
THE WHY, WHERE
AND HOW OF
AFFORDABLE
HOMES

PRESENTED ON

APRIL 19, 2007

BY



UNDER
ONE
ROOF²

PARTNERS

Under One Roof 2 Partners

Chester County 2020 *

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U.S. Department of Housing & Urban Development (HUD) *

Delaware Valley Regional Planning Commission (DVRPC)

* *The Committee*

The Partners wish to express their appreciation for the support of the Sponsors who made this summit about affordable homes possible.

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The Why, Where and How of Affordable Homes

Effective action in meeting the challenges of the affordable home demand in Chester County requires an extraordinary level of cooperation among players who do not often find themselves at the same table. During the initial Under One Roof, held in June '04, highly diverse participants joined in identifying and examining housing issues with the intent of establishing an action agenda. Subsequently, a full year of monthly meetings of Chester County 2020's housing committee produced a White Paper that attracted full consensus from the 27 partners. Fragmented attempts have been made since then to implement the action items, but they lacked the breadth of support and energy that transforms recommendations into accomplishments.

Meanwhile, the affordable homes conversation continued. As Chester County's population increased by nearly 49,000 since 2000, access to affordable homes declined. In defining affordable, consider the office worker (or married couple) earning \$80,000 to \$130,000 a year and yet unable to buy a home in the present market. Lower the income figures just slightly; the need enlarges dramatically. Traditionally, the accepted route to home ownership began with an apartment, perhaps followed by a rented house and then a starter home that wasn't the total fulfillment of a dream but exciting because it was "yours" – mortgage payments and all. Gradually the housing world changed until, with a giant leap, the once generous supply of affordable homes dried up, replaced by much larger houses on one acre and larger lots. Economic prosperity drove home prices higher. The healthy diversity of the housing market weakened, in the process decreasing the options for affordable homes close to the economic centers. And, naturally, affordable for the family with a \$300,000 income is certainly going to be different than that for one with \$60,000.

Many entry level professionals, young families, support employees ranging from teachers to construction workers, police, firemen and every other person we tend to take for granted in the smooth running of our communities find themselves purchasing or renting homes far from their workplace communities. The result is lengthy, frustrating commuting on crowded highways, less time for family, and little or no community involvement.

The well known NIMBY (not in my back yard) attitude has morphed into BANANA (build absolutely nothing anywhere near anyone), an unrealistic approach in light of the rapidly growing population and concurrent pressures on the housing market. The corollary is resistance to any



Landscapes Guiding Goal

"Provide diverse, affordable housing to meet the needs of all households, in a manner consistent with land use goals."

Landscapes2 Public Input

- "...lack of affordable housing"
- "....need more opportunities for housing"
- "workforce housing is a huge issue..."
- "more diversity in housing needed..."
- "....our children can't afford to live here"
- "housing, housing, housing"

however...

change in the local scene. Pick your favorite: too many school children with accompanying tax increases, increased traffic, fear of expensive homes devalued by less expensive neighbors, discomfort with the idea of diversity in general, erosion of a comfortable sense of community, stress upon municipal and county budgets in response to increased demand for social and community services.

The problems won't be solved overnight. Neither will they just "go away." *Under One Roof 2* evolved as an attempt to take the long-identified issues and develop practical options for effective action. There has long been agreement about what could happen, but little consensus around the means of accomplishing the most basic of the housing goals. In calling this new summit, *The Why, Where and How of Affordable Homes*, the very word housing was avoided for the tendency to think of "affordable housing" as Section 8, government subsidized housing projects. The territory of affordable homes encompasses a far broader community than low income housing alone, ranging from those entry-level employees to young families to senior citizens. Too often forgotten or ignored in housing considerations are the contributions that diversity of income, background, generation and culture make to the strength and richness of community fabric. And ultimately, every member of the housing community has a role to play in meeting the critical needs.

The participants at Why, Where and How reflected the most positive aspects of the county's diversity, for they represented government officials, planners and developers, a wide range of residents and business people, educators and school board members, employers and employees, non-profit and for profit homebuilders – without exception individuals willing to contribute time and effort to a stable future that preserves the County's highly valued quality of life. For many, it was that quality of life that initially brought them to the area.

Several opening speakers had agreed to set the scene for exploration of the ever elusive solutions. Chester County Commissioners Carol Aichele and Patrick O'Donnell addressed the "why." County Planning Commission Executive Director Ronald Bailey took on the assignment of connecting the "where" to the comprehensive plan, *Landscapes* and the currently under-revision, *Landscapes2*. Taking the why and where to the active phase, Patrick Bokovitz (Chester County Department of Community Development) and Engram Lloyd (U.S. Housing and Urban Development) spoke about mortgage financing and loan opportunities, especially for first-time home buyers. Rounding out the program, developer Jason Duckworth (Arcadia Land Company)

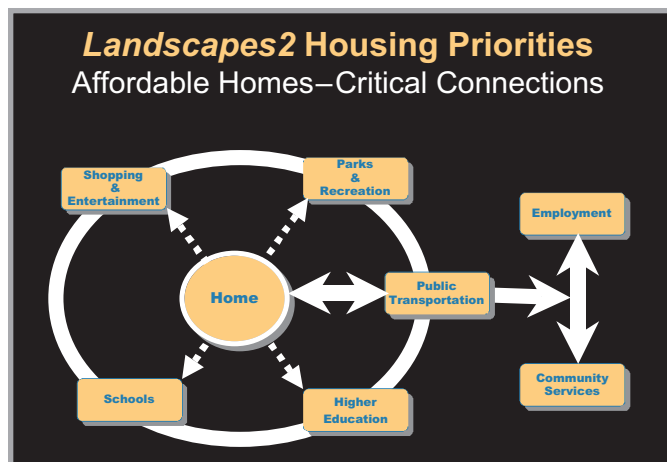
shared his passion for livable, walkable communities.

