



# Housing

# Underproduction™

# in the Poconos

Housing should  
always be an  
opportunity,  
never an obstacle.



# Housing is where jobs go to sleep at night

Housing is not just a place for individuals to rest after a long day's work. It is a catalyst for economic development, growth, and prosperity.

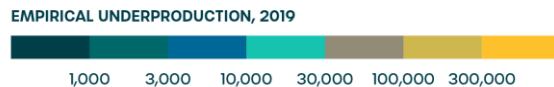
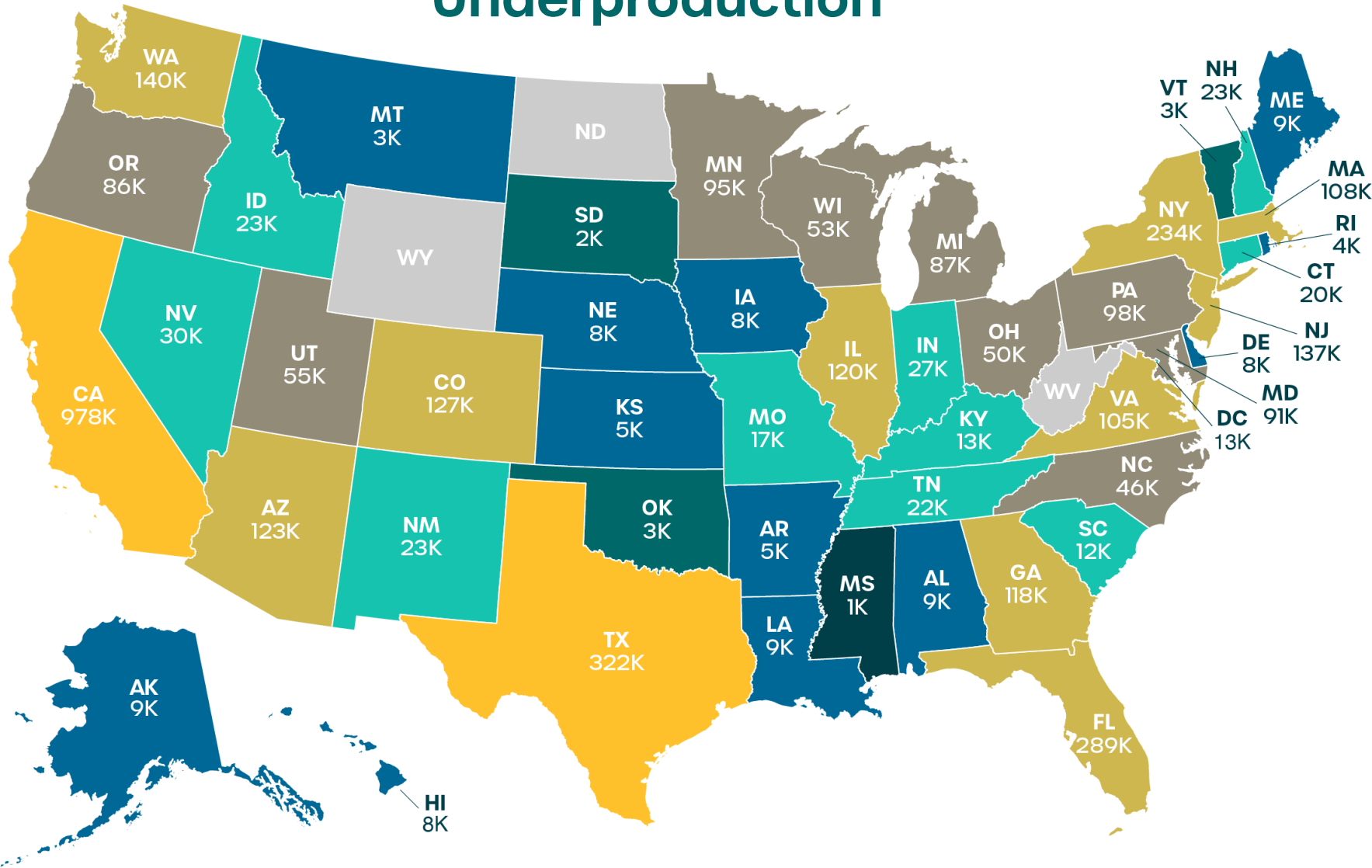
Adequate housing is essential for:

- Workforce
- Consumer Spending
- Economic Mobility
- Entrepreneurship
- Productivity

When communities lack housing stock across the housing ecosystem, they risk losing economic opportunities.



