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*Analysis of the*  
**HARRISBURG, PENNSYLVANIA  
HOUSING MARKET**

**as of August 1, 1965**

**A Report by the  
FEDERAL HOUSING ADMINISTRATION  
WASHINGTON, D. C. 20411  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**April 1966**

ANALYSIS OF THE  
HARRISBURG, PENNSYLVANIA, HOUSING MARKET  
AS OF AUGUST 1, 1965

FIELD MARKET ANALYSIS SERVICE  
FEDERAL HOUSING ADMINISTRATION  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science the judgmental factor is important in the development of findings and conclusions. There will, of course, be differences of opinion in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst.

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ANALYSIS OF THE  
HARRISBURG, PENNSYLVANIA, HOUSING MARKET  
AS OF AUGUST 1, 1965

Summary and Conclusions

1. The present economy of the Harrisburg area derives much of its support from nonmanufacturing employment, principally government, trade and service industries. Currently, 60 percent of the total nonagricultural wage and salary employment and over three-fourths of all nonmanufacturing employment is concentrated in these three industries. Government employment accounted for 30 percent of the wage and salary employment in 1964. Employment in government reflects the presence of the Pennsylvania State Capitol in Harrisburg and Olmsted Air Force Base in Lower Swatara Township. From 1961 to 1964, total wage and salary employment grew by 3,200 jobs a year and the 1964 average of 154,300 is the highest level recorded in the past 13 years. During the next four years, however, a net decline in employment is expected because of the announced closing of Olmsted by June 30, 1969. During this period, approximately 1,200 permanent-party military personnel will be transferred from the area and some 9,575 civilian jobs at the base will be lost. Nonmilitary-connected employment is not expected to increase sufficiently to offset the loss.
2. The current median after-tax income of all families in the HMA is about \$6,700. Renter families have a current median after-tax income of \$5,625. By August 1, 1969, the median annual after-tax income of all families is expected to approximate \$7,225, while the renter median income is expected to rise to \$6,050.
3. The population of the Harrisburg area currently totals 363,100, an increase of about 18,050 (5.2 percent) since 1960. Population growth has averaged about 3,375 persons annually in recent years, compared with a decennial gain of about 5,275 persons annually in the 1950's. The city of Harrisburg has continued to lose population since 1960. By August 1, 1969, the population of the HMA is expected to total 367,200, an annual increment of about 1,025 persons. A decline of 1,300 persons a year is expected to occur in Dauphin County, offset by an increment of 2,325 persons a year in Cumberland County. The projected population loss in Dauphin County reflects the phase-out of Olmsted AFB and the resulting out-migration of about 8,500 military and military-connected persons (including dependents) from the county over the forecast period.
4. There are about 112,500 households in the area at present, a gain of 1,475 each year since 1960. About 58 percent of the household growth occurred in Cumberland County. Households in the city of Harrisburg declined by about 85 a year since 1960. Reflecting the out-

migration of Olmsted-connected personnel and their families, it is estimated that households in Dauphin County will grow slightly (100 a year) for each of the next four years. It is anticipated that Cumberland County will add about 775 households a year over the forecast period, indicating the lighter impact of the phase-out operation upon "west-shore" communities.

5. There are about 120,100 housing units currently in the HMA, representing an increase of about 8,725 (7.8 percent) since April 1960. Since January 1, 1960, some 10,400 housing units were authorized by building permits or were constructed in areas outside building permit issuing places. Approximately 8,275 units were authorized by building permits and about 2,125 units were completed in areas where the issuance of building permits is either not required or not recorded. With the exception of a small increase from 1962 to 1963, the number of single-family units authorized by building permits has been steadily declining since 1960. The volume of multifamily units authorized has been trending upward since 1960, including a number of public housing units.
6. The current number of vacant available units in the Harrisburg HMA totals about 3,800 (a net vacancy ratio of 3.3 percent), up from about 3,250 (3.0 percent) in April 1960. The current sales vacancy ratio is 2.0 percent and the renter vacancy ratio is 5.9 percent, up from 1.8 percent and 5.4 percent, respectively, in April 1960.
7. Demand during the next four years will be approximately 825 dwelling units annually, including 600 sales units and 225 rental units. Should public benefits or assistance in financing or land acquisition be provided, another 75 rental units may be in demand, thus increasing the total potential demand to 900 units annually, excluding public low-rent housing and rent-supplement accommodations.

Demand for new sales houses by price class is expected to approximate the pattern indicated on page 28. Demand for rental units by monthly gross rent level and by unit size is expected to approximate the patterns shown on page 29.

ANALYSIS OF THE  
HARRISBURG, PENNSYLVANIA, HOUSING MARKET  
AS OF AUGUST 1, 1965

Housing Market Area

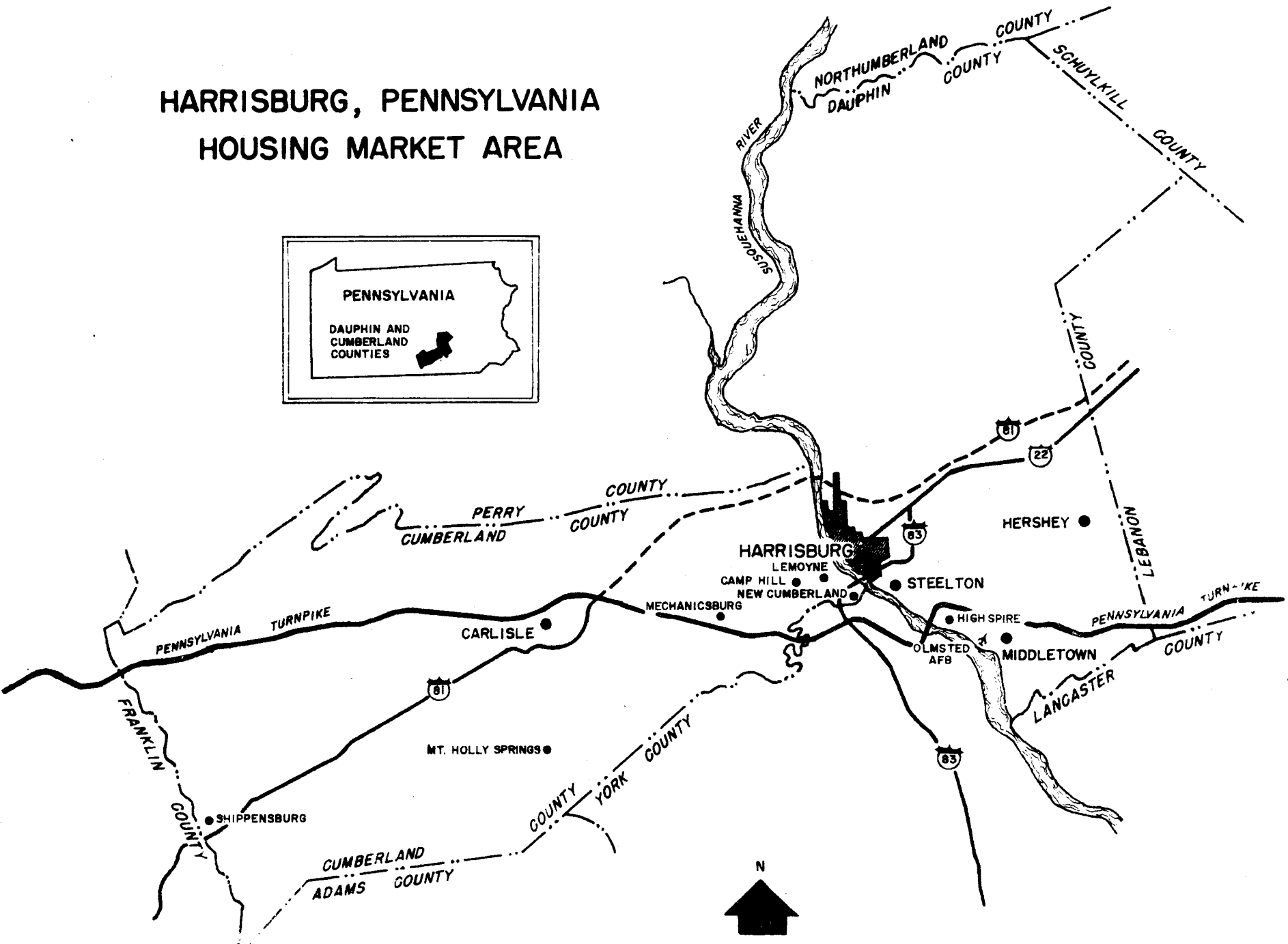
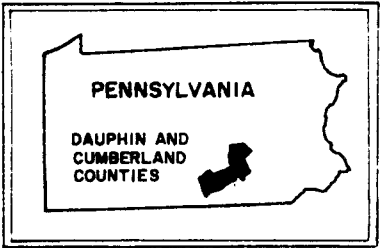
For the purpose of this analysis, the Harrisburg Housing Market Area (HMA) was defined as Cumberland and Dauphin Counties, Pennsylvania. This is the definition of the Harrisburg Standard Metropolitan Statistical Area (SMSA) prior to October 1963, when Perry County was added to the SMSA. In January 1965, the labor market area (as defined by the Pennsylvania State Employment Service) also was expanded to include Perry County. The relatively small population in Perry County (26,582 in 1960) and the fact that housing generally is not competitive with that in Cumberland and Dauphin Counties justify excluding Perry County from the HMA for the purpose of this analysis. Aside from the city of Harrisburg, there are six communities with populations in excess of 10,000 in Dauphin County and two in Cumberland County.

The Harrisburg HMA is located in the Kittatinny Valley in the Blue Mountain Range of southeastern Pennsylvania. Harrisburg lies at the base of the valley and is bordered by mountains which rise abruptly to the north and west and rolling hills which slope south and east. The city is situated on the eastern bank of the Susquehanna River, which separates Cumberland County on the west from Dauphin County on the east. Historically, the terrain has influenced the residential development of the Harrisburg HMA, confining growth to the comparatively level land near the Susquehanna River south to York and Lancaster Counties and east and southwest to Lebanon and Franklin Counties, respectively.

Harrisburg is 80 miles north of Baltimore on Interstate Route 83, and 100 miles west of Philadelphia and 190 miles east of Pittsburgh via the Pennsylvania Turnpike. In the future, the Harrisburg HMA will be made more easily accessible by I-81, which is presently under construction. The Pennsylvania Railroad provides freight and passenger service to the HMA, while the Reading Railroad offers freight service only. Air passenger and freight service is available at the Harrisburg-York State Airport (York County) via Allegheny, Trans World, and United Airlines.

The 1960 Census of Population reported that about 7,100 residents of the HMA commuted daily to jobs outside of the area and some 21,400 nonresident workers commuted to jobs within the HMA, so that there was a daily net in-commutation of 14,300 workers. The majority of workers commuting to jobs within the HMA came from adjoining counties; 4,025 (19 percent) from York County, 3,875 (18 percent) from Perry County, 3,725 (17 percent) from Lebanon County, and 2,100 (10 percent) from Lancaster County.

