



Housing Alliance
of Pennsylvania

**Testimony of
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**PA Senate Majority Policy Committee Hearing:
Addressing Pennsylvania's Housing Challenges
February 18, 2026**

On behalf of the Housing Alliance of Pennsylvania, thank you to Chair Senator Dave Argall and the members of the Senate Majority Policy Committee for exploring solutions to Pennsylvania's housing challenges. This issue touches every corner of our Commonwealth, and today's hearing is important to consider and advance real solutions.

The Housing Alliance is a statewide coalition committed to ensuring every Pennsylvanian—especially those with low incomes—has a safe, decent, and affordable place to call home. Housing is the foundation for opportunity, and we work to advance practical policies that strengthen communities and open doors for families.

Across Pennsylvania, too many families face challenges as a result of the rising cost of housing. Homeownership is less available to all including young families and older Pennsylvanians. Aging homes, rising rents, and high home prices are straining communities.

Pennsylvania's housing demand is shaped by three major trends

Aging Population

The number of seniors has grown by **24% in the past decade**, and today **19.4% of Pennsylvanians are over 65**, up from **16% in 2014**.¹ This is the only age group with sustained growth, while populations under 18 and between 35–64 have declined for years. Young adults (18–34) have grown slightly but remain a constant share of the population.² Older householders require housing that can accommodate aspects of aging, such as reduced personal mobility and fixed incomes.

Aging Housing Stock

Nearly **half of Pennsylvania homes were built before 1959**, and one in four before 1939.³ Rural counties are losing older homes fastest, averaging **115 units per year, a 1% annual decline**.⁵ 50% of housing stock in rural and small urban counties is more than 50 years old. 73% of the housing stock in large urban counties—Allegheny, Delaware, Montgomery, and Philadelphia—is more than **50 years old**.⁴

Housing Costs Outpacing Incomes

Affordability is worsening. **71% of renters earning less than 30% of Area Median Income (AMI)** are severely rent burdened. Across the Commonwealth, **52% of renter households** are paying more than a third of their income (i.e., housing cost-burdened), and more than half of those are paying more than half their income on rent (i.e., severely cost-burdened).⁶ Rentership is rising as incomes stagnate and homeownership becomes less attainable. Pennsylvania faces a **shortage of over 253,422 rental homes** affordable to extremely low-income households, and the small surplus for those earning 30–50% of AMI has been shrinking since 2010.⁷ As a result, we are seeing, more families falling

¹ U.S. Census Bureau, 2024 American Community Survey 5- Year Estimates, Table DP05

² U.S. Census Bureau, 2024 American Community Survey 5- Year Estimates, Table DP05.

³ Pennsylvania Housing Finance Agency; Comprehensive Housing Study; March 2024; Page 20

⁴ Pennsylvania Housing Finance Agency; Comprehensive Housing Study; May 2020; Part 2, p. 44.

<https://www.phfa.org/housingstudy/2020/>.

⁵ Pennsylvania Housing Finance Agency; Comprehensive Housing Study; May 2020; Part 2, p.45

⁶ HUD Office of Policy and Research. Consolidated Planning/CHAS Data 2021.

<https://www.huduser.gov/portal/datasets/cp.html>

⁷ National Low Income Housing Coalition; Housing Needs by State- Pennsylvania;

<https://nlihc.org/housing-needs-by-state/pennsylvania>.

behind on rent. Across the Commonwealth, **317 renter households** (or 1 in 14 renter households) face an eviction filing every day.⁸

In Pennsylvania, roughly 1 in 5 homeowners (20%) are cost-burdened.⁹ And it's not just the mortgage: homeowners spend an average of \$17,162 per year on upkeep and other "hidden" expenses—repairs, maintenance, insurance, utilities, and related costs that can quickly strain a household budget.¹⁰

Affordable housing is one of the most cost-effective levers to reduce childhood poverty and improve mobility in the United States. Research finds that children who move to lower-poverty neighborhoods see adult earnings rise by about **31%**, alongside better long-run neighborhood and family outcomes, and stable affordable homes also support stronger school success.¹¹

