

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**Recommendations**

*General Approach*

The report findings clearly identify the populations most in need of affordable housing in Centre County—working families, the frail elderly, people with disabilities, and homeless families and individuals. Each of these groups requires appropriate housing costing no more than 30% of their incomes. Some also require support services in order to live independently in the community.

Centre County is in the forefront of taking on the issue of affordable housing. The County Commissioners and the members of the Centre County Affordable Housing Coalition (AHC) in particular should be commended for their commitment and dedication to this effort. The *Centre Daily Times* should also be commended for helping to bring the issue to the attention of the public. These are excellent beginnings, but many challenges lay ahead.

Successfully meeting these challenges requires a paradigm shift--- a shift in the set of assumptions, concepts, values, and practices that surround the issue of housing. The community needs to fully understand the impact of the lack of affordable housing and support its expansion in all areas of the County with unmet needs. The County housing delivery system needs to be strengthened. Clear policies, strategies, priorities and action steps must be established and resources must be generated and targeted to accomplish the priorities identified.

The findings of the needs assessment clearly demonstrate that given the high cost of market rate housing in most areas of the county, government subsidies are essential to making housing affordable, including for working families. It is also evident that those government subsidies are limited and competitive. At present developers identify projects and sites in Centre County and proceed with state and federal financing. If necessary, they request additional subsidies from State College Borough and/or County, who approve or disapprove the request. Given the pressing shortage of affordable housing, the County and Borough have and probably should support most such requests. However, these projects may not have served the neediest populations or geographic areas of the County.

In order to ensure the best use of these limited resources, the County must first determine its priorities and then provide incentives to developers to build or rehabilitate housing that meets those priorities. In other words, the County should be in the driver's seat in expanding affordable housing for its citizens. The following recommendations provide a blueprint for implementing such an approach. Unfortunately there is no magic bullet for increasing affordable housing for the work force and other populations in need. Rather, the county must adopt a range of policies and undertake a series of actions that all together will impact on affordability.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

Further, not all of the recommendations can be accomplished in the immediate future. In some cases, the consultants have distinguished between long and short-term time frames for accomplishing the recommendations. In others, it is up to the community to make that determination.

Most notably, the recommendations are designed to capitalize on Centre County's unique strengths and to overcome the obstacles to the expansion of affordable housing options. The recommendations range from major to minor actions, and can be carried out in whole or individually. Our objective is to provide an array of recommendations to stimulate discussion and facilitate community involvement in addressing the challenge of expanding affordable housing.

**1- Strengthen the County Housing Delivery System**

As described above, while Centre County has many agencies active in the housing arena, there are a number of serious gaps. Like many other counties in the Commonwealth, there is a major gap in formulating and implementing county housing policy. Equally important, there is no single entity or individual clearly responsible for identifying and brokering resources or for encouraging development partnerships.

**a. Suggested Principles for Organizing for Housing on the County Level**

The consultant recommends the following principles for guiding the allocation or reallocation of housing responsibilities in Centre County. The Centre County housing delivery system should:- Incorporate each of the following housing functions:

- 1) Incorporate each of the following housing functions:
  - Planning
  - Policy
  - Program Coordination and Oversight
  - Public Housing
  - Redevelopment
  - Residential Development
- 2) Clearly delineate the responsibilities for each function
- 3) Assign each responsibility to one specific individual or entity
- 4) Make sure that the community is aware of who is responsible for each function
- 5) Designate a single person or entity to direct and coordinate all of the county housing functions and activities
- 6) Utilize existing entities and resources to the maximum extent possible
- 7) Maximize the use of private resources, both human and financial
- 8) Be structured to include active participation by the County Commissioners or their designees in housing policy and resource management
- 9) Include at least one full-time paid staff person dedicated to housing

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**b. Alternative Approaches to Assigning Housing Functions**

There are many viable approaches used in the Commonwealth for fulfilling county housing functions. Some functions by law must be carried out by public bodies (planning, public housing and redevelopment) while others can be carried out by either public or private agencies (policy, program coordination and oversight, and development).

The responsibilities for each function can rest with a single entity, or can be carried out by different agencies, but the allocation of county housing functions and responsibilities is generally based upon local history and practice. Most counties have a planning department that carries out the traditional planning functions listed above and a public housing authority that carries out its statutory functions including the development and management of conventional public housing and administration of housing vouchers. In addition to these functions, some housing authorities also administer Shelter Plus Care, Supportive Housing Program, and homeownership programs as well as undertake affordable housing development.

Many counties, such as Bucks, Chester, Montgomery, Delaware, Allegheny and others that are designated as Participating Jurisdictions by HUD, have offices of housing and community development (OHCD) in addition to separate housing and redevelopment authorities. The OHCD oversees the Community Development Block Grant, (CDBG) HOME, and housing rehabilitation programs. Some counties have a joint housing and redevelopment authority that carries out both public housing and redevelopment functions (Blair, Butler, Dauphin, Lancaster, Lebanon, Lehigh, McKean, Potter, Tioga/Bradford, Wyoming). In at least one case, Cumberland County, the joint authority also administers the community development programs.

However, even among the counties that have agencies similar in name, there is great variation in the actual distribution of functions among those agencies. In fact, there are almost as many housing delivery models as there are counties. Following are examples of how a few counties in Pennsylvania have allocated housing, community development and redevelopment functions among their local agencies:

- Adams County has a Public Housing Authority (PHA) that works closely with a local non-profit housing development corporation (with one shared board member) but no Redevelopment Authority. Their Planning Department administers the Community Development Block Grant (CDBG) funds received from the state Department of Community and Economic Development (DCED).
- Beaver County has a Public Housing Authority and a Community Development Program. The Redevelopment Authority operates out of the Planning Department.
- In Delaware County there is an Office of Housing and Community Development (OHCD) and a separate Planning Department, although they have the same Executive Director. The OHCD is responsible for oversight of CDBG, HOME and

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

Emergency Shelter Grant funds and makes recommendations to the County Commissioners for allocation of these funds as well as Act 137 funds. The Redevelopment Authority is part of the Commerce Center. It is inactive, but available if there is a need for powers of eminent domain.

- In Monroe County, the Redevelopment Authority administers the CDBG, HOME and housing rehabilitation programs in addition to the redevelopment programs. The Housing Authority administers conventional public housing and the housing voucher programs.
- In Montgomery County, the Office of Housing and Community Development administers the CDBG and HOME programs while the Redevelopment Authority oversees redevelopment and major revitalization projects. The Housing Authority oversees public housing, and the Housing Choice Voucher Program including the Section 8 homeownership program.
- York County's Planning Department operates out of its Office of Housing and Community Development. It has a separate PHA and no redevelopment authority.

**c. Centre County Options**

The above examples clearly demonstrate that each county organizes its housing and community development functions in a way that draws on local history and takes advantage of local resources. The consultant offers two options for enhancing the housing delivery system in Centre County, both of which would be consistent with the above principles and take into account Centre County's particular resources and environment. They would also maximize control of housing resources and decisions by the County Commissioners. Finally, it is imperative that all agencies involved commit their full cooperation in carrying out their roles.

