

Phoenixville Rising

Addressing Housing Need in a
Growing Community

October 19, 2020

2020 Virtual PA APA
Annual Conference



Presenters

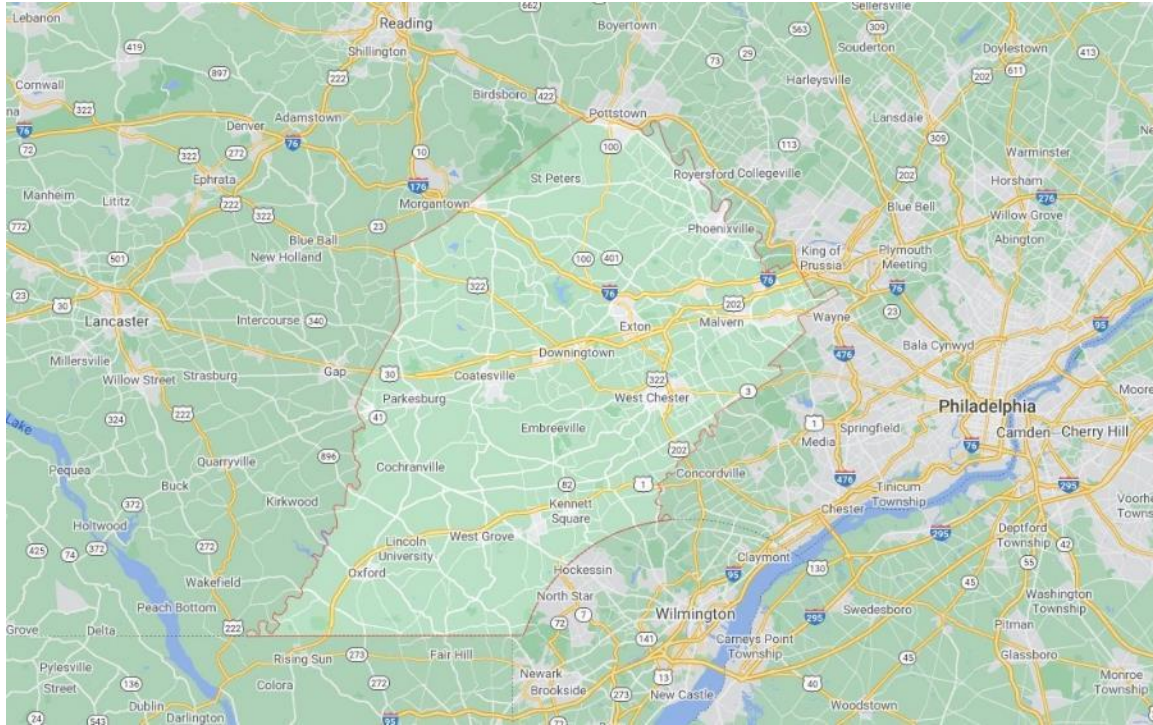
Mayor Peter Urscheler
Borough of Phoenixville

Libby Horwitz, AICP
Senior Housing and Economic Planner
Chester County Planning Commission

Chris Patriarca, AICP
Senior Community Planner
Chester County Planning Commission



About Chester County



- **One of four counties surrounding Philadelphia in Southeast PA**
- **The County also affected by Wilmington, DE**
- **Rural and urban influence**
- **Phoenixville is located in the northeastern portion of between Pottstown and King of Prussia**

