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HOUSE MAJORITY POLICY COMMITTEE

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HOUSE OF REPRESENTATIVES
COMMONWEALTH *of* PENNSYLVANIA

House Democratic Policy Committee Roundtable

Attainable Housing
Thursday, April 30, 2026 | 10:00 a.m.
Representative Ana Tiburcio

TOUR

10:00 a.m.

Joel Morris, Property Manager
Overlook Park

OPENING REMARKS

10:30 a.m.

Rep. Ana Tiburcio, D-Lehigh

ROUNDTABLE DISCUSSION

10:35 a.m.

Michael Patterson, Regional Property Manager
Pennrose Management Company

Kelly Yan, Developer
Pennrose Management Company

Morgan Boyd, Special Assistant to the Secretary
Pennsylvania Dept. of Community and Economic Development

Trevor Tormann, Chief Planner
City of Allentown Bureau of Planning & Zoning

Terry Grier, Chief Lending Officer
First Commonwealth Credit Union

Q & A with Legislators

Testimony on Pennsylvania’s Housing Action Plan
Pennsylvania Department of Community and Economic Development
House Democratic Policy Committee
April 30, 2026

Chairman Bizzarro, Representative Tiburcio, and members of House Democratic Policy Committee,

My name is Morgan Boyd, Special Assistant to the Secretary of the Pennsylvania Department of Community & Economic Development. Thank you, for the opportunity to discuss the housing challenges Pennsylvania is facing statewide, as well as Governor Shapiro’s plan to address these challenges – Pennsylvania’s first ever Housing Action Plan. Additionally, thank you for your continued partnership as we work collaboratively to address the housing challenges that are currently facing all our communities statewide.

No matter where you are in our Commonwealth – whether an urban city, collar county, or rural town – housing is one of the most pressing challenges facing communities across Pennsylvania. This is because housing is an issue that impacts every Pennsylvanian. This impact includes the young family searching for their first home. It includes the nurse or the police officer trying to live a little closer to their job. It includes the older adult hoping to remain in the community they have called home for decades. And, it includes the neighbor who may be experiencing a crisis and desperately needs a pathway back to housing stability.

However, for far too many Pennsylvanians, that pathway has become harder to find. Across our Commonwealth, housing costs are rising, construction is not keeping pace with demand, and the housing stock that we do have is aging and increasingly costly to maintain. Simply put, Pennsylvania is not building enough homes to meet the needs of our people or our economy. These are pressures felt everywhere – from Center City Philadelphia to Erie’s West Bayfront, and to where we sit today, here in the City of Allentown. And when housing becomes scarce, when housing becomes unaffordable, families delay homeownership, businesses struggle to attract workers, and communities lose the stability that comes from residents putting down roots and investing in their neighborhoods.

Governor Shapiro recognizes these challenges and has directed the Administration to develop a Housing Action Plan (Plan) that addresses these issues in a comprehensive, coordinated way. Now, for the first time, our Commonwealth has a roadmap that assembles state agencies, local governments, builders, employers, and advocates around a shared goal: ensuring that every Pennsylvanian has access to a safe, stable, and affordable home.

The plan is centered around five goals:

1. **Building and preserving more homes.** We know that we need to build 450,000 new homes by 2035. At our current build rate, we will fall short of that need by 185,000 units. We also know that over half of Pennsylvania’s existing housing stock was built before 1970, including nearly 1.5 million homes that were built before 1940. The Plan drives the development of more housing through optimizing grant and tax credit programs, more supports for small and aspiring residential developers, and growth in training programs for the building trades. It also calls for more funding for home repairs and housing stock restoration.
2. **Expanding housing opportunity.** 1.4 million Pennsylvania households are cost burdened – spending more than 30% of their income on housing-related expenses. The number of first-time homebuyers continues to shrink year after year, and our changing demographics include a

growing population of older adults with their own unique housing needs. The Plan recognizes that this is just as important as it is to build more homes. Furthermore, it is equally as important to ensure that Pennsylvanians have access to those homes. To solve this, the Plan calls for statewide first-time homebuyer initiatives, commonsense tenant protections, like capping rental application fees at the actual cost of screening, and expanding housing supports for older adults and Pennsylvanians with disabilities.

