

Media Affordable Housing Study Recommendations



Borough Council Presentation

Feb 1, 2024



Engage | Design | Advance

Project Overview

Phase 1: Assessment

- Define affordability
- Determine if there is an issue
- Assess the problem(s)
- Identify barriers

Phase 2

- Identify potential solutions
- Recommend 1 – 2 for future exploration
- Identify potential sites

Approach

Technical Analysis

- Demographics
- Housing Stock
- Market

Stakeholder Interviews

- Delaware County
- Advocacy groups
- Community organizations
- Local developers
- A Bank
- Another municipality

Areas of Concern & Core Issues

Areas of Concern

Concerns for People

- Middle-income residents
- Aging residents
- Low-income residents
- Black residents

Concerns for Community

- Loss of community cohesion
- Loss of black community
- Loss of what makes Media, Media

Core “Key Questions”

1. Is Media still affordable to a **wide range of households** (Everyone’s Hometown) like it was in the past?
2. Are **current residents** facing issues accessing affordable housing?
3. What is the impact of these affordable issues on the **racial makeup of the community**?

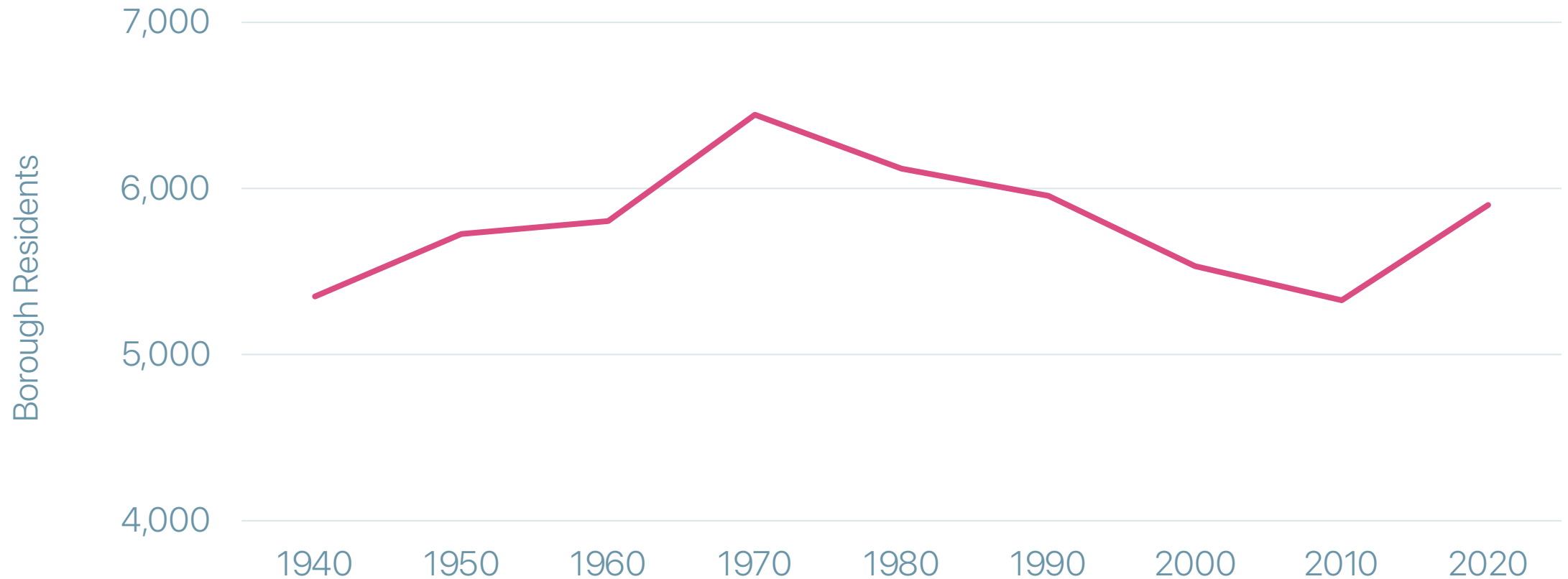
Key Findings

Demographics

Media is a community of choice

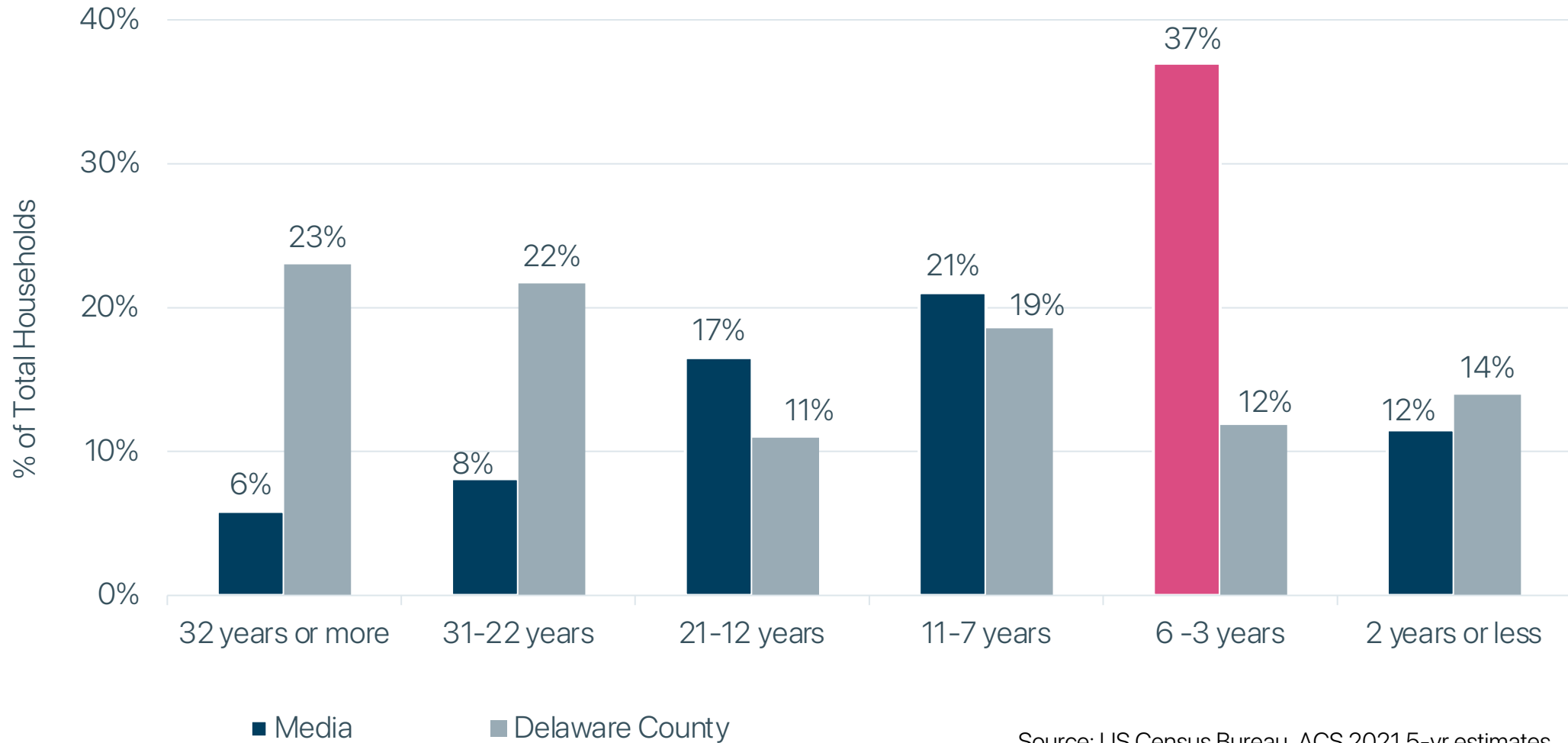


Media is growing



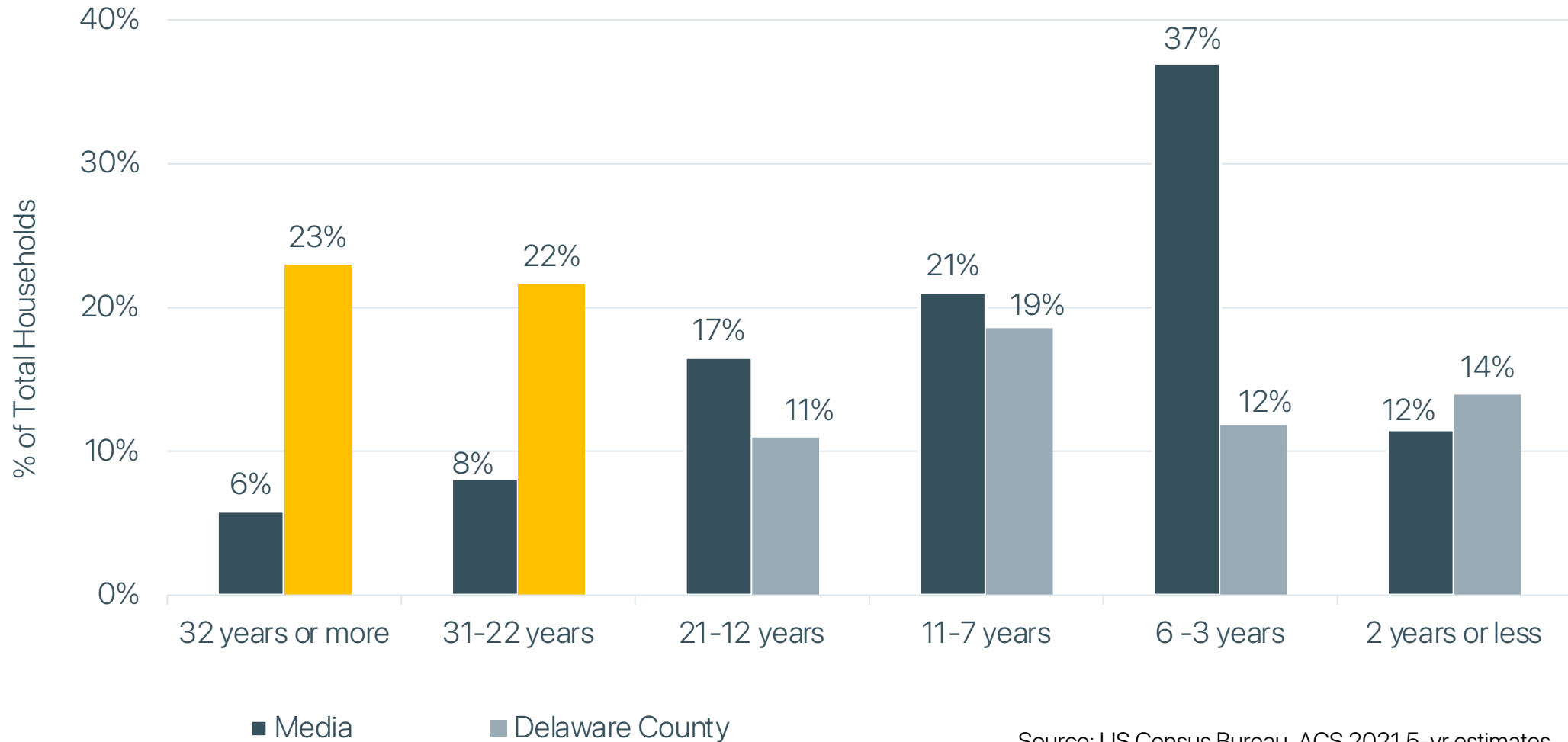
Source: US Census Bureau, Decennial census 1940-2020

There has been population turnover



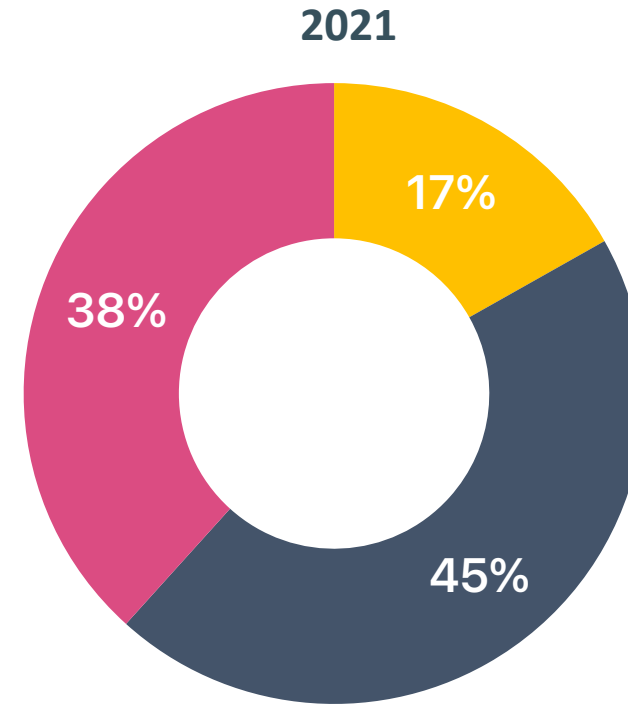
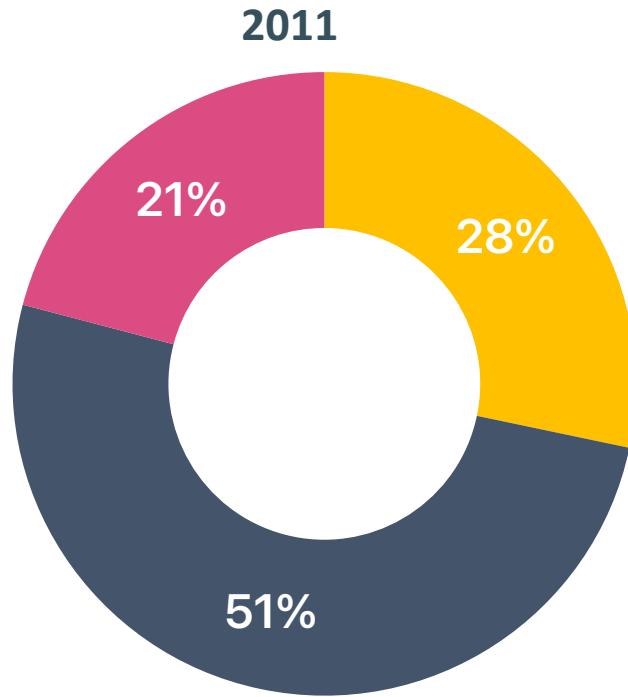
Source: US Census Bureau, ACS 2021 5-yr estimates

