

Incentivizing Landlords to Provide Affordable Housing

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I. Introduction

The struggle many Americans have with affording rental payments is just one problem among a multitude of societal problems that the COVID-19 pandemic has brought to light. During the COVID-19 related lockdown, many people were laid off from their jobs and unable to make rental payments. A paycheck-to-paycheck lifestyle is not sufficient when an emergency situation occurs. One way to address this struggle is to incentivize landlords to provide their rentals for an affordable price. This change would allow people to set money aside for emergency situations, such as a pandemic.

In particular, multi-use properties in some boroughs across Pennsylvania are not used to their full potential. Downtown, storefront buildings may house small businesses, but the upstairs rental properties sit empty. If the landlords of these buildings are incentivized to rent their properties to low-income residents, it will not only allow struggling residents to find affordable places to live, but it has the potential to bolster the downtown economy by decreasing car use and bringing in more people to go shopping and eat at restaurants.

This problem is not localized to just Pennsylvania boroughs. It is an issue many other municipalities, large and small, have tried to address and rectify. Some municipalities have created landlord incentive programs that provide benefits to landlords to encourage them to provide rental properties to low-income residents. Those benefits include monetary funds for down-payments, rental rehabilitations, or property damage caused by renters. Additionally, other municipalities have enacted fair housing ordinances that prohibit discrimination in the rental process against people based on the source of their incomes.

There is an existing disparity in certain Pennsylvania municipalities between empty rental properties and people searching for rental properties. Closing this gap is not only a positive for the people seeking housing and the municipalities' economies, but it is also more sustainable for the environment as well. If empty spaces are used as housing, it decreases the need for new builds, which eliminates the carbon emissions that would result from erecting new developments, and the energy that would be used to heat and provide electricity to the new residences. Additionally, providing affordable housing in downtown multi-use districts would decrease carbon emissions from cars, as more people would be centrally located and able to use alternative modes of transportation such as walking and using bicycles.

The proposed ordinance that corresponds with this in-depth analysis draws upon the programs and ordinances other municipalities have adopted to address the issue of housing affordability. It combines aspects of providing incentives to landlords who rent to low-income residents and prohibiting discrimination based on source of income in the rental process.

This narrative will address the current problem with housing affordability, with an explanation of existing local ordinances that cannot adequately address this problem. It will provide a discussion on how other municipalities have addressed the problem at hand, evaluating the most effective means of rectifying the issue. Additionally, this narrative will discuss the social, economic, and environmental benefits of adopting programs and ordinances that improve housing affordability. Lastly, a recommendation will be provided for how to sufficiently address the problem.

II. The current problem with providing housing affordability in smaller, downtown municipalities.

It is important to have a strong grasp on the current problem municipalities face in providing affordable housing to low-income residents. Only when one has a clear understanding of the issues facing these municipalities can those issues be solved through ordinances enacted by the municipality. For Carlisle Borough, a tight rental market makes it difficult for low-income residents to find affordable rental units, as the prices of the rental units are driven up by a competitive market. Although the rental availability is low throughout the Borough, there still remain empty apartments in downtown Carlisle. The housing affordability issue can be improved if these empty apartments are rented to low-income residents.

A report published by the Center for Land Use and Sustainability from Shippensburg University addressed Housing Affordability in Cumberland County, the county that holds Carlisle Borough. One of the key findings of the report showed that, compared to Perry and Dauphin Counties, “the housing market in Cumberland County is the most competitive, resulting in housing affordability challenges for buyers.”¹ This competitive market drives up housing prices, while wages of many occupations do not provide a monthly housing allowance to support those prices.²

The report also gives a great snapshot of the lack of housing affordability options for people struggling to pay rent. The report cited and used census data to determine that the increase in the number of housing units has “not kept pace with the rate of population growth.”³ The rental vacancy rate for Cumberland County in 2018 was only 3.2 percent.⁴ To put that into perspective,

¹ DR. CLAIRE JANTZ, HOUSING AFFORDABILITY IN CUMBERLAND COUNTY, CENTER FOR LAND USE AND SUSTAINABILITY 2 (July 22, 2020), <https://www.ccpa.net/DocumentCenter/View/36630/CCHousing-Affordability-Final-Report-072220>.

² *Id.*

³ *Id.* at 9.

⁴ *Id.* at 10.

a healthy vacancy rate for a rental market is considered to be around 7 or 8 percent.⁵ Cumberland County has the lowest rental vacancy rates as compared to other surrounding counties, including Dauphin and Perry counties.⁶ These low vacancy rates drive up rental prices, making it more difficult for low-income residents to find rental housing they can actually afford.⁷ Overall, this solidifies the need to get low-income renters into the non-street level apartments in downtown Carlisle that are currently empty.

Stakeholders in the report identified several causes of housing insecurity in Cumberland County. First, younger community members are carrying a significant amount of debt from student loans, making it hard to pay for housing.⁸ Broadly stated, the report said, “With relatively flat income growth and high demand driving up housing and rental costs, the availability of affordable housing for residents in the workforce has diminished.”⁹

In summary, the problem facing Carlisle Borough is that there is a tight rental market throughout the Borough, but apartments sit empty in the center of the city itself. The Borough is seeking to fill these empty apartments with low-income residents, giving financially struggling residents a safe place to live, while also bringing more people into the downtown area to bolster the economy.

