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HOUSE OF REPRESENTATIVES
COMMONWEALTH *of* PENNSYLVANIA

House Democratic Policy Committee Roundtable

Attainable Housing

Tuesday, September 9, 2025 | 10:00 a.m.

Representative Jim Prokopiak

OPENING REMARKS

10:00 a.m. Rep. Jim Prokopiak, D-Bucks

ROUNDTABLE DISCUSSION

10:05 a.m. Donald Grondahl, Executive Director
Bucks County Housing Authority

Correne Kristiansen, Advocacy Coordinator
Bucks-Mont Collaborative

Dawn Diamond, President
Woods System of Care

Joseph Phillips, Board President
American Institute of Architects Bucks County

Anne Costello, Realtor, Member
Pennsylvania Association of Realtors

Mo Rushdy, President
Building Industry Association of Philadelphia

Q & A with Legislators

PUBLIC HEARING ON ATTAINABLE HOUSING

WRITTEN TESTIMONY OF



DELIVERED BY

Correne Kristiansen
Advocacy Coordinator, Bucks-Mont Collaborative

DELIVERED BEFORE

The Pennsylvania House Democratic
Policy Committee

September 9, 2025

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Honorable Chairman, Representative Prokopiak, and Committee Members:

Thank you for convening this hearing and offering the Bucks-Mont Collaborative the opportunity to testify about the urgent need for more attainable housing and the impact it would have on our region's nonprofit sector and, most importantly, the community members they serve.

THE BUCKS-MONT COLLABORATIVE

The Bucks-Mont Collaborative (the “Collaborative”) is a nonprofit membership organization dedicated to supporting and uplifting the work of our region's health and human services sector and ultimately improving outcomes for the people they serve through our three core programs: collaboration, education, and advocacy.

The Collaborative's 130+ current members include direct service providers, county agencies, health care systems, faith-based groups, philanthropic foundations, community centers, local businesses, and more. Collectively, our members serve hundreds of thousands of people each year - a number that continues to grow as our communities' needs increase.

The Collaborative's advocacy efforts are led by the Collaborative Advocacy Network (“CAN”), a group of Collaborative members who meet monthly to share community updates, discuss legislative issues, and identify opportunities for action. CAN focuses its advocacy on housing affordability and behavioral health access because, while our members work across the health and human services sector and confront many urgent issues, these two are foundational. Only when people have a safe, stable place to live and access to behavioral health care (including mental health and substance abuse disorder treatment) does it become possible for them to make progress on achieving their goals and facing other challenges. Conversely, without addressing housing and behavioral health, every other challenge becomes harder. Families facing unstable housing or untreated mental health conditions are more likely to experience food insecurity, educational disruptions, health crises, and job loss. This places an even greater strain on social service providers who are already stretched thin.



THE HOUSING CRISIS IN OUR REGION

Across the country – and here in Pennsylvania – the cost of housing has outpaced wages, leaving millions of families struggling to keep up with rent or buy homes. Housing supply has not kept pace with demand, and much of what’s being built is out of reach for most buyers and renters. In Bucks and Montgomery Counties, the crisis is especially acute.

From 2017-2023, Pennsylvania ranked 44th out of 50 states in new housing construction, with newly permitted units accounting for only 3.4% of the state's housing stock, far below the national average of 7.5%, and with Bucks and Montgomery Counties issuing an even lower share of building permits than the state average.¹ This severe shortage in new housing supply contributes directly to our region’s rapidly escalating home prices: over the past five years, median sale prices have increased by 7.1% in Bucks County² and 8.5% in Montgomery County.³

The local rental market is even more unaffordable. The average renter in Bucks County earns just \$16.53/hour, and in Montgomery County \$24.91/hour, while the *National Low Income Housing Coalition* estimates that these renters would need to make at least \$36.85/hour to afford a two-bedroom apartment without spending more than the recommended 30% of their income.⁴

At the same time, real wages adjusted for cost of living are declining.⁵ Nearly one in three households in our region struggle to make ends meet – even while working. In Bucks County, approximately 25% of households are ALICE (Asset-Limited, Income-Constrained, Employed), with another 7% living in poverty.⁶ In Montgomery County, the figures are 26% and 7%, respectively. These families – folks like teachers, first responders, health aides, retail and construction workers – earn too much to qualify for assistance but not enough to afford market housing. We can't afford to have these essential workers priced out of our communities. Workforce shortages will continue to deepen, and local economies will weaken, if we do not act now.