- 1) *Assign all functions to existing agencies/staff and appoint one person to be responsible for policy, program coordination and resource development.*

Given the current configuration of agencies and staff, the first option is for the County Planning Office to officially take responsibility for policy, program coordination and resource development, with the Housing Authority taking responsibility for program oversight, including compliance with regulations, bidding procedures, fair housing laws and regulations, etc. This would mean that the Planning Office would take the role of designing new housing programs, developing housing strategies, targeting existing resources, and generating new resources, in addition to administering the County Community Development Block Grant Program (CDBG). His/her responsibilities would also include marketing programs, meeting with developers, and brokering development deals.

In order to fulfill these roles, the Planning Office would need to have at least one full-time staff person dedicated to these pursuits. We recommend that the position be

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

entitled “County Housing Coordinator” in recognition of his/her authority for coordinating the activities necessary to expand affordable housing in the County. He/she would report to the Planning Director.

Two things are critical to the success of this model and to carrying out the above principles. First, in order to ensure effective coordination, the County Commissioners should appoint a “Housing Cabinet” to be chaired by the County Housing Coordinator. The cabinet should be no more than 10 members and should also include the County Commissioners or their designee, the Executive Director of the Housing Authority, the County Planning Director, the County Adult Services Director, the State College Borough Planning Director, representative/s of the seven Planning Regions, the development community (changing bi-annually), and other members as appropriate. The Cabinet should meet quarterly or as needed to determine policy and priorities and to review and monitor programs.

Second, the Affordable Housing Coalition should continue to be a strong partner. It should serve as advisory to the Cabinet, identifying unmet needs as well as providing input on policy and other issues.

*2) Establish a New Office of Housing and Community Development.*

The second option is to establish a separate Office of Housing and Community Development (OHCD) responsible for policy, program coordination, and resource development functions. It would also be responsible for the County Community Development Block Grant program and other community development activities. The Director would be equal in position to the Planning Director and would, of course, be full-time. He/she would have the same role as the County Housing Coordinator in convening the Housing Cabinet and working with the Affordable Housing Coalition as described above. Program oversight functions could also be operated in this office or they could be contracted out to another entity such as the Housing Authority. If feasible, the physical office of the OHCD Director could be co-located with either the County Planning Office or the County Housing Authority in order to share administrative and other expenses and resources. Co-location would also maximize coordination among the sharing entities.

Both of the above options are organizationally viable. However, in order to be successful, either option would require a clear mandate from the County Commissioners. Each would require a full-time staff person with affordable housing development experience. While Option 1 has the advantage of requiring fewer modifications to the county system, Option 2, by creating a separate office, would elevate the county housing and community development functions. It would not only give the issue of housing more stature, but also greater strength in applying for state and federal funds.

It should be noted that either approach would necessitate excellent cooperation and coordination with the State College Borough Planning Office to ensure that County and

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

Borough programs and policies are consistent and well coordinated. If the Borough's level of cooperation with the housing needs study is any indication, no problems should be anticipated in this regard.

Either approach would also necessitate aggressive pursuit of grants and financing for housing programs and development projects. The use of consulting services for grant writing and for affordable housing development expertise should be considered and, if necessary, budgeted. While the major expense associated with either option is the funding of a full-time position and related expenses, a more detailed analysis is recommended to determine the logistical and financial viability of each alternative.

**d. Redevelopment Authority**

In addition to the above changes, the County Commissioners should consider appointment of a redevelopment authority. A redevelopment authority has unique powers under state law to condemn land and buildings, to designate and acquire blighted properties, to carry out relocation activities, and to develop and implement redevelopment area plans. These powers can be indispensable for housing efforts that involve the revitalization of older communities.

However, since there is no specific project requiring these activities at this time, it would not be advisable to create a separate authority with a separate board and staff. Instead, the County should consider creating a joint authority with the Centre County Housing Authority, such as in those counties listed above. A joint authority with an identical Board of Directors would position the County to use these powers if and when they were needed. For small projects such as spot condemnation, current staffing should be sufficient. At such time as a significant redevelopment project were contemplated, such as revitalization of the fire-damaged areas of Phillipsburg, there would be a need for either adding expertise and person power to the Housing Authority, or setting up a separate authority.

*Short Term Plan*

Implementation of either of the above options, or indeed any reorganization plan, will take time. In anticipation of an expansion of the housing functions, however, the County should begin to position itself by identifying funding for a full-time housing position. As described above, a full-time staff position is critical for any serious affordable housing effort.

In addition, upon acceptance of this Report, the Commissioners should appoint a single agency or individual to be responsible for reviewing and evaluating the study recommendations, recommending which ones should be adopted, and developing a plan for implementation. While one individual or entity must be accountable for this activity, the Affordable Housing Coalition and other appropriate groups need to play central roles. Responsibility for the implementation plan would later be transferred to the County Housing Coordinator or Director of Housing and Community Development.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**2- Facilitate Affordable Housing Development**

As described above, the County has a number of developers who have undertaken affordable housing development. However, the County needs to take concrete steps to expand the number of active entities and to stimulate and support affordable housing development in the County:

**a. Strengthen Housing Development Capacity**

A critical part of improving the County housing delivery system is to ensure that there is a cadre of experienced developers devoted to expanding affordable housing opportunities in the County, both non-profit and for-profit.

For-profit developers have the advantage of being able to move quickly, and to be able to obtain site control more readily. They generally have more development experience than non-profit developers, although that experience is not necessarily in the development of affordable housing.

Non-profit developers bring other advantages. They are more likely to:

- Undertake projects that are more difficult and are not profitable, which is especially important for small projects and for those addressing populations with very low incomes and special needs.
- Be devoted to a specific population and/or community over the long haul. For-profit entities are more likely to follow the bottom line; if greater profit can be found in another community or type of project, they may shift their resources.
- Put a larger percentage of their developer's fee back into the project---for services, internal subsidies, etc.
- Retain the project as affordable past the required retention period; a for-profit entity is more likely to allow the units to go market rate at that time.

While maintaining the involvement of for-profit developers largely requires incentives, non-profit developers, especially start-ups, often require capacity building and financial supports.

Three non-profit housing organizations have expressed interest in significantly expanding their activities in Centre County. The State College Community Land Trust is exploring the possibility of expanding its services outside the Borough of State College. Central Pennsylvania Community Action, the county's community action agency, is a certified CHDO and they have expressed interest in developing five to ten sales housing units over the next three years. They would like to expand their service area from Phillipsburg, State College and Bellefonte to include the lower/eastern portions of the county. Finally, the Transitional Housing/Temporary Housing Foundation, Inc. is interested in continuing to expand their efforts in producing affordable housing.

The County can support the efforts of these groups to expand by assisting them to increase their capacity. This means ensuring that they have the resources they need to

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

attract, train and retain experienced staff and/or consultants. In particular, this may mean providing or assisting them to obtain core operating support and/or predevelopment funds, especially for their initial expansion efforts. As described above, the United Way would be an excellent source of funds for capacity building. Their representative expressed a willingness to consider a request for this type of support in order to increase affordable housing in Centre County.

Another way of strengthening housing development capacity is through the formation of partnerships. For example, a partnership between an experienced for-profit developer and a non-profit service provider can be beneficial to both. The developer can bring sites, buildings and experience to the development process and the service provider can bring public and charitable resources to the project as well as an understanding of the population to be served and the ability to provide those services.