III. How Carlisle Borough’s ordinances cannot adequately address problem

Carlisle Borough’s current ordinances do not adequately address the housing affordability problem. In fact, there are no existing ordinances that address affordable housing. Currently, the

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at 31.

⁸ *Id.*

⁹ *Id.*

Borough has mixed use zoning and commercial zoning ordinances in downtown Carlisle, which allow property owners to rent their properties, as well as use them as businesses. However, there still remain many empty non-street level units downtown the Borough is looking to fill.

The Borough is looking to increase occupants in underutilized spaces in the downtown district zoned as C1. The C1 zoning is intended to “provide for a wide variety of commercial uses in downtown” and “avoid commercial uses that would be incompatible with the downtown’s historic character or pedestrian environment.”¹⁰ Although using buildings in the C1 zoning district as apartments is not a use permitted by right, it is a use that is permitted by special exception.¹¹ An apartment in the C1 zoning district is not permitted to be on a street level floor.¹² This ensures that street level facing properties in the downtown commercial district are filled with storefront businesses, which draw people into the Borough.

According to the special exception zoning ordinance for the C1 zoning in Carlisle Borough, apartments can be permitted by special exception subject to compliance with Section 255-199A(5).¹³ This section specifies that the special exception request must be accompanied by a sketch of the lot in question including any available parking, supplemental standards, and factors the Zoning Hearing Board will take into consideration when evaluating the request.¹⁴ As the Borough has already specified its desire to fill the empty upper levels of the commercial properties with affordable rental spaces, the granting of a special exception request should not be a rarity.

¹⁰CARLISLE BOROUGH, PA., ZONING CODE art. IX C-1 § 255-59 (2005).

¹¹ *Id.* at § 255-62 (2005).

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* at § 255-19

As described, the ordinances that currently exist in Carlisle Borough are mostly centered around zoning. The ordinances dictate the uses for which certain areas and properties can be used. These zoning ordinances are not currently holding back the downtown buildings from being used as apartments, as they are either zoned mixed-use, or allow a special exception to rent non-street level apartments to renters. However, there is nothing in these ordinances that is incentivizing landlords to rent to low-income residents. Additional ordinances and programs need to be implemented to ensure that every available rental space is being rented at an affordable price to reduce the number of housing insecure residents in the area. With Cumberland County being the fastest growing county in the Commonwealth since 2010, it is imperative existing properties be used to provide affordable housing to low-income renters.¹⁵

IV. How other municipalities addressed housing affordability issues

The issue of housing affordability is not exclusively confined to Carlisle Borough. Many people across the globe have struggled to find acceptable rental housing at an affordable price. The following landlord incentive program examples have been employed by various municipalities to address the issue of housing affordability. Analyzing what others have done assists other municipalities in developing their own programs for providing low-income renters with affordable housing. The main approach other jurisdictions have used to create housing affordability is to implement landlord incentive programs to entice landlords to rent to low-income renters. These programs include many of the same incentives, but some jurisdictions include unique enticements. Some municipalities have also enacted fair housing ordinances, which prohibit discrimination in the housing market. These fair housing ordinances ensure that

¹⁵ Dr. Claire Jantz, *Housing Affordability in Cumberland County*, CENTER FOR LAND USE AND SUSTAINABILITY 3 (July 22, 2020), <https://www.ccpa.net/DocumentCenter/View/36630/CCHousing-Affordability-Final-Report-072220>.

low-income renters are presented with all of the same opportunities when pursuing rental options than those with a higher income.

Before getting into the details of the enticements themselves, it is helpful to understand the framework in which these programs have been implemented. Most of the jurisdictions referenced below base their landlord compliance with renting to low-income residents on the already existing Section 8 Housing Choice Voucher Program (HCV). This program is a federal housing assistance program that helps house low-income households affordably.¹⁶ The government partners with rental unit owners to provide more affordable rental options.¹⁷ The landlord agrees to rent the unit for a reasonable price, and the government subsidizes the rent each month by paying a portion of the renter's monthly rental payment directly to the landlord.¹⁸ The key to the success of the HCV program is landlord participation.¹⁹ As such, municipalities have established landlord incentives, usually monetary, to entice landlords to join the program and rent their properties to voucher holders.

A. Landlord Sign-Up Bonus Incentive

The main incentive municipalities have offered to landlords renting to low-income residents is a sign-up bonus. Bucks County, Pennsylvania instituted a Bucks Landlord Incentive Program (BLIP).²⁰ BLIP includes a "Bonus for Bucks Landlords" incentive, which provides a sign-up bonus to landlords who lease their units to tenants who are Housing Link program

¹⁶ *Landlords: Critical Participants in the Housing Choice Voucher Program*, EVIDENCE MATTERS (Winter 2019), <https://www.huduser.gov/portal/periodicals/em/winter19/highlight1.html>.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Bonus for Bucks Landlords*, BUCKS COUNTY HOUSING LINK (Aug. 31, 2021), <https://www.buckshousinglink.org/bonusforbucks/>.