3. **Providing pathways to housing sustainability.** 14,000 of our neighbors are experiencing homelessness – with nearly 2,500 Pennsylvanians experiencing unsheltered homelessness. In 2024 alone, 120,000 Pennsylvania households faced an eviction filing or a foreclosure proceeding. We know that our human services programs are not keeping up with the base need for housing support for our most vulnerable populations. The Plan recommends that we address this by leveraging federal Medicaid dollars for a housing support pilot, by sealing eviction records for individuals who were never actually legally evicted, by strengthening the rights of taxpayers to reclaim their properties after a tax sale, and by capping allowable rent increases in manufactured home communities to prevent displacement.
4. **Modernizing our development regulations.** Part of the reason that housing is so expensive is because it costs so much to build, and we know through conversations with builders and developers that 25-30% of the cost to build a new single-family home in Pennsylvania is driven by state and local construction regulations. This percentage increases for multifamily units. As called for by Governor Shapiro in his Plan, the Administration must analyze the regulations driving these costs – both state regulations, like the Uniform Construction Code, local land use and zoning requirements, as well as the introduction of new reforms to ensure the cost of building homes is more affordable.
5. **Improving coordination and accountability.** Pennsylvania state government can sometimes be complex and difficult to navigate. To solve our housing challenges, we must make our housing systems work better. This means creating a dedicated housing deputate at DCED to oversee housing policy and coordinate the implementation of the Housing Action Plan. This means reforming and revamping our state and local housing programs to better drive results. Additionally, that means making it easier for Pennsylvanians to access our housing tools and supportive systems. The Plan includes all of this and more, in an effort to better organize Pennsylvania state government to meet our housing goals and objectives.

Ultimately, housing policy is not about programs or plans. Housing policy is about people – about the opportunities that Pennsylvanians have – or do not have – to build the life they want. This Plan works to expand those opportunities so a single mother can raise her children in the school district of her choice, so the young couple can transition from renting to owning in a neighborhood close to a job with sustainable wages, and so older adults can decide where and how they embrace their next chapter. Governor Shapiro has proposed a bold set of housing and affordability initiatives in his 2026 budget, headlined by a \$1 billion Critical Infrastructure Investment Fund. It is investments like this – investments that match the scale of the challenge before us – that will allow us to create these opportunities.

The Department of Community and Economic Development looks forward to working with the General Assembly to advance a future where every Pennsylvanian has access to a safe, stable, and affordable home. Thank you for the opportunity to appear before your committee today. The Department welcomes your questions and continued dialogue to ensure we can get this done for all Pennsylvanians.

Affordable Housing Initiative

Good morning everyone,

My name is Terry Grier, and I serve as the Chief Lending Officer at First Commonwealth Federal Credit Union.

For those who may not be familiar with us, First Commonwealth has been serving our community since 1959. We were originally founded to support the employees of Western Electric, and today we've grown to serve over 95,000 members with 14 financial centers across the Lehigh Valley and Berks County.

At our core, we are committed to helping members achieve financial stability and success. We're especially proud to offer access to more than 60 certified financial wellness counselors who work directly with individuals and families to guide them through important financial decisions—including homeownership.

Affordable housing has always been a priority for us. We support these initiatives in several ways by working with commercial developers, partnering with real estate professionals, sponsoring first-time homebuyer seminars, and offering programs designed to make homeownership more accessible.

Let me highlight a few of those programs:

First, our **First Front Door – Keys to Equity program**, funded by the Federal Home Loan Bank of Pittsburgh. This program is specifically designed to expand homeownership opportunities for minority and first-generation homebuyers. With a minimum contribution of \$1,500 toward down payment and closing costs, eligible participants can receive a grant of up to \$15,000. This can be a gamechanger for many families trying to overcome the initial financial barriers to homeownership.

We also offer the **First Front Door program** more broadly for first-time homebuyers, which provides similar grant opportunities—again, up to \$15,000—to help make purchasing a home more attainable.

Another strong option is the **HomeReady® mortgage program**. This is ideal for first-time buyers or borrowers who may not qualify for traditional financing. It allows for:

- Down payments as low as 3%
- Flexible funding sources
- Required homeownership education through an easy, online format
- And income-based eligibility to ensure it reaches those who need it most

- Finally, we provide access to **FHA-insured loans**, which offer even more flexibility. These loans are designed for individuals who may have less-than-perfect credit or past financial challenges. Even those who have experienced bankruptcy may still qualify, provided they've re-established good credit. FHA loans also tend to offer competitive interest rates, making them an attractive option for many buyers.

At First Commonwealth, we believe that homeownership should be within reach not just a dream. Through education, partnerships, and the right financial tools, we're committed to helping more individuals and families find a place to call home.

Thank you for the opportunity to share what we're doing, and I look forward to continuing the conversation.

