

Testimony of Rita Dallago, Executive Director
Pennsylvania Residential Owners Association
Before the House Urban Affairs & Housing Committee
Room 156, Main Capitol
October 4, 2012

Chairman Yaw, Chairman Brewster, members of the Committee – Good Morning. My name is Rita Dallago and 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 some thoughts with you 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 associations across the Commonwealth. PROA represents approximately 10,000 small business owners in every community in Pennsylvania. Many of our members are small “Mom & Pop” businesses with less than 10 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 the 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 complaints. Many municipalities currently have such ordinances in place. We support such 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 other areas in the community. In the real estate world this is known 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 “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.

Is an answer the adoption of legislation that makes STUDENT, full or part time, a protected class under the PA Human Relations Commission Act? This procedural change would allow for full and impartial review by the Commission of Landlord/Tenant/Municipal disputes that arise.

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 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.

Again, PROA commends Chairman Yaw for conducting this hearing today. Our members look forward to working with Chairman Yaw and the Urban Affairs & Housing Committee on crafting future legislation. On behalf, of PROA, I would like to thank you for allowing us to share some thoughts with you today.

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