1. The Pew Charitable Trusts, *Pennsylvania's Lack of Building Has Contributed to Housing Shortage, Hurt Affordability*, Issue Brief (March 12, 2025).

2. Redfin, "Bucks County, PA Housing Market," Redfin, accessed September 5, 2025, from www.redfin.com/county/2369/PA/Bucks-County/housing-market.

3. Redfin, "Montgomery County, PA Housing Market," Redfin, accessed September 5, 2025, from www.redfin.com/county/2406/PA/Montgomery-County/housing-market.

4. National Low Income Housing Coalition, *Out of Reach: Pennsylvania 2025* (Washington, DC: NLIHC, 2025).

5. U.S. Census Bureau and Federal Reserve Bank of St. Louis, *Estimated Mean Real Household Wages Adjusted by Cost of Living* (Counties).

6. United Way of Pennsylvania. About ALICE. Retrieved September 5, 2025, from www.uwp.org/alice/about-alice.



Local seniors are also facing untenable pressures. Nearly 1 in 5 residents in Bucks and Montgomery Counties are over 65, and the number is growing. Many want to age in place but face steep property taxes, high home repair costs, restrictive zoning, limited downsizing options, and fixed incomes that have not kept pace with rising costs. The Social Security COLA has not kept up with housing, utilities, and healthcare, and many seniors fall just above eligibility thresholds for Medicaid or other assistance programs.

Young people, meanwhile, are struggling to establish roots here. High rents and soaring home prices keep many from saving for a down payment or securing stable housing. New college graduates, entry-level workers, and young families – the very people we need to sustain our workforce and civic life – are increasingly unable to remain in the towns where they grew up. Without attainable housing, Bucks and Montgomery Counties risk losing an entire generation of talent, with long-term consequences for schools, businesses, and economic vitality.

WHAT WE'RE SEEING

Our members don't need statistics to know how serious this crisis is – they see its impact every day. Nearly all of our members report increasing demand for their services, and many have been forced to shift resources away from other priorities just to respond to housing-related needs. Local families, seniors, and working adults are making impossible choices and facing situations that could be prevented with more attainable housing.

FAMILIES WITH CHILDREN

Danielle (name changed) lost her long-term apartment after an unexpected job loss. A Montgomery County administrator shared:

“Danielle and her children faced eviction... and endured approximately four months of street homelessness. Prioritizing her children’s safety, Danielle arranged for them to stay with family while she entered single adult shelters.... [T]hrough Your Way Home, she was able to secure temporary hotel accommodations for her and her children until a family shelter placement became available....

Working closely with her case manager at Family Promise, Danielle was able to secure daily transportation for her children, facilitate[] meetings with school counselors... and ensure the children’s educational stability.

During her time in shelter, Danielle secured employment as a paraprofessional aide in a local school district.... Eventually, she found [an apartment] that was willing to work with her credit and eviction history.”



While Danielle's resilience is inspiring, her experience left lasting financial and emotional scars – ones that could have been avoided with more attainable housing. Her story shows both the strength of families and the importance of timely, coordinated support.