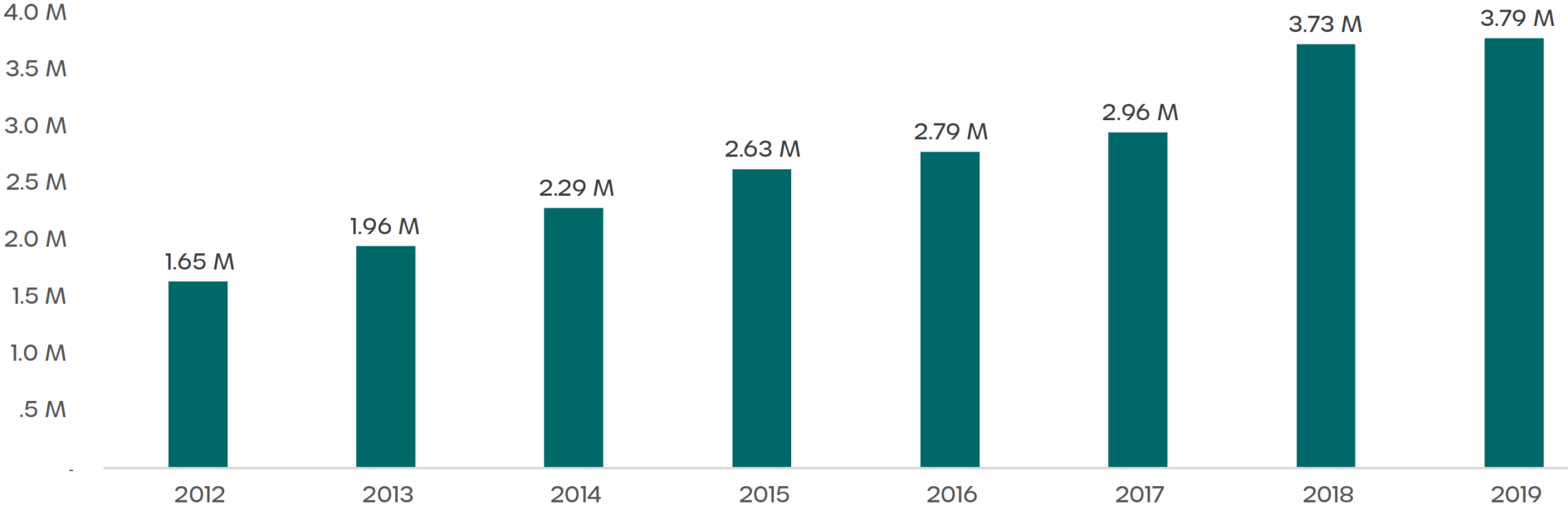
# As of 2019 forty-seven states experienced Underproduction



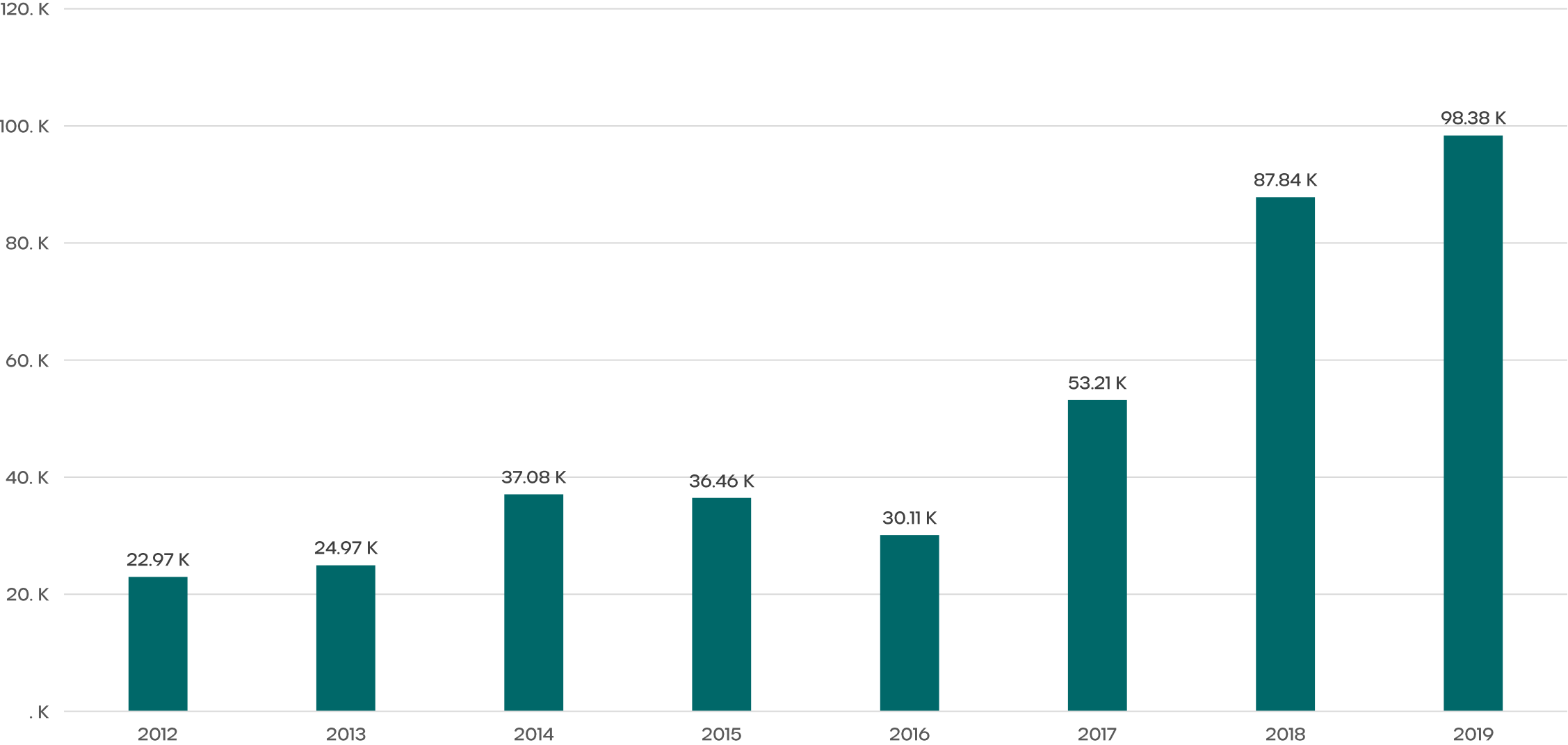
## PENNSYLVANIA AND POCONOS REGION TRENDS

- Pennsylvania’s Housing Underproduction has increased more than four-fold from 2012 through 2019
- As of 2019, Housing Underproduction in Pennsylvania reached 100,000 missing homes, placing the state 13th in the U.S.
- The Poconos region is facing a significant increase in housing demand, driven by employment growth and population migration.