participants.²¹ The Bucks County Housing Link assists residents who are struggling with a housing-related crisis.²² Residents experiencing such a crisis can reach out to the Housing Link, and the housing planning staff will work with the caller to find them affordable housing.²³ The Housing link assists the struggling residents with the rental payments.²⁴ Landlords that rent to residents who contacted the Bucks County Housing Link for assistance will receive a bonus equal to one month of rent.²⁵

Similarly, McKean County has implemented a \$500 signing bonus to landlords who rent to someone who is participating in the Homeless Assistance Program (HAP).²⁶ Not only does the landlord have to rent to an HCV participant, but the participating landlord must also rent to a renter who is part of the HAP program as well.²⁷ The HAP program is a local service put in place in McKean County that makes a one-time payment of security and utility deposits on behalf of the renter.²⁸ McKean County funds its incentives through CARES act funds they received from the federal government.²⁹

Philadelphia also deals with housing affordability issues, but on a much greater scale. However, Philadelphia's programs can still be used as a foundation to implement manageable programs for smaller municipalities. Philadelphia awards a signing bonus to a landlord who signs

²¹ *Id.*

²² *The Bucks County Housing Link*, BUCKS COUNTY HOUSING GROUP (2017), <https://www.bchg.org/the-housing-link.html>.

²³ *Id.*

²⁴ *Bonus for Bucks Landlords*, BUCKS COUNTY HOUSING LINK (Aug. 31, 2021), <https://www.buckshousinglink.org/bonusforbucks/>.

²⁵ *Id.*

²⁶ *McKean County Housing Authority Landlord Incentive Program*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2021), <https://www.mckeancountyhousing.com/>.

²⁷ *Id.*

²⁸ *Housing and Homeless Services*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2021), <https://www.mckeancountyhousing.com/housing-homeless-services/>.

²⁹ *Landlord Incentive Program*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2020), [file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20\(2\).pdf](file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20(2).pdf).

a lease with an HCV participant for the first time.³⁰ These signing bonuses vary between \$300 - \$1000, depending on the circumstances of the signing.³¹

Although Pittsburgh is also a bigger city, its landlord incentive program can be manipulated to fit the needs of a smaller municipality. Pittsburgh offers a \$1000 signing bonus to landlords who join the Housing Choice Voucher program and rent to an HCV participant.³²

In May of 2021, a new bi-partisan piece of legislation was introduced as Senate Bill 1820 called the “Choice in Affordable Housing Act of 2021.”³³ Like the other programs previously discussed, this bill provides a sign on bonus for landlords who are new to the housing assistance program.³⁴

B. Refer A Landlord Bonus

Bucks County offers a referral incentive to landlords already participating in its program to rent to low-income residents. If an existing landlord member refers another landlord to join the program, the referring landlord can get a \$2,000 finder’s fee if the new landlord rents to a Housing Link Participant.³⁵

C. Continuity Coverage Incentive

In addition to its other incentives, Bucks County offers a continuity coverage incentive to landlords participating in its program to rent to low-income residents. The continuity coverage

³⁰ *PHA Landlord Monetary Incentives*, PHILADELPHIA HOUSING AUTHORITY (2021), http://www.pha.phila.gov/media/193123/pha_landlord_monetary_incentives_flyer_6.2021.pdf.

³¹ *Id.*

³² *Landlord Resources*, HOUSING AUTHORITY OF CITY OF PITTSBURGH (May 23, 2020), <https://hacp.org/doing-business/landlord-resources/>.

³³ S. 1820, 117th Cong. (2021-2022).

³⁴ *Id.* at § 5(a).

³⁵ *Bonus for Bucks Landlords*, BUCKS COUNTY HOUSING LINK (Aug. 31, 2021), <https://www.buckshousinglink.org/bonusforbucks/>.

incentive provides landlords with up to one month's rent in between leases when renting to Housing Link participants.³⁶ The landlord incentive program for Bucks County is funded through the Housing Link.³⁷ The Housing Link is a nonprofit organization that receives substantial donations from community members.³⁸

D. Lease-Up Bonus

McKean County's landlord incentive program includes a lease-up bonus for landlords who rent their units to HCV holders.³⁹ The \$500 lease up bonus is available to landlords who are already part of the landlord incentive program and rent to a participant of HAP for the first time during the 2020/2021 year.⁴⁰

E. Rental Rehabilitation Incentive

A unique incentive in McKean County's program is their inclusion of a rehab incentive for up to \$1,500.⁴¹ This enticement is for landlords who have a rental property that would not pass the Housing Quality Standards (HQS), which is required in order to rent to Section 8 HCV holders.⁴² The HQS consist of 13 key requirements that must be met in order to fulfill the health and safety needs of low-income renters.⁴³ These requirements include evaluation of sanitary facilities, food preparation areas, security, electricity, structural integrity, air quality, water supply, and smoke detectors, to name a few.⁴⁴ After receiving verification that a rental will not

³⁶ *Id.*

³⁷ *Id.*

³⁸ *Donating to BCHG*, BUCKS COUNTY HOUSING GROUP (2017), <https://www.bchg.org/make-a-donation.html>.

³⁹ *Landlord Incentive Program*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2020), [file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20\(2\).pdf](file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20(2).pdf).

