



Commonwealth of Pennsylvania

# Housing Action Plan

2026-2035







## GOVERNOR JOSH SHAPIRO

Fellow Pennsylvanians,

Over my first years as your Governor, I have worked to grow our economy, improve public safety, and create more opportunity for people across our Commonwealth. We have secured a record amount of private sector investment, created over 21,000 jobs, and helped build or repair over 8,000 units of housing.<sup>1</sup> This plan presents an ambitious set of steps Pennsylvania should take to build on that progress.

I believe every Pennsylvanian deserves the dignity and security that comes with a safe, affordable place to call home – and in turn, safe, affordable housing will unlock more opportunity for the people of Pennsylvania. If we want our kids to be able to learn and succeed in school, if we want people to have an opportunity to find a job and chart their own course, if we want seniors to live healthy lives, then they need access to stable, affordable housing. It's that simple.

But right now, too many of our neighbors are being left behind. Housing prices and rents are too high, and rising faster than wages.<sup>2</sup> Over a million households are spending more than 30% of their paycheck just to keep a roof over their heads.<sup>3</sup> Our housing stock is aging – over half of all homes in Pennsylvania are more than 50 years old<sup>4</sup> – making them more expensive to repair. And if we don't take action now, we'll be short 185,000 homes by 2035.<sup>5</sup> Even as Pennsylvania adds jobs at record speed,<sup>6</sup> too many workers cannot find homes they can afford near these new career opportunities.

Pennsylvanians need and deserve commonsense solutions to expand access to affordable housing and the opportunity that comes with it. That's why my Administration is putting forward Pennsylvania's first ever *Housing Action Plan* to align state and local leaders, builders, advocates, and communities around a shared, long-term vision: building and preserving more homes, stabilizing housing outcomes, and expanding housing opportunity for all Pennsylvanians.

We've already made progress. My Administration expanded the PHARE fund for building and repairing affordable homes, launched a statewide Right-to-Counsel initiative, and piloted Pennsylvania's first middle income housing development program. This plan builds on those initial steps to tackle our housing shortage, make it easier for Pennsylvanians to afford their first home, strengthen tenant protections, stabilize housing outcomes for our most vulnerable neighbors, and position Pennsylvania as the most affordable state in our region to build and preserve housing.

This plan also acknowledges the important role local leaders, developers, organized labor, and others must play in our success. Local governments must modernize their zoning regulations and permitting processes. Builders must expand into places where supply is falling short. Labor organizations must train a strong, skilled workforce. Housing-focused nonprofits must find new and innovative ways to lift up residents experiencing crisis. State government will do its part to get stuff done – cutting red tape, investing in housing programs, and coordinating across agencies like never before – but we need partners to deliver real results.

Housing is essential to our future – it fuels our economy, strengthens our communities, and secures the promise of Pennsylvania for the next generation. With this plan, and with your partnership, we will make our Commonwealth a national leader in housing access and affordability. Together, we will ensure that every Pennsylvanian, in every community, has a safe, affordable place to call home.

Let's get it done.

A handwritten signature in blue ink that reads "Josh Shapiro".

Josh Shapiro  
Governor, Commonwealth of Pennsylvania



Altoona, PA

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## Housing Action Plan

*The maps and graphics in this document are for planning purposes only.  
They are not adequate for legal boundary definition, regulatory interpretation, or parcel level analysis.*

**Prepared by the PA Department of Community & Economic Development  
on behalf of the Commonwealth of Pennsylvania**

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Harrisburg, PA

# Executive Summary

A home is more than four walls – it is the foundation of opportunity. Homes are where children dream, families build stability, and communities take root. In Pennsylvania, every resident deserves the dignity and security that comes with safe, stable, and affordable housing. When housing is within reach, residents thrive, neighborhoods grow stronger, and Pennsylvania moves closer to realizing its full potential. Housing is not simply just a part of our economy – it is the cornerstone on which families, communities, and our Commonwealth can build a stronger and more prosperous future.

But today, safe, stable, and affordable housing is slipping out of reach for too many Pennsylvanians. Construction has slowed dramatically over the past decade,<sup>7</sup> leaving housing supply far behind housing demand and driving availability to historic lows.<sup>8</sup> Affordability pressures are mounting as home prices and rents rise faster than wages, while more than half of the state's housing stock is over 50 years old<sup>9</sup> and increasingly costly to maintain. Access to housing is uneven – buying a first home has become harder, inequalities in homeownership persist, and at-risk residents need greater support to achieve housing stability. Without bold action, Pennsylvania could face a shortfall of nearly 185,000 homes by 2035 – undermining our economic competitiveness and weakening the promise of opportunity for generations to come.<sup>10</sup>

This ten-year **Housing Action Plan** is the Commonwealth's first ever roadmap to meet this challenge. Bold and comprehensive, it is grounded in the belief that housing is not a privilege, but the foundation of opportunity. Shaped by extensive engagement with residents, local leaders, developers, and housing advocates – and informed by data from every region of the state – the plan lays out a clear vision to strengthen communities and ensure that safe, stable, and affordable housing is within reach for all Pennsylvanians. At its core, the plan is built around five goals:

- **Increase and preserve housing supply.** Pennsylvania needs more homes for today and tomorrow, but we must also protect the ones that have long anchored our neighborhoods. By building new houses at a pace that keeps up with our economy and safeguarding the homes we already have, we can ensure that safe, stable, and affordable housing is available to residents for generations to come.
- **Expand housing access and opportunity.** A dignified, secure home should never be out of reach. By breaking down barriers, expanding homeownership opportunities, and strengthening tenant protections, we can build a Commonwealth where every resident has the security of a safe, stable, and affordable home.
- **Strengthen pathways to housing stability.** A strong system supports those residents who are most vulnerable. By connecting Pennsylvanians to resources that prevent displacement and by supporting households during times of crisis, we can reduce housing insecurity – giving our residents the stability they need to grow and our communities the resiliency they need to thrive.
- **Lower costs and speed up development.** Outdated rules and unnecessary delays drive up costs and slow down progress. By modernizing regulations, cutting red tape, and streamlining development, we can make it easier and more affordable to build homes across the Commonwealth – encouraging investment and helping to ensure that housing is developed where it is needed most.
- **Improve coordination and accountability.** Pennsylvania's housing systems work best when they work together. By aligning local and state efforts, sharing data, and coordinating across agencies, we can deliver results efficiently and stay accountable to the residents we serve.



These goals chart a path towards a Commonwealth where housing is within reach for all and communities are more resilient and better prepared for the future. This plan is ambitious because the moment demands nothing less – piecemeal efforts will not close our housing supply gap, protect our residents, or keep pace with the needs of our growing economy. By acting now to address supply, affordability, access, and stability together, Pennsylvania can set a new standard for putting people first in housing policy and meet its housing needs head-on.

Our state has an opportunity to lead the nation in housing access and affordability. With this plan – and with the commitment of residents, local governments, developers, labor, and advocates – we can chart a bold new course. Together, we can ensure that every Pennsylvanian has not just a roof overhead, but the stability, security, and dignity of a true home.

# Goals and Strategic Initiatives

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## Build and Preserve Pennsylvania's Housing Stock

Make Pennsylvania a leader in new housing construction, becoming a top 3 state for new homes built relative to our neighboring states.

- Invest in Residential Site Infrastructure, Office-to-Residential Conversions, and Mixed-Use Development
- Restore Pennsylvania's Aging Homes and Empower Homeowners and Landlords to Make Critical Housing Stock Repairs
- Boost the Production of Housing where Market Dynamics Make It Difficult to Build
- Support Pennsylvania's Small and Emerging Residential Builders and Developers
- Monitor the Expiration of Affordable Units and Convene Developers and Housing Experts on Strategies to Preserve Affordable Housing
- Work with Labor Organizations, School Districts, and Post-Secondary Institutions to Train Pennsylvania's Next Generation of Builders



## Expand Housing Opportunity for All Pennsylvanians

Cut the equity gap for minority homeownership by 25%, and maintain our position as a top 3 state for homeownership among our neighboring states.

- Strengthen Legal Protections for Renters and Tenants
- Prevent and Remediate Tangled Titles through Commonsense Policy Reform
- Make It Easier for Pennsylvanians to Purchase their First Home
- Expand Housing Choices and Accessibility for Older Adults and People with Disabilities
- Create More Opportunities for Shared Housing
- Promote Employer-Assisted Housing Programs and Empower Pennsylvania's Workforce to Attain Safe, Quality Housing



## Provide Pathways to Housing Stabilization and Sustainability

Achieve the lowest rate of homelessness per capita among our neighboring states.

- Align Homelessness Support Programs and Help Pennsylvanians Transition into Safe, Stable Housing
- Expand Statewide Eviction, Foreclosure, and Displacement Prevention Efforts
- Protect, Support, and Stabilize Housing for Survivors of Domestic Abuse
- Protect Manufactured Housing Affordability from Private Equity
- Invest in Fair Housing Education and Enforcement
- Connect Unsheltered Medicaid Recipients to Stable Housing and Services through Investments in Health
- Reduce Household Energy Burden by Strengthening Consumer Protections



## Modernize Pennsylvania's Housing Development Regulations

Bring down the cost of building and preserving homes and make Pennsylvania the most affordable state for new housing development relative to our neighboring states.

- Assess Pennsylvania's Residential Construction and Development Requirements
- Modernize Local Planning and Regulatory Processes for Residential Construction
- Strengthen Municipal Land Banks to Return Blighted Residential Properties to Productive Use
- Keep Homeownership Within Reach and Curb Private Equity Purchases of Single Family Homes



September 12, 2024 - Philadelphia, PA

Governor Shapiro Signs Executive Order Creating Pennsylvania's First Housing Action Plan to Increase Affordable Housing, Address Homelessness, and Make Commonwealth More Competitive



## Achieve Operational Excellence Across State and Local Government

Become the top state among our regional peers for comprehensive housing outcomes, defined by new construction, housing stability, affordability, and equal access to housing opportunity.

- Appoint a Deputy Secretary for Housing
- Reform and Revamp Pennsylvania's State and Local Housing Programs
- Optimize Pennsylvania's Low Income Housing Tax Credits to Cut Costs, Expand Utilization, and Bring More Affordable Homes to Market
- Create a Housing One-Stop-Shop and Make It Easier for Pennsylvanians to Access the Commonwealth's Housing Programs and Supportive Systems
- Improve the Commonwealth's Data Collection for Housing Programs and Share Housing Data Across Executive Departments

# Vision

By 2035, Pennsylvania will be a national leader in access to safe and affordable housing, and we will work with our local communities and housing stakeholders to advance commonsense solutions that ensure housing opportunity for all residents and communities across the Commonwealth.



# Introduction

From rural towns to bustling cities, Pennsylvania's communities are confronting shared housing challenges with new energy, collaboration, and investment. Local governments are prioritizing housing initiatives. Developers are building more houses and apartments. Our Commonwealth is investing state resources to ensure that every Pennsylvanian has a safe, affordable roof over their heads, with a heightened focus on supporting those who may be navigating a housing crisis. As demand for housing surges, Pennsylvania's builders, public officials, financial institutions, and housing support organizations are working together to meet this moment and create new housing opportunity in our Commonwealth. And while our combined efforts are showing results, the successes earned through this renewed focus on housing still does not fully address the staggering demand for more homes in every corner of the state, and the overwhelming need to make those homes affordable for every resident of our Commonwealth.

Now more than ever, Pennsylvania needs a housing action plan – a bold strategy to increase and preserve our housing supply, expand housing opportunity, and stabilize housing outcomes. This plan must work across Pennsylvania's diverse geographies, and it must work for everyone in need of safe, stable, and affordable housing.

## Goals

Through extensive conversations with local leaders and housing experts and an exhaustive analysis of available housing data, the Commonwealth has identified five overarching goals to achieve our vision:

### 1. Build and Preserve Pennsylvania's Housing Stock

**Goal:** *Make Pennsylvania a leader in new housing construction, becoming a top 3 state for new homes built relative to our neighboring states. (currently 6<sup>th</sup>)<sup>11</sup>*

We will work with homeowners, real estate developers, landlords, housing rehabilitation providers, financial institutions, housing and redevelopment authorities, labor organizations, small and mid-sized contractors, and other willing partners to grow our housing supply through new development while preserving our existing housing units.

