

Testimony for Richard R. Carroll, III.

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Senate Majority Policy Committee - Promoting Housing Affordability Through Land Use Reforms

Good afternoon. I would like to thank Chairman Laughlin, Senator DiSanto, and the members of the Committee for the opportunity to testify this afternoon. My name is Richard Carroll, and I am the President of Hallmark Building Group, Inc., based in Warrington, PA. I am a past President and current advisor to the Board of Directors of the Homebuilders Association of Bucks and Montgomery Counties. I also serve as the Southeastern Regional Legislative Officer of the Pennsylvania Builders Association (“PBA”), and it is in that capacity that I am pleased to address you this morning regarding “Housing Affordability Through Land Use Reforms.”

Zoning as an Exclusionary Tactic

The PA Municipalities Planning Code (“MPC”) provides municipalities with the sole discretion to administer their zoning ordinance for current and future anticipated housing needs. Far too often we find zoning ordinances that do not provide for “all basic forms of housing” because of an aversion to density. This aversion to density, commonly referred to as NIMBYism (“Not In My Back Yard”), puts pressure on the municipality to rely on large lot single-family zoning in order to effectively down-zone residential areas to appease residents. Changing base zoning is unlikely to yield meaningful amounts of newer more affordable housing without parallel policy changes. Unduly restrictive design and approval requirements contained in zoning ordinances serve to further restrict density and accelerate cost which result in higher home prices.

Traditional zoning uses a proliferation of residential districts with prescriptive lot sizes, lot coverage, and bulk requirements for each district. In addition, many ordinances require mandatory excessive street widths, frontage widening out of character with the surrounding neighborhood, additional park and recreation lands (above the MPC requirement), and other resource protection requirements all design to elicit a “fee-in-lieu of improvement” trade-off. The net effects of these rigid requirements and excessive impact fees are zoning ordinances that are exclusionary by design.

Design requirements must be flexible to allow for more units or reductions in site disturbance. Frontage requirements, front, side, and rear setbacks, along with building height requirements, floor area ratios, and parking requirements can be excessive and add unnecessary cost. These mechanisms also operate as a redundant density control. Reducing lot frontage and front yards setbacks reduces the cost for paving, storm water control, and utility installation both in the public right of way and on private property. Parking should be tied to trip generation or bedrooms in multifamily and apartments. In

residential subdivisions parking can be provided off-street and in common parking areas to reduce the requirement for wider street widths, which increases cost significantly.

Affordability via Zoning Density

PBA is advocating for the adoption of land use reforms promoting medium and high-density residential development to meet the Commonwealth's current and future housing needs. Today's housing developments exist across a range of products with detached single-family homes at one end and mid-rise to high-rise apartments on the other. The spectrum of dwellings making up the "middle" include accessory dwelling units, duplexes, fourplexes, courtyard buildings, cottage courts, townhomes, and multiplex buildings. This middle tranche of housing is currently in a severe shortage throughout the Commonwealth. These mid-range medium and high-density products are often smaller than most conventional single-family homes, making them more affordable by design.

Traditional zoning favors conventional site design with rigid bulk requirements rather than less expensive cluster design techniques. Medium density zoning options should target a minimum of four (4) to eight (8) unit density per acre. Similarly, high density zoning options should target a minimum of nine (9) or more units per acre. This can be accomplished through eliminating or reducing the minimum site size, allowing mixed use zoning in office and commercial districts, through the rezoning of industrial lands not immediately adjacent to major trucking routes, and greater transit orientated development opportunities on smaller scale infill sites.

Furthermore, planned residential developments ("PRDs") and cluster subdivisions are an excellent option for medium and high-density housing. As large vacant tracts of land become increasingly scarce the current zoning options for PRDs and cluster subdivision are often restricted to large minimum tract sizes without sufficient lot size reduction, product mix, or density bonus to make the opportunity affordable for the purchaser. An elimination or a significant reduction in the minimum site size for PRDs and cluster subdivisions further promotes constructability and affordability. Moreover, flexible PRD or cluster subdivisions often only exist via special exceptions or conditional use approval. A by-right application would remove additional time for permitting and approvals, thereby reducing costs.

Preemptive Zoning Solutions

The Commonwealth needs to take a leadership role to catalyze medium and high-density housing growth at meaningful level via mitigation of regulatory barriers to housing affordability. For the missing housing supply to meet scale there needs to be a consensus on economically viable density, removal of impediments to innovative design requirements, and the streamlining of an overly bureaucratic approval process. The economic vitality of our communities depends on marketable solutions for housing products across all asset classes.

To achieve the scale and velocity necessary to close the market gap, by-right ordinances should allow for medium and high-density uses in all districts with various types of multifamily product. Consider converting special exceptions and conditional uses to uses permitted by-right. At the state or county level, the creation of baseline bulk requirements such as maximum street widths, frontages, and setbacks for

different product types and zoning districts that apply to all municipalities would streamline the design and approval process.

A clear and efficient approval process with empowered professional staff and support from elected officials is fundamental for scaling the delivery of affordable homes to the market. Consistency and predictability are key. In the absence of county level planning approval, the professionalization of planning and zoning on the municipal level, as provided for in the MPC, improves efficiency and reduces delays with lay planning boards. Consider a fast-track, professionally administered, approval for by-right development submissions.

On behalf of the Pennsylvania Builders Association and the more than 200,000 members and employees it represents, I thank you again for the opportunity to testify today and would be happy to take your questions.