



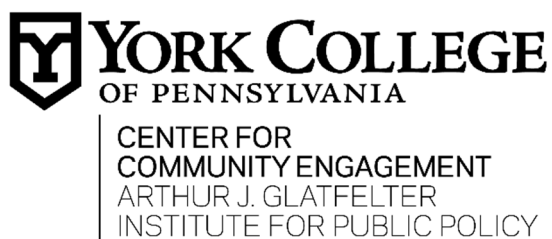
Impact of Affordable Housing in York, PA: The Homes at Thackston Park

The Arthur J. Glatfelter Institute for Public Policy

59 E. Market Street
York, PA 17403

717-815-1418

publicpolicy@ycp.edu



Prepared by:

Vinny Cannizzaro, PhD, MPP

Ashley Hines

Executive Summary

The Homes at Thackston Park is a affordable rental development for lower income households in the west end of the City of York, PA. The project was completed in 2013 by Creating Opportunities in Neighborhood Environments (CONE) Inc., a local non-profit community housing development organization (CHDO), utilizing 9% Low Income Housing Tax Credits. The 39 unit property is managed by the Housing Authority of the City of York, and owned by a limited partnership between Wincopin Circle, LLC (the equity investor) and CONE.

In the York-Hanover region as of 2018, there is a deficit in affordable rental housing for households classified as either extremely low income or very low income of approximately 13,500 units. The Homes at Thackston Park is one of many projects designed to fill this gap. As of August 2022, the Homes at Thackston Park houses 24 (70.5%) families, 8 (23.5%) couples, and 2 (5.9%) singles. However, there were a total of 1,580 applicants currently on the waiting list, 796 (50.3%) of which are families, 411 (26%) couples, and 374 (23.7%) single adults.

Tenancy at the Homes at Thackston Park has an empirical benefit for its residents. For some, tenancy at the Homes at Thackston Park provided stability that allowed for upward social mobility and increased socioeconomic growth, including homeownership, increased educational attainment, and upward job mobility.

- On average, households residing at the Homes at Thackston Park between 2013 and 2022 experienced an increase in their average income over the tenure of their time in an affordable housing unit by \$7,081.70.
- For each additional year in occupancy at the Homes at Thackston Park, households experienced an increase of income of \$4,657.40.
- When compared to all households within its specific geographic region (Census Tract 10 in the City of York, Pennsylvania), residents of the Homes at Thackston Park outpaced their peers in average income between 2013-2021.

Tenancy at the Homes at Thackston Park also provides larger community benefits.

- Between 2013 and 2022, households living at the Homes at Thackston Park I increased their household's income by \$573,618.
- Overall, the Homes at Thackston Park provided a return on investment of a \$1 in increased income for all residency throughout tenancy for every \$14 spent on construction costs.
- When limiting the evaluation to only the total tax credits utilized, the Homes at Thackston Park provided a return on investment of a \$1 increase in income for every ~\$2.22 spent in public funds through tax incentives for development.

Introduction

Objectives of the York Affordable Housing Analysis

In April 2022, the York Housing Authority, in conjunction with CONE, Inc., asked the Arthur J. Glatfelter Institute for Public Policy to assess the impact and return on investment of affordable housing projects within York County, Pennsylvania. In particular, the York Housing Authority and CONE, Inc. wanted to gain a more in-depth understanding of the role and socioeconomic impact of the Homes at Thackston Park, as well as the potential impacts of Thackston Park Phase II. The purpose of this report is to detail the community impacts of the Homes at Thackston Park—developed with support of the Low-Income Housing Tax Credit—has had in York, Pennsylvania.

Methodology

The Arthur J. Glatfelter Institute for Public Policy was able to provide some preliminary assessments of the impact of the Homes at Thackston Park, as well as the potential impacts of Thackston Park Phase II through data and information provided by the York Housing Authority and CONE, Inc. There was no primary data collection related to this research or assessment; all analysis was conducted through secondary data provided by the partner organizations. Data includes static snapshots (received in August 2022) of tenant characteristics, application waitlists, rationale for lease terminations, and financial statements related to the development of the Homes at Thackston Park Phases I and II. In addition, the Arthur J. Glatfelter Institute for Public Policy received longitudinal data tracking tenants of the Homes at Thackston Park in February 2023. The York Housing Authority and/or CONE, Inc. were the primary owners of the provided data and information. As such, all analysis and assessments are dependent upon the quality and accuracy of data provided by the partner organizations.

Key Findings

Evaluation of internal data from the York Housing Authority provides evidence of positive outcomes related to tenancy at the Homes at Thackston Park.

- On average, each additional year of tenancy provides residents with an increase of household income by over \$4,500.
 - These results remain consistent when controlling for the gender and ethnicity of the head of household.
- Over a ten-year period, tenants of the Homes at Thackston Park increased their collective overall household incomes by over \$500,000.
 - It is estimated that over a ten-year period, tenants of the Homes at Thackston Park II will collectively increase their overall household incomes by over \$1,000,000.

Acknowledgements

This report was funded through the generous financial support of the York County Community Foundation.



Background on Affordable Housing in York County, Pennsylvania

Low Income Housing Tax Credit Background

The Low Income Housing Tax Credit (LIHTC) is the primary federal resource responsible for the development and preservation of affordable rental units in the United States.¹ The IRS program provides equity to developers via a tax credit to create affordable rental housing for low income households where gross rent (including utilities) costs equal to or less than 30 percent of their annual income—an ask that is in severe short supply.² In 1985, the construction of over 1.2 million public housing projects was brought to a halt by the Reagan administration's near total elimination of public funds allocated to housing programs and housing authorities.³ Affordable housing construction took another major hit in 1999, when President Bill Clinton signed the Faircloth Amendment which significantly limits the number of public affordable housing that a public housing authority can build and own.⁴ In 2017, the Trump administration made a 15 percent cut to the overall budget for the U.S. Department of Housing and Urban Development, contributing to the spiral of problems responsible for substandard conditions of much public housing.⁵ In this political environment, the LIHTC is one of the only ways developers can realistically finance affordable housing projects.

The LIHTC works by offering developers tax credits that offset construction costs with the agreement that a certain number of units will be rent-restricted for low-income households.⁶ Developers will then typically sell these tax credits to investors, such as banks, in order to obtain the upfront equity financing needed for construction which reduces debt and other required expenses. As a result, LIHTC properties can afford to charge its tenants below-market rents. Since the program was created by the Tax Reform Act of 1986, it has helped fund 50,567 projects and produce 3.44 million housing units nation-wide.⁷

The Homes at Thackston Park is one of those projects, offering residents of York City, Pennsylvania 39 affordable, townhouse style apartment units.⁸ The property is managed by the Housing Authority of the City of York, and owned by a limited partnership between Wincopin Circle, LLC—the equity investor—and CONE, Inc—the nonprofit developer. In all of York, there are 84 low-income housing apartment complexes containing HUD, Section 8, public housing, nonprofit, and LIHTC apartments.⁹ This stock of affordable housing is slowly growing, but is not nearly enough to meet the needs of low-income residents.