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Housing Quality Standards*, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/hqs.

⁴⁴ *Housing Quality Standards (HQS) – Frequently Asked Questions*, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, https://www.hud.gov/sites/documents/DOC_9143.PDF.

pass an HQS inspection, a landlord can make updates and provide the invoice from the vendors who made the repairs.⁴⁵ If the rental passes HQS standards after the updates, the landlord can receive reimbursement for the repairs up to \$1,500 when they rent to a HAP participant.⁴⁶

F. Landlord Monthly Workshop Incentives

McKean County also offers monthly workshops for participating landlords that discuss topics such as the leasing process, inspections, payment standards, etc.⁴⁷ A participating landlord will receive \$50 for each monthly session they attend.⁴⁸

G. Housing Choice Voucher (HCV) Owner Assurance

Philadelphia offers HCV Owner Assurance, which is a fund “designed to protect property owners from unexpected damages in excess of normal wear and tear.”⁴⁹ These funds are restricted to use of landlords who rent to HCV participants within the first two years of that participant’s tenancy.⁵⁰ Appropriate documentation must be submitted with any claims to reimburse unexpected damages.⁵¹

H. Security Deposit Assistance

Philadelphia also provides security deposit assistance for up to a month’s contract rent for new Emergency Housing Vouchers.⁵² The newly introduced Senate Bill also affords that assistance will be provided to pay the owners of a rental property the security deposit on behalf

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Landlord Incentive Program*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2020), [file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20\(2\).pdf](file:///C:/Users/tmh25/Downloads/LANDLORD-INCENTIVE-PROGRAM%20(2).pdf).

⁴⁸ *Id.*

⁴⁹ *PHA Landlord Monetary Incentives*, PHILADELPHIA HOUSING AUTHORITY (2021), http://www.pha.phila.gov/media/193123/pha_landlord_monetary_incentives_flyer_6.2021.pdf.

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

of the housing assistance program renter.⁵³ Pittsburgh offers a one month's security deposit as part of its landlord incentive program as well.⁵⁴

I. Impact of landlord incentive programs

Although many municipalities have implemented landlord incentive programs, the implementation itself is not enough to prove its efficacy. The programs' results must be analyzed for the success rates in getting more landlords to rent to HCV holders. In Bucks County, the goal of the incentive program in 2021 is to increase the landlord partners by 21 percent, which would increase program participants by 180 landlords.⁵⁵ As of mid-November of 2021, the program had increased landlord participation in renting to HCV holders to 154 landlords.⁵⁶ Based on this data, it seems Bucks County is on track to meet its goal, and that the incentive program contributed to a nearly 20% increase in landlords renting to low-income residents. The landlord incentive programs in McKean County, Philadelphia, and Pittsburgh are new for the 2021 year. Because of their recent implementation, there is no data available yet to analyze the effectiveness of their landlord incentive programs. The municipalities of McKean County and Philadelphia were contacted to ascertain the success rate of their landlord incentive programs, but responses were not received before the deadline of this narrative.

Landlords may avoid renting to HCV participants because they have negative misconceptions and fears concerning the people using the housing vouchers.⁵⁷ Additionally, the

⁵³ S. 1820, 117th Cong.).§ 5(b) (2021-2022).

⁵⁴ *Landlord Resources*, HOUSING AUTHORITY OF CITY OF PITTSBURGH (May 23, 2020), <https://hacp.org/doing-business/landlord-resources/>.

⁵⁵ *Bonus for Bucks Landlords*, BUCKS COUNTY HOUSING LINK (Aug. 31, 2021), <https://www.buckshousinglink.org/bonusforbucks/>.

⁵⁶ *Id.*

⁵⁷ *Landlords: Critical Participants in the Housing Choice Voucher Program*, EVIDENCE MATTERS (Winter 2019), <https://www.huduser.gov/portal/periodicals/em/winter19/highlight1.html>.

landlords may have previously participated in the housing voucher program and had one bad experience that deterred them from renting through the program again.⁵⁸ Another factor that could deter landlords from renting to housing voucher participants is the bureaucratic nature of the program and how it is administered by state and local governments.⁵⁹

The incentive programs in some municipalities should quell some of these fears through the landlord informational sessions.⁶⁰ Also, the monetary incentives have proven in some counties to be enticing enough to outweigh the negative misconceptions.⁶¹ Additionally, the incentives that reimburse damages makes it more likely for landlords to join an incentive program since they know there is low risk of financial loss. It was also interesting to see McKean County implementing a fund to help landlords fix up their properties to the standards required to rent to housing voucher participants. By providing these funds, more landlords can join the program, which creates more housing options for low-income renters.

J. Prohibiting discrimination in rental market based on source of income

To combat discrimination against low-income renters and buyers, some municipalities have enacted fair housing ordinances. These ordinances contain provisions that make it unlawful for any person to injure a renter based on a source of income.

One of these municipalities is Marin County, California. The Marin County Income-Based Rental Housing Discrimination ordinance specifically prohibits interrupting or terminating a rental transaction based on source of income, requiring different terms based on a source of

⁵⁸ *Id.*

⁵⁹ *Id.*

⁶⁰ *PHAs Encourage Landlord Participation with Incentives*, EVIDENCE MATTERS (Winter 2019), <https://www.huduser.gov/portal/periodicals/em/winter19/highlight3.html#title>.

