



Housing Study

Housing reflects the appearance of the community more than any other factor. In the case of Penn Township the location of new housing will be key if the local rural flavor is to be retained.

Housing "patterns," or the way homes are arranged on the land, can enhance or detract from rural character. The familiar farming landscape can be change in an instant by roadside construction in an otherwise open countryside.

The village of Salem is a positive example of a compact and attractive rural village.

The Smart Growth Connection

Nationwide, it is estimated that one and a half percent of prime agricultural land is disappearing every year to suburban sprawl. The conversion of agricultural land is producing many serious effects, including: the diminishment of food capacity, destruction of rural and open space environments, and scattered-site capital improvements associated with sprawl.

Smart growth seeks to preserve prime farmland and sensitive environmental areas while minimizing the cost of new services required to service new development.

Housing is a critical element in any consideration of smart growth. Compact

development can be an antidote to sprawl. Therefore, the layout of housing development will either slow sprawl or accelerate it.

Clustered or higher density housing is an important tactic in controlling sprawl. However, higher-density housing, in and of itself, is not a solution to the problem of sprawl. Housing density can only succeed if it is balanced with protected open space or other amenities. Therefore, housing policy and land use ordinances should be established jointly and be consistent with one another.

Housing policies can be developed as part of planning. However, policies are only wishful thinking unless converted to specific requirements in a land use ordinance. To guide development, the Zoning Ordinance should identify growth areas and density, while the Subdivision and Land Development Ordinance would establish driveway requirements and other layout features.

Smart growth provisions recently appeared in the amendments of the Municipalities Planning Code (MPC) and emphasize preservation of prime agriculture land. This will have a direct impact upon future housing patterns in Penn Township.

Background Data

As of the 2000 census, there were 1,270 housing units in Penn Township. More

than three-quarters were owner-occupied. Rental units comprised 14.2% of all housing and 8.4% of units were vacant. Housing occupancy characteristics are shown in the table below.

Housing Occupancy, 2000		
	Units	Percent
Total	1,270	100%
Owner Occupied	983	77.4%
Renter Occupied	180	14.2%
Vacant	107	8.4%

Source: U.S. Census 2000

With only 962 housing units in the Township in 1990, there was an increase of 308 units representing an increase of 32% for the 1990-2000 period. It is clear that housing has been an important focus of activity in Penn Township.

This increase, though significant, was actually less than in the previous decade, 1980-1990. The number of housing units increased from 610 to 962 during that decade, for a growth rate of 45.5%.

The increase in housing units in Penn Township was significantly greater than in any other municipality in Snyder County. It's true that several townships in eastern Snyder County, such as Monroe Township, had significant housing growth during the 1990's, but they were much lower than Penn Township.

The table demonstrates how the population increases in adjoining municipalities slowed considerably in the 1990-2000 decade.

Total Housing Unit Growth by Municipality 1990-2000

Municipality	Total Housing Units		
	1990	2000	% Change
Snyder County	13,629	14,890	9.20%
Jackson Township	504	524	3.90%
Middlecreek Township	650	754	16.00%
Monroe Township	1,605	1,772	10.40%
Penn Township	962	1,270	32.00%
Selinsgrove Borough	1,839	1,912	3.90%
Union Township	519	530	2.10%
Washington Township	484	533	10.10%

Source: U.S. Census 1990-2000

According to a tally of building permits for the period, there were 256 new housing units constructed in the Township during the decade 1990-2000, as shown in the next table.

Housing Permits

Year	# Units
1991	28
1992	30
1993	24
1994	22
1995	21
1996	34
1997	19
1998	23
1999	27
2000	28

Source: Penn Township data

Development Activity

Residential growth in Penn Township for the most part has tended to be focused in new residential developments that have sprung up over the last ten years. These developments have been initiated by larger regional developers who have taken advantage of existing sewer and/or water services, an adjacent road network and the availability of land to create suburban-styled tracts typically on one-half and quarter-acre lots.

Over the ten-year period, a total of 256 permits have been issued for new home construction in Penn Township, an average of 25 per year. This rate has remained relatively stable over the last five years and, although it is not possible to accurately predict the number in the future, empirical evidence would seem to be the best guide to future building activity. Therefore, the Township can reasonably expect to have to accommodate up to 120-150 new residential units over the next five years.

According to the zoning officer, 80% of new housing units are located in developments, while 20% (approximately five per year) are located randomly along Township roads, either as infill in older villages or as single units on larger farm parcels.