The below sections analyze the four sources of secondary data shared with researchers and compare them to known federal, state, and local information about LIHTC beneficiaries. All federal and state data comes from HUD's LIHTC database which contains information on 50,567

¹ Low-Income Housing Tax Credit (LIHTC) | HUD USER. (n.d.). <https://www.huduser.gov/portal/datasets/lihtc.html>

² HUD Archives: Glossary of Terms to Affordable Housing - HUD. (2006, April 6). <https://archives.hud.gov/local/nv/goodstories/2006-04-06glos.cfm>

³ Kurtz, H. (1985, January 30). *Reagan Budget to Slash Housing Aid*. Washington Post. <https://www.washingtonpost.com/archive/politics/1985/01/30/reagan-budget-to-slash-housing-aid/f04754a4-6737-4550-bc4e-df8df0e56e84/>

⁴ U.S. Department of Housing and Urban Development. (n.d.). *Guidance on Complying With the Maximum Number of Units Eligible for Operating Subsidy Pursuant to Section 9(g)(3)(A) of the Housing Act of 1937 (aka the Faircloth Limit)*. <https://www.hud.gov/sites/documents/FRCLTH-LMT.PDF>

⁵ *Proposed cuts to public housing threaten a repeat of the 1980s' housing crisis*. (2017, June 1). Urban Institute. <https://www.urban.org/urban-wire/proposed-cuts-public-housing-threaten-repeat-1980s-housing-crisis>

⁶ Mark P. Keightley. (2022, June 23). *An Introduction to the Low-Income Housing Tax Credit*. Congressional Research Service. <https://sgp.fas.org/crs/mise/RS22389.pdf>

⁷ Low-Income Housing Tax Credit (LIHTC): Property Level Data | HUD USER. (n.d.). <https://www.huduser.gov/portal/datasets/lihtc/property.html>

⁸ Homes at Thackston Park | The Housing Authority of the City of York, PA (YHA). (n.d.). Retrieved October 20, 2022, from <https://yorkhousingauthority.com/affordable-housing-tax-credit/homes-at-thackston-park/>

⁹ York County Planning Commission. (2022). *Affordable Housing List for York County*. Housing | York County Planning Commission PA. <https://www.ycpc.org/DocumentCenter/View/1441/Affordable-Housing-List-for-York-County-PDF>

projects and 3.44 million housing units nationally from 1987 to 2020; of these properties, Pennsylvania has 1,061 developments with 52,500 active units.¹⁰ Housing affordability is a problem facing a wide range of demographics, meaning LIHTC properties support a variety of people. Moreover, LIHTC projects may be built to accommodate a more specific population experiencing housing cost burdens. Homes at Thackston Park aims primarily to provide multi-room, affordable housing units for families with dependent children.¹¹ For that reason, the data reported from Homes at Thackston Park may vary from state and federal data points. Comparing these data points will help understand to what extent Homes at Thackston Park meets the needs of the local low-income population.

Quantifying the Need for Affordable Housing in York County, Pennsylvania

As with all municipalities and providers of affordable housing throughout the United States, the demand for affordable housing vastly outweighs the supply. By assessing the deficient of affordable housing in York County, there is a clear need for more subsidized structures to be financed and constructed locally.

The need for affordable housing in York is great. The local affordable housing deficit is increasing and disproportionately impacts extremely low income (ELI) and very low income (VLI) renters. In the York-Hanover region as of 2018, there is a -7,321 deficit of affordable and available rental units for ELI residents who make less than or equal to 30% of the region's median family income (MFI) of \$83,957.¹² For VLI residents who make less than or equal to 50% of the region's MFI, there is a -6,096 affordable rental housing deficit. In comparison, those making 80% or less of the region's MFI have a 1,359 affordable rental housing surplus, meaning their monthly housing costs take up 30% or less of their annual income.¹³ For York-Hanover residents as of 2018, the typical cost-burdened ELI household's gross rent, including utilities, was \$529 more than they could afford. The typical VLI household's gross rent was \$273 more than they could afford. Figure 1.1 shows that ELI households are most likely to apply for subsidized rental units across all room types at Homes at Thackston Park.

¹⁰ Low-Income Housing Tax Credit (LIHTC): Property Level Data | HUD USER. (n.d.). <https://www.huduser.gov/portal/datasets/lihtc/property.html>

¹¹ Urie, Daniel. (2022, March 2). Construction underway on affordable family housing development. Pennlive. <https://www.pennlive.com/news/2022/03/construction-underway-on-affordable-family-housing-development.html>

¹² U.S. Census Bureau. (2019e). Median family income in the past 12 months [Dataset].

https://data.census.gov/cedsci/table?q=B19113%3A%20MEDIAN%20FAMILY%20INCOME%20IN%20THE%20PAST%2012%20MONTHS%20%28IN%202021%20INFLATION-ADJUSTED%20DOLLARS%29&g=1600000US4287048_310XX00US49620&tid=ACSDT1Y2019.B19113

¹³ Rental Housing Affordability Data Tool. (2018). <https://www.philadelphiafed.org/surveys-and-data/community-development-data/housing-data-dashboard>

Figure 1.1 - Homes at Thackston Park Application Waiting List by Income						
	1 Bedroom <i>n=437</i>	2 Bedroom <i>n=484</i>	3 Bedroom <i>n=452</i>	4 Bedroom <i>n=118</i>	5 Bedroom <i>n=89</i>	Total <i>n=1,580</i>
Extremely Low Income	80.5%	57.9%	63.3%	59.3%	76.4%	66.8%
Very Low Income	14.2%	32.6%	27.9%	33.1%	16.9%	25.3%
Low Income	4.1%	8.3%	8.0%	7.6%	6.7%	6.9%
High Income	1.1%	1.2%	0.9%	0.0%	0.0%	0.9%

The population of low-income households in York is steadily growing with housing costs continuing to take up a significant portion of total household income. The Census Bureau considers a household to be cost burdened if 35 percent or more of their income is spent on rent.¹⁴ As of 2019 in York City, Census data estimates that of the 10,106 renters, there are 4,501 renters (47%) paying 35 percent or more of their income in rent. Of that statistic, 2,924 renters (29%) pay 50 percent or more of their income in rent. The median rent in 2019 was \$846, or \$225 more per month than the 2010 median of \$621.¹⁵

Over the course of a year, the median rent in York County equates to \$10,152. However, this amount is incongruent with the total median income of many residents throughout the County. In 2019, the median household income in the City of York was \$33,906, with 8,358 households—or 51% of total households—making less than \$35,000 per year.¹⁶ A household making the median income paying median rent would be spending 30 percent of their yearly income on rent alone. Further, renters—particularly Black and Hispanic/Latinx women—are more likely to be low-income and experience housing cost burdens. In York City, the median household income of the city’s 7,094 owner-occupied units is \$52,791 compared to the 9,918 renter-occupied housing units at \$27,416—an earning’s gap of \$25,375.¹⁷ For the 3,343 households (21%) in 2019 that make less than \$14,999 per year, their housing costs can take up nearly 100 percent or more of their income.