# HARRISBURG, PENNSYLVANIA HOUSING MARKET AREA





## Economy of the Area

### Character and History

In 1710, one John Harris selected the present location of Harrisburg as a site for a ferry crossing. "Harris Ferry" was selected as the western terminal of a road from Philadelphia in 1736. In 1785, John Harris, Jr., conveyed the deeds of "Harris Ferry" for the legal establishment of the site as a town. Six years later the town was designated as the borough of Harrisburg. In 1812, Harrisburg was selected as the State capital. Established as the judicial seat of Pennsylvania, the growth of Harrisburg during the 1800's depended almost entirely upon the expanding State administration. In 1865, a steel plant was established by the Pennsylvania Steel Company in the town of Steelton six miles south of Harrisburg. This plant was the first prominent manufacturing industry to locate in the Harrisburg area. Further economic growth of the area was stimulated by the decision of Milton S. Hershey to locate his chocolate plant in the area in 1903, and by the establishment of Olmsted Air Force Base near Middletown in 1917.

Nonmanufacturing activity continues to dominate the Harrisburg economy accounting for 77 percent of the nonagricultural wage and salary employment in 1964, little changed from 74 percent in 1952. In addition to serving as State capital, Harrisburg is the trade and commercial center for the region. As in the past, employment in the nonmanufacturing sector of the economy is concentrated in government, trade, and services. Currently, 60 percent of the wage and salary employment and over three-fourths of all nonmanufacturing employment is concentrated in these three industries.

### Work Force

Based on preliminary estimates compiled by the Pennsylvania State Employment Service, the total civilian work force of the Harrisburg Labor Market Area (Cumberland, Dauphin, and Perry Counties)<sup>1/</sup> averaged 182,200 for the first seven months of 1965, about 3,300 above the same period last year. The average for the year 1964 was the highest since 1952. With the exception of modest declines from 1960 to 1961 (1,000) and from 1962 to 1963 (400), the work force has increased each year since 1952. Year-to-year growth in the work force during this 13-year period ranged from 4,700 between 1959 and 1960 to 200 between 1958 and 1959 (see table I).

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<sup>1/</sup> All employment data in this report will cover the three-county labor market area.

## Employment

Current Estimate. Preliminary data indicate that civilian employment averaged 176,700 during the first seven months of 1965, including 157,200 wage and salary workers and 19,500 others (self-employed, domestics, unpaid family workers, and agricultural workers). Wage and salary employment for the first seven months of 1965 represents an increase of 4,700 (three percent) over the average for the corresponding period in 1964. Significant gains in wage and salary employment in the past year occurred in primary metals (1,000), contract construction (1,500), and services (1,300).

Past Trend. Although average wage and salary employment declined during each of the three national recessions which have occurred since 1952, there was recovery in the subsequent years, and the over-all trend has been upward over the past 13 years. The economy of the Harrisburg area grew most rapidly from 1954 to 1957. Only in recent years has growth in average wage and salary employment approached the 1954-1957 level, with 3,200 jobs (2.2 percent) a year from 1961 to 1964. Nevertheless, wage and salary employment in 1964 was 4,300 (2.9 percent) above the 1963 average, and the 1964 average is the highest level recorded in the past 13 years.

Distribution by Major Industry. Of the 1964 average of 154,300 nonagricultural wage and salary workers employed in the Harrisburg area, 35,500 (23 percent) were employed in manufacturing industries and 118,800 (77 percent) were employed in nonmanufacturing industries. These proportions have changed relatively little since 1952, when manufacturing employment accounted for 26 percent of the wage and salary employment and nonmanufacturing accounted for 74 percent.

Employment in durable goods manufacturing industries accounted for nine percent of wage and salary employment in 1964 compared with 14 percent in the nondurable goods manufacturing. The food industry is the largest single source of manufacturing employment in the area, accounting for five percent of the wage and salary workers in 1964. The primary metals, electrical machinery, and the apparel and related products industries each accounted for three percent of the wage and salary employment in 1964. No other single manufacturing industry accounted for as much as three percent of the 1964 wage and salary employment.

The importance of nonmanufacturing, particularly government employment, has been discussed earlier, and is reflected in the fact that government provided 29 percent of the wage and salary jobs in 1964. State and local government accounted for 61 percent of the government employment and 18 percent of the wage and salary employment in 1964. The trade industry is the second largest source of employment in the Harrisburg area, accounting for 17 percent of the wage and salary employment. The importance of Harrisburg as a regional trade and

commercial center is evidenced by the fact that employment in the retail trade industry represented three-fourths of the total trade employment and 13 percent of the wage and salary employment during 1964. Other major sources of nonmanufacturing employment in 1964 were services, which provided 13 percent of nonagricultural wage and salary employment, transportation and public utilities (eight percent), contract construction (five percent), and finance, insurance, and real estate (four percent).

Changes in the distribution of employment by industry have been relatively minor in recent years. The most significant changes occurred in the transportation and public utilities industry, which declined from ten percent of the nonagricultural wage and salary employment in 1958 to eight percent in 1964, and government employment, which increased from 27 percent to 30 percent during the same six-year period. In government employment, the greatest growth occurred at the state and local level, which accounted for 16 percent of the wage and salary employment in 1958 and 18 percent in 1964.

With an average of 35,500 workers in the first seven months of 1965, manufacturing employment is 400 (one percent) above the average for the comparable period in 1964. Although the 1964 annual average of 35,500 manufacturing workers represents the peak average of the past seven years, it is only slightly (200) above that recorded in 1960. Paralleling national business conditions, manufacturing industries in the Harrisburg area have enjoyed three relatively prosperous years since the 1961 recession, adding 900 jobs (2.7 percent) a year since that time. Only in recent years have employment gains in manufacturing industries equalled those which occurred over the 1958 to 1960 period, when 950 jobs (2.8 percent) were added annually.

Although employment in durable goods industries has grown significantly, by 400 (three percent) a year since 1961, the 1964 average of 14,500 is still 200 below the 1958 average and 1,100 below the peak recorded in 1960. Of the durable goods industries, only the electrical machinery industry exhibited a sustained growth from 1958 to 1964, adding about 330 jobs (13.9 percent) a year. Employment in the fabricated metal products industry fluctuated, but the 1964 level remained unchanged from that in 1958. All other segments of durable goods manufacturing showed an over-all decline. The primary metals industry accounted for the bulk of the loss in durable goods employment, with the net decline averaging 280 jobs a year from 1958 to 1964. Although the 1964 average of 4,200 workers in the primary metals industry represents an increase of 500 (13.5 percent) over 1963, it was 2,200 below the peak of 1960. Thus far in 1965, employment in primary metals averages 1,000 above that for the comparable period for 1964. The growth in 1965 is the result of a large contract awarded a steel firm in the area and an increased number of orders by steel consumers in anticipation of a possible steel strike.

Employment in nondurable goods industries has been the sustaining factor in the manufacturing sector. With the exception of a slight decline (200 jobs) during the 1961 recession, average nondurable goods employment increased each year from 1958 to 1964, adding an average of 380 jobs a year. All segments of nondurable goods employment contributed to the net growth in that sector from 1958 to 1964; 900 jobs in food products, 600 in leather products, 500 in the "other" nondurable goods segment, 200 in apparel and related products, and 100 in printing and publishing. Year-to-year employment changes in the aforementioned industry groups were small with the exception of the food products industry which added about 330 jobs a year from 1959 to 1962.

Nonmanufacturing employment in the Harrisburg area, particularly the government, services, and trade industries, experienced strong gains since 1958. Most of this growth occurred subsequent to the 1961 recession. Employment in all nonmanufacturing segments increased from 1958 to 1964, except contract construction (down 1,000) and transportation and public utilities (down 1,400). Government employment registered the largest net gain during the period, adding 6,700 jobs from 1958 to 1964. As in the past, state and local government accounted for the bulk (64 percent, or 4,300 jobs) of the employment gains from 1958 to 1964. Employment at the Federal level grew rapidly from 1961 to 1964 (770, or 4.9 percent annually) reflecting, for the most part, expanded civilian employment at three of the four military installations in the HMA. The services industry added 3,100 jobs during the past seven years followed by trade with 1,900. The finance, insurance, and real estate segment grew only slightly, experiencing a net gain of 600 jobs from 1958 to 1964.

Employment Participation Rate. The ratio of employment (nonagricultural employment in this analysis) to the population of an area is termed the employment participation rate. Census data indicate that this ratio declined slightly from 38.76 percent in 1950 to 38.26 percent in 1960 in the Harrisburg HMA. On the basis of total employment (place of work rather than place of residence) the participation rate is estimated to have increased from 46.05 percent in 1959 to 47.45 percent at present. The upward trend in the porportion of the population gainfully employed since 1959 is consistent with the increased employment opportunities and declining unemployment since that time. The improved economic conditions have encouraged more residents to enter the civilian work force and have increased the number of in-commuters in recent years. Over the four-year projection period, the participation rate is expected to decline sharply to about 45.83 percent, reflecting the phase-out and out-migration of Olmstead-connected personnel and their families

### Principal Employers

The Bethlehem Steel Corporation is the largest manufacturing employer in the Harrisburg area. Employment, which is divided between blast furnaces, steel works, and rolling mills (90 percent) in the primary metals industry and the fabricating plant (10 percent) in the fabricated metal products classification, has been steadily increasing since 1961. The Hershey Chocolate Corporation, the second ranking manufacturer, provides chocolate and cocoa products. The Hershey manufacturing facilities cover more than two million square feet in 26 separate buildings. Employment levels at the Hershey Chocolate Corporation have trended upward since its inception in 1903. AMP, Incorporated, manufactures current-carrying wiring components for electrical machinery, equipment, and supplies. The fourth largest manufacturing employer in the Harrisburg area, C. H. Masland & Sons, makes tufted carpets and rugs, primarily for automobiles.

While these manufacturing firms are the most prominent in the Harrisburg area, their combined employment accounted for slightly less than one-third of the total manufacturing employment in July 1965. Thus, the manufacturing segment of the Harrisburg economy is comprised primarily of many small firms, none of which employed over 1,000 workers in July 1965.

The largest single employer in nonmanufacturing industries and the HMA is the state government, which employs about 16,000 people in Harrisburg. Local governments, including county, townships, city, and borough governments, employ about 12,500 workers in the Harrisburg area.

### Olmsted Air Force Base

History and Mission. Olmsted AFB was established in 1917 adjacent to Middletown, nine miles southeast of the city of Harrisburg. Olmsted is the home of Middletown Air Material Area (MAAMA), one of nine such areas under the Air Force Logistics Command. The mission of MAAMA is to manage assigned commodity classes, weapon and weapon-support systems used by the Air Force worldwide, and to provide area support to all Air Force installations within the assigned geographic area of MAAMA. Warehouse facilities for MAAMA are also located at Marietta Air Force Station, located about 15 miles southeast of Olmsted AFB, in Lancaster County. Tenant groups (organizations physically located at Olmsted AFB, but not a part of the Middletown air command) include the 1912th Communications Squadron, 539th Fighter Interceptor Squadron, and eight other military units.

Military and Civilian Strength. The following table summarizes total military and civilian strength at Olmsted from December 1954 to May 1965.