There has been population turnover



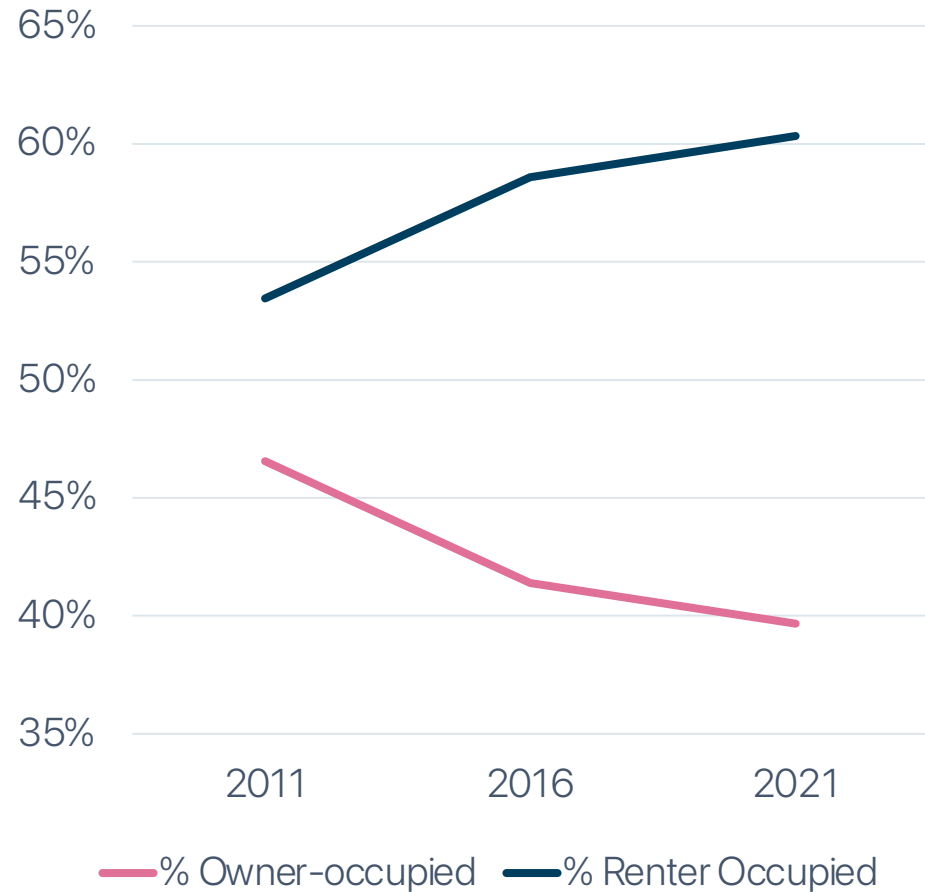
Source: US Census Bureau, ACS 2021 5-yr estimates

