

CHAPTER 2

HOUSING CHARACTERISTICS IN PENNSYLVANIA AND NEIGHBORING STATES IN 2000

Overview

Pennsylvania is home to the major cities of Philadelphia (Philadelphia County) and Pittsburgh (in Allegheny County), in the southeast and southwest sections of the state, respectively. In addition, the state has a number of other, smaller key cities that are located within its 16 metropolitan statistical areas (MSAs).¹³ These cities include the state capital, Harrisburg, as well as Allentown, Bethlehem, Erie, Lancaster, Reading, and Scranton.

Much of the rest of Pennsylvania is considered rural, particularly the northern and middle sections. In fact, 48 of Pennsylvania's 67 counties can be classified as rural.¹⁴ The rental housing stock in rural areas often differs from the stock in urban areas.

This chapter summarizes key housing and demographic characteristics for Pennsylvania and the nation at the time of the 2000 decennial census and compares Pennsylvania to its neighboring states, including Delaware, Maryland, New Jersey,

New York, Ohio, and West Virginia. Appendix A provides county-level detail on housing characteristics within Pennsylvania.

Housing Tenure

According to the 2000 census, Pennsylvania has a population of 12.3 million, most of whom, approximately 11.8 million, are classified as residing in housing units.¹⁵ These 11.8 million people live in 4.8 million households, 28.7 percent of which are renter households. (The renter households include 2.9 million people, or 24.2 percent, of the state's total population residing in housing units.)

As Table 1 shows, Pennsylvania's percentage of renter households is lower than that of the United States and most of Pennsylvania's neighboring states. Yet, because Pennsylvania has the second highest number of housing units in this region, the number of renters is still high (1,370,836 renter households) when compared to that of other states.

Pennsylvania's renter households are heavily

¹³ There are 16 MSAs in Pennsylvania. Twelve MSAs are fully contained within Pennsylvania, while portions of four other MSAs are located within the state. See <http://www.whitehouse.gov/omb/assets/omb/bulletins/fy2009/09-01.pdf>. In addition, Appendix A provides a map that shows all Pennsylvania MSAs and counties.

¹⁴ This study uses the Center for Rural Pennsylvania's classification of urban and rural counties. Refer to Appendix A for a discussion of urban and rural areas within the state and how they are defined.

¹⁵ The difference between the total population and the population in occupied housing units is accounted for by Pennsylvanians residing in group quarters. The Census Bureau identifies two types of group quarters: institutional (correctional facilities, nursing homes, and mental hospitals) and noninstitutional (college dormitories, military barracks, group homes, missions, and shelters). For more information, refer to American Factfinder at <http://factfinder.census.gov/home/saff/main.html>.

TABLE 1
Occupied Housing Units by State

	Total Occupied Housing Units	Owner-Occu- pied Units	Renter-Occupied Units	% That Are Renter-Occupied
United States	105,480,101	69,816,513	35,663,588	33.8%
New York	7,056,860	3,739,247	3,317,613	47.0%
New Jersey	3,064,645	2,011,298	1,053,347	34.4%
Maryland	1,980,859	1,341,594	639,265	32.3%
Ohio	4,445,773	3,072,514	1,373,259	30.9%
Pennsylvania	4,777,003	3,406,167	1,370,836	28.7%
Delaware	298,736	216,046	82,690	27.7%
West Virginia	736,481	553,626	182,855	24.8%

Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table H17, http://factfinder.census.gov/home/saff/main.html?_lang=en

TABLE 2
Median Household Income in 1999 by Tenure

	Occupied Housing Units	Owner Households	Renter Households	Renter Income as Percentage of Owner Income
United States	\$41,851	\$51,323	\$27,362	53%
West Virginia	\$29,663	\$34,632	\$16,794	48%
New York	\$43,070	\$58,956	\$28,851	49%
New Jersey	\$54,820	\$68,770	\$34,103	50%
Maryland	\$52,640	\$64,860	\$32,351	50%
Ohio	\$40,846	\$50,093	\$25,116	50%
Pennsylvania	\$39,987	\$47,611	\$24,601	52%
Delaware	\$47,012	\$54,951	\$30,429	55%

Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table HCT12, http://factfinder.census.gov/home/saff/main.html?_lang=en

concentrated in urban areas, reflecting both the larger populations in urban areas and the higher propensity to rent in these areas. Over 75 percent of renter households are found within Pennsylvania’s 19 urban counties, while only 25 percent are found within the 48 rural counties. Nearly half of Pennsylvania’s renter households live in just six counties: Philadelphia, Allegheny, Montgomery, Bucks, Delaware, and Lancaster.

Income of Renters

There is a significant disparity in income between owners and renters throughout the

country. Owner households earn nearly twice as much as renter households nationally and in Pennsylvania and its neighboring states, as indicated in Table 2. In 1999, median income for renter households in Pennsylvania was approximately \$24,600 and \$47,600 for owner households.

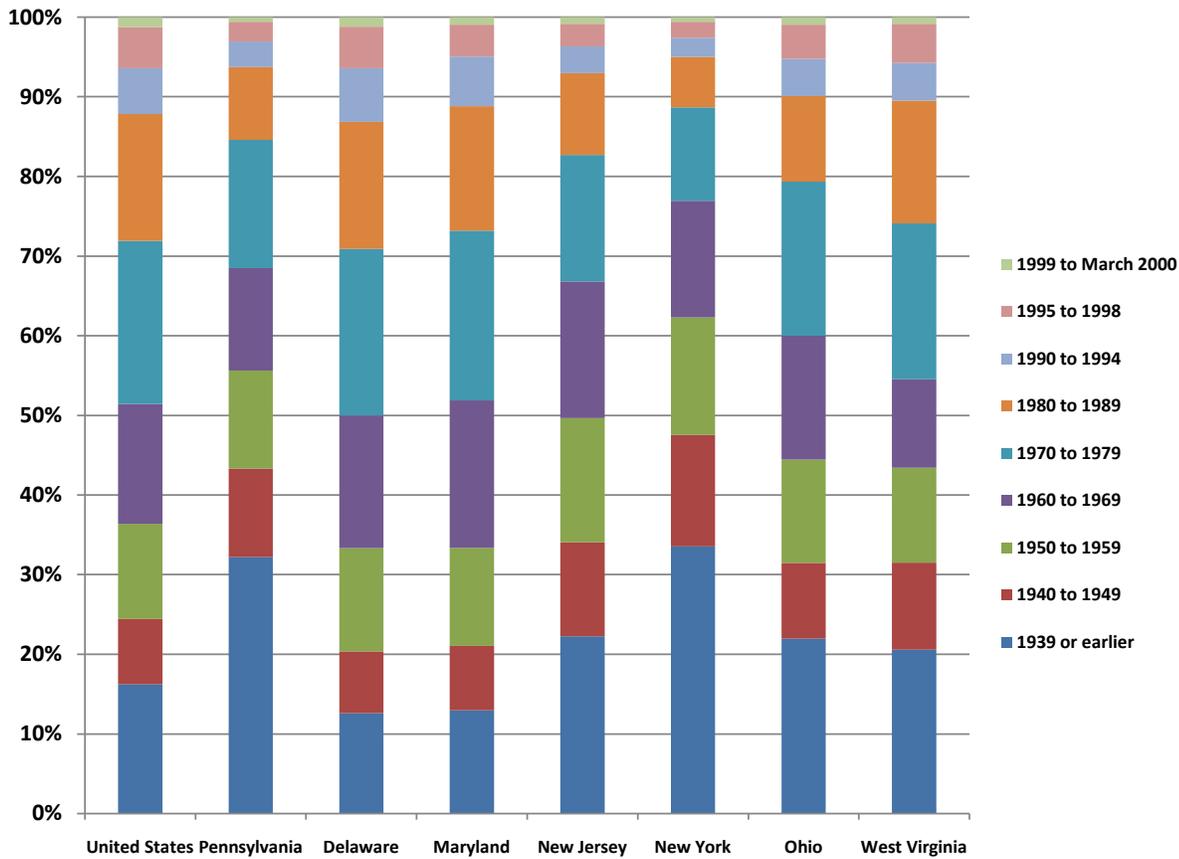
A difference in the median income of owner and renter households is also apparent at the county level. Even in the county with the most equal income distribution, the median renter’s income is still two-thirds of the median owner’s income.