### 2. Expand Housing Opportunity for All Pennsylvanians

**Goal:** *Cut the equity gap for minority homeownership by 25%, and maintain our position as a top 3 state for homeownership among our neighboring states. (currently 3<sup>rd</sup>)<sup>12</sup>*

We will make it easier for residents across economic and demographic spectrums to access and maintain safe, stable, and affordable housing.



### 3. Provide Pathways to Housing Stabilization and Sustainability

**Goal:** *Achieve the lowest rate of homelessness per capita among our neighboring states. (currently 5<sup>th</sup>)<sup>13</sup>*

We will provide the resources and support necessary for at-risk residents to climb the ladder of housing opportunity, establishing a clear pathway from emergency shelter to sustainable housing.

### 4. Modernize Pennsylvania's Housing Development Regulations

**Goal:** *Bring down the cost of building and preserving homes and make Pennsylvania the most affordable state for new housing development relative to our neighboring states. (currently 5<sup>th</sup>)<sup>14</sup>*

We will reform the state and local regulations governing housing development to reduce costs and accelerate the delivery of high-quality homes.

### 5. Achieve Operational Excellence Across State and Local Government

**Goal:** *Become the top state among our neighboring states for comprehensive housing outcomes, defined by new construction, housing stability, affordability, and equal access to housing opportunity.\* (currently 4<sup>th</sup>)<sup>15</sup>*

We will reengineer state government to create efficient, accessible, and integrated housing programs and delivery systems across the Commonwealth's executive departments, state-affiliated agencies, counties, and municipalities.

\* For the purposes of this review, Indiana, Illinois, Maryland, Massachusetts, Michigan, New Jersey, and Ohio are included among our neighboring states.

# Housing in State Plans

While no agency serves as the official state housing department, the need for new programs and innovative policy appears across plans and reports from multiple state agencies and departments. The development of this action plan benefitted enormously from the work and conclusions that previous state-sponsored plans put forward.



## **Aging Our Way, PA: A Plan for Lifelong Independence (2024)**

Pennsylvania Department of Aging



## **A Ten-Year Strategic Plan for Economic Development in Pennsylvania (2024)**

Pennsylvania Department of Community and Economic Development



## **Pennsylvania Climate Action Plan (2024)**

Pennsylvania Department of Environmental Protection



## **Pennsylvania State Health Improvement Plan (2023)**

Pennsylvania Department of Health



## **Keystone Connected: Supporting Pennsylvanians through Housing (2024)**

Pennsylvania Department of Human Services



## **A Consumer Guide to Tenant and Landlord Rights (2022)**

Pennsylvania Office of the Attorney General



## **Pennsylvania Hazard Mitigation Plan (2023)**

Pennsylvania Emergency Management Agency



## **Pennsylvania Comprehensive Housing Study (2024)**

Pennsylvania Housing Finance Agency



## **The State of Fair Housing in the Commonwealth of PA (2023)**

Pennsylvania Human Relations Commission



# 10-Year Snapshot of Pennsylvania's Housing Market

2014-2023

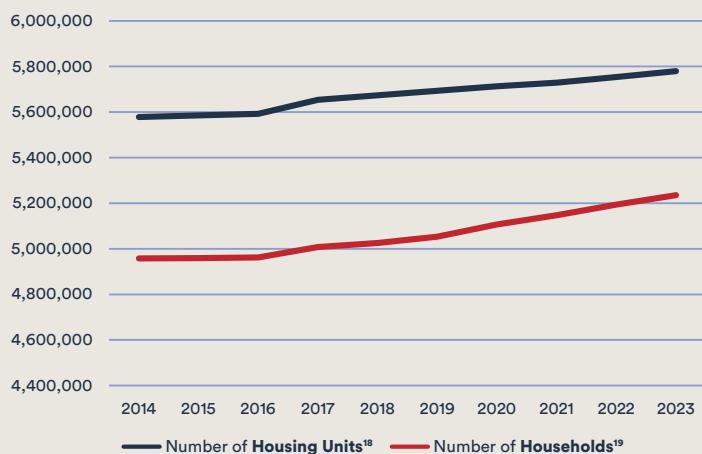
## 10 Year Housing Cost Increases

Median house prices increased by  
**\$75,600**  
(from \$164,900 to \$240,500)<sup>16</sup>



Median monthly rent increased by  
**\$330**  
(from \$832 to \$1,162)<sup>17</sup>

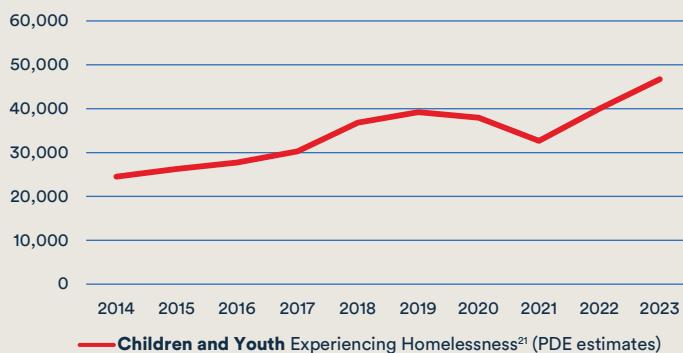
### Housing Units and Households



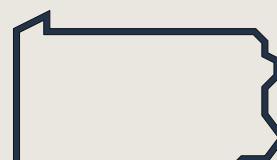
In 2023,  
**more than 1 in 4**  
**Pennsylvania households**  
**were housing cost burdened.**<sup>20</sup>

**1.4 million households were spending more than 30% of their income on housing costs, including rent or mortgage payments, utilities, and other related expenses.**

### Children and Youth Experiencing Homelessness (2014-2023)



Since 2014, the number of<sup>22</sup>  
**Pennsylvanians 60+**  
has grown by  
**560,000+**



**In the last decade, nearly  
24,000**  
**fewer Pennsylvanians**  
**are receiving support from**  
**HUD Assistance programs**<sup>23</sup>

# Our Foundation



Philadelphia, PA

## The State of Housing in Pennsylvania

As we put forth an action plan that advances real, achievable solutions to Pennsylvania's housing challenges, we must start with a clear understanding of both the current state of Pennsylvania's housing market and future forecasts on where our housing market is heading.

**Pennsylvania is a state of builders.** With our earliest surviving house dating back to 1640, the Commonwealth's long, rich history of homebuilding precedes the birth of our nation. Leveraging our abundance of land, our wealth of natural resources, and our industrious workforce, Pennsylvania's housing production surged as cities expanded and towns were founded throughout the 18th and 19th centuries. As the growth of industry and an expanding economy made homeownership more attainable, Pennsylvania's housing production rate reached a peak in the 1950s to meet demand for over 750,000 new housing units.<sup>24</sup> We have proven, time and again, that Pennsylvanians can build homes when the moment demands.

**Pennsylvania is also a state of compassion.** From early almshouses and mutual aid societies to the creation of nation-leading disability and aging programs, the Commonwealth has a proud tradition of supporting our neighbors in times of need. Across generations, we built networks of care to help Pennsylvanians weather life's hardest moments – from job losses and health crises to housing instability. These efforts reflect a deeply held belief: that everyone deserves the dignity of a safe, affordable place to call home and the opportunity to build a better future.

The newfound housing challenges of recent decades require Pennsylvanians to rise again to meet the moment. We need to build and preserve more homes to reverse recent slowdowns in housing production and account for recent changes to our population. We need to make it easier for Pennsylvanians to secure and maintain safe, stable, and affordable housing. We need to ensure that at-risk residents can climb the ladder of housing opportunity. We need to strengthen the Commonwealth's housing delivery programs and continue to make government work at the speed of business. And we need to make sure that the housing solutions we advance work in every region of the Commonwealth.

## BOLD ACTION

Through bold regulatory reform, targeted funding, and collaboration at every level, Pennsylvania is laying the foundation for a stronger, more accessible housing market.



### What We Heard at Roundtables



**Pennsylvania is making progress to become more business and development friendly and needs to keep working to decrease permitting times and regulatory burden.**



**Municipalities want to be empowered to be part of the solution to our housing challenges.**



**Access to housing is critical for a region's economic vitality, with workers needing quality housing options in order to relocate or stay in a region.**

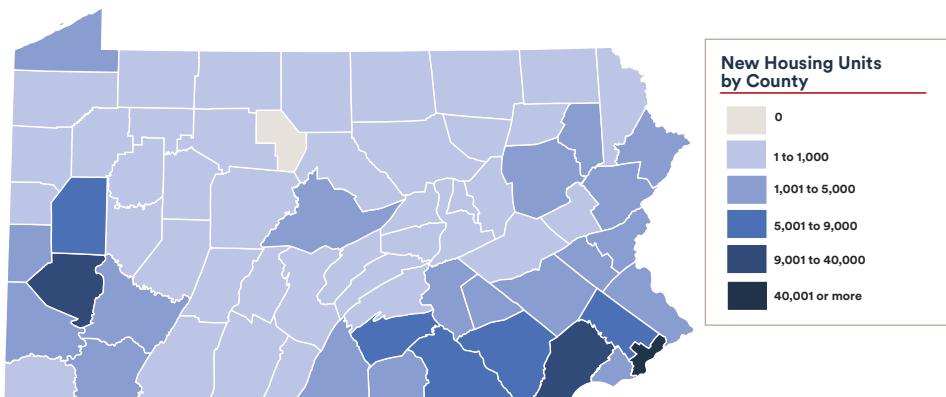
## Building for the Future

Pennsylvania is growing. From January 2023 to December 2025, the Commonwealth added nearly 200,000 jobs<sup>25</sup> and secured over \$35 billion in state-supported private capital investment.<sup>26</sup> With our strategic investments in community and economic development, our burgeoning hubs of innovation, and our universities and registered apprenticeship programs producing a diverse, highly skilled workforce, both Pennsylvania's population and our economy are projected to expand through 2035 – and with that growth comes strong demand for housing.

To meet this rising demand, Pennsylvania is laying a solid foundation. State government is taking bold steps to modernize its housing programs and regulations, working to reduce obstacles to building and rehabilitating more homes. The Commonwealth has tackled similar challenges recently: we streamlined permitting and licensing processes across agencies – cutting business license wait times from eight weeks to one day, eliminating Medicaid provider backlogs, and introducing a first-in-the-nation project-based permitting fast track program for major developments. Pennsylvania now allows for third-party environmental reviews and has implemented a money-back guarantee if state permits, licenses, and certifications are not issued within a reasonable timeframe, making government work at the speed of business.

Local governments are stepping up too. Cities, boroughs, and townships across the Commonwealth are updating their zoning ordinances and improving and digitizing local permitting processes. Counties and county conservation districts are simplifying subdivision approval processes and aggressively working to reduce local environmental permitting wait times. Together, these efforts are lowering costs, increasing predictability, and making it easier to build.

### New Housing Units from 2019 to 2023 by County<sup>27</sup>



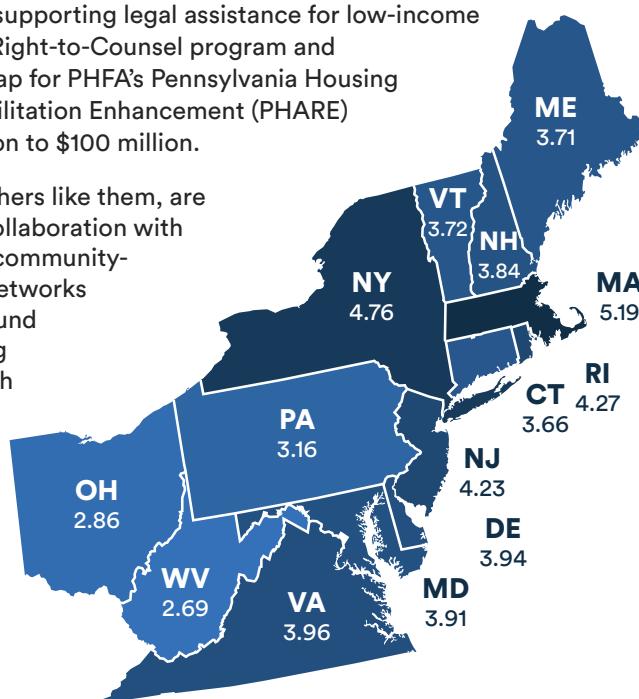
## BOLD ACTION

Pennsylvania is committed to making sure every resident – regardless of age, income, or background – has a place to call home.

