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
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
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.
$99,119 Median Household Income

Source: US Census
Household income has not kept pace with increases in housing costs.

Source: US Census
Household prices

Median household price continuously rising

Source: Chester County Assessment

2000, $188,000
2010, $295,000
2019, $355,000
What occupations can afford

2017 Chester County Median Sale Price: $337,000

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Median Annual Income</th>
<th>% of Home Sales Affordable</th>
</tr>
</thead>
<tbody>
<tr>
<td>accountant</td>
<td>$83,760</td>
<td>38%</td>
</tr>
<tr>
<td>average wage</td>
<td>$71,031</td>
<td>23%</td>
</tr>
<tr>
<td>truck driver</td>
<td>$49,060</td>
<td>8%</td>
</tr>
<tr>
<td>farmworker</td>
<td>$34,200</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: PA Workforce Development and CCPC analysis
Demographics are shifting

Population Increasing

Aging Population

One Person Households

Source: US Census
What does this mean for Chester County housing?

Not just single-family housing on a half acre lot with a married couple and children.
To accommodate new population growth, the county will need 55,000 new homes.

Source: US Census CCPC analysis
Many different types of housing

- Single-Family Detached
- Attached
- Multi-family
- Other
Housing types

Source: US Census, 2010

- Single-family detached: 61%
- Multi-family: 18%
- Single-family attached: 18%
- Other: 3%
New Housing types

Source: US Census, 2010

- Single-family detached units built (% of total)
- Single family attached* units built (% of total)
- Multi-family units built (% of total)
How much is Phoenixville expected to grow?
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.
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

- **Multi-family**: 32%
- **Single-family detached**: 29%
- **Single-family attached**: 39%

### Housing by Type - 2018

- **Multi-family**: 34%
- **Single-family detached**: 31%
- **Single-family attached**: 35%

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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
The Task Force indicated that 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%
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
• 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