The Why

Carol Aichele effectively made the case for the affordable homes demand generated by the “largest natural increases” in population in all of Pennsylvania, second only to the city of Philadelphia. The current median home price requires a minimum \$73,000 income for purchase. Someone making \$39,000 cannot own a home in light of 10-20% down payment against a selling price of \$160,000 – if it is even possible to find a house at that figure. Without a car, and there are many residents in that position, they must live within the community where they work. Consider the numbers of nursing home workers, caterers, builders and landscapers with modest incomes who encounter limited choices in searching for rentals, much less home ownership.

Patrick O'Donnell took a philosophical approach as he spoke of the necessity of achieving the sustainable quality of life that leads to a sustainable community to pass on to future generations. We tend to speak of future generations in the far away sense. Actually, we see them today as toddlers in strollers, middle schoolers playing baseball on community fields, and as we send college graduates out to explore new lives as educated adults. Eleanor Morris, a leader in county conservation, spoke decades ago about “open spaces and historic places” as the foundations of our culture and appreciation of natural resources. But, as Commissioner O'Donnell emphasized, “We need livability as well, and that element is threatened as the cost of land continues to increase. Beauty and success are great but we need a fix for the housing problems. Too many of the first responders who are so important to our society live outside the communities they serve – and that is a bad structural arrangement. Homes must be available for everyone, regardless of income. This is what makes our workforce work; it has nothing to do with special needs. We know about urban decay, but don't do much thinking about suburban decay – a boarded up McDonald's, too many people crammed in one house, drug houses – and what the long term impact means to all of us.”

Commissioner O'Donnell went on to highlight the differences in communities within the county – mentioning West Chester, West Grove and Paoli as examples. In talking about change, he referred to the house he sold in West Chester a number of years ago for \$30,000; it recently resold for \$300,000. By comparison, in McKeesport, PA, a town that lost its sustainability when the steel mills left, a similar house couldn't bring \$30,000 today. A simple but important lesson:



***“Not in My Back Yard” (NIMBY)
—still very strong.***



Source: www.nimbyadvisor.com

the strength of the cultural and economic fabric is deeply dependent upon a community's sustainability. Diversity in culture and generations as well as respect for the individual regardless of income are critical components.

Perhaps Ronald Bailey had to deal with the toughest part of the equation, for the fulfillment of Landscapes has had its difficult moments. During the past ten years, open space and farmland preservation

demonstrated their widespread appeal. It's difficult to argue against the value of protecting watersheds, scenic treasures and the farmland that flourishes because of the county's remarkably productive soils and rainfall. It's the other part of Landscapes that has proved challenging: opposition to building houses where the infrastructure already exists rather than in the cornfields; the exasperation of dealing with NIMBYs; municipalities focused on rising school taxes as reasons to disallow density. Bailey made a strong case for the appropriateness of moderate density and affordable homes in revitalizing urban centers, suburban centers, and on the edges of rural centers. Where density is too low, but not approaching sprawl with its expensive homes on expensive land, the builder cannot afford the investment. Not a matter of greed, just good business. Realistic density as infill or within an infrastructure service area generally translates into a higher standard of construction. Some of the better examples include the transformation of West Chester's Sharpless Works as well as Habitat within the Elm Street district, the knitting mill renovation in Spring City, some of the plans for the former steel town of Phoenixville, and Coatesville with on-going but limited steel activity and the potential of recreational trails on the Brandywine. Kennett Square's Las Rosas development improved a vacant site.

Suburban communities have seen new and revitalized rental homes including Cedar Woods and Buena Vista in New Garden; Luther House in Penn Township offering senior rentals plus services; mixed use and housing appropriate to a variety of income levels that can be found at Eagleview, and farm worker housing in rural areas close to on-farm employment. It all sounds so easy, and even right, but rarely does the permitting and neighbor acceptance prove to be a smooth process.

The How

Patrick Bokovitz (CCCCDC) and Engram Lloyd (HUD) shared statistics to illustrate the amount of government and private funding that contributes to the upgrading of homes in urban

centers and the townships. Patrick explained that opportunities for \$20,000 of assistance was available for qualified First Time Home Buyers in the urban centers, and \$15,000 in the townships. Help with maintenance programs throughout the county has led to 190 houses improved and upgraded. Workforce housing has been made available for leasing.