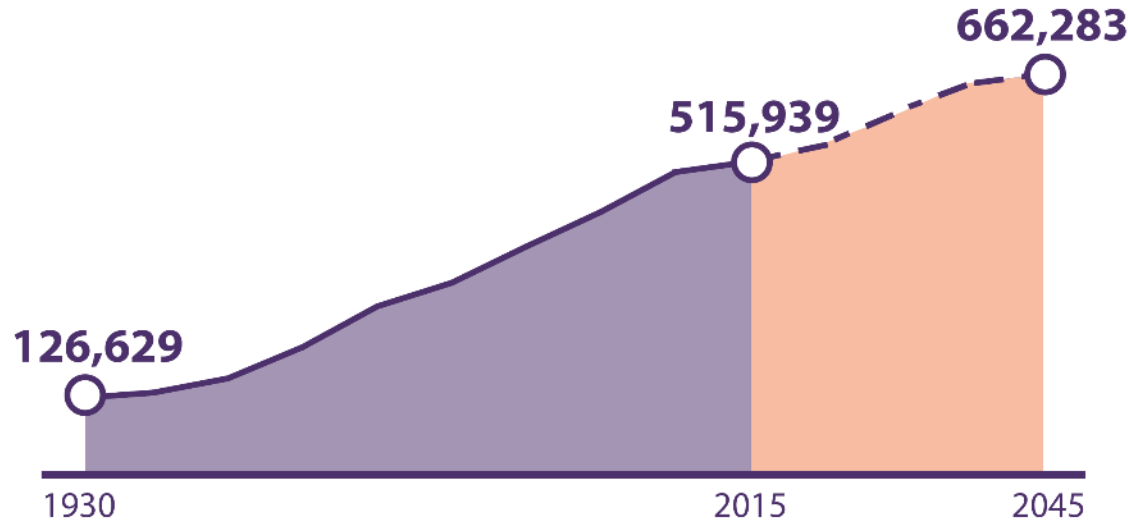
Landscapes3

Balancing **preservation** and **growth** remains the central theme of *Landscapes3*, the Chester County Comprehensive Plan