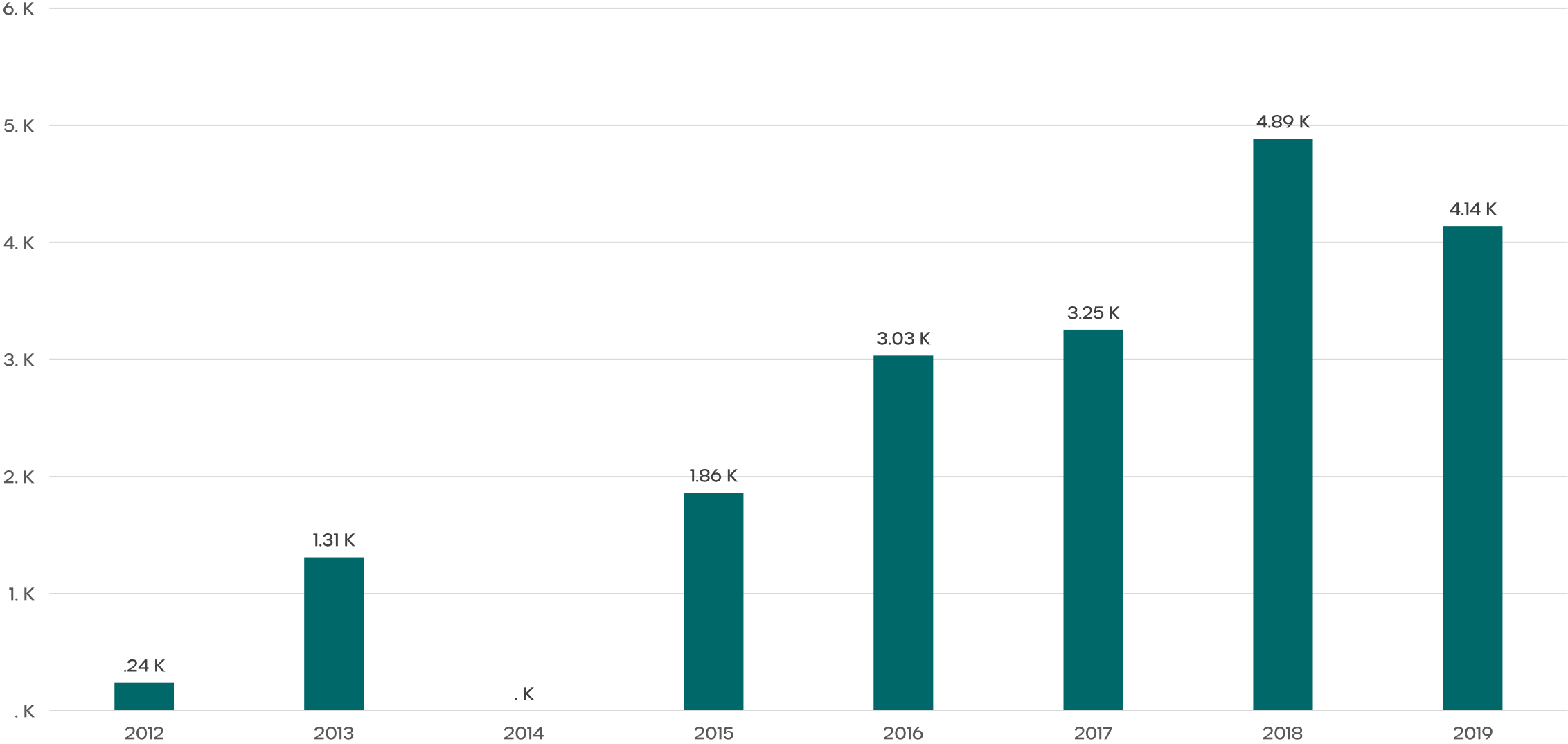
# U.S. Housing Underproduction trends have more than doubled between 2012-2019