While concerning, there are efforts to address these realities. As an LIHTC development, the Homes at Thackston Park are designed to assist families struggling with housing affordability. As seen in Figure 1.2, the median household income of those living at the Homes at Thackston Park are significantly higher than the median household income across the United States and across Pennsylvania; in addition, the median household income of those living within

¹⁴ U.S. Census Bureau. (2021, October 8). *For Renters, Housing Cost Burden Is About the Same*. Census.gov. <https://www.census.gov/library/stories/2019/11/decade-after-the-recession-housing-costs-ease-for-homeowner.html>

¹⁵ U.S. Census Bureau. (2019c). *Gross rent as percentage of household income in the past 12 months* [Dataset]. <https://data.census.gov/cedsci/table?q=B25070:+GROSS+RENT+AS+A+PERCENTAGE+OF+HOUSEHOLD+INCOME+IN+THE+PAST+12+MONTHS>

¹⁶ U.S. Census Bureau. (2019). *Income in the past 12 months* [Dataset]. <https://data.census.gov/cedsci/table?q=S1901%3A%20INCOME%20IN%20THE%20PAST%2012%20MONTHS%20%28IN%202021%20INFLATION-ADJUSTED%20DOLLARS%29&g=1600000US4287048>

¹⁷ U.S. Census Bureau. (2019). *Financial characteristics* [Dataset]. <https://data.census.gov/cedsci/table?q=income&g=1600000US4287048&tid=ACSSST5Y2020.S2503>

the Homes at Thackston Park are slightly higher than the median household income for the City of York as a whole.¹⁸

Figure 1.2 - LIHTC Tenancy by Median Household Income (2022)				
	United States <i>n=2,821,899</i>	Pennsylvania <i>n=52,500</i>	City of York, PA <i>n=17,012</i>	Homes at Thackston Park <i>n=34</i>
Median Household Income	\$18,200	\$16,726	\$33,906	\$36,942

Demographics of Tenants of the Homes at Thackston Park
(Between 2013 and 2022)

Between 2013 and 2022, the average age of the head of household at the Homes at Thackston Park is 33 years old. 6.25% of heads of households were over the age of 62. Upon tenancy at the Homes at Thackston Park, over 91% of households had minors living at their residence. The average household had 2 minors living at their residence. Almost 50% of households identified as Hispanic or Latinx. In addition, 85% of heads of households identified as female.

Differences in median household income are also present when considering the age of heads of households. When combining those under the age of 25 and those over the age of 65, the median household income is \$27,233. In comparison, those with the typical working age range (25 to 62 years old), the median household income is \$40,684, or \$13,451 above their peers. As shown in Figure 1.3, households with minors (91.4%) are the greatest beneficiaries of Homes at Thackston Park's rental units, with a much lower percentage of tenants (6.25%) being older than 62 years old.

Figure 1.3 - LIHTC Tenancy by Age (2013-2022)			
	United States <i>n=2,821,899</i>	Pennsylvania <i>n=52,500</i>	Homes at Thackston Park <i>n=81</i>
At Least One Member <18	31.3%	27.3%	91.4%
Head of Household >=62	33.6%	51.1%	6.25%

As of the 2019 American Community Survey, 31.9% of York City households have an income below the poverty level—nearly four times higher than the county's poverty rate of 8% and three times higher than Pennsylvania's poverty rate of 12%.¹⁹ Hispanic or Latino households experience the greatest rate of poverty at 41.6% followed by Black households at 36.8% then

¹⁸ U.S. Census Bureau. (2020). *Median family income in the past 12 months* [Dataset].

[https://data.census.gov/table?q=B19113:+MEDIAN+FAMILY+INCOME+IN+THE+PAST+12+MONTHS+\(IN+2021+INFLATION-ADJUSTED+DOLLARS\)&g=1600000US4287048](https://data.census.gov/table?q=B19113:+MEDIAN+FAMILY+INCOME+IN+THE+PAST+12+MONTHS+(IN+2021+INFLATION-ADJUSTED+DOLLARS)&g=1600000US4287048)

¹⁹ U.S. Census Bureau. (2019). *Poverty status in the past 12 months* [Dataset]. <https://data.census.gov/table?q=poverty+and+race&g=1600000US4287048&tid=ACSSST5Y2019.S1701>

White households at 30.2%. Despite not having incomes below the poverty rate, 64% of York City households are considered Asset Limited, Income Constrained, and Employed (ALICE), which means they earn less than what is needed to afford the county's basic cost of living.²⁰ York City's ALICE rate is almost triple the County's rate of 24% and State's rate of 27%. Residents experiencing any level of financial insecurity struggle to keep up with the costs of housing, childcare, healthcare, food, transportation, and other basic necessities. This distribution of tenants living in the Homes at Thackston Park, divided by racial and/or ethnic identities, is provided in Figure 1.4.

Figure 1.4 - LIHTC Tenancy by Race/Ethnicity (2022)			
	United States <i>n=2,821,899</i>	Pennsylvania <i>n=52,500</i>	Homes at Thackston Park <i>n=34</i>
Hispanic	15.5%	6.8%	38.2%
Black	30.7%	43.2%	52.9%
White	27.7%	48.0%	38.2%
Asian	0.7%	1.3%	3.0%
Native Hawaiian	0.4%	0.3%	8.8%
Other (including multiple races)	1.7%	0.4%	8.8%
*Columns do not add up to 100%			

Homes at Thackston Park – Waitlist versus Tenancy

As of August 2022, the Homes at Thackston Park had a total of 34 tenants, with an overall tenancy capacity of 39 residential units. However, there is a significantly higher number of households that are seeking affordable housing across York County, Pennsylvania.

