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To: Pennsylvania Senate Democratic Policy Committee
From: Becky Bradley, AICP, Executive Director, Lehigh Valley Planning Commission in partnership with Jill Seitz, AICP, Chief Community and Regional Planner, Lehigh Valley Planning Commission
Date: December 17, 2025
Re: Solutions for Addressing Housing Affordability

First, thank you for calling the Senate Democratic Policy Committee together to talk about one of the most pressing issues of our time, housing affordability. I'm Becky Bradley, the Executive Director of the Lehigh Valley Planning Commission (LVPC), a bi-county planning commission representing Lehigh and Northampton County in the Allentown-Bethlehem-Easton area in Eastern Pennsylvania. The LVPC reviews every subdivision and land development plan and provides guidance to all 62 local governments, 17 school districts, 23 sewer and/or water authorities, the Delaware River Basin Commission, and Pennsylvania agencies including the Department of Transportation, Department of Environmental Protection and Department of Conservation and Natural Resources, among many others, including the general public. In other words, we see everything and more importantly, measure, monitor and report on the change in the Lehigh Valley. The LVPC houses nearly 65 years of data on growth and development, and that leads to a deep understanding of not only why, but also where and how the region is experiencing an over 9,000-unit housing shortage today. Much of this shortage is fueled by the housing collapse of 2007 and 2008, leading to over a decade of under development at a time when our population was increasing by 4,000-6,000 people per year, and job creation grew even faster.

Earlier this year we set out in partnership with the Urban Land Institute and Lehigh County to better assess the depth of the housing issues in our region. We always begin with fact-based optimism and the LVPC Team looked at housing costs, development, incomes, housing types and even local zoning to develop an accurate place to begin the conversation about what to do to begin to unravel and solve what is a crisis. We developed a housing data tool for every one of the 62 local governments and all of our school districts and published it in an interactive dashboard, that I encourage anyone interested to utilize at lvpc.org/housing.

Starting from a common understanding that everyone needs housing and that affordability is based on not only income but, available rental or ownership units, and the amount of variety in housing unit types to suit a range of living preferences and needs. Income, available units, variety and preference form the foundation of housing attainability. Again, everyone needs housing, but is it available and affordable to meet individual or family needs?

We discovered that the Lehigh Valley has a significant mismatch between households of varying incomes and attainably priced housing units. In fact, there are more than twice as many higher-income households as there are housing units at attainable price points. So, while we often read about 'missing middle' housing, we found that in Lehigh and Northampton counties we actually have extreme shortages in upper income and lower housing that creates

compression in the middle market. It is a missing housing problem, not simply one income threshold or another.

In other words, the Lehigh Valley has a significant mismatch between households of varying incomes and attainably priced housing units. The mismatch between units and households causes over 50,000 households to 'buy down' or 'rent down' into workforce housing that is lower in cost and would otherwise be attainable to households in the middle-income category. This reduces the available supply for middle-income households and increases competition for moderately priced housing.

In addition to market compression created by a mismatch between units available and household needs, other factors including interest rates, inflation, materials and labor shortages, lack of or undersized utilities and transportation infrastructure, inability of certain school districts to accommodate new students, high personal debt-to-income ratios, competition for land for development, outdated, restrictive and sometimes exclusionary local land use regulations, and public objection are among other challenges that have arisen, compounding the housing deficit.

And, because of the Lehigh Valley's population growth, projections show a need for more than 54,000 additional units by 2050 -- an annual addition of 2,100 units -- to accommodate population growth.

On average over the last five years, the LVPC reviewed 5,700 units per year, with local governments approving 2,100 of those units for construction annually. Constructing units at a rate of 2,100 per year would achieve those 54,000 additional units by 2050, however at that pace it will also take that long to catch up to the shortage and achieve a balanced market.

Developers are rising to the challenge and have proposed 3,697 new housing units between January and September this year alone. But not all approved units move forward to construction immediately. The region is slowly working to catch up with a backlog of units while faced with continually growing demand in the market. Hence a housing crisis.

With Urban Land Institute as our facilitation partner, and Lehigh County as our funding partner on behalf of the entire region, we convened a series of three co-creation workshops and a handful of municipal and school district forums to develop a solutions package. Participants shared their experiences on the barriers to housing production, their perspectives on concerns around housing development, and their ideas for opportunities and solutions. Participant input not only confirmed the depth of the housing challenge, but also provided practical insights that ultimately became the strategies identified in this plan.

External forces such as policy changes and more targeted development patterns could expedite our timeline towards alleviating the housing shortage sooner rather than later.

The good news is that local and county governments, developers, banks and financial institutions, school districts, sewer and water authorities, major regional employers, colleges and universities, realtors, and the non-profit housing community agree that a multi-pronged approach to adding units where they can be supported is critical to improving affordability, access to housing and sustainability of all the systems that connect to the issue.

The plan currently in draft form will be out for public comment early in the New Year. However, four cross-sector systems emerged and are the foundation of the implementation strategy.

- **Construction & Development** – Expanding housing types, accelerating review processes, directing housing to strategic sites, and aligning infrastructure investment.
- **Finance** – Leveraging federal, state, and local funding tools, exploring innovative financial products, and connecting housing to centers and corridors.
- **Land Use & Regulation** – Aligning zoning with *FutureLV: The Regional Plan*'s balanced growth framework, facilitating adaptive reuse, and clarifying fair share housing guidance.
- **Collaboration & Partnership** – Supporting small-scale developers, building a unified regional housing message, and providing training and education across sectors, increasing innovation in housing development (e.g. 3-D printed homes, repurposing of shipping containers, etc.).

As part of the solutions package, the LVPC is coordinating and facilitating a Housing Implementation Task Force. This all-in, public-private-non-profit partnership is designed to identify locations, build and leverage resources (financial, talent, time and materials) needed to get not only shovels in the ground but, people in homes they can afford. In order to support a \$50 billion a year economy, while working towards keeping local, county and school taxes as low as possible, the LVPC and our co-collaborators know we cannot continue to wait for units to be proposed or for the market to respond. Success is found by those that create it.

Ultimately, the analyses, recommendations and actions are designed to produce more housing at all income levels and in places that support the needs of everyone. Our housing shortage has been nearly two decades in the making, and we know this will take years to correct, but we have no doubt that the collective commitment that's carried this project the past year will continue for the long haul.

Thank you