WORKING ALICE HOUSEHOLDS

A senior executive from the United Way of Bucks County emphasized the struggle of households who earn too much to qualify for assistance but cannot afford market-rate housing:

"We often work with families who have the income to sustain housing but simply cannot find an affordable unit. For example, a mother working full time in healthcare and raising two children was approved for a housing voucher but waited months with no success because landlords either raised rents above fair market value or would not accept vouchers. She and her children were forced to stay in a motel—costing more than a typical apartment—while continuing to search. This cycle drains limited resources, creates stress for the family, and keeps them from achieving stability even though they are doing everything 'right.'"

SENIORS AND OLDER ADULTS

Members report heartbreaking cases among seniors:

"Sally (name changed) lives in a typical Montgomery County borough. She is 81 years old and cares for her 20-year-old grandson with special needs.... [S]he rents a modest apartment with him on Main Street. Social Security alone barely pays the rent and other essentials.... It has been heart-breaking to watch her struggle to get hired for part-time jobs to help pay for day-to-day costs. She's 81 [and] struggles to stand for long periods of time. We need more housing that is capped at 20-60% of the AMI for people like her."

"We had an elderly couple staying at our shelter where the wife was disabled, having to use a colposcopy bag.... This couple became unhoused because the landlord increased their rent by \$400 in one year and they could not afford it, so they were evicted."

BROADER IMPACT

Members emphasized the toll housing instability takes on daily life and the limits of current services:

"Our outreach program serves approximately 100 families monthly, about half of whom are unhoused, while the others are struggling to stay housed. Our programs and other nonprofits are often the only source of survival, but they provide assistance weekly or monthly. What are people doing the rest of the days? Going without, which creates health concerns."



“It takes a heavy toll on their spirit and ability to persevere. When people are struggling with financial pressures, mental or physical health challenges, or substance use, being unable to secure and sustain housing simply decimates someone’s sense of self and hope for the future.”

At the same time, nonprofits themselves are under mounting strain. Nearly all of our members have seen demand for their services climb sharply, forcing them to redirect limited staff and funding away from other critical needs. This is not sustainable. And it is also costly: as the saying goes, it is expensive to be poor. When families lack stable housing, governments and nonprofits are left reacting to crises that cost far more than prevention. If we fail to act now, costs will continue to rise and the toll on future economic growth will be even higher. Investing in attainable housing today is the fiscally responsible choice: it saves money in the long run, strengthens families, and ensures a more resilient economy.

WHAT WE NEED

The Collaborative and our members understand and appreciate that the current housing crisis stems from a complex mix of factors at the federal, state, and local levels – compounded by uncontrollable events like the COVID pandemic. We also recognize the challenges of building consensus and advancing legislation in a state as geographically, economically, and politically diverse as Pennsylvania.

That said, we firmly believe that every Pennsylvanian deserves a safe and stable roof over their head. Housing is not a partisan issue – it is a basic human need and a community imperative. We appreciate the work you and your colleagues are doing to introduce and support practical, achievable solutions and oppose proposals that would penalize people experiencing poverty and homelessness.

We thank you for your leadership and for supporting programs that work, including PHARE (Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund) and Whole-Home Repairs. These programs are an important start – but current funding reaches only a fraction of the families and seniors who need help. Sustained and expanded investment is critical, because every year we underfund housing, the downstream costs mount.

We thank you for passing HB 1650 (PA Home Preservation Program), which will build on the success of Whole-Home Repairs by continuing to support homeowners struggling to afford critical health and safety repairs. In a region where many homeowners have lived in their homes for decades, the need for basic repairs is urgent – as the overwhelming demand for Whole-Home Repairs proved.



We also thank you for passing HB 1095 (Fair Housing Access: Sealing Eviction Records to Protect Tenants & Communities), which will ensure that a single eviction does not ruin a person's ability to secure housing in the future. This bill will protect families from long-term instability and reduce the demand on crisis systems. Our members are eager to work with you to ensure this bill clears the Senate.