### Supporting Housing Access and Affordability

In recent years, Pennsylvania has strengthened the state's supportive housing systems with notable increases in funding to DHS's Homeless Assistance Program and DCED's Neighborhood Assistance Program. Starting in 2024, the Commonwealth began supporting legal assistance for low-income tenants through a new Right-to-Counsel program and increased the funding cap for PHFA's Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) program from \$60 million to \$100 million.

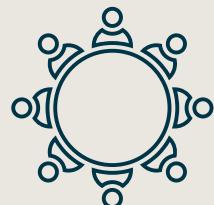
These initiatives, and others like them, are implemented in close collaboration with local governments and community-based organizations – networks that provide on-the-ground leadership in connecting vulnerable residents with housing services and opportunity. Whether helping older adults age in place, assisting individuals with disabilities, or ensuring housing stability for low-income families, Pennsylvania is advancing a people-centered approach to housing policy that prioritizes dignity and belonging.



**Price-to-Income Ratio**  
per state in the 14 neighboring and northeastern states<sup>31</sup>

Affordability is also one of Pennsylvania's strengths. Out of 14 neighboring and northeastern states, Pennsylvania ranks third in housing price-to-income ratio. Home prices in the Commonwealth are 21% lower than the national median,<sup>28</sup> offering renters and buyers greater access to quality housing at a more manageable cost. Our cities regularly top affordability rankings, with Pittsburgh recognized as the only U.S. metro where buying a starter home is more affordable than renting<sup>29</sup> and Philadelphia ranking as the sixth most affordable large U.S. city for housing.<sup>30</sup> Our people-focused efforts, combined with a comparatively strong supply of naturally occurring affordable homes, underscore the Commonwealth's capacity to assist our residents in finding and maintaining a safe, stable, and affordable place to live.

**Pennsylvania is one of two states where the average newly constructed home COSTS MORE THAN TWICE AS MUCH as the average existing home.<sup>32</sup>**



### What We Heard at Roundtables



**State funding flexibility** is critical for local organizations that provide housing supports.



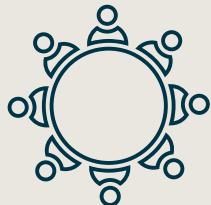
Initiatives like the Whole-Home Repairs Program, which provides funding for basic housing repairs, are key to maintaining our naturally occurring affordable housing.



Many older adults have a strong desire to age in place in their homes and continue to be apart of their communities.

## BOLD ACTION

Pennsylvania deploys over \$1 billion per year in mortgages for low-to-moderate income households, grants and tax credits for affordable housing development, funding for housing rehabilitation and energy efficiency programs, and critical resources for state housing supports.



### What We Heard at Roundtables



State and local governments, community organizations, and developers are working much more collaboratively now than in previous years.



Solving Pennsylvania's housing challenges will require intentional, impactful public-private partnerships.

### Investing Through Collaboration

Pennsylvania's financial and regulatory infrastructure supports a strong pipeline of new housing development and a robust network of people-focused housing supports. In 2024 alone, the Commonwealth's executive departments and state-affiliated agencies invested over \$1 billion for housing construction, preservation, stabilization, and support. This funding helped low-to-moderate income households secure mortgages, assisted older adults with critical home repairs, provided for energy efficiency improvements to drive down utility bills, financed new affordable housing developments, and protected tenants from unjust evictions. The Commonwealth also leads ongoing efforts related to the enforcement of building codes, consumer protections, and environmental regulations to ensure that new and existing housing stock is secure and habitable while safeguarding our residents from predatory lending and discriminatory practices.

These efforts are made possible through consistent collaboration between the public sector and private industry. State agencies work with developers, financial institutions, housing advocates, and local governments to align funding, policy, and technical assistance. With a deep bench of public and private experience, a history of intentional, impactful collaboration, and our slate of housing programs and resources providing a strong starting point for future housing initiatives, Pennsylvania is leveraging every available tool to improve housing outcomes statewide.

### Housing Supply vs. Demand



PA needs to add

**450,000**

new housing units to our supply by 2035



PA must increase

its housing production by **18,500**

units per year to meet projected future housing demand<sup>40</sup>



**44<sup>th</sup>**  
in the nation

for percentage of housing stock constructed from 2019 to 2023<sup>41</sup>



**16,500**  
units on housing repair waitlists<sup>42</sup>

# CHALLENGES AHEAD

Pennsylvania cannot reach its full potential while the growing shortage of homes keeps families, workers, older adults, and those most in need of support from finding safe, stable, affordable housing.

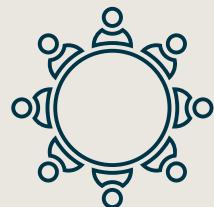
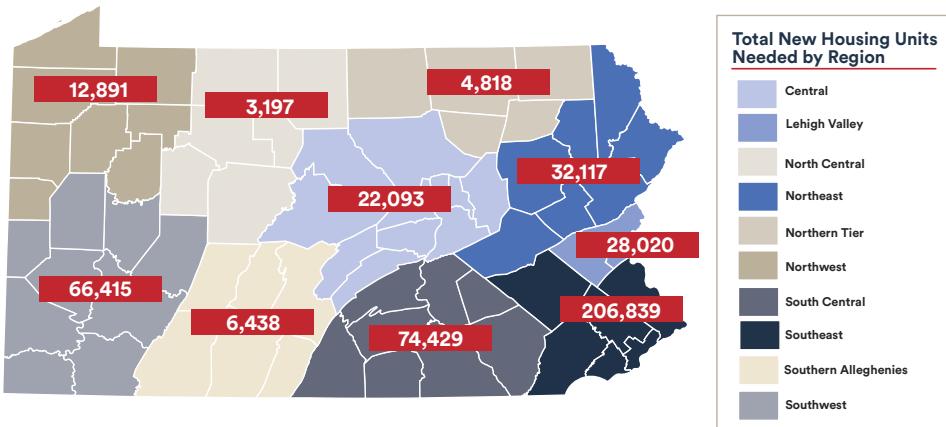
## Increasing Housing Demand, Stalled Housing Supply

Despite the progress made by Pennsylvania's current housing efforts, the Commonwealth still faces significant housing production challenges. As our population and economy continue to grow, our housing supply has failed to keep pace. From 2010 to 2019, Pennsylvania's housing production dropped by nearly 40% compared to the previous decade.<sup>33</sup> Today, we are building less than half the number of units that we built in the 1950s.<sup>34</sup> Vacancy rates have fallen to their lowest point in over a decade – meaning availability of homes is scarce – and the number of occupied homes continues to grow faster than the rate at which we can deliver new units.<sup>35</sup>

More than half of Pennsylvania's existing housing stock was built over 50 years ago, compounding the problems caused by the contraction in new housing construction. Many of these aging homes are in disrepair and require substantial rehabilitation or replacement – adding to our shortage of safe, livable housing. Based on prevailing demographic trends, current housing construction rates, and the high number of aging homes in the Commonwealth, **Pennsylvania will need to add 450,000 new housing units to our supply by 2035 to meet anticipated housing demand.**<sup>36</sup> At our current build rate, we will fall short by nearly 185,000 units. Annual housing production must increase by nearly 70% to meet this challenge, with a need for new homes in every region of the state.<sup>37</sup>

Despite this massive need to build more housing, certain outdated and overly burdensome construction regulations are driving up costs and slowing down development. Pennsylvania's permitting and regulatory framework has grown steadily more complex over the decades, with state regulators often layering new development requirements without revisiting or modernizing older rules. Local land use regulations – such as restrictive zoning, excessive parking mandates, and lengthy permit approval processes – further limit housing construction, particularly in areas where demand is highest. As a result of this regulatory growth, it is estimated that nearly 30% of the cost to build a new single-family home in Pennsylvania now stems from government regulation,<sup>38</sup> exceeding the nationwide average of 25% of single-family housing construction costs attributable to the same.<sup>39</sup> Without reform, these regulatory challenges will continue to suppress our housing supply, delay new units from coming online, and adversely impact Pennsylvania's ability to compete for capital and investment.

### Estimated New Residential Construction Demand by 2035<sup>43</sup>



### What We Heard at Roundtables



Regions have sites for future housing development, but the cost to run infrastructure to those sites prices them out of the residential market.



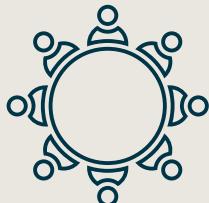
There are too many outdated regulatory requirements associated with residential construction in Pennsylvania.



The cost to build new housing often exceeds the market sale price or rent that new units can command, especially in more rural communities.

# CHALLENGES AHEAD

Too many residents are still falling through the cracks, lacking access to the services and protections that could stabilize their housing, prevent long-term displacement, and empower upward social and economic mobility.



## What We Heard at Roundtables



**Rising costs related to housing, childcare, and transportation are significantly negatively impacting local labor markets and economies.**



**There are not enough resources available to adequately sustain low- to moderate-income developments or homeless shelters and crisis programs.**



**Many regions in the Commonwealth are experiencing significant increases in unsheltered homelessness, with signs of unsheltered homelessness becoming visible to many communities for the first time.**

## Housing Instability on the Rise

Homelessness and housing instability continue to rise across Pennsylvania. In 2024, more than 14,000 Pennsylvanians experienced homelessness on a single night,<sup>44</sup> and over 120,000 households faced eviction or foreclosure proceedings.<sup>45</sup> Our human services agencies and supportive housing providers have expanded access to emergency shelters, prevented unlawful evictions, and connected thousands of at-risk residents with critical housing services, but they continue to operate with limited staff, constrained funding, and growing need that outpaces available resources.

Many of our neighbors – especially older adults and people with disabilities – continue to face major obstacles in finding housing that enables them to live independently and with dignity. One in four Pennsylvanians are over the age of 60<sup>46</sup> and 1.9 million individuals live with a disability,<sup>47</sup> yet far too many older adults and individuals with disabilities are unable to find housing that meets their basic needs for accessibility and support. Whether it is the lack of physical accommodations like zero-step entrances and grab bars, or a lack of transportation options or access to community-based services, our housing landscape falls short of what these residents need to thrive. To build truly inclusive communities, we must reimagine our housing strategies to serve Pennsylvanians of all ages and abilities.

## Housing Challenges



**Black, Hispanic, and Asian residents of Pennsylvania are disproportionately more likely to be renters than homeowners, relative to white households.<sup>51</sup>**

**74%**

**White Pennsylvanians own their home compared to**

**62%**  
**of Asians**

**48%**  
**of Hispanics**

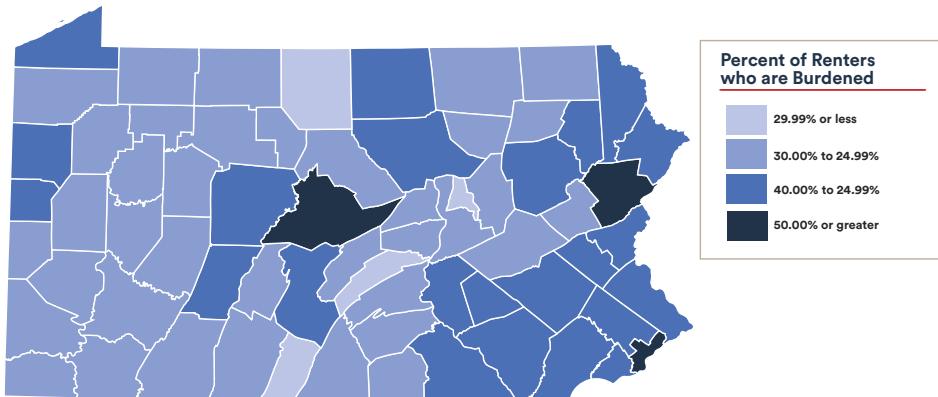
**45%**  
**of African Americans**

Across the Commonwealth, growing housing expenses are limiting Pennsylvanians' ability to save, invest, and build long-term financial stability. More than 1.4 million households are now spending over 30% of their income on housing,<sup>48</sup> straining budgets and leaving less room for other essentials like healthcare, transportation, and childcare. Meanwhile, Pennsylvania's housing costs continue to rise – with the median rent increasing by 24% from 2019 to 2023 and homeowners with a mortgage experiencing a 15% rise in housing costs.<sup>49</sup> In the same timeframe, median home values jumped by nearly 34% – making it increasingly difficult for first-time home buyers to enter the housing market, start building equity, and establish roots in their communities.<sup>50</sup> These rising housing costs are adversely impacting how Pennsylvanians live and what opportunities are available to them.

