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**Testimony of Rita Dallago, Executive Director  
Pennsylvania Residential Owners Association**

July 20, 2015

Chairman Harper, members of the Committee, My name is Rita Dallago, I am the executive director of the Pennsylvania Residential Owners Association (PROA). I am also a licensed Real Estate Broker, Broker Appraiser and Real Estate Instructor.

Thank you for allowing us to share with you some thoughts regarding issues with student housing across the Commonwealth. And thank you for scheduling this hearing on a subject that many of our members see as a major issue impacting not only their business, but more importantly impacting their ability to provide rental housing to students and non-students alike.

PROA is a trade association comprised of more than 25 local association across the Commonwealth. PROA represents approximately 10,000 small business owners in every community in Pennsylvania. Many of our members are small "Mom & Pop" business with less than 10 rental units. Small investors putting their time and money into their communities. Many working with a very close cash flow margin.

Although universities and colleges have existed in many municipalities throughout Pennsylvania for many decades, being in harmony with the residents, plus being a major economic factor to the municipality, there is a change in the acceptance and regard for their students.

We understand that municipal officials are under pressure to respond to citizen complaints regarding noise, trash, and quality of life concerns, however we believe that the appropriate remedies should be in the form of: noise ordinances, trash ordinances or other specific remedies that address the specific complaint. Many municipalities currently have such ordinances in place. We support these ordinances and their enforcement.

Our concern is the ordinances that discriminate against and punish rental housing providers that rent units to students.. Their objective seems to be to reduce the number of students living in their community, or to segregate them to specific areas in the community. In the real estate world this is know as "Red-Lining" an illegal action.

Some municipalities have crafted ordinances that discriminate against students based on the length of their lease term; in defining what is a full time student; limits on the number of unrelated persons living in a unit; limiting housing as "Students Only" or "No Students" as well as where the specific housing use may be located.

Why should a couple be required to move from their rental home because their status to or from a "student" has changed?! With the return of our Troops, we feel that we will be seeing many more of these type situations.

We feel that we need to clarify what the term Student means. Is it based on age, matriculation in the college or university, number of credits being pursued, work status or another factor. Each municipality has a different definition or stereotype of a student.

Some of these ordinances have been disputed at the local district magistrate level by rental housing providers and tenants alike. However, they have not resulted in a clear set of rules or guidelines for all to play by. We feel that the Commonwealth needs to adopt some type of uniform standard to address the needs of student housing in reference to these ordinances, most of which are arbitrary and discriminating. Economic harm is being done to rental housing providers and tenants as well.

All of these issues factor into why we feel that a change in the law is needed to protect the integrity of renting legally across

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the Commonwealth and to protect the tenants that we provide housing for. Telling people where they may or may not live, based on anything other than their ability to afford the rent, should not be a function of the rental housing provider or the municipal officials. Tenants should not be treated as second class citizens for they are a vital part of our economic structure.

An answer is to adopt legislation that makes STUDENT, a person matriculated in an institution of higher learning, free from arbitrary boundaries in which they may reside.

Again, PROA commends Chairman Harper for conducting this hearing today. On behalf of PROA, I would like to thank you for allowing us to share our thoughts with you today., and to thank Rep Helm for introducing HB 809 which addresses our concerns,

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Good morning and thank you for the opportunity to appear before you.

As a matter of full disclosure, I am a landlord in Edinboro, a former resident of Edinboro, and a former Edinboro student. So, I've seen these issues from many angles and am here to support HB 809.

These ordinances are simply blatant discrimination against a designated class. To make a point, I will read a few excerpts from Edinboro's ordinance number 563. In your mind imagine if the word "student" in this ordinance instead referred to an ethnic or religious group. I believe you will quickly see that this ordinance is blatant discrimination.

From the "legislative intent" section:

The proliferation of student rentals in traditional family dwellings puts a substantial burden on our Police, Zoning and Code Enforcement staff and on the all volunteer Fire Department. The proliferation also leads to lower municipal revenue.