As of August 2022, the Homes at Thackston Park houses 24 (70.5%) families, 8 (23.5%) couples, and 2 (5.9%) single adults.²¹ However, there were a total of 1,580 applicants currently on the waiting list, 796 (50.3%) of which are families, 411 (26%) couples, and 374 (23.7%) single adults as shown in Figure 2.1.²² Only 2.2% of households who applied at Homes at Thackston Park were able to get subsidized rental housing. With a family poverty rate of 38% as of 2020, the need for affordable housing is great among households with dependent children.²³

²⁰ United Way. (2020). *2020 ALICE REPORT - YORK COUNTY PROFILE*. <https://www.unitedway-york.org/sites/unitedway-york.org/files/2020%20ALICE%20REPORT%20-%20YORK%20COUNTY%20PROFILE.pdf>

²¹ Homes at Thackston Park. (2022). *Tenant Statistic Report*.

²² Homes at Thackston Park. (2022). *Application Waiting List Statistics Report*.

²³ U.S. Census Bureau. (2020). *Poverty status in the past 12 months of related children under 18 years by family type by age of related children under 18 years* [Dataset]. <https://data.census.gov/table?q=B17006:+POVERTY+STATUS+IN+THE+PAST+12+MONTHS+OF+RELATED+CHILDREN+UNDER+18+YEARS+BY+FAMILY+TYPE+BY+AGE+OF+RELATED+CHILDREN+UNDER+18+YEARS&g=1600000US4287048>

The distribution of households on the waitlist for affordable housing options in 2022, compared with tenancy, is shown in Figure 1.5

Figure 1.5 - Homes at Thackston Park Waitlist vs Tenancy by Familial Status (2022)		
	Waiting List <i>n=1,580</i>	Current Tenants <i>n=34</i>
Singles	23.7%	5.9%
Couples	26.0%	23.5%
Families	50.3%	70.6%

Similar to familial status, the gender of applicant households, as well as the race and/or ethnicity of applicant households, versus tenancy indicates an overarching need for affordable housing throughout York County. This need is shown in Figure 1.6.

Figure 1.6 - Homes at Thackston Park Waitlist vs Tenancy by Gender (2022)		
	Waiting List <i>n=1,580</i>	Current Tenants <i>n=34</i>
Female Head of Household	84.4%	85.3%
Single Female Head of Household	-	73.5%
Male Head of Household	15.6%	14.7%

When considering the size of an affordable housing unit, the majority of applicants are seeking units with 1 to 3 bedrooms, with male heads of households overwhelmingly seeking 1 bedroom units.

Figure 1.7 – Distribution of Homes at Thackston Park Waiting List by Gender and Size of Unit						
	1 Bedroom <i>n=437</i>	2 Bedroom <i>n=484</i>	3 Bedroom <i>n=452</i>	4 Bedroom <i>n=118</i>	5 Bedroom <i>n=89</i>	Total
Female Head of Household	21.2%	32.3%	31.7%	8.5%	6.1%	100%
Male Head of Household	62.4%	21.4%	11.7%	1.6%	2.9%	100%

This trend continues when analyzing the waitlist of applicants for an affordable housing unit at the Homes at Thackston Park by racial and/or ethnic classification (Figure 1.8).

Figure 1.8 Homes at Thackston Park Application Waiting List by Race and/or Ethnicity						
	1 Bedroom <i>n=437</i>	2 Bedroom <i>n=484</i>	3 Bedroom <i>n=452</i>	4 Bedroom <i>n=118</i>	5 Bedroom <i>n=89</i>	Total
Hispanic	21.6%	35.3%	31.9%	6.6%	4.6%	100%
Black	23.0%	31.4%	30.3%	8.8%	6.5%	100%
White	31.2%	30.6%	27.7%	5.7%	4.8%	100%
Asian	23.0%	30.6%	42.9%	0.0%	10.4%	100%
Native Hawaiian	24.9%	38.3%	28.6%	9.3%	9.6%	100%
*Columns do not add up to 100%						

Moreover, disparate trends begin to appear when considering the intersection between gender and race/ethnicity. In 2022, women-headed households with no spouse present experienced a 73% family poverty rate, Black households experienced 31.5% family poverty rate, and Black, women-headed households with no spouse present experienced a 90.4% poverty rate.^{24,25} Hispanic households in York City experienced a poverty rate of 40.3% and women-headed, Hispanic households experienced a poverty rate of 44.5%.

In addition, women and people of color in York City are most impacted by the wealth inequality responsible for housing cost burdens. These groups earn less money on average than their white, male, homeowner counterparts regardless of education level, likely because it is only in recent history they have had access to wealth-type resources such as bank accounts and collecting assets.^{26,27} According to 2019 U.S. Census data, women's median income is \$7,785 less than men's;²⁸ and Black, Hispanic, and people with two or more races earn \$10,211 less than White people in York City.²⁹ The same data shows that the lowest earners are the 20,900 residents who have less than a high school diploma, with men making \$26,292 annually and women earning \$16,096—a difference of \$10,196.

²⁴ U.S. Census Bureau. (2020). *Household and Families* [Dataset]. <https://data.census.gov/table?q=female+householder&g=1600000US4287048>

²⁵ U.S. Census Bureau. (2019). *Poverty status in the past 12 months of families by family type by presence of related children* [Dataset]. [https://data.census.gov/table?q=B17010B:+POVERTY+STATUS+IN+THE+PAST+12+MONTHS+OF+FAMILIES+BY+FAMILY+TYPE+BY+PRESENCE+OF+RELATED+CHILDREN+UNDER+18+YEARS+BY+AGE+OF+RELATED+CHILDREN+\(BLACK+OR+AFRICAN+AMERICAN+ALONE+HOUSEHOLDER\)&g=1600000US4287048&tid=ACSDT5Y2019.B17010B](https://data.census.gov/table?q=B17010B:+POVERTY+STATUS+IN+THE+PAST+12+MONTHS+OF+FAMILIES+BY+FAMILY+TYPE+BY+PRESENCE+OF+RELATED+CHILDREN+UNDER+18+YEARS+BY+AGE+OF+RELATED+CHILDREN+(BLACK+OR+AFRICAN+AMERICAN+ALONE+HOUSEHOLDER)&g=1600000US4287048&tid=ACSDT5Y2019.B17010B)

²⁶ Taplin-Kaguru, N.E. (2021). *Grasping for the American Dream: Racial Segregation, Social Mobility, and Homeownership*. Routledge. <https://doi.org/10.4324/9780429021466>

²⁷ Clough, A., Draughon, J. E., Njie-Carr, V., Rollins, C., & Glass, N. (2013). 'Having housing made everything else possible': Affordable, safe and stable housing for women survivors of violence. *Qualitative Social Work*, 13(5), 671–688. <https://doi.org/10.1177/1473325013503003>