Age of Rental Housing Stock

One of Pennsylvania’s key rental housing challenges is the age of its rental housing stock. Pennsylvania has the second oldest renter-occupied housing stock in the immediate region, following only New York (Chart 1). Over two-fifths, or 43 percent, of rental housing units in Pennsylvania were built before 1950, compared with 24 percent in the nation as a whole. Conversely, only 15 percent of rental units in Pennsylvania have been built since 1980.

The median age of renter-occupied housing

CHART 1
 Renter-Occupied Units: Year Structure Was Built



Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table H36, http://factfinder.census.gov/home/saff/main.html?_lang=en

TABLE 3
 Median Year Structure Was Built

	Total Occupied Housing Units	Owner-Occupied Units	Renter-Occupied Units
United States	1971	1971	1969
New York	1954	1956	1952
Pennsylvania	1957	1958	1955
New Jersey	1962	1962	1960
Ohio	1962	1962	1964
West Virginia	1969	1970	1966
Maryland	1971	1972	1969
Delaware	1972	1974	1970

Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table H37, http://factfinder.census.gov/home/saff/main.html?_lang=en

units is three years older than the median age of owner-occupied units in Pennsylvania (Table 3). Renter-occupied units are generally older than owner-occupied housing units throughout the nation and in most of Pennsylvania’s neighboring states as well.

Older rental housing is found throughout the state in both rural and urban areas. In 49 out of the 67 counties in Pennsylvania, the renter-occupied housing stock is older than the owner-occupied housing stock, and in four counties, the renter- and owner-occupied housing stock has the same median age.

Age of Renters

In addition to having an aging rental housing stock, Pennsylvania also has a population that is older than the national average and also older than that of its neighbors. Given this fact, it is not surprising that Pennsylvania renters are older than renters in both the nation and all of its neighboring states (Chart 2). Overall, one-fifth of renter households in Pennsylvania have a head of household who is 65 years or older. This fact suggests that any upward pressure on rents might have particularly severe effects on housing affordability in Pennsylvania because many elderly renters are likely to have fixed incomes.

Having a high percentage of elderly renters is likely related to the fact that Pennsylvania has experienced a large net out-migration of young

