

**PENNSYLVANIA  
GETS IT DONE.**

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Housing Action Plan.

March 11, 2025

# Community and Economic Development Wins.



## Community and Economic Development Wins.

- ✓ Investing **\$500 million** into commercial and industrial site readiness
- ✓ Tripled the amount of funding available for main street initiatives and launched the **Main Street Matters program**
- ✓ Merged DCED business attraction, retention, marketing, and data teams to create **BusinessPA** to modernize DCED's organizational structure to be more competitive
- ✓ Secured over **\$3 billion** in private sector investments

## 10-Year Economic Development Strategy Goals.



**Invest in Our Economic  
Growth  
to Compete**



**Make Government  
Work at the  
Speed of Business**



**Open Doors of  
Opportunity for  
all Pennsylvanians**



**Innovate to Win**



**Build Vibrant and  
Resilient Regions**



## **Expand Availability of Housing.**

*Increase Pennsylvania's housing inventory.*

- ✓ Leverage existing state and federal programs such as the Weatherization Assistance Program and work to capitalize new state funding opportunities for residential development
- ✓ Launch a market rate housing task force to study and advise efforts to expand our inventory of market rate housing, combining the resources of state government with the experiences of private industry





## Housing Achievements to Date.

- ✓ Increase in PHARE funding from \$60 million to \$100 million over the next four years
- ✓ Increase in Neighborhood Assistance Program (NAP) Tax Credits from \$36 million to \$72 million
- ✓ Increase in Homeless Assistance Program (HAP) funding from \$18.5 million to \$23.5 million





# Housing Action Plan

## Housing Achievements to Date.

- ✓ **Increase in Municipal Assistance Program (MAP) funding** from \$500,000 to \$2 million
- ✓ **Launch of the Pennsylvania Mixed-Use Housing Development Pilot Program**, with \$10 million available in funding for mixed-use site development and conversion projects
- ✓ **Creation of a Right-to-Counsel Program**, with \$2.5 million in funding for legal assistance for low-income renters



# Housing Action Plan

## **Executive Order 2024-03.**

### *Housing Action Plan and Addressing Homelessness*

- ✓ Provides for the creation of a Housing Action Plan for Pennsylvania
- ✓ Goals of the Housing Action Plan
  - Determine state and regional housing needs
  - Identify housing goals with measurable outcomes
  - Assess the effectiveness of existing housing programs
  - Recommend initiatives to improve housing outcomes
- ✓ Deadline of September 12, 2025





# Housing Action Plan

## Primary Areas of Focus.

*An “All of the Above” Approach to Housing*



**Building new  
housing units**



**Preserving existing  
housing units**



**Making housing  
more affordable**



**Supporting vulnerable  
populations**



**Ensuring equity in  
housing outcomes**



**Achieving  
operational excellence**

# Housing Action Plan

## State of the Pennsylvania Housing Market.

### *Housing Demand in Pennsylvania*

- ✓ The population of Pennsylvania is expected to grow from 12.9 million in 2020 to 13.2 million by 2040.
- ✓ The number of people per household is projected to decrease further from 2.5 in 2020 to 2.43 in 2040.
- ✓ We anticipate a need to replace 230,000 existing housing units by 2040.
- ✓ While regions vary in their need for new housing construction, all regions need some level of new construction.