This legislation will help ensure that the Borough can afford to provide the essential services and also keep neighborhoods to a manageable mix to reduce frustration and the chances for conflicts that happen between student renters and their retired and/or family oriented neighbors.

One more, from Section 2:

No Single-Family Home, Townhouse, Duplex, or Conversion Unit, used as a student House shall be located on a lot, any portion of which is closer to another lot containing a student House than a distance determined by multiplying twenty (20) times the minimum lot width required for a single-family dwelling in the district in which the student House is located.

A class of person, in this case students, has been declared and scapegoated for problems in Edinboro, then this class of person is declared as undesirable and banished. This is pure discrimination and would be considered as such were it against an ethnic or religious group.

Why should this kind of discrimination be allowed against ANY non-criminal members of our society. Keep in mind that many of these students have served our nation in Iraq and Afghanistan. Is this kind of discrimination what they fought for?

As for the claims of economic non-contribution by students, this is a fallacy. Sure, few pay income tax, but property taxes are paid through rents. Borough services are paid for. Student houses are a great boon to the school district as rental properties pay school property tax, but send few or no kids to the school district. Further, students pay tuition, some of which winds up in the college's payroll and the college purchases from local businesses. The students support local businesses, fueling the local economy. Without the university, Edinboro would be a sleepy crossroads with one traffic light.

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**Our borough manager has stated that students are a burden to our fire department. There was a fire in one of my units a couple years ago, almost half of the firefighters who responded were students. It seems that quite a few students who are active in their home community join the fire department here.**

**Crime? Sure a few students get in to trouble, as do a certain number of non-students. So do we discriminate against ALL students because of a few bad actors? (That would be discrimination at it's finest!)**

**How is the anti-student ordinance being enforced?**

**We are required to submit the names of our tenants to the borough, they actually cross check these names against the university's published student directory. If students are found in a non-student unit, the borough will force their eviction.**

**It gets better: The ordinances are written in such a way that allows the borough to retract a student housing permit if a unit is not rented to students for one year. If non-students are found to be living in a "student house" for one year, the borough will retract the landlord's "student permit" and the landlord loses his ability to rent to students in the future. The clear intent of this little piece of social engineering is to ratchet down the number of "student" apartments over time.**

**Because of this provision, landlords with student permits are forced to discriminate against families and any non-students. Personally, I have turned down quite a few non-students including several incoming professors with one year contracts with the university. I have had several student tenants graduate and get jobs in the area, but I could not renew their leases due to the ordinance. Those folks would have been good additions to the neighborhood, and would have paid income tax, but renting to them would have cost me my student rental permit. That is an unintended consequence of a poorly thought out law.**

**There is another issue which intertwines with these ordinance issues. Edinboro University has always required freshmen to live on campus, but now is requiring sophomores to also live on campus to fill up the new privatized apartments that the Edinboro University Foundation owns. This action has removed approximately one third of our potential renters from the market resulting in many vacant apartments. The owners of those units stand to lose their ability to rent to students. Keep in mind that many of these houses are perfectly livable, but not very desirable for families.**

**There is a lawsuit against Edinboro University's privatized housing and the mandate that sophomores live on campus. If this is successful, the sophomores will return to the off campus housing market to find a severe reduction in housing supply. The result will be rent increases to students as many landlords take advantage of the shortage. This might be good for my bottom line, but will be very bad for students as affordable housing options are removed.**

**What happens when apartments go vacant and landlords lose their student housing permits? Do these properties get abandoned? Do they get rented to low income/Section 8 people? What effect will this**

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have on the neighborhoods and property values? Let's be honest, a swarm of yuppies is not about to descend on Edinboro and buy these places, yet that seems to be our borough manager's expectation.

HB 809 is a good start towards eliminating discrimination against students and I hope you will pass it. I also hope you will further address discrimination against students in the housing market. For instance many insurance companies refuse to write policies for student rentals, would they be allowed to discriminate against other classes of people?

Thank you.

Vince Dunsworth

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