We urge our Bucks-Mont House delegation and House leadership to prioritize Representative Prokopiak's housing bills: HB 1293 (Affordable Housing for Moderate Income Individuals), HB 914 (Stabilizing Rent Prices), HB 529 (Increasing Affordable Housing Availability), and HB 303 (Sales Tax Exemption for Affordable Housing Building Materials). Taken together, these measures would increase the local housing supply, stabilize families in their homes, and make it easier for developers to create new affordable and attainable units – directly addressing the housing shortage in Bucks and Montgomery Counties.

Finally, we note that Senators Rothman, Laughlin, Kearney, and Saval are preparing to introduce legislation to remove barriers to Accessory Dwelling Unit (ADU) development by asking local jurisdictions to create a clear, objective administrative process and setting a floor of what is allowed in communities. These changes would be particularly impactful in suburban counties like ours, providing flexible, lower-cost options for seniors, young adults, and working families. To date, no companion bill is being drafted in the House – we encourage you to consider introducing or supporting one.

CONCLUSION

The housing crisis did not happen overnight, and it will not be solved overnight. But every day that passes without action, hardworking Pennsylvanians face greater instability, and social service providers face mounting strain. By investing in attainable housing now, Pennsylvania can reduce long-term expenditures and build stronger, healthier communities. Expanding attainable housing is not only a moral imperative – it is a sound fiscal and economic strategy. Stable housing allows families to work, children to succeed in school, and local businesses to thrive, creating a stronger workforce and more resilient communities for decades to come.



APPENDIX

In preparation for this hearing, the Bucks-Mont Collaborative conducted a member survey the week of August 25, 2025. Respondents included leaders from a diverse cross-section of Bucks and Montgomery County health and human services providers. Collectively, the respondents served more than 300,000 individuals and families in 2024.

TOPLINE SURVEY RESULTS



100% of respondents indicated that there were not enough attainable housing options in their community.



71% of respondents reported that the majority of their clients face housing instability (*homelessness, overcrowding, unsafe housing, or rent mortgage burden greater than 30% of their income*).



61% of respondents have had to shift resources or services to address housing needs.



57% of respondents indicated that the number of individuals/families seeking their services who are experiencing housing instability has increased significantly over the past three years.
38% indicated that it has increased somewhat.

When asked about the specific housing-related challenges faced by their clients, the four biggest challenges reported were:

1

Inability to afford rent/mortgage

2

Difficulty finding suitable or available housing

3

Lack of affordable rental units

4

Barriers due to income requirements/credit checks/eviction history



According to respondents, the biggest housing-related issue contributing to their clients' problems is **HIGH HOUSING COSTS**. Respondents indicated that the lack of attainable housing affects their clients' ability to maintain family stability and meet their other basic needs to the greatest extent. It also affects their ability to secure/maintain employment and access healthcare/education.

When asked about the most common misperceptions about people in our community struggling to afford housing, our members said:

“

... This is not a matter of **"pulling oneself up by the bootstraps."** These folks are increasingly priced out of the local market and have no where to turn.

-Director, Benefits Access Programs, VNA Community Services

... **More than 30% of the [asset-limited, income-constrained, employed] people we serve work in healthcare; another 20%+ work in education or human services.** These are the home health aides who care for aging relatives, childcare workers who educate our kids, and nonprofit workers dedicated to helping others while struggling to stay afloat themselves. **When you think of people at imminent risk of homelessness, picture these people. And keep in mind that if they can't get to work, many other people can't get to work either...**

-President & CEO, United Way of Bucks County

The most common misconception is that families experiencing homelessness lack effort or determination. **In truth, they are some of the most hardworking and resilient people you'll meet, doing everything they can with limited resources, all while facing barriers in systems not designed to support them.**

-CEO, Family Promise

... **Our housing market and policymakers have thus far failed in Pennsylvania to create an environment where there is a place for everyone to call home**—from the retired senior on \$900 a month in Social Security to the full-time cashier making \$18 an hour. We have failed, not them.