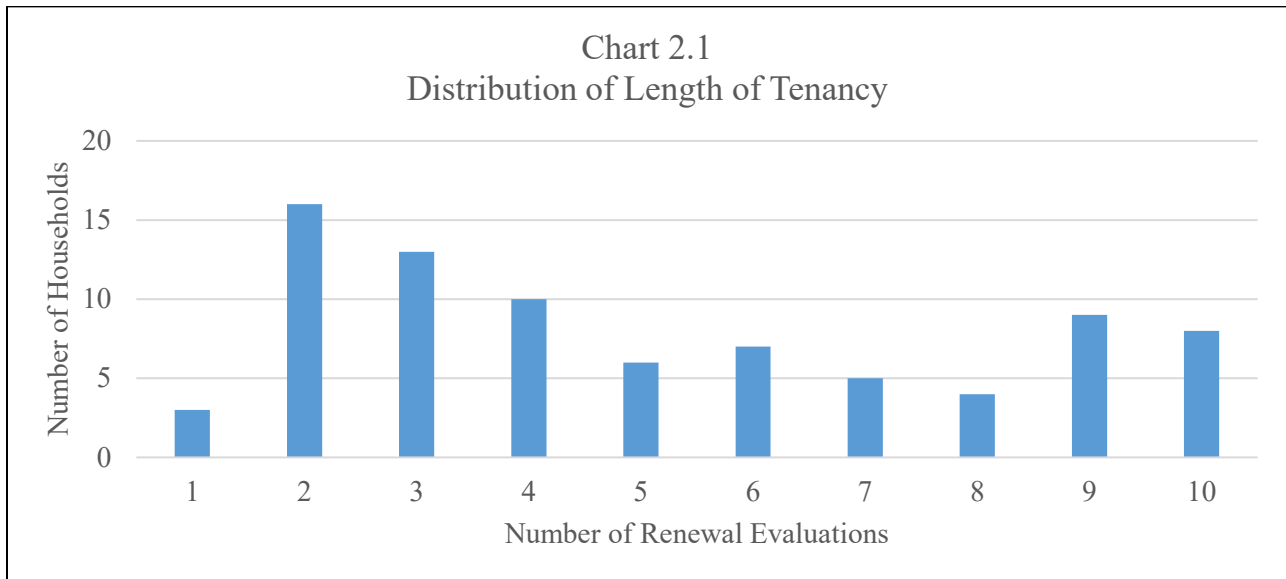
²⁸ U.S. Census Bureau. (2020). *Median income in the past 12 months* [Dataset]. <https://data.census.gov/cedsci/table?q=income&g=1600000US4287048&tid=ACSST5Y2020.S2001>

²⁹ U.S. Census Bureau. (2020). *Earnings in the past 12 months* [Dataset]. <https://data.census.gov/cedsci/table?q=income&g=1600000US4287048&tid=ACSST5Y2020.S2001>

Evaluation of Homes at Thackston Park I

Length of Tenancy

On average, households remained tenants of the Homes at Thackston Park for 4 years and 4 months; however, some residents did not retain their tenancy for an entire year, while others retained their tenancy throughout the entire evaluation period.



Households terminated their tenancy for a variety of reasons. For some, tenancy at the Homes at Thackston Park provided stability that allowed for upward social mobility and increased socioeconomic growth. Anecdotal evidence provided by the York Housing Authority supports these claims. These include homeownership, increased educational attainment, and upward job mobility.

Figure 1.9 – Qualitative Evidence of Social Mobility Resulting from Tenancy	
Familial Structure	Qualitative Outcomes of Living at the Homes at Thackston Park
Single mother with 3 minor children	Tenancy at the Homes at Thackston Park allowed the mother to continue her education and save money, allowing her to purchase their first home.
Two parent household with two minor children	The father was diagnosed with significant illness upon gaining tenancy at the Homes at Thackston Park. Tenancy allowed the family to become a one-income household while the father was undergoing treatment. Once his health condition improved, the mother returned to school, obtained new employment with increased income, and saved enough money to purchase their first home.
Grandparent living with adult child and minor grandchild	Terminated tenancy at the Homes at Thackston Park to return to Puerto Rico.
Two parent household with adult child with disabilities	Following the death of father, mother and child moved into a subsidized unit at the Homes at Thackston Park. Their tenure at the

	Homes at Thackston Park allowed the household to save money and terminate their tenancy to move closer to family.
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While the majority of reasons are unknown, 46% of those households that ended their tenancy at the Homes at Thackston Park were terminated with cause. Of those households that had a termination of their lease at the Homes at Thackston Park for cause, about 42% of leases were terminated for non-payment of rent, suggesting concerns regarding housing cost burden even when rent is subsidized.

Figure 1.10 – Distribution of Termination of Tenancy with Cause	
Reason for Termination of Tenancy	Percentage Terminated for Reason
Drugs	25%
Eviction (general)	16.7%
Non-payment of rent	41.7%
Termination of Lease (Other)	16.7%

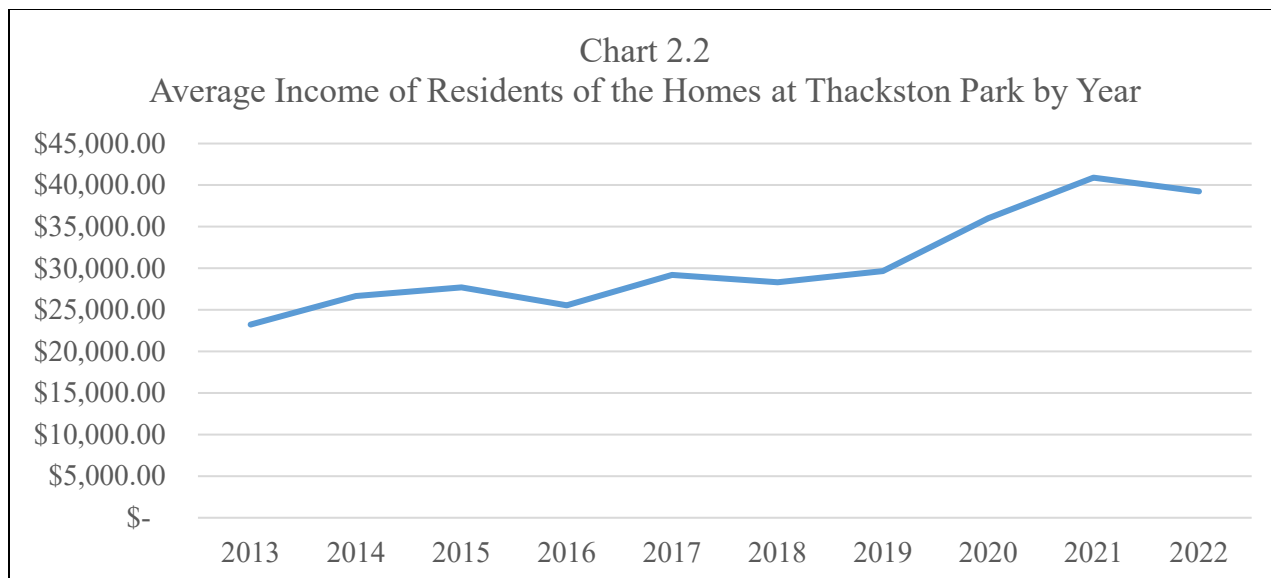
Effects on Income

Overall, the Homes at Thackston Park provide statistically significant, and positive effects upon the economic well-being of tenants. Moreover, the length of tenancy by a household provides statistically significant correlations with income.