Total Military and Civilian Strength  
Olmsted Air Force Base, Middletown, Pennsylvania  
December 1954-May 1965

<u>Date</u>	<u>Number</u>		<u>Date</u>	<u>Number</u>	
	<u>Military</u>	<u>Civilian</u>		<u>Military</u>	<u>Civilian</u>
Dec. 1954	847	9,848	Dec. 1960	874	9,357
" 1955	660	9,761	" 1961	851	9,461
" 1956	637	9,708	" 1962	1,026	10,415
" 1957	746	9,123	" 1963	1,266	10,127
" 1958	745	8,991	" 1964	1,289	9,915
" 1959	1,081	9,302	May 1965	1,210	9,571

Source: Department of Defense.

The Department of Defense announced, on November 19, 1964, that Olmsted AFB would be closed and its operations transferred to other areas. The only stage of the program definite thus far calls for the transfer of about 2,200 positions (military and civilian) by January 1, 1966. It was reported that about 57 percent (6,400) of the total work force present at the time of the announced phase-out in November 1964 would probably be transferred or eliminated by July 1, 1967.

It was reported that over 600 civilians have left the employ of the Air Force at the base since the phase-out was announced. These employees are voluntarily separating because they have obtained other employment, or they are in the process of doing so. There are 2,200 positions to be transferred in the near future in addition to the 600 employees who have already resigned. Thus far, an estimated 35 percent of the 2,200 people to be transferred have accepted. The remaining employees prefer to "ride-out" the early phase-out until they are forced to leave. Many of the employees who intend to remain in the area are accepting jobs at the base which become vacant as a result of the voluntary separations. The proportion of employees who have agreed to transfer is expected to decline as the date of actual separation approaches.

Other military-connected civilian employment in the HMA totalled about 6,925 in July 1965. Of this total, 5,150 were employed at the United States Navy Supply Depot in Mechanicsburg, 1,375 at the New Cumberland Army Depot, and 400 at the Carlisle Barracks in Carlisle. Only the Army Depot in New Cumberland experienced a decline (125) in civilian employment since 1960. The Navy Supply Depot and Carlisle Barracks have increased their employment levels by 1,550 and 50, respectively since 1960.

### Unemployment

Pennsylvania State Employment Service data indicate that the total civilian work force in the Harrisburg area grew by 18,400 from 1952 to 1964 and employment grew by 15,400 during this time. Unemployment increased by 3,000 over the period (see table I). In 1964, the number of unemployed persons in the Harrisburg area averaged 6,200, equal to 3.4 percent of the civilian work force. The 1964 average unemployment represents the lowest average for any year since 1957, when 5,900 persons were unemployed (3.5 percent of the work force). Unemployment has been steadily declining since 1961 and the 1964 figure is well below the 13-year peak of 11,200 (6.5 percent) recorded in 1958.

The U. S. Department of Labor classified the Harrisburg Labor Market (including Perry County) as a "B" area in September 1964, indicating a slight excess of labor supply over job openings and an unemployment rate of 1.5 percent or more, but less than 3.0 percent. The unemployment rate shown in table II for the first seven months of 1965 is at the upper limit for "B" area classification, because of rates which were above 3.0 percent in the first quarter of the year. Unemployment dropped below 3.0 percent again in the following four months. Based on annual averages, unemployment in the Harrisburg area has only exceeded 6.0 percent twice (1958 and 1961) in 13 years.

### Future Employment

The closing of Olmsted AFB will ultimately result in the loss of some 10,775 jobs at the base, including 1,200 military. Of the two counties which comprise the HMA, Dauphin County will bear the brunt of the loss. Based on the distribution of civilian employees for the pay period ending November 14, 1964, 61 percent of the total number of civilian employees at Olmsted AFB (including the Marietta Air Force Station in Lancaster County) resided in Dauphin County compared with seven percent in Cumberland County. Most of the remaining employees resided in adjoining counties, primarily Lancaster County (15 percent) and Lebanon County (7 percent).

In 1964, the Bethlehem Steel Corporation announced the shut-down of their fabricating plant in Steelton. Early this year, Bethlehem Steel began transferring workers from the fabricating plant to other departments in an effort to phase-out the fabricating division. Current data concerning the number of workers to be laid-off or transferred to other divisions are not available.

Only a few known employment increases can be anticipated in the HMA, all of which involve the expansion of existing facilities. Nevertheless, employment gains are expected in nonmanufacturing, particularly state and local government, followed by small gains in construction, trade, and services. The electrical machinery industry is the only manufacturing industry which is expected to exhibit any significant employment gains over the forecast period. Based on the phase-out at Olmsted and the subsequent effect on related industries in the Harrisburg area, it is expected that total nonagricultural employment will decline by 1,000 jobs a year, for each of the next four years.

#### Income

Wages. The average gross weekly earnings of production workers on manufacturing payrolls in the Harrisburg area was \$89 in 1964, considerably lower than the average for Pennsylvania and the United States. Inasmuch as the Harrisburg area is primarily dependent upon nonmanufacturing industries for employment and earnings, the gross weekly earnings of manufacturing workers are not indicative of most incomes in the area; however, it does reflect a rate of growth (16 percent) in earnings which has exceeded that for the State, but lagged behind that of the United States total since 1959. The following table summarizes the trend of earnings in the Harrisburg area, Pennsylvania, and the United States.



Average Gross Weekly Earnings of Production Workers  
on Manufacturing Payrolls, 1959-1964  
(rounded to nearest dollar)

<u>Year</u>	<u>Harrisburg</u> <u>HMA</u>	<u>Pennsylvania</u>	<u>United States</u>
1959	\$77	\$87	\$88
1960	79	90	90
1961	80	92	96
1962	83	95	97
1963	84	98	101
1964	89	102	105

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Family Income. The current median annual family income, after deducting Federal income tax, is about \$6,700 for all families in the Harrisburg HMA, and approximately \$5,625 for renter families. Current annual family incomes are about 20 percent above 1959 levels and are expected to increase by an additional eight percent by 1969 to \$7,225 and \$6,050 for all families and renter families, respectively.

A detailed distribution of all family income and renter family income for 1965 and 1969 is presented in table III. About 19 percent of all families and 28 percent of all renter families earn after-tax incomes below \$4,000 annually; 19 percent of all families and 10 percent of all renter families earn annual incomes in excess of \$10,000.

## Demographic Factors

### Population

Current Estimate. The total population of the Harrisburg HMA is approximately 363,100 as of August 1, 1965. About 62 percent of the current population resides in Dauphin County while the remainder (38 percent) lives in Cumberland County. The current population of the city of Harrisburg is about 74,300, representing about 20 percent of the population of the HMA. The population of the HMA and of selected communities is shown in table IV.

Past Trend. The current population of the HMA represents an increase of about 18,050 persons over the 1960 level reported by the census. The average annual growth of 3,375 (one percent) since 1960 is considerably below the average of about 5,275 persons (1.8 percent) added each year during the 1950-1960 decade. Since 1960, over three-fourths of the population growth of the HMA occurred in Cumberland County, which added 2,575 persons (2.1 percent) each year. The growth of Cumberland County in recent years is slightly below the average annual increment of about 3,025 (3.2 percent) experienced during the 1950-1960 period. The population of Dauphin County grew by about 820 (0.4 percent) a year since 1960, substantially below the average increase of nearly 2,250 (1.1 percent) a year from 1950 to 1960. The number of people in the city of Harrisburg has declined by 1,025 (1.3 percent) a year since 1960, little changed from the average annual decline of nearly 990 (1.1 percent) experienced over the 1950-1960 period.

Despite the relative prosperity which has characterized the Harrisburg economy since 1961, there are, in addition to Harrisburg City, three other communities in Dauphin County which have lost population in recent years. Several factors contribute to the higher level of growth in Cumberland County as opposed to Dauphin County; the greater availability of suitable sites for residential development, lower real estate taxes, and the effect of two interstate highways (I-83 and I-81) and the Pennsylvania Turnpike, which provide easy access to areas with rapid economic growth, e.g., Franklin and Lancaster Counties, Pennsylvania, and Baltimore County, Maryland.

Estimated Future Population. Based on the past trend of population growth and the expected employment decline, the population of the HMA is expected to grow modestly by 4,100 over the four-year forecast period, to a level of 367,200 by August 1, 1969. This represents an increase of 1,025 (0.3 percent) annually. The population of Cumberland County is expected to grow by about 2,325 (1.7 percent) a year while that of Dauphin County is expected to decline by about 1,300 (0.6 percent) each year over the forecast period. The projected population loss in

Dauphin County reflects the phase-out of Olmsted AFB and the resulting out-migration of about 8,500 military and military-connected persons (including dependents) from the county. The city of Harrisburg is expected to continue to lose population during the four-year forecast period. The population of Harrisburg will decline to 70,300 by August 1969, a loss of about 1,000 persons (1.3 percent) annually.

Natural Increase and Migration. During the 1950-1960 decade, net natural increase (excess of births over deaths) in the Harrisburg HMA totalled 4,025 annually while the total population grew by about 5,275 a year, indicating an annual net in-migration of 1,250 persons into the area. As the following table shows, an annual net out-migration of 225 persons from Dauphin County from 1950 to 1960, was offset by a yearly net in-migration of 1,475 persons into Cumberland County. Since 1960, average annual population gains in Cumberland County have been lower than the population growth experienced during the previous decade. While the level of net natural increase has remained virtually the same, net migration into the county has been reduced. In Dauphin County, population growth has been substantially lower. The average annual net natural increase has declined slightly in recent years, but an increased level of out-migration has materialized. In fact, the increased out-migration experienced in Dauphin County since 1960 has exceeded the in-migration into the remainder of the HMA, indicating an over-all net out-migration of 300 persons annually from the HMA as a whole.

Components of Population Change  
Harrisburg, Pennsylvania, Housing Market Area  
April 1, 1950 to August 1, 1965

<u>Area</u>	<u>Average annual change</u>					
	<u>1950-1960</u>			<u>1960-1965<sup>a/</sup></u>		
	<u>Population change</u>	<u>Net natural increase</u>	<u>Net migration</u>	<u>Population change</u>	<u>Net natural increase</u>	<u>Net migration</u>
Cumberland County	3,025	1,550	1,475	2,575	1,575	1,000
Dauphin County	<u>2,250</u>	<u>2,475</u>	<u>-225</u>	<u>820</u>	<u>2,100</u>	<u>-1,280</u>
Total HMA	5,275	4,025	1,250	3,375	3,675	-300

<sup>a/</sup> Data may not add because of rounding.

Source: U. S. Census of Population Reports, Vital Statistics, and estimates by Housing Market Analyst.

Distribution by Age. The distribution of the population of the Harrisburg HMA by age is shown in table V. Two-thirds of the total population growth from 1950 to 1960 in the Harrisburg area was concentrated in the age groups below 20 years, reflecting the years of general economic prosperity following World War II and the Korean Conflict. The increase in the older age group (60 years and over) during the decade partially reflects a number of government workers who continued to reside in the HMA subsequent to retirement. The increase in this group is also attributed to advanced medical knowledge and techniques for prolonging life. Only the age group 20-29 years showed a decline during the period, reflecting the low birth rates of the depressed 1930's.

