

places2040 Implementation Workshops

Fall 2021 Series: Creating Great Places

Analysis

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Housing Choice

Related Policy: *Provide a greater supply and diversity of housing types to own and rent*

Why Focus on This Topic?

During the *places2040* planning process, Lancaster County Planning staff received feedback from county residents and housing policy experts about the acute need for an increase in both the amount of housing stock and the types of housing in the region. Increasing the supply and diversifying the types of housing available to own and rent in Lancaster County is critical to meeting the needs of a growing population, as well as maintaining and improving the economic health and vibrancy of our region. Increasing housing choice is a part of Creating Great Places. When we create great places, it makes it easier to achieve the other four big ideas in *places2040*.

As both owner- and renter-occupied housing are in short supply throughout Lancaster County, vacancy rates have fallen and prices are increasing. This underscores the importance of adding to the supply of housing in general, and increasing the amount of affordable housing in particular. Many in the county are housing cost burdened, which means they're spending more than 30% of gross monthly income on housing. This is particularly true for renters. As a result, housing cost burden limits where individuals can afford to live, which then can reduce access to employment, educational opportunities, and community amenities.

Regulatory barriers often discourage the development of higher density dwellings such as apartments, condos, and townhomes. Yet, the county's housing market has consistently demonstrated a strong demand for these types of dwellings. Identifying these barriers and developing solutions to them is imperative to encouraging a mixture of housing types in the county. This is especially important for land within or adjacent to *places2040* growth areas, which is typically most appropriate for higher density development and provides access to public utilities and services.

The purpose of this analysis is to show us: 1) where different types of housing units exist in Lancaster County, 2) how costs of living impact housing affordability, and 3) where it may be appropriate to develop new semi-detached, townhouse, and multi-family types of housing. This information can help

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us to direct future higher density residential development to locations that are appropriate for pattern of land use, and away from agricultural and natural preservation priority areas.

Purpose of Discussion

- Identify the existing mixture of housing types throughout the county;
- Evaluate expenses that affect housing affordability;
- Explore potential locations of future residential development;
- Recommend how *places2040* catalytic tools can be implemented to achieve the results we want to see.

Desired Outcomes

Places2040 provides some ways to measure our progress in achieving the policy priority to provide a greater supply and diversity of housing types to own and rent:

Housing Type, Supply, and Affordability

Mix of types	▲	Increase % of semi-detached, townhouse, or multi-family types
New housing supply	▲	Increase # of building permits
Housing cost burden	▽	Reduce incidence of housing cost burden (30%+ income on housing)

Table and Maps

A more detailed discussion of the analysis undertaken for this topic appears in a separate “Methodology” handout. In general terms, Table 1 and Maps 1, 2, 3A, and 3B illustrate the following:

Table 1 – Consumer Income and Expenditures

- Average annual consumer expenses for the following:
 - Housing – including mortgage, property taxes, homeowners’ insurance, and utilities for owner-occupied dwellings and rent and utilities for tenant-occupied dwellings.
 - Transportation – including vehicle purchases, fuel costs, maintenance costs, insurance, parking, and public transportation costs.
 - Healthcare – including health insurance coverage, medical services, prescription and nonprescription drug costs, and medical supplies.
- Value of owner-occupied housing, median household income, and median effective buying income.
 - Percentage of Median Household Income and Effective Buying Income used for housing expenditures.
- Demographic data including average household size and median age.

Map 1 – Existing Housing Types

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- Geographic distribution of housing types: Single-Family Detached, Single-Family Semi-Detached, Single-Family Attached (Townhouse), Apartments – Mixed, Apartments – Complex, Condo, Mobile/Manufactured Homes, Retirement (Senior Living and Age Restricted).
- Metadata includes date of construction of number of residential units per parcel.

Map 2 – Housing Sale Prices

- Geographic distribution of sales prices for various fee-simple housing, including single-family detached, single-family semi-detached, single-family attached (townhouse), residential condominiums, and mobile/manufactured homes.

Map 3A – Flexibility in Residential Zoning

- Flexibility for a mixture of housing types based on the Lancaster County Planning Department zoning lexicon.
 - Only includes zoning lexicon categories where residential uses are permitted.
- Public sewer service areas are identified as the most suitable for residential development.

Map 3B – Flexibility in Mixed Use Zoning

- Flexibility for a mixture of housing types based on the Lancaster County Planning Department zoning lexicon.
 - Includes zoning lexicon categories where a mixture of uses is permitted, including residential.
- Public sewer service areas are identified as the most suitable for residential development.

Results of the Analysis

Looking at the countywide data, these factors stand out to us:

- People in Lancaster County are on average spending 35% of their Median Household Income on housing costs.
- Certain eras saw significant increases in the number of certain housing types in Lancaster County, including single-family detached during the 1940-1960 era, mobile/manufactured homes and multi-family units during the 1960-1980 time period and senior housing during the 1980-2000 time period.
- The highest percentage of lower price home sales were in Lancaster City and the county's boroughs (75%) while the highest percentage of higher price home sales were in the county's townships (88%).
- While a sizable area of the county is zoned to allow for a mixture of housing types, some of these areas lack public utilities.

Applying the Catalytic Tools in *places2040*

Here's how our partners can use these tools to encourage an increased supply and diversity of housing types to own and rent:

Municipalities / Regional Entities

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- Place-Based Planning – Use the results of this analysis to prioritize and direct new residential development to growth areas, work with neighboring municipalities to identify opportunities for redevelopment and infill.
- Simplify Zoning
 - Rezone (if necessary) land in appropriate areas to accommodate a mixture of residential land uses.
 - In zones where certain residential uses are permitted by special exception or conditional use, permit these uses by right to streamline the land development process. Identify other regulatory barriers to developing a range of housing types and densities, such as minimum off-street parking requirements, maximum building heights, minimum lot sizes, required setbacks, and impact fees.

Partners for Place

- Collaborate
 - Work with municipalities and property owners to ground-truth these analyses and identify and ready the lands within and adjacent to *places2040* growth areas most suitable for residential development or infill and redevelopment [Lancaster County Housing and Redevelopment Authorities, Building Industry Association of Lancaster County, Lancaster County Association of Realtors®].
 - Engage municipal leaders and community members to discuss opportunities for zoning amendments that will facilitate development of an increased variety of housing types at multiple price points [Coalition for Sustainable Housing, Tenfold].

Authorities

- Infrastructure – Work to close any deficits in public sewer systems for *places2040* growth areas. Ensure that sewer is readily available for potential residential development within, or possibly adjacent to, these growth areas.

School Districts

- Align Resources – School districts can communicate with municipalities regarding changes in enrollment to help inform policy decisions and zoning regulations that dictate the location, pattern, and timing of residential development.

Questions for Workshop Discussion

1. What do you notice about the information on the map? What stands out to you?
2. How might you use this analysis to inform local and regional decision making, especially in terms of where new semi-detached, townhouse, and multi-family types of housing units could be permitted?
3. Our analysis is simply a data-driven “baseline” review. More study is needed at the local level. What can you – as one of our partners – do to follow up with this analysis?
4. Has there been any discussion in your region regarding the increased need for a variety of housing type options, and where they should be located?

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5. Do you see any infill and reinvestment opportunities in currently developed but underutilized areas where new housing could be located?