⁶¹ *Id.*

income, or lying about the availability of a rental property based on source of income.⁶² It also prohibits a refusal to provide repairs and improvements to a tenant based on source of income.⁶³

Philadelphia, Pennsylvania also enacted an unlawful housing act. Although Philadelphia is a much larger municipality than Carlisle Borough, the prohibitions are still applicable and do not vary depending on the size of a jurisdiction. Philadelphia's Unlawful Housing Act makes it unlawful to deny or interfere with housing accommodation opportunities or discriminate based on "race, ethnicity, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, disability, marital status, familial status, or domestic or sexual violence victim status."⁶⁴ A rental property cannot be held from a person because of any of the previously listed criteria.⁶⁵

V. Social, Environmental, and Economic Benefits of Landlord Incentives

Incentivizing landlords to rent to low-income residents does more than just improve the housing affordability issues a municipality may have. There are other sustainable benefits of increasing the housing options for low-income residents. Of course, a main benefit of these programs is that they increase the number of landlords who are willing to rent their properties to HCV participants. This creates more affordable housing options for low-income renters.

Having these low-income residents in affordable housing also creates a positive domino effect socially, economically, and environmentally. With these renters in secure, affordable housing, they can use their money in others way. Whether it is to save it for a bigger purchase, or to spend it on groceries and other essential items, the fact that funds are being put toward something other than housing should bolster the economy.

⁶² MARIN COUNTY, CA., MUNICIPAL CODE § 5.53 (2016).

⁶³ *Id.*

⁶⁴ PHILADELPHIA, PA., CODE § 9-1108(1).

⁶⁵ *Id.*

The landlord incentive programs will also create higher density in municipalities that currently have empty rental units. This means more people will be centrally located to mass transit and essential businesses. This higher density will “significantly increase” the environmental and climate benefits “through reduced vehicle use, lower carbon emissions and improved air quality.”⁶⁶ For example, a study was conducted in South Los Angeles to see whether including more affordable housing near mass transit had environmental impacts.⁶⁷ The study found that the vehicle miles in South Los Angeles were decreased by 22,630 miles a year, and greenhouse emissions were reduced by 28,470 pounds a year.⁶⁸ Therefore, more people using mass transportation and shopping locally will not only create a more active and engaged community, it will benefit the environment as well.

VI. Affordable Housing Ordinance Recommendations

This recommendation ties the analysis of this narrative to the proposed ordinance below. The recommendation identifies and describes the key elements of the newly created ordinance based on the decisions and experiences of the municipalities referenced in this narrative. Additionally, this recommendation will explain the options for the funding of this ordinance.

The key elements of the proposed ordinance mirror very closely the key elements of the landlord incentive programs and fair housing ordinances. In terms of the landlord incentive programs, the proposed ordinance will provide incentives to landlords in Carlisle Borough that rent to HCV holders. The incentives included in the proposed ordinance include a sign-up bonus.

⁶⁶ Khalil Shahyd, *Why Affordable Housing Matters for Environmental Protection*, ENERGY EFFICIENCY FOR ALL (August 23, 2019), <https://www.energyefficiencyforall.org/updates/why-affordable-housing-matters-for-environmental-protection/>.

⁶⁷ Ramya Sivasubramanian, *The Environmental Case for Affordable Housing*, NATIONAL RESOURCES DEFENSE COUNCIL (July 14, 2016), <https://www.nrdc.org/experts/ramya-sivasubramanian/environmental-case-affordable-housing>.

⁶⁸ *Id.*

We decided to include this incentive because it was the only incentive included in all of the landlord incentive programs we encountered. It will assist in getting landlords initially engaged in the landlord incentive program and give them an immediate monetary incentive with their first rental to an HCV holder. The ordinance also includes a rehabilitation incentive. This incentive was included because it will assist in broadening the pool of landlords who meet the standards to rent their units to HCV holders. Another incentive included was specifically requested by Carlisle Borough. In Carlisle Borough, an inspection is required for all rental units and inspection fee waiver incentive waives the fee for the required inspection.

We also included fair housing provisions in the proposed ordinance based on what we found in other municipalities' fair housing ordinances. We mainly used prohibitions described in Marin County's fair housing act. The provisions in Marin County zeroed in more in prohibiting discrimination based on source of income. Additionally, the prohibitions include in Marin County's ordinance had a more direct impact on ensuring the availability of affordable housing to low-income residents. The proposed ordinance includes prohibitions of refusing to rent property based on source of income, requiring additional terms and conditions based on source of income, and failing to provide services and repairs to rental units based on income.

As requested by the Carlisle Borough, this ordinance will be funded through the Community Development Block Grant (CDBG). The CDBG is allocated to the Borough for uses directly related to affordable housing. If the amount of money from this grant is inadequate to fund the ordinance, the Borough will use funds from the American Rescue Plan or any other funding they see fit.