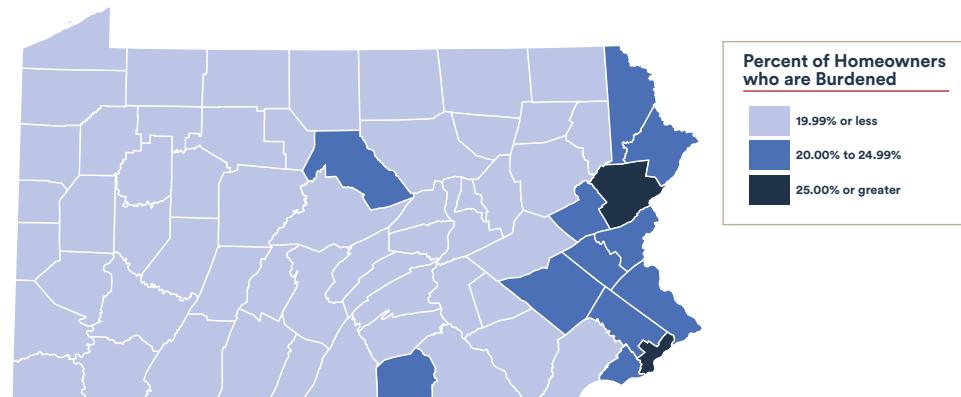


Chester, PA  
Photo Credit: [homes.com](https://www.homes.com)

### Housing Cost Burden: Renters<sup>53</sup>



### Housing Cost Burden: Homeowners<sup>53</sup>

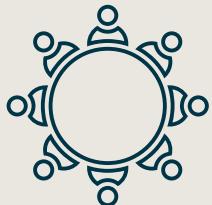


Source: Census ACS 2023 5-Year Estimates

  
Over **10,000 properties**  
have tangled titles  
in Philadelphia,  
and **thousands more**  
are located throughout  
the Commonwealth.<sup>52</sup>

# CHALLENGES AHEAD

While state agencies are deeply committed to addressing the Commonwealth's housing needs, Pennsylvania's ability to act strategically and achieve positive housing outcomes is hindered by the lack of centralized coordination across its housing-related functions.



## A Fractured Approach to Housing Solutions

Housing programs and responsibilities are spread across multiple departments and agencies, each operating with different goals, priorities, and procedures. This fragmented system creates difficulties in aligning resources effectively, tracking progress consistently, and responding promptly to emerging challenges. As a result, the state's overall capacity to deliver cohesive and timely housing solutions is limited, which hampers our impact in addressing the diverse and growing housing needs of Pennsylvania's residents and communities.

### What We Heard at Roundtables



**Residents, businesses, and nonprofits have a difficult time navigating state government housing programs, regardless of whether they are searching for housing development assistance or are seeking housing supports during a crisis.**

Fragmented oversight across Pennsylvania's housing functions limits the Commonwealth's ability to support the delivery of more housing units and meet the needs of residents who rely on supportive housing services. Programs are scattered across agencies, creating navigational challenges for residents seeking assistance and making it harder to align funding, timelines, and policy goals. Regulatory and administrative systems often slow down housing production, while outdated programs and limited data sharing where such data sharing is permissible by law prevents agencies from effectively addressing current needs. Without a more unified approach, the Commonwealth will continue to fall short in both building the housing we need and delivering the supports that help people access and sustain housing opportunity.

**HS** = Housing Supports

**HD** = Housing Development

Agency	Enforcement	Funding	Regulatory	Technical Assistance
Department of Aging – <b>HS</b>		●		●
Department of Banking and Securities – <b>HD</b>			●	
Department of Community and Economic Development – <b>HD HS</b>	●	●	●	●
Department of Corrections – <b>HS</b>				●
Department of Environmental Protection – <b>HD</b>	●		●	
Department of Health – <b>HS</b>		●		
Department of Human Services – <b>HS</b>		●		●
Department of Insurance – <b>HD</b>			●	
Department of Labor and Industry – <b>HD</b>	●	●	●	
Department of Military and Veteran Affairs – <b>HS</b>				●
Department of State – <b>HD</b>			●	
Department of Transportation – <b>HD</b>		●	●	
Pennsylvania Commission on Crime and Delinquency – <b>HS</b>		●		
Pennsylvania Emergency Management Agency – <b>HS</b>		●		●
Pennsylvania Housing Finance Agency – <b>HD HS</b>		●		●
Pennsylvania Human Relations Commission – <b>HS</b>	●			●
Office of the Attorney General – <b>HS</b>	●			



**Local governments are empowered to set local zoning and land use regulations, but many need assistance in modernizing and refreshing their local codes.**





# Strategic Initiatives



Pittsburgh, PA

To ensure that every Pennsylvanian has access to safe, stable, and affordable housing, the Commonwealth must commit to bold, decisive action. Addressing our housing challenges requires long-range planning and proactive, coordinated solutions that connect local needs with statewide policy and resources. The initiatives contained in this plan mark the beginning of a focused effort to meet the diverse housing needs of our communities and our neighbors.

Each initiative plays a role in moving us toward a future where housing is more affordable and accessible. Whether it's building more homes, reducing barriers for renters and first-time homebuyers, or modernizing Pennsylvania's existing housing programs, these actions work together to create lasting impact. Improving housing in Pennsylvania goes beyond simply developing more units and securing more roofs – it fosters stronger, more resilient communities in every corner of our Commonwealth and makes Pennsylvania a more competitive, more welcoming place to live, work, play, and innovate.



# Build and Preserve Pennsylvania's Housing Stock

We will work with homeowners, real estate developers, landlords, housing rehabilitation providers, financial institutions, housing and redevelopment authorities, labor organizations, small and mid-sized contractors, and other willing partners to grow our housing supply through new development while preserving our existing units.



Lancaster, PA

## Invest in Residential Site Infrastructure, Office-to-Residential Conversions, and Mixed-Use Development

*Create new funding streams to support developers with site preparation, utility connections, pre-development costs, and building conversions and help rehabilitate underutilized space in mixed-use buildings for residential reuse.*

Pennsylvania has invested heavily in recent years in commercial and industrial site development to drive new business into the Commonwealth. But to be competitive for business, Pennsylvania must also be competitive for workers. This means scaling up our efforts to build more homes that meet the needs of our workforce, which in turn means investing in the infrastructure, sites, and buildings necessary to satisfy our projected housing demand. In the coming years, Pennsylvania should work to capitalize a **Critical Infrastructure Investment Fund** focused on the following residential development activities:

- **Residential site preparation** to defray the costs associated with land development, with support for property acquisition, roadway construction, and infrastructure installation such as water, sewage, stormwater, broadband, electric, and natural gas.
- **Office-to-residential conversions**, providing funding for former commercial, industrial, and academic buildings to be repurposed into apartments and condominiums where such conversions make structural

sense. These types of projects are typically difficult to finance through traditional capital markets. Commonwealth funds would help bridge the gap between conversion costs and the residential sales price or rental rate in a regional market.

- **Mixed-use development and rehabilitation**, enabling property owners and developers to refurbish often underutilized space above street-level storefronts into residential units. Many of Pennsylvania's third-class cities and boroughs have untapped residential development potential in vacant space above their storefronts where a small injection of public subsidy can unlock tens of thousands of square feet for new residential units.

The Critical Infrastructure Investment Fund should take lessons learned from DCED's Mixed-Use Housing Development Pilot Program, which was launched in 2024 and received over 100 applications for \$469 million in state assistance for mixed-use projects. It would also create Pennsylvania's first major funding source for all types of residential development, including middle market housing development and development exclusively targeted to residential uses. Funding should be provided through a combination of grants, low-interest loans, and loan guarantees. Residential development should be a major focus of this fund, with other critical infrastructure priorities to be determined by the Office of the Governor and Pennsylvania General Assembly.

## Restore Pennsylvania's Aging Homes and Empower Homeowners and Landlords to Make Critical Housing Stock Repairs

*Capitalize a state-sponsored home preservation fund, open up existing state programs to assist small landlords with rental unit repairs, and work with local organizations to help them keep our existing housing stock in good repair for incumbent homeowners and future generations.*

With over half of Pennsylvania's housing stock built before 1970,<sup>54</sup> it should come as no surprise that many of our aging homes require critical system repairs. These basic repairs can include installing a new roof, fixing a persistent plumbing issue, or remediating asbestos or lead hazards. While simple in nature, many of these repairs are out of financial reach for low-to-moderate income households, older adults on fixed incomes, and working households which may have experienced a recent medical emergency, loss of income, or other financial shock. These types of repair needs are not exclusive to owner-occupied homes. Many of the Commonwealth's aging rental units are also in need of upkeep but lack the cash flow to reasonably finance repairs at market interest rates.

Pennsylvania should seek to keep its existing housing stock in good repair through the following activities:

- **Expand home restoration and preservation programs** for critical systems repairs to owner-occupied units, including roof replacements, HVAC repair, plumbing and electrical maintenance, and other issues which impact the habitability of the home. Eligible funding recipients should be means-tested and funding should be administered in coordination with local governments and nonprofit organizations.
- **Expand the Commonwealth's existing loan programs to enable low-cost rental unit repairs for landlords**, including loan programs administered by the Pennsylvania Industrial Development Authority (PIDA) and the Pennsylvania Housing Finance Agency. These loans should be made available to small landlords at low-interest rates to assist with unit maintenance.
- **Enable a Residential Property Assessed Clean Energy (R-PACE) program** as an opt-in for Pennsylvania's local governments to allow homeowners to make clean energy investments in their homes. R-PACE programs can empower homeowners and landlords to access low-cost, extended-term financing for energy efficiency, weatherization, and renewable energy projects targeted at residential properties. Loans are repaid through a voluntary assessment to local property tax bills. Pennsylvania already allows for this type of program for commercial properties and such programs are typically administered through a partnership between counties and lending institutions.

Combined with improved resource navigation tools to make it easier for Pennsylvania's homeowners and small landlords to access housing rehabilitation assistance via a digital housing one-stop-shop, the Commonwealth should work to ensure that its aging, often historic homes and apartment units are maintained in good repair for generations to come.

## Boost the Production of Housing where Market Dynamics Make It Difficult to Build

*Enable the construction of new housing units in slow growing, stagnant, and underinvested communities through new and innovative financing mechanisms.*

Pennsylvania is a large and diverse state where housing market conditions vary from community to community. While some parts of the state are growing and can support new housing construction without public intervention, new construction has effectively stopped in other parts of the Commonwealth where market conditions make it difficult or impossible for homebuilders to turn a profit. In these communities, the cost to build new residential units often exceeds the market sales price or rental rate that developers can charge for new units. Unable to make a profit or break-even on their investment, market-driven developers are naturally disincentivized to deploy their capital into these regions and neighborhoods. These market dynamics are most clear in the Commonwealth's 48 rural counties, which accounted for less than 20% of new statewide residential construction from 2019 to 2023.<sup>55</sup> Challenging market dynamics also appear in underinvested, often minority-majority communities where housing sale prices and rental rates are exceedingly low compared to neighboring communities in the same municipality or county.