At the macro level, the affordable-housing shortage is associated with roughly **\$2 trillion** annually in lost wages and productivity, and estimates suggest U.S. GDP growth from **1964–2009** could have been **13.5%** higher—about **\$1.7 trillion** more income, or **\$8,775** per worker—if families had better access to affordable housing.¹²

Building a Pennsylvania Where Everyone Has a Home: Solutions That Work

PHARE

The Pennsylvania Housing Affordability and Revitalization Enhancement (PHARE) program has been the most effective tool at the state level to address the widest range of housing needs and build up the affordable housing stock.

Every Pennsylvania County has been awarded grants to fund projects that respond to the greatest local need such as homelessness prevention, home ownership programs, blight prevention and reclamation, home repair, and special projects for veterans, seniors, victims of domestic violence, and the re-entry community.

PHARE projects reinvest revenue from real estate transactions back into the housing market, creating wins for both property values and for those in need. PHARE was recently strengthened in 2 key ways:

- 1) The PHARE program will now steadily increase until the fund reaches a new \$100 million cap in the year 2027.
- 2) The long-standing funding formula that often limited the allocation to PHARE was eliminated, guaranteeing the PHARE program will receive \$100 million each year after 2027.

This is a monumental win for housing in Pennsylvania and represents a steadfast commitment from both the Administration and Legislature to steadily and predictably fund affordable housing each year.

For more than a decade, the Housing Alliance has championed steady increases to PHARE funding, so communities have the resources they need to meet local housing needs. As rising costs impact every market and every working person, we ask for consideration of **additional increases to PHARE in the annual state budget process.**

⁸ Housing Alliance of Pennsylvania; After the Pause: 2025 Interactive Web Report. <https://housingalliancepa.org/interactive-web-report-update-2025/>

⁹ USAFacts, “How many households in Pennsylvania spend too much on housing?,” USAFacts, accessed February 12, 2026, <https://usafacts.org/answers/how-many-households-in-the-united-states-spend-too-much-on-housing/state/pennsylvania/>.

¹⁰ Sami Sparber and Isaac Avilucea, “The hidden cost of homeownership in Pennsylvania,” Axios Philadelphia, July 15, 2025, accessed February 12, 2026, <https://www.axios.com/local/philadelphia/2025/07/15/pennsylvania-hidden-home-ownership-costs>.

¹¹ Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. 2016. “The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project”. American Economic Review 106 (4).

¹² National Low Income Housing Coalition, “The Problem,” Why We Care (Explore Issues), accessed February 12, 2026, <https://nlihc.org/explore-issues/why-we-care/problem>.

Home Repair

Only three states have older housing stock than Pennsylvania, making targeted home repair essential to keep aging, affordable homes safe and available for families.

Nearly half of pre-1940 homes need repairs—from leaks and mold to unsafe wiring and failing systems. Proactive repair prevents displacement, reduces health risks, improves energy efficiency, and extends the life of existing housing.

Yet preservation remains underfunded, even though proven strategies exist. A \$3,942 repair equals nearly 20% of annual income for a family at the federal poverty level and more than half a month's income for a median income household. Without help, families face impossible choices.⁹

Pennsylvania's \$125 million Whole Home Repairs Program was a breakthrough, improving safety and health in over 2,600 homes and preventing blight. Building on this success, bipartisan support now backs the PA Home Preservation Grant Program (SB 876/HB 1650). In addition, Governor Shapiro has proposed \$50 million for this program.

While the PA Home Preservation Grant Program was not included in the prior final budget, we encourage the legislature to dedicate **\$50 million** for this program.

Zoning

The multitude of local zoning ordinances adds cost and delay to creating new and affordable housing. Setting clear, consistent standards are essential for building more homes that families can afford.

2,555 municipalities in Pennsylvania create their own zoning rules and regulations. The patchwork of local zoning ordinances creates confusion, adds costs, and barriers for those trying to build more affordable housing. Zoning laws determine what kinds of homes—and ultimately what kinds of communities—are possible. In Pennsylvania and across the country, outdated codes restrict housing supply, drive up costs, and make it harder to develop affordable options.