### Households

Current Estimate. As of August 1, 1965, there are 112,500 households (occupied housing units) in the Harrisburg HMA. Dauphin County accounts for about 63 percent (71,300) of the households, while Cumberland County accounts for the remainder (41,200). Households in the city of Harrisburg now total 26,950, comprising 38 percent of the households in Dauphin County and nearly one-fourth of the households in the HMA.

Past Trend. Since 1960, household growth in the Harrisburg area has totalled 1,475 each year, 850 a year in Cumberland County and nearly 625 a year in Dauphin County. The number of households in the city of Harrisburg has declined by 85 a year since 1960. Communities in Cumberland County have enjoyed steady household growth in recent years with the most rapid growth occurring in Hampden Township (6.1 percent a year), East Pennsboro Township (4.7 percent), Camp Hill Borough (2.7 percent), and Lower Allen Township (2.2 percent). There are a few exceptions to the generally slow rate of household growth which has characterized Dauphin County in recent years, notably, the townships of West Hanover (7.4 percent annually), Lower Paxton (5.7 percent), Swatara (2.9 percent) and Lower Swatara (2.8 percent). Growth in these areas reflect the availability of inexpensive residential sites in outlying areas and the easy access to places of employment, primarily the governmental offices and downtown business center of Harrisburg.

Paralleling the trend of population growth in the HMA, the number of households added since 1960 has been below the level of about 2,070 (2.5 percent) added each year over the 1950-1960 period (see table VI). A small part of the increase between 1950 and 1960, however, is the result of a conceptual change from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census, whereby a number of furnished-room type of units were classified as housing units, and their occupants as households, for the first time in the 1960 census. From 1950 to 1960, Dauphin County accounted for 53 percent of household growth in the HMA, adding nearly 1,100 households (1.9 percent) a year compared

with about 975 (3.6 percent) added each year in Cumberland County. In recent years, however, the level of household growth in Cumberland County exceeded that for Dauphin County, so that Cumberland County accounted for the bulk (58 percent) of the households added in the HMA since 1960 (see table VI).

Future Households. Reflecting the out-migration of Olmsted-connected personnel and their families, it is estimated that households in Dauphin County will grow slightly (100 a year) for each of the next four years. The 5,200 population decline projected for Dauphin County is expected to be offset by a sharp reduction in the average household size.

It is anticipated that Cumberland County will add about 775 households a year over the forecast period, reflecting the lighter impact of the Olmsted closing upon "west-shore" communities. Most of this gain is expected to conform to the pattern exhibited since 1960, with a significant proportion of the growth concentrated in and around the townships of East Pennsboro, Hampden and Lower Allen and the borough of Camp Hill.

Household Size. The average household size in the Harrisburg HMA has been steadily declining from 3.32 in 1950 to 3.19 in 1960 and 3.13 at present. The drop in average household size between 1950 and 1960 is partially attributable to the conceptual change referred to earlier in this report. Reflecting the lower level of population growth and out-migration, average household size in Dauphin County is lower than that for Cumberland County. The table below shows a continued decline in average household size, particularly in Dauphin County, over the forecast period, reflecting the expected increase in out-migration as a result of the phase-out of Olmsted AFB.

Average Household Size Trends  
Harrisburg, Pennsylvania, Housing Market Area  
April 1950-August 1969

	<u>Cumberland</u> <u>County</u>	<u>Dauphin</u> <u>County</u>	<u>HMA</u>
April 1950	3.34	3.32	3.32
April 1960	3.29	3.13	3.19
August 1965	3.27	3.05	3.13
August 1969	3.25	2.97	3.08

Source: 1950 and 1960 Censuses of Housing.  
1965 and 1969 estimated by Housing Market Analyst.

## Housing Market Factors

### Housing Supply

Current Estimates. As of August 1, 1965, there are 120,100 housing units in the HMA, of which 28,700 (24 percent) are in the city of Harrisburg. The remaining units are in the remainder of Dauphin County (47,500) and in Cumberland County (43,900).

Past Trend. The current housing inventory of the HMA represents an increment of 1,650 (1.5 percent) units annually over the 1960 level, considerably below the annual average of about 2,400 (2.7 percent) housing units recorded from 1950 to 1960. The change from 1950 to 1960 was inflated somewhat by the "definitional increment" referred to earlier. Over one-half of the inventory growth in recent years occurred in Cumberland County. The housing inventory of the city of Harrisburg declined slightly by 250 from 1960 to the present, reflecting the rather substantial number of demolitions which have occurred in the city, primarily as a result of urban renewal.

Type of Structure. Approximately 60 percent of the housing units now in the HMA are in one-unit structures (including trailers), 34 percent in two-to-four unit structures, and only six percent in structures with five-or-more units. It is significant to note that the number of two-to-four unit structures declined sharply during the 1950-1960 decade, indicating that the number of demolitions of such units exceeded new construction during the period.

### Housing Inventory by Units in Structure Harrisburg, Pennsylvania, HMA-1950, 1960, and 1965

<u>Type of structure</u>	<u>April</u>	<u>April</u>	<u>August</u>	<u>Percent of total</u>		
	<u>1950</u>	<u>1960</u>	<u>1965</u>	<u>1950</u>	<u>1960</u>	<u>1965</u>
1 unit <sup>a/</sup>	35,546	64,502	72,400	40.7	57.9	60.3
2 to 4 units	47,364	40,462	40,500	54.2	36.4	33.7
5 or more units	<u>4,446</u>	<u>6,384</u>	<u>7,200</u>	<u>5.1</u>	<u>5.7</u>	<u>6.0</u>
Total	87,356	111,348 <sup>b/</sup>	120,100	100.0	100.0	100.0

<sup>a/</sup> Includes trailers

<sup>b/</sup> Differs slightly from the count of all housing units (111,369), because units by structural size were enumerated on a sample basis in 1960.

Source: 1950 and 1960 Censuses of Housing.  
1965 estimated by Housing Market Analyst.

Condition of the Inventory. On the basis of census reports, housing units classified as dilapidated or lacking one or more plumbing facilities comprised 13 percent (13,998) of the housing inventory as of April 1, 1960. Of the total number of substandard units, 5,222 were owner-occupied (seven percent of all owner-occupied units) and 6,356 were renter-occupied (19 percent of the renter-occupied units). The remaining 1,832 substandard units were vacant, accounting for 27 percent of the total vacant units in 1960. On the assumption that the units added to the inventory since 1960 are of acceptable quality (with all plumbing facilities) and that demolitions have removed a considerable number of substandard units, the number of substandard units currently accounts for approximately 11 percent of the housing inventory.

Value and Rent. The median value of owner-occupied houses in the Harrisburg HMA was reported to be \$11,800 in the 1960 Census of Housing. The median value in Cumberland County was \$12,600 compared with \$11,300 in Dauphin County. In 1960, the median value in the city of Harrisburg was \$10,000. Median gross monthly rent for renter-occupied units was \$68 in the HMA. The census reported only a slight difference in the median gross monthly rent in Cumberland County (\$69) and Dauphin County (\$67).

Year Built. Over one-half (52 percent) of the current housing inventory of the Harrisburg HMA was constructed prior to 1930, reflecting the early rapid growth of the Harrisburg area. Housing units constructed between 1930 and 1950 account for 17 percent of the current inventory and the remaining 31 percent were built since 1950.

Distribution of the Housing Inventory by Year Built<sup>a</sup> /  
Harrisburg, Pennsylvania, Housing Market Area  
August 1, 1965

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1, 1960-August 1, 1965	9,550	8
1955 - March 31, 1960	14,550	12
1950 - 1954	13,300	11
1940 - 1949	11,800	10
1930 - 1939	8,600	7
1929 or earlier	<u>62,300</u>	<u>52</u>
Total	120,100	100

a/ The basic data reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerator's questions, as well as errors caused by sampling.

Source: Estimated by Housing Market Analyst.

### Residential Building Activity

Since 1960, approximately 10,400 housing units (11,850 annually) have been authorized or constructed in the Harrisburg HMA. Not all new construction in the Harrisburg area is subject to building permits, however. Of the 10,400 units constructed since 1960, 8,275 units (1,450 annually) have been authorized by building permits, while the remaining 2,125 units, or about 400 annually, have been added to the housing supply since 1960 in areas where the issuance of building permits is either not required or not recorded.

Private residential construction (excluding public housing), as indicated by building permit authorizations, has fluctuated considerably during the 1956-1965 period, particularly from 1956 to 1961 (see table VIII). New construction has remained relatively constant since 1961, averaging 1,350 units a year from 1962 to 1964. In the first seven months of 1965, the number of new private residential units authorized is about 100 below the level for the comparable period in 1964. Since 1956, permit authorizations have been almost evenly divided between the two counties, with Dauphin County accounting for slightly more (54 percent). The bulk of private residential units in Dauphin County have been authorized in the townships of Lower Paxton, Susquehanna, Swatara, and West Hanover. The bulk of units authorized in Cumberland County have been in areas nearest the city of Harrisburg, notably the townships of East Pennsboro, Hampden and Lower Allen, and the borough of Camp Hill.

As indicated in the following table, the volume of single-family units authorized has fallen off sharply since 1960. In 1960, single-family units accounted for 81 percent of all units authorized compared with 70 percent in 1964.

The volume of private multifamily units authorized has been steadily increasing since 1960. With a total of 314 private multifamily units authorized thus far in 1965, it is quite possible that by the end of this year the number of additional multifamily units authorized will make 1965 the peak year for such authorizations. Construction of multiple-unit structures has been concentrated in Dauphin County, where construction of public housing is also concentrated. Aside from the city of Harrisburg, increasing numbers of multifamily units have been authorized in Lower Paxton and Susquehanna Townships in Dauphin County, and Hampden and Lower Allen Townships in Cumberland County.



Housing Units Authorized by Building Permits  
Harrisburg, Pennsylvania, HMA  
1960-1965

<u>Year</u>	<u>One family</u>		<u>Two-to-four family</u>		<u>Five-or-more family</u>		<u>Total</u>
	<u>Private</u>	<u>Public</u>	<u>Private</u>	<u>Public</u>	<u>Private</u>	<u>Public</u>	
1960	1,394	-	62	-	6	252	1,714
1961	1,196	-	60	-	23	-	1,279
1962	1,055	-	90	40	182	-	1,367
1963	1,081	-	52	36	255	-	1,424
1964	923	75	79	-	356	-	1,433
1965 (8 mo.)	505	-	24	-	314	200	1,043

Source: Bureau of the Census, C-40 Construction Reports, and Pennsylvania Department of Labor and Industry.

Units Under Construction. A postal vacancy survey conducted in August 1965, enumerated a total of about 820 dwelling units under construction in the Harrisburg area, including 515 residences and approximately 305 apartments (see table IX). Although the survey covers approximately 89 percent of the dwelling units in the HMA, most areas with active residential construction were included, and it is judged that new construction is negligible in the areas not covered by the survey. Nearly two-thirds of the residences were under construction in Cumberland County. The areas served by the Carlisle, Camp Hill, and Mechanicsburg post offices accounted for about one-half of the residences under construction in the HMA. Nearly three-fourths of the apartments were under construction in Dauphin County, including 100 units of public housing in Steelton Borough.