-Director, Montco 30% Project

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When asked about the difference more attainable housing would make for the people they serve, our members said:

“

A HUGE difference. **With attainable housing, everything (or almost everything) else falls into place. Folks have better ability to pay for other basic necessities (food, medical care). People's stress levels will fall. People who are 70+ years old can stop working and actually live off their retirement.** As an organization, that would free up our funds to help with more dire needs.

-Reverend/ Pastor, Royersford Baptist Church

Decreased instances of depression, anxiety, suicidality, and the costly inpatient care associated with them.

-Executive Director, NAMI Bucks County PA

It would shorten the time families spend in shelters, reduce evictions, and prevent children from being uprooted from schools. **Attainable housing would allow working families to stabilize their budgets, focus on career advancement and education, and build a future rather than being consumed by survival. It would also reduce the strain on emergency services, food programs, and healthcare systems.**

-CEO, Bucks County Opportunity Council

If more attainable housing options were available in our community, it would be life-changing for the people we serve. **Families could stay rooted in the neighborhoods where they work, go to school, and support one another. Seniors could age in place with dignity. Young adults could build their futures without being forced to leave the county. Attainable housing would reduce homelessness, improve health outcomes, and strengthen our local economy by allowing essential workers to live near their jobs.**

-Administrator, Montgomery County Office of Housing & Community Development

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When asked what they'd wish legislators knew about their organizations and clients, our members said:

“

The people who work [for nonprofits] are as vulnerable as the people we support - as housing costs rise, **we're seeing that no one is safe from housing insecurity.**

-Executive Director, HopeWorx

They are hardworking and just want the opportunity to find stability and reach their potential. **So many of our clients are/were living paycheck to paycheck and it only took one unexpected event (health crisis, job loss, trauma, etc) to turn their world upside down and lose all stability.**

-CEO, Family Service Association of Bucks County

We are not just providing emergency assistance—we are building long-term pathways to stability. **Our programs help families increase income, reduce reliance on public assistance, and achieve economic self-sufficiency. However, without safe, affordable housing options, all of this progress is at risk.** The people we serve are resilient and motivated, but they need policies and resources that make housing attainable.

-CEO, Bucks County Opportunity Council

We see the human impact of policy decisions—how funding levels, zoning laws, and program flexibility directly affect whether families can stay housed, seniors can age in place, and communities can thrive. We need state-level support that is responsive, sustained, and informed by the realities on the ground... Our residents aren't looking for handouts—they're looking for fair opportunities to live safely and affordably in the communities they call home..

-Administrator, Montgomery County Office of Housing & Community Development

It's impossible for [nonprofits] to sufficiently fill the gaps left by systems and policies and practices that government enables.

-Anonymous

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**Written Testimony
for
House Democratic Policy Committee Roundtable on Attainable Housing
9 September 2025**

**By
H. Joseph Phillips, AIA – Past President, AIA Bucks County**

Hello, my name is Joe Phillips, and I am representing AIA Bucks County (The Bucks County Chapter of the American Institute of Architects) at this roundtable. I am a registered architect, licensed to practice in 14 states, and the Principal of Phillips & Donovan Architects, LLC. We are headquartered in Bedminster, PA and have a branch office in Bethlehem, PA. In addition to being an AIA Bucks County board member, I am a volunteer board member of Kent Attainable Housing, Inc., located in Chestertown, Maryland. I serve Kent Attainable Housing as Vice President of the Construction and Land Planning Committee. I also gained firsthand knowledge of construction while working for my father's construction company from the time I was very young through my summer breaks during college. I am a 1987 graduate of Temple University with a Bachelor of Architecture Professional Degree.

Some of the barriers to the development of attainable housing that architects see are as follows.