Since many variations of partnerships can be forged, the County should serve as a clearinghouse for facilitating the formation of such partnerships. Specifically they should:

- Produce a listing of developers, consultants, engineers, support service providers, and others interested in producing affordable housing in Centre County.
- Sponsor periodic meetings in which potential partners can be brought together to identify common interests and goals.

**b. Develop Informational and Technical Resources for Developers**

Another clearinghouse role for the County is to provide data to facilitate the private sector's development of affordable housing. The data provided in this report is an excellent first step in this regard. The report provides data on the populations and geographic areas most in need of affordable housing, the type of housing needed, and information on alternative models and approaches (see especially the Prototypes at the end of the report). The County should update this data periodically or as needed in order to inform or support specific initiatives.

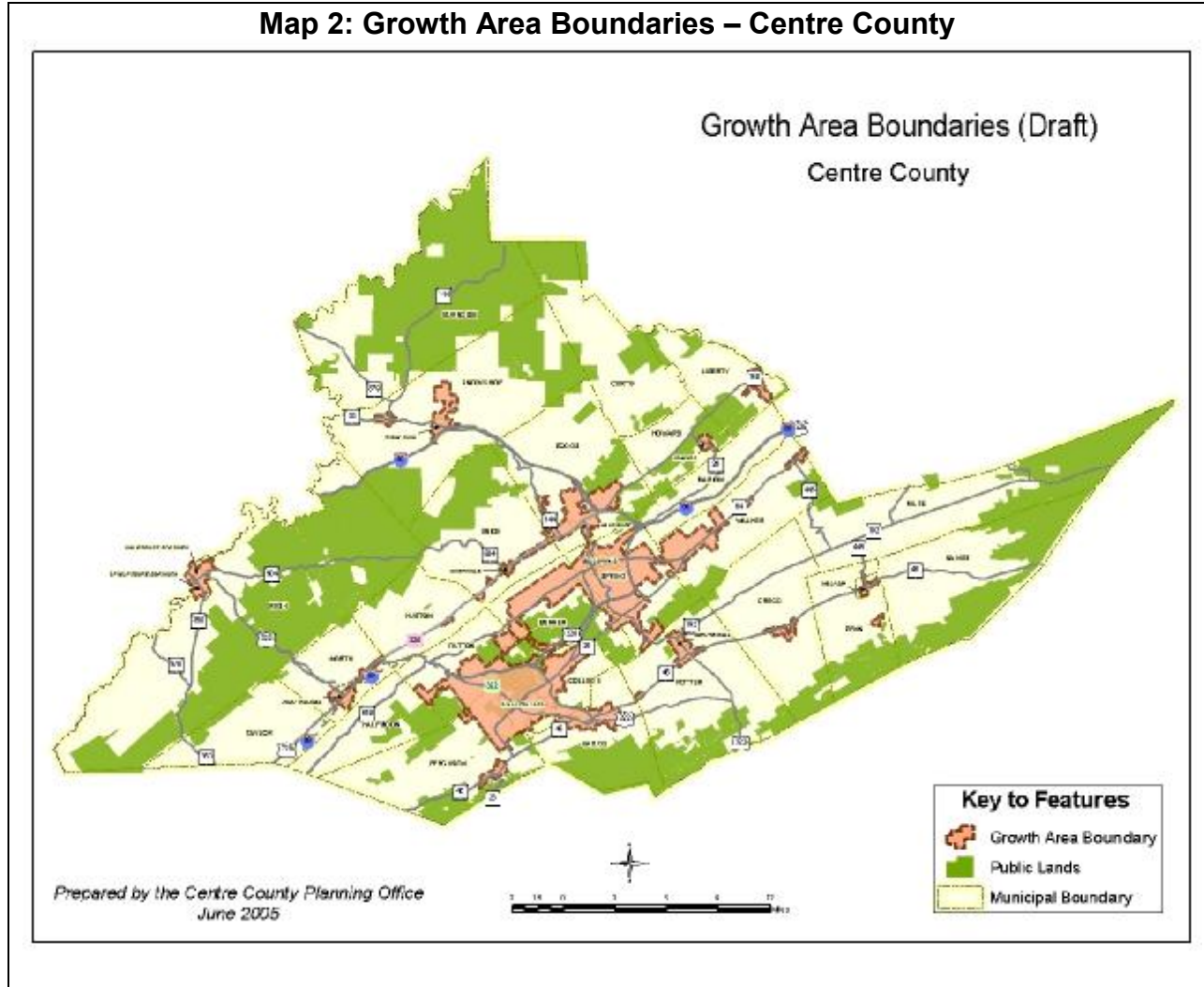
The County could also be proactive in providing other information to developers such as a resource bank of available residential development sites and buildings. In fact the County Planning Office has recently created an inventory of all vacant lots with R-zoning within the county's designated growth areas. The County Housing Coordinator/OHCD Director should make sure developers are aware of and have easy access to this excellent resource. The Planning Office has also started compiling an inventory of vacant structures that might be appropriate for residential development, which should also be readily available to interested developers.

Finally, the County should make available to developers the information provided in the Appendix to this report on financial resources for affordable housing.



**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**Map 2: Growth Area Boundaries – Centre County**



**c. Increase Financial and Human Resources Devoted to Affordable Housing**

As described above, although State College Borough is taking advantage of most available housing and community development resources, the County is underutilizing several resources, including DCED HOME funds, Brownfield funds, McKinney CoC dollars, Fannie Mae, PHFA, Rural Development programs, and the Federal Home Loan Bank Affordable Housing Program.

We recommend that the County develop a financing strategy that incorporates the use of all public and private, federal, state and local resources for affordable housing development, operations and rental subsidies. In addition, if necessary, the strategy should consider shifting existing resources to meet high priority needs for which few resources exist. Aggressive pursuit of United Way and private foundation dollars should also be included in this strategy.

Recommendations regarding the use of specific resources for homeownership and rental housing are contained in recommendations number 6 and 7 listed below. In

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

addition, there are two recommendations that apply to increasing resources for either sales or rental housing:

- The County should use a combination of public and private funds to capitalize a revolving loan fund to be used by non-profit developers for the acquisition of land and buildings for the development of affordable rental or sales housing. The availability of funds for this purpose is critical given the speed at which properties change hands in the Centre County real estate market.
- The County should initiate an Employer Assisted Housing Program (EAH) which involves the participation of employers in providing housing for their employees. An EAH program can be used to stimulate the development of either sales or rental housing. It is recommended that the County partner with Fannie Mae and/or the Pennsylvania Housing Finance Agency to create an EAH. Both of these agencies have Employer Assisted Housing Programs. PHFA has expressed interest in initiating a program in Centre County, and Fannie Mae has already initiated discussions with several of the county's major employers. Many colleges throughout the Country, including the University of Pennsylvania, University of Scranton and Franklin and Marshall College, in Pennsylvania are operating EAH programs for their employees. Not only PSU but also Centre County itself could participate in an EAH for its employees along with private employers that are being negatively affected by the lack of affordable housing for their workers. Prototype 1 contains more information on a proposed EAH program. In addition, information on the concept of Employer Assisted Housing and on the PHFA and Fannie Mae Programs is included in the Technical Supplement to this report.