Preserve, Live, Protect,
Prosper, Appreciate,
Connect six goals of the
plan



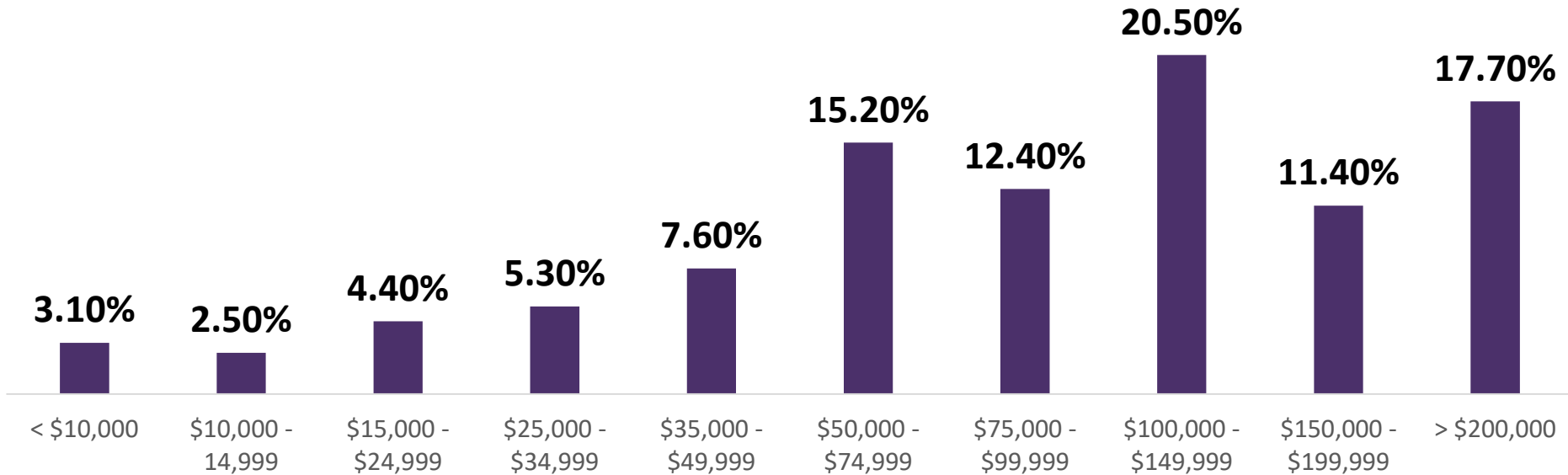
Population change, 1930-2045



Source: US Census,
DVRPC Population Forecast

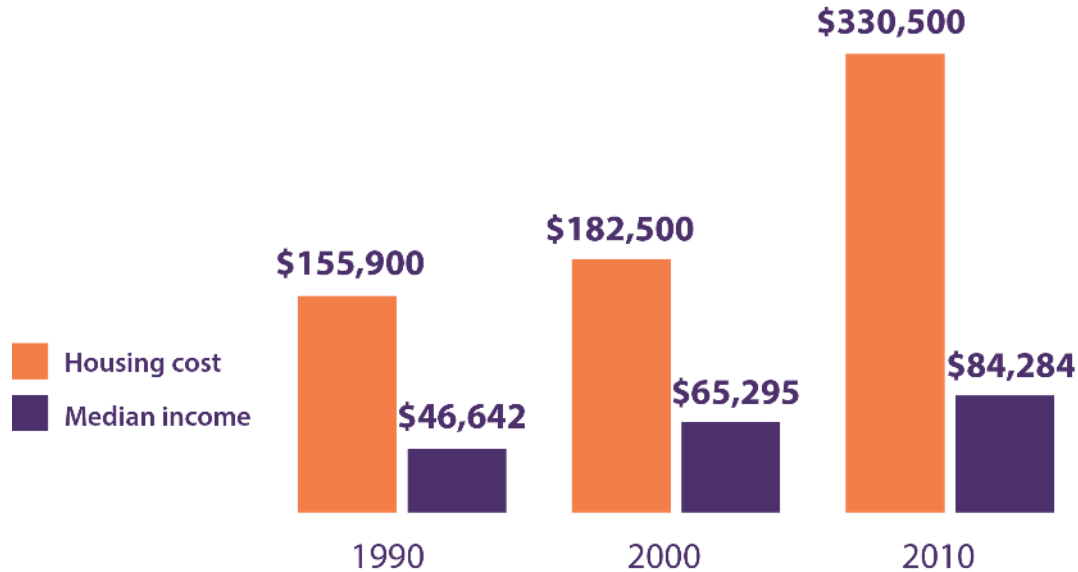
The county is projected to add over **146,000** people from 2015 to 2045, a **28.5%** increase from the county's 2015 population of **516,000** people.

Household income



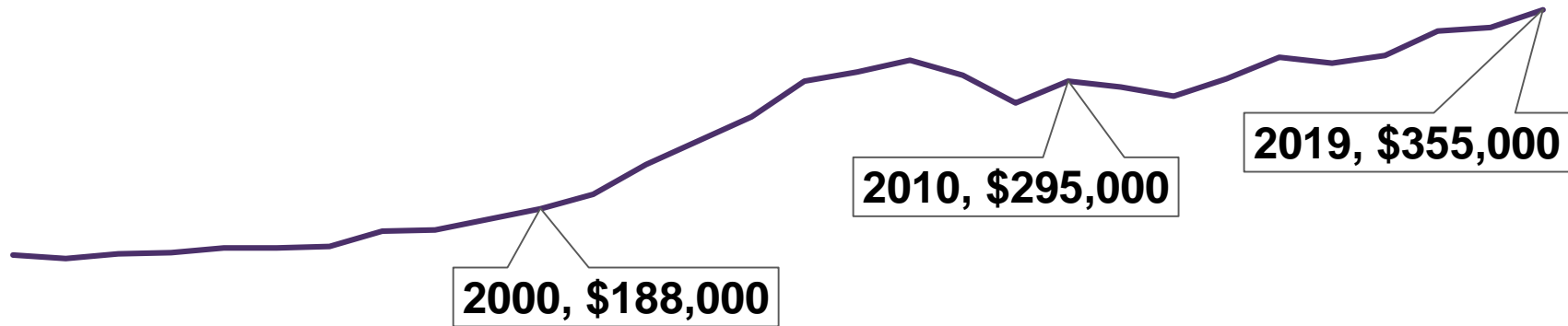
\$99,119 Median Household Income
Highest Household Income in Pennsylvania

Household income



Household income has not kept pace with increases in housing costs.