HomeReady Mortgage

Built for today's homebuyers

Meet the diverse needs of today's buyers and grow your business with the HomeReady® mortgage, our premier affordable lending product designed for creditworthy low-income borrowers.

Features




- **New.** A \$2,500 very-low income purchase (VLIP) borrower credit* that can be used for down payment or closing costs, including mortgage insurance premiums.
- **New.** An enhanced, best-efforts commitment with pricing similar to mandatory commitment for whole-loan deliveries.
- Financing up to 97% loan-to-value (LTV) for purchase of one-unit principal residence (Desktop Underwriter® (DU®) is required for LTV ratios >95%); up to 95% LTV for limited cash-out refi (LCOR) and up to 97% LTV for LCOR transactions in DU when the mortgage being refinanced is owned or guaranteed by Fannie Mae.
- Borrower is not required to be a first-time buyer.
- Gifts, grants from lenders or other eligible entities, Community Seconds®, and cash-on-hand permitted as a source of funds for down payment and closing costs.
- Supports HomeStyle® Refresh, HomeStyle® Renovation, MH Advantage®, and manufactured housing.
- Innovative underwriting flexibilities expand access to credit responsibly. Flexibilities include rental unit and boarder income, as well as non-occupant borrowers, such as parents.







The 97% financing option and low mortgage insurance coverage are just two of the benefits as compared to traditional conventional loan programs.”

— Mat Ishbia,
President/CEO
United Wholesale Mortgage

Lender benefits

- 
Certainty
Underwrite with confidence — DU automatically identifies potential HomeReady-eligible loans and provides a credit risk assessment.
- 
Simplicity
Combine standard and HomeReady loans into MBS pools and whole loan commitments.
- 
Sustainability
Expand access to credit responsibly with homeownership education and housing counseling options for borrowers.

Borrower benefits

- 
Low down payment
As low as 3% down payment for home purchase and refinance transactions.
- 
Flexible sources of funds
Can be used for the down payment and closing costs with no minimum contribution required from the borrower's own funds (1-unit).
- 
Affordable and cancellable monthly MI
Reduced MI coverage requirement above 90% LTV; cancellable MI per *Servicing Guide* policy.
- 
Homeownership education
Fannie Mae HomeView® helps pave the way for borrowers toward successful homeownership; other education and housing counseling options are available.

*For whole loans purchased on or after March 1, 2024 to February 28, 2027 and for loans delivered into mortgage MBS with issue dates on or after March 1, 2024 to February 1, 2027.

Homeownership education requirement

Knowledge is power. That's why the HomeReady mortgage homeownership education requirement is designed to help borrowers gain essential knowledge to prepare for sustainable homeownership, and lenders gain informed borrowers prepared to successfully navigate the loan process.

HomeView makes it simple to meet the homeownership education requirement

When all occupying borrowers on a HomeReady purchase transaction are first-time homebuyers, at least one borrower must complete a course from a qualified provider,* regardless of LTV (see exceptions below). HomeView can be used to satisfy the homeownership education requirement.

Exceptions: For HomeReady loans that involve a Community Seconds or down payment assistance program, buyers may instead complete the homeownership education course or counseling required by the Community Seconds or down payment assistance program as long as it is provided by a HUD-approved agency and completed prior to closing.

In addition, the presence of a disability, lack of internet access, and other issues may indicate that a consumer is better served through other education modes (for example, in-person classroom education or via a telephone conference call).

In such cases, lenders should direct buyers to the HOPE® Hotline 1-888-995-HOPE (4673), which can refer borrowers to a HUD-approved counseling agency.

Finally, borrowers may choose to receive housing counseling from a HUD-approved agency. If so, completion of housing counseling prior to closing will satisfy Fannie Mae's homeownership education requirement. The lender must retain a copy of the certificate of course completion in the loan file.

Benefits of housing counseling

We believe housing counseling from a HUD-approved nonprofit housing counseling agency can help to expand the pool of mortgage-eligible buyers.

In addition to helping borrowers prepare for sustainable homeownership and fulfilling the HomeReady homeownership education requirement, housing counseling can provide a benefit to lenders, too. Exclusively for HomeReady purchase transactions when buyers have received housing counseling from a HUD-certified housing counselor within the 12 months prior to the loan closing date, lenders may be eligible to receive the \$500 loan-level price adjustment credit if they complete the Housing Counseling data fields in DU or on the Supplemental Consumer Information Form ([Form 1103](#)) for manually underwritten loans and deliver the loan with Special Feature Code 184.