Engram Lloyd, who himself lives in walkable Chesterbrook, administers HUD programs in fifteen states and the District of Columbia. In Chester County, Lloyd's office is dedicated to helping stabilize communities, and keep them free of discrimination through making fair deals at fair prices; FHA mortgages total \$255 million on 1,940 properties, and there are over 550,00 FHA mortgages across the country. HUD also deals with the challenges of the subprime mortgage market problems, but can't save them all. The increasing scope of FHA financing is illustrated by the fact that in 1934, the FHA held 8,400 mortgages, with 70% of them in manufacturing communities in Michigan and Ohio. Engram is proud of FHA's ability to serve as emergency responders, helping with foreclosure purchases in revitalization areas where they sell at 50% of list price. They would like to expand beyond foreclosures to work with discounted down payments to make purchases easier.

Keynote Speaker

Jason Duckworth's and Arcadia's approach to affordable homes combines distinct portions of *Why, Where and How* in pursuing the development of compact, walkable neighborhoods. Jason began by explaining Arcadia's business model of real estate development. Arcadia is a land developer—not a homebuilder. Arcadia buys land, establishes the vision for a particular property, seeks approvals, determines building sites, develops infrastructure, and sells lots to builders. They stay involved to control the exterior design components, and make sure that newer construction effectively integrates with existing community. Up and out of the ground, New Daleville in Londonderry Township concentrates development around the historic center of the township, a hamlet called Daleville. Arcadia worked with the township to develop a new ordinance with emphasis on quality home design, sidewalks and open space preservation. The homes start at prices around \$275,000, and the project itself is the subject of a newly released book, *Last*

How Do Housing Costs Affect Employers?



City of Coatesville	
Listing Price	\$249,900
Square Footage	1,886 sq. ft.
Bedrooms	3 BR
Bathrooms	2/1 ba
Garage	1
Median Home Price	\$250,000

Sales Price:	\$249,900
Less 10% down payment	(25,000)
Principal amount of mortgage	\$224,900
Household Income to Qualify	\$68,152
Income Gap	\$8,152

Mortgage term:	0 years
Amortization	Ratable
Annual Percentage Rate:	5.75%
Monthly principal + interest	\$1,312.46

How Do Housing Costs Affect Employers?



Devon, PA (Easttown Township)

Listing Price	\$449,900
Square Footage	1,908 sq. ft.
Bedrooms	3 BR
Bathrooms	2/1 ba
Garage	2
Median Home Price	\$750,000

Sales Price	\$449,900
Less 10% down payment	(45,000)
Principal amount of mortgage	\$404,900
Household Income to Qualify	\$122,700 (169% AMI)
Income Gap	\$62,700

Mortgage term:	30 years
Amortization	Ratable
Annual Percentage Rate:	5.75%
Monthly principal + interest	\$2,362.89

Harvest, by Witold Rybczynski, a professor at the University of Pennsylvania. Also in the County, Sadsbury Park is a fully approved traditional neighborhood that will place 460 homes priced from the low \$200,000s within walking distance of a post office, convenience store and day care in the village of Sadsburyville which straddles Business Route 30 west of Coatesville.

In reviewing and comparing affordable housing in Chester County with other areas in the United States, Jason made the point that in 2000 there were many options in Chester County for a household with the

county's median income. However, in the first half of this decade, the price of the median house in Chester County increased by more than 10% per year, while household incomes grew by merely 2.2% per year. The unavoidable consequence is that the median household can no longer afford the median house—an unprecedented condition for Chester County and one more typical of notoriously expensive housing markets like Boston and San Francisco. This has resulted in a situation where prospective homeowners “drive until they qualify,” taking them to far western Chester County, Berks and Lancaster Counties. In sharp contrast, Dallas, Texas responds quickly to housing demand and prices have remained affordable. Chester County, like highly regulated land markets in California and New England, responds to housing demand sluggishly. Why is housing produced so slowly in Chester County? The typical land approval process – in theory – does the right thing. In reality, it is necessary to persuade governing bodies to pass new ordinances which on average takes 3-4 years, and can require as long as seven years! Jason is convinced that while such changes should not be hasty or ill-considered, neither should they be so drawn out as to constrain progress in an area of serious need.

The most difficult aspect of developing in Chester County, as Jason sees it, is that there is no consensus on where density should go. There are certainly no municipalities asking for more dense development projects. Existing urban centers or new towns are the preferred locations for Arcadia's projects, with the suburbs being among the most difficult.

In response to opportunities, the new town of Bryn Eyre, just over the county line in Berks County, will be created over a 30-year build-out to provide thousands of homes ranging from the mid-\$100,000s to \$500,000 plus a variety of mixed use buildings that will allow for local, walkable employment, shopping, recreation and education. Included in the plans is space for three future

elementary schools, a middle school, and a 1,000 acre preserve with trails and outdoor recreation facilities. Ideally, Jason would like to see communities decide where density should go and make it easier for that density to be fulfilled in those locations. Given the growth in population in Chester County over the next ten years, that might mean picking ten places to build new communities with 1,000-2,000 homes each.

And on to the Conversations

The 130 individuals who participated in *Why, Where and How* were assigned to groups that were designed for diversity. Each group was charged with choosing one of eight tasks developed from the original white paper, and then creating the structure for implementing their solution(s). The broad general goals under which they worked included:

- Fostering economic and generational diversity to maintain vital, livable communities
- Creative use of infill and density in and around already existing boroughs, towns, and villages.
- Planning around transportation nodes and existing infrastructure.
- Upgrading older neighborhoods with solid housing stock.
- Support for walkable, neo-traditional communities with an adequate range of affordable homes.