Build Out Rate: Available Building Lots

A survey of development activity in the Township shows there are 200 building lots available in existing developments. In fact, only a few of the newer housing developments, such as RidgeView Estates, have reached the approved capacity.

Development Activity in Penn Township

Development	Total Units	Built /Sold	Remaining
Salem Glen	53	24	29
Meadowview I, II	88	80	8
Meadowview III ¹	41	0	41
Meadowview IV ¹	15	0	15
Breezewood ²	75	24	51
Grayson View			
Single Family	12	1	11
Duplex	32	4	28
Harris Estates			
Single Family	50	19	31
Townhouses	23	16	7
Whitebriar ¹	20	0	20
Yoder Develop. ¹	20	0	20
TOTAL	429	168	270

¹ In planning stage

² New plan would have to be submitted

In the case of Breezewood, the developer must make a new application for subsequent phases of the project since more than five years has passed since he obtained approval. Fogarty Homes is proposing a new development adjacent to the residential development Meadowview that would accommodate 46 additional homes. Developer Dan Clement has plans for a 20-unit development southwest of Harris Estates, called Whitebriar.

At a pace of 20 building units per year, 80% of the annual total, the build-out rate in existing developments would not use up all available lots for at least ten years. As a result, the Township should consider establishing some type of growth boundary

to limit new development that is not contiguous to existing housing clusters and/or served by existing sewer and water for at least five years or until the build-out rate accounts for 75% of residential lots available in existing developments.

This policy should be revisited every year. If the build-out rate increases, the limitation on development elsewhere can be reconsidered.

Affordability

Affordable housing takes many forms and includes traditional public housing, along with the popular trend toward homeownership.

What constitutes "affordability?" Housing affordability is based upon two factors:

- Housing value
- Household income

A comparison of these two factors yields an index of affordability. This index can help a family determine if it can afford to purchase or build a given house.

Snyder County's 1990 median owner-occupied housing value of \$56,700 divided by the County's median household income of \$25,864 equaled a purchasing ratio of 2.19. This means the average household in Snyder County spent over two times their yearly income for the purchase of a home.

The next table shows the purchasing index for Penn Township and its surrounding neighbors. With a median household income of \$24,710 and a median housing value of \$65,700, Township

residents would spend 2.6 times their yearly income for the purchase of a home. However, the index is based upon an average of all home purchases in the Township.

Housing Affordability Index

Jurisdiction	1990 Median Household Income	1990 Median Housing Values	Purchasing Index
Snyder County	25,864	56,700	2.19
Jackson Township	27,632	62,300	2.26
Middlecreek Township	29,228	59,100	2.02
Monroe Township	32,474	72,500	2.23
Penn Township	24,710	65,700	2.66
Selinsgrove Borough	23,790	56,900	2.39
Union Township	24,091	51,200	2.13
Washington Township	28,967	60,500	2.09

Source: Consultant Analysis of U.S. Census data

Existing Homes Versus New Development

It is important to draw a distinction between existing and new homes constructed in developments. Local developers reported that values of new houses in Penn Township are almost double those of existing homes, an observation borne out by the 2000 census.

The median housing value in Penn Township for the 1990 period was \$65,700 according to census data. However, the average cost of new homes built in 1999 was \$105,358.

Affordable Housing and Land Use Barriers

One approach to assuring affordable housing for Township residents is to establish some type of set-aside for lower cost units. This is particularly important as developers and builders report that developments in Penn Township are attracting more upscale buyers who tend to select larger homes on large lots. Many municipalities which seek to assure affordable housing opportunities for their citizens as the housing market becomes more upscale, have established such set-asides without sacrificing the integrity of the development.

In order to make such a set aside economically feasible, however, the developer would need smaller lot sizes to accommodate increased density and lower infrastructure costs. It is inappropriate, for example, to put smaller homes on the same size lots as larger structures. In fact, smaller lot sizes tend to promote the intimate village type model that characterized the historical evolution of Penn Township.

Local officials may need to review the Township's requirements currently applicable to developers. Land use ordinances may need to be "scaled back" in terms of basic infrastructure provisions now on the books.

Municipalities may inadvertently regulate land use in such a way as to increase housing costs. The following specific issues increase housing costs and should be avoided:

- Too little land is zoned for medium density (four to eight units per acre)

while excessive land is zoned for larger lots.

- Conventional lot dimensions such as frontage, setbacks, and side yards tend to be too large and add unnecessary cost.
- Excessive street widths are often required in subdivision ordinances.
- Paved, non-shared parking consumes more land than necessary, especially in commercial and institutional development.