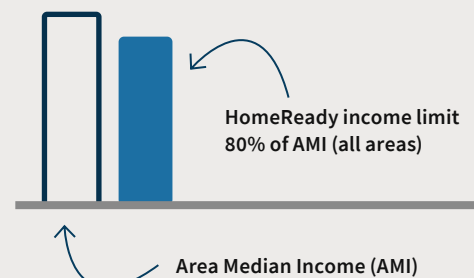
** A qualified provider must be independent of the lender, with homeownership education content that is aligned with National Industry Standards (NIS) or is offered by a housing counseling agency approved by the U.S. Department of Housing and Urban Development (HUD).*

Simple borrower income eligibility

HomeReady is available when purchasing or refinancing any single-family home, as long as the borrower meets the income limits of the property location. (Income eligibility limits may help lenders meet applicable Community Reinvestment Act goals.)

The [Area Median Income lookup tool](#) provides lenders and other housing professionals with a quick and easy way to look up HomeReady income eligibility by address or FIPS code.

Borrower income eligibility limit



Learn more at fanniemae.com/homeready.

First Front Door Keys

Buying your first home? You could get grant funds to help with your down payment and closing costs!

If you qualify for First Front Door Keys (Keys), you must contribute funds toward the down payment or closing costs associated with the home purchase to be eligible for the Keys grant.

Who Qualifies

Keys recipients must be first-time homebuyers, and identify as a first-generation homebuyer by completing a Self-Certification Form, be pre-approved for a mortgage with the financial institution that is submitting the Keys application on your behalf, and have a household income of no more than 120% of your area's median income.

You are considered a first-time homebuyer if:

- You have not owned an eligible property used as your primary residence in the last three years.
- This also includes, if purchasing jointly with other individuals, at least one person has not owned an eligible property used as a primary residence in the last three years.
- This also includes any person that has owned an eligible property jointly with another individual and is now independently purchasing an eligible property.
- If an investment property is owned, the person has not lived there and has not owned an eligible property used as a primary residence in the last three years.

How to Apply

- See a list of participating lenders at www.fhfb-pgh.com/members.
- Contact a participating lender to discuss their mortgage process and your Keys eligibility.

Visit www.fhfb-pgh.com/ffd to get specific funding round dates, award amounts and guidance on applying year-round.





First Front Door and Keys

For First-time Homebuyers

**As a first-time homebuyer,
you could qualify to receive a
grant to go toward your down
payment and closing costs.**

First Front Door and Keys

First Front Door (FFD) is offered to qualified first-time homebuyers by financial institutions that are members of FHLBank Pittsburgh. A list of participating members is available at www.fhlp-gph.com/members.

Homebuyers must contribute funds toward the down payment or closing costs associated with the home purchase to be eligible for the FFD and Keys grants. An application to FFD will be made on your behalf by a participating financial institution during an annual application period. Limited funds are available on a first-come, first-served basis.

What Qualifies

To qualify for FFD and Keys, you must:

- Confirm that you are a first-time homebuyer:
 - A first-time homebuyer is a person who has not owned an eligible property used as their primary residence in the last three years.
 - This also includes if purchasing jointly with other individuals, at least one person has not owned an eligible property used as a primary residence in the last three years.
 - This also includes any person that has owned an eligible property jointly with another individual and is now independently purchasing an eligible property.
 - If an investment property is owned, the person has not lived there and has not owned an eligible property used as a primary residence in the last three years.
- Be pre-approved for a mortgage with the financial institution that is submitting the FFD or Keys application on your behalf.
- Commit to owning the home for five years
- Complete required homeownership counseling prior to closing
- Contribute personal funds toward down payment and closing costs
- Use the purchased home as your primary residence
- For FFD, have a household income of 80% or less of the area median income, and for Keys have a household income of no more than 120% of the area median income, as recorded at www.huduser.gov/portal/datasets/il.html

Keys Only: must qualify under the definition of first-generation homebuyer.

Visit www.fhlp-gph.com/ffd to get specific round dates, award amounts and guidance on applying.



Don't worry if you have questions! Your participating lender will review these and other FFD or Keys requirements with you.

First-time homebuyer

FFD and Keys are designed to help first-time homebuyers like you achieve their dream of owning a home. With FFD and Keys, you can:

- Access funds that go toward down payment and closing cost assistance

- Benefit from the guidance of your mortgage lender
- Experience a quick approval process
- Have up to six months to purchase your home and use the funds

How to Participate

Work with an FHLBank member: While FFD and Keys grants are made possible by FHLBank, your single point of contact will be the participating lender that is financing your mortgage. That's good news for you, because it means that your lender will collect the necessary documentation, complete the FFD application on your behalf, and stay in contact with FHLBank while your application is being reviewed.