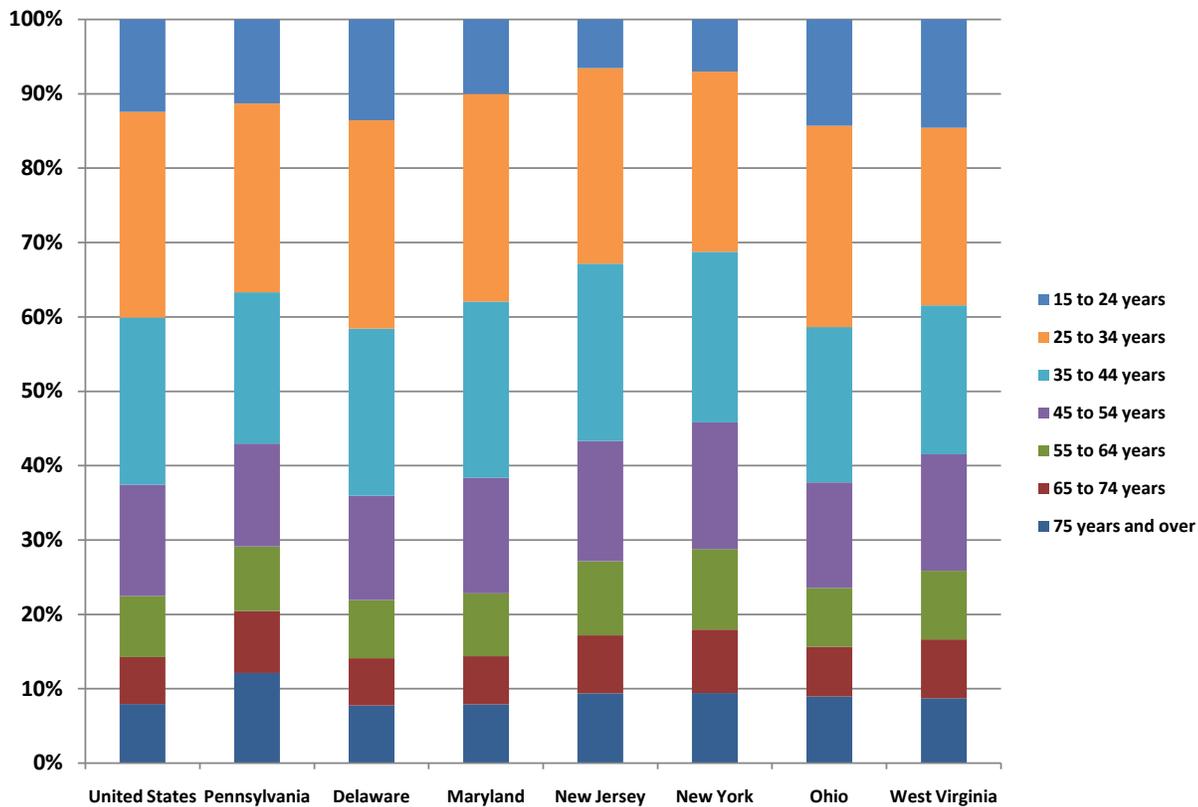
people. As reported by the Brookings Institution in a 2003 report, “Pennsylvania suffered one of the largest percentage losses in young workers among states in the 1990s.”¹⁶ The percent of elderly renters could rise even further if this trend continues.

Renter-Occupied Units: Structure Size

In Pennsylvania, over 60 percent of renter-occupied housing units are in structures with only one to four units, which this study calls small rental housing structures. Indeed, nearly half of Pennsylvania’s renter-occupied housing units (48 percent) are in one- or two-unit structures,

