



MEETING HIGHLIGHTS



HOUSING, HEALTH, AND EQUITY:

A Joint Meeting of the Healthy Communities Task Force and Regional Community and Economic Development Forum

Wednesday, March 9, 2022

11:00AM—12:00PM

Presented via Zoom; 62 Attendees

All presentations and related meeting materials are located on the HCTF website:

<https://www.dvrpc.org/Committees/HCTF/>

Welcome and Introductions

Karin Morris, Director of Community Planning with the Delaware Valley Regional Planning Commission (DVRPC), opened the meeting with a welcome and an optional poll of attendees to get a better sense of who was in the “room.” She provided a brief overview of DVRPC, the Healthy Communities Task Force, and the Regional Community and Economic Development Forum. Ms. Morris then reflected on the intersection of housing, health, and equity, highlighting some of the historical connections between poor housing conditions and the disease outbreaks that occurred during the Industrial Revolution. She noted that we now know that housing is key to public health as it provides shelter, safety, privacy, and a place to address our basic needs. Ms. Morris also acknowledged that not everyone had—and many still don’t have—the same opportunity to obtain safe and affordable housing. Discriminatory policies, such as redlining, often prevented equitable access to housing for many racial and ethnic minority populations.

Ms. Morris noted that today people spend much of their time at home and a greater share of their income on housing costs. Low-income households may have to sacrifice basic needs like healthy food, medical care, or transportation when affordable housing options are scarce. Additionally, she acknowledged that the COVID-19 pandemic reinforced the importance of housing to good health. For many, the pandemic exacerbated the past inequities and modern pressures of obtaining and maintaining safe and affordable housing. Noting that the two sessions would provide much more detail on this topic, she introduced the first presenter, Spencer Gober with DVRPC.

Barriers to Building Generational Wealth: Mortgage Lending Disparities Across Greater Philadelphia

Spencer Gober, Senior Planner, Office of Community and Economic Development, DVRPC

Mr. Gober began his presentation by discussing the impetus for undertaking the mortgage lending disparities study, noting that with the onset of the pandemic and the murder of George Floyd in 2020 both the planning profession and society as a whole became much more aware of systemic racism and the injustices that persist in society today. He noted that the DVRPC board and staff began to discuss how to better incorporate social equity issues into our work program. The Office of Community and Economic Development started by conducting an analysis of Housing Mortgage Disclosure Act (HMDA) data to determine and quantify potential mortgage lending disparities in our region with a goal of better understanding DVRPC’s potential role in addressing disparities.

Mr. Gober then reviewed the study's methodology and findings. He noted that the analysis focused on data from 2004 to 2019 and looked at the number of applications submitted per year, origination rates, denial rates, and reasons for denial. The study subdivided those categories by mortgage application race, ethnicity, and geographic location. Mr. Gober noted that the study found that racial, ethnic, and geographic disparities exist in Greater Philadelphia and that they manifest differently throughout the region. Looking at the data in more detail, Mr. Gober noted that White applicants were denied at an average rate of 17.8 percent, compared to 31.4 percent for Hispanic applicants and 37.3 percent for Black applicants. He noted that the reason given for denial varied by applicant race and that Black applicants are more likely to be denied due to credit history. More detailed analysis and results can be found on DVRPC's website: <https://www.dvrpc.org/housing>.

Mr. Gober concluded his presentation by discussing the study team's next steps. He noted that they convened a focus group of subject matter experts this past fall, who identified DVRPC's position in the region as a convener and educator to be its most effective role on this issue. He highlighted that this webinar was part of that and also noted that DVRPC is actively engaged in a multiyear regional housing initiative to better understand the region's current housing challenges and future needs. DVRPC also plans to incorporate HMDA data as a metric in its [Tracking Progress](#) Indicators Dashboard to allow it to better monitor progress towards narrowing these disparities.

Mr. Gober then responded to a few questions.

Q: Given that mortgage lending is typically regulated at the federal level, do you have any thoughts about things that local governments can do to address some of these disparities?

A: Mr. Gober noted that there were a number of things that local governments can and are already doing to address this issue. For example, a number of the counties in our region are already operating first-time homebuyer programs that offer grants or other financial assistance to help with down payments or closing costs. He also noted that credit history was one of the top reasons given for denial and that there are many programs to help mitigate that. He noted that the cities of Philadelphia and Boston have great programs where they provide credit to residents to help them rebuild their credit scores. He also noted the role that land use and development can play in the mortgage lending process. Having a car payment increases a person's debt-to-income ratio, making it harder to access a mortgage. However, if municipalities support and enable dense, transit-rich development then their residents are less likely to need a car, reducing their debt-to-income ratio and improving their access to mortgage lending.

