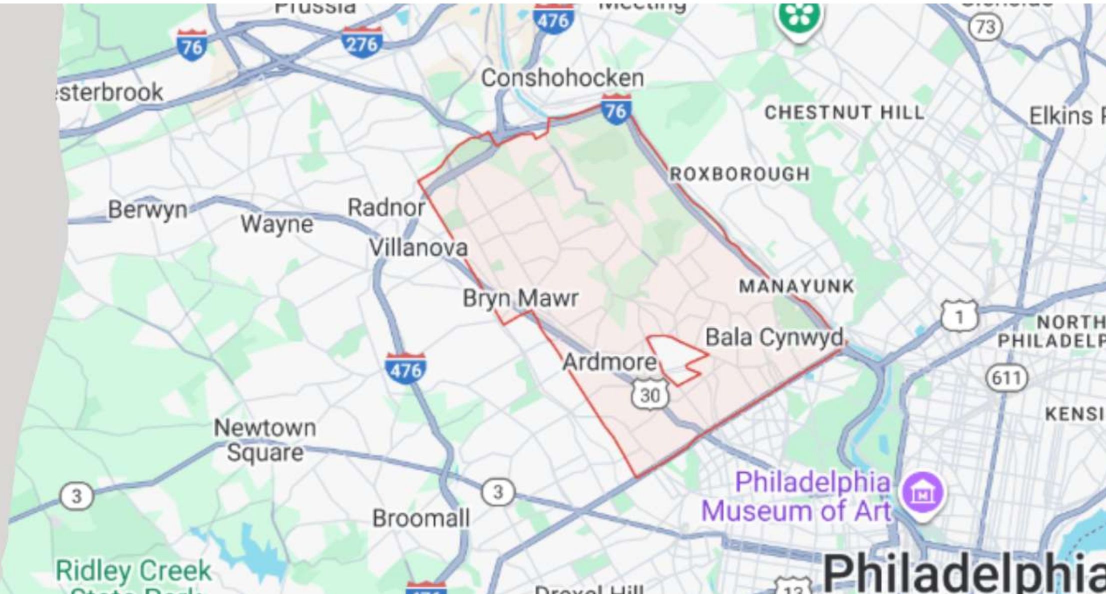
American Planning Association
Pennsylvania Chapter Conference

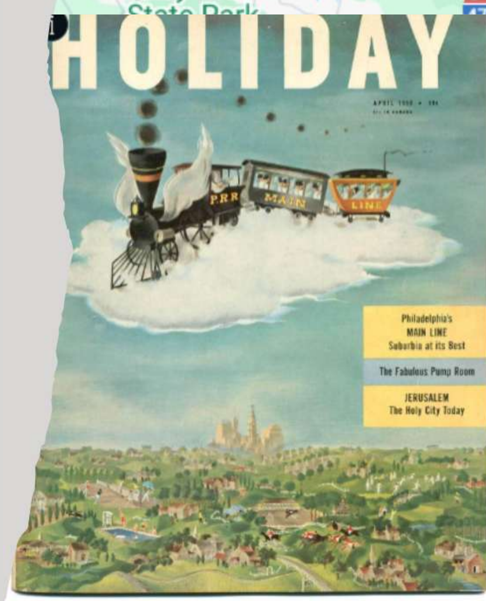
AFFORDADLE HOUSING

LOWER MERION TOWNSHIP'S MULTI-PRONGED APPROACH

Lower Merion Township

- Montgomery County (Southeast PA)
  - “Main Line” Suburb to Philadelphia
  - Historically developed community
  - Ardmore, Bryn Mawr, Bala Cynwyd and Gladwyne
- 1st Class Township
  - 14 - Ward Commissioners
- ~ 63,000 residents
- 24 sq. mi.
- Median Household Income
  - $153,849 – Lower Merion Township
  - $84,400 – Philadelphia Metro Area
- Planning Department – 9 employees






BODY POLITIC. A resident of Lower Merion Township speaks his mind before the Board of Commissioners, men chosen for ability rather than wealth.

Overview

Community Development Block Grant (CDBG) Program

Ad-Hoc Affordable Housing Committee

Board of Commissioners Priorities

Ardmore House II – Low-Income Senior Housing

Zoning Code Reform + Incentives

PA House Act 58 - Affordable Housing Unit Tax Exemption Act (2022)

Housing Inventory, Needs Assessment + Action Plan

What is “affordable housing”?

AFFORDABLE HOUSING

Housing which is deemed affordable to those with a median household income, as rated by the national government or a local government according to a recognized housing affordability index, often specifying that the gross **housing cost, including utilities, does not exceed 30% of the occupant's income**.