To incentivize and allow for the construction of new homes in communities where market dynamics create financial barriers to residential development, the Commonwealth should seek to create a new **Residential Reinvestment Tax Credit**. This tax credit would close investor equity gaps in the construction of new units in the places of Pennsylvania where the construction cost of new housing exceeds the market price of those units. To maximize the tax credit's ability to reach underinvested parts of the state, the credit should be available for both new housing development at large, open residential sites and for infill development across scattered sites on vacant, urban lots. Recognizing the importance of affordability for longtime residents and to minimize potential negative community impacts that can come from new development, new units financed using this credit should be required to be affordable to working households.



Red Lion, PA

## Support Pennsylvania's Small and Emerging Residential Builders and Developers

*Grow the number of residential developers and homebuilders by providing technical support and low-cost financing to Pennsylvanians looking to build or rehabilitate their first for-sale or for-rent residential units.*

To meet Pennsylvania's projected housing demand, the Commonwealth must dramatically increase its delivery of new homes across all regions and housing types. While large-scale developments with hundreds of new housing units are an important part of the solution, Pennsylvania must also invest in small and emerging builders who are working on infill development, housing rehabilitation, and more modest residential projects to fully meet this moment. These builders are often best positioned to deliver housing in rural areas, small towns, and older neighborhoods where large development is not feasible. Strengthening and expanding this segment of the industry is essential to boosting our housing production rate, expanding housing options, and ensuring growth reaches communities of all sizes. The Commonwealth should take the following actions to support our small and aspiring residential developers:

- **Create regional housing development funds focused on providing low-cost, easily accessible financing to aspiring residential developers** to help them build or rehabilitate their first housing units. Funding should be administered through local and regional partner networks with on-the-ground knowledge of the communities they serve.
- **Connect aspiring residential builders and developers with industry mentors** and provide them with the education and technical assistance necessary to successfully finance, build, rehabilitate, sell, and/or lease homes. Any aspiring developer looking to access state-backed regional housing development funds should be required to participate in developer training programs, networking sessions, and mentorship programs to maximize their ability to succeed.



Bensalem, PA

## Monitor the Expiration of Affordable Units and Convene Developers and Housing Experts on Strategies to Preserve Affordable Housing

*Structure systems to track expiring periods of affordability and consult with industry experts on best practices and appropriate tools to preserve Pennsylvania's affordable housing stock.*

When the Commonwealth deploys funding to support the construction of traditionally affordable housing – units which are affordable at 80% or below area median income – it places restrictions on the properties requiring a set period of affordability. During this period of affordability, the property owner is required to make a percentage of units affordable to low-to-moderate income households. In many instances and depending on the funding source, these periods of affordability can reach 30 years or more. With different departments managing different programs, the Commonwealth lacks a consistent approach to monitoring the expiration of these periods of affordability. To address this, the Commonwealth should:

- **Require property owners to notify tenants and the Commonwealth at least one year before the expiration of federal or state-imposed affordability restrictions,** with a follow up reminder six months before the period of affordability expires and rents transition to market rate.
- **Create a publicly accessible database of expiring periods of affordability,** working across executive departments, state-affiliated agencies, and local governments to compile a comprehensive listing of units funded through Low Income Housing Tax Credits, Community Development Block Grant funds, HOME Investment Partnership Program funds, and other programs that require periods of affordability for units funded through them.
- **Work with affordable housing developers, property managers, and housing policy experts to determine tools and incentives that the Commonwealth could deploy to extend periods of affordability,** recognizing that private sector collaboration is necessary to maintaining Pennsylvania's existing affordable housing stock.

## Work with Labor Organizations, School Districts, and Post-Secondary Institutions to Train Pennsylvania's Next Generation of Builders

*Invest in registered apprenticeship and pre-apprenticeship programs and expand vocational and technical education in school districts and community colleges to train the next generation of homebuilders.*

Building more homes means creating more jobs. Each new house we stand up takes a team of skilled workers, from framers and electricians to plumbers and heavy equipment operators. But even as the demand for more units grows stronger, Pennsylvania faces a workforce shortage of residents prepared for work in the building trades industry. This is especially true for smaller projects such as infill development or basic repairs on a single-family home, and in rural areas where a few local contractors often serve entire counties.

On average, it takes 24 subcontractors to build one single-family home.<sup>56</sup> Increasing our housing production has the potential to create thousands of good paying jobs, but only if we invest in the workers necessary to meet our projected housing need. This means creating and expanding collaborations with labor unions, technical schools, and small to mid-sized contractors to grow our building trades training programs, including apprenticeship, pre-apprenticeship, and short-term credentialing programs. The Commonwealth should continue to promote careers in the building trades as a respected and rewarding way to make a family sustaining living. Building up our builders is not just good labor policy – it is essential to meeting Pennsylvania's housing goals and unlocking our full economic potential.



# Expand Housing Opportunity for All Pennsylvanians

We will make it easier for residents across economic and demographic spectrums to access and maintain safe, stable, and affordable housing.

## Strengthen Legal Protections for Renters and Tenants

*Enact commonsense legislation to improve housing access, reduce discrimination, and ensure fair rental practices across the Commonwealth.*

Nearly one-third of Pennsylvania households rent their homes,<sup>57</sup> making it essential to safeguard renters from unfair treatment, predatory practices, and excessive fees that create barriers to safe, affordable housing. Ensuring that all Pennsylvanians can obtain and maintain stable housing must remain a top priority and to advance this goal, the Commonwealth should pursue the following legislative reforms:

- **Establish a statewide cap on rental application fees**, limiting them to the actual cost of screening, and prohibiting landlords from charging fees before a prospective tenant can view a property.
- **Ensure landlords or housing providers share a copy of any third-party screening report** obtained through an application fee with applicants, similar to how credit reports are shared.
- **Limit the maximum allowable security deposit for first-year renters to one month's rent** and require landlords to return deposits within 14 days of lease termination.
- **Obligate landlords to provide tenants with six months' rent in relocation assistance** if a property is condemned or deemed unfit for human habitation due to code violations.
- **Prohibit source of income discrimination** by barring landlords from denying rental housing to individuals who rely on Social Security, disability benefits, child support, unemployment insurance, veterans' benefits, or other lawful and reasonable sources of income.
- **Enact fair chance housing reform** by limiting when and how landlords may consider criminal history and prevent denials based solely on old or non-violent criminal convictions.

## Prevent and Remediate Tangled Titles through Commonsense Policy Reform

*Institute state-level policy changes to ease the financial and administrative burden of transferring property ownership to heirs.*

A tangled title refers to a situation where a property's legal title is uncertain or disputed, typically because the person living in and caring for the home is not on the deed even though they may believe they own the property. Tangled titles not only jeopardize housing stability; they hinder an inhabitant's ability to access home equity loans or programs for housing repairs. Furthermore, they prevent Pennsylvanians from accessing and building generational wealth and serve as a major contributor to blight in Pennsylvania communities. In our Commonwealth, there are nearly 35,000 estimated heirs' properties – accounting for nearly \$900 million in assessed value.<sup>58</sup> To prevent heirs' properties from becoming tangled and to address tangled titles where they currently exist, the Commonwealth should seek to implement the following reforms:

- **Authorize transfer-on-death deeds for primary residences**, providing a streamlined process for homeowners to designate who will inherit their primary residence and thereby avoid the complexities and costs of probate.
- **Reform probate fees for low-income heirs**, which would otherwise serve as a barrier that impedes the transfer of property upon the death of a relative.
- **Establish funding for legal services for low-income residents to resolve tangled titles or heirs' property issues**, empowering low-income residents to hold onto passed down primary residences, build generational wealth, and help prevent properties from going to tax sale or otherwise falling into disrepair.



## Make It Easier for Pennsylvanians to Purchase their First Home

*Create pathways to homeownership for aspiring first time homebuyers and make it easier for Pennsylvanians to achieve the American Dream.*

For many Pennsylvanians, homeownership represents stability, opportunity, and a pathway to building generational wealth. Yet this aspiration remains just out of reach for far too many. With home prices rising and financial hurdles growing, the National Association of Realtors reports that the national market share of first-time homebuyers has dropped significantly – falling from nearly one-third of all home sales in 2023 to less than 25% of home sales in 2024.<sup>59</sup> As the Commonwealth works to open the doors of opportunity for all Pennsylvanians, a focus of this work must be to make it easier for our residents to purchase their first home.

Pennsylvania should work to create new tools that expand homeownership opportunities, focused on mitigating financial hurdles for first time homebuyers such as by providing financial assistance for down payments and closing costs. These hurdles to homeownership are frequently cited as major obstacles for aspiring first time homebuyers.

Examples of possible tools include:

- **A state-sponsored first-time homebuyer program**, which would provide grant support to first time homebuyers to use as part of their down payment or closing costs. The Commonwealth should also pilot an interest rate buydown program for first time homebuyers to reduce mortgage cost burden.
- **Enabling local governments to exempt first time homebuyers from local realty transfer tax**, empowering first time homebuyers to reallocate those dollars towards the purchase price of their first home.
- **Better connecting first time homebuyers to housing counseling services** and expanding services to include reverse mortgage counseling. This would provide aspiring homebuyers with professional support as they navigate mortgage products and assess their household budgets while safeguarding Pennsylvanians from predatory lending practices.

Pennsylvania should work on these initiatives, and others like them, with the Commonwealth's banks, employers, local governments, and community development financial institutions (CDFIs), recognizing the need to craft first time homebuyer programs that seamlessly integrate with private mortgage products and local assistance programs.

## Expand Housing Choices and Accessibility for Older Adults and People with Disabilities

*Expand supportive housing and community supported living options and increase access to accessibility modifications and assistive technology.*

Pennsylvania's population aged 60 and over is rapidly increasing<sup>60</sup> and people with disabilities make up nearly 15% of our population.<sup>61</sup> For older Pennsylvanians and adults with disabilities, limitations on housing that fits their unique needs impairs their ability to live with independence, choice, and dignity – something we all deserve.

The Commonwealth should take the following actions to support older adults and people with disabilities:

- **Build and sustain supportive housing and expand the DHS Supportive Housing pilot program** for individuals with intellectual disabilities and autism.
- **Increase participation in state shared housing programs**, such as Lifesharing, Domiciliary Care (Dom Care), and Elder Cottage Housing Opportunity (ECHO) programs.
- **Establish Technology First initiatives**, to expand and embrace technology as a first source of support in service planning for people with disabilities, expanding access to assistive technology and remote supports.
- **Promote the use of Universal Design principles** in new housing development so units are usable by people of all ages and abilities without adaptation.
- **Integrate accessibility and home modification improvements into state-sponsored housing rehabilitation programs**, empowering older adults and Pennsylvanians with disabilities to update their homes with ramps, lifts, grab bars, non-slip flooring, and accessible kitchen and bathroom appliances. These households should also be empowered to downsize into accessible homes where they might prefer to do so.

Additionally, the Commonwealth's development-focused agencies should work to collaborate more closely with the Commonwealth's human services and aging-focused agencies to ensure accessibility considerations are taken into account during the construction of new homes.

## Create More Opportunities for Shared Housing

*Grow shared housing initiatives and programs that work and abolish antiquated land use regulations that serve as a barrier to shared housing.*

Shared housing is when two or more unrelated individuals split housing costs and common space in temporary or permanent housing. While this model is typically found in higher education through dormitory style living, shared housing is also an affordable way for Pennsylvanians to transition into rental housing or an owner-occupied home, overcome homelessness, or live and age in place with companion support. The Commonwealth should seek to promote shared housing approaches and outcomes, where individuals choose to access shared housing, through the following activities:

- **Expand the Shared Housing and Resource Education (SHARE) program and shared housing initiatives**, by leveraging funding and technical assistance to support program growth, increase participation, and help more older adults and cohabitants access affordable shared housing options.
- **Limit restrictive occupancy limits targeted at unrelated individuals** and end other cohabitation restrictions to enable additional nonrelated people to share housing. Many local municipalities ban unrelated cohabitation, especially among unrelated women, through their zoning and land use regulations. These practices pose significant barriers to individuals and populations who would benefit from shared housing opportunities, such as households in need of rapid rehousing and foster youth.

