



# The time is NOW!

PA has never had a better opportunity to address housing.

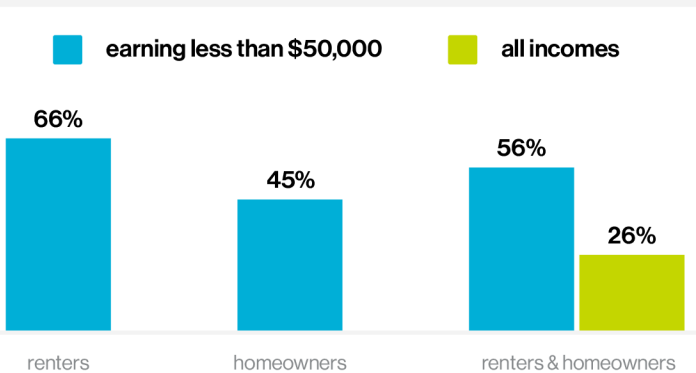
Building Towards Our Vision



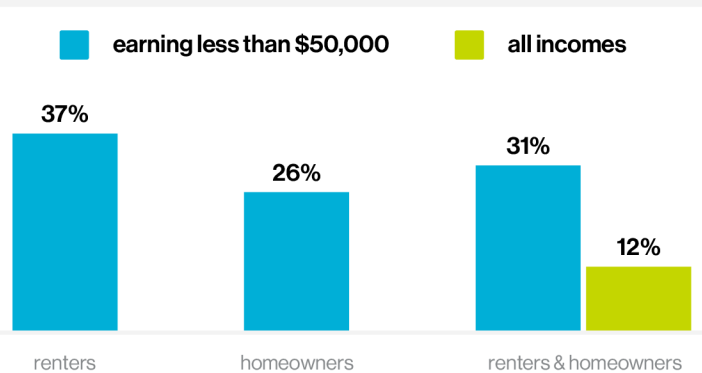
# In Pennsylvania, 1 in 8 households spend half or more of their income on housing.

Lower-income households are especially likely to have unaffordable housing costs, requiring more than 30% of their income.

### Share of households paying over 30% of their income on housing<sup>1</sup>



### Share of households paying over 50% of their income on housing<sup>1</sup>



The income needed to afford rent exceeds that of many workers, and increasingly, renters can't afford the typical home price.

**\$23.61 an hour<sup>2</sup>** (\$49,109 per year)

Wage needed to afford fair market rent for a two-bedroom home in Pennsylvania, working 40 hours per week.

**Minimum wage: \$7.25/hour<sup>2</sup>**

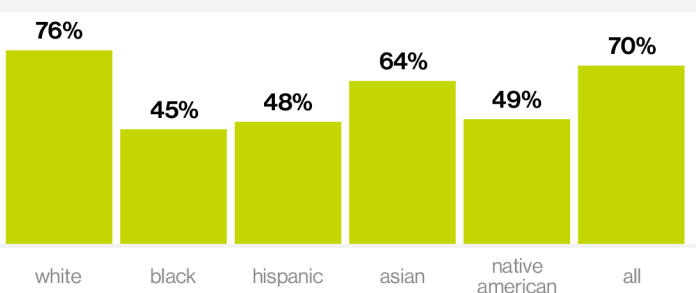
**\$56,731 per year<sup>2</sup>**

Income needed to purchase a median-priced home in Pennsylvania.

**Median income of renters in Pennsylvania: \$40,000<sup>4</sup>**

The underproduction of housing is driving up unaffordability and impeding efforts to close racial and ethnic gaps in homeownership.

### Homeownership rates by race/ethnicity<sup>5</sup>



**97,452** (rental and for sale)

Shortage of homes relative to demand in Pennsylvania<sup>6</sup>

**+60,371** (+163%)

Growth in housing shortage since 2014<sup>6</sup>

# The supply of affordable homes is dwindling in PA, but Habitat affiliates across the state are producing and preserving affordable homes.

## Our Call to Action: Habitat's Four-Point Platform for Pennsylvania

### 1 Modernize Prevailing Wage Thresholds

The Pennsylvania prevailing wage – triggered when a construction project is paid for in whole or in part by public funds and whose total cost is over \$25,000 – has not been updated since the 1960s. Amending the trigger for new construction of affordable units – based on the number of units instead of project cost – would stretch state dollars and unlock more affordable home construction across the Commonwealth.

### 2 Reform Zoning and Land Use

Smarter zoning and land use policies can make housing more affordable in Pennsylvania by allowing higher-density development and more diverse housing types. Building near transit and optimizing land use reduces costs, expands housing options, and increases affordability for more residents.

### 3 Fund Affordable Homeownership Production

There are currently no state funding programs that give preference to new affordable homeownership development. While the PHARE program supports a wide range of housing issues, its income targets and inherent flexibility leave little opportunity for new homeownership creation. Developers that wish to create housing for low-income households require dedicated resources to finance critically needed projects.

### 4 Fund Whole-Home Repairs

Permanently funding the Whole-Home Repairs Program will improve the lives of homeowners across the Commonwealth – addressing inadequate living conditions and safety concerns, improving energy efficiency, reducing long-term housing costs, preventing displacement, boosting the local economy and overall creating healthier communities.



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## Habitat for Humanity

Driven by the vision that everyone needs a decent place to live, Habitat for Humanity found its earliest inspirations as a grassroots movement on an interracial community farm in south Georgia. Since its founding in 1976, the housing organization has grown to become a leading global nonprofit working in local communities across all 50 states in the U.S. and in more than 70 countries. Families and individuals in need of a hand up partner with Habitat for Humanity to build or improve a place they can call home. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage. Through financial support, volunteering or adding a voice to support affordable housing, everyone can help families achieve the strength, stability and self-reliance they need to build better lives for themselves. Through shelter, we empower. To learn more, visit [habitat.org](https://www.habitat.org).

#### PA Affiliates working to ensure the safety, stability and self-reliance of PA's households with lower income:

Adams County HFH • Allegheny Valley HFH • Armstrong HFH • HFH of Beaver County • HFH of Bedford County • HFH of Berks County  
HFH of Bucks County • HFH of Greater Centre County • HFH of Chester County • HFH of Clearfield County • Cumberland Valley HFH  
Endless Mountains HFH • Greater Erie Area HFH • HFH of Franklin County • Greater Lycoming HFH • Greene County HFH • HFH of Greater  
Harrisburg Area • Lancaster Lebanon HFH • Lawrence County HFH • HFH of the Lehigh Valley • HFH of the Lehigh Valley • Monroe County  
HFH • HFH of Montgomery and Delaware Counties • HFH Philadelphia • HFH of Pike County • Potter County HFH • Snyder-Union-  
Northumberland • HFH Somerset County HFH • Washington County HFH • Central Westmoreland HFH • Wyoming Valley HFH • York HFH

#### Sources:

1. IPUMS (2021 American Community Survey 1-Year Estimates).
2. National Low Income Housing Coalition (Out of Reach 2023: The High Cost of Housing).
3. Assumes a 10% downpayment, 28% payment-to-income ratio, 3.0% interest rate (the median in 2021), nationally typical mortgage insurance and homeowner's insurance, and state-specific taxes (Sources: St Louis Federal Reserve's FRED database, National Association of Home Builders Priced-Out Estimates for 2021, Census Bureau's 2021 and 2020 ACS 1-Year estimates).
4. IPUMS (2021 ACS 1-Year Estimates).
5. IPUMS (2021 ACS 1-Year Estimates). Note: Limited sample size may impact the precision of the results.
6. Up for Growth (2023 Housing Underproduction™ in the U.S.).