The tasks were as follows:

How Do Housing Costs Affect Employers?

An offer is made to a prospective employee with a resulting household income of \$60,000 per year (82.5% of HH median):
Single wage-earner receiving a \$60K/yr. offer or
Dual wage-earner offered \$40K/yr.; spouse makes \$20K/yr.



Devon, PA (Easttown Township)

Listing Price	\$449,900
Square Footage	1,908 sq. ft.
Bedrooms	3 BR
Bathrooms	2/1 ba
Garage	2
Median Home Price	\$750,000

1. Address housing in its broadest sense, a mix of homes that offer affordable options for County residents and contributes to a sense of community.
2. Develop solutions for the resistance to higher density in terms of the impact on school districts and property taxes.
3. Redefine and address affordable homes as a multi-municipal issue, not a responsibility solely of individual boroughs, cities and ownships. Develop a model for simplifying the approval process and utilizing resources more effectively. Address purchase and transfer of development rights on a multi-municipal basis.
4. What are the needs of current and prospective employers regarding affordable homes? Will they come to, or remain, in Chester County if the supply of affordable homes is not increased?
 - a) What are the needs of their employees?
 - b) What can their employees afford?
 - c) What amenities are important: for instance, easy commuting, good schools, open space, and recreation?
5. Examine the perceived impediments to affordable homes and the reasons they



Suburban Landscapes

What Landscapes recommends:

- New neighborhoods
- Revitalized neighborhoods
- Mixed-use developments
- A diversity of housing types
- Density variations

exist. Explore incentives for an affordable homes component for new development and, when possible, for those already under construction. Consider how to keep them affordable from one owner to the next. Address communities that “work,” analyze their strengths.

6. Create effective tools to help communities deal with residents’ fears of diversity, often coupled with assumption that density equals increased school taxes.

a) How can they be defused? Are there specific approaches that respond to varied demographics?

b) Find examples where diversity exists and identify the pros and cons. Are there usable models in Chester County? Elsewhere?

7. Consider new construction that includes a mixed use component on the corporate campus. Are there potential models in Chester County?

8. Examine the real estate tax implications for homeowners and buyers across the board. The tax burden hits first time home buyers and those on fixed incomes especially hard in revitalizing municipalities where the tax base hasn’t caught up with the population growth, and also in municipalities where property values are rapidly rising.

One group chose Question 1; two Question 2; three Question 3; two Question 4; one Question 5 and one Question 8. In talking to the participants about their choices, they felt that Number 6 might be helped by dealing with the other issues or that it was too specialized in terms of public relations and the tendency toward being a purely emotional issue to address in a single evening. Number 7 was considered somewhat narrow and specialized, and no group had enough corporate representation to deal with the topic.

ADDRESSING THE AFFORDABLE IDEAS

The complete reports from the various groups appear in the Appendices. The responses and recommendations resulted in identification of a great deal of productive common ground. It was especially interesting to realize that each conclusion and solution applied to more than one task. The segments that appear below represent a distillation of the reports, a matrix for prioritizing, planning and implementation.

STRONG AGREEMENT

1. Community revitalization with all its many facets is very important.
2. Continuing sprawl and current development patterns are not in the best interest of community vitality and stability.

3. The quality of Chester County communities is decreasing as the result of diminishing open space, increased traffic and less diversity.

4. Cost savings from collaboration can positively impact the resident taxpayers and the developers.

5. Personal vested interest is the area of easy agreement, capable of representing an impediment to affordable homes.

6. Ultimately, productive agreement with in the broad area of the why, where and how of land development is not easy at all.

SOLUTIONS

1. Improve communication and cooperation:

- a. Patience
- b. Demonstrate the personal interest each county resident should have in sustainability.
- c. Conversations rather than gripe sessions.
- d. Effective education of the general public is a challenge that must be met, especially in cultivating good people who might be persuaded to run for office.
- e. Support active networking across areas of interest to encourage discovery of productive common ground.

2. Multi-municipal planning as a solution surfaced in every group, with different approaches and goals:

- a. Approach multi-municipal planning by school district.
- b. Develop county-provided financial incentives to encourage cooperation. A primary option offered was to limit open space funding to municipalities adopting an open space tax.
- c. Unify zoning ordinance adherence to *Landscapes* across the municipalities.

Urban Landscapes

What Landscapes recommends:

- Re-use of existing housing stock
- Infill development
- A balance of housing types
- A range of income levels



d. Make multi-municipal planning more sensible to ease access to affordable homes (“sensible” not defined)

e. Every municipality should be engaged with a Chester County Planning Commission-led multi-municipal group, aided by a “circuit rider” to support communication and cooperation.

f. More multi-municipal agreements for sharing costs of services, police protection.

g. Change zoning ordinance to allow density and traditional neighborhood development by right, in the areas that are appropriate.

h. Fully implement regional comprehensive plans.

i. Convene a countywide summit to address and modify codes that differ widely by municipality.

j. School boards and superintendents must be involved.

k. Accessibility of grants and state programs that support infrastructure. Programs contingent on increased density.

l. Cooperation may be challenging at first, but can grow with interaction.