## Promote Employer-Assisted Housing Programs and Empower Pennsylvania's Workforce to Attain Safe, Quality Housing

*Encourage Pennsylvania employers to commit to providing monetary benefits to employees purchasing homes near their place of work.*

Access to skilled workers is a prime consideration for any business operating anywhere in the United States. To that end, access to quality housing is not just a consideration for individual households – it is key driver of economic development. As businesses compete for skilled labor, housing can and should be considered as a premium benefit for talent attraction and retention.

The Commonwealth should double down on its efforts to encourage employers to help Pennsylvania's workforce attain homeownership. This includes working to secure commitments from major employers to provide housing benefits to their workforce and publicly recognizing the employers that do so. It also includes better leveraging PHFA's existing Employer Assisted Housing initiative, which provides supplemental downpayment and closing cost assistance to employees whose employers provide them with monetary support to purchase a home. The Commonwealth should expand this program to cover more employers and create more opportunities for state government to collaborate with private industry and the workforce to solve our housing challenges.



## Property Tax / Rent Rebate Program Expansion

In 2023, the Shapiro Administration secured a historic expansion of the **Property Tax / Rent Rebate Program**,<sup>62</sup> delivering immediate cost relief to older adults, homeowners, and renters across Pennsylvania. Beginning in 2024, the maximum standard rebate rose from \$650 to \$1,000 and the annual income limit increased to \$45,000, indexed for future cost-of-living adjustments. As a result of these changes, approximately 165,000 new Pennsylvanians have been able to take advantage of the program with total rebates issued increased by over \$120 million per year compared to total rebates issued before the expansion. This expansion marked the largest growth in the program's reach and impact in nearly two decades, ensuring that more Pennsylvanians receive meaningful cost relief. Since Governor Shapiro took office, the Commonwealth has distributed over \$633 million in rebates to more than 520,000 Pennsylvanians.



# Provide Pathways to Housing Stabilization and Sustainability

We will provide the resources and support necessary for at-risk residents to climb the ladder of housing opportunity, establishing a clear pathway from emergency shelter to sustainable housing.



Point Marion, PA

## Align Homelessness Support Programs and Help Pennsylvanians Transition into Safe, Stable Housing

*Increase funding for the Homeless Assistance Program and enable expanded services to prevent and address homelessness.*

Commonwealth communities identified 14,088 Pennsylvanians experiencing homelessness on a single night in 2024 – a 12% increase in homelessness from 2023 and a 7% increase from 2019.<sup>63</sup> These figures include a growing number of older adults, families with children, unaccompanied youth, Black Pennsylvanians, and individuals living with mental illness or substance abuse disorders. They also include a growing number of individuals experiencing unsheltered homelessness in more rural communities, demonstrating that instances of homelessness are not limited to urban settings.<sup>64</sup> Pennsylvania should work to stabilize housing outcomes for individuals facing homelessness and provide them with opportunities for economic and social advancement.

To reverse the recent growth in Pennsylvania's homeless population and support access to safe, secure emergency shelter and housing for our most vulnerable residents, the Commonwealth should allocate additional homelessness funding to local communities through its Homeless Assistance Program. DHS should also explore retaining a portion of funds to allocate through a competitive process, enabling traditional and non-traditional homelessness service providers to access additional funds for capital improvements, expanded services, adoption of evidence-based practices, and enhanced outreach. We believe that local communities best know the supportive systems and structures that work in their unique regions.

The Commonwealth should also seek to undertake the following activities to better support our most vulnerable neighbors:

- Increase Homeless Management Information System data sharing where such data sharing is permissible by law with Continuums of Care, which serve as regional planning and coordination entities for the U.S. Department of Housing and Urban Development's homelessness initiatives.
- Provide communities with the tools and resources to develop and implement sustainable and humane strategies to address encampments in a manner that promotes the health, safety, and wellbeing of all community members – including those experiencing homelessness, as well as homeowners, renters, and private businesses.
- Research and identify nationwide best practices related to the intersection of right of way management, access to transportation, and individuals experiencing homelessness, and develop policies and encampment resolution guidance that addresses individual wellbeing, encampment construction and maintenance procedures, and community safety.

## Expand Statewide Eviction, Foreclosure, and Displacement Prevention Efforts

*Strengthen laws and policies on eviction, foreclosure, and displacement prevention to help Pennsylvanians stay in their homes.*

Every day, an average of 310 Pennsylvania renter households face eviction and 20 owner-occupied households are given notice of foreclosure. This amounts to over 120,000 households impacted by evictions and foreclosures each year in our Commonwealth, or over 2% of all Pennsylvania households.<sup>65</sup> Minority communities are disproportionately impacted by eviction and foreclosure filings, and Black women and single parents with children are at the greatest



Mount Carmel, PA

risk of eviction relative to all other population segments.<sup>66</sup> While some instances of eviction or foreclosure are unavoidable, many are unjust or otherwise able to be solved through a combination of mediation and modest financial resources. To decrease Pennsylvania's eviction and foreclosure rates and keep more Pennsylvanians in their homes, the Commonwealth should take the following actions:

- **Seal eviction records for individuals who were never legally evicted**, so that inaccurate or incomplete records are not used to deny housing. As of 2025, eviction filings remain on court records even for those individuals who were not legally evicted, resulting in unjust hardship as those individuals seek new housing opportunities and look to become more economically and socially mobile.
- **Expand eviction and foreclosure prevention programs**, such as PHFA's Homeowners Emergency Mortgage Assistance Program, PHFA's Homeowner Assistance Fund, and the Pennsylvania Legal Aid Network's statewide Right-to-Counsel program.
- **Establish a statewide dispute resolution period before an eviction can be filed against residents of housing built or supported with state funding**, providing landlords and tenants with time to work through case specific issues before costly eviction proceedings get to court.
- **Strengthen taxpayers' rights to redeem their property after a tax sale to prevent the loss of homes due to unpaid taxes**, and expand tax sale notification options so that family members and guardians responsible for a property owner are informed of a pending tax sale.

## Protect, Support, and Stabilize Housing for Survivors of Domestic Abuse

*Empower victims of domestic violence to leave abusive relationships and ensure that survivors have safe, stable, and affordable housing options as they transition out of crisis situations.*

Survivors of domestic violence face significant barriers to the safe, stable, and affordable housing essential to rebuilding their lives. Housing insecurity is one of the leading reasons that survivors stay in or return to abusive relationships. The National Network to End Domestic Violence reports that 54% of unmet service requests on a single survey day were related to housing<sup>67</sup> and the American Bar Association notes that 38% of all domestic violence victims become homeless at some point in their lifetime.<sup>68</sup> The Commonwealth must act with urgency to empower victims of domestic violence to escape abusive situations and should take the following actions to support survivors in achieving housing stability:

- **Pass legislation affirming a tenant's right to terminate a lease due to domestic violence**, allowing victims to escape life threatening, abusive situations protected from the financial penalties associated with breaking a lease. These penalties provide one more barrier to establishing independence and breaking free from abusers. They should not be a consideration as victims look to transition from crisis.
- **Increase funding for domestic violence prevention** and augment the resources available through the Department of Human Services and the Pennsylvania Commission on Crime and Delinquency to support crisis shelters, short term rental and relocation assistance, loss of income support, housing resource navigation, and additional services necessary to help victims of abuse find safety and obtain justice.

## Protect Manufactured Housing Affordability from Private Equity

*Cap lot rent increases in manufactured home communities at reasonable levels, support cooperative ownership models, and modernize manufactured housing regulations.*

Manufactured housing remains a significant source of affordable homeownership in Pennsylvania. Yet many residents are facing rising costs as new investors purchase manufactured housing communities and increase lot rents or repurpose the land for another use. Most manufactured homeowners rent the land beneath their homes and increasing lot rents can put families in a difficult position, with few options other than paying higher fees or relocating. Outdated regulations also continue to affect manufactured homeowners: modern manufactured homes are essentially permanent once installed, but they are still legally classified as “mobile homes,” creating misconceptions and imposing antiquated legal requirements.

To support manufactured homeowners and modernize Pennsylvania’s regulations, the Commonwealth should:

- **Limit annual lot rent increases in manufactured home communities** to protect residents from sudden hikes, and require advance notice of any future lot rent increases.
- **Provide residents with the right of first refusal to purchase land in their manufactured home community** and require lot owners to notify residents and local governments of any pending sale or land use change.
- **Pursue federal funding to support manufactured housing quality and affordability**, including through HUD’s Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program.
- **Make it easier for potential homeowners to finance manufactured homes** by updating how they are categorized, unlocking access to additional loan options.

## Invest in Fair Housing Education and Enforcement

*Provide funding and resources for fair housing education and enforcement to prevent housing discrimination before it happens and stop it where it takes place.*

The right to pursue housing without discrimination is guaranteed by both the federal Fair Housing Act and the Pennsylvania Human Relations Act. The Fair Housing Act mandates Pennsylvania to affirmatively further fair housing and take proactive steps to combat housing discrimination. This means the Commonwealth must educate the public on fair housing requirements and enforce the Fair Housing Act where infractions may occur.

The Commonwealth should seek to take the following actions related to fair housing education and enforcement:

- **Educate landlords and tenants on their respective legal rights**, providing funding to community-based organizations to help resolve landlord-tenant disputes where they may occur.
- **Require landlords to provide tenants with Pennsylvania’s Consumer Guide to Tenant and Landlord Rights** when those tenants are occupying housing units supported by state funding. This guide was developed by the Office of the Attorney General and succinctly outlines the legal rights and responsibilities of both landlords and tenants.
- **Support legal aid organizations in addressing repeated violations of the Fair Housing Act** and assist residents with the resources necessary to enforce the Fair Housing Act against landlords engaged in discriminatory housing practices.

Housing discrimination has no place in Pennsylvania. Recognizing that many violations of the Fair Housing Act and the Pennsylvania Human Relations Act result from a lack of information relating to requirements set forth in law, the Commonwealth should work to expand fair housing



resources for landlords, tenants, local governments, and residents. Where fair housing education falls short, Pennsylvania should aggressively and intentionally work to safeguard our residents and tenants and initiate legal action against those who engage in housing discrimination.

## Connect Unsheltered Medicaid Recipients to Stable Housing and Services through Investments in Health

*Leverage Pennsylvania's Section 1115 Medicaid Waiver to support individuals experiencing homelessness or who are at risk of homelessness in achieving housing stability.*

Stable housing is an essential social determinant of health. Access to a safe home and services to maintain housing significantly improves health care access and outcomes, both physical and mental. This in turn reduces financial strain on human services systems, medical facilities, and crisis systems. Too many low-income Pennsylvanians struggle with housing stability – including individuals and families with disabilities and chronic health conditions – which can prevent them from achieving greater health, independence, and employment. Through the Commonwealth's approved Section 1115 Medicaid Waiver, *Bridges to Success: Keystones of Health for Pennsylvania*, the state should expand Medicaid to offer time-limited housing services and connect vulnerable residents to community resources to maintain their housing. Targeted housing supports for Pennsylvanians with clinical and social risk factors will lay the foundation for opportunities to pursue work, training, and stability in their communities while reducing avoidable and preventable health care costs.

The Commonwealth should work to offer the following housing-related services through its Medicaid programs:

- **Enhanced resource navigation and direct outreach**, to ensure that individuals experiencing homelessness or who are at risk of homelessness can find and connect to the services they need to achieve stable housing.
- **Monetary assistance for household necessities and moving expenses**, providing capped funding for household items that are necessary for housing stability and preparing healthy meals.
- **Time-limited rental assistance**, keeping people secure in their homes during times of unexpected crisis and providing new resources to get unsheltered individuals off the streets.

- **Housing education and case management** to empower individuals with the skills and knowledge needed to maintain a safe, dignified living environment and fulfill their responsibilities as tenants.