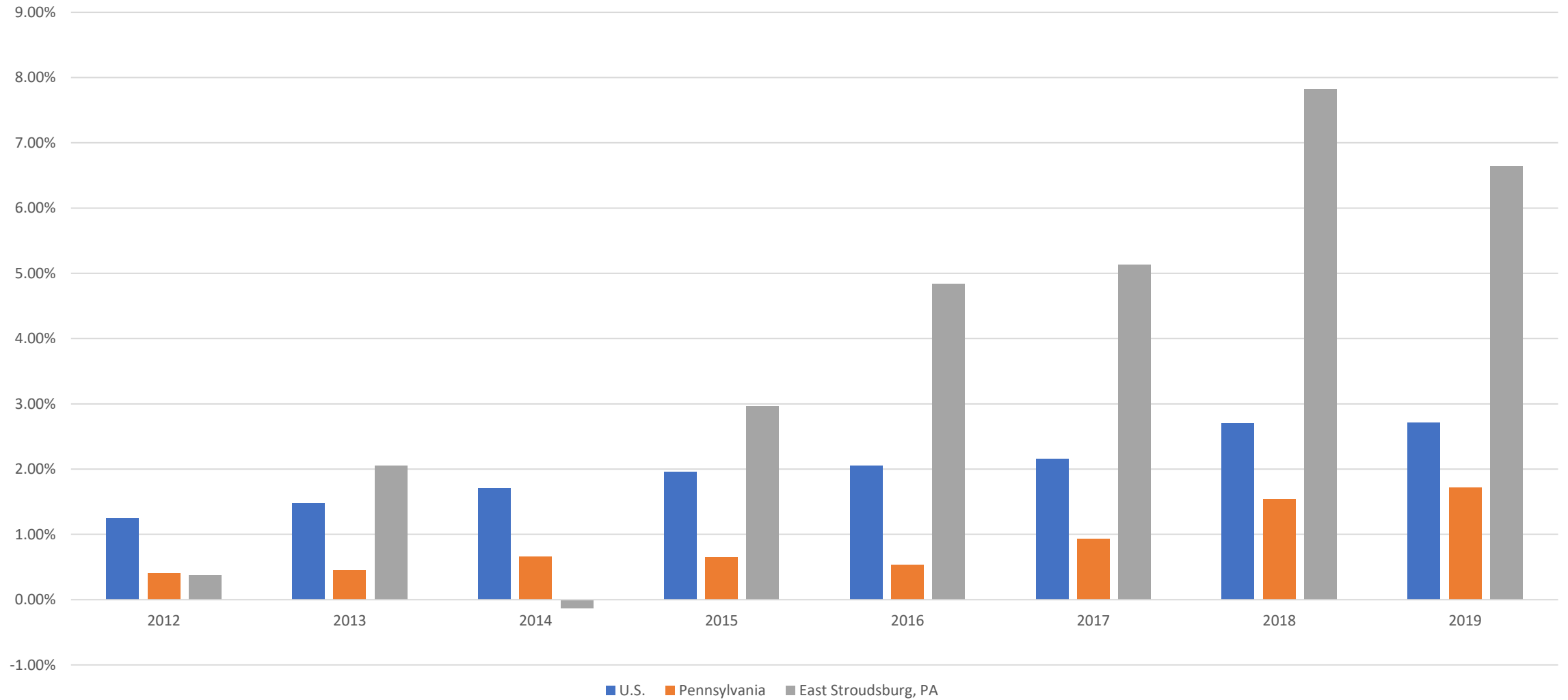
# Pennsylvania is the 13th most underproduced state in 2019



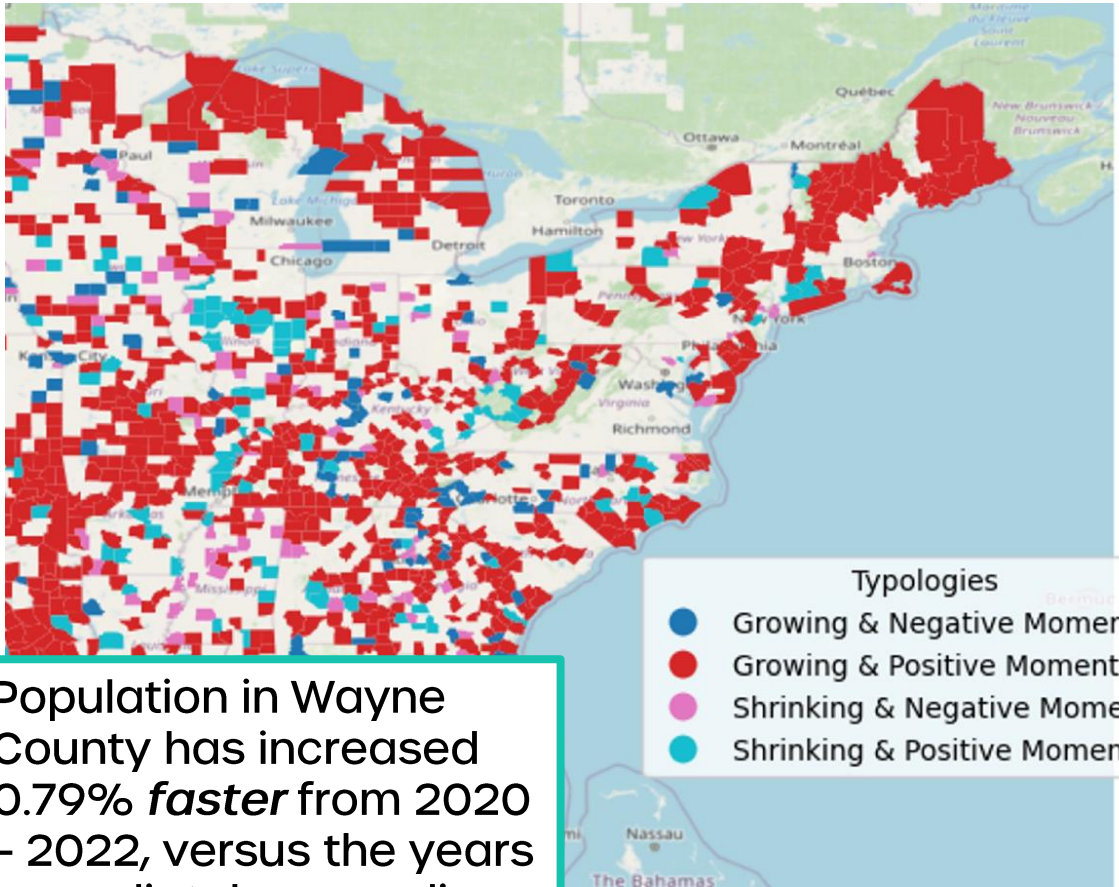
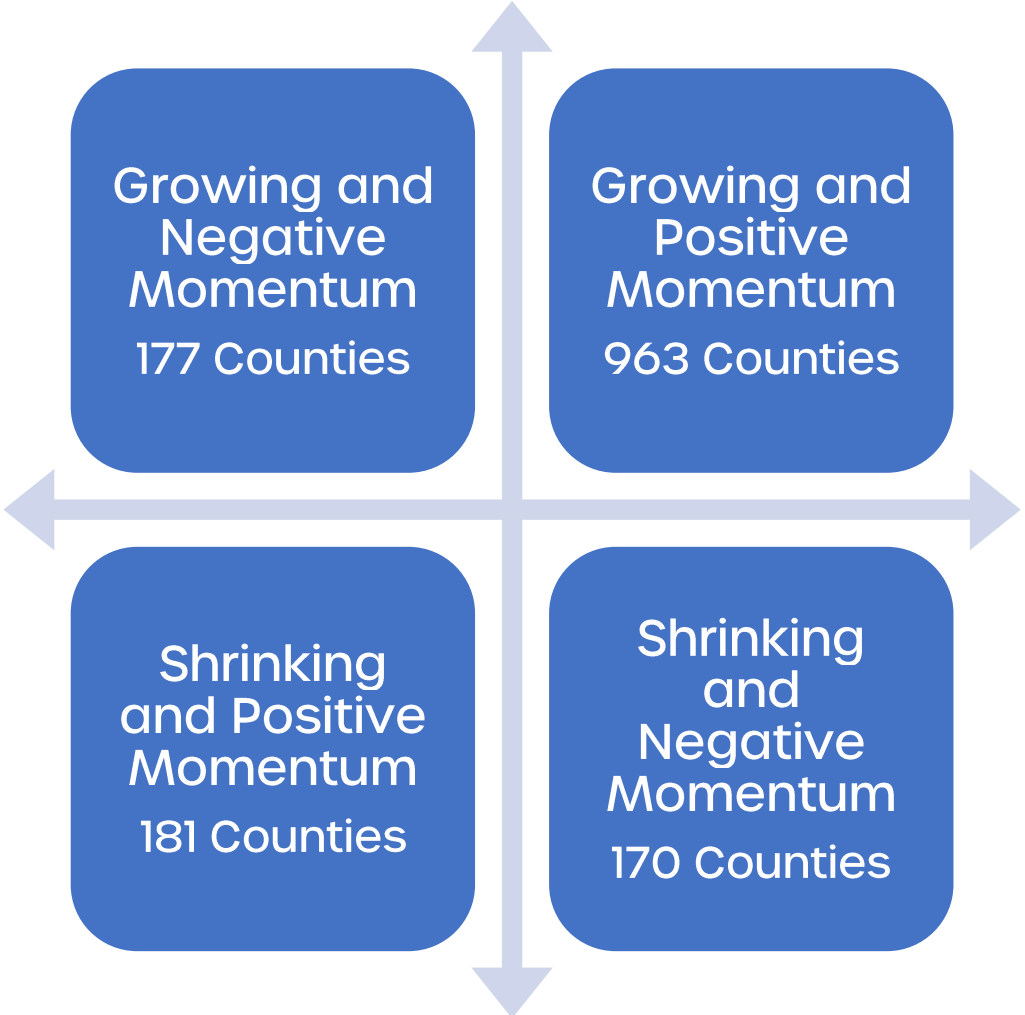
# Underproduction in the Poconos MSA increasing at a rapid pace