Area Median Income is quickly rising:

2025 - $119,400 (current)

2023/2024 - $114,000

2022 - $105,400 (9% growth in one year)

2019 - $90,100 (27% growth in five years)

	2023 HUD Income Limits by Household Size							
	1	2	3	4	5	6	7	8
30%	$ 23,450	$ 26,800	$ 30,150	$ 33,500	$ 36,200	$ 40,280	$ 45,420	$ 50,560
50%	$ 39,100	$ 44,650	$ 50,250	$ 55,800	$ 60,300	$ 64,750	$ 69,200	$ 73,700
80%	$ 62,500	$ 71,400	$ 80,350	$ 89,250	$ 96,400	$ 103,550	$ 110,700	$ 117,850

Area Median Income (AMI)

Midpoint of income: AMI is the income level that divides the population into two equal halves: those above the median and those below it.

Household size matters: The specific AMI threshold changes based on the number of people in a household. For example, the AMI for a family of four will be different from a family of one.

Income sources included: Total household income before taxes is used, which includes wages, salaries, and various benefits like unemployment, Social Security, and pensions.

Defined by HUD: The U.S. Department of Housing and Urban Development (HUD) determines the AMI for specific regions, often using data from the U.S. Census Bureau and adjusting for inflation.

Basis for eligibility: This figure is crucial for determining eligibility for programs like housing vouchers, low-income housing tax credits, and other affordable housing initiatives.

Feature	Median Household Income (MHI)	Area Median Income (AMI)
Source	U.S. Census Bureau	HUD
Adjusted by household size?	❌ No	✅ Yes
Geographic scope	Municipality, county, etc.	Metro area or county
Used for housing programs	❌ Rarely	✅ Frequently
Updated	Annually (ACS)	Annually (HUD)

CDBG Program – Federal Funding

Meeting National Objectives

1. Benefit to low- and moderate- income (LMI) persons
2. Aid in the prevention or elimination of slums or blight
3. Meet a need having a particular urgency (referred to as urgent need)

Meeting Local Needs

1. Funding existing assistance programs
2. Promoting practices that retain existing affordable housing stock

Lower Merion Township – Affordable Housing

Current Initiatives

- CDBG Entitlement Community
  - Home purchase + rehabilitation
  - Senior Handy Helper Program
  - Other Programs - Ardmore Ave. Comm. Center, ElderNet and PALM
  - Emergency preparedness + homeless services
  - Cold Blue Program – new 2024
  - Additional funds – ADA, economic development 'blight' + job creation
  - CARES Act + ARP fund management + prioritization

Ad-Hoc Affordable Housing Committee

Ad-Hoc Committee Members (Township Commissioners)

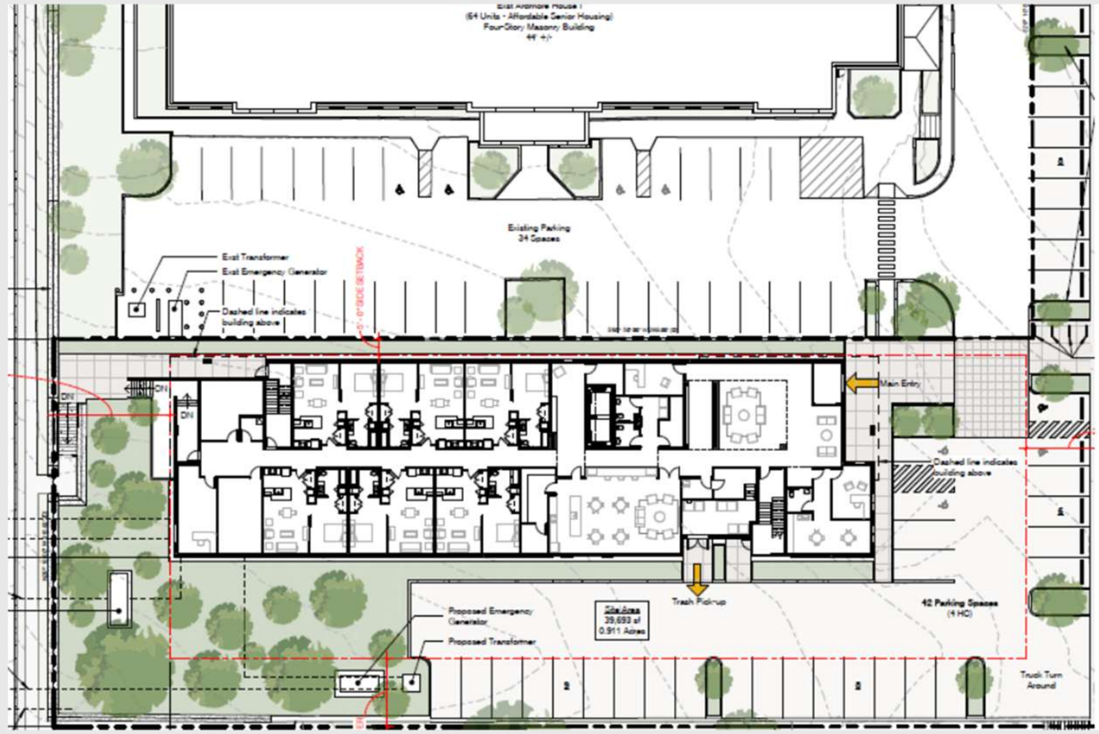
- Chair - Stevenson (Ward 4)
- S. Kraemer (Ward 8)
- G. Kramer (Ward 13)
- Woodring (Ward 3)
- Zelov (Ward 10)

