, Plymouth Boro.		3.4 *	236 (low & moderate income rental)		200
1st Valley, Kingston Borough			236	198	
Hillside Apts., Edwardsville		2.63*	236		200
Sherman Hills II, W-B		7.48*	236	104	280
Edwardsville Village, Edwards-		4.4 *	221-d-3 Rent Supplement		240
ville					
Hazleton Twp. Village, Hazle			221-d-3 Rent Supplement		236
Twp.					
Exeter Twp.		2.4 *	LRPH - Turnkey		120
Plymouth Twp.		2.4	LRPH - Turnkey		120
Wilkes-Barre		4.2	LRPH - Turnkey	210	
Wilkes-Barre		1.8	LRPH - Turnkey		90
Wilkes-Barre		3.0	LRPH - Turnkey (Sec. 23)	150	
Total Units (2,188)				702	1,486

Source: HUD Scranton Office: Data presented at EDCNP's 3-13-73 Planning and Development Agencies Meeting

TABLE VIII

Other Recently Submitted Housing Applications

Hazlewood, Hazle Twp.	2.00	236	140	
Pittston Village, Pittston	2.25	236	150	
Sherman Terrace, Wilkes-Barre	7.48	236	104	240
Larksville Manor, Larksville	6.27	236	200	300
Hillside Gardens	3.24	236	144	64
Total Units (1,342)			738	604 *
GRAND TOTAL (3,530)			1,440	2,090

In essence, HUD still has not approved the following units in the Wyoming Valley:

1274 Section 236 family units
 1040 Section 236 elderly units
 476 Section 221-d-3 family rent supplement units
 340 LRPH Turnkey for families
 400 LRPH Turnkey for elderly

3530 Total Units

(2090) family units
 (1440) elderly units

* Note: When the cost of a project was not known, the EDCNP assigned a cost of \$20,000 per unit to public housing units and a cost factor of \$15,000 per unit for those constructed under Sections 235 or 236.

Table IX
Summary of Housing Needs in
Northeastern Pennsylvania 3

8,738 Units - Temporary Housing being provided by HUD⁴

2,253 Units in group sites
3,652 Units on private sites
2,419 Units (leased housing)
414 Units government owned

2,700 Units - Waiting list for public housing units in Luzerne County

1,550 Elderly units
1,150 Family units

800 Units - Waiting list for non-profit housing units in Wilkes-Barre

400 Washington Sq. Apartments
400 Ecumenical Enterprises, Inc.

2,997 Units - to be acquired through various urban renewal programs in the Wyoming Valley.

3,050 Units - Waiting list for public housing units in areas outside Luzerne County but in the Region.

1,300 Elderly units
1,750 Family units

18,285 Units needed in Northeastern Pennsylvania of which approximately 15,235 units are needed in Luzerne County.

³Undoubtedly there is some duplication in compiling these figures. However, the data to ascertain the extent of this are not available. Furthermore, the EDCNP does not consider it significant enough to invalidate the conclusions of this paper. Also these figures do not include any housing needs for Carbon, Wayne, or Pike Counties.

⁴This figure does not include families nor individuals temporarily rehoused without HUD assistance.

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- ① Release of hard figures
- ② Create Housing Council
- ③ 7 County " E & C
- ④ Monitor & Housing program
" industrialized housing".
- ⑤ Sec. 267 of appellation for site improvements
- ⑥ P.D. in housing field.
- ⑦ Consortium to pool private sector interests
- ⑧ neighborhood assistance act.
- ⑨ assistance from R. Finance Housing Agency
- ⑩ Cons. on Ec. Opportunity
Roads to be redesignated as
Housing Council.

Willowbrook
Green acres
Gateway
Burr Branch
Hill
Kirkville (Fierman
development)

8 Builders can build 4300 units in 18 months
Problems:-
a) need for labor.

only Trust of AFL-CIO:-

Great need for housing in valley. Housing Inst. could
not invest in valley - a) cost of labor b) material & land -
terribly expensive.
Scarcity of materials & doubling of cost in valley.