# Housing Action Plan

## State of the Pennsylvania Housing Market.

### *Key Construction and Rehabilitation Figures*

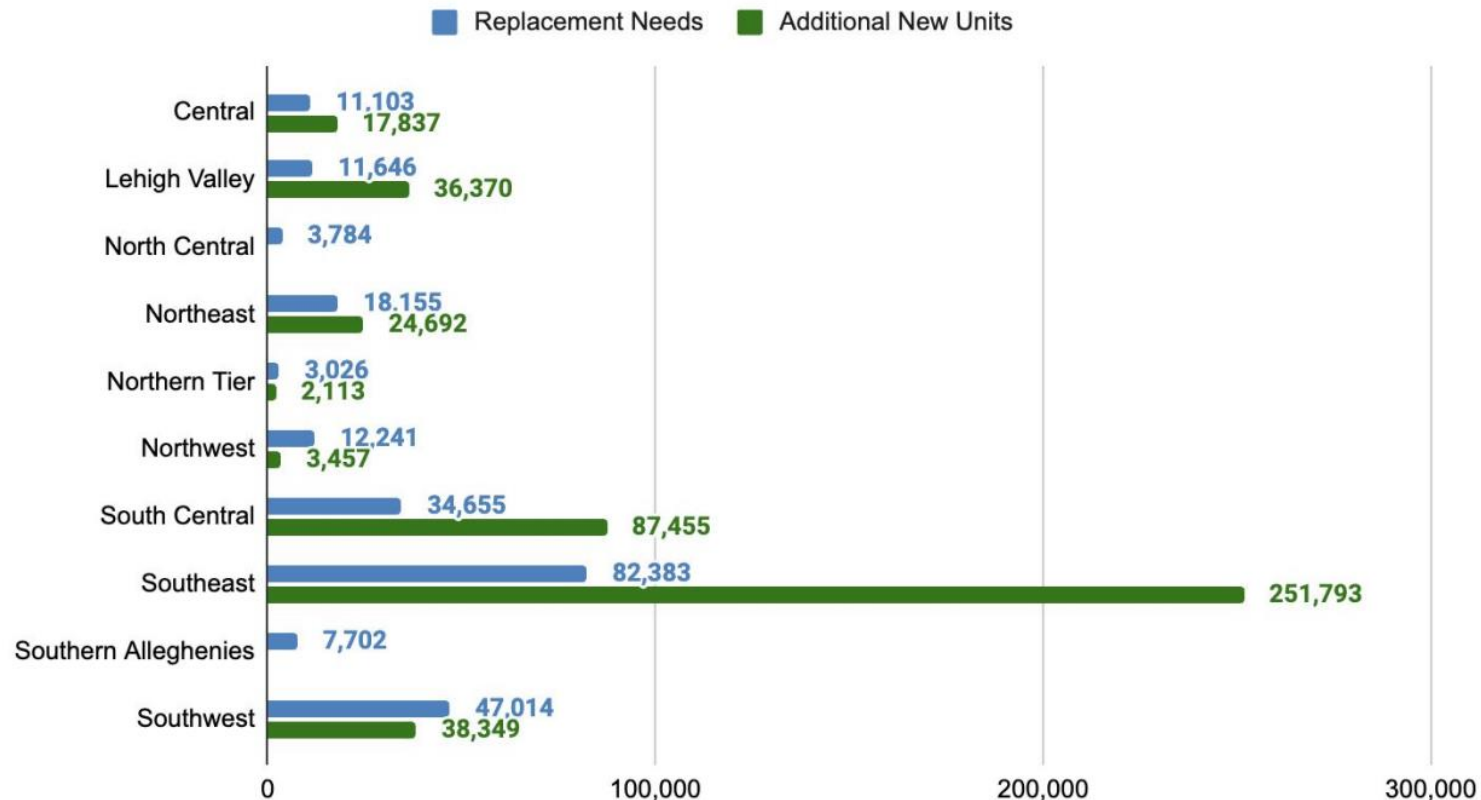
- ✓ Preliminary projections show that Pennsylvania needs to add 460,000 new housing units to its stock and replace 230,000 existing housing units by 2040.
- ✓ This means we have to build 19,500 more units each year than we are currently constructing, or a 73% increase in new housing construction.
- ✓ We also have to keep our existing housing stock in good repair – over 1.4 million units were built before 1940.





## State of the Pennsylvania Housing Market.

### *Housing Demand in Pennsylvania*



# Housing Action Plan

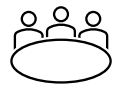
## State of the Pennsylvania Housing Market.

### *Key Affordability Figures*

- ✓ 20% of PA homeowners are cost burdened and nearly 50% of PA renters are cost burdened.
- ✓ Pennsylvania ranks 24<sup>th</sup> in the nation for both the number of cost burdened renters and cost burdened homeowners.
- ✓ Preliminarily, estimates show a deficit of over 122,000 deeply affordable rental units (HHI  $\leq$  30% AMI).
- ✓ Additional shortages are projected for workforce housing (HHI from 80% AMI to 120% AMI).

# Housing Action Plan

## Stakeholder Feedback and Survey Responses.



**15 regional roundtables hosted** as of February 10, 2025



**2,411 survey responses received** as of February 10, 2025



### **Housing Themes from Regional Roundtables**

- Infrastructure Needs for New Housing Development
- Reassess Building Code and Speed in Permitting
- Build Local Capacity to Administer Housing Programs



### **Important Housing Qualities from Survey Responses**

- Affordability
- Proximity to Public Services and Amenities
- Commuting Distance to Work





# Housing Action Plan

## Governor Shapiro's Proposed 2025-26 Budget.

*Early Action on Housing Solutions*



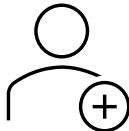
**\$50 million for Housing  
Stock Restoration**



**\$10 million for First  
Time Homebuyers**



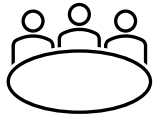
**Continuing the PHARE  
Increase to \$110 million**



**Staffing Up the State  
Planning Board**



**Sealing  
Eviction Records**



**Creating an Interagency  
Council on Homelessness**

# Housing Action Plan

## Next Steps.

- ✓ Determine Vision, Goals, and Measurable Metrics
- ✓ Assess Existing Pennsylvania Housing Programs
- ✓ Analyze Housing Programs Structured in Peer States
- ✓ Decide Initiatives to be Included in Final Plan

**We want to hear from you!**



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