- The cost of land and building lots
- Reluctance of municipalities and their residents to provide zoning for housing densities that are favorable to the construction of affordable housing
- Lack of land zoned for multi-family attached housing and the large amount of land zoned for large-lot single-family housing
- Lack of zoning that allows for in-law suites and/or accessory dwelling units, especially for people that are unrelated to the property owner
- The size (and therefore cost) of housing being built and offered by traditional builders and developers
- Lack of incentives for builders, developers, and municipalities to provide for attainable housing (more residents require more infrastructure and amenities that are costly)
- Homeowners who are “sitting tight” on their original starter homes and not moving up to larger and more costly homes
- Lack of alternative funding sources
- Lack of ability for governmental entities to provide resources and funding for both housing-related nonprofits and homeowners
- Multiple local nonprofit organizations with missions, focus groups, and procedures that may differ from one another. This can result in lack of coordination to solve a particular problem or to provide a unified solution.
- Lack of financial literacy of potential homeowners (budgeting, checkbook balancing, saving, investing, credit and debt management, etc.)
- Lack of ability for families to build generational wealth



Some of the ways architects and lawmakers can play a role in creating attainable housing are as follows.

- Encourage a holistic approach to planning and zoning that considers all existing aspects of a thriving community. These include economic development, infrastructure, environment, and transportation with elements that improve a sense of place such as neighborhoods, cultural assets, and recreational resources.
- Collaborate with government officials to modify existing building codes, zoning ordinances, and approvals processes and formulate ideas for procedures that require no or minimal funding.
 - **Form-Based Zoning Codes and Land Development Regulations:** Support the use of form-based zoning codes that are responsive to the range of contexts throughout the Commonwealth. This can help ensure that new building developments are in harmony with the existing building shapes and sizes in a neighborhood while increasing useful density. Promote the creation of smart streetscapes that foster a sense of community and improve the quality of life for residents.
 - **Building Code Interface and Evaluation:** Engage with legislators, regulators, funding agencies, and community leaders to inform them of issues or conflicts that affect housing development, choice, and availability. Participate in review of historic properties and other conditions that have resulted in vacant and underutilized properties that have failed to attract re-investment. Promote effective legislation, policy, regulation, and building codes that improve availability, affordability, preservation of housing stock and foster prudent new construction and neighborhood renewal. Architects can work with legislators to provide code-compliant design solutions that achieve attainable housing while protecting the health, safety, and welfare of our citizens.
- Design, document, and encourage economic means of construction such as panelized construction and prefabrication
- Team with non-profits and/or other organizations that can provide the required financial literacy education/training (budgeting, checkbook balancing, saving, investing, credit and debt management, etc.)
- Work with various non-profit organizations to synthesize and coordinate their missions, focus groups, and procedures that may differ from one another so that there is no overlap of services and best practices related to knowledge, programs, and so that procedures can be shared so all involved are working in a collaborative, positive, and productive direction. This unified voice can also help when collaborating with other groups and government agencies.
- Collaborate with local municipalities to develop ways to provide incentives to builders and developers to include affordable/attainable housing in their projects
- Collaborate with legislators and other funding/grant specialists to identify potential and viable funding sources for attainable housing
- Collaborate with legislators to encourage tax exemptions for affordable housing building supplies



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**Testimony to the Pennsylvania House Majority Policy Committee
Public Hearing on Housing Attainability
Sept. 9, 2025**

Chairman Bizzarro, Representative Prokopiak, and members of the House Majority Policy Committee, thank you for the opportunity to speak with you today.

My name is Anne Costello, and I'm a Realtor® based in Bucks County. I am the immediate past chair of the Suburban Realtors Alliance, and I also serve as an active member of the Pennsylvania Association of Realtors®. As you know, PAR represents thousands of professionals who are on the front lines of the commonwealth's real estate market every day.

We've seen many economic shifts over the last few years, but one trend has remained constant—and increasingly concerning: the growing lack of housing affordability. In Bucks County and across the region, this is no longer just an economic issue. It's a community issue, one that affects families, seniors, young professionals, and our local workforce. Let me begin with a brief look at the current state of the real estate market in Bucks County.

