

House Housing & Community Development Committee
Informational Meeting on Housing Development
October 23, 2023

Tenfold Statement

Good afternoon I am Shelby Nauman, CEO of Tenfold and Tenfold Community Lending. We are a non profit organization operating in Lancaster and York with our lending work in housing extending into an 8-county area of south central PA. We have crisis services including an Outreach team connecting with people who are unsheltered in Lancaster County and City and a 52-room shelter for veterans, individuals and families transitioning from homelessness, we manage Lancaster County's Coordinated Homeless Assessment Referral system, we provide supportive housing services, fair housing services, education and counseling including landlord – tenant mediation, financial education and counseling including mortgage foreclosure and eviction counseling, the SOWE neighborhood initiative in Lancaster's Southwest and also Lending- both for first time, low income homebuyers, home repair, and through our Local Housing Initiative Fund and Trust to help fund the creation and preservation of affordable housing units. We serve a broad range of clients, the majority of them under 80% Area median income.

We are requesting help in the context of preventing housing instability and homelessness and help to make home ownership possible for low – moderate income households and all of this relates to low inventory and low vacancy rates.

Eviction prevention strategies need funding to prevent a slide of people into becoming homeless for the first time. We are seeing this in large numbers due to high rents and other costs forcing households to spend over 30% of monthly income on housing related expenses. Stat- Lancaster County renters – about 48% cost burdened and 20% of homeowners.

The PA Homeowners Assistance Program which can assist with mortgage foreclosure and assistance with tax payments remains closed, funding this program can help vulnerable households to keep the homes they have been investing in.

We are also asking for assistance for Rapid Rehousing by increasing funding and for the Homeless Assistance Program. This will provide vital funding for emergency shelter, case management and transitional housing. This would allow for emergency shelters to operate as they are intended which is currently not the case, we are seeing large numbers of people with severe mental health issues and disabilities not gaining stability, only being served in low barrier settings with little to know resources to help stabilize and transition to permanent supportive housing.

Finally, homeownership is becoming less and less of an option for hard working families. Due to low inventory the average cost of a home is over \$330k and with rising interest rates, a first time buyer would be paying about \$800/month for a mortgage than last year at this time.

Tenfold has a first time Homebuyer Program which includes education, counseling and funds up to \$10,000 for a low/mod household to use toward the purchase of their first home. We have assisted over 2300 people since 1994 and up until the pandemic, we were easily closing 80 – 100 loans /year. With the median sales price so high, HUD sets the limit for the Homebuyer program, which is reasonable based on affordability and that is currently at \$256,000- there are less than 80 properties on Lancaster County MLS at that price point right now and many of them would not pass inspection requirements and our buyers are competing with cash offers from investors. We ask for the State to increase funding to build multi-family housing for purchase so that first time homebuyers can enter the market and have a chance to build wealth. In addition, multifamily housing can build the density we need without encroaching onto farmland and open spaces. Since family detached homes on average consume about an acre for every 4 nits, compared to Single family attached which is about 8 units per acre, multi family low rise with is about 12 units per acres and multifamily mid rise which consumes about an acre for every 20 units. Advocacy to change zoning and other factors are needed but continuing to build single family homes – made of 58% of housing in the last 10 years – is not helping working families because it will not be affordable for their budget. The way our downpayment assistance works is that it is a soft second and interest free until the home is sold. On average our first time homebuyer families sell and purchase a larger and more expensive home in about 8 years and our default rate is less than 2%. If we can create an affordable housing continuum, we know that we can revive opportunity for working families.