VII. Conclusion

It is clear that municipalities across the world are struggling with providing affordable housing to residents. The housing affordability issue has been brought to light even more through the COVID-19 pandemic. Some jurisdictions have developed programs to address the housing affordability issues. They focus on enticing landlords to rent their properties to people who qualify for Section 8 housing assistance. As explained, these incentives include, but are not limited to, sign on bonuses, down payment assistance, rental rehabilitation funds, and reimbursement payments for damages caused by renters.

There are many people who qualify for this type of housing supplement, but not enough landlords to meet the demand. By incentivizing landlords to register for the program, jurisdictions are closing the gap between supply and demand. A similar approach may also be beneficial if implemented in Carlisle Borough, where a problem exists in getting owners of downtown properties with non-street level apartments to rent their units to low-income renters. Bringing participants of the Cumberland County HCV program into the empty rentals in downtown Carlisle will not only help decrease home insecurity, but it will also benefit the town's businesses and the environment, creating a more sustainable community overall.

Affordable Housing Ordinance

Ordinance Lead: Niara Dennis and Narrative Lead: Theresa Davis

ORDINANCE NO. _____

**AN ORDINANCE OF THE BOROUGH OF CARLISLE, PENNSYLVANIA, TO
ESTABLISH REGULATIONS RELATED TO PROVIDING AFFORDABLE HOUSING
OPTIONS THROUGHOUT CARLISLE BOROUGH**

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the authority of the Board of the
Borough of Carlisle Pennsylvania:

Chapter 1

Preliminary Provisions

Section 101. **Short title.**

This ordinance shall be known as the Affordable Housing Ordinance of the Borough of Carlisle.

Section 102. **Legal Authority.**

This ordinance is authorized under Chapter 33 Section 3301.1(a) of the Pennsylvania Borough Code and Chapter 12 Section 1202 of the Pennsylvania Borough Code.⁶⁹

⁶⁹ 8 PA. CONS. STAT. § 3301.1(a) (2012).; 8 PA. CONS. STAT. § 1202(49) (2012).

Section 103. **Purpose.**

As a result of past and current housing markets, and the Covid-19 pandemic, finding affordable housing is a challenge for buyers and renters.⁷⁰ The purpose of this ordinance is to allow the Borough of Carlisle to implement a landlord incentive program that motivates landlords to sign up to rent to Section 8 Housing voucher holders searching for affordable rental properties in the Borough of Carlisle. In addition, this ordinance ensures landlords participating in the Section 8 Housing voucher program maintain suitable living conditions for their tenants. This ordinance further ensures the prohibition of discrimination in the rental community.

Section 104. **Definitions.**

The following words and phrases when used in this ordinance shall have the meaning given to them in this section unless the text clearly indicates otherwise:

“Affordable housing.” The Housing Authority of Cumberland County determines if a rent is reasonable based on current rents for comparable unassisted units. Housing is affordable when the rental price does not exceed the reasonable rent determined by the Housing Authority.

“Board.” The Carlisle Borough Council.

⁷⁰ Dr. Claire Jantz, *Housing Affordability in Cumberland County*, CENTER FOR LAND USE AND SUSTAINABILITY 2, <https://www.ccpa.net/DocumentCenter/View/36630/CCHousing-Affordability-Final-Report-072220> (July 22, 2020).

“Community Development Block Grant.” A grant that provides Carlisle Borough with resources to assist low-income individuals. These funds shall only be used for activities within the Borough’s vicinity.

“Dwelling.” Any building, structure (or portion thereof) which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location of any such building, structure, or portion thereof.⁷¹

“Family.” (1) An individual, including elderly, disabled, and displaced persons who live alone; or
(2) an individual with children; or
(3) a couple and their children; or
(4) a group of no more than seven unrelated persons living together in a dwelling unit.⁷²

“Housing Choice Voucher Program.” The federal government’s major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

“Housing Quality Standards.” Thirteen key aspects of housing quality, performance requirements, and acceptability criteria to meet each performance requirement. The key

⁷¹ *Id.*

⁷² Chris Williams and Austin Grace, An Ordinance of the ___[Township/Borough] of _____ County, Pennsylvania, To Establish Regulations Related to the Amount of Non-Family Members Residing in a Household in a Single-Family Residential Zoning District, 19-20 (December 2020) (unpublished Sustainability Seminar Ordinance, Widener University Commonwealth Law School) (on file with the Environmental Law and Sustainability Center, Widener University Commonwealth Law School).

aspects establish the minimum criteria for health and safety of program participants. These standards include requirements for all housing types.

“Landlord.” Owner of real property that is leased or rented to another person or tenant, known as the tenant.

“Owner.” A person who has the legal title to the property.⁷³

“Person.” Includes a corporation, partnership, limited liability company, business trust, other association, government entity (other than the Commonwealth), estate, trust, foundation, or natural person.⁷⁴

“Section 8 Housing Program.” A program facilitated by the U.S. Department of Housing and Urban Development (HUD) that provides financial assistance to low-income households to pay their rent using the Housing Choice Voucher Program.

“Source of Income.” Includes all lawful sources of income or rental assistance program, homeless assistance program, security deposit assistance program or housing subsidy program. Source of income includes any requirement of any such program or source of income or rental assistance.

“Standard Appliances.” Includes stove, refrigerator, and oven.