Maximizing the use of human resources and contributions is also critical. The Affordable Housing Coalition is extremely strong and its representation is comprehensive. However, as noted under the interview summaries, the lack of active participation by Pennsylvania State University (PSU) is regrettable. PSU is the largest employer in the county and its employees have a significant impact on the housing market. PSU is in a position to make a contribution, not only as a member of the Coalition, but also in other major and minor ways. For example, the University's training expertise and facilities would be invaluable in implementing the community education recommendations listed below. As stated above, PSU could also participate in an Employer Assisted Housing Program or donate or lease land for the construction of affordable housing.

They could provide employment opportunities for members of the Fairweather Lodge housing option described below; or provide student interns to work on data collection, program evaluation and monitoring; or encourage architectural students to provide design assistance. We recommend continued efforts to gain PSU's meaningful participation in the Coalition and in specific affordable housing efforts.

The Technical Supplement contains "A Primer on University-Community Housing Partnerships from the Center for Urban and Regional Policy at Northeastern University.

## **Centre County Affordable Housing Needs Assessment:** **A Blueprint for Action**

It also contains descriptions of numerous affordable housing finance programs and funding sources that must be thoroughly explored and matched with County needs.

### **3- Increase Understanding of and Support for Affordable Housing**

As described above, over the past few years the Centre County Affordable Housing Coalition has been doing a laudatory job of bringing the issue of affordable housing to the attention of members of the housing industry and the general public. These efforts need to be continued and expanded. The community needs to understand that:

- the need for affordable housing is local;
- the need is especially pressing for the County's workers, elderly, homeless and people with disabilities;
- there are regional differences and nuances in housing need; and
- there are successful strategies that can address the need.

There is a need to educate the public as well as individual interest groups such as lenders, developers, builders, municipal planners, realtors, elected and other local officials. It should be recognized that various segments of the population need different information and need separate approaches. While specific educational strategies need to be developed for each subgroup, our experience is that individuals will be most responsive to information presented by their peers. As such, we recommend that whenever possible, information be sponsored or presented by the members of the subgroup to be addressed rather than by "outsiders." For example, realtors should present to other realtors at their regular meetings or through continuing education courses.

Recognizing that adults have different learning styles, the consultant recommends that information be presented in a variety of ways so as to be embraced by as wide an audience as possible. The following communication methods can be used:

- Forums with expert speakers and panelists,
- Films, video and other audio-visual presentations
- Print and other media including local newspapers, radio and TV stations; human interest stories should be documented by members of the coalition for this purpose
- Small meetings on site of particular subgroups such as the landlord association, realtors, lenders, etc.
- Open houses and tours of successful projects
- Visual and written documentation of demonstration and innovative projects to be presented for replication

We suggest a minimum of two major events per year, to maintain the pattern already established by the Affordable Housing Coalition.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

We suggest that information on the following topics be presented, to include both general information and information specific to Centre County, as appropriate:

- Housing Needs
- Barriers
- Solutions/best practice models such as mixed income developments, use of density bonuses, and internal rental subsidies

Ample general information is already available on affordable housing such as on approaches for reducing regulatory barriers to affordable housing, and on the impact of affordable housing on surrounding neighborhoods. Specifically, the publication prepared by Sara Pratt for the Housing Alliance of Pennsylvania entitled “*Addressing Community Opposition to Affordable Housing Development: A Fair Housing Toolkit*” includes a full range of strategies for overcoming community opposition, from education to filing fair housing lawsuits. This report is posted on the County’s website under “Planning.” In addition, the information contained in this report can be used to develop written materials, training modules and other materials specifically about and for Centre County.

Finally, it is important to recognize that education is different than action and that both are essential. People must not only understand the need for affordable housing, but also be willing to support the development of affordable housing. In this regard, we suggest creation of a mechanism for identifying and supporting the development of specific sites in the County for affordable housing. Two possible mechanisms are offered:

- A blue ribbon task force composed of representatives of the business community and other community leaders to not only participate actively in community education among their peers, but also to identify potential development sites
- A group composed of satisfied neighbors of existing affordable housing developments in the county that would be willing to go to public meetings and hearings in support of future developments

**4- Develop a County Housing Policy, Strategies and Priorities**

If the County is to take the driver’s seat in meeting affordable housing needs, the next step must be to develop and adopt housing policies, strategies and priorities that can be used to develop action plans. Most important, these policies, strategies and priorities should be used to determine the allocation and targeting of existing County housing resources as well as to direct the pursuit of additional resources.

The development of the policy should be the responsibility of the Housing Cabinet as coordinated by the Housing Coordinator/Director of Housing and Community Development with the Affordable Housing Coalition serving as a strong advisory partner.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

This report, including this recommendation, is an excellent starting point for this task. The needs assessment suggests a policy and strategy that includes priorities for certain populations, including low and moderate income working families, frail elderly, homeless and people with disabilities. And while the long term goal of the policy should be to provide a broad range of affordable housing options throughout the county, the assessment also suggests inclusion of the strategies and priorities found in the section entitled “Development Strategies and Opportunities” at the end of this report.

**5- Reduce Development Barriers to the Production of Affordable Housing**

The above analysis of policy barriers to the development of affordable housing in six of the County’s municipalities reveals wide differences in land use and regulatory practices. The greatest obstacles to affordable housing development appear to be the lack of developable land in most of the County’s Boroughs and the lack of public improvements in the more rural parts of the County.

However the analysis also reveals that current regulatory practices in the municipalities studied inhibit the production of affordable housing. The preservation of agricultural and farmland are priorities in many areas, and there are few if any parcels in the growth areas that are zoned high density or that permit multi-family housing development of more than 4 units by right. At present State College is the only municipality that proactively addresses the development of affordable housing through specific financial assistance to developers and individuals.

In order to assist communities such as Centre County, HUD has identified a wide range of regulatory practices that can be used to reduce barriers to the development of affordable housing. The following is a summary of practices found on the Regulatory Barriers Clearinghouse from their website [www.huduser.org/rbc/newsletter/vol4Iss3.html](http://www.huduser.org/rbc/newsletter/vol4Iss3.html). A copy of the full report along with a HUD questionnaire for their Initiative on Removal of Regulatory Barriers is included in the Technical Supplement.