3. Suggested urban center planning initiatives:

- a. Provide housing for all income levels for employees/employers close to public transit and infrastructure.

Meet the Jones'

Chester County Median Household Year 2000

- Police officer and part-time accountant
- Earns \$65,295 per year
- Can afford a \$206,000 home*, higher than the median house price of \$182,000
- What can the Jones' buy?



*Assumes 30 yr, fixed rate mort. At 8%, 20% down payment, 30% of income on house payment.

b. Mixed use development with commercial at street level, residential above.

4. On the financial side:

- a. Reduce property taxes on First Time Home Buyers, seniors and low income residents.
- b. Develop means of less impact from higher density on the revenue for school districts and municipalities.
- c. Identify an alternative system for funding schools.
- d. Make housing choices an element of economic development.
- e. Lobby the General Assembly to allow greater flexibility in setting local tax rates and basis.

New single family homes

Quarry Ridge – \$160,000s
Ryan Homes in Sadsbury Twp



Meadowbrook – \$180,000s
Dewey Homes in Valley Twp



f. Economic vitality depends upon cooperation.

g. The business community must be involved in supporting the planning process.

5. Public transportation

- a. Put good minds to work on solving the financial issues for TMACC and SEPTA.
- b. The R-5 extension is critical to the future of Chester County.

6. Approval process

- a. Streamline the process when a developer/builder responds to the comprehensive plan and submits a proposal that will enhance the quality of life in a municipality.

7. The downside of failing to supply affordable home choices in Chester County can be expressed very simply:

- a. Business will not come to nor remain in Chester County.
- b. Entry-level workers, service workers, teachers, emergency service providers, young families with children and long-time resident seniors will continue to find it difficult to live in the communities near their work places or for the seniors, where they raised their families. Their community energy and awareness, as well as the potential for being productive volunteers (for local organizations, as municipal candidates, on the non-profit scene) will be far less available in both the working and residential communities.

8. Solutions suggested but not currently permitted by Pennsylvania's Municipal Planning Code.

- a. Simplify zoning and planning by assigning responsibility for land development to the county.

b. Move to a more central, coordinated form of regional government.

9. Innovative, out of the box suggestions:

- a. Purchase land, lease it back to the home buyer to reduce upfront costs of purchase.
- b. Encourage employer-sponsored housing.
- c. Utilize community land trusts in acquiring and for affordable and low-income housing.

Overall, the breakout groups created a thoroughly can-do attitude – and there is plenty to be done. The *Why* was easily substantiated; the need is dramatic. Within the other two major topics of *Where* and *How*, important questions surfaced across the groups. These must be addressed as part of any strategic plan that hopes to implement the solutions. Some are extremely practical such as:


Where

- What do affordable homes look like?
- What density and styles are necessary to make them affordable, to blend them into any community of new or renovated homes?
- Where in the county should affordable homes be located? Is there any indication of potential locations in Landscapes or existing local plans (rather than generic residential)?

How

- The mechanism to sustain the affordable aspect over at least fifteen years must be

In '05, the Jones' cannot afford new SFD home

<ul style="list-style-type: none">■ New SFD start at:<ul style="list-style-type: none">■ Great Valley SD■ Downingtown SD■ CASD■ Townhouses start at:<ul style="list-style-type: none">■ Great Valley SD■ Downingtown SD■ CASD	 <p>\$270,000</p>  <p>\$200,000</p>
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Assumes 3BR new construction. GVSD SFD is Bentley's Ashwood, DASD SFD is Orleans' manors at Byers Station, GVSD TH is Toll's Charlestown Meadows, DASD TH is Orleans' Mews at Byers Station, CASD TH is Ryan's Round Hill.

identified if the supply is to remain stable.

■ *How* is a critical element of any effort to create a strategic plan. HUD and CCDCD are support agencies, not leadership entities. Realistic assessment of their potential support is important to any planning activity.

■ Although New Dalevilles are not a county-wide answer, can similar density and mixed use be implemented as village or borough extensions?

■ Within the *How*, planning and discussion sessions must identify appropriate leaders, assignments of tasks and a schedule that includes benchmarks for achievement and monitoring.

■ The suggestion was made that the County consider relating grants of planning funds to multi-municipal planning projects, with an implementation agreement as an up-front commitment.

■ There was agreement as to the importance of education, but little or no indication of program content, potential effectiveness or who will do what and when.

Construction costs are relatively stable, but houses are expensive

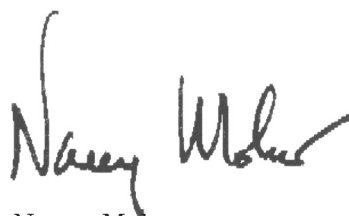
Typical 2,200 sq ft SFD home on .5 ac in Chester Co.