# Poconos MSA's Underproduction skyrockets, surpassing the U.S. and Pennsylvania



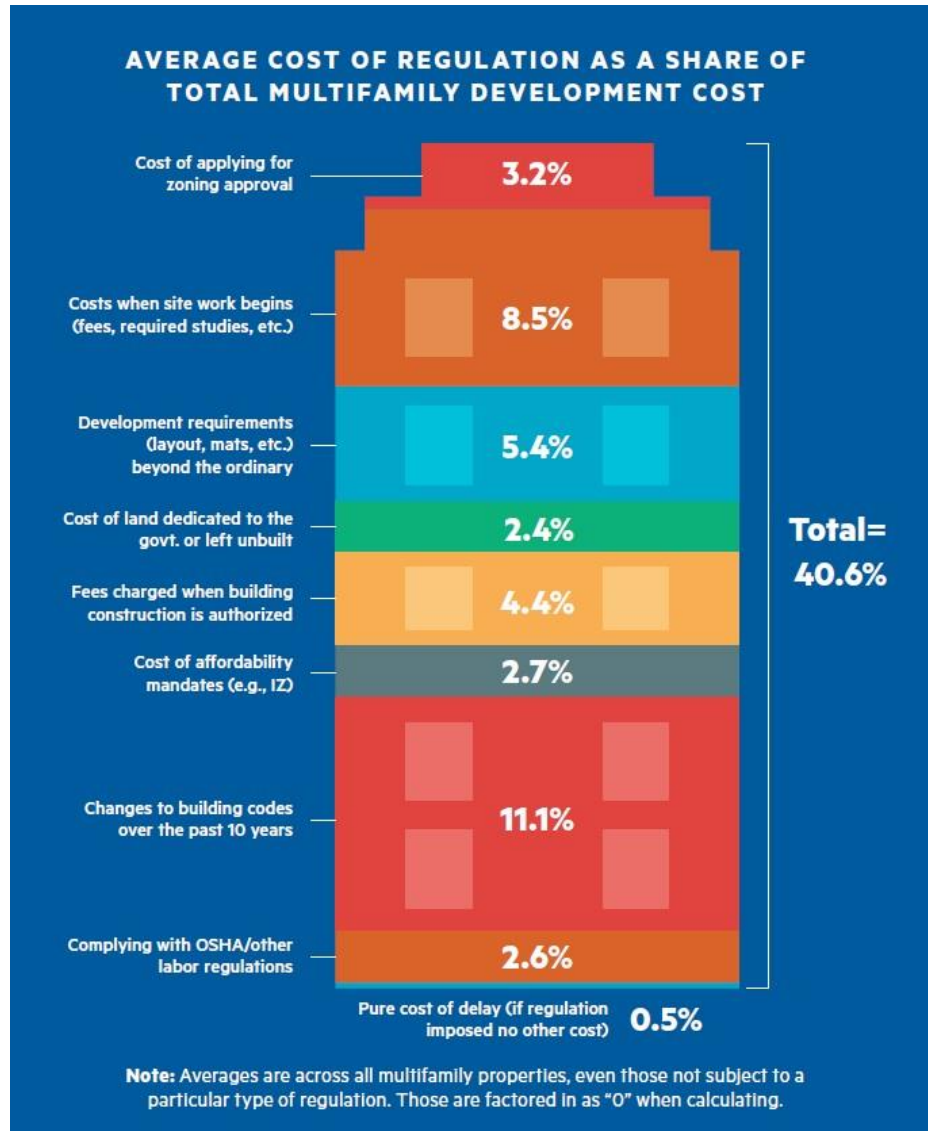
# Increasing migration to the Poconos will likely accelerate the region's increasing underproduction severity