**Reducing Regulatory Barriers**

1. Administrative Changes

- One-stop development center to coordinate all permitting and processing
- Fast track/accelerated reviews for affordable housing developments
- Maximum target dates for review steps
- Process for conflict resolution
- Pre-development team meetings
- Easy to obtain zoning variances
- Flexible development standards- i.e. accessory units permitted on all lots over 10,000 square feet
- Streamlined environmental requirements for small developments
- Pre-approval of common house plans

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

2. Waiver of Fees

- Waive fees based on amount of affordable housing in the development
- Waiver of permit fees for all affordable housing developments
- Exempt inspection, right of way and street cut fees for affordable housing
- Reimbursement of sewer and transportation fees
- Exempt building permit and platting fees

3. Changes to Zoning and Land Development Regulations

- Density bonuses
- Smaller lot sizes
- Clustered housing/conservation design
- Reduced side yard and setback requirements
- Affordable Housing Mixed Use District- increases densities, reduces parking requirements and increases commercial space
- Use of manufactured and modular housing in residential districts subject to site and design standards
- Reduced builder bonding and landscaping requirements
- Reduced street widths, rights-of-way and sidewalk widths
- Eased code requirements for accessory units

4. Tax Policy Adjustments

- Sales and use tax rebates on materials to affordable housing builders
- 2-yr tax exemption for first \$75,000 of value
- 3-yr property tax exemption for increased values from rehabilitation

5. Utilization of Publicly-Owned Lands

- Publicly-owned housing available at below market rates to non-profits
- Redevelopment land
- Inventory of publicly-owned land

6. Affordable Housing Programs

- Community education around zoning changes
- Use “design-build” bids
- Affordable housing marketing effort and establish affordable housing board to recommend reform efforts

On this same website is a description of Montgomery County, Maryland’s inclusionary zoning ordinance, which is considered the most successful program of its kind in the country. Under this ordinance nearly 10,000 affordable units have been produced since it was enacted in 1974. The local Moderately Priced Dwelling Unit (MPDU) ordinance requires developments of more than 50 units to include 15 percent MPDUs. Of that 15

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

percent, moderate-income first-time homebuyers can purchase two-thirds of the units and the local housing commission or local non-profits can purchase the remainder for use in their affordable rental programs.

Montgomery County provides a "density bonus" to developers; that is, within local planning constraints, the County grants a builder the ability to build 22 percent more units in the subdivision than otherwise would be allowed. Thus, the land for the MPDU's is "free." The Ordinance makes certain that private developers are not penalized for constructing moderately priced dwelling units, and that they have reasonable prospects of realizing a profit on such units by virtue of the MPDU density bonus. Also, developers of residential units in qualified projects are given extra flexibility to meet the broad objective of building housing that low and moderate income households can afford by letting them contribute to a County Housing Initiative Fund.

Few, if any, of the regulatory practices listed above are currently being used in Centre County. Notably, College Township has recently adopted a Traditional Neighborhood Development Overlay District that includes incentives if units meet requirements for Workforce Housing. Several communities are examining these issues: Ferguson Township is considering draft Traditional Town Development regulations that would include a density bonus for Work Force Housing, and Patton Township is exploring ways to incorporate affordable housing into residential development. In addition, the Nittany Valley Region is working on a regional zoning ordinance. These and other similar efforts are to be strongly encouraged and supported. A sample Traditional Neighborhood Development Ordinance from Mt. Joy Borough in Lancaster County is provided in the Technical Supplement.

In addition, in order to reduce regulatory barriers in Centre County the consultant recommends that:

- The County Planning Office convene the State College, Centre Region Planning Offices, members of the Affordable Housing Coalition and other interested parties to consider the above methods for reducing regulatory barriers; identify those that are most applicable to Centre County municipalities; identify existing or draft model ordinances/regulations; and develop a strategy for continuing to educate municipalities about regulatory reform.
- The County work with one or two municipalities that are willing to adopt and test regulations that promote the development of work force housing; provide financial and other incentives to those municipalities (such as expedited review by the County Planning Office); and document and show case the results of these demonstration projects. . More information on this approach can be found in Prototype 3.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**6- Continue to Increase Homeownership Options**

The positive benefits of homeownership in stabilizing and maintaining communities is well known. Although the homeownership rates in the rest of the County match or exceed state and national rates, the number of homeowners in the Centre Region is extremely low due to the student population. It should also be noted that in several other regions the percentage of elderly homeowners has increased over the past ten years, which means that there are fewer first time homebuyers, many of whom are working families. Therefore the goal of increasing the number and percentage of first time buyers is important throughout the County.

At this time, both the County and State College Borough have homeownership programs. There are 8 programs operating in the County, four of which exclusively serve State College Borough. (See Current Housing Programs Centre County in Appendix D. Although these programs are highly effective in assisting individuals to purchase existing housing, they do not stimulate the production of new sales housing to meet the need of the many working families identified in this study. Further, Borough officials have noted the difficulty in finding homes for sale that can be made affordable even with sizable subsidies.

We make the following recommendations with the goal of continuing to increase affordable homeownership through the expansion of existing programs and increased production of sales housing:

**Planning**

- The County should promote land use and zoning regulations that allow for the development of townhouses and other attached housing, since these units are more affordable than detached single family homes.
- The development of in-fill housing and small land parcels should also be promoted as more affordable housing options, most notably in State College, Bellefonte and other Boroughs.
- Finally, the County should promote mixed income housing developments where lower-income housing is a percentage of the housing built such as in Montgomery County, Maryland as described above. We suggest this be done on a voluntary basis in Centre County with a target of 15%-20% affordable units in each new development.

These mechanisms can be promoted through the provision of written information (including model ordinances) and with financial incentives as described below.

**Financing**

As described above, the County has 8 different programs that promote homeownership, several of which provide down payment, closing cost and mortgage assistance to



**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

individual buyers, and several of which subsidize the purchase, rehabilitation and resale of properties. We recommend the following:

- The use of federal, state and local dollars to subsidize the construction of new sales housing so that the units are affordable to working families and other low and moderate income households. These subsidies should be targeted for use in supporting the priorities identified in the County housing policy as described above, such as for units built in designated growth areas, in-fill sites, and/or mixed income developments. The County subsidies should be applied in such a way as to maximize the leveraging of other public and private resources.
- Fannie Mae, the Pennsylvania Housing Finance Agency and Rural Development have sales housing programs that are not being fully utilized in the County. These include sweat equity programs that give opportunities to potential buyers to assist in rehabilitation or construction of a property to reduce the final purchase price. The new Housing Coordinator/Director of OHCD should meet with representatives of these agencies, identify the specific obstacles to full use of these programs (such as inadequate marketing of the products) and design strategies to ensure their full utilization, including targeted use of subsidies as suggested above. It is important to note that a number of these programs are accessed through local lenders, who should also be included in appropriate discussions. Descriptions of a number of the Fannie Mae, PHFA and Rural Development Homeownership programs are included in the financing section of the Technical Supplement to this report.
- The Federal Home Loan Bank of Pittsburgh (FHLB) has recently upgraded the Home Buyers Equity Fund (HBEF) to increase its down payment and closing cost assistance program, to up to \$5,000 per household if matched by the buyer. The County should contact the FHLB Community Investment Department at 412-288-2826 to find out more about this program, since it will enable the County and State College Borough to better leverage their funds.
- Although fee simple homeownership is highly valued in the USA, this type of ownership is not appropriate or desirable for all families. Other forms of ownership, such as condominium and limited equity cooperative, can provide the same long-term control as fee simple ownership with fewer obligations. We suggest that the County investigate the feasibility of fostering ownership through these vehicles in order to extend the benefits of ownership to a broader segment of the population. Information on a housing cooperative developed for and owned by nine people with mental illness in Montgomery County, PA is included in the Technical Supplement.
- Another vehicle that can be used to expand homeownership is a Tax Abatement Program for units constructed or rehabilitated in designated areas of the community. All or a portion of the taxes on a property can be abated for a specified period of time to ease the tax burden, especially for first-time homebuyers. This vehicle can be a small or large incentive depending on the number of taxing bodies that are willing to participate. Obviously the participation of the local school district is critical if large savings are to be realized through this vehicle. In addition to county and

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

local taxes, state tax relief can be obtained in designated Keystone Opportunity Zones. This program is designed to revive economically distressed urban and rural communities in Pennsylvania and can be accessed by contacting the KOZ Coordinator in the PA Department of Revenue at 717-783-9568. A brochure on the KOZ program is included in the Technical Supplement to this report.