Monthly Ad-Hoc Meetings

- Objective – create meaningful Board policy consistent with Comprehensive Plan
- Discuss national, regional and local affordable housing news
- Explore strategies through housing analysis and outreach

Ardmore House II

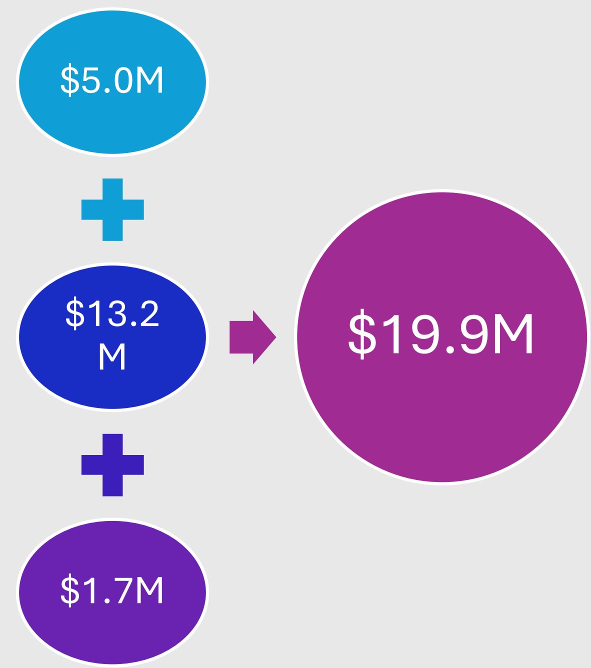
RENDERING OF ARDMORE HOUSE II (View from School Lane)



- 48-unit multifamily affordable housing, seniors 64+
  - 4 story, 1-bedroom, varying levels of Area Median Income (20%-60%)
  - Dedicated land - Township public parking (existing use)
- Status: Currently under development (est. Fall '26 completed)

Ardmore House II – Project Funding

- Total: $19.9M
  - Montgomery County - $5M total contribution
    - $3M ARPA
    - $2M Housing – 4 units to MontCo's Your Way Home
  - PA Housing Financing Agency (PHFA)
    - $13.2 Low-Income Housing Tax Credits (LIHTC) 'lie-tek'
  - Lower Merion Township – $1.7M total contribution
    - $1M ARP
    - $700K Housing Trust Fund
- Consulting Partners
  - HumanGood East + Genesis Housing
- Construction to begin Summer '25



Zoning Code Reform + Incentives

- Moderate-Income Housing Incentive
  - Defines
    - "affordable housing" (30% gross income dedicated to housing, including utilities)
    - "moderate-income housing" - 80% Area Median Income (AMI)
  - TC1 District – additional 4th story – two choices
    - 5 units minimum units or 20% units at moderate-income housing OR
    - 5% of construction costs
      - (Affordable Housing Trust Fund) ~ $1.5M currently Suburban Square - Coulter
- Working with Developers
  - 355 W. Lancaster Avenue – 121-unit mixed-use, multifamily building (Ward 4, Haverford)
    - 25 units (20% of units) at moderate-income levels (80% AMI)
  - 111 Presidential – 425-unit mixed-use, multifamily building (Ward 9, Bala Cynwyd)
    - 21 units (5%) at moderate-income levels (80% AMI) AND
    - 21 units (5%) at workforce income levels (120% AMI)

Act 58 – Application Form

- Program Overview + Program Benefits
- Eligibility Requirements
  - Development by type and meets
    - 30% of units reserved for occupancy by families w/ AMI of 60% or less
  - Income requirements
    - Definition of AMI for region at 60% or less
  - Development requirements
    - Building + zoning compliance
    - Must increase property value by at least 25%
    - Bring property back into good standing – no liens, code violations, taxes paid…etc
  - Property ownership
    - Outline of the qualified for abatement – developers, property owners or non-profits

Act 58 – Application Form

- Tax abatement structure
  - “Temporary reduction in real estate taxes on the additional assessment valuation attributable to the actual costs of new construction or improvements.”
  - Standard Schedule (2-Year)
    - 1st Year – 100% of eligible assessment
    - 2nd Year – 50% of eligible assessment
  - Deteriorated Property Schedule (10-Year)
    - Diminishing scale after Year-1 from 100% of eligible assessment
    - 2nd Year 90%; 3rd Year 80%....etc until Year 11 – no abatement; 100% taxed

**Deteriorated area shall be defined as an area designated by a municipal corporation which consists of a blighted property, which shall have the same meaning as defined in 1 Pa.C.S. § 1991 (relating to definitions).