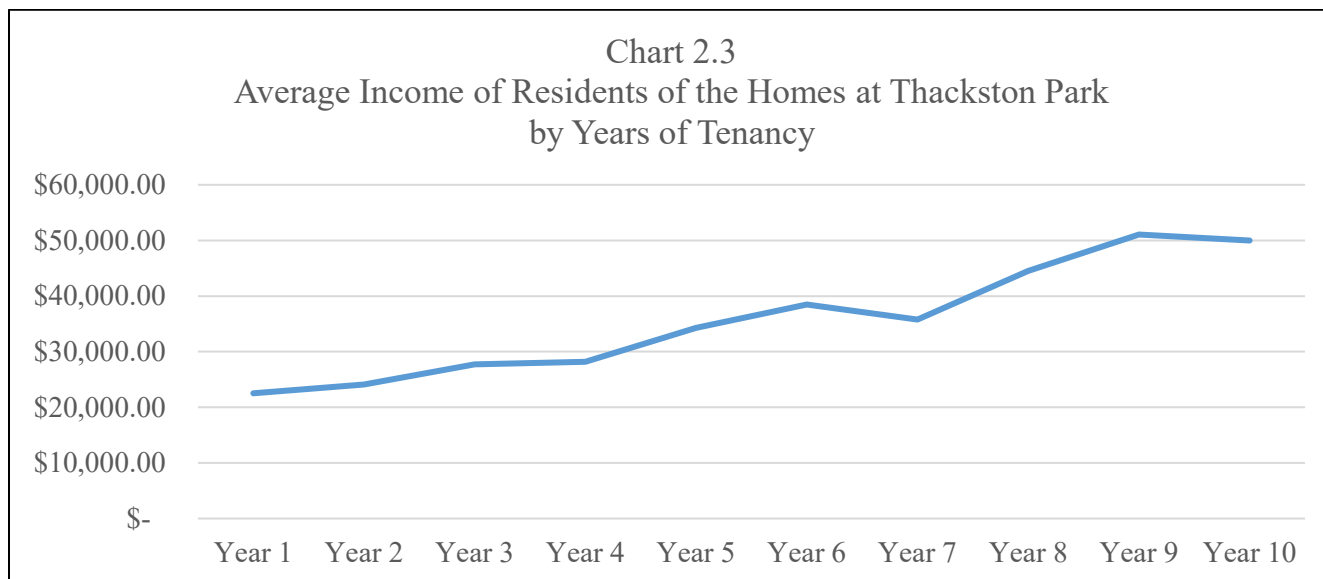
On average, households residing at the Homes at Thackston Park between 2013 and 2022 experienced an increase in their average income over the tenure of their time in an affordable housing unit by \$7,081.70. This is to be expected as there is a statistically significant and strong correlation between the length of tenure at the Homes in Thackston Park, and the average household income, as well as the degree of change in average household income.

Figure 1.11 – Correlations between Tenure and Income (p<.05)			
Variable 1	Variable 2	Direction/Strength	Correlation Coefficient
Tenure at Homes at Thackston Park	Average Income over Tenure	Positive/Strong	.4434
Tenure at Homes at Thackston Park	Change in Income over Tenure	Positive/Strong	.5513

Over a ten-year period from 2013 through 2022, the average income of households residing at the Homes at Thackston Park experienced a slight increase in average household income. Between 2013 and 2022, average household income grew by \$16,000.



However, when considering the number of years a household remains in tenancy at the Homes at Thackston Park, the upward trajectory of income increases at a larger rate; those households that lived at the Homes at Thackston Park for 10 years had an average household income over \$27,000 higher than those only remaining in tenancy for 1 year.



The longer a household remained in tenancy at the Homes at Thackston Park, the greater positive impact it had upon the household's economic well-being. All things equal, for each additional year of tenancy, households experienced an increase in average income of \$2,613.88. However, when comparing male heads of households with female heads of households, female heads of households experienced an overall disadvantage in their average income.

Figure 1.12 – Marginal Effect on Household’s Average Income over Tenure (R²=27.44)		
Variable	Marginal Effect	Significance
Tenure	\$2,613.88	<.001
Age	<i>Not statistically significant</i>	<i>Not statistically significant</i>
Hispanic head of household	<i>Not statistically significant</i>	<i>Not statistically significant</i>
Female head of household	-\$9,374.67	<.05

These trends continued when considering a household’s overall change in income from initial occupancy until termination of lease, or present occupancy. For each additional year in occupancy at the Homes at Thackston Park, households experienced an increase of income of \$4,657.40. Unlike the assessment of average income over occupancy, households headed by a person identifying as Hispanic or Latinx experienced an overall increase in their change of income by \$9,083.52, compared to their non-Hispanic/Latinx peers.

Figure 1.13 – Marginal Effect on Household’s Change in Income over Tenure (R²=37.94)		
Variable	Marginal Effect	Significance
Tenure	\$4,657.40	<.001
Age	<i>Not statistically significant</i>	<i>Not statistically significant</i>
Hispanic head of household	\$9,083.52	<.05
Female head of household	<i>Not statistically significant</i>	<i>Not statistically significant</i>