Media has become wealthier



Source: US Census Bureau, ACS 5-yr estimates

Media is becoming more renter oriented

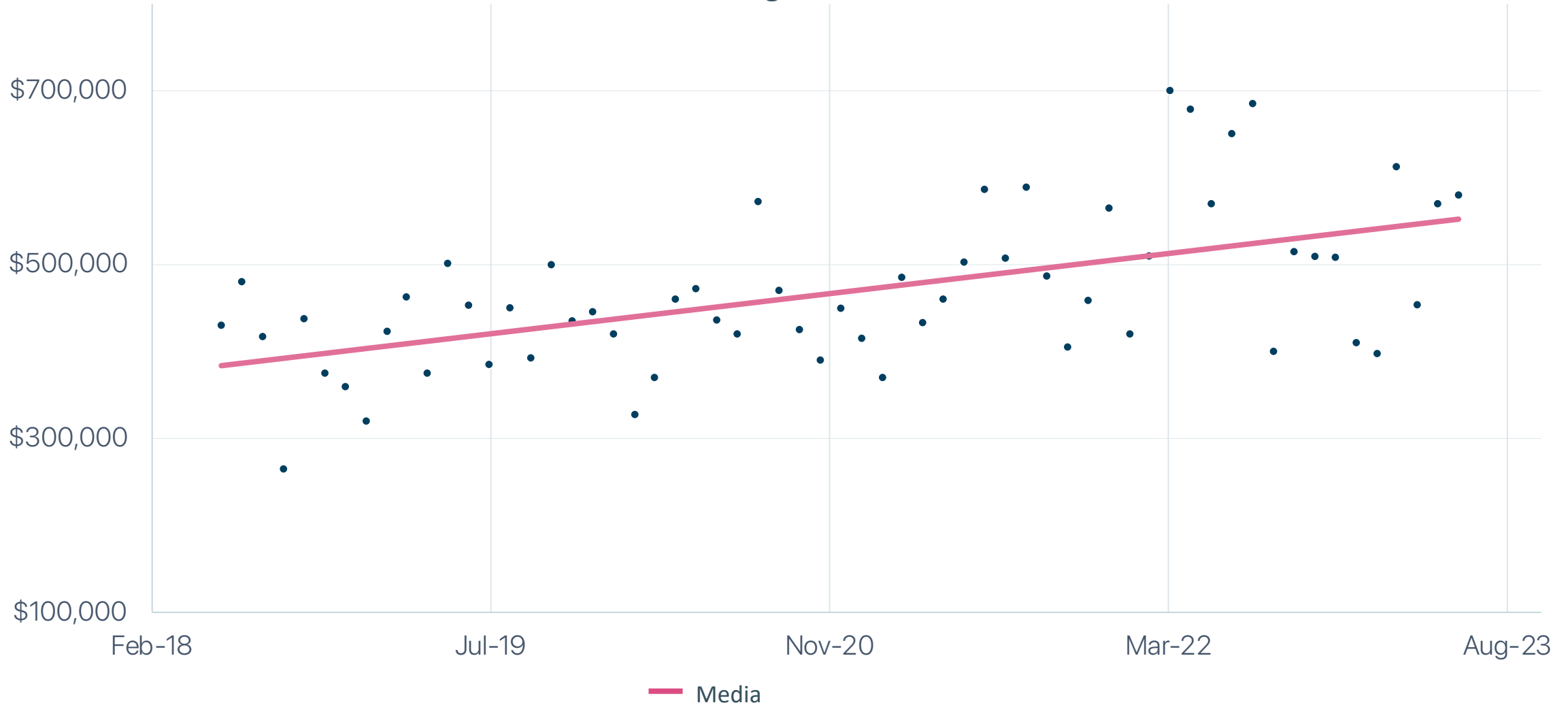


Income Category	Change in Number of Households
Less than \$10,000	-57%
\$10,000 to \$14,999	-39%
\$15,000 to \$24,999	-60%
\$25,000 to \$34,999	8%
\$35,000 to \$49,999	-15%
\$50,000 to \$74,999	47%
\$75,000 to \$99,999	24%
\$100,000 to \$149,999	320%
\$150,000 or more	437%
TOTAL	23%