Act 58 – Application Form

- Distinguishes between large and small multifamily + ownership type
- Type of abatement
  - 2-year standard
  - 10-year deteriorated abatement
- Basic property + applicant information
- Other detailed requirements:
  - Detailed construction plans – outline of specifications
  - Project financing – itemized cost estimate
  - Detailed elevations – architectural drawings or blueprints
  - Property estimates – appraisal of property
  - Conformity with Township standards – applicable building permit
  - Compliance with zoning – decision from Township zoning authority

Act 58 – Application Form

- Application Process
  - Pre-application requirements
    - Meeting with Lower Merion Township
    - Prepare a detailed project plan, verification of eligibility, demonstration of preliminary compliance, and return property to viable non-deliquency status
    - Notification of 2 or 10-year sought
  - Application Submission
    - Confirmation of compliance
- Miscellaneous Provisions
  - Legal details

Action Plan – Define Goals and Objectives

- Increase the supply of affordable housing
  - Public or public-private partnerships
- Preserve existing affordable housing - policy or regulatory
  - Regulate short term-rentals
  - ADUs
  - Density bonuses
  - Deed restrictions
  - Increase or Improve rental inspections
- Address homelessness and housing instability
  - Use, promote and build on existing resources
- Promote sustainable and inclusive communities
  - Public engagement

Assessments v Action Plans

Assessment Structure

I. Demographic Trends
II. Housing Stock Inventory
III. Housing Prices, Rents + Financing
IV. Housing Affordability, Instability + Assistance

Action Plan Structure

I. Define Goals + Objectives
II. Strategies to Achieving Goals + Objectives
III. Implementation Plan
    I. Timeline
    II. Tracking + Assessment Results

What are we "Assessing"?

Relationships between:

- Demographics – population counts, families + households, age, race..etc
- Housing Stock –type + size, ages, conditions, ownership tenure,
- Socio-economic + Economic – household incomes, poverty, cost burden, residential mobility, construction costs, jobs + employment
- Permitting Trends – building permit history
- Municipal Zoning + Subdivision Code policies
- State, County, local assistance + HUD subsidy programs

Housing Inventory, Needs Assessment + Action Plan

Purpose – Detailed understanding of current housing to inform pragmatic policy decisions that promote + increase affordable housing stock

Housing Inventory

- Township Planning to amalgamate various detailed housing data sources in GIS

Housing Needs Assessment + Action Plan

- Housing Assessment
  - Analyze housing, demographic and socio-economic data to inform…
- Housing Action Plan
  - Policy recommendations that reasonably promote attainable/affordable housing
- Request for Proposal (RFP) applications due April 10th

Action Plan - Strategies

- Policy and Regulatory Changes: Zoning reforms, inclusionary zoning, and other regulatory measures
- Financial Incentives: Tax credits, grants, and subsidies for affordable housing development
- Public-Private Partnerships: Collaboration with developers, non-profits, and community organizations
- Community Engagement: Involving residents in the planning process as stakeholders

Montgomery County Coordination

- Montgomery County Planning Commission
  - Restart Montco - Housing Affordability + Workforce Housing Reports
    - Excellent series of resources on strategies
  - Presented to Ad-Hoc Affordable Housing meeting
    - Assessment – current policies applicable to Township
    - Recommendations for consideration
  - Data coordination for analysis
    - GIS-based system to manage
  - Land Development review
- Housing + Community Development
  - Guidance on Ardmore House II financing and planning
  - Liaison to interested parties in Lower Merion Township

Lessons Learned

- Changes to the thresholds of AMI have a colossal effect
- Census is questionable at best, but where do we go?
  - Keep reviewing and calibrating
  - Establish your own reasonable assumptions
- Understand how your code can work for your true needs
  - Know the totality of adverse impacts to neighbors, constituents, stakeholders
- Be PRAGMATIC
  - Incrementalism is underrated

Lessons Learned

- Affordable housing policy is a slow process
  - Start small
  - Don’t bite off more than your Board can chew
- Work **with** developers!
  - Be proactive in communication
- Understand your community
  - What is the appetite of residents?
  - Encourage community champions
- Find support
  - County
  - Regional planning partners