Household prices






Source: Chester County Assessment

Median household price continuously rising

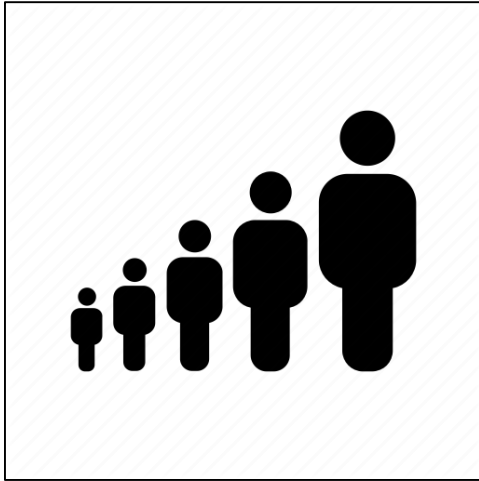
What occupations can afford

2017 Chester County Median Sale Price: \$337,000

				
	accountant	average wage	truck driver	farmworker
MEDIAN ANNUAL INCOME	\$83,760	\$71,031	\$49,060	\$34,200
% OF HOME SALES AFFORDABLE	38%	23%	8%	2%

Population Trends

Population Increasing



Aging Population



One Person Households



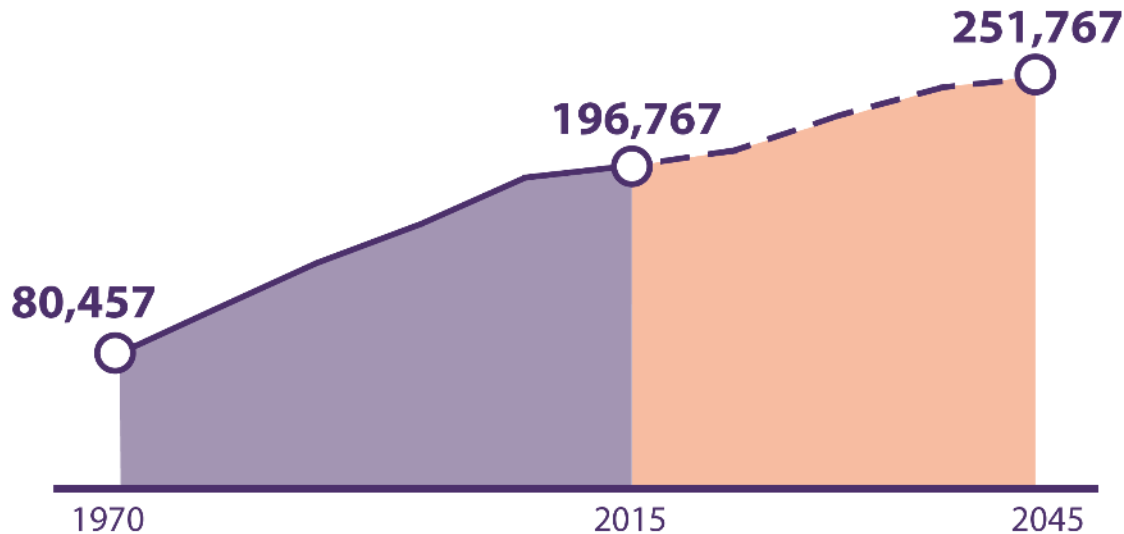
Demographics are shifting

What does this mean for Chester County housing?



Not just single-family housing on a half acre lot with a married couple and children.

Housing unit change, 1970-2045



Source: US Census
CCPC analysis

To accommodate new population growth, the county will need **55,000** new homes.