Population in Wayne County has increased 0.79% *faster* from 2020 – 2022, versus the years immediately preceding the pandemic.



# The housing crisis: a self-inflicted problem



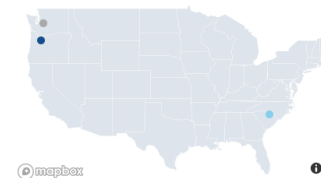
## Housing Policy and Affordability Calculator

Local housing policies that lead to more safe and affordable housing are best informed when all stakeholders—government, residents, nonprofits, and private market actors—can see the whole picture, and how the parts connect. This Calculator is intended as a tool to facilitate local and national conversations around housing policy. It is a dynamic model that uses detailed local market data to represent real-world housing conditions in the cities listed below and allows users to test the implications of changes to existing or proposed local housing policies in those cities.

### City

Cities make investments in infrastructure, education, transit, jobs, open space, and other policies that make them attractive to new residents, and drive demand for new housing. At the same time, local policies can play a large role in affecting rents by changing the supply of housing and the cost of new development.

Select a city to explore its local policy environment.



© mapbox

### Construction Type

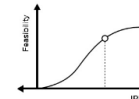
Click on a building typology to select it. Your selection will affect project-level outcomes as each typology has a different construction cost development profile.

Midrise

Stacked Flats

### Development Process

- 1 Site & Market
- 2 Financial Feasibility



Developers establish a project program that balances development costs, projected revenues, and payments for investors in the project. Revenues include expected rents and sales, and costs include hard costs, such as vertical construction and site costs, and soft costs, such as design and engineering fees. Throughout this phase, the project design is refined.

#### City's Role

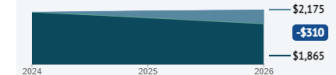
The city influences project costs and revenues through a variety of policies that are designed to further public goals. These include affordability requirements, green building and urban design policies, and the permitting and entitlement process.

### Policy Impacts

What is the impact on citywide rent and affordability?

#### Citywide Rent Impact

The calculator projects a decrease in average rent by \$310 compared to long-term baseline growth.



#### Additional Citywide Impacts

##### Production Impact

The calculator projects 5,750 more housing units over the next 3 years relative to long-term average production.

##### Affordable Production Impact

Calculation still in progress, coming soon.

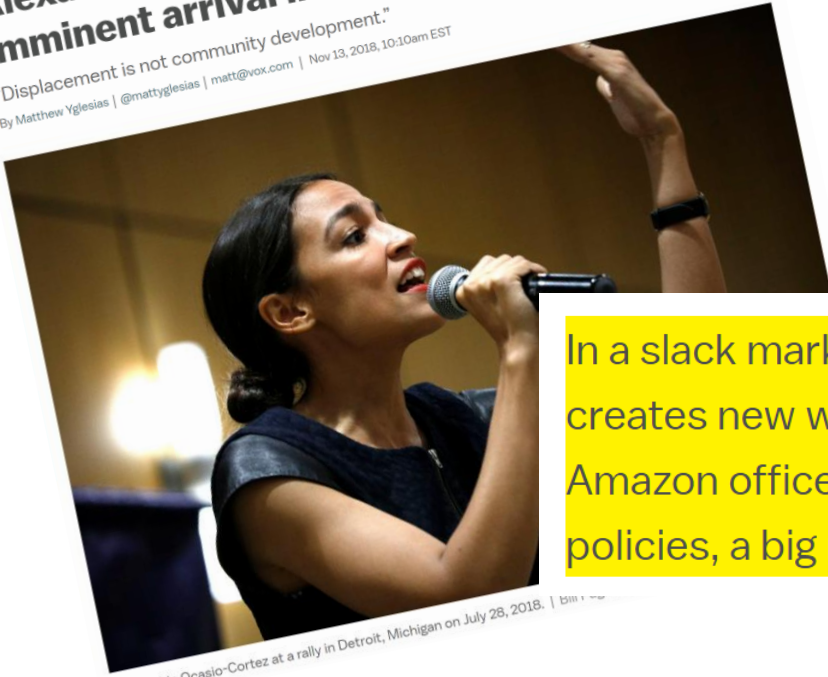
What is the impact on a prototypical new two-bedroom Midrise apartment?