⁷³ *Id.* at 20.

⁷⁴ *Id.* at 21.

Chapter 2
Requirements

Section 201. Applicability of this chapter. ⁷⁵

This ordinance shall apply to:

- A. All landlords participating in the Section 8 housing voucher program renting to housing choice voucher holders seeking affordable housing. This includes existing landlords and future landlords of any new rental developments proposed to be created with the Borough.
- B. All rental properties of landlords participating in the housing choice voucher program. This includes existing rental properties and future rental properties that a landlord chooses to enroll in the housing voucher rental program.

Section 202. Rental accommodation requirements.

All rental properties rented by landlords to housing voucher holders must maintain infrastructure to support the residents in the dwelling. This includes, but is not limited to:

- A. At least one separate bathroom including at least one sink, one toilet, and one area to bathe, whether it is a shower or bathtub. This includes sufficient plumbing to support the renters of the property.
- B. At least one kitchen including a sink, and standard appliances.
- C. One living area.
- D. A safe method of heating the rental unit or residence.

⁷⁵ SAYREVILLE BOROUGH, N.J., CODE OF ORDINANCES, CHAPTER 35 § 35-15 (2017).

- E. A safe method of cooling the rental unit or residence, as provided by the landlord. These methods could include central air, or window unit air conditioners.

Section 203. Rental requirements to be counted as an affordable housing landlord⁷⁶.

In order to be eligible to receive incentives under Carlisle Borough's Landlord Incentive Program, an interested landlord must fulfill the following requirements.

- A. An interested landlord must sign up and be approved by the counties public housing authority to rent to housing choice voucher holders participating in Section 8 Housing. A landlord and his/her property must meet all of the requirements prescribed by HUD in order to rent the property to a Section 8 housing choice voucher holder;
- B. A landlord of a multi-family residential property who is approved to rent to Section 8 housing voucher participants must accept housing vouchers for at least twenty (20) percent of available dwellings;
- C. A written lease shall be required for all rental agreements between participating landlords and housing choice voucher holding tenants. Tenants, with the assistance of payments provided to landlords through HUD, are responsible for paying security deposits and the full amount of rent as stated on the lease;
- D. No additional fees or charges shall be added to the approved rent, except in the case of units in an assisted living residence, to cover the customary charges for food and services.

⁷⁶*Id.*

Chapter 3

Incentive Program for Existing Landlords and Funding

Section 301. Incentives for landlords renting to housing choice voucher participants

In accord with this Chapter, the Borough must provide the following incentives to a landlord who satisfies the affordable housing requirements of Sections 202 and 203 of this ordinance and provides proof, per Section 302 of this ordinance, that they have fulfilled all requirements. The Borough must reauthorize the implementation of this program annually, based on the availability of Borough funds to support the incentive programs. The Borough of Carlisle will administer all incentives through the HUD deposit system:

1. New landlord Signing Bonus: A landlord renting a property to their first housing choice voucher holder will earn a \$500 bonus;⁷⁷
2. Two Year Loyalty Bonus: A landlord who consistently rents to a housing choice voucher holder for a period of two (2) years will earn a bonus equal to one month of the current rent;⁷⁸
3. Finder's Fee Bonus: A landlord currently renting to a housing choice voucher holder who successfully refers another landlord to the Section 8 program will receive a bonus of \$100 if the new landlord rents to a housing choice voucher holder;⁷⁹

⁷⁷ *McKean County Housing Authority Landlord Incentive Program*, MCKEAN COUNTY REDEVELOPMENT & HOUSING AUTHORITY (2021), <https://www.mckeancountyhousing.com/>.

⁷⁸ *Bonus for Bucks Landlords*, BUCKS COUNTY HOUSING LINK (AUG. 31, 2021), <https://www.buckshousinglink.org/bonusforbucks/>.

⁷⁹ *Id.*

4. Continuity Payments: Landlords renting to housing choice voucher holders will receive a payment equivalent to a month of rent for up to one month in between leases with housing choice voucher holders;⁸⁰
5. Rental Rehabilitation Reimbursement: Landlords who receive verification that their rental properties will not pass the Housing Quality Standards (HQS) to rent to housing choice voucher holders may be reimbursed for up to \$1500 in repairs to get the property to meet the HQS. The reimbursement for the repairs will be administered to the landlord when they rent to a housing choice voucher holder;
6. Waiver for Housing Inspection Fee: A landlord renting to a housing choice voucher holder may receive a waiver for each qualifying housing unit from the Borough's rental housing inspection fee.

Section 302. Required Documentation Proving Compliance with Incentive Requirements

- A. Required documentation. Any landlord seeking the incentives in Section 301 is required to file the following documentation to prove compliance with the landlord incentive program requirements in Section 202 and the rental accommodation requirements in Section 203:
 1. Floor plans including proof of bathroom, kitchen, and living space containing required attributes and standard appliances listed in Section 203.
 2. Written attestation that the rental property includes satisfactory heating and cooling mechanisms.

