

In 2020, the median sales price for housing in Chester County was \$375,064, which represents the highest countywide median in the Commonwealth. This high median is a result of many factors, including the overall rise in construction costs experienced throughout the 2010s. As these costs continue to rise, more Chester County families are becoming cost burdened as it relates to their overall amount of income dedicated for housing costs.

These increased costs will have significant impacts on housing throughout the County. Municipalities can minimize and mitigate some of the factors that drive up overall housing construction costs without jeopardizing the protections intended through reasonable municipal regulations.

#### **Sales Commission Finished Lot** 4% Profit 19% Marketing 1% Overhead & **Total Construction Cost General Expenses** 61% 5%

Financing

2%

### Areas impacting housing costs

### Construction

According to the National Association of Home Builders, over 61 percent of the total costs in development of new housing comes from its physical construction.

### Municipal/State/Federal regulations

According to a study from the Wharton School, regulation can add significant costs to development across the County with the highest being in the areas of the County closest to Philadelphia, and gradually lessens the further removed from the city.

### Land costs

Land costs per acre in the County are some of the highest in the Commonwealth ranging from over \$300,000 in the east to \$20,000 in the southern/ western areas.

#### Infrastructure

These costs include installation of stormwater management systems, roads, and water/sewer lines

#### Soft costs

These costs include those such as surveying, architecture, and engineering services.

### Total Costs—Percentage Share of Cost

# Planning for Affordably-priced homes

## **Recommended Approaches**

The Chester County Planning Commission recommends municipalities consider four approaches to address housing costs in accordance with Landscapes3 and A+ Homes:

### **Development review process**

Have systems in place that allow for creativity and flexibility in achieving municipal housing goals, that also result in less risk for housing partners.

### Infrastructure

Ensure standards for required infrastructure (roads, water/sewer, stormwater, etc.) best reflect municipal need and allow for reasonable innovation.

### Bonuses

Consider allowances for various development bonuses to encourage housing that meets municipal goals.

### Zoning

Ensure municipal zoning ordinance provide for a wide-array of housing choices, accessible for persons of all abilities and incomes, throughout the municipality.

Full report available at www.chescoplanning.org >

## **Implementation Strategies**

Municipalities can utilize a combination of multiple strategies to achieve the four recommended approaches:

- Accessory Dwelling Units (ADUs)
- Adaptive Reuse
- Affordable Housing Bonuses
- Cluster Development
- Co-Living
- Flexible Zoning
- Housing Cooperatives
- Housing Diversity
- Infill Development
- Mini/Tiny Homes
- Missing Middle Housing

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The A+ Homes initiative is a joint effort of the Chester County Planning Commission, Chester County Department of Community Development, and Chester County Housing Choices Committee.

### How We LIVE



The A+ Homes initiative implements the LIVE goal of Landscapes3, Chester County's comprehensive plan.