Housing Costs

Homes are getting more expensive

Five Year Change in Home Sale Price

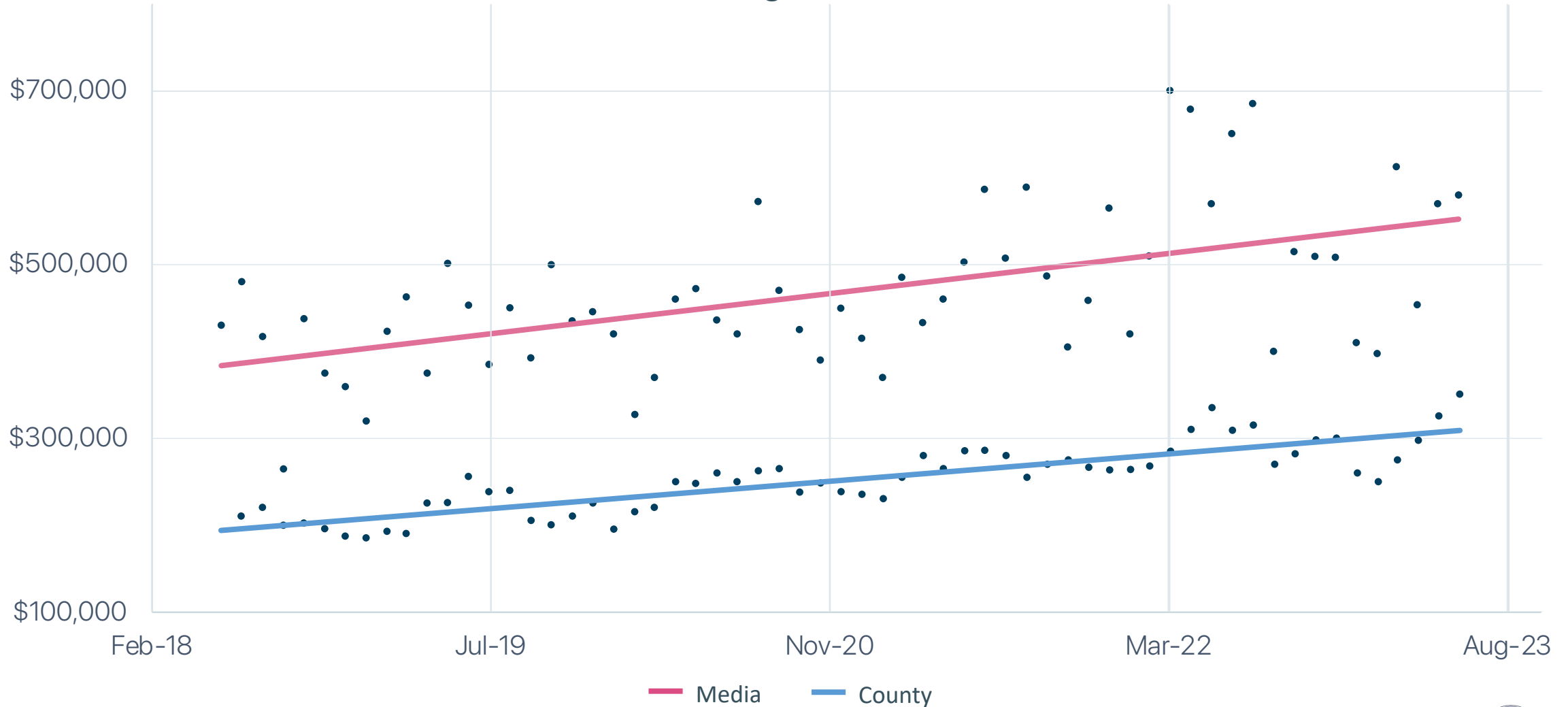


Source: Redfin, monthly median sales price, Feb 2018- Aug 2023



But in pace with the County

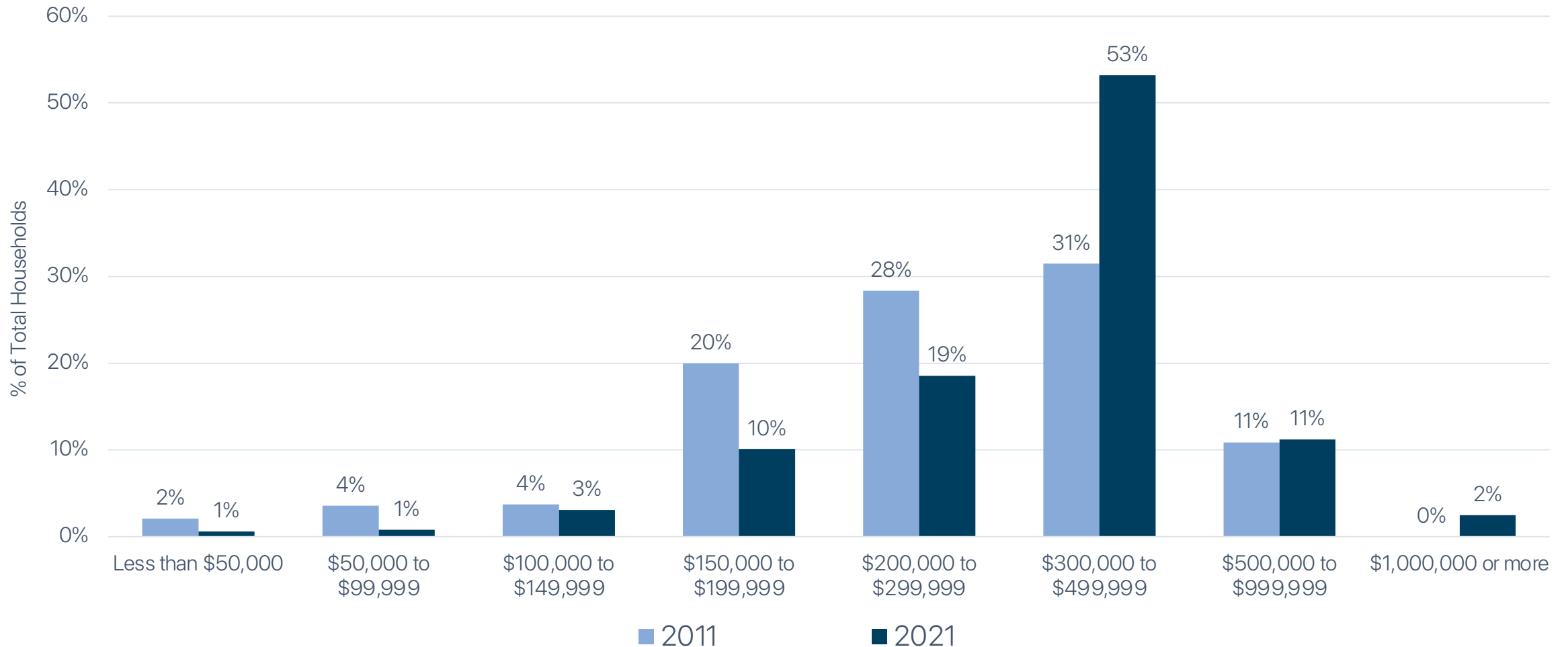
Five Year Change in Home Sale Price



Source: Redfin, monthly median sales price, Feb 2018- Aug 2023

And is concentrated in the market

Self-Reported Home Values (2011 – 2021)



Source: US Census Bureau, ACS 2011 and 2021, 5-yr estimates

Average Rents

Apartment Type	Average Rent	Average Sq Ft
Studio	\$963/month	410 Sq Ft
One Bedroom	\$1,522/month	705 Sq Ft
Two Bedroom	\$1,860/month	961 Sq Ft
Three Bedroom	\$3,065/month	1,200 Sq Ft

Source: Apartments.com, Media Borough Average Rents, 2023

Housing (Un)affordability

Definitions of Low & Moderate-Income

Key Terms

- AMI = Area Median Income
- Area = the Philadelphia-Camden-Wilmington Metro Area