Q: The number of mortgage applications declined after the housing market crash of 2008. Isn't that to be expected given the easy access to mortgage loans that contributed to the crisis?

A: Mr. Gober noted that we should expect to see a decline in applications because there were bad mortgages and lending practices, which contributed to the Great Recession in the first place. However, he noted that the decline varied by race and ethnicity. Not only did the number of applications by Black applicants decline more significantly following the Great Recession, they also have not rebounded in the way that the number of applications submitted from other races and ethnicities have.

What's Happening in Our Region: A Panel Discussion

Karen Cilurso, Associate Director of Liveable Communities with DVPRC introduced the panelists, which included Dolores S. Colligan, Director of the Chester County Department of Community Development; Kyle B. DeMaria, Community Development Research Associate with the Community Development & Regional Outreach Department of the Federal Reserve Bank of Philadelphia; and Monica Medina McCurdy, PA-C, Vice President of Healthcare Services with Project HOME. Ms. Cilurso started the discussion asking the panelists to introduce themselves and the work they are doing related to housing disparities.

Ms. Medina McCurdy began by providing a brief introduction to Project HOME, a 30+ year nonprofit organization working to end or prevent chronic street homelessness in Philadelphia. She noted that the organization has almost a thousand units of housing and provides opportunities for employment, healthcare, and education.

Mr. DeMaria introduced himself, noting that the Federal Reserve Bank of Philadelphia (Federal Reserve) plays an important and historic role in working to close lending disparities and ensure access to credit for low- and moderate-income communities through bank regulation. He also noted that the Community Development Department at the Federal Reserve conducts research into ways in which the economy affects people with low- and moderate-incomes and people of color. He noted that his recent research has focused on disparities in

mortgage refinancing in the tri-state area during the pandemic. Mr. DeMaria also noted that the Federal Reserve conducts outreach and hosts events to share research and bring people together. The Federal Reserve is hosting an event on how to close the Black White homeownership gap on March 23rd (register [here](#)).

Ms. Colligan introduced herself and described the breadth of work that the Chester County Department of Community Development does, including administering federal, state, and local funds for the planning, management, and development of affordable housing, community services, economic development, and revitalization of the county's urban centers. She noted that the Department of Community Development is also the Continuum of Care program administrator, and as such, her work has been as a strong advocate and leader in promoting the Chester County Partnership to End Homelessness and work towards Chester County's goal to prevent and end homelessness in its communities.

Ms. Cilurso then asked Mr. DeMaria to tell us more about his research into inequities in mortgage refinancing that arose during the pandemic. She asked him to discuss what prompted him to undertake this analysis and to describe the main takeaways.

Mr. DeMaria noted that he and his colleagues have been acutely focused on how the COVID-19 pandemic has affected the financial wellbeing of residents and that they observed a remarkable growth in refinanced mortgages in the tri-state area. He noted that the timing of the growth in refinanced mortgages corresponded with historically low interest rates that we saw during the pandemic. Mr. DeMaria reflected that refinancing a mortgage when interest rates are low can allow homeowners to reduce their monthly mortgage expense, and help homeowners shore up their monthly expenses during tough economic times.

Mr. DeMaria noted that his research found that the growth rate in refinanced mortgages for Black and low- and moderate-income homeowners was only about half to three-quarters the growth rate for homeowners overall. When looking into possible reasons for this gap, he found that Black and low- and moderate-income homeowners had lower mortgage refinancing application rates. Mr. DeMaria described possible explanations for this application gap, including that marketing for mortgage refinancing may not be reaching Black and low- to moderate-income homeowners or that they may not be aware of the value of mortgage refinancing.

Mr. DeMaria also discussed disparities in denial rates that he found in his research, noting that applications by Black and low- and moderate-income homeowners were denied at 7 to 14 percentage points higher than for applicants overall. He found that Black applicants were most commonly denied due to credit history and that low- and moderate-income applicants were denied due to a high debt-to-income ratio.

He noted that there is a role for financial institutions and organizations that support homeowners with some of these different barriers, including improving credit scores and reducing debt burden. He also noted that increasing the awareness of mortgage refinancing as a financial tool that can help reduce monthly household expenses was very important.