**Resale/Recapture Provisions**

As described above, there are a number of ways to achieve affordability of sales housing, the most common being through zoning density bonuses and/or through the direct provision of public subsidies. However, a major concern raised during the stakeholder interviews was how to maintain these units as affordable over the long term. Maintaining affordability is especially important in a rapidly appreciating real estate market such as experienced in Centre County, and even more so if public subsidies are used to achieve affordability.

There are a number of methods that can be used to accomplish long-term affordability. The most common is resale/recapture provisions that are secured by a deed, property lien or ground lease that must be satisfied before the property is sold or transferred. These liens can contain a variety of terms and conditions as determined by the County and agreed to by the home purchaser. For example, if the homeowner has received a subsidized loan or other direct financial benefit, the lien can require full repayment of the loan upon resale or transfer. Or it could be transferred to the next buyer if that buyer also meets the program's eligibility requirements. The lien could also provide for the loan to be fully or partially forgiven after a fixed number of years or the repayment obligation could decline gradually over a specified period of time. Variations of these mechanisms are currently being used by State College Borough in their First Time Homebuyer and Community Land Trust Programs.

The Montgomery County, Maryland program described above provides a model of how long term affordability can be retained when no public subsidy is involved. Until recently, the price of the units was controlled for 10 years through a Deed Covenant on the land. If the house was sold within 10 years, the County calculated a sales price based on the Consumer Price Index. If sold after the 10-year period, the unit was sold at market rate but the County recovered some of the appreciation, which they then put back onto a County fund for housing. However, that particular unit was lost as affordable housing. Recently the County changed the retention period to 30 years because too many affordable units were lost.

For more information on the Montgomery County program contact Chris Anderson, 240-777-3713, or Janet Lewis, 240-777-3600, at the Montgomery County Department of Housing.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**7- Expand the Number of Home Improvement Loans and Grants**

In addition to promoting homeownership among renters, the County needs to ensure preservation of its existing housing stock. Many current homeowners are low income and/or living on fixed incomes without the means to make necessary home repairs. In addition, many rental properties occupied by low and moderate-income elderly and/or people with disabilities need home modifications and/or improvements. While State College Borough, the Moshannon Valley Economic Development Partnership and Centre County are operating home improvement programs for owner-occupied properties, the County program is modest relative to the need and none of the programs currently address rental properties. We therefore recommend that:

- The County pursues additional resources to expand its home improvement program, targeting areas outside of State College Borough. Since the state is prioritizing community revitalization, we suggest that the County take a targeted approach to the home improvement program in order to attract additional funds from the Commonwealth.
- The County expands its program to include the rehabilitation of rental properties occupied by elderly and disabled households. Funds should be used for home modifications as well as for home improvements to bring the property up to applicable code standards. Continued funding should be sought from DCED/PHFA for this program as well as funding from the HOME and Access Grant programs specifically for home modifications. (Please note: The administration of the Access Grant Program is in the process of being transferred from DCED to PHFA). Prototype 4 contains additional information on this recommendation.

**8- Promote Rental Housing in Targeted Submarkets**

Affordable rental housing is critical for lower income households, including those who are saving to become homeowners and those for whom ownership is neither desirable nor appropriate. As demonstrated clearly in the data, rental housing affordability is a major issue in Centre County, especially in the Centre Region where the strong impact of the University is felt on the rental market.

A telephone survey conducted by the Centre County Housing Authority of larger rental developments in the region revealed that rental vacancies are higher than they have been in recent years. Of 10,680 units in 43 market rate and subsidized developments that responded, 547 or 5% of the apartments were reported as vacant. Analysis of this data seems to indicate that vacancies are being created primarily in market rate apartments in State College Borough as students move from older to newer apartments. Although these vacancy rates are still not high compared to other housing markets, it does indicate the critical need for rental subsidies rather than for the construction of additional rental units in this area of the County.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

It is important to note that in both of these cases, the availability of rental subsidies is critical to affordability. Even with grants for 100% of the development cost so that there is no debt service, the monthly operating costs of rental housing still exceeds the amount of dollars most low and moderate income households can pay for housing. Rental subsidies are still needed to make those apartments affordable. Further, in order to obtain development financing from PHFA and other sources for rental development, it is critical that rental subsidies be project-based, or attached to the units, and that they be committed during the pre-development phase of the project.

The most obvious source of rental subsidies is the Centre County Housing Authority. Unfortunately they only have 634 HUD Housing Choice Vouchers at the present time. The pressing need for additional vouchers is demonstrated by the fact that 380 people signed up for the waiting list during a recent 9-day application window. With such high unmet need, it is crucial that the PHA be extremely aggressive in pursuing any and all opportunities to increase the number of housing vouchers available through HUD.

As described above, there is a need for tenant-based vouchers as well as for project-based vouchers that attach to the unit. Under current HUD regulations, a public housing authority (PHA) can project-base up to 20% of its vouchers. In Centre County that means that 20% of 624, or up to 125 vouchers could be project-based. In order to accomplish this, the PHA must amend its Administrative Plan to include project-based vouchers and issue a Request for Proposals from interested developers. Several developers have already expressed interest in this option. We urge the PHA to include project-basing as an option in their Administrative Plan and to prepare an RFP for issuance, starting with a small number and increasing to the maximum over time as needed to support new rental development.

Although HUD housing choice vouchers are an important source of rental assistance, other alternatives must also be pursued. For example, HOME dollars can be used for rental assistance for up to two years. This can be an excellent resource for bridge subsidies, or rental assistance for the period when a household is waiting for its name to come to the top of the PHA housing voucher waiting list. State College Borough could use its HOME funds for this purpose and DCED is considering a change of policy to allow for this option that would apply to the rest of the county. This would be a good time to approach DCED with a proposal to utilize HOME funds for rental assistance, making sure to include a mechanism for ending or taking over the subsidies at the end of the two year period.

**Artists' Housing**

The consultant was asked to address the specific issue with regard to artists. In addition to being low and moderate income, many artists prefer to combine their workspace with their living space, both for reasons of affordability as well as convenience. This need translates into the need for affordable housing that meets special physical requirements such as for large space, special lighting, extra plumbing and other features. The development of artists' housing not only provides affordable housing for artists, but also can contribute to the economic development and

## **Centre County Affordable Housing Needs Assessment:** **A Blueprint for Action**

revitalization of a community. Educational opportunities may be provided as well as increased tourism, and retail activity.

The consultant met with a developer interested in developing artists' housing in Millheim Borough and provided technical assistance on potential funding sources. More information on that project is provided in Prototype 2.