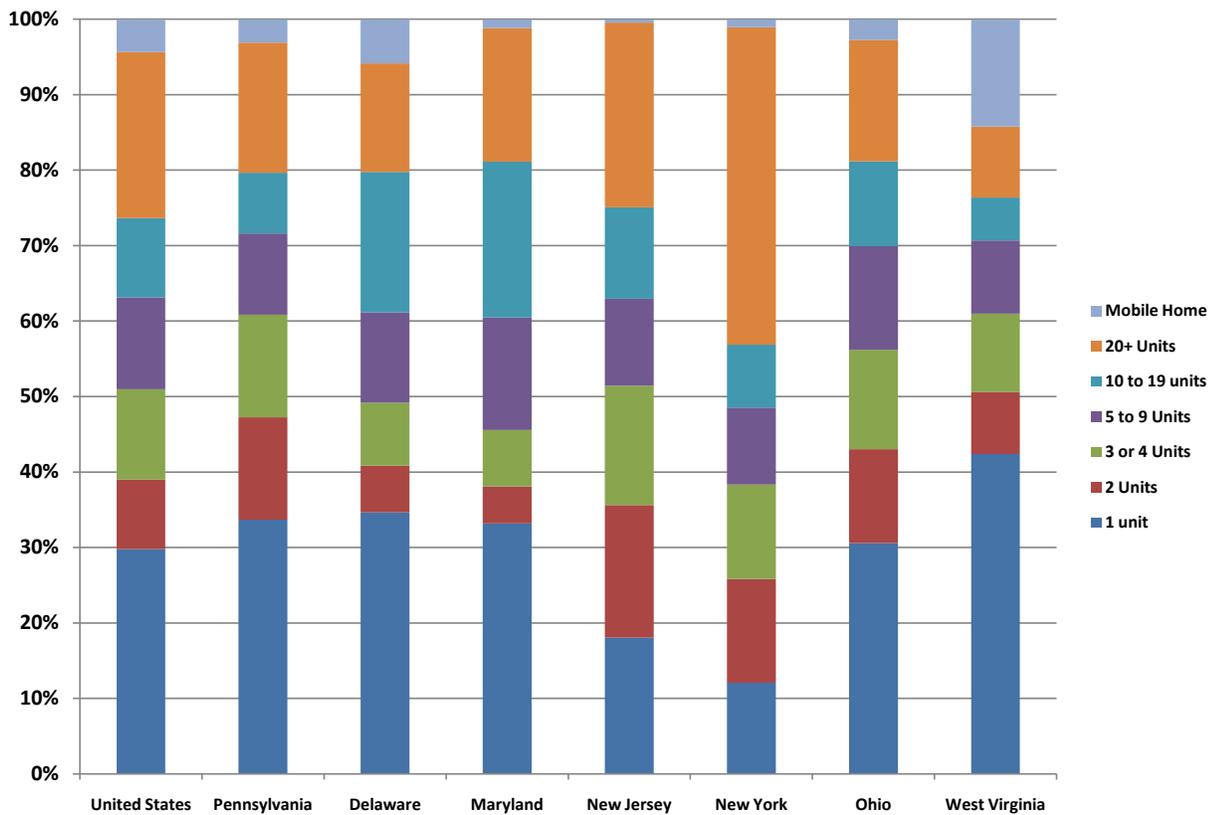
¹⁶ See Brookings Institution (2003), p. 24.

CHART 2
Renter Households by Age



Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table H14, http://factfinder.census.gov/home/saff/main.html?_lang=en

CHART 3
 Renter-Occupied Units by Structure Size



Source: U.S. Census Bureau, “2000 Census – Summary File 3,” Table H32, [mhttp://factfinder.census.gov/home/saff/main.html?_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en)

compared to only 39 percent for the nation as a whole.

When compared to structures in neighboring states, the size of Pennsylvania’s renter-occupied housing units resembles that of structures in Ohio and West Virginia (although West Virginia has a much greater percentage of renter-occupied housing units that are mobile homes). Pennsylvania is least like New York, in which half of all renter-occupied housing units are in larger structures, specifically 10 or more units (Chart 3). It is important to consider the composition of rental housing structures in Pennsylvania when developing rental housing policy for the state.

While most of Pennsylvania’s renter-occupied housing units are in small structures, structure size varies more at the county level. Large urban areas,

such as the Philadelphia metropolitan division and Allegheny County (which contains Pittsburgh), tend to have the highest percentage of rental units in large structures (10 units or more), while rural areas have more units in small structures.¹⁷

Quality Measures

The 2000 decennial census does not provide much data on the quality of rental housing in Pennsylvania.¹⁸ Information is available regarding

¹⁷See Appendix A, Table A.5. Because of the presence of Pennsylvania State University, Centre County has the highest percentage of structures with 10 or more units. But nearly 45 percent of all structures with 10 or more units statewide are located in the Philadelphia metropolitan division. Philadelphia city has more rental units in large structures (68,500) than any other county in the state, followed by Allegheny County, which has 57,600.