You won't have to wait long for an answer. Within 15 business days of your

application's submission, your lender will know whether FFD or Keys funds have been reserved for your use toward down payment and closing costs.

Learn more: For more information or to find a participating lender, visit <https://www.fhlb-pgh.com/members>. You can also email firstfrontdoor@fhlb-pgh.com.

Financial institutions that participate in FFD can be found on our website: www.fhlb-pgh.com/members.



How It Works

Select a lender that participates in FFD by reviewing the list available at www.fhlb-pgh.com/members, selecting FFD Participant checkbox.

Review the requirements for eligible, first-time homebuyers, and have your lender confirm your eligibility.

If you are eligible, the lender financing your mortgage can submit an FFD or Keys application on your behalf.

FFD or Keys grant money is reserved for your use for a specific amount of time.

During the reservation period, you must find the home you wish to purchase, execute the sales contract, complete your mortgage application, complete the required four hours of homeownership counseling and close on the property.

The FFD or Keys grant amount will be applied to your down payment and closing costs by your lender at the time of closing.

If you do not use your reserved FFD funds within the reservation period, the funds will no longer be available for your use

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4/30/2026

PA House Majority Roundtable on Attainable Housing

The mission of Community Action Lehigh Valley (CALV) is to improve the quality of life in the Lehigh Valley and surrounding areas by building communities in which all people have access to economic opportunity, the ability to pursue that opportunity and a voice in the decisions that affect their lives.

CALV operates 11 distinct programs, four of which specifically address various housing challenges faced by the communities we serve.

Our Housing Counseling Program guides first-time buyers toward homeownership, while Default and Delinquency Counseling, as well as Mediation and Diversion Counseling, work directly with the court systems in Lehigh and Northampton Counties to help homeowners facing foreclosure stay in their homes. Through our Weatherization Program, community members can lower their energy expenses and access emergency fuel or heating assistance during the harsh winter months, providing vital support for those most at risk. Additionally, the Community Action Homes Program offers home rehabilitation services for income-eligible homeowners and also purchases blighted properties for renovation and resale at affordable prices to qualified individuals, and ensures this affordability remains in place for 99 years. Lastly, the Sixth Street Shelter Program gives homeless families—with at least one child under 18—a safe place to stay, along with comprehensive support services aimed at fostering resilience and long-term stability. The Shelter also recently introduced transitional rental housing for eligible residents, offering below-market rent rates.

Over the past decade, the Lehigh Valley has experienced a population increase of more than 6%, a rate three times higher than the state average. The region's median gross rental housing costs are also 15% above the statewide figure. Data from the U.S. Census Bureau (2019-2030) indicates that approximately 32% of the area's 85,000 households are renters, with nearly half being cost-burdened—spending over 30% of their income on housing. Notably, almost 24% of these renters are aged 65 or older. These affordability challenges are not unique to the Lehigh Valley; similar trends are evident across Pennsylvania.

Moreover, the Lehigh Valley is currently confronted with an estimated housing shortfall of 9,000 units. This significant gap contributes to rising rents and impacts the quality of available housing for individuals with low to moderate incomes. According to the Housing Alliance of Pennsylvania's September 2025 report, eviction filings statewide in 2024 have returned to 99.5% of pre-pandemic levels, with over 93% of cases linked to overdue rent and an increasing number of tenants falling more than three months behind. Collectively, these statistics underscore the severity of the affordable housing crisis now facing the Lehigh Valley.

As an anti-poverty agency, we are dedicated to proactively addressing the growing housing crisis. In pursuit of this goal, we have recently entered conversations with Lehigh County courts to support and assist in the establishment of an Eviction Mediation Program. This program is intended to reduce eviction filings and occurrences within Lehigh County.

A comprehensive and collaborative approach is essential to address the shortage of affordable housing in the Lehigh Valley at both local and state levels. Locally, municipalities should consider implementing eviction diversion programs, enforcing building codes with stricter timelines for resolution, and imposing higher penalties on non-compliant landlords. Furthermore, allocating public funds for direct rental assistance to individuals at risk of eviction can provide critical support.

At the State and Federal levels, preserving incentives for developers to construct genuinely affordable housing—such as offering sustained tax advantages post-project completion—will help maintain affordability over the long term. Reforming the Low-Income Housing Tax Credit (LIHTC) program, at the Federal level, to better serve low- and moderate-income renters by increasing the percentage of units offered at affordable rates and extending the required duration of affordability beyond the current 30-year standard would ensure greater accessibility and benefit for those in need.