	Low	High	Typical
■ Sticks and bricks	\$88,000	\$132,000	\$110,000
■ On-site land development	\$25,000	\$80,000	\$35,000
■ Sewer EDU	\$3,000	\$15,000	\$9,000
■ Off-site impacts	\$500	\$2,500	\$1,500
■ Approvals & permits	\$1,500	\$10,000	\$3,000
■ Sales and marketing	\$2,000	\$8,000	\$5,000
■ Financing costs	\$5,740	\$14,560	\$10,150
■ Total Before Land & Profit	\$123,740	\$243,166	\$173,650
■ Land (raw in exurban Chesco)			\$40,000
■ Profit at 10%			\$24,000
■ Minimum SFD house price in Chesco			\$237,650

Assumes 2,200 sq ft house built in 100 home subdivision in western Chester Co.
Source: Arcadia Land Company analysis

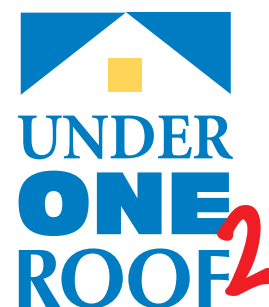
At the close of the session, fourteen participants volunteered to help develop a strategic plan. With the publication of this report, the follow-up process will begin. This is one document that must not be allowed to sit on a shelf gathering dust. Anyone interested in joining the we-can-do-it committee may sign up by sending an email to info@CC2020.org. Be sure to include complete contact information.

The *Under One Roof 2* partners wish to express their appreciation for the energy and commitment shown by every person who played a role in this Community Conversation – and especially to the speakers who set the scene, as well as George Fasic, former CCPC executive director whose generosity in sharing his experience enriches many of the CC2020 partnership programs. We look forward to many more productive sessions focusing on preservation of the quality of life that means so much to all of us.



Nancy Mohr

Executive Director, Chester County 2020
for the Partners



REFERENCES

Useful resources for information about affordable homes:

The Chester County Comprehensive Plan www.landscapes2.org

Homes for Working Families: <http://www.homesforworkingfamilies.org/>

HUD's Regulatory Barriers Clearinghouse: <http://www.huduser.org/rbc/index.asp>

Credits for power point slides:

Pages 10, 11, 12 Arcadia Land Company

Pages 5, 6, 7 UNIDEV, INC

Pages 1, 2, 3, 4, 8, 9 Chester County Planning Commission

APPENDIX

The Complete Report Summary

APPENDIX

THE COMPLETE REPORT SUMMARY

1. <i>'In Its Broadest Sense'</i>	2. <i>'Solutions for Resistance'</i>	3. <i>'Multimunicipal Issue'</i>	4. <i>'Employers' Needs'</i>	5. <i>'Perceived Impediments'</i>	6. <i>'Tax Implications'</i>
Address housing in its broadest sense, mix of homes that offer affordable options for County residents and contributes to a sense of community.	Develop solutions for the resistance to higher density in terms of the impact on school districts and property taxes.	Redefine and address affordable homes as a multi-municipal issue, not a responsibility solely of individual boroughs, cities and townships.	What are the needs of current and prospective employers regarding affordable homes? Will they come to, or remain, in Chester County if the supply of affordable homes is not increased?	Examine the perceived impediments to affordable homes and the reasons they exist. Explore incentives for an affordable homes component for new development and, when possible, for those under construction. Consider how to keep them affordable from one owner to the next. Address communities that "work," analyze their strengths.	Examine the real estate tax implications for homeowners and buyers across the board. The tax burden hits first time homebuyers and those on fixed incomes especially hard in revitalizing municipalities where the tax base hasn't caught up with the population growth, and also in municipalities where property values are rapidly rising.
SOLUTIONS: <ul style="list-style-type: none"> • Use of financial incentives by the county to encourage multi-municipal cooperation, a primary one being to limit open space money to townships that have an open space tax. • Purchase ground, lease it back to lower house purchasing costs as other states do. 	SOLUTIONS: <ul style="list-style-type: none"> • Develop an appropriate combination of housing that includes mixed use, cost, location, and density. • Develop solutions for higher density to have less (negative) impact on the revenue for school districts and municipalities. • Unify zoning regulations' comprehensive adherence to <i>Landscapes</i> proposals across municipalities. • Incorporate flexible zoning & development ordinances to encourage redevelopment. • Support municipalities with resources. • Make housing choices an element of economic development. 	SOLUTIONS: <ul style="list-style-type: none"> • Make multi-municipal planning sensible to ease access to affordable housing. • Simplify zoning, planning by elevating land development to the county instead of the municipality. • Every municipality be actively engaged in a multi-municipal group with the County Planning Commission spearheading, bringing us together through circuit riding concept. • Affordable housing for those with county median income and below. • Patience • Networking 	SOLUTIONS: <ul style="list-style-type: none"> • Provide housing for all income levels of Chester County for employees/ employers that is close to public transit and infrastructure (parks, libraries, housing density in identified urban areas) • Diversified economic base – businesses will not come to or stay in Chester County if the supply of affordable housing is not workable. 	SOLUTIONS: <ul style="list-style-type: none"> • Employer sponsored housing • Remove density barriers • Share the physical inventory of the available housing infill. • Partnership between developers • Mixed development – commercial on bottom with residential on top • Municipal buy-in • Put "heartstrings" into the effort by documenting or indicating the <u>personal vested interest</u> each county resident has in sustainability. • Countywide municipal meeting to ease or modify codes that differ widely by community. 	SOLUTIONS: <ul style="list-style-type: none"> • Reduce property taxes on 1st time home buyers, seniors and low income • Examine real estate tax implications – hits First Time Home Buyers and fixed income hard. • Make multi-municipal planning more sensible to ease access to affordable housing. • Attract business to balance tax burden. Result: reduced residential tax burden. If properties are built that are more affordable, (re: lower assessment) = lower taxes. • Alternative tax methods other than real estate. • Lobby legislature to allow taxing bodies to be more creative in how they set local rates and basis – <u>like waiving tax if income below certain level</u>