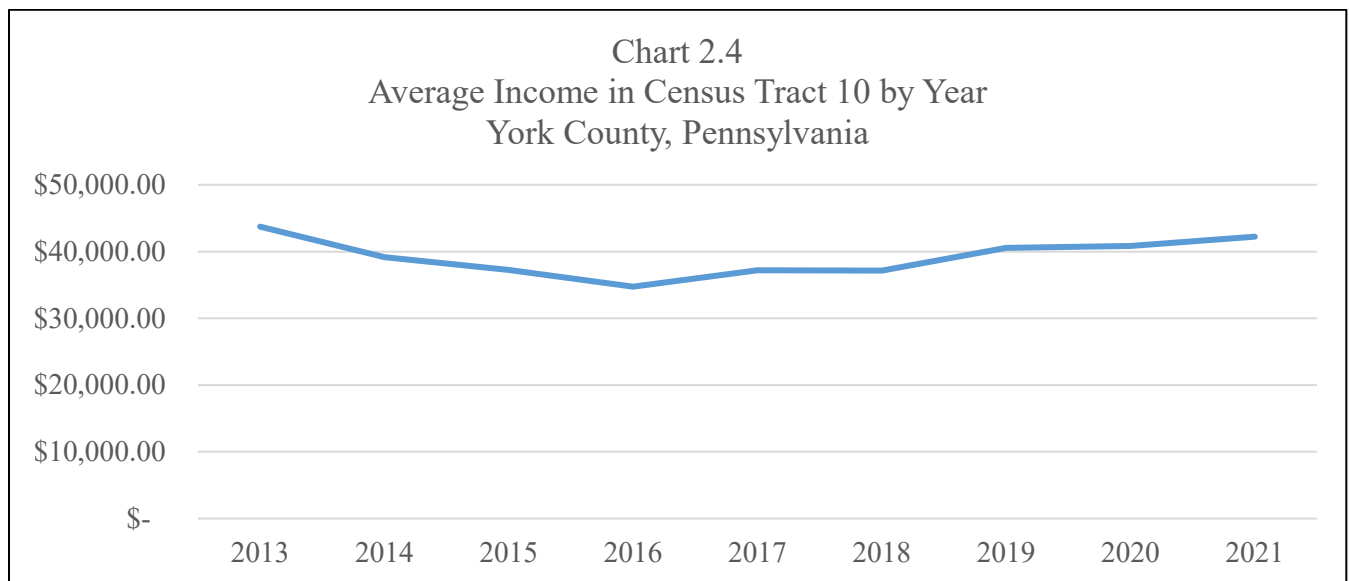
Finally, this trends in the length of tenure at the Homes at Thackston Park and changes in household income remain consistent when holding constant the gender of the head of household, as well as the ethnic identification of the head of household. For female heads of households, each additional year of occupancy at the Homes at Thackston Park resulted in an increase in income of \$4,516.45 (Figure 1.12). For Hispanic or Latinx heads of households, each additional year of occupancy results in an increase in income of \$5,917.17 (Figure 1.13).

Figure 1.14 – Marginal Effect on Household’s Change in Income over Tenure (R²=37.94)		
Variable	Marginal Effect	Significance
Tenure	\$4,516.45	<.001
Age	<i>Not statistically significant</i>	<i>Not statistically significant</i>
Hispanic head of household	<i>Not statistically significant</i>	<i>Not statistically significant</i>

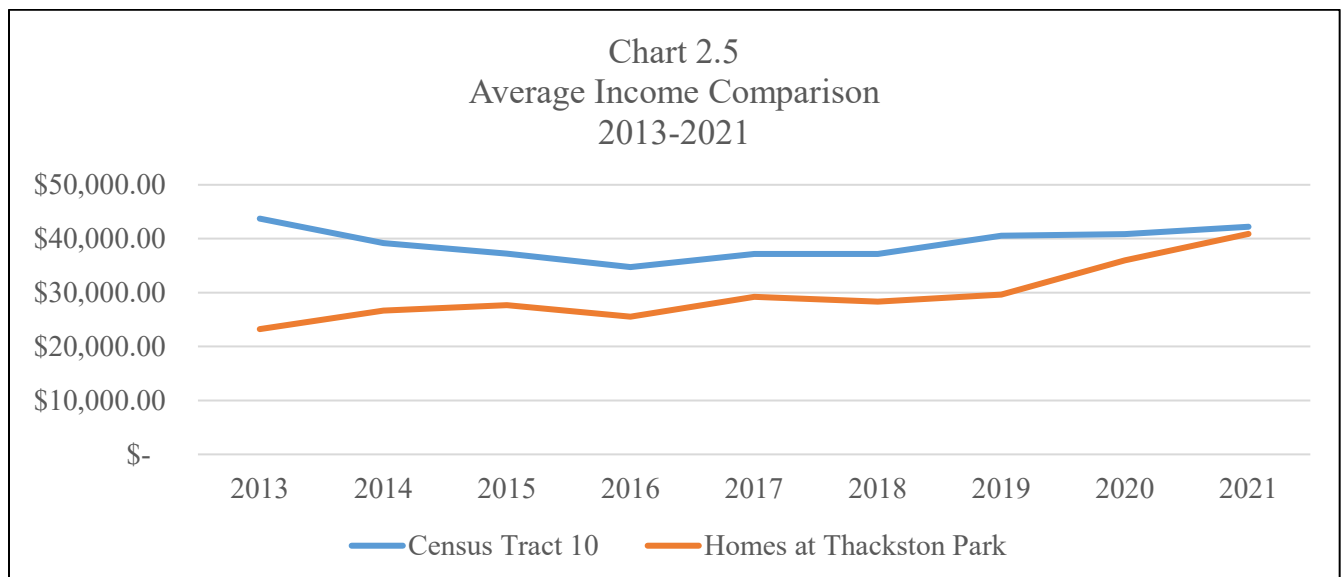
Figure 1.15 – Marginal Effect on Household’s Change in Income over Tenure (R²=37.94)		
Variable	Marginal Effect	Significance
Tenure	\$5,917.17	<.001
Age	<i>Not statistically significant</i>	<i>Not statistically significant</i>
Female head of household	<i>Not statistically significant</i>	<i>Not statistically significant</i>