Demolitions. Since 1960, approximately 800 housing units have been demolished in the Harrisburg HMA, or an average of 150 units a year. About 625 (78 percent) of these units were demolished in the city of Harrisburg as a result of urban renewal and highway and street projects.

Because the scheduling of urban renewal and highway projects is rather flexible, the number of units expected to be lost over the forecast period is not a firm figure. However, as a result of construction of the East Shore Expressway, I-81, and urban renewal, it is likely that demolitions will be higher in the forecast period than the total since 1960. Based on the information now available and on the best informed local judgments in the Harrisburg area, it is estimated that about 1,000 housing units will be demolished over the forecast period, or about 250 annually.

#### Tenure of Occupancy

There are 112,500 occupied housing units in the Harrisburg area as of August 1, 1965, of which 77,200 (68.6 percent) are owner-occupied and 35,300 (31.4 percent) are renter-occupied. During the 1950-1960 decade, owner-occupancy increased from 57.9 percent to 67.3 percent (see table VII). From 1950 to 1960, the number of multifamily units demolished or transferred to other uses actually exceeded new multifamily construction which took place, so that there was an absolute decline in those units available for renter-occupancy. In 1960, 27 percent of the 34,250 renter-occupied dwelling units in the HMA were in single-family units and 57 percent were in structures of two to four units, so that only 16 percent of all renters in the HMA lived in multifamily structures (5 or more units). As shown below, renter tenure has been declining throughout the HMA with the exception of Harrisburg which showed a modest increase since 1960.

#### Trend of Renter Tenure Harrisburg, Pennsylvania, HMA 1950, 1960, and 1965

<u>Area</u>	<u>Renter-occupied households as a percentage of total occupied units</u>		
	<u>April 1950</u>	<u>April 1960</u>	<u>August 1965</u>
Harrisburg	52.4	51.0	51.2
Rest of Dauphin County	36.3	25.3	24.1
Entire Dauphin County	44.1	35.7	34.4
Cumberland County	37.7	27.3	26.2
HMA	42.1	32.7	31.4

Source: 1950 and 1960 Censuses of Housing.  
1965 estimated by Housing Market Analyst.

Vacancy

1960 Census. In April 1960, there were about 3,250 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the Harrisburg area, equal to 3.0 percent of the occupied housing inventory. Of the total number of available vacancies, approximately 1,300 were for sale, a homeowner vacancy ratio of 1.8 percent. The remaining 1,950 available vacancies were for rent, representing a rental vacancy ratio of 5.4 percent. Only six percent of the sales vacancies lacked some or all plumbing facilities, whereas almost one-fourth of the rental vacancies were considered substandard. Dauphin County accounted for 2,250 of the available vacancies in the HMA, 3.2 percent of the available housing inventory in the county. There were about 1,000 vacancies in Cumberland County in 1960, or a vacancy ratio of 2.6 percent. In 1960, the sales vacancy rate was about the same (1.8 percent) in the two counties, while Dauphin County exhibited a higher rental vacancy rate (5.7 percent) compared with Cumberland County (4.6 percent).

In the city of Harrisburg, there were about 1,100 vacant available units in 1960, or 3.9 percent of the available housing inventory. Vacant units available for sale represented 2.2 percent of the sales inventory and vacant units available for rent accounted for 5.5 percent of the rental inventory. Five percent of the sales vacancies and 23 percent of the rental vacancies in the city of Harrisburg were substandard.

As the following table shows, the rental vacancy rate was lowest in structures with 2 to 4 units. The high vacancy rate in single-family units is contrary to the low vacancy rate which generally characterizes this segment of the rental inventory. It is likely, however, that many of the single-family units in the renter inventory of the Harrisburg HMA are old unattractive units in poor locations, and are generally considered to be substandard.

Rental Vacancy by Type of Structure  
Harrisburg, Pennsylvania, HMA  
April 1960

<u>Type of structure</u>	<u>Number of occupied units</u>	<u>Vacant</u>	
		<u>Number</u>	<u>Percent</u>
One unit	9,590	792	7.6
2 to 4 units	19,364	679	3.4
5 to 9 units	2,667	220	7.6
10 or more units	<u>2,603</u>	<u>262</u>	<u>9.1</u>
Total	34,224 <u>a /</u>	1,953	5.4

a/ Differs slightly from all renter-occupied housing units (34,264), because units by type of structure were enumerated on a sample basis.

Source: 1960 Census of Housing.

Postal Vacancy Survey. A postal vacancy survey was conducted in August 1965, by the 18 principal post offices in the Harrisburg HMA (see table IX). The survey covered a total of 106,550 units, equal to 89 percent of the current housing inventory. There were 4,250 vacant dwelling units enumerated, or an over-all vacancy rate of 4.0 percent, including a 2.9 vacancy ratio in residences and a 9.2 vacancy ratio in apartments. In addition, 820 new dwelling units were reported in all stages of construction (515 residences and 305 apartments). The postal vacancy ratios indicated above are not entirely comparable with those reported by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. When used in conjunction with other vacancy data, however, the surveys serve a valuable function in deriving estimates regarding local market conditions.

Current Estimate. Based on the results of the postal vacancy survey and other vacancy data available in the Harrisburg area, there are estimated to be 3,800 vacant units<sup>1/</sup> available for sale or rent in the Harrisburg HMA, representing a net vacancy ratio of 3.3 percent. Of this total, 1,600 are available for sale and 2,200 are available for rent, representing sales and rental vacancy ratios of 2.0 percent and 5.9 percent, respectively. Dauphin County accounts for 2,600 of the current number of available vacancies in the HMA, equal to a net vacancy ratio of 3.5 percent for the county. There are about 1,200 available vacant units in Cumberland County, representing a net vacancy

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<sup>1/</sup> The current number of available vacancies is somewhat below the 4,250 vacancies enumerated in the postal vacancy survey. The postal vacancy survey included a number of units which were not available for sale or rent.

ratio of 2.8 percent. Available sales vacancies increased to approximately 1,000 units in Dauphin County, a sales vacancy ratio of 2.1 percent. Although the number of available vacant sales units increased to 500 at present in Cumberland County, the vacancy ratio remains unchanged at 1.9 percent. Rental vacancies increased in both counties since 1960; 600 in Cumberland County (5.3 percent vacancy ratio), and 1,600 in Dauphin County (6.1 percent vacancy ratio). The number of vacancies which lack one or more plumbing facilities remains relatively unchanged despite demolitions of such units in recent years. At the present time, it is judged that six percent of the sales vacancies and 23 percent of the rental vacancies are substandard.

The number of vacant units available for sale or rent has also increased in the city of Harrisburg. Presently, there are 1,375 vacant available units, a net vacancy ratio of 4.9 percent. Of the available vacancies, 350 are for sale and 1,025 are for rent, reflecting sales and rental vacancy ratios of 2.6 percent and 6.9 percent, respectively.

#### Sales Market

General Market Conditions. There is evidence that the sales market has weakened in recent years, as reflected by the sharp decline in the volume of new sales-type construction (including speculative residential construction), an increasing number of FHA single-family acquisitions, and a current excessive number of sales vacancies. The strongest market is for units in the \$17,500 to \$25,000 price range, primarily in Cumberland County. There appears to be little preference for units below \$15,000 on either side of the Susquehanna River.

Although data on the used home market is deficient, it appears that this segment of the market is quite soft as a result of the number of houses which are currently offered for sale or rent. In addition, a substantial number of houses have come on the market in the past eight months as a result of the closing of Olmsted AFB, adding to the supply of used houses which were available for sale (or rent) prior to the announcement of the phase-out.

The consensus of officials of local lending institutions indicates that the sales market has not depreciated markedly thus far in the phase-out program. Several firms reported only a small number of deeds in lieu of foreclosure.

Unsold Inventory of New Houses. The annual surveys of unsold new sales houses, which were conducted by the Philadelphia Insuring Office in January 1964 and January 1965, covered subdivisions in which five or more houses were completed in the twelve months preceding the survey date. The January 1965 survey covered ten subdivisions in the Harrisburg HMA in which some 110 houses were completed during 1964. Just over one-half of that number were sold before the start of construction and the remainder were built speculatively. Of the speculatively-built houses, only seven (13 percent) were unsold as of January 1, 1965 (see table X).

The January 1964 survey also covered ten subdivisions in which some 230 units were completed. Of the total units completed, about 125 (54 percent) were sold before construction started, and 105 (46 percent) were built speculatively. About 20 speculatively-built houses (17 percent) were unsold at the time of the survey.

Although the decline in the ratio of unsold speculatively-built houses suggests an improvement in the market for new sales houses over the year, a drop of 53 percent in the volume of new construction between the two surveys indicates an effort on the part of the local builders to reduce the surplus of sales units which exists.

Outlook for the Sales Market. Although the phase-out of Olmsted AFB has had little effect on the sales market thus far, the prospects for improvement in the sales market appear dim. Increasing sales vacancies and a lack of prospects for significant employment gains rule out hopes of immediately offsetting the anticipated loss. Local lending institutions ordered cutbacks on all speculative construction immediately following the announced phase-out.

#### Rental Market

General Market Conditions. Despite a small increase in rental vacancy since 1960, and an increasing number of multifamily units authorized since that time, the over-all rental market in the Harrisburg area appears firm. However, the market for rental units in more expensive elevator projects with rents of from \$125-\$150 for one-bedroom and \$170-\$200 for two-bedroom units appears to be limited.

Aside from public housing, the bulk of multifamily construction in recent years has been in garden-type projects, located on the outskirts of Harrisburg. Most of the apartments constructed in recent years have been located in Lower Paxton and Susquehanna Townships in Dauphin County and Hampden and Lower Allen Townships in Cumberland County. In several

instances, apartments were leased during construction. The absorption of units in these projects, which rent for \$115 to \$145, has been very satisfactory. The market for rental units below \$100 a month is very firm.

Rental Housing Under Construction. Currently, there are about 300 units of rental housing, including 100 units of public housing, in all stages of construction in the Harrisburg HMA. The bulk of multifamily units are under construction close to, but outside, the downtown business district of Harrisburg. Most of the units are in garden-type and townhouse structures with rents of \$100 and up (excluding public housing units). Inasmuch as the bulk of multifamily units now under construction are scattered throughout relatively small projects, and are of a type that can be completed rapidly (six months), the bulk will be on the market in the early part of 1966.

#### Mortgage Market

The mortgage market in the Harrisburg area is amply supplied with funds at the present time. Savings and loan institutions offer mortgage loans up to 90 percent of the appraised value on single-family homes which are less than ten years old. With a down payment of from 10 to 20 percent, commercial banks offer 5½ to 6 percent loans with a 25-year amortization period. The FHA provides a relatively small share of mortgage insurance for new single-family houses in the area.

#### Urban Renewal Activity

Currently, there are three active federally-aided urban renewal projects in the HMA, located in south Harrisburg, in Swatara Township, and in Steelton Borough.