Interest rates remain a top concern. As of this week, the average 30-year fixed rate mortgage in Pennsylvania is hovering around 7%. While this is down from the peaks we saw in 2023, it's still far above the rates that many buyers and sellers grew accustomed to over the past decade. Rates below 4% were the norm for years—and many current homeowners understandably hesitate to give those up. That's created a "lock-in" effect, limiting movement in the market.

At the same time, home prices have surged. And when you combine those prices with higher interest rates, the monthly payment for a modest home can be hundreds of dollars more than it would've been just a few years ago.

That reality is especially tough for first-time buyers. Many are already stretching to save for a down payment, and now they're contending with record-high home prices, rising monthly rents, and increasing borrowing costs. As a result, only 24% of today's market consists of first-time buyers — the lowest share ever recorded. Even more striking, the median age of a first-time buyer has climbed to 38, up from 28 when the National Association of Realtors began tracking this data 40 years ago.

But interest rates only tell part of the story. The more fundamental challenge is a severe shortage of available homes.

In Bucks County, we continue to see extremely low inventory levels. In a balanced housing market, you might expect to see around six months of inventory. We've been well below that threshold for years. In July, there was only 1.72 months of inventory on the market. As a result, homes are selling quickly, often with multiple offers, and at prices that exceed the asking price.

This lack of inventory drives up costs and limits choices. The pressure is felt across all price points, but it's especially acute in the lower and mid-range segments, where working families and young adults are looking to start building their future. Very few first-time homebuyers and young families in our area can afford a home priced above \$500,000, but that's where we currently sit with a median sold price at \$525,000.

From a supply perspective, new construction is struggling to keep up. Builders in our area face enormous upfront costs—often \$75,000 to \$100,000 per lot—before they can even put a shovel in the ground. And once you factor in the costs of materials, labor, and compliance with local ordinances, it becomes nearly impossible to build homes that are affordable to the average buyer.

In many cases, local zoning regulations further restrict what can be built—limiting density, banning smaller homes or multi-family housing, and complicating the permitting process. These policies may be well-intentioned, but the cumulative effect is clear: fewer homes, higher prices, and fewer options for our residents.

I can tell you that Realtors® across Bucks County are deeply concerned. We see families forced to move farther from their jobs or support networks. We see seniors who want to downsize but can't find anything suitable. We see young adults priced out of their hometowns entirely.

Homeownership remains one of the best paths to building generational wealth. According to the National Association of Realtors®, the net worth of the average homeowner is more than \$400,000—compared to just \$10,000 for the average renter. The benefits go far beyond financial security. Stable housing improves educational outcomes, strengthens communities, and fuels local economies.

We believe the commonwealth has an opportunity—and a responsibility—to be part of the solution.

That means examining ways to reduce the regulatory costs of homebuilding. It means encouraging municipalities to rethink zoning policies that limit supply and restrict housing choice. And it means recognizing that a one-size-fits-all approach won't work. Each community has different needs, but we need a shared commitment to providing homes that are accessible and affordable for Pennsylvanians at every stage of life.

This issue is complex, and there's no silver bullet. But progress is possible when we work together. We urge the General Assembly to continue engaging with local leaders, housing professionals, and community advocates to develop solutions that work—not just for today, but for the future.

On behalf of the Realtors® I represent, thank you again for the opportunity to share these concerns. I'd be happy to answer any questions you may have.



**Testimony Before the House Democratic Policy Committee
Advancing Attainable Housing in Pennsylvania
September 9, 2025**

Chairman Bizzarro and esteemed members of the House Democratic Policy Committee, thank you for the opportunity to speak today on the urgent need to make housing more attainable for Pennsylvanians.

My name is Mo Rushdy, and I serve as President of the Building Industry Association of Philadelphia (BIA). The BIA is a trade association of small, medium, and large residential developers working throughout Philadelphia. I am also Managing Partner of The Riverwards Group, which has built hundreds of affordable, workforce, and market rate housing units throughout Philadelphia.