Community-Level Effects

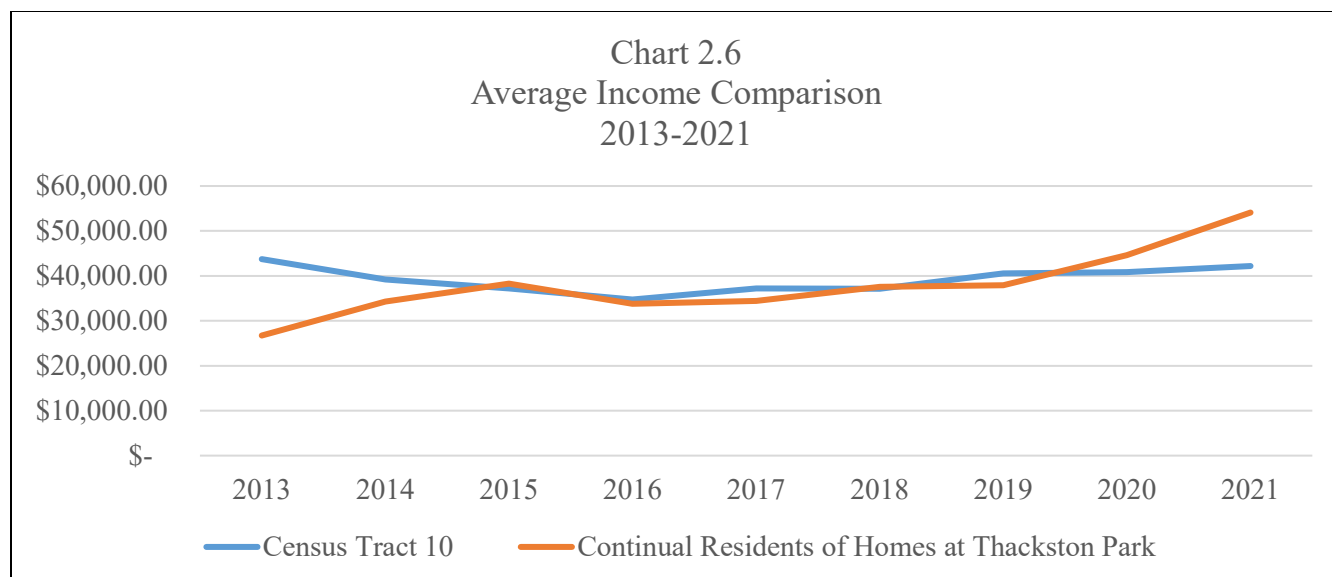
When compared to all households within the same area as the Homes at Thackston Park (York County, Pennsylvania Census Tract 10), households living at the Homes at Thackston Park demonstrated an overall higher income change than their peers. From 2013 through 2021, average income within Census Tract 10 decreased by over \$1,500 per year.



When comparing overall residents in Census Tract 10 with residents residing at the Homes at Thackston Park in 2021, both groups have a near equivalent average household income.



However, when comparing continued residency and tenancy at the Homes in Thackston Park from 2013-2021 with overall residents in Census Tract 10, residents of the Homes at Thackston Park outpace their peers in average income.



Finally, overall, between 2013 and 2022, households living at the Homes at Thackston Park I increased their household's income by \$573,618. With a total cost of construction cost (residential and commercial) of \$8,036,250, the Homes at Thackston Park I had a return of investment of \$1 in increased income for all residency throughout tenancy for every \$14 spent on construction costs; however, when limiting the evaluation to only the total tax credit utilized in developing the Homes at Thackston Park (\$1,274,005.56), residents of the Homes at Thackston Park received \$1 in increased income for every ~\$2.22 spent in public funds through tax incentives for development.

When considering the overall cost of the Homes at Thackston Park II, utilizing a constant rate of return on investment, it is estimated that over a ten-year period, households residing at the Homes at Thackston Park II will increase their overall income by \$1,038,431. Moreover, considering the stagnant trajectory of overall households within the Census Tract, it remains likely that the average household income of residents of the Homes at Thackston Park II will outpace the average household income of their peers.

Barriers to LIHTC and Other Considerations

Getting affordable rental housing built anywhere can be an uphill battle. Developers have to go up against social, financial, and governmental barriers³⁰. There is widespread cultural rejection of affordable housing out of fear that it will decrease surrounding property values—often attributed to NIMBYism or Not in My Backyard³¹. However, the literature demonstrates that over time, affordable housing units can have a net positive impact on surrounding property values³².

³⁰ *Regulatory Barriers and Affordable Housing Quarterly Update* | HUD USER. (2018). <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-072318.html>

³¹ Goetz, E. G. (2019). *Democracy, Exclusion, and White Supremacy: How Should We Think About Exclusionary Zoning?* *Urban Affairs Review*, 57(1), 269–283. <https://doi.org/10.1177/1078087419886040>

³² Holder, S. (2022, May 2). *Does Affordable Housing Lower Property Values?* Bloomberg. <https://www.bloomberg.com/tosv2.html?vid=&uuid=6c47beae-5acf-11ed-aa4e-446155644c41&url=L25ld3MvYXJ0aWNsZXRMvMjAyMi0wNS0wMi9kb2VzLWFMZm9yZGFibGUtaG91c2luZy1sb3dlci1wcm9wZXJ0eS12YWx1ZXM=>

Beyond social constructions of affordable housing and those living in it, the application process and government regulations can prevent developers from building LIHTC properties. Applying for tax credits can be a lengthy, expensive, and arduous process, requiring developers to carry heavy predevelopment expenses and often needing to reapply multiple times before successfully receiving an award³³. The application fee alone is currently \$5,000 with \$150,000+ necessary for appraisals, market studies, environmental reviews, feasibility and concept drawings, legal fees, municipal approvals, etc., and not including any professional housing consultant fees paid directly by the developer for help preparing the proforma and application. These costs as well as the amount of tax credits awarded can vary greatly depending on the project, location, and number of units³⁴. For community-based, nonprofit developers, these costs may pose a significant and risky burden.

After a tax credit is granted, developers still must cover the cost of materials which can be very expensive especially for nonprofit organizations like CONE. Since the beginning of the COVID-19 pandemic in March of 2022, the cost of building materials has increased by 33% and service prices by 39%; softwood lumber has seen the steepest increase with prices nearly doubling (90.4%) since September of 2021³⁵. According to the Thackston II Loan Closing Construction Cost Breakdown, the development will cost an estimated total of \$14,548,176, not including builders' overhead expenses. Developers rely on loans and equity sources to fund construction fees, but are only able to attain these funds if they can afford to pay them back with revenue made from the property after accounting for operating expenses, also known as the project's net operating income. Getting this figure into the positive may take a long time since the rents tenants pay are subsidized below market rate.

Despite these barriers, affordable housing units continue to be built at a steady rate across the country. The slow pace in which developments are being constructed impacts primarily low-income households, women, and black and brown people who experience the highest rates of housing insecurity. That being said, the local data on income only tells us trends and patterns—not a full story. Housing must be affordable, accessible, and stable for everyone. The developments coming from the Homes at Thackston Park are a necessity in our community, providing empirical micro and community-level benefits.

³³ *Allocation Plan for Program Year 2021 Low Income Housing Tax Credit Program*. Pennsylvania Housing Finance Agency. (2021). https://www.phfa.org/forms/multifamily_news/news/2020/2021-lihtc-allocation-plan.pdf

³⁴ Pennsylvania Housing Finance Agency. (2022). *Agency Fee Schedule*. In phfa.org. https://www.phfa.org/forms/multifamily_application_guidelines/application/2022-mai-06.pdf

³⁵ *Producer Price Index news release summary - 2022 M09 results*. (2022). U.S. Bureau of Labor Statistics. <https://www.bls.gov/news.release/ppi.nr0.htm>



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