## Reduce Household Energy Burden by Strengthening Consumer Protections

*Improve housing stability by establishing maximum temperatures, preventing hot and cold weather shutoffs, disclosing energy costs, and permitting small scale clean energy solutions.*

In 2024, there were over 375,000 utility shutoffs impacting Pennsylvania households across the Commonwealth. This represents a 15% increase in utility shutoffs compared to 2023.<sup>69</sup> Rising energy costs and aging housing stock are placing growing pressure on residents across the Commonwealth, forcing many to make the difficult choice between covering essential utility expenses or risking utility shutoff and unsafe indoor temperatures. Ensuring that homes remain habitable, energy costs are transparent, and shutoffs are limited is essential to preserving household stability and protecting public health. To increase energy affordability and resiliency, the Commonwealth should work to enact the following policies into law:

- **Protect renters from extreme heat** by adding language to the Pennsylvania Landlord and Tenant Act clarifying that maximum habitable temperature standards are included in Pennsylvania's implied warranty of habitability, alongside already existing minimum habitable temperature standards.
- **Prohibit electrical utility shutoffs during extreme temperatures** in both the coldest winter and hottest summer months, ensuring that Pennsylvanians can remain in their homes during periods of extreme heat and cold.
- **Require disclosure of energy costs to homebuyers and tenants**, mandating that sellers of residential properties and landlords disclose average monthly energy bills in the last 12 months to prospective buyers and tenants.
- **Support balcony-scale solar**, removing burdensome requirements and allowing tenants to install plug-in solar devices so long as installation does not result in a permanent modification to the property.

## Pennsylvania's Interagency Council on Homelessness

At the direction of Governor Shapiro, Pennsylvania established an **Interagency Council on Homelessness (ICH)** in July 2025. The Council's purpose is to bring together stakeholders from across state agencies, local and federal governments, and community organizations to collaborate on policies and best practices to address homelessness and strengthen the coordination of services for individuals experiencing homelessness across the Commonwealth. Its membership includes state cabinet secretaries, homeless advocates, policy experts, community leaders, and individuals with lived experience.



# Modernize Pennsylvania's Housing Development Regulations

We will reform the state and local regulations governing housing development to reduce costs and accelerate the delivery of high-quality homes.

## Assess Pennsylvania's Residential Construction and Development Requirements

*Review existing laws and regulations governing housing construction and address requirements which are cost prohibitive for housing construction, rehabilitation, and affordability.*

Nationally, the laws and regulations that govern residential development are estimated to account for roughly 25% of the total construction cost of a new single-family home<sup>70</sup> – a figure reinforced through conversations with builders and developers across the Commonwealth. Over time, layers of construction codes, environmental standards, and permitting requirements have accumulated, adding significant expense to the building process. At a time when Pennsylvania faces housing shortages across every region, with vacancy rates at historic lows and home prices rising nearly 34% from 2019 to 2024,<sup>71</sup> these regulatory challenges are making homes less affordable, slowing construction, and leaving the Commonwealth less competitive relative to peer states.

To reverse these trends, Pennsylvania should take deliberate steps to modernize its regulatory framework and reduce costs in development. This means conducting a comprehensive review of existing requirements to distinguish those that are essential for health and safety from those that are outdated or burdensome. At the same time, the Commonwealth should continue to uphold responsible contracting and labor practices in residential construction. By striking this balance, Pennsylvania can unlock new investment, accelerate housing production, and expand affordability while ensuring that residents and workers remain safe and protected.

## Modernize Local Planning and Regulatory Processes for Residential Construction

*Update the Pennsylvania Municipalities Planning Code to increase speed, certainty, and efficiency in local zoning, subdivision, and land development approval processes and create new opportunities to add more homes in communities across the Commonwealth.*

Residential development is regulated at both state and local levels of government in Pennsylvania. While the Commonwealth oversees the adoption of building code and environmental regulations, Pennsylvania has delegated the management of local zoning codes, subdivision and land use approval processes,

and most building code inspections to local and county governments. This decentralized regulatory structure allows local communities wide latitude to make land use decisions that align with community goals, while still adhering to the regulatory framework prescribed by the Pennsylvania Municipalities Planning Code (MPC). Adopted in 1968, the MPC serves to standardize basic land use regulations and regulatory processes across Pennsylvania's local governments and seeks to balance the rights of individuals and the rights of communities in land use decisions.

Recognizing the need to reduce regulatory challenges to residential development and improve local permitting and land use processes, the Commonwealth should work with municipal officials, planners, developers, and policy experts to modernize the Municipalities Planning Code and address the housing challenges which were not present at the MPC's adoption in 1968. To ensure that the MPC's regulatory framework most appropriately balances the rights of individuals and communities with the profound need for all Pennsylvanians to have access to housing, Pennsylvania should explore updating the MPC and better supporting municipalities through increased technical assistance in the following manner:

- **Develop a library of model land use ordinances,** including model ordinances related to zoning regulations and land use definitions, parking and density requirements, hazard mitigation and resilience, and other proven best land use practices. To reflect the geographic diversity of Pennsylvania's communities, this library should be indexed for large, mid-sized, and small municipalities with rural, urban, and suburban characteristics. Model ordinances should be designed as flexible templates, vetted for alignment with state law, and updated regularly to reflect emerging practices and legal changes.
- **Create a Housing-Ready Community designation,** which would be awarded to municipalities that take action to modernize their land use regulations with nationwide best practices that better enable the construction of more houses and apartments. Municipalities should have the opportunity to apply for this designation based on state-determined criteria and awarded municipalities would receive preference for select state funding programs such as DCED's Main Street Matters program and PHFA's PHARE fund.



Coatsville, PA

- **Expand housing options** by enabling homeowners to build new structures and renovate underutilized structures into accessory dwelling units (ADUs), limiting minimum lot size and setback requirements, permitting manufactured homes in areas zoned for single-family housing, and better leveraging land and properties owned by the Commonwealth and by faith-based institutions for future residential development.
- **Enable opportunity-oriented development** to create walkable, connected communities with convenient access to transit, jobs, schools, health care, childcare, and local amenities. This includes easing restrictive parking requirements, removing density limitations, and reassessing minimum lot size requirements.
- **Incentivize mixed-use development on main streets and commercial corridors**, allowing housing to be built and maintained near jobs, recreational amenities, and opportunity.

## Strengthen Municipal Land Banks to Return Blighted Residential Properties to Productive Use

*Make it easier for Pennsylvania's land banks to acquire, remediate, redevelop, and transfer blighted properties and land for future residential use.*

Land banks are a powerful tool for communities looking to restore and redevelop blighted properties and can serve as a key local enabler for future residential development and housing rehabilitation. These locally chartered organizations work to clear blighted properties of legal, environmental, and structural barriers to redevelopment. Most often, this work relates to restoring or remediating blighted houses in neighborhoods that lack private sector investment. But for land banks to effectively perform the work necessary to enable the construction and restoration of more housing units, the Commonwealth should strengthen the financial and legal tools available to them. This should include working to make the following reforms to state law and policies:

- **Waive state inheritance tax liens** for blighted, vacant properties acquired by land banks. With many blighted, vacant properties having active state inheritance tax

liens placed against them, this measure will lower costs for land banks looking to rehabilitate or remediate these properties and return them to productive use.

- **Extend environmental liability protection** to land banks in the same manner that redevelopment authorities are protected from such liabilities, enabling land banks to take on the most problematic properties in their communities without fear of an environmental lawsuit or a sharp increase in insurance costs.
- **Reassess Pennsylvania's community and economic development toolkit** to maximize the ability of land banks to deploy state funds and redevelop blighted land for residential reuse, including opening more programs to land banks and removing state-imposed regulations that limit land banks' ability to return blighted property to productive use.
- **Enable county blight remediation fees to fund land bank operations** including fees generated through Act 152 of 2016 and Act 542 and 1947, at the discretion of county governing bodies. The Commonwealth should also seek to allow larger cities, boroughs, and townships to impose their own blight remediation fees on deed transfers, sheriff sales, and judicial sales to create new local revenue streams for neighborhood blight remediation and housing stock restoration.

## Keep Homeownership Within Reach and Curb Private Equity Purchases of Single Family Homes

*Level the playing field so Pennsylvania homebuyers and small landlords have a fair opportunity to purchase single-family homes, two-family units, townhouses, and condominiums.*

In 2024, private investors accounted for roughly 13% of all single-family home sales nationwide,<sup>72</sup> often outbidding families and first-time homebuyers to flip houses for profit or convert them into rental properties. These investors frequently concentrate their home purchases to relatively small geographic areas, often operating at a neighborhood scale. Targeting undervalued homes which would otherwise be affordable to first time homebuyers or low-to-moderate income households, investors acquire properties in bulk and convert them from naturally affordable owner-occupied units to market rate rentals. This ultimately reduces the supply of housing that is affordable to working Pennsylvania families.<sup>73</sup>

To give Pennsylvania households a fair chance to purchase homes, the Commonwealth should impose a transfer tax on corporate purchases of single-family and two-family homes, townhouses, condominiums, and other similar units. This would ensure residents can compete with private equity in the purchasing of residential properties while directing new transfer tax revenues to other housing initiatives that promote homeownership – so that Pennsylvanians can continue to build home equity and call the Commonwealth home.



Shamokin, PA



# Achieve Operational Excellence Across State and Local Government

We will reengineer state government to create efficient, accessible, and integrated housing programs and delivery systems across the Commonwealth's executive departments, state-affiliated agencies, counties, and municipalities.



Aliquippa, PA

## Appoint a Deputy Secretary for Housing

*Appoint a Deputy Secretary for Housing and establish a permanent center for housing policy and programs tasked with advancing Pennsylvania's Housing Action Plan.*

Responsibility for housing policy, programs, and regulatory functions is spread across state government. DCED and PHFA administer programs that support housing finance and construction. DCED and DHS oversee and support many of the Commonwealth's homelessness response programs and rapid rehousing initiatives. Other housing and housing-related functions are found at the Department of Labor & Industry, the Department of Transportation, the Department of Aging, the Department of Environmental Protection, the Department of Military and Veteran Affairs, and the Pennsylvania Emergency Management Agency.

While executive departments and state-affiliated agencies have developed core competencies in their areas of responsibility that relate to housing, the Commonwealth lacks a coordinating entity for housing policy, programs, and regulations. This leadership gap results in housing-related decisions that are uncoordinated, inefficient, and sometimes conflicting across the departments, leaving room for improvement in achieving our desired housing outcomes. As the Commonwealth prioritizes housing outcomes, it must first create the systems which allow for cohesive, impactful housing policies, programs, and regulations to be implemented. To accomplish this, the Administration should appoint a Deputy Secretary for Housing who would coordinate and oversee housing priorities for the administration.

## Reform and Revamp Pennsylvania's State and Local Housing Programs

*Update and simplify the Commonwealth's full suite of housing programs by expanding programs that work, making programs more flexible, and merging programs where possible to optimize the Commonwealth's ability to support better housing outcomes.*

Pennsylvania invests significant resources to improve housing outcomes for its residents, both in the form of dedicated housing programs and through flexible funding streams that communities can opt to use for housing-related initiatives. Many of these programs work well, such as PHFA's PHARE program which funds a wide range of housing-related activities. Many are federally funded, such as the Community Development Block Grant program, the HOME Investment Partnerships program, and the Emergency Solutions Grants program. All should be continuously evaluated and updated to ensure that they meet evolving housing needs across the Commonwealth.

Where housing programs work, the Commonwealth should move to expand those programs. Where programs are found to be outdated or are underperforming, the Commonwealth should look to either reform those programs to improve their effectiveness or eliminate them and shift their resources to programs with proven impact in driving better housing outcomes. The Commonwealth should also implement continuous improvement processes across its housing-related programs to ensure that programs are regularly



evaluated against the needs of Pennsylvania's rapidly changing housing market. This will result in a simplified and more effective suite of state housing programs that residents, developers, local governments, and community partners can use to build more housing units, preserve Pennsylvania's existing housing stock, and expand housing opportunity across the Commonwealth.

Specific examples of housing program reforms that the Commonwealth should consider include:

- **Increasing the revenue transfer cap on the PHARE fund**, allowing for additional dollars to flow into the program and more residential projects to get done with the assistance of PHARE funding.
- **Raising the fee cap on Optional County Affordable Housing Funds (Act 137 of 1992)**, providing county governing bodies with the option to increase deed recording fees beyond their 1993 levy to support local affordable housing priorities.
- **Removing state-imposed requirements on CDBG funds used for housing rehabilitation**, giving CDBG entitlement communities greater flexibility to create housing rehabilitation programs that meet local needs.
- **Authorizing the use of the Redevelopment Assistance Capital Program (RACP) to fund housing development**, expanding one of the Commonwealth's largest development tools to help build more homes.