The Nolan F. Ziegler Center (Penna. R-77) encompasses an area of about 12 acres in south Harrisburg. The area is bordered by Mulberry Street and the Pennsylvania Railroad tracks on the south, Second Street on the west, Chestnut Street on the north, and Fourth and Mulberry Streets on the east. All structures have been cleared with the exception of the Western Union Building and the Trailways Bus Terminal. A total of 76 dwelling units have been demolished and 54 families relocated. The future reuse of the land will be predominantly commercial in nature, including a new bus and train depot.

Mohn Street (Penna. R-51) is a 22-acre tract of land in Swatara Township encompassed by Mohn Street, Front Street and a rather steep embankment on the western edge which separates Mohn Street from Good Street. A total of 160 residences were demolished in 1963, most of which (140) were substandard company homes originally built by the Bethlehem Steel

Corporation. A total of 130 families were relocated. The Mohn Street area is the site for the proposed 80-unit moderate rent project.

South Second Street (Penna. R-107) is located in the borough of Steelton. The area includes about 48 acres along South Second Street and Front Street, and between Webb and Dupont Streets. There are a total of about 560 residences to be demolished, over one-half of which are substandard. Ultimately, a total of 355 families will be relocated from the area. Thus far, 125 residences have been acquired and demolition contracts are currently being let. Just over 100 families have been relocated from the area as of August 1, 1965.

#### Public Housing

There are seven public housing projects, with a total of 1,453 units in the Harrisburg HMA. Six projects (1,413 units) are located in Harrisburg and one (40 units) is located in Swatara Township. In addition, there is a 100-unit public housing project under construction in Steelton Borough. There are an additional 100 units in Swatara Township for which an annual contributions contract has been executed, but which are not yet under construction. Approximately 200 of the public housing units are occupied by elderly persons. Although there are no vacancies in any of the projects at the present time, it was reported that the number of applicants is not as great as in previous years, particularly in the Harrisburg projects. It is likely that the declining number of applicants reflects the new public housing constructed in recent years as well as the increases in family incomes, resulting from the past three years of relative economic prosperity.



## Demand for Housing

### Quantitative Demand

The demand for new housing over the August 1, 1965 to August 1, 1969 forecast period is based on the projected level of household growth (875 units annually), the number of housing units expected to be demolished, a continuing trend toward home ownership and the number of units currently under construction. On this basis, there will be a demand for 825 units a year for each of the next four years, including 600 units of sales-type housing and 225 units of rental housing. An additional 75 units represents the annual demand for privately-owned middle-income rental units that may be marketed only at rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition or cost. The demand estimates do not include public low-rent housing or rent-supplement accommodations. The projected levels of new sales and rental housing are substantially below the volume authorized by building permits since 1960, reflecting the impact of the phase-out operation currently in process at Olmsted AFB.

Although the closing of Olmsted will undoubtedly be felt throughout the HMA and contiguous counties, Dauphin County will bear the brunt of the loss. It is recognized that new residential construction in Dauphin County will not cease because of a lack of growth in the area. While additional new construction may result in added vacancies, the demand in this area will depend on the ability of persons now employed at Olmsted AFB to obtain other employment and the extent to which additional vacancies will permit residents to shift to dwellings of higher quality. Thus, while it is estimated that only 75 units will be required annually in Dauphin County (25 sales and 50 rentals) out of 825-unit total, the market in this area must be observed carefully and appropriate adjustments made on the basis of market experience. Further market analysis may be appropriate as the phase-out of the air base proceeds in order to evaluate the developing impact on the market.

The remaining annual demand for 575 sales units and 175 rental units is expected to develop in Cumberland County, primarily in and around Carlisle and Camp Hill Boroughs and the townships of East Pennsboro, Hampden, and Lower Allen.

### Qualitative Demand

Demand for Sales Housing. The distribution of the annual demand for 600 new sales housing units is shown in the following table. The distribution is based on the ability to pay, as measured by current family income and the ratio between net income and purchase price found to be typical in the Harrisburg area. It is judged that single-family houses that meet FHA minimum property standards cannot be built in the Harrisburg area for less than \$10,000.

Estimated Annual Demand for New Sales Houses by Price Class  
Harrisburg, Pennsylvania, Housing Market Area  
August 1, 1965-August 1, 1969

<u>Sales price</u>	<u>Number</u>	<u>Percent</u>
\$10,000 - \$11,999	35	6
12,000 - 13,999	70	12
14,000 - 15,999	90	15
16,000 - 17,999	80	13
18,000 - 19,999	80	13
20,000 - 24,999	130	22
25,000 - 29,999	55	9
30,000 and over	<u>60</u>	<u>10</u>
Total	600	100

The distribution above differs from that indicated in table X, which reflects only selected subdivision experience during the years 1963 and 1964. It must be noted that the 1963-1964 data do not include new construction in subdivision with fewer than five completions during the year, nor do they reflect individual or contract construction on scattered lots. The demand estimates above reflect, as much as possible, all homebuilding and indicate a greater concentration in some price ranges than a subdivision survey might reveal.

Demand for Rental Housing. On the basis of projected renter-family incomes and ratios of rent to income which are typical in the area, the estimated annual demand for 300 new rental units, excluding public low-rent housing and rent-supplement accommodations, is expected to be distributed by unit size and monthly gross rent levels according to the pattern indicated in the following table. Net additions at these rentals may be accomplished by either new construction or rehabilitation at the specified rental with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of units in the higher ranges of rent will result in a competitive filtering of existing accommodations.

It is estimated that the minimum gross rents achievable without public benefits or assistance in financing are \$90 for efficiency units, \$100 for one-bedroom units, \$110 for two-bedroom units, and \$120 for three-bedroom units. At and above these minimum rents, there is a prospective annual demand for 225 units. At the lower rents achievable only with public benefits or assistance in financing or in land acquisition, an additional 75 units probably can be absorbed.

Estimated Annual Demand for New Rental Housing  
Harrisburg, Pennsylvania, HMA, August 1965-August 1969

<u>Monthly</u> <u>gross rent</u> <sup>a/</sup>	<u>Efficiency</u>	<u>One</u> <u>bedroom</u>	<u>Two</u> <u>bedroom</u>	<u>Three</u> <u>bedroom</u>
\$ 75 and over	35	-	-	-
80 " "	35	115	-	-
85 " "	30	105	110	-
90 " "	30	100	100	40
95 " "	25	95	90	40
100 " "	20	90	85	35
105 " "	20	85	80	35
110 " "	15	75	75	30
115 " "	15	70	70	30
120 " "	10	65	70	30
125 " "	10	60	65	25
130 " "	5	55	60	20
140 " "	5	50	50	15
150 " "	5	45	45	10
160 " "	-	40	40	5
170 " "	-	30	30	5
180 " "	-	20	20	5
190 " "	-	10	10	-
200 " "	-	5	5	-

<sup>a/</sup> Gross rent is shelter rent plus the cost of utilities.

Note: The figures above are cumulative and cannot be added vertically. For example, demand for one-bedroom units at from \$100 to \$120 is 25 (90 minus 65).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Specific market demand opportunities or replacement needs may permit effective marketing of a single project differing from this demand distribution. Even though a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

Table I

Trend of Civilian Work Force Components, 1952-1965  
Harrisburg, Pennsylvania, Area <sup>a/</sup>  
(Annual averages in thousands)

<u>Year</u>	<u>Civilian work force</u>	<u>Unemployed</u>		<u>Total</u>	<u>Employed</u>	
		<u>Number</u>	<u>Percent</u>		<u>Wage and salary</u>	<u>All <sup>b/</sup> other</u>
1952	161.5*	3.2	2.0	158.3*	140.2*	18.1
1953	162.8*	3.9	2.4	158.9*	140.6*	18.3
1954	163.1	9.7	5.9	153.4	134.9	18.5
1955	164.2	6.0	3.7	158.2	139.7	18.5
1956	166.9*	5.0	3.0	161.9*	143.6*	18.3
1957	170.2	5.9	3.5	164.3	146.0	18.3
1958	171.7	11.2	6.5	160.5	142.3	18.2
1959	171.9*	7.8	4.5	164.1*	146.0*	18.1
1960	176.6	8.9	5.0	167.7	147.6	20.1
1961	175.6	10.7	6.1	164.9	144.7	20.2
1962	177.9	10.5	5.9	167.4	147.5	19.9
1963	177.5	8.1	4.6	169.4	150.0	19.4
1964	179.9	6.2	3.4	173.7	154.3	19.4

First seven months

1964 <sup>c/</sup>	178.9	7.1	4.0	171.8	152.5	19.3
1965 <sup>d/</sup>	182.2	5.5	3.0	176.7	157.2	19.5

\* Excludes a significant number of persons involved in a labor-management dispute.

<sup>a/</sup> Harrisburg labor market area includes Cumberland, Dauphin, and Perry Counties.

<sup>b/</sup> Includes agricultural workers and other nonagricultural employment consisting of self-employed, domestics, and unpaid family workers.

<sup>c/</sup> Revised.

<sup>d/</sup> Preliminary.

Source: Pennsylvania State Employment Service.

Table II

Nonagricultural Wage and Salary Employment by Industry  
Harrisburg, Pennsylvania, Area a/  
Annual Averages, 1958-1964  
(in thousands)