Many different types of housing



**Single-Family
Detached**



Attached

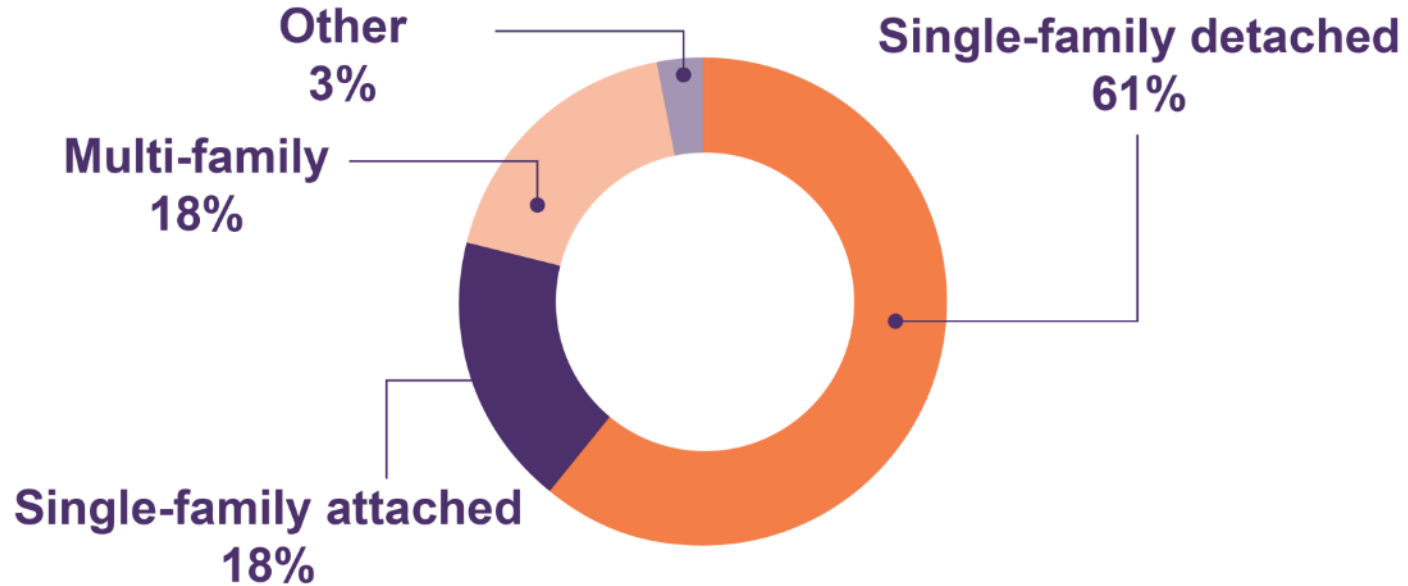


Multi-family