Mr. DeMaria provided a link to the full report: <https://www.philadelphiafed.org/community-development/housing-and-neighborhoods/home-mortgage-refinancing-disparities-during-the-covid-19-pandemic-insights-for-de-nj-and-pa>

Ms. Cilurso then asked Ms. Colligan to discuss what Chester County is doing to help people access affordable housing or stay in their homes.

Ms. Colligan noted that the County administers a wide variety of housing programs, including permanent and rental housing, homeownership programs, home repair and rehabilitation programs, rental assistance programs, emergency and supportive housing, and provides associated supportive services. Additionally, the County's funding grew substantially during 2021 as a result of the federal emergency rental assistance funds. Through December 31, 2021, the County served 1,438 households in almost every municipality in the county with the emergency rental assistance funds.

Ms. Colligan also described the effect of the COVID-19 pandemic on the county's emergency housing services, noting that there was a 46 percent decrease in the number of shelter beds available for individuals in Chester County. To make up for the decrease in shelter beds, the county housed individuals experiencing homelessness in local hotels. Ms. Colligan reported that the county is working to create a 40-unit non-congregate, temporary

emergency housing facility that would operate 24 hours per day, 7 days a week. As with affordable housing in general, she noted that the challenge is finding a site for the facility.

Additionally, Ms. Colligan noted that the county experienced severe flooding in June 2020 and Hurricane Ida in September 2021, which displaced many residents from their homes. The county housed over 100 households impacted by Ida in hotels. Ms. Colligan noted that through the county's case conferencing activities, over 72 percent of the households in temporary emergency housing have moved on to permanent housing.

Ms. Cilurso noted that healthcare has been a large part of Project HOME's services since its early days. She asked Ms. Medina McCurdy why healthcare was and still is a critical part of Project HOME's solution for homelessness? She asked how those services have evolved over the past 30 years?

Ms. Medina McCurdy responded that healthcare has been a part of Project HOME since the beginning because homelessness is both a housing crisis and a healthcare crisis. She noted that homelessness is traumatizing to everyone experiencing it and that it can worsen underlying medical or mental health issues or it can cause them. Project HOME has included healthcare from the beginning because it is a humanitarian and human rights response to homelessness. In order for people to holistically heal from the trauma of homelessness, they need a roof over their head, access to nutritious food, and a community of people who care about them. She noted that people will also need help navigating the healthcare system. In addition to needing access to healthcare, dental care, and a pharmacy, people will also need access to mental health services to deal with the emotional consequences of homelessness.

Ms. Medina McCurdy noted that Project HOME's healthcare services have evolved over the past 30 years, from a free clinic in partnership with Thomas Jefferson University to a Federally Qualified Health Center in the 28,000 square foot Stephen Klein Wellness Center in North Philadelphia.

Ms. Cilurso posed a follow-up question to Ms. Medina McCurdy, asking her to expand on how Project HOME addresses homelessness through other areas like education and employment.

Ms. Medina McCurdy explained that housing is an upstream issue to healthcare. Without adequate housing, income, employment, and basic education, a person's health is going to suffer. She noted that health is not merely the result of a lack of medical care but the sum of what we do as a society to create the conditions in which people can be healthy, which is often referred to as the social determinants of health.

Ms. Colligan noted that Chester County's case conferencing services operate with a similar understanding, bringing together many other county services, including mental health providers, drug and alcohol providers, the Department of Human Services, and other community providers, to match the appropriate services with the people needing housing assistance.

Ms. Cilurso then posed a question to Ms. Medina McCurdy from the audience: Dolores touched on the impacts that extreme weather and climate change have on housing stability in Chester County. I am curious if there is any data on the types of health impacts observed as a result of temporary homelessness associated with disasters compared to chronic homelessness?

Ms. Medina McCurdy responded that although she was not aware of any studies on this issue, one commonality that they shared was extreme disruption to all of the supports that keep them healthy. Additionally, Ms. Medina McCurdy related the story of how the Philadelphia Department of Public Health became a housing provider at the beginning of the COVID-19 pandemic, managing an emergency hotel that offered a space for people experiencing homelessness to quarantine or isolate.

Ms. Colligan noted that the Department of Community Development served a similar role for Chester County, with the Health Department providing funding.

Ms. Cilurso concluded the panel discussion by thanking the panelists for their time today and for the important work that they do.

Closing

Ms. Verbofsky closed the meeting by thanking everyone for attending and encouraging attendees to complete the post-meeting survey.