<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>First seven months</u>	
								<u>1964 b/</u>	<u>1965 c/</u>
Wage and salary employment	<u>142.3</u>	<u>146.0*</u>	<u>147.6</u>	<u>144.7</u>	<u>147.5</u>	<u>150.0</u>	<u>154.3</u>	<u>152.4</u>	<u>157.2</u>
Manufacturing	<u>33.4</u>	<u>34.9*</u>	<u>35.3</u>	<u>32.8</u>	<u>33.6</u>	<u>34.6</u>	<u>35.5</u>	<u>35.1</u>	<u>35.5</u>
Durable goods	<u>14.7</u>	<u>15.4</u>	<u>15.6</u>	<u>13.3</u>	<u>13.2</u>	<u>13.7</u>	<u>14.5</u>	<u>14.3</u>	<u>15.2</u>
Primary metals	<u>5.9</u>	<u>6.2*</u>	<u>6.4</u>	<u>4.0</u>	<u>3.7</u>	<u>3.7</u>	<u>4.2</u>	<u>4.1</u>	<u>5.1</u>
Fabricated metal products	<u>2.7</u>	<u>2.7*</u>	<u>2.7</u>	<u>2.8</u>	<u>2.7</u>	<u>2.5</u>	<u>2.7</u>	<u>2.7</u>	<u>2.2</u>
Nonelec. mach. & trans. equip.	<u>2.7</u>	<u>2.5</u>	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	<u>2.4</u>	<u>2.3</u>	<u>2.3</u>	<u>2.5</u>
Electrical machinery	<u>2.4</u>	<u>2.9</u>	<u>3.2</u>	<u>3.3</u>	<u>3.7</u>	<u>4.2</u>	<u>4.4</u>	<u>4.3</u>	<u>4.4</u>
Other durable goods	<u>1.0</u>	<u>1.1</u>	<u>1.0</u>	<u>.9</u>	<u>.8</u>	<u>.9</u>	<u>.9</u>	<u>.9</u>	<u>.9</u>
Nondurable goods	<u>18.7</u>	<u>19.5</u>	<u>19.7</u>	<u>19.5</u>	<u>20.4</u>	<u>20.9</u>	<u>21.0</u>	<u>20.8</u>	<u>20.3</u>
Food products	<u>7.1</u>	<u>7.0</u>	<u>7.3</u>	<u>7.6</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>7.9</u>	<u>7.8</u>
Apparel & related prods.	<u>4.6</u>	<u>4.8</u>	<u>4.6</u>	<u>4.3</u>	<u>4.5</u>	<u>4.8</u>	<u>4.8</u>	<u>4.8</u>	<u>4.6</u>
Printing & publishing	<u>1.5</u>	<u>1.6</u>	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>	<u>1.6</u>	<u>1.6</u>	<u>1.6</u>	<u>1.6</u>
Leather products	<u>2.9</u>	<u>3.1</u>	<u>3.3</u>	<u>3.3</u>	<u>3.4</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.2</u>
Other nondurable goods	<u>2.6</u>	<u>3.0</u>	<u>3.0</u>	<u>2.8</u>	<u>3.0</u>	<u>3.0</u>	<u>3.1</u>	<u>3.0</u>	<u>3.1</u>
Nonmanufacturing	<u>108.9</u>	<u>111.1</u>	<u>112.3</u>	<u>111.9</u>	<u>113.9</u>	<u>115.4</u>	<u>118.8</u>	<u>117.3</u>	<u>121.7</u>
Contract construction	<u>7.9</u>	<u>8.1</u>	<u>7.8</u>	<u>6.4</u>	<u>5.9</u>	<u>6.0</u>	<u>6.9</u>	<u>6.4</u>	<u>7.9</u>
Transportation & pub. util.	<u>13.9</u>	<u>13.6</u>	<u>13.5</u>	<u>13.0</u>	<u>12.9</u>	<u>12.5</u>	<u>12.5</u>	<u>12.5</u>	<u>12.4</u>
Wholesale & retail trade	<u>24.8</u>	<u>25.6</u>	<u>26.8</u>	<u>26.3</u>	<u>26.4</u>	<u>26.6</u>	<u>26.7</u>	<u>26.3</u>	<u>27.1</u>
Finance, ins., & real est.	<u>6.2</u>	<u>6.0</u>	<u>6.3</u>	<u>6.5</u>	<u>6.5</u>	<u>6.6</u>	<u>6.8</u>	<u>6.8</u>	<u>6.9</u>
Services	<u>17.3</u>	<u>17.9</u>	<u>17.8</u>	<u>18.2</u>	<u>18.5</u>	<u>19.5</u>	<u>20.4</u>	<u>20.1</u>	<u>21.4</u>
Government	<u>38.8</u>	<u>39.9</u>	<u>40.1</u>	<u>41.5</u>	<u>43.7</u>	<u>44.2</u>	<u>45.5</u>	<u>45.2</u>	<u>46.0</u>
Federal	<u>15.5</u>	<u>16.0</u>	<u>15.9</u>	<u>15.6</u>	<u>16.7</u>	<u>17.6</u>	<u>17.9</u>	<u>17.9</u>	<u>17.5</u>
State & local	<u>23.3</u>	<u>23.9</u>	<u>24.2</u>	<u>25.9</u>	<u>27.0</u>	<u>26.6</u>	<u>27.6</u>	<u>27.3</u>	<u>28.5</u>

\* Excludes a significant number of persons involved in a labor-management dispute.

a/ Harrisburg labor market area includes Cumberland, Dauphin, and Perry Counties.

b/ Revised.

c/ Preliminary.

Note: Columns may not add because of rounding.

Source: Pennsylvania State Employment Service.

Table III

Percentage Distribution of Families by Income and Tenure  
After Deducting Federal Income Taxes  
Harrisburg, Pennsylvania, Housing Market Area  
1965 and 1969

<u>Annual</u> <u>after-tax incomes</u>	<u>August 1, 1965</u>		<u>August 1, 1969</u>	
	<u>All</u>	<u>Renter</u>	<u>All</u>	<u>Renter</u>
Under \$ 3,000	11	17	9	16
\$ 3,000 - 3,999	8	11	7	9
4,000 - 4,999	10	15	10	12
5,000 - 5,999	12	13	10	13
6,000 - 6,999	13	12	11	12
7,000 - 7,999	11	10	11	11
8,000 - 8,999	9	8	10	8
9,000 - 9,999	7	4	8	6
10,000 -12,499	10	4	13	5
12,500 -14,999	5	3	4	5
15,000 and over	<u>4</u>	<u>3</u>	<u>7</u>	<u>3</u>
Total	100	100	100	100
Median	\$6,700	\$5,625	\$7,225	\$6,050

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends, Selected Communities  
Harrisburg, Pennsylvania, Housing Market Area  
1950, 1960, and 1965

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>August</u> <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965<sup>a/</sup></u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Camp Hill Boro.	5,934	8,559	9,800	262	4.4	230	2.7
Carlisle Boro.	16,812	16,623	17,350	-19	-0.1	140	0.8
East Pennsboro Twp.	5,582	8,977	11,450	340	6.1	460	5.2
Hampden Twp.	2,095	6,558	9,100	446	21.3	480	7.3
Lower Allen Twp.	5,115	11,614	13,400	650	12.7	340	2.9
Mechanicsburg Boro.	6,786	8,123	8,800	134	2.0	130	1.6
New Cumberland Boro.	<u>6,204</u>	<u>9,257</u>	<u>9,850</u>	<u>305</u>	4.9	<u>110</u>	1.2
Municipalities total	48,528	69,711	79,750	2,118	4.4	1,875	2.7
Rest of county	<u>45,929</u>	<u>55,105</u>	<u>58,750</u>	<u>918</u>	2.0	<u>680</u>	1.2
Cumberland County total	94,457	124,816	138,500	3,036	3.2	2,575	2.1
Derry Twp.	9,993	12,388	11,900	239	2.4	-90	-0.7
Harrisburg	89,544	79,697	74,300	-985	-1.1	-1,025	-1.3
Highspire Boro.	2,799	2,999	3,100	20	0.7	20	0.6
Lower Paxton Twp.	6,546	17,618	21,650	1,107	16.9	760	4.3
Lower Swatara Twp.	3,557	4,508	4,800	95	2.7	55	1.2
Middletown Boro.	9,184	11,182	10,800	200	2.2	-70	-0.6
Steelton Boro.	12,574	11,266	10,850	-131	-1.0	-80	-0.7
Susquehanna Twp.	11,081	17,474	19,300	639	5.8	340	2.0
Swatara Twp.	9,350	14,795	16,600	545	5.8	340	2.3
West Hanover Twp.	<u>1,495</u>	<u>2,770</u>	<u>3,800</u>	<u>128</u>	8.6	<u>190</u>	7.0
Municipalities total	156,123	174,697	177,100	1,857	1.2	450	0.3
Rest of county	<u>41,661</u>	<u>45,558</u>	<u>47,500</u>	<u>390</u>	0.9	<u>360</u>	0.8
Dauphin County total	<u>197,784</u>	<u>220,255</u>	<u>224,600</u>	<u>2,247</u>	1.1	<u>820</u>	0.4
HMA total	292,241	345,071	363,100	5,283	1.8	3,375	1.0

<sup>a/</sup> Data for 1960-1965 may not add because of rounding.

Source: 1950 and 1960 Censuses of Population.  
1965 estimated by Housing Market Analyst.

Table V

Distribution of the Population by Age  
Harrisburg, Pennsylvania, Housing Market Area  
1950 and 1960

<u>Age group</u>	April 1, <u>1950</u>	April 1, <u>1960</u>	<u>Decennial change</u>	
			<u>Number</u>	<u>Percent</u>
0 - 9	52,015	70,257	18,242	35.1
10 - 19	39,294	55,833	16,539	42.1
20 - 29	47,560	39,704	-7,856	-16.5
30 - 39	45,149	49,784	4,635	10.3
40 - 49	37,815	45,451	7,636	20.2
50 - 59	31,712	35,802	4,090	12.9
60 and over	<u>38,696</u>	<u>48,240</u>	<u>9,544</u>	<u>24.7</u>
Total	292,241	345,071	52,830	18.1

Source: 1950 and 1960 Censuses of Population.



Table VI

Household Trends, Selected Communities  
Harrisburg, Pennsylvania, Housing Market Area  
1950, 1960, and 1965

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>August</u> <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965<sup>a/</sup></u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Camp Hill Boro.	1,908	2,773	3,175	87	4.6	75	2.7
Carlisle Boro.	4,881	5,274	5,675	39	0.8	75	1.4
East Pennsboro Twp.	1,650	2,560	3,200	91	5.5	120	4.7
Hampden Twp.	682	1,946	2,575	126	18.5	120	6.1
Lower Allen Twp.	1,044	2,863	3,200	182	17.4	65	2.2
Mechanicsburg Boro.	2,161	2,631	2,875	47	2.2	45	1.7
New Cumberland Boro.	1,893	2,856	3,050	96	5.1	35	1.3
Municipalities total	14,219	20,903	23,750	668	4.7	530	2.6
Rest of county	12,715	15,790	17,450	308	2.4	310	2.0
Cumberland Cnty. tot.	26,934	36,693	41,200	976	3.6	850	2.3
Derry Twp.	2,403	3,342	3,350	94	3.9	-	-
Harrisburg	27,570	27,397	26,950	-17	-	-85	0.3
Highspire Boro.	852	967	1,000	11	1.3	5	0.6
Lower Paxton Twp.	1,944	5,013	6,550	307	15.8	290	5.7
Lower Swatara Twp.	791	1,131	1,300	34	4.3	30	2.8
Middletown Boro.	2,693	3,373	3,300	68	2.5	-15	-0.4
Steelton Boro.	3,257	3,276	3,325	2	-	10	0.3
Susquehanna Twp.	2,561	4,740	5,350	218	8.5	110	2.4
Swatara Twp.	2,408	3,971	4,550	156	6.5	110	2.9
West Hanover Twp.	420	772	1,075	35	8.3	55	7.4
Municipalities total	44,899	53,982	56,750	908	2.0	520	1.0
Rest of county	12,137	14,002	14,550	187	1.5	100	0.7
Dauphin County total	57,036	67,984	71,300	1,095	1.9	620	0.9
HMA total	83,970	104,677	112,500	2,071	2.5	1,475	1.4

<sup>a/</sup> Data for 1960-1965 may not add because of rounding.

Source: 1950 and 1960 Censuses of Housing.  
1965 estimated by Housing Market Analyst.