HUD Thresholds

- Very-Low Income = $< 50\%$ AMI
- Low-Income = $50\% - 80\%$ AMI
- Moderate-Income = $80\% - 120\%$ AMI
- 60% AMI = Low Income Housing Tax Credit (LIHTC) Cut Off

Rental Affordability

One Income Households

Type	Service worker	Teacher	Nurse	Tradesperson	Young Professional	Retired
Studio	No	Yes	Yes	Yes	Yes	No
1 Bedroom	No	Yes	Yes	No	Yes	No
2 Bedroom	No	No	No	No	No	No
3 Bedroom	No	No	No	No	No	No

Two Income Households

Type	Service worker	Teacher	Nurse	Tradesperson	Young Professional	Retired	Family
Studio	No	Yes	Yes	Yes	Yes	No	Yes
1 Bedroom	No	Yes	Yes	Yes	Yes	No	Yes
2 Bedroom	No	Yes	Yes	Yes	Yes	No	Yes
3 Bedroom	No	No	Yes	No	No	No	No

Housing cost burden

Income Group	Number of Households	Share of Media Households	% of Group that is Cost Burdened
Less than \$20,000	128	4%	100%
\$20,000 to \$34,999	317	11%	87%
\$35,000 to \$49,999	342	12%	57%
\$50,000 to \$74,999	535	18%	31%
\$75,000 or more	1565	53%	9%