Updating zoning codes can remove unnecessary obstacles, allow for a wider mix of housing types, and reduce the time and expense of bringing new homes to market.

⁹ Whole Home Repairs: Winning the Campaign to Improve Housing Quality in Pennsylvania. Demos. <https://www.demos.org/policy-briefs/whole-home-repairs-winning-campaign-improve-housing-quality-pennsylvania>.

Reform not only supports affordability but also helps create more inclusive, resilient communities.

With housing shortages growing and more Pennsylvanians struggling to keep up with rising rents and home prices, zoning reform is a practical and necessary step to increase supply, lower costs, and ensure communities can meet the needs of both today’s families and future generations.

We seek to **see zoning reforms** that:

- Allow more **multi-family** and **mixed-use construction**.
- Restore **missing middle** options: **townhomes, duplexes, triplexes, fourplexes**.
- Adjust lot sizes to make **starter homes** feasible again
- Permit **accessory dwelling units (ADUs)**, allowing homeowners to build on their properties.

Several bills have just been or are about to be introduced to advance zoning reforms. We anticipate the following co-sponsorship memos to be released soon by the following Senators.

Senate Bills	Bill #	Sponsors
Legalizing ADUs	1/30/26 cosponsor memo	Rothman (R), Laughlin (R), Saval (D), Kearny (D)
Making Multifamily Housing Easier to Develop in Commercial Zones	TBD	Coleman (R)
REDD Grant Program	TBD	Picozzi (R), Rothman (R), Stefano (R)
Pre-Approved Housing Plans	TBD	Picozzi (R), Rothman (R), Stefano (R)
Property Tax Abatement	TBD	Picozzi (R), Rothman (R), Stefano (R)
Regulatory Compliance Officer	TBD	Phillips-Hill (R), Picozzi (R), etc.

Eviction Sealing

Open eviction records prevent tenants from obtaining safe, affordable housing due to the **automatic screening process removing any rental applicant with an eviction filing**. **Prior financial hardship should not be a permanent obstacle to obtaining a basic human need.**

Thousands of Pennsylvanians carry eviction records despite never having been evicted. In Pennsylvania, eviction filings are publicly accessible and remain on the tenant’s record regardless of the outcome of that filing, including when a tenant is found not at fault by

the court.

Because eviction filings can automatically remove potential tenants from a pool of applicants, tenants with a record are forced to seek housing of last resort that is managed by less reputable landlords, in disrepair, unhealthy, and less affordable, which increases the risk of future eviction and housing instability.

Pennsylvania continues to improve upon the highly successful Clean Slate Law to seal minor criminal records and open both employment and housing opportunities for those with long-past offenses. In keeping with the precedent for granting second chances, it is only fair that the Commonwealth provide a civil legal remedy that will help vulnerable Pennsylvanians access the basic need for housing.

Legislation introduced would allow for landlord-tenant cases to be sealed from the time of filing until a court renders a decision. Cases found in favor of the plaintiff (landlord) will be accessible within 30 days. Decisions in favor of the defendant (tenant) or withdrawn, dismissed or settled will remain under an order of limited access. All cases will be sealed within seven years.

This policy change would immediately provide limited access to over 35,000 eviction filings from the previous year and likely every year going forward. We are optimistic that we can get this critical policy solution across the finish in this session with your support.

Closing Vision: A Bipartisan Path to a Stronger Commonwealth

Housing is **not partisan**—it's foundational. It underpins **workforce, education, public health,** and **community safety**. The solutions before you are **practical, proven,** and **ready to scale**:

- **Invest in what works** (PHARE; home repair and preservation).
- **Clear away barriers** (zoning modernization) to grow supply.
- **Offer a fair second chance** (eviction record sealing).

We can implement **solutions** that respect taxpayers, honor local leadership, and deliver measurable outcomes. Let's ensure that seniors can age in place safely, that working families can afford their rent, and that no child's future is determined by an unsafe home or an old court filing.