The Township should consider adjusting the width of roads in small or compact developments, to reduce cost and create a scale conducive to village living, while still maintaining standards that would be adequate for the Township to eventually take over and maintain the roads. One alternative to reduce roadway width is to consider one-way roads in new developments.

Affordability Analysis

The affordability index would indicate that most Township residents would not be able to afford a new home based on the prices of models available from area housing developers. The prices quoted by area developers ranged from \$50,900 for a 1000 s.f. ranch to \$147,000 for a 3200 s.f. two-story. These prices do not include the cost of the lot.

The lowest priced model available for one developer was \$50,900 for a basic ranch unit. Adding the cost of the lot and site development, at an average of \$26,000, would bring the total housing cost to \$78,000. Since 2000 census data on median

and household income will not be available until July of 2002, census data for 1990 was used and the housing and land prices were adjusted to reflect 1990 housing prices based on interviews with area developers. Housing costs, including land site development, increased by 40% in the decade 1990-2000, according to developer estimates. The adjusted cost of a house in 1990 would be \$56,000 including land and site development.

With a median income of \$24,600, for 1990, and using the standard multiplier of 2.19 to determine affordability, the average Township resident could not afford the lowest cost new home available on the market ($\$24,600 \times 2.19 = \$53,874$). It also indicates that slightly more than 50% of the Township population falling below the median income would be unable to afford even the most basic new home, based on the affordability index.

It is worth noting, however, that lower interest rates and reduced down payments have made homes more affordable for persons whose incomes fall below the median. For example, with a 5% down payment on a \$75,000 new home, the mortgage payment at 7% for 20 years would be approximately \$550 per month. With other expenses factored in, the total payment would be less than 25% of the median household income in Penn Township.

Area lending institutions also utilize State and Federal programs that make housing more affordable to persons who fall below the median income of \$24,600. Most area banks offer reduced interest loans for those who qualify under guidelines established by Pennsylvania Housing and Finance Administration

(PHFA). For two persons earning \$46,000 or less, financing is available at 5.625% over a 30-year period either to purchase an existing home or to build a new one.

For a family of four whose income is \$33,000 or less, the interest rate is 4.75%, also over a 30-year period.

These interest rates and extended terms greatly reduce the amount of the monthly payment. Lending institutions require a 5% down payment which is insured through a private mortgage insurance company. Swineford National Bank, for example, reported that persons whose income is \$46,000 or below are able to purchase new homes costing up to \$150,000 including the lot, while there are eligible to purchase of existing homes up to a value of \$105,000. These applicants must meet the normal lending criteria of the bank, however.

Those qualifying under low and moderate income guidelines are able to purchase new homes, including land costs, for \$110,000 and existing houses for \$85,000.

Subsidized Housing

There is no public housing in the Township. The only government owned housing in Snyder County is Shade View Apartments in Middleburg. In Selinsgrove there are 176 subsidized apartments at Pine Meadow Apartments and Stayman Park.

Subsidized housing can be an attractive form of affordability. For example, the Section 8 Program provides subsidized housing by utilizing privately-owned units. This program is "invisible" in that it is located at scattered sites throughout the County. There were 172 Section 8 units in

the County as of March 2002. Of these, an estimated 50 private units were located in Penn Township and Selinsgrove Borough.

The Snyder County Housing Authority administers the Section 8 Program and issues "housing choice vouchers" for private sector use. Section 8 units have several advantages for the local community:

- They provide an affordable option within the private sector.
- Income-eligible persons can select housing at a location of their choice.
- Subsidy payments are made directly to the private landlord.
- Landlords must maintain the property in order to continue to receive payments.
- Inspections are conducted once a year.

One advantage of affordable housing is the fact that low and moderate income residents qualify for assistance under the Community Development Block Grant Program. Municipal officials can use such funds to finance construction of sewer and water projects and other infrastructure improvements. CDBG funds were used, for example, in constructing the new water line to serve residences along State School Road.

Guiding Principles for Future Housing

Recent housing developments in Penn Township consist of single family homes on

third to half acre lots. This suburban pattern appears to be the housing choice of Township residents at the present time and, this is in marked contrast to the traditional village developed in the late nineteenth century.

However, there must be a place for all types of housing and for households of all income levels, as required in the PA Municipalities Planning Code. This Plan will discuss increasing the availability and range of housing choices.

The Idea of Neighborhood

Salem is a village neighborhood, and an old-fashioned idea that works. Villages are to be encouraged. The clustered houses form a place where people have common interests and share a social life. Frequently, there is a gathering place such as a park, post office or convenience store. And there are front porches and sidewalks.