<ul style="list-style-type: none"> • Change zoning ordinances to allow density and traditional development form. • Align regional planning along school district lines for better balance. • Implement each region's comprehensive plan. • Streamline the approval process. 	<ul style="list-style-type: none"> • Transparency of plans • Open to feedback • Have the meeting of multi-municipal group hosted by County Commissioners and funding agencies • Organize • Education of elected officials and the residents who elect them. • Simplify approval process. 	<ul style="list-style-type: none"> • Move to a more central coordinating form of government. • Too many regulations by state on municipalities • Train transportation to central Coatesville • Public transportation is imperative. • Enlist nonprofits. • Appeal to corporations, trade organizations, municipal governments, schools, churches. • Patience • Networking • Transparency of plans • Open to feedback 	<p>or graduated tax.</p> <ul style="list-style-type: none"> • Look for ways to creatively reduce the cost of services – multi-municipality agreements for services, community policing, more than what is done now. • Streamline process • Incentives to township to open housing • Multi-municipal planning by school district • Close gaps between adjoining communities. • Use Community Land Trusts. • Lobby legislators and other elected officials. • Encourage like minded individuals to run for public office and educate public. • Support C of C and local boroughs, business improvement districts, main street managers with business attraction efforts. • Patience • Networking • Transparency of plans • Open to feedback 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • Revitalize existing communities 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • Continuing sprawl and current development patterns is not in interest. • The quality of life in our communities is decreasing as the result of, among other things, less open space, more traffic, less diversity. 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • Cost savings from collaboration can positively impact both the resident taxpayers, developers 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • <u>Personal vested interest</u> is the area of easy agreement. 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • There are many impediments to affordable homes. • People interested in themselves – “I have mine.” • Cost of land drives • Personal vested interest is the area of easy agreement. 	<p>AGREEMENT:</p> <ul style="list-style-type: none"> • Not easy.
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OBSTACLES: <ul style="list-style-type: none"> • Solutions involving the County and Townships in cooperative planning for the implementation process. • Local turf battles • NIMBY • Some townships are not willing to take on the issue of fair housing. • Logical multi-municipal boundaries do not correspond with school district boundaries which make it difficult to equalize tax impact of not spreading development out. 	OBSTACLES: <ul style="list-style-type: none"> • Local turf battles. • NIMBY • The natural reluctance of the County to become pro-active and appear pro-builder. • Resistance from townships. • Having to deal with 73 individual, independent municipalities. • Fears of residents, fueled by individuals with special interests. • Myths about density • Education • Persuasion • The media is most interested in controversy. • People equate density with crime. • Rental areas have higher crime rates. • he ability to purchase TDRS • Difficult to do regional planning • Business wants less regulation, or at least uniform regulation. • Communities want no development. • Residents afraid of rising school taxes. • Affordable housing decreases the revenue to the municipalities but still requires the same level of 	OBSTACLES: <ul style="list-style-type: none"> • Most municipalities would never cede power to the county. • NIMBY • Time. • "No child left behind" – disincentive for diversity. • Open space savers. • Single municipality control of process • Create the desire for this housing. • Eliminate fear of who would be the residents. • Conversations versus gripe sessions • Apathy • Municipalities must give up some power. • Developer education. • Municipal education. • Turn over of politicians. • Control of land. • Control of zoning. • Exclusionary zoning. • Inertia. • No incentives to work together. • Affordable homes versus homes that are affordable. 	OBSTACLES: <ul style="list-style-type: none"> • Zoning • Getting the municipalities involved • Educating the public: What does affordable mean? • Funding for promotions and communications • Entrenched sense of well being • Apathy 	OBSTACLES: <ul style="list-style-type: none"> • Losing momentum – must keep issue at the forefront. • Overcome entrenched ideas. • Municipalities who say, "Not in my back yard!" • Communities do not have authority because of PA law to regulate the identity of the community. • Building codes add costs to construction of homes. • Supervisors of municipalities are limited in time for problem solving. • Funding for promotions and communications • Entrenched sense of well being • Apathy • Control of the land • Control of the zoning • Zoning - exclusionary 	OBSTACLES: <ul style="list-style-type: none"> • Current state law effects what local municipalities can do. • No desire to tackle multi-municipal conversation • Business attraction incentives for location/expansion/jobs creation • NIMBY • Time • No child left behind – disincentive for diversity • Developer education/ municipal education • Turn over of politicians • Naïve research

services and needs.

- Zoning and regulatory requirements
- Bureaucracy at all levels
- Funding for transportation

UNRESOLVED ISSUES:

- Appropriate level of regulation
- How fast should development happen?