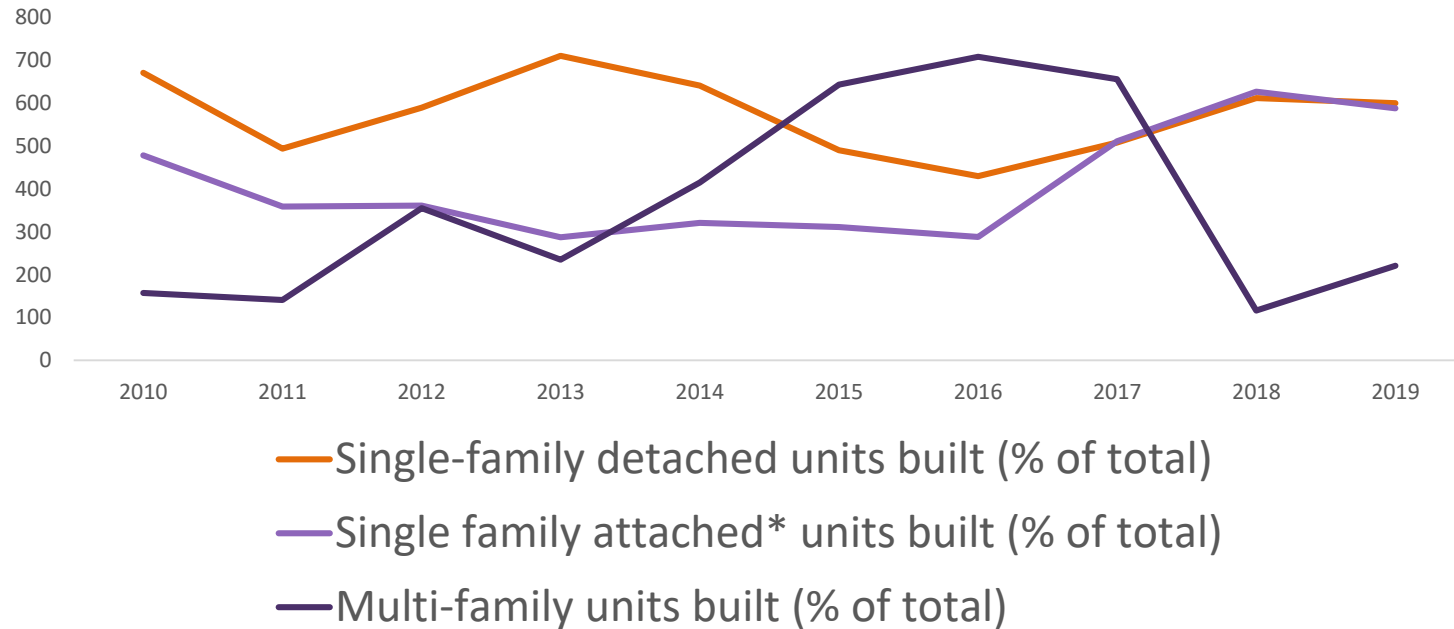


Other

Housing types



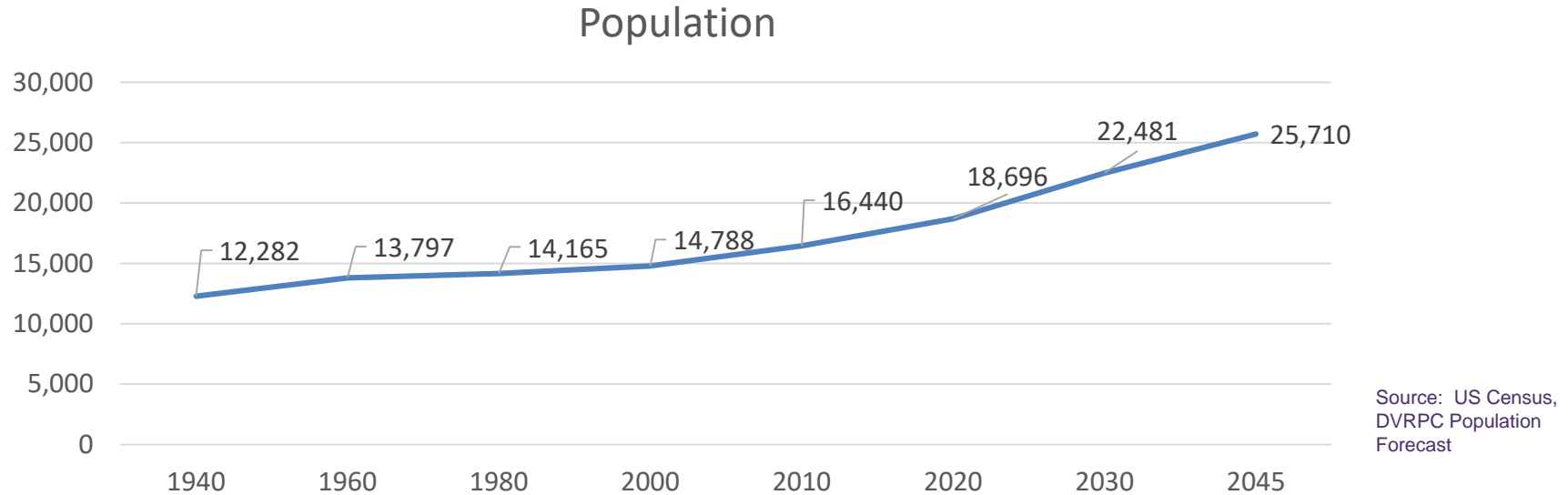
New Housing types



How much is Phoenixville expected to grow?