The neighborhood idea is a key to planning for residential areas. Many community problems can best be approached from a neighborhood perspective, rather than a structure-by-structure.

New development adjacent to traditional built-up areas also can enhance existing neighborhoods if carefully "connected" by sidewalks and compatible scale. Harris Estates and Grayson View, both located near Selinsgrove, are examples of developments which link up well with adjoining housing patterns.

Infill

"Infill" utilizes vacant parcels in otherwise built areas where infrastructure is already in place. Infill is smart because it

accommodates new housing at minimum cost to the municipality in matters such as sewer, water, school, and postal services, and to the developer in terms of reduced infrastructure costs.

A New Village

Villages such as Salem are an example of smart growth.

The village was the historic pattern for housing and commercial activity throughout central Pennsylvania. Consisting of mixed uses and structures in close proximity to each other, existing villages should be conserved. Future growth in a village pattern is possible and would include:

- A mix of townhouses, apartments and retirement facilities
- Small commercial stores
- Buildings within walking distance of recreation or other amenities
- Availability of public water and sewer

Slower traffic and getting around as a pedestrian are hallmarks of villages and neighborhoods. When structures are located close together, walking becomes attractive and convenient. Traffic patterns can make or break the sense of village and "calming" the traffic would typically require stop signs or other devices. Sidewalks would be required of the developer.

The clustering of village structures requires public sewer and water. This is a fundamental requirement and again reflects the interweaving of vital planning issues.

Traditional Rural Crossroad

The MPC defines "traditional neighborhood development" as land developed for a compatible mixture of residential units for various income levels, along with commercial and workplace uses. Residences, shops, offices, workplaces, public buildings, and parks are interwoven within the neighborhood so that all are in relatively close proximity to each other. Traditional neighborhood development is compact and oriented toward pedestrian activity. It has an identifiable center and a discernible edge.

Rural America began with the traditional clustering of houses, churches and small-scale commerce. New development could continue this traditional clustered pattern and encourage:

- Upgrading of existing residences
- Construction of garden apartments and townhouses
- Pedestrian linkages to recreation and commerce

Salem, and Kantz on a smaller scale, have a rural crossroads flavor which should be encouraged with specific provisions in the Township's land use ordinances.

Condition of Neighborhoods

The Township has a role to play in the condition of residential neighborhoods. Its housing policies must be responsive to individual homeowners, while responding to problems in the neighborhood. For example, a homeowner may keep his property beautifully maintained, but find it

is degraded by a deteriorated neighboring property.

Improvements to the neighborhood can encourage an individual homeowner to fix up their property. Improvements by one property owner often cause a positive ripple effect on others.

Sidewalks and Curbs

The "streetscape" is the public domain. Sidewalks and curbs are important to the appearance and safety of the Township. Ordinances can provide guidelines to enable parcel owners and developers to construct sidewalks and curbs where appropriate.

Elderly persons in particular would benefit from such neighborhood improvements. More than two thirds of the population aged 65 or older live in their own homes. The Township itself has an 11.4% elderly population.

Elderly Housing

As the population continues to age, providing more retirement type housing becomes an important consideration. Because Penn Township virtually surrounds Selinsgrove, and has used the Borough's extensive sewer system to establish connections at five separate locations, it is logical to expect the Township to provide housing opportunities close to this population. And, given the limited land available for development in the Borough, such a role is even more important for the Township. Long-term care is an example of elderly housing that can be addressed in the Township.

The first dedicated housing development for elderly was recently opened as part of a combined assisted and independent living complex. Grayson View, as the development is called, is located adjacent to the Township recreation area along University Avenue close to the Borough of Selinsgrove. A 120-unit assisted living elderly complex is complete and occupied. The development also will include 16 duplex and 12 single-family units. To date, six duplex units and two single-family homes are completed. No other dedicated independent elderly units are currently projected in the Township.

It should be noted that the purchase price of the elderly units at Grayson View ranges between \$120,000 and \$140,000 and would be beyond the means of many elderly who do not have equity built into their homes.

As the Township's elderly population increases, the need for smaller, more affordable units is expected to increase. The Township, therefore, should explore the potential to attract a private developer who could use elderly housing tax credits to create affordable elderly housing units or work with the Snyder County Housing Authority in its efforts to develop affordable housing projects in eastern Snyder County.

Another alternative is to require developers to set aside a number of affordable elderly-type units within all major new developments being proposed for the Township. This step should only be taken as a result of a verified demand supported by surveys and clear expression of interest by the elderly.