COOPERATION:

- Initially poor, but will grow with interaction
- Very difficult
- Likely
- Economic vitality depends on it
- Most neighboring municipalities don't talk to each other
- First step would be to create multi-municipal associations like the West Chester COG or the Northern Federation

UNRESOLVED ISSUES:

- We have not begun yet!
- People need to become more a part of the process as in Mt. Joy Township, Lancaster County

COOPERATION:

- Low at this time
- Good if the municipalities work with all the above toward the common good

UNRESOLVED ISSUES:

- You can't please everyone, so try to find a happy medium
- None - unanimous

COOPERATION:

- To get the business community to support plans
- Attract the biggest employers to participate
- Use School Districts, colleges to collaborate on development
- Limited

UNRESOLVED ISSUES:

- Low at this time
- Very difficult to change. Where is a property tax reform program now? Will it be successful? Might be able to rally local officials but not statewide

COOPERATION:

- Prospects limited.

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INCENTIVES: <ul style="list-style-type: none"> • Ability to reduce municipal and school taxes. • Seeing something happen! • Flexibility by townships • Developers spending for mutually beneficial outcomes • State, regional, local planning cooperation • Business input. • County planning assistance • Grants and state programs that encourage infrastructure improvements contingent on increased density. • Required number of affordable units. • New tax revenue • More convenience to existing residents- offset by fear of more traffic 	INCENTIVES: <ul style="list-style-type: none"> • Flexibility by townships. • Developers spending for mutually beneficial outcomes. • State, regional, local planning cooperation • Business input. • County planning assistance • Grants and state programs that encourage infrastructure improvements contingent on increased density. • Required number of affordable units. 	INCENTIVES: <ul style="list-style-type: none"> • Expedite plans if building to the current plan by right. • Community give backs (park, infrastructure) • More taxes at settlement born by buyer • Affordable easements • Economics: significant cost savings through multi-municipal efforts - funding advantages • Tax incentives • Other state and federal incentives 	INCENTIVES: <ul style="list-style-type: none"> • Employer sponsored benefits: flex time, condensed work week, transit check • Alternative transportation • Density • Tax incentives 	INCENTIVES: <ul style="list-style-type: none"> • Tax benefits through municipalities providing economic incentives for construction. • Grant loans that provide ways for people to invest sweat equity. • Municipalities must provide equity • Must change mindsets of politicians. • Consider securing property in Philadelphia. • Density • Tax incentives 	INCENTIVES: <ul style="list-style-type: none"> • Expedite plans if building to the current plan by right • Community givebacks (park, infrastructure) • More taxes at settlement born by buyer • Affordable easements
ACTION NOW: <ul style="list-style-type: none"> • Create a 50 year plan. • Identify regions. • Start with the fundamentals. • Develop effective public transportation. • Continue to plan. • Talk to your government officials • Get involved • Restrict the proliferation of age-restricted communities • Provide education to the community by meeting with individual groups, i.e. 	ACTION NOW: <ul style="list-style-type: none"> • Landscapes I and II • Talk to your government officials • Get involved • Economic success of new more dense multi- use development • Encourage planning and identification of potential areas to target. • Continue to plan. • Community discussion. • Strong leadership. • Education. • Business/Government/Community cooperation. 	ACTION NOW: <ul style="list-style-type: none"> • Keep talking housing • Encourage county and municipalities to work together to solve common problems • More uniformity for residents • Process more open and more easily understood 	ACTION NOW: <ul style="list-style-type: none"> • Convince the public that it is a problem. • Build consensus • Start today • Educate populations • Transportation funding • Ease the permit process • Adjust housing prices • Alternative transportation • Create partnerships • Enlist nonprofits • Appeal to corporations, Trade organizations, municipal governors, schools and churches 	ACTION NOW: <ul style="list-style-type: none"> • Talk – openly, honestly, no hidden agenda • State law issues • Lobbying • Involving business community • Start today • Complain to your boss • Let the municipal officials know • Spread the word 	ACTION NOW: <ul style="list-style-type: none"> • Get organized – grass roots – like 20/20 as springboard. • Public discussion – start small and build support • Educate community – share success so try and find the area successful models to help sell concept. • Raise awareness • Be positive – it can be done

<ul style="list-style-type: none"> senior groups, service clubs Purchase ads in the newspaper Guest editorials, letter to editor 	<ul style="list-style-type: none"> Assistance from county and state. Establish uniformity at state, county and municipal levels. Promote mixed uses. 	<p>CRITICAL PLAYERS:</p> <ul style="list-style-type: none"> Developers Municipal officials Community groups Cooperative, visionary developers Church groups 	<p>CRITICAL PLAYERS:</p> <ul style="list-style-type: none"> County Commissioners CC planning Commission Individual passionate champions Municipal managers – qualified! CC2020 Lenders in municipalities City residents Township zoning Cost to developers and builders 	<p>CRITICAL PLAYERS:</p> <ul style="list-style-type: none"> Chester County Govt. Elected officials Employers Everybody - ageless
<p>ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> Increased tax revenue Increased convenience of services to residents More sustainable communities 	<p>ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> Affordable housing for young adults, new families, retiring and empty nesters. Concentrate investment dollars to infrastructure needs. 	<p>ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> Broader diverse community, energy, vitality Lower development costs Common understanding of issues Framework of development plan Cost savings to participants Intergenerational – families together Benefits to employers Economic benefits for community 	<p>ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> Retain and attract business Retain and attract residents Increase tax revenue Achieve affordable housing, business vitality, maintain diversity of community. 	

NOTES:



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