Table VII

Components of the Housing Inventory  
Harrisburg, Pennsylvania, Housing Market Area  
April 1950 - August 1965

<u>Component</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>August</u> <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965<sup>a/</sup></u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total housing inventory	<u>87,356</u>	<u>111,369</u>	<u>120,100</u>	<u>2,401</u>	<u>2.7</u>	<u>1,650</u>	<u>1.5</u>
Total occupied	<u>83,970</u>	<u>104,677</u>	<u>112,500</u>	<u>2,071</u>	<u>2.5</u>	<u>1,475</u>	<u>1.4</u>
Owner occupied	<u>48,660</u>	<u>70,413</u>	<u>77,200</u>	<u>2,175</u>	<u>4.5</u>	<u>1,275</u>	<u>1.8</u>
Percent of total occupied	<u>57.9</u>	<u>67.3</u>	<u>68.6</u>	-	-	-	-
Renter occupied	<u>35,310</u>	<u>34,264</u>	<u>35,300</u>	<u>-104</u>	<u>- .3</u>	<u>190</u>	<u>.6</u>
Percent of total occupied	<u>42.1</u>	<u>32.7</u>	<u>31.4</u>	-	-	-	-
Vacant housing units	<u>3,386</u>	<u>6,692</u>	<u>7,600</u>	<u>330</u>	<u>9.8</u>	<u>170</u>	<u>2.5</u>
Available vacant	<u>1,367</u>	<u>3,239</u>	<u>3,800</u>	<u>187</u>	<u>13.7</u>	<u>110</u>	<u>3.2</u>
For sale	<u>768</u>	<u>1,290</u>	<u>1,600</u>	<u>52</u>	<u>6.8</u>	<u>60</u>	<u>4.5</u>
Homeowner vacancy rate	<u>1.6</u>	<u>1.8</u>	<u>2.0</u>	-	-	-	-
For rent	<u>599</u>	<u>1,949</u>	<u>2,200</u>	<u>135</u>	<u>22.5</u>	<u>45</u>	<u>2.4</u>
Rental vacancy rate	<u>1.7</u>	<u>5.4</u>	<u>5.9</u>	-	-	-	-
Other vacant	<u>2,019</u>	<u>3,453</u>	<u>3,800</u>	<u>143</u>	<u>7.1</u>	<u>65</u>	<u>1.9</u>

<sup>a/</sup> Data for 1960-1965 may not add because of rounding.

Source: 1950 and 1960 Censuses of Housing.  
1965 estimated by Housing Market Analyst.

Table VIII

Private Residential Dwelling Units Authorized by Building Permits for Selected Communities  
Harrisburg, Pennsylvania, Housing Market Area  
1956 - 1965

<u>Area</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Seven months</u>	
										<u>1964</u>	<u>1965</u>
Camp Hill Boro.	153	126	56	112	68	56	70	133	117	18	25
Carlisle Boro.	26	28	22	25	62	50	56	63	85	53	180
East Pennsboro Twp.	107	95	123	94	122	54	205	172	79	50	36
Hampden Twp.	NA	NA	NA	NA	190	115	114	160	106	151	16
Lemoyne Boro.	12	12	18	13	15	12	4	6	13	7	2
Lower Allen Twp.	164	172	210	288	116	107	50	52	73	44	44
Mechanicsburg Boro.	19	22	40	45	28	35	60	44	27	21	16
New Cumberland Boro.	73	60	48	34	39	44	36	60	31	20	8
Silver Spring Twp.	NA	NA	NA	NA	37	37	37	51	52	35	25
Shiremanstown Boro.	11	7	4	9	13	25	40	38	24	20	1
Wormleysburg Boro.	NA	NA	NA	NA	9	28	37	25	25	14	14
Rest of county	<u>2</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>16</u>	<u>17</u>	<u>31</u>	<u>32</u>	<u>43</u>	<u>15</u>
Cumberland County total	567	525	523	622	701	579	726	835	664	476	382
Harrisburg	47	78	76	522	22	15	32	19	27	12	8
Highspire Boro.	10	1	5	6	2	6	2	1	-	-	-
Hummelstown Boro.	29	28	33	18	31	28	16	4	5	4	3
Lower Paxton Twp.	NA	NA	NA	NA	265	298	238	238	320	246	276
Middletown Boro.	31	18	14	24	14	15	17	8	2	2	1
Paxtang Boro.	5	2	2	4	10	4	3	1	1	-	-
Penbrook Boro.	19	1	6	7	6	3	7	10	7	7	1
Steelton Boro.	19	10	12	11	11	6	5	11	9	5	3
Susquehanna Twp.	220	161	189	164	157	125	85	95	110	54	36
Swatara Twp.	200	NA	134	190	150	105	58	78	136	97	75
West Hanover Twp.	NA	NA	NA	NA	76	68	56	64	42	26	14
Rest of county	<u>8</u>	<u>4</u>	<u>2</u>	<u>7</u>	<u>17</u>	<u>27</u>	<u>82</u>	<u>24</u>	<u>35</u>	<u>18</u>	<u>44</u>
Dauphin County total	<u>588</u>	<u>303</u>	<u>473</u>	<u>953</u>	<u>761</u>	<u>700</u>	<u>601</u>	<u>553</u>	<u>694</u>	<u>471</u>	<u>461</u>
HMA total	1,155	828	996	1,575	1,462	1,279	1,327	1,388	1,358	947	843

Source: Bureau of the Census, C-40 Construction Reports, and  
 Pennsylvania Department of Labor and Industry.

Table IX

## Harrisburg, Pennsylvania, Area Postal Vacancy Survey

August 23 - September 1, 1965

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant No.	%
		All	%	Used	New			All	%	Used	New			All	%	Used	New				
The Survey Area Total	106,543	4,240	4.0	3,883	357	819	88,306	2,568	2.9	2,275	293	515	18,237	1,672	9.2	1,608	64	304	2,119	74	3.5
Dauphin County	66,522	2,942	4.4	2,795	147	407	53,594	1,701	3.2	1,573	128	181	12,928	1,241	9.6	1,222	19	226	865	55	6.4
Harrisburg	45,247	2,253	5.0	2,154	99	186	34,284	1,239	3.6	1,149	90	77	10,963	1,014	9.2	1,005	9	109	142	12	8.5
Main Office	36,647	2,024	5.5	1,982	42	120	27,168	1,043	3.8	1,007	36	28	9,479	981	10.3	975	6	92	135	8	5.9
Branches:																					
Linglestown	4,120	133	3.2	105	28	39	3,118	124	4.0	97	27	27	1,002	9	0.9	8	1	12	5	4	80.0
Paxtang	4,480	96	2.1	67	29	27	3,998	72	1.8	45	27	22	482	24	5.0	22	2	5	2	-	-
Other Post Offices	21,275	689	3.2	641	48	221	19,310	462	2.4	424	38	104	1,965	227	11.6	217	10	117	723	43	5.9
Hershey	3,372	100	3.0	85	15	24	2,815	50	1.8	43	7	15	557	50	9.0	42	8	9	100	1	1.0
High Spire	944	-	-	-	-	-	860	-	-	-	-	-	84	-	-	-	-	-	86	-	-
Hummelstown	2,999	91	3.0	77	14	29	2,768	66	2.4	52	14	21	231	25	10.8	25	-	8	59	3	5.1
Lykens	1,114	40	3.6	38	2	2	1,063	33	3.1	31	2	2	51	7	13.7	7	-	-	13	-	-
Middletown	5,343	254	4.8	244	10	13	4,893	173	3.5	165	8	13	450	81	18.0	79	2	-	455	39	8.6
Millersburg	1,721	45	2.6	42	3	10	1,684	31	1.8	28	3	10	37	14	37.8	14	-	-	4	-	-
Steelton	4,783	115	2.4	111	4	141	4,305	77	1.8	73	4	41	478	38	7.9	38	-	100	-	-	-
Williamstown	999	44	4.4	44	-	2	922	32	3.5	32	-	2	77	12	15.6	12	-	-	6	-	-
Cumberland County	40,021	1,298	3.2	1,088	210	412	34,712	867	2.5	702	165	334	5,309	431	8.1	386	45	78	1,254	19	1.5
Camp Hill	8,679	306	3.5	217	89	128	7,954	216	2.7	163	53	94	725	90	12.4	54	36	34	64	-	-
Carlisle	9,475	300	3.2	265	35	129	7,924	207	2.6	178	29	100	1,551	93	6.0	87	6	29	253	8	3.2
Enola	2,808	85	3.0	74	11	9	2,597	63	2.4	53	10	9	211	22	10.4	21	1	-	7	1	14.3
Lemoyne	2,308	74	3.2	72	2	10	1,896	37	2.0	35	2	5	412	37	9.0	37	-	5	10	-	-
Mechanicsburg	7,136	197	2.8	143	54	74	6,433	135	2.1	83	52	68	703	62	8.8	60	2	6	716	7	1.0
Mount Holly Springs	852	52	6.1	50	2	3	784	41	5.2	39	2	3	68	11	16.2	11	-	-	26	-	-
New Cumberland	3,125	80	2.6	72	8	6	2,843	54	1.9	46	8	4	282	26	9.2	26	-	2	-	-	-
Newville	1,846	83	4.5	79	4	23	1,743	58	3.3	54	4	21	103	25	24.3	25	-	2	36	3	8.3
Shippensburg	3,792	121	3.2	116	5	30	2,538	56	2.2	51	5	30	1,254	65	5.2	65	-	-	142	-	-

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).

Table X

FHA Survey of Unsold Inventory of New Sales Housing  
Harrisburg, Pennsylvania, Housing Market Area  
January 1, 1964 and January 1, 1965

<u>Houses completed in 1964<sup>a/</sup></u>							
<u>Sales price</u>	<u>Houses completed</u>			<u>Speculative construction</u>			
	<u>Number</u>	<u>Percent</u>	<u>Pre-sold</u>	<u>Total</u>	<u>Sold</u>	<u>Unsold</u>	<u>Percent unsold</u>
\$10,000 - \$12,499	6	5	-	6	6	-	-
12,500 - 14,999	14	13	6	8	6	2	25
15,000 - 17,499	14	13	6	8	7	1	13
17,500 - 19,999	19	18	10	9	7	2	22
20,000 - 24,999	34	31	22	12	12	-	-
25,000 - 29,999	19	18	10	9	7	2	22
30,000 - 34,999	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total	108	100	55	53	46	7	13

<u>Houses completed in 1963<sup>a/</sup></u>							
\$12,500 - \$14,999	20	9	-	20	10	10	50
15,000 - 17,499	50	21	25	25	19	6	24
17,500 - 19,999	44	19	20	24	24	-	-
20,000 - 24,999	46	20	23	23	23	-	-
25,000 - 29,999	49	21	40	9	7	2	22
30,000 - 34,999	<u>23</u>	<u>10</u>	<u>18</u>	<u>5</u>	<u>5</u>	<u>-</u>	<u>-</u>
Total	232	100	126	106	88	18	17

<sup>a/</sup> Survey includes only subdivisions with five or more completions during the year.

Source: Annual Unsold Inventory Survey conducted by the Philadelphia Insuring Office.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION

**NEWS**

Washington, D. C. 20411

FHA INFORMATION 382-4693

FOR RELEASE WEDNESDAY  
APRIL 6, 1966

HUD-FHA-MA-66-28  
Poston

The Federal Housing Administration today released its market analysis of the Harrisburg, Pennsylvania, housing market as of August 1, 1965. The market area covers Cumberland and Dauphin Counties.

The report predicts demand for additional housing at 825 units a year from August 1965 to August 1969: "600 sales units and 225 rental units."

OA

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