The consultant also contacted a developer who successfully developed artists' housing in Philadelphia and summarized pertinent information in a memo that is found in the Appendix. Finally, we identified a national resource for artists housing, Artspace, located in Minneapolis, whose mission is to "create, foster, and preserve affordable space for artists and arts organizations." Artspace is available for consultation and is currently working on projects in Scranton and Philadelphia. They can be reached at [www.artspaceuse.com](http://www.artspaceuse.com). Additional information on Artspace is in the Technical Supplement.

Other specific recommendations to stimulate rental development and affordability include:

### Planning

- The County should promote zoning incentives (e.g. density bonuses) for developments that include not only affordable sales housing, but also affordable rental housing.
- It should also promote the development of units of varying sizes in mixed developments, including for very-low income families and single individuals.

These mechanisms can be promoted through the provision of written information (including model ordinances) and technical assistance, as well as with financial incentives as described below.

### Financing

- The most effective incentive for promoting rental development is through financial incentives. Public dollars should be used to subsidize the construction or rehabilitation of new rental housing so that the units are affordable to households identified as high priorities in the County housing policy, such as working families and elderly. Incentives should be designed to maximize the leveraging of other public and private dollars. This might include the provision of matching dollars for state and federally funded programs such as the Low Income Housing Tax Credit Program, PennHOMES, Rural Development, McKinney or the Federal Home Loan Bank Affordable Housing Programs. Local matching dollars are critical for attracting these dollars, not only in order to ensure financial feasibility, but also to demonstrate local support for the project. In short, use of County controlled funds for this purpose should carefully align with County housing priorities.
- The County should examine the feasibility of non-traditional housing options such as the development of group-shared residences for more active elderly residents. Such

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

models can provide not only safe, affordable housing, but also supports and companionship. More information on this option is provided in Prototype 5.

**9- Increase Housing Opportunities for People with Disabilities and Homeless Households**

As described above, homeless and people with disabilities often face insurmountable obstacles in meeting their housing needs. Their housing costs need to be extremely affordable (since their incomes are often only 20%-30% of the median), and they may need accessible housing and access to appropriate supportive services.

The following series of recommendations addresses these needs and barriers.

**a- Housing for all People with Disabilities**

- **Set-asides:** In working with developers, the County should require or provide incentives for a set-aside of a percentage of units in new affordable housing developments for people with disabilities. Both PHFA and the Federal Home Loan Bank Affordable Housing Program give additional rating points for projects that serve people with disabilities.
- **Rental Subsidies:** The County should allocate funding through the Housing Trust Fund and/or through Project Based Section 8 to provide rental subsidies to individuals with disabilities so that they can afford to live in projects developed through the low income housing tax credit program (LIHTC), since these units are only required to be affordable to households at 50% or 60% of the median. Although these rental developments are “affordable housing”, they are not affordable to very low-income households with disabilities.
- **Mainstream Section 8:** In the past HUD has issued an RFP for Mainstream Section 8 Vouchers, which are an additional allocation of Section 8 Vouchers specifically for people with disabilities. Although these vouchers have not been available recently, the Housing Authority should watch for and be prepared to apply for these vouchers if and when they become available in the future.
- **Section 811:** The County should encourage developers to pursue funding under the HUD Section 811 Program, which is the most significant financial resource for increasing the availability of affordable housing for individuals with disabilities. It is also the only HUD program that allows developers to target a specific disability group such as people with physical disabilities or people with mental illness. The program provides funding for project development and for long term rental subsidies. The applicant must be a non-profit organization. The applications are typically due in June with the NOFA from HUD issued in March. This is a highly competitive program and planning should begin well in advance.
- The County should actively consider innovative housing options such as shared housing and housing cooperatives.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

**b- Housing for “Frail” Elderly**

It is well documented that the elderly prefer to age in place. However, as they become “frail” and in need of assistance with bathing, dressing, shopping, preparing meals and other daily needs, staying at home becomes a serious challenge to those without adequate resources to pay for these services. In some cases, people have been forced to leave their homes for the sole purpose of receiving those services. In recent years elderly individuals have been able to receive services in their own home through funding from Medicaid waivers and the Department of Aging. The availability of these services has been invaluable in enabling people to age in place and to delay institutionalization. However, integrating housing and long-term supports for low- and moderate-income “frail” elderly can be a major challenge.

It is recommended that the Housing Coordinator/Director of OHCD work closely with developers to identify the services needed by the residents of proposed housing; work closely with the County Office of Human Services and the County Office of Aging to identify sources for those services; identify obstacles and gaps in providing the necessary services, and develop strategies for overcoming obstacles and filling gaps. The use and coordination of Medicaid Waiver Services for the elderly and disabled should be a high priority in these efforts.

More information on this is included in Prototype 5.

**c- Housing for People with Physical Disabilities**

There are a range of building features that can be used to accommodate people with physical disabilities, including accessible housing, visitable housing, adaptable housing and universal housing, as defined below:

- **Accessible Housing:** HUD 's Fair Housing Accessibility Guidelines include the following seven requirements:
  - Ø Accessible building entrance on an accessible route
  - Ø Accessible common and public use areas
  - Ø Usable doors (usable by a person in a wheelchair)
  - Ø Accessible route into and through the dwelling unit
  - Ø Light switches, electrical outlets, thermostats and other environmental controls in accessible locations
  - Ø Reinforced walls for grab bars
  - Ø Usable kitchens and bathrooms
  
- **Visitable Housing:** This is a relatively new concept to include people with disabilities into the life of the community. The three features of a visitable unit are:
  - Ø An at-grade or zero-step entrance to the home that is approachable by an accessible route such as a sidewalk

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

- ∅ Doors (one exterior and all interior) that are at least 2 feet, 10 inches wide to allow 32 inches of clear passage space. (Three-foot doors are required in fully accessible units)
- ∅ A powder room on the first floor
- **Adaptable Housing:** This is housing designed in such a way that it can be easily modified in the future to meet changing needs of occupants and visitors. This might include increased doorway and hallway width, adjustable countertops and cabinetry, no steps, electrical outlets and light switches placed at more accessible heights, larger bathrooms, wall reinforcements for handrails, and accessible baths and toilets.
- **Universal Design:** The universal design concept targets all people of all ages, sizes, and abilities. The concept promotes designing every building so that everyone can use them to the greatest extent possible.

It is important to note that while all new multi-family housing built for occupancy after March 13, 1991 must be fully accessible, these requirements do not apply to multi-family units with fewer than 4 units, single family housing, or buildings with less than substantial rehabilitation.

The following recommendations are therefore designed to increase the number of affordable housing units in the County for people with physical disabilities:

- **Exceed required accessibility requirements:** In working with developers, the County should provide both education about accessibility and special incentives for projects that exceed the required Federal standard that 5% of units be wheelchair accessible and 2% be accessible for individuals with hearing or visual disabilities. Currently PHFA awards points in the tax credit program for projects in which 10% of the units are wheelchair accessible and 4% are accessible for individuals with hearing or visual disabilities. We recommend that the County provide incentives for projects meeting these or higher percentages.
- **Assure that accessible units are occupied by people needing the accessibility features:** Given the very limited number of wheelchair accessible units in Centre County, it is critical that they all be occupied by households that need these features. To determine the extent to which these units are being properly utilized, the County Planning Office should conduct a survey of the accessible subsidized rental units in the county to determine whether they are actually occupied by individuals needing the accessibility features. If not, property managers should work with local service providers to pro-actively market the unit to a household that needs the accessibility features and then relocate the current occupants to the next appropriate sized vacant unit. An affirmative marketing plan should be established to market all newly developed accessible units to households that need the accessibility features.