Source: US Census Bureau, ACS 2021, 5-yr estimates



What's driving costs and affordability

Causes & Barriers

- Media is becoming more desirable
 - Delaware County Projected Growth (2015 – 2045): 4.1%
 - Media Projected Growth (2015 – 2045): 7.9% (425 people)
- Limited opportunities to expand housing
- Scape and rebuild *was* incentivized > Loss of starter homes
- Many households fall in the “moderate income gap”
- Media not eligible for most Community Reinvestment Act funds

Causes & Barriers

Home Purchase

- Down payment
- Rising interest rates
- Appropriate unit size

Rental

- Section 8 voucher gap
- Source of income discrimination

Goals & Strategies

Potential Goals

- Maintain and expand affordable housing for households **under \$75,000**.
- Create opportunities for people to access **starter homes**, especially first-time homeowners and young families.
- Provide more options for **seniors** to age in place.
- Creating opportunities for **home ownership**.
- Ensure that all new larger **multi-family building includes affordable housing**.
- **Eliminate discrimination** in the housing market that restrict access to protected classes.

Recommendations

Overview

- Inclusionary Zoning
- Develop Borough-owned Property for Affordable Housing
- Partnering to Develop Affordable Housing
- Low-Income Housing Tax Relief
- Partnerships to Expand Access

Inclusionary Zoning

Update zoning to *incentivize* the construction of affordable housing within new multi-family and mixed-use buildings.

Conduct planning work to identify appropriate areas.

Advantages

- Ties affordability production to new construction
- Relatively low cost for municipality
- Produces deed-restricted affordable units

Disadvantage

- Increases development cost, slows new development, increases market rates
- Requires continuing administration
- Unlikely to produce large number of units

Costs

Planning:
\$20K - \$100K

Rezoning:
\$5K - \$100K

Develop Borough-Owned Property

Examine redevelopment of the following properties:

- municipal lot on the S.W. corner of State & Gayley Streets
- municipal lot on State Street between Apollo Pizza and Iron Hill
- municipal lot on the N.E. corner of Front & Olive
- municipal lot on the N.W. corner of Baltimore & Orange
- reconstruction of Baltimore & Olive municipal lot (future)



Develop Borough-Owned Property

Advantages

- Lots of Borough control
- Ability to target key issues
- Ability to build 100% affordable housing project

Disadvantage

- Time and resource intensive
- No guarantee sites will be attractive for redevelopment
- May not be able to target moderate income households (Tax incentive restrictions)

Costs

Consulting: \$25K - \$250K

Rezoning: \$5K - \$100K

Partnerships to Develop Affordable Housing

Examine partnerships with the owners of the following properties to develop affordable housing

Nativity B.V.M. parish center building	Archdiocese of Philadelphia
Nativity B.V.M. parish center Edgemont Street lot	Archdiocese of Philadelphia
Over the privately owned lot for the 323 W State Street office complex	Media Real Estate

Advantages

- Ability to build 100% affordable housing project
- Transition of under-utilized properties into housing

Disadvantage

- Time and resource intensive
- No guarantee sites will be attractive / owners will be interested

Costs

Variable

Low-Income Household Tax Relief

Enact an ordinance that would provide tax relief for low-income residents in accordance with Act 58.

- Act gives the authority to forgive or refund the property tax liability to low-income families *due to property tax or assessment changes*.
- Between 2020 and 2023, the average increase in taxes was just under \$260.

Advantages

- Provides relief for particularly vulnerable households

Disadvantage

- Reduces tax revenue

Costs

Rough estimate of \$38,000 / year, which may increase over time

Deepen Partnerships to Expand Access

Explore a formal partnership with local non-profits who work in Media and the surrounding community to identify ways of improving access to existing housing support programs.

Funding

- **PHFA Grant:** down-payment assistance
- **Keystone Advantage Assistance Loan Program:** down-payment assistance
- **Keystone Forgivable in Ten Years Loan Program:** down-payment assistance
- **Disability Support:** funds to make homes accessible
- **HOMestead:** down-payment assistance

Partners

- Media Fellowship House
- At Home Media
- Foundation for Delaware County

Governments

- Delaware County
- Swarthmore
- Lower Merriion Township

Considered and Dismissed

Option	Reasoning
Rental and purchase support	Lack of capacity Lack of consistent dedicated funds
Public Housing	Lack of eligibility No Housing Authority Support
Education Program	More information is needed
Home Improvement Grants	Substandard housing was not identified as known issue
Parking Reductions	No indicate that parking requirements are driving affordability issues
Source of Income Discrimination Ordinance	Limited number of eligible apartments
Limiting tear downs	Addressed in Hybrid FBC
Permitting ADUs	Addressed in Hybrid FBC

Discussion & Questions