In addition, I serve as Chairman of both the Philadelphia Accelerator Fund and the Philadelphia Housing Development Corporation and served on Mayor Parker's transition team and business roundtables focused on housing policy. The opinions I express today are those of myself and the BIA and not necessarily that of the Parker Administration.

I am grateful for the invitation to highlight strategies that can help remove barriers to housing development in our state. A study by the [Home Innovation Research Labs](#) found that regulation at all levels of government was responsible for an estimated 29.5 percent of the cost of new single-family homes in Pennsylvania: 14.5 percent was attributable to regulation on development of the lot and 15.0 percent to construction regulation costs. Across the Commonwealth, families are struggling to find homes they can afford. From Philadelphia to rural counties, the housing crisis is not just a matter of supply — it is a matter of equity, access, and opportunity.

Legislative Actions to Expand Attainable Housing

To address this crisis, I respectfully urge the General Assembly to consider the following legislative priorities:

1. Zoning and Permitting Reform

Pennsylvania ranks 44th in the nation for new housing construction according to a [Pew Charitable Trusts](#) study. Restrictive zoning laws and prolonged permitting processes are major barriers. Doing as other states across the country have done and streamlining land use regulations and approvals—such as allowing duplexes and triplexes by right in single-family zones, reducing minimum lot sizes, creating high-density zoning designations around public transit, eliminating excessive parking requirements, and restricting communities' ability to tie up projects in litigation—can unlock development potential and lower costs for builders and buyers alike.

2. Building Code Regulations

Building codes are necessary to ensure safety and provide a minimum level of quality and efficiency. However, excessive regulation can hinder construction and increase housing costs. Government must balance the critical need for public safety with the economic and practical drawbacks of overregulation that drive up construction costs, which are then passed on to consumers. Recently, codes designed to promote greater sustainability have added significant costs to new construction. While reducing environmental impacts is important, the pace of new regulation must meet infrastructure capacity and market demand.

3. Support for Land Banks and Infill Development

Programs like Philadelphia's "[Turn the Key](#)" initiative demonstrate how land banks can return vacant properties to productive use. By leveraging discounted land and city bond funds, this program has already approved over 800 affordable units. Expanding similar models statewide, with legislative support and additional state funding for land bank operations and financing tools, can help municipalities tackle blight and build homes for residents earning 50–70% of Area Median Income.

4. Incentivizing Adaptive Reuse and Rehabilitation

In Philadelphia, as well as other older cities like Allentown and Lancaster, space for new construction is limited. Legislative support for adaptive reuse—converting vacant office or industrial buildings into housing—can be a cost-effective way to increase supply without expanding footprints. We strongly urge the General Assembly to consider creating a twenty-year property tax abatement for residential adaptive reuse, as well as to increase the state Historic Preservation Tax Credit per-project cap to \$1.5 million to better support large-scale rehabilitations.

5. Tax Breaks and Expanded Access to Development Financing

Pennsylvania has several unique taxes that hinder development. Reducing or eliminating the real estate transfer tax for affordable housing would certainly result in increased supply. Developers also face challenges securing financing for affordable projects, especially when permitting delays erode budgets. The General Assembly can help by increasing state-level funding pools, supporting public-private partnerships, and simplifying access to grants and low-interest loans. The [Philadelphia Accelerator Fund](#) (PAF), for example, provides flexible financing for affordable housing and equitable neighborhood development, breaking down traditional financing barriers. As of April 2025, PAF has deployed \$11 million in loans, creating 78 units, with 46 designated as affordable.

Housing is not just a commodity – it is a foundation for health, education, and economic mobility. By enacting thoughtful, data-driven legislation, the Pennsylvania General Assembly can ensure every resident has access to a safe, affordable place to call home. Thank you for your time and commitment to this vital issue. I welcome your questions and look forward to supporting your efforts to make housing attainable for all Pennsylvanians.