¹⁸ More detailed data on quality are available at the national level and for the Philadelphia and Pittsburgh MSAs from the American

TABLE 4

Quality Measures for Renter Households

	Total Renter-Occupied Households	% Lacking Complete Plumbing	% Lacking Complete Kitchen	% Overcrowded	% Overcrowded and Lacking Complete Plumbing
United States	35,663,588	1.0%	1.3%	11.0%	0.2%
Delaware	82,690	0.7%	0.9%	6.7%	0.1%
Maryland	639,265	0.7%	0.9%	7.8%	0.1%
New Jersey	1,053,347	1.1%	1.3%	11.0%	0.3%
New York	3,317,613	1.3%	1.4%	13.6%	0.4%
Ohio	1,373,259	0.6%	1.1%	3.3%	0.1%
Pennsylvania	1,370,836	0.8%	1.2%	4.0%	0.1%
West Virginia	182,855	1.3%	1.1%	2.3%	0.1%

Source: U.S. Census Bureau, "2000 Census – Summary File 3," Tables H20, H22, H48, and H51. http://factfinder.census.gov/home/saff/main.html?_lang=en

the number of renter-occupied housing units that lack complete plumbing and kitchen facilities.¹⁹

The census also provides data on the number of occupants per room from which overcrowding measures can be derived.²⁰

In Pennsylvania, only 4.0 percent of units were overcrowded, 1.2 percent lacked complete kitchen facilities, and 0.8 percent lacked complete plumbing facilities.

The quality data for Pennsylvania resemble national averages for all measures except overcrowding. Of the measures shown in Table 4, overcrowding varies most. Renter-occupied households in New York and New Jersey have

greater percentages of units that are overcrowded, 13.6 percent and 11.0 percent, respectively. All other neighboring states, including Pennsylvania, have percentages lower than the national average.

While the percentages in Table 4 seem modest for Pennsylvania, they do not prove that Pennsylvania's rental housing stock is in good condition. The decennial census does not include sufficient data to assess the structural conditions or quality of rental housing units. Community development leaders in several areas of the state argue that much of the supply of rental housing in their areas is of poor quality: Although the units may be affordable, they are not in the condition in which renters would want to inhabit them.²¹ A more comprehensive analysis is needed at the local level to assess the condition of Pennsylvania's rental housing stock.

Housing Survey. Such data are not available at the state or county level for Pennsylvania.

¹⁹ According to the U.S. Census Bureau, complete plumbing facilities include (1) hot and cold piped water, (2) a flush toilet, and (3) a bathtub or shower. Complete kitchen facilities include (1) a sink with piped water; (2) a range, or cooktop and oven; and (3) a refrigerator. Source: U.S. Census Bureau, "2000 Census – Summary File 3," http://factfinder.census.gov/home/saff/main.html?_lang=en

²⁰ The Census Bureau does not have an official definition for overcrowding. This study considers overcrowding as households with more than one occupant per room. See Blake et al. (2007) for a detailed discussion of different definitions of overcrowding and a literature review.

²¹ The Federal Reserve Bank of Philadelphia's Community Affairs staff members routinely conduct outreach meetings with lenders, government officials, and community development leaders around the Third Federal Reserve District, which includes the eastern two-thirds of Pennsylvania. During these meetings, we have consistently heard that much of Pennsylvania's rental housing stock is of poor quality and in need of repair.

Population and Housing Unit Changes

Population

The 1990 and 2000 decennial census files and 2006 population estimates provided by the U.S. Census Bureau allow us to evaluate population growth for the nation, Pennsylvania, and Pennsylvania's neighboring states.²²

When compared to the national average and also to neighboring states, population growth in Pennsylvania between 1990 and 2006 was quite low, only 4 percent. Only West Virginia had slower growth, 1 percent (Table 5).

At the county level, there is great variation in population change between 1990 and 2006. Counties on the northeastern border of the state experienced the greatest population growth. Most notably, Pike County grew by 104 percent and Monroe County grew by 70 percent. Other counties throughout the state experienced population declines, including Cambria (10 percent); Cameron, Philadelphia, and Warren (all 9 percent); and Allegheny (8 percent). The population is clearly declining in Pennsylvania's two largest cities, Philadelphia and Pittsburgh (Allegheny County). See Appendix A for details.