⁸⁰ *Id.*

3. A copy of lease with Section 8 Housing Voucher Holder proving the landlord is renting to a housing choice voucher holder.
- B. Documentation review. The documentation provided by the landlord will be reviewed by the Community Development Department of Carlisle Borough. If the Community Development Department deems the documentation requirements are sufficiently fulfilled, the applicable incentive(s) will be administered to the landlord requesting the incentive. If the Community Development Department determines the documentation submitted by the landlord is not sufficient to prove the incentive requirements are met, the Department will provide brief comments for what is still required of the landlord.
 - C. Documentation Resubmission. There is no limit on the number of times a landlord can attempt to submit the required documentation to receive an incentive(s).

Section 501. Affordable housing landlord incentive funding.

The Board shall use funds allocated through the Community Development Block Grants, and any other funds it deems fit, for the purpose of incentivizing landlords in accordance with this ordinance.

Section 502. Reauthorization of the Landlord Incentive Program

The Community Development Department of Carlisle Borough shall reauthorize the landlord incentive program on an annual basis pursuant to availability of funds provided to the Borough through the Community Development Block Grant. If the Borough decides to authorize this ordinance, the terms of this ordinance shall be used in the implementation of the landlord incentive program.

If the Borough is not provided the funds necessary to accommodate and administer the landlord incentive program, the Community Development Department will pause the landlord incentive program for the upcoming year. The Community Development Department will review the reauthorization in the coming year to determine if funds are available to reinstate the landlord incentive program.

Chapter 4

Income-Based Rental Housing Discrimination and

Unlawful Housing Practices

Section 401. **Housing** ⁸¹

A. Prohibited activity. A person may not do any of the following based on source of income:

1. Interrupt, terminate, or fail or refuse to initiate or conduct any transaction in real property, including, but not limited to, the rental thereof; or falsely to represent that an interest in real property is not available for transaction;
2. Refuse or restrict facilities, services, repairs, or improvements for any tenant or lessee;
3. Make, print, publish, advertise, or disseminate in any way, or cause to be made, printed, or published, advertised, or disseminated in any way, any notice, statement, or advertisement with respect to a transaction in real property, or with respect to financing

⁸¹ MARIN COUNTY, CA., MUNICIPAL CODE § 5.53 (2016).

related to any such transaction, which indicates preference, limitation or discrimination based on source of income.

B. Prohibited economic discrimination. It is unlawful for any person to use a financial or income standard for the rental of housing that does either of the following:

1. Fails to account for any rental payments or portions of rental payments that will be made by other individuals or organizations on the same basis as rental payments to be made directly by the tenant or prospective tenant; or
2. Fails to account for the aggregate income of persons residing together or proposing to reside together or an aggregate income of tenants or prospective tenants and their cosigners or proposed cosigners on the same basis as the aggregate income of married persons residing together or proposing to reside together.

C. Exceptions.

1. Nothing in this chapter shall be construed to apply to the rental or leasing of any housing unit in which the owner or any member of the owner's family occupies one of the dwelling units and (1) it is necessary for the owner to use either a bathroom or kitchen facility in common with the prospective tenant, or (2) the structure contains fewer than three dwelling units.
2. Nothing in this chapter shall be deemed to permit the rental or occupancy of a dwelling unit or commercial space otherwise prohibited by law.

Chapter 5

Enforcement and Appeals

Section 501. Enforcement

Any aggrieved person is hereby authorized to bring a civil action for damages or for injunctive relief to enjoin a violation of this ordinance.

Section 502. Appeals

Any person aggrieved by a decision of any Borough official or body who or which is responsible for the enforcement of the codes and ordinances which are the subject of this chapter shall file a written notice of appeal with the Board of Appeals within 10 days after the rendering of such decision.

Chapter 6

Monitoring and Reporting Requirements

Section 601. Monitoring and reporting requirements.

Beginning on a year from the date of enactment the Board shall:

A. Provide an annual report to the Borough Council of its Affordable Housing activity

which includes:

1. The number of landlords authorized to rent to housing choice voucher holders;
2. The number of landlords who rented to housing choice voucher holders;
3. The number of landlords who obtained incentives from the Borough based on their rental to housing choice voucher holders; and

4. Expenses of the borough relevant to the administration and implementation of this affordable housing ordinance.

Chapter 7

Severability, Repeals, and Effective Date⁸²

Section 701. Severability.

All provisions of this ordinance are severable. If any provision of this ordinance or its application is held invalid, such invalidity shall not affect any other provision or application of this ordinance which can be given effect without the invalid provision or application.

Section 702. Repeals.

No sections of the ordinances of the Borough shall be repealed. All parts of the ordinance of the Borough are to be read together. To the extent that there are inconsistencies between this ordinance and other ordinances, this ordinance shall be construed as to supersede other ordinances for purposes relevant to the provisions and purpose of this ordinance.

Section 703. Effective date.

This ordinance shall become effective 90 days after enactment and approval.

⁸² Jacqueline Lynette Carter and Samantha Craley, An Ordinance of the ___[Township/Borough] of _____ County, Pennsylvania, To Establish Regulations Related to the Provision of Electric Vehicle Charging and Parking on Private Property,⁴⁷ (December 2019) (unpublished Sustainability Seminar Ordinance, Widener University Commonwealth Law School) (on file with the Environmental Law and Sustainability Center, Widener University Commonwealth Law School).