**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

- **Make all new single-family homes visitable:** The County should provide all single-family housing developers with information on Visitability. The County should also consider adopting a requirement that all new or substantially rehabilitated single-family homes *receiving County or Borough assistance* be made Visitable. This may necessitate a county level committee that would be empowered to waive this requirement if the building or site considerations would prohibit Visitable design. Additional information on Visitability can be obtained from the Pennsylvania Housing Research Center (contact Mark Fortney at 814-863-2366) and in the Technical Supplement to this report.

**d- Housing for People with Mental Illness**

The Commonwealth of Pennsylvania, consistent with the federal New Freedom Initiative, is strongly encouraging counties to adopt the recovery model for people with mental illness. This includes conversion of the county residential system to include recovery-oriented housing options. As part of this effort, the PA Office of Mental Health and Substance Abuse Services has recently initiated a process to assist the Lycoming/Clinton MH/MR in assessing their current mental health residential system and determining how to develop a service-rich environment that will make it more recovery oriented. Free technical assistance to the County is being provided by Diana T. Myers and Associates, Inc., OMHSAS's housing consultant.

Centre County's Office of Mental Health/Mental Retardation/Drug and Alcohol is aware of these initiatives and has expressed an interest in participating in a planning effort similar to the one being undertaken by Lycoming/Clinton MH Office. We recommend two actions towards accomplishing this objective:

- The County MH Director should contact OMHSAS and request technical assistance in an assessment and planning effort
- The County establishes a Local Housing Options Team or other subcommittee of the Affordable Housing Coalition to assist with this and other efforts to expand housing options for people with disabilities. Information on LHOT's is included in the Technical Supplement.

In addressing housing for this population, the County should consider options other than the traditional group home. Three innovative models are being suggested by OMHSAS: Fairweather Lodge, shared housing and housing cooperatives. The Fairweather Lodge provides affordable housing and employment for its residents and the cooperative provides a flexible ownership option for its residents. OMHSAS is providing technical assistance in pursuing these options including written materials included in the Technical Supplement. In addition, the County MH Office is working with one of its provider agencies to explore the Fairweather Lodge concept in Centre County, including the feasibility of taking advantage of DCED HOME funds that are available to support the development of Fairweather Lodges. We encourage aggressive pursuit of this option as described in Prototype 6. Finally, we suggest that the County contact the

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

Central Pennsylvania Community Housing, a newly formed organization that is promoting cooperative housing. ([Pacommunityhousing@gmail.com](mailto:Pacommunityhousing@gmail.com)).

**Homeless Individuals and Families:**

Individuals and families moving out of homelessness have an especially difficult time accessing affordable housing, especially those who have disabilities. The following are several recommendations to increase access to affordable housing for homeless households.

- **Shelter Plus Care:** The HUD McKinney Vento funded Shelter Plus Care Program provides rental subsidies for homeless individuals and households in which at least one of the adults has a disability. The program applicant must be a public housing authority or unit of local government. The rental subsidy funds must be matched by supportive services. Currently the Centre County Housing Authority, in collaboration with the Office of Mental Health, has funding for 8 Shelter Plus Care units. However, the funding is adequate to house 13 households because participants have become employed while in the program and are paying a higher share of the rent. This program consistently has a waiting list of 10 to 15 individuals. Shelter Plus Care applications must be submitted through the Central-Harrisburg Region Continuum of Care which typically has had adequate funds to add several new projects each year. We therefore recommend that the Housing Authority apply for 10 to 15 additional slots of Shelter Plus Care in the 2006 application round. The initial grant is for five years with annual renewals thereafter. Notices of Intent will be due in early 2006 with full applications due in the spring or summer. Funding will be announced December 2006 and available June 2007.
- **Permanent Supportive Housing Program:** The HUD McKinney Vento Program also provides funding under the Supportive Housing Program (SHP) for Permanent Supportive Housing for People with Disabilities. This program provides funding for 50% (with a maximum of \$400,000) for the development of housing for homeless individuals with a disability of households in which at least one adult has a disability. Most of the match for development (not to exceed \$400,000) may be obtained through a HOME grant from the PA Department of Community and Economic Development if the project is located outside of State College Borough. Funding is also available through SHP for 80% of the cost of supportive services and 75% of the cost of operations. Alternatively, funding is available for 100% of the cost of leasing rental units plus 80% of supportive services. The applicant may be a non-profit organization, a unit of local government, or a public housing authority. These are two or three year grants with renewal funding available. The application process and timeline is the same as Shelter Plus Care. This may be a valuable resource for the Women's Resource Center. We recommend that the Women's Resource Center assess the extent to which the women they serve have a disabling condition and begin to design a tenant-based rental assistance program to help meet the affordable housing needs of the families leaving their shelter and transitional housing program.

**Centre County Affordable Housing Needs Assessment:**  
**A Blueprint for Action**

- **Set-asides:** In working with developers, the County should require or provide incentives for a set-aside of units in new affordable housing developments for homeless individuals and families. Both PHFA and the Federal Home Loan Bank Affordable Housing Program give points for projects that serve homeless households.

**Support Services**

Although this report focuses on housing, the availability and access to appropriate support services is critical to the County's success in addressing the housing needs of homeless, frail elderly and people with disabilities. The County Office of Adult Services has long been a proponent of affordable housing and has taken affirmative steps to ensure that the necessary support services are available to assist people in obtaining and maintaining their housing. They are supported in these efforts by the Office of Aging and a number of active and committed service providers.

It is recommended that the County Offices of Adult Services and Aging be involved in the planning and implementation of all housing for the homeless, frail elderly and others with disabilities and that consideration be given to the adequate funding of all necessary services. It is important to note that while services must be available, acceptance of service should not be a requirement of obtaining the housing. All existing sources, including HSDF, CSBG, and Medicaid Waivers should be tapped to ensure access to support services. However, in the event that no funding source exists, the county should encourage developers to use developer's fees and other innovative sources to ensure the availability of services.

**10- Monitor and Evaluate Programs and Update Relevant Data**

The long-term success of the County's affordable housing efforts will depend upon effective program monitoring and evaluation. The responsibility for these functions should rest with the Housing Cabinet. In order for monitoring to be effective, clear program goals and objectives must be established at the outset. The Housing Coordinator/OHCD Director should collect and analyze data on performance annually with assistance from the County Planning Office.

In addition to program monitoring, a countywide housing needs assessment should be conducted at least every ten years to update the findings of this study. To be most effective, the needs assessment should take place following the decennial census, when the most up-to-date data is available. As such, the next update should be undertaken in 2011 or 2012 and then every ten years.

Other data analysis should occur on an as needed basis in order to provide input to specific proposed activities or to evaluate existing programs and policies. The County Planning Office has been doing an excellent job in this area and should continue in this role.