Population change, 1940-2045



The borough is projected to add over **7,000** people from 2020 to 2045, a **37.5%** increase from the borough's 2020 population estimate of **18,696** people.

Housing unit change, 1970-2045

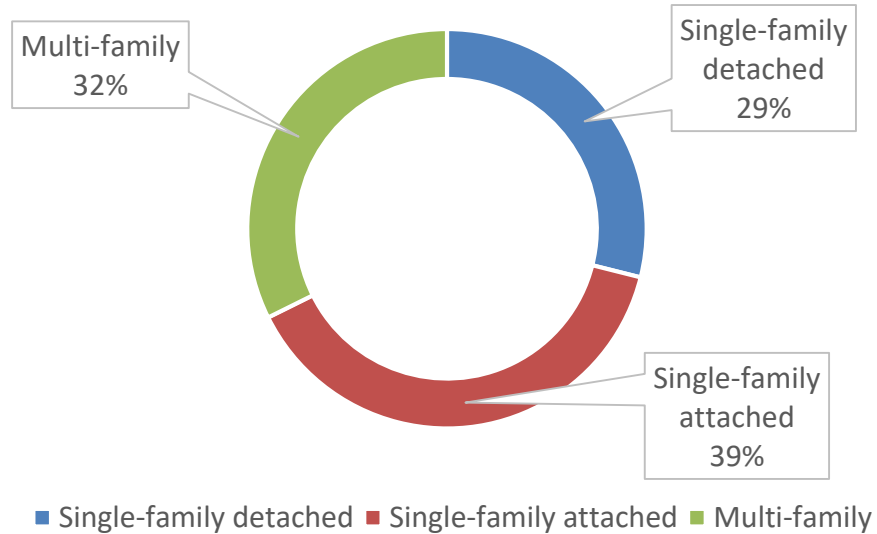


To accommodate new population growth, the borough will potentially need **2,900** new homes.

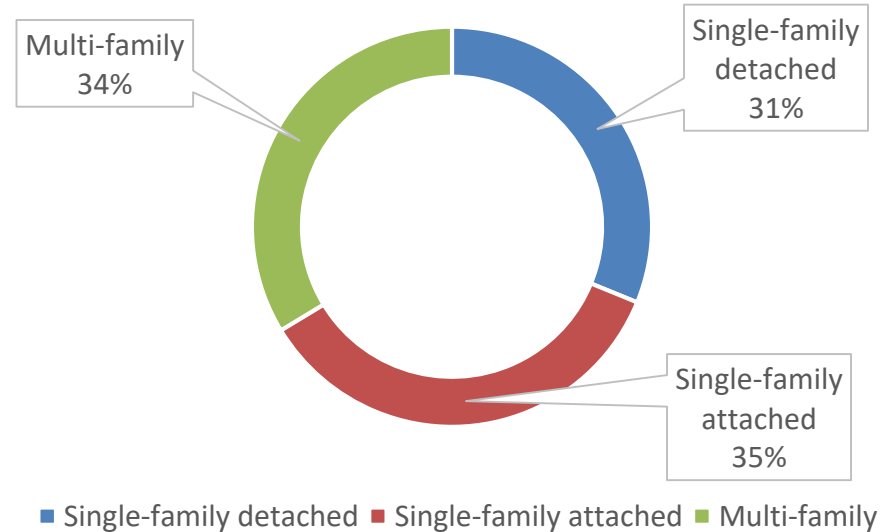
Source: US Census
CCPC analysis

Housing types - Phoenixville

Housing by Type - 2010



Housing by Type - 2018



Phoenixville in transition



A developing crisis

- Established as an industrial powerhouse, the Borough went into a period of decline after the closure of the Phoenix Iron Works in 1984.
- Investment in municipal infrastructure and a relative abundance of affordable housing made the Borough an attractive place for individuals and families to reside.
- This in turn led to increasing housing costs causing many long-term residents to leave the Borough.