Housing Units

Comparing American Community Survey (ACS) estimates for 2005-07 with decennial census data, total housing units in the United State increased by 23 percent between 1990 and

²² Population estimates are prepared annually after the last published decennial census. Data are re-estimated every year, and data from the most current estimate supersede data from the previous estimates. This study used the 2008 population estimates to obtain the 2006 data. For additional information, see <http://factfinder.census.gov>.

TABLE 5
Population Changes Between 1990 and 2006

	Total Population 2000	Population Change Between 1990-2000	Population Change Between 2000-2006	Population Change Between 1990-2006
United States	281,421,906	13%	6%	20%
Delaware	783,600	18%	9%	28%
Maryland	5,296,486	11%	6%	17%
New Jersey	8,414,350	9%	3%	12%
New York	18,976,457	5%	2%	8%
Ohio	11,353,140	5%	1%	6%
Pennsylvania	12,281,054	3%	1%	4%
West Virginia	1,808,344	1%	0%	1%

Sources: Three data sets from the U.S. Census Bureau 1) "1990 Census – Summary File 3"; 2) "2000 Census – Summary File 3"; and 3) "2008 Population Estimates" of 2006 data. http://factfinder.census.gov/home/saff/main.html?_lang=en

2005-07, while total housing units in Pennsylvania increased by 10 percent.²³ Increases were lower for rental housing units. In the United States, the rental housing stock grew by 11 percent, while in Pennsylvania, growth was only 4 percent.

Growth in renter-occupied housing units between 1990 and 2005-07 was relatively modest in the region when compared to the nation. Only Delaware's 16 percent rate of growth exceeded the national average of 11 percent. Maryland, New Jersey, Pennsylvania, and West Virginia followed Delaware with changes of 4 percent each.

Within Pennsylvania, the number of rental housing units grew at approximately the same rate

²³ The U.S. Census Bureau's annual population estimates program also provides data on total housing units, but these data do not distinguish between owner-occupied, renter-occupied, and vacant units. See American Factfinder for additional information: <http://factfinder.census.gov/>. Because of data limitations with the annual population estimates, this study uses ACS data. ACS three-year estimates are available for geographic areas with populations greater than 20,000. In addition, ACS one-year estimates are available for geographic areas with populations greater than 65,000. This study used the three-year estimates because three-year estimates provide data for more counties in Pennsylvania than the one-year estimates.

TABLE 6

Housing Unit Changes Between 1990 and 2005-2007

	Housing Units in 2000		% Change 1990 to 2000		% Change 2000 to 2005-2007		% Change 1990 to 2005-2007	
	Total Housing Units*	Renter-Occupied Units	Total Housing Units	Renter-Occupied Units	Total Housing Units	Renter-Occupied Units	Total Housing Units	Renter-Occupied Units
United States	115,904,641	35,663,588	13%	8%	9%	2%	23%	11%
Delaware	343,072	82,690	18%	12%	11%	3%	32%	16%
Maryland	2,145,283	639,265	13%	5%	7%	0%	21%	4%
New Jersey	3,310,275	1,053,347	8%	7%	5%	-3%	13%	4%
Pennsylvania	5,249,750	1,370,836	6%	4%	4%	0%	10%	4%
West Virginia	844,623	182,855	8%	2%	4%	2%	12%	4%
Ohio	4,783,051	1,373,259	9%	3%	5%	-2%	15%	1%
New York	7,679,307	3,317,613	6%	5%	3%	-5%	9%	-1%

* Total housing units include owner-occupied, renter-occupied, and vacant units.

Sources: Three data sets from the U.S. Census Bureau 1) "1990 Census – Summary File 3"; 2) "2000 Census – Summary File 3"; and 3) "2005-2007 American Community Survey Three Year Estimates." http://factfinder.census.gov/home/saff/main.html?_lang=en

as the population between 1990 and 2005-07. But nearly all of the growth in both rental housing and population actually occurred between 1990 and 2000.