Item	Impact
Current Rent	\$2,095
Inclusionary Housing-Affordability Percentage	-\$74
Design Review	-\$1
Gross Receipts Tax	-\$16
Tax Abatement	+\$3
Bird Glass Requirements	-\$5
Parking Requirements	-\$21
System Development Charges	-\$9
Permit Approval Timeline	-\$1
Appeal Process	-\$22
Building Permit Fee	-\$33
Contact Requirements	-\$7
Community Design Standards	-\$13
Green Roof Requirements	-\$18
Historic Design Review	-\$142
<b>Resulting Rent</b>	<b>\$1,730</b>
	<b>(-17%)</b>
<b>Total Units</b>	<b>206 units (+17%)</b>

# Inelastic housing markets increase voter frustration and reduce opportunity

## Alexandria Ocasio-Cortez slams Amazon's imminent arrival in Queens

"Displacement is not community development."  
By Matthew Yglesias | @mattyglesias | matt@vox.com | Nov 13, 2018, 10:10am EST



Alexandria Ocasio-Cortez at a rally in Detroit, Michigan on July 28, 2018. | bnn.com

51.1% of households earning less than \$50,000 per year are cost burdened. 18% of renter households overall are cost burdened.

In a slack market, the new rich people don't impact rents very much, but their presence creates new working-class job opportunities. In the right location, in other words, a big new Amazon office park could be a boon. And if greater New York City had the right housing policies, a big new Amazon office park could be a boon. But the city doesn't have either.

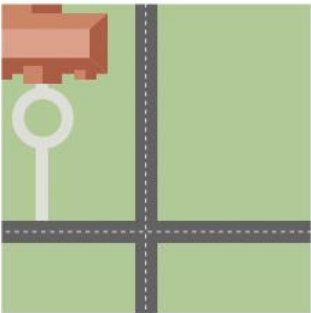
The implications are clear: voter concerns about housing can directly influence business decisions and economic development, underscoring the need for better housing policies.



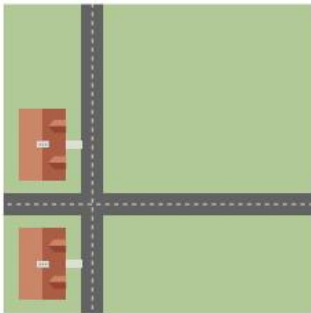
# How much to build and what to build

## If the existing community contains

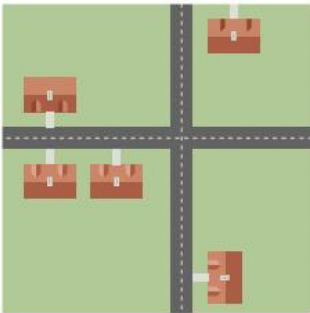
High Opportunity  
+ >0.5 homes per acre