## Optimize Pennsylvania's Low Income Housing Tax Credits to Cut Costs, Expand Utilization, and Bring More Affordable Homes to Market

*Review Pennsylvania's Qualified Allocation Plan (QAP) to remove requirements that are driving excess cost in affordable housing development and reposition the state low-income housing tax credit to finance smaller affordable housing developments which may not qualify for federal tax credits.*

The core funding tool that states use to increase the production of affordable housing is the federal Low Income Housing Tax Credit program (LIHTC). Administered in partnership with state housing finance agencies through the U.S. Department of the Treasury, the program allows states to fill developer equity gaps that arise in affordable housing development. These gaps are normal in affordable housing development and result from the leasing of units at below market rates – typically so that units are affordable to households making 60% or less of an area's average median income. The LIHTC program is governed by both federal and state regulations, with the state using its Qualified Allocation Plan to determine how it will distribute credits in the highly competitive program. The Commonwealth should continue to collaborate with local governments, public housing authorities, and community-based organizations to ensure that credit allocation is responsive to local priorities.

To drive down costs associated with affordable housing development, the Commonwealth, in collaboration with PHFA, should consider the Qualified Allocation Plan and other resources in order to identify and implement best practice approaches to help drive down development costs while continuing to meet the affordable rental housing needs of Pennsylvanians. Furthermore, the Pennsylvania General Assembly created a state version of low-income housing tax credits in 2020 which compliments Pennsylvania's allocation of federal LIHTC. To better support the development of affordable housing across the Commonwealth's diverse communities, Pennsylvania should consider leveraging these state credits to fund affordable housing developments containing 10 to 23 units which are too small to be supported with federal LIHTC, as well as scattered site and infill development in communities where the built environment makes larger scale development impractical.

## **Create a Housing One-Stop-Shop and Make It Easier for Pennsylvanians to Access the Commonwealth's Housing Programs and Supportive Systems**

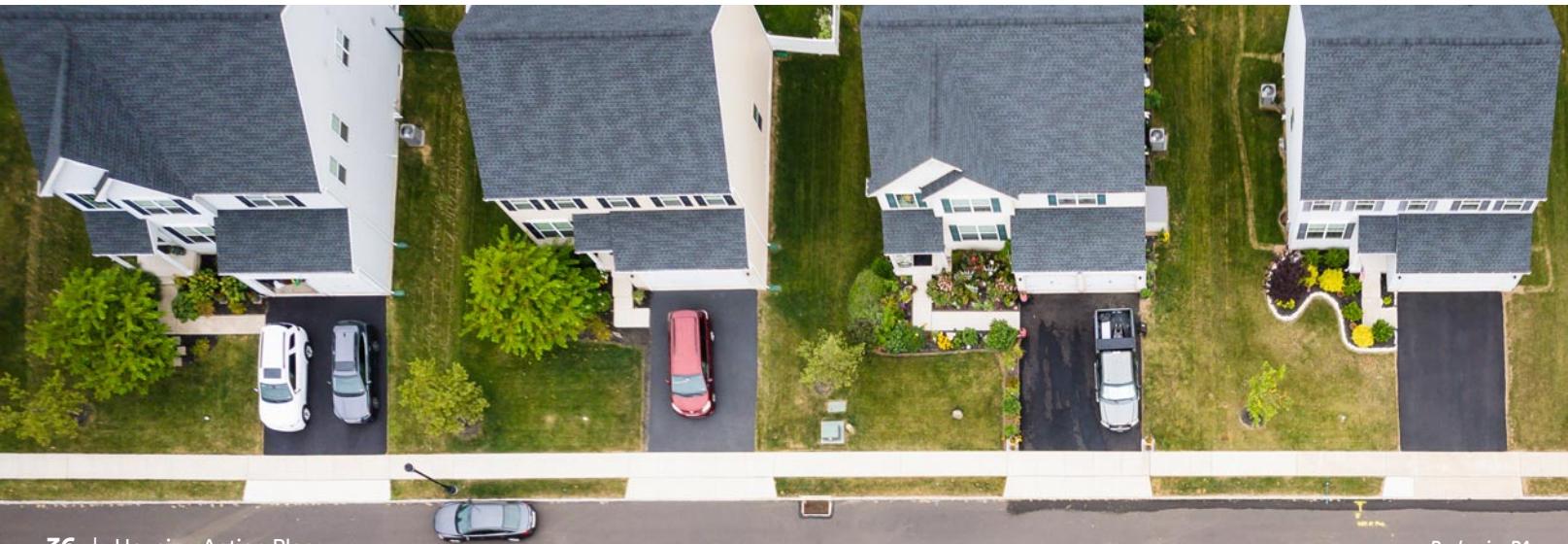
*Develop a user-friendly, public-facing digital platform to serve as a hub for residents, community organizations, developers, and other interested stakeholders to access housing resources and information.*

The Commonwealth's housing resources and regulatory functions are spread out amongst different executive departments and state-affiliated agencies, making it difficult for stakeholders that lack familiarity with Commonwealth housing programs, policies, and regulations to navigate those housing functions. Pennsylvania should make it easier for our residents and builders to access Commonwealth housing resources by creating a publicly accessible digital front door for housing programs and information that aggregates resources from across state government. Designed in collaboration with the Commonwealth Office of Digital Experience (CODE PA), this online portal should

model similar efforts like grants.pa.gov, DCED's Business One Stop Shop, and DHS's PA Navigate and include the following capabilities:

- **A full, searchable listing of housing development and housing support funding programs**, indexed for both end user and funding type to enable Pennsylvania residents, local governments, private developers, and community-based nonprofits to quickly find grant, loan, and tax credit programs across state government and state-affiliated agencies.
- **An interactive housing services map** that identifies local housing agencies and provides contact information for housing rehabilitation services, emergency housing, county and municipal housing authorities, county and municipal fair housing officers, and other local and regional housing providers across Pennsylvania.
- **The ability for local governments and housing service providers to design and apply for customized housing programs**, which may aggregate multiple funding streams such as Community Development Block Grant funds, the HOME Investment Partnership Program, the Weatherization Assistance Program, the Homeowners Energy Efficiency Loan Program, and other state and federal housing programs for purpose-built, activity-based housing programs that meet the unique needs of local communities.
- **Fair housing compliance and tenant assistance portals**, providing Pennsylvanians with direct access to Commonwealth housing supports and enforcement authorities in the event of alleged housing discrimination, unsafe housing conditions, or landlord-tenant disputes where the tenant qualifies for Commonwealth-supported legal assistance.

While this digital platform should allow Pennsylvania's residents, developers, and other housing stakeholders to access housing information and services online, the Commonwealth should also staff a dedicated hotline to back up these online services with human support.



## Improve the Commonwealth's Data Collection for Housing Programs and Share Housing Data Across Executive Departments

*Integrate housing reporting systems across executive departments and state-affiliated agencies where permissible under the law and standardize and improve data collection from Pennsylvania's housing programs.*

The Commonwealth deploys over \$1 billion annually in funding for a variety of housing-focused programs and initiatives. Pennsylvania's full suite of housing services ranges from PHFA-backed mortgages to housing repair programs to homelessness supports, spanning multiple departments and delivery models. Different departments track different housing outcomes using different methodologies, largely due to the decentralized nature of Pennsylvania's housing systems. And the Commonwealth lacks a central data repository for its housing programs and efforts, adding to difficulties associated with eliminating silos across departments to improve the housing outcomes of program end users.

Pennsylvania should move to better collect and internally share housing program data through the following activities – resulting in better, more informed decisions on housing policy and resource allocation:

- **Determine where data gaps exist in Pennsylvania's housing programs**, and work with program offices to address these data gaps in a manner that conforms with applicable state and federal laws on personally identifiable information and other sensitive information.
- **Work with CODE PA to create an internal database of housing programs, program outcomes, and the end users of these programs**, sharing data about housing program utilization where permissible under the law and leveraging this data to improve housing outcomes for individual end users.



## A Note on Federal Funding

While federal programs remain an important part of Pennsylvania's housing tool kit, the future level and scope of federal support for housing initiatives remains uncertain. Recent federal budget proposals and administrative action have included both expansions of key housing initiatives and potential cuts or restructuring of others. For this reason, the Commonwealth has intentionally limited its reliance on federal initiatives within the *Housing Action Plan*. Instead, the plan focuses on state and local strategies and collaborations that can be advanced regardless of federal outcomes. Pennsylvania will continue to monitor potential changes to federal programs closely and adapt its approach to ensure that our residents and communities are supported. While Pennsylvania does not have the financial capacity to replace lost federal funds, we remain committed to advancing impactful housing initiatives that expand housing supply, improve housing access and affordability, and promote housing stability across every region of our Commonwealth.

**Together, we can make Pennsylvania a national model for housing access and affordability — ensuring that every resident, in every community, has a place to call home.**



# A Call to Action

Pennsylvania's housing challenges are complex – but they are not insurmountable. By aligning state programs, modernizing state policies, expanding our housing supply, and supporting our residents as they work to attain safe, stable, and affordable housing the Commonwealth is positioned to lead the nation with purpose and partnership. Solving this challenge will require action from all of us – residents, builders, public officials, labor organizations, and housing providers alike.

**This is a shared mission – and we need everyone at the table.**

## **If you are a local government.....**

- **Modernize your zoning** to allow more homes in more places. Upzone residential and commercial areas to support higher housing density, reduce excessive parking requirements, and remove restrictions on shared housing.
- **Opt in to DCED's Housing-Ready Community designation** once available.
- **Digitize and streamline your local permitting processes** to make it faster and easier for builders to get residential projects approved.
- **Use local financial tools** like Local Economic Revitalization Tax Assistance Act (LERTA) abatements and tax increment financing to fill funding gaps and support new housing developments.

## **If you are a developer or builder.....**

- **Expand your footprint.** Explore new housing projects in areas where construction has stalled or demand is rising.
- **Partner with local governments** to identify barriers to building and work together to remove them.

## **If you are a labor union or skilled contractor.....**

- **Invest in the next generation.** Team up with school districts, community colleges, and technical institutions to provide hands-on training and apprenticeships.
- **Collaborate with developers and workforce investment boards** to build new career pathways in high-demand trades.
- **Promote the trades** as a respected and rewarding route to family-sustaining careers.

## **If you are a homeowner.....**

- **Maintain your home when possible** – and seek out assistance from local and county governments for repair programs if needed.
- **Raise your voice in support of housing.** Attend local meetings and support policies that expand housing access, enable rehabilitation, and strengthen your community.

The success of this plan depends on collective effort. We need relentless collaboration, determined implementation, and a shared long-term commitment to solving our housing challenges. The Shapiro Administration stands ready to partner with leaders and changemakers across our Commonwealth to put these solutions and others like them into action.

Together, we can make Pennsylvania a national model for housing access and affordability – ensuring that every resident, in every community, has a place to call home.



# Acknowledgments

The Pennsylvania Housing Action Plan reflects the collective insights and experiences of residents and stakeholders from across the Commonwealth. We are grateful to the many individuals and organizations who shared their time, perspectives, and expertise throughout the plan's development. This includes homeowners and tenants, local and county officials, builders and developers, advocates and community-based service providers, housing authorities and financial institutions, labor and workforce development organizations, and other interested parties that took the time to engage with us – whether through roundtable discussion, submitting a survey, hosting a meeting, or presenting data, reports, or white papers. This input was invaluable in shaping a plan that reflects the needs of Pennsylvania's diverse communities and sets a bold path forward to expand access to safe, stable, and affordable housing for all.



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<sup>70</sup> The National Association of Home Builders, Blueprint to Address the Housing Affordability Crisis

<sup>71</sup> U.S. Census Bureau, American Community Survey, 5-Year Estimates

<sup>72</sup> Realtor.com, Investor Report: Investor Buyer Share Edges Higher; Investor Share of Sellers Peaks

<sup>73</sup> University of Pittsburgh, University Center for Social and Urban Research, Corporate Investments in Single-Family Residential Properties in Allegheny County: Recent Impacts





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