Borough takes action

- As the Borough has continued to see reinvestment and gentrification, housing costs for long-time residents and the local workforce were rising at such a rate to cause some to leave the Borough.
- In April 2017, Borough Council authorized the establishment of a “Workforce Housing Task Force.”
- The establishment of this Task Force was a result of grassroots action by local housing advocates.



Borough takes action

- The Task Force was inclusive of a wide range of professionals in the area of housing from both the private and public sectors
- The Task Force produced a report of findings and recommendations to Council on how to best address this issue



**Affordable Housing Task Force
Findings and Recommendations
to
Phoenixville Borough Council**

December 2017

Task Force – Affordable Housing Availability

- The Task Force indicated availability of affordable housing in the Borough is impacted by several factors. Three specifically called out by the group included:
 - Overall housing costs steadily increasing
 - Working wages not enough to cover rising rents
 - Upfront costs



Rising housing costs

- Recent residential development in the Borough has been predominately luxury rental units
- As these units have come on-line, rents for existing complexes and units, as well as for sale units, throughout the Borough have also been increasing



Rising rental costs

- Since 2011, average monthly rents have increased 13% from \$1,053 to \$1,193
- Units with monthly rents below \$999 have decreased from 46% of units in the Borough to 30%
- Units with monthly rents from \$1,000-\$1,999 have increased from 51% of units in the Borough to 67%



Rising ownership costs

- Since 2011, median housing value have increased 11% from \$208,200 to \$230,500
- Units with an overall value below \$200,000 have decreased from 45% of units in the Borough to 33%
- Units with an overall value above \$200,000 have increased from 55% of units in the Borough to 67%



Household income

- Since 2011, median household income in the Borough has increased from \$75,855 to \$82,396
- This increase has not kept up with inflation during the same period, and when adjusted income has actually declined by 0.7%



Upfront costs

- **Directly impacted by these increases, are increases in upfront housing costs related to housing.**
- **These include barriers such as down payments and security deposits.**



Task Force – Recommendations

- The Task Force provided for a series of recommendations to address housing affordability in the Borough
- Recommendations to address the issue were provided from the perspective of finance, properties/landlords, policy, and communication/education



Transition from Task Force

- Implementation was designated to the newly created Phoenixville Area Affordable Housing Advisory Board
- This Board includes many of the persons involved with the Task Force
- The Board works in partnership with the Borough and the Phoenixville Community Health Foundation



Public-private project

- The Board has worked with the Borough in advocating for the development of affordable housing on Borough properties
- The Borough has entered into PHFA deed restricted, 35-year lease on the property of the former Borough Streets Department for development of 50 units of affordable rental housing for seniors



Public-private project

- By providing the property, the Borough was able to get a commitment from the developer for an affordable development
- This project will proceed once the developer has a successful application for LIHTC through PHFA



Community outreach and education

- The Board works to educate elected officials, landlord, and the general public on the importance of affordably priced housing
- The Board is becoming a model for other regions of the County to follow when seeking to establish grassroots support for affordably priced housing efforts



Future initiatives

- Working with non-profits to secure shared-living opportunities within existing housing stock
- Educate and encourage landlords to accept housing choice vouchers
- Provision of security deposit assistance
- Provision of financial assistance to advance creation of affordably priced units



Funding support for Board actions

- **Developer contributions**
- **Community Health Foundation**



Questions