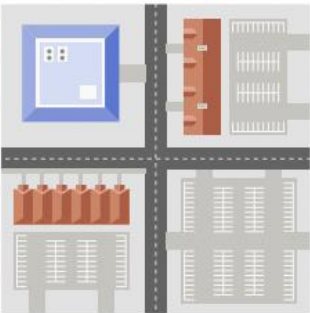
0.5 - 2 homes per acre



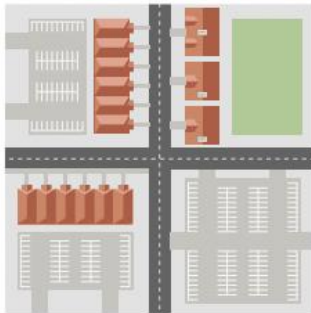
2 - 5 homes per acre



5 - 12 homes per acre

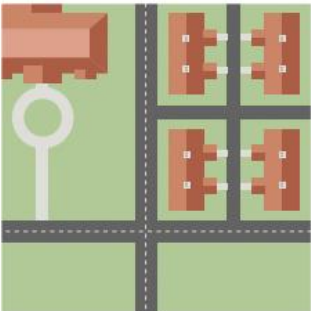


>12 homes per acre

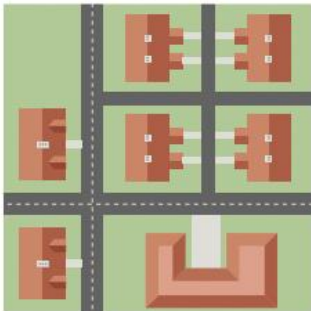


## A Better Foundation™ recommends

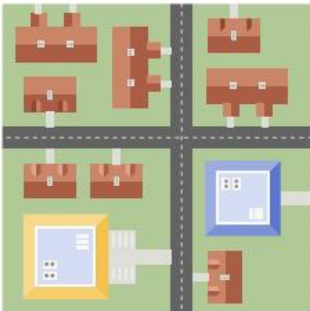
100% Missing Middle



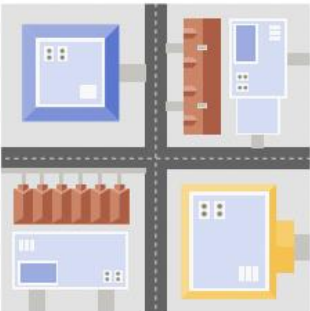
25% Medium Density  
75% Missing Middle



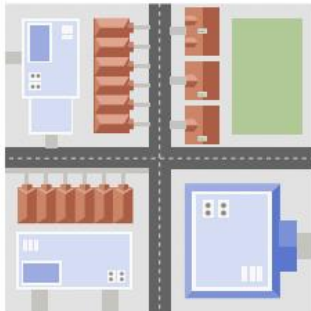
50% Medium Density  
50% Missing Middle



100% Medium Density

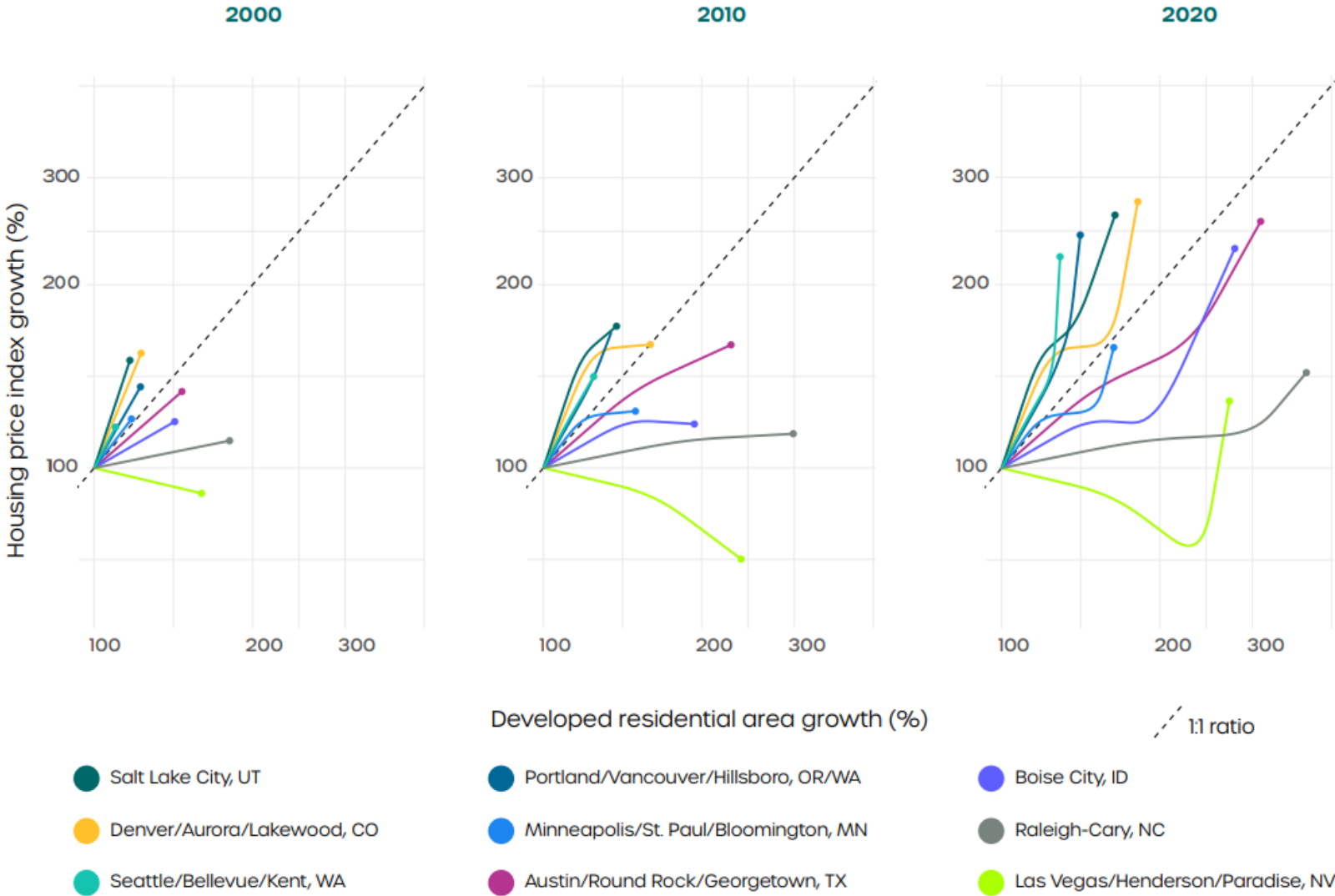


100% High Density





# Infrastructure investment is critical for housing availability and affordability



# A Better Foundation creates more affordable and sustainable housing without sacrificing economic growth

A Better Foundation's housing distribution leads to

**a 15% reduction in Vehicle Miles Traveled (VMT)**

compared to more of the same.



A Better Foundation lowers average household expenses by **\$3,000 per year** through a mix of housing that is more affordable than a "more of the same" approach.



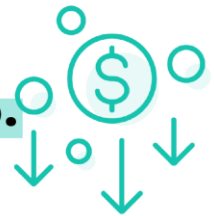
After 30 years of production, A Better Foundation generates

**\$209 billion more in GDP nationally**

compared to more of the same.



Federal and statewide zoning reform and housing production legislation has the potential to **lower multifamily development cost by 40%**.



# A Better Foundation helps frame policy solutions



## Federal

- Housing Supply and Affordability Act
- Neighborhood Homes Investment Act
- Yes in My Backyard Act



## State

- Property Tax Exemption Policies
- Direct Zoning Interventions
- Fair Share Frameworks with Builders Remedy
- Public Lands
- Infrastructure Funding
- Innovation Incentives



## Local

- Comprehensive Plan Updates
- Zoning and Land Use Policy Modernization
- Density Bonus Law
- Form Based Codes
- Housing Trust Funds
- Public-Private Partnerships and Regional Collaboration

# Housing underproducing costs regions economic growth, but solutions are possible

- Housing is an economic development issue.
- Voter frustration with housing costs negatively impact economic dynamism and regional competitiveness.
- However, the housing crisis is a problem of our making. Solutions are available, and require political will.
- To drive solutions, policymakers, advocates, and the business community must work together to advance policy solutions.





To get involved, go to

[www.upforgrowth.org](http://www.upforgrowth.org)

Interested in membership?

[keasley@upforgrowth.org](mailto:keasley@upforgrowth.org)