Housing Rehabilitation

Keeping existing traditional homes in good condition should be a central goal of planning.

Snyder County had a successful housing rehab program in the past, which is currently being resurrected. Low and moderate income families will be eligible for grants for owner-occupied homes. Township residents may apply directly to the County, which has contracted with SEDA-COG to administer the new Housing Rehab Program.

Other housing funds will be available locally for households in which disabled persons reside. Snyder County is participating in the PA Access Program which assists with housing renovation that may be needed by a handicapped owner.

Housing and Land Use

There are four principal residential patterns in Penn Township and each has qualities that make the type of development unique.

1. Villages and Small Scale Development

Two small traditional villages were part of the early settlement pattern in Penn Township. Kantz and Salem were established at key crossroads in the mid-nineteenth Century and evolved into small villages.

Salem remains a charming village. Implementation of future municipal decisions must be carefully considered in order to preserve the

Salem's village character. Such municipal considerations include:

- Preservation of agriculture at the village edge
- Extension or upgrade of future utilities
- Improvements to the municipal building property as a "gateway" to the village.

By the mid 20th Century, the scale of development was still small, closely scaled to the village model. The Belmar development was composed of duplex units on small lots, while the Burgess development featured larger lots of a quarter acre or less, but still in a relatively tight pattern.

One future growth area that might accommodate a compact residential or village model lies just west of Ridgeview Estates and north of Route 522. This parcel is not accessible from Ridgeview, but could be accessed by extending Eighteenth Street to an undeveloped 8-10 acre interior parcel. Such a development would require installation of a traffic light at this increasingly busy intersection.

2. Suburban Residential

From the late 1970s to the present, the predominate pattern of development has been suburban. This pattern consumes larger tracts of land and includes roads and driveways which increase impervious surfaces and usually results in the removal of trees and

vegetative cover. Stormwater runoff is often the resulting problem.

One of the first suburban developments in the Township, Ridgeview Estates, is quite compact. Homes are sited on small lots laid out in a tight circular pattern; forty units are set on less than 15 acres. The area is well landscaped and now has mature trees. The concept is quite effective in reducing sprawl in the Township and is a model that bears replication. The location of Ridgeview Estates on a fairly steep slope, however, has caused continuing drainage problems that could have been addressed in the design and engineering phase.

More recent suburban residential developments (including the Harris Development and Salem Glen) take up more land because houses and lots are larger. This tendency may be attributed to the preference of the homeowner or developer, but another factor may be limited requirements for infrastructure. The absence of sidewalks, for example, tends to foster larger lot sizes.

3. Roadside Residential

Another recent type of development is the siting of homes in a strip pattern along rural roads. Some of this strip development serves as an extension of older villages, the principal example being along Clifford, Salem, and State School roads in the village of Salem. It is fortunate that this strip development has not extended to prime agricultural areas in the south of the Township where picturesque barns and outbuildings set in a rolling agricultural landscape create a scenic vista well worth preserving.

4. Rural and Farmstead Residential

This has been a consistent pattern of development since the early 1900s. Residential lots have been carved out of large farms in a random manner, often for family members. For the most part, these houses have not been located on the prime farmland since farm owners were conscious of the value of this land. Instead, these homes are usually sited on higher ground, at the base of woodland or in relatively isolated corner lots.

Housing Recommendations

- Guide new development to existing and/or approved subdivisions until the build out rate reaches 75% or more of capacity; encourage infill development whenever possible.
- Distribute the Township's Environmentally Sensitive Areas map to residential developers at the point of first contact.
- Identify important scenic resources in the Township in the same way as prime farmland and sensitive environmental areas are now delineated and limit development in these areas.
- Provide a density bonus for developers who will adhere to conservation standards or set aside areas of environmental sensitivity.
- Increase the types and cost of housing opportunities in new developments as a means of promoting affordable housing for low and moderate-income persons, in particular young people who are seeking to remain in the Township.
- Encourage village-type housing patterns that are laid out in much the same way as early crossroad villages and can accommodate some mixed uses.
- Direct future residential development to already built-up areas where utilities and infrastructure are in place or easily accessible.
- Focus residential development in areas close to the Borough of Selinsgrove as a means of linking housing to community services and reducing reliance on the automobile.
- Require, or strongly encourage, the creation of recreational or open space in large-scale developments that is designed to meet the needs of residents.
- Establish strict stormwater standards and natural drainage areas for new developments. These standards should address stormwater runoff coming from adjacent uphill locations as well as on site stormwater calculations.