

MEMORANDUM

TO: Brittany Forman, Borough Manager
Borough Council

FROM: Adam Tecza, FHI Studio

DATE: September 28, 2023

SUBJECT: Affordable Housing Study Presentation

I am looking forward to our presentation on October 5th to Borough Council about the affordable housing study. In advance of that presentation, I have attached the following documents for your review:

1. A technical memorandum that identifies key conditions and trends that impact the housing market.
2. A memorandum summarizing the stakeholder meetings our team conducted. This will help you understand areas of community concern, findings about the housing market, and input on increasing the supply of affordable housing.

On the 5th, I will be making a presentation that will summarize our work to date. After my presentation, I will be presenting the following preliminary draft goals for you to consider.

- Maintain and expand affordable housing for households making 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 restricts access to protected classes.

I am sharing them with you now so that you can think about them as you review the documents. These goals will help us guide the second phase of the project: identifying potential strategies.

Affordable Housing Report, 2023

Borough of Media, PA

DRAFT September 20th, 2023

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1 AN INTRODUCTION TO AFFORDABLE HOUSING IN MEDIA

This Affordable Housing Report analyzes the factors that impact housing affordability throughout Media Borough. The most frequent definition of Affordable housing is housing where a household spends no more than 30% of its gross income on housing costs, including rent or mortgage payments, utilities, and related expenses. This 30% threshold is a common benchmark used by government agencies such as the Department of Housing and Urban Development (HUD). By this metric, housing can be unaffordable to people at any income level.

Affordable housing studies, including this one, often pay special attention to housing affordability for Low and Moderate Income (LMI) Households. This is because these groups are often the ones who have the hardest time finding affordable housing and, consequently, the ones to which many federal and state programs are targeted. What qualifies as a Low- or Moderate-Income Household is typically set as a percentage of Area Median Income (AMI). For Media, the area that is used is the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area. The median income is calculated by the Census and adjusted by HUD based on household size. Households making less than 80% of AMI meet the definition of Low Income. Moderate-income households are those earning between 80% and 120% of AMI.

Given the long tradition of using these thresholds and their important role in the various affordable housing subsidy programs, these definitions are used throughout this report, unless otherwise stipulated.

2 A SNAPSHOT OF MEDIA'S POPULATION TRENDS

Before diving into the specifics of Media's housing market, it is worthwhile to look at some key population trends. These trends help to contextualize what has happened in the housing market in Media.

2.1 Population Trends

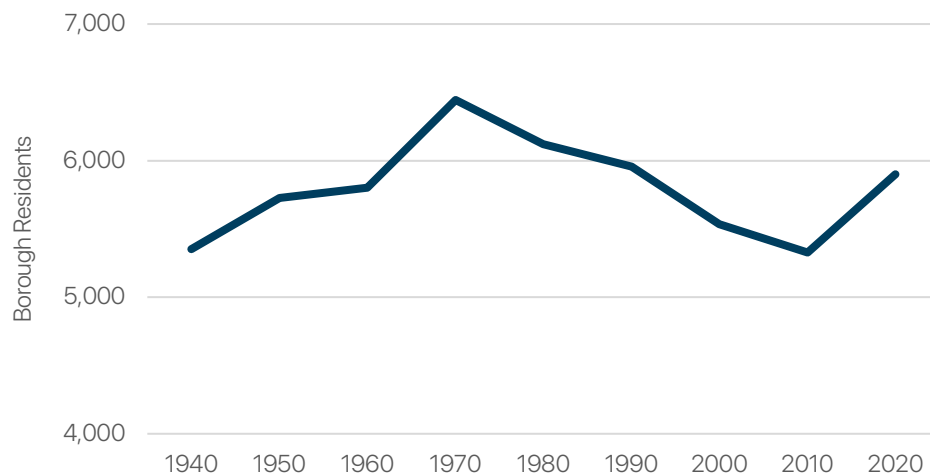
Examining population trends, income quartiles, household sizes, and education levels provides a clear understanding of Media's residents and their financial resources to help anticipate the borough's current and future needs.

A Growing Population

Medias' population has fluctuated in the 80 years since 1940. Figure 1 shows gradual increases and fluctuations that may reflect post-war baby booms, economic opportunities, and immigration. **As illustrated in Figure 1, following steady population gains until 1970, Media saw a decline in population for forty years, losing over 17% of its 1970 population between 1970 and 2010.** Declines in the 1980s and 1990s reflected a preference for more suburban environments that were available in neighboring municipalities. However, this preference began to change starting in the early 2000s as younger people and empty nesters sought the amenities available in more urban areas. **From 2010 to 2020, Media's population climbed by almost 11% in just ten years,** a sharp increase in Media population after decades of decline.

The steady population loss in Media from 1970 through 2010 likely had a depressionary effect on the housing market, which kept prices relatively affordable. As the Borough has become a community of choice in the region, it can no longer count on low demand to maintain its stock of affordable housing.

Figure 1. Media Population, 1940-2020



Source: US Census Bureau, Decennial census 1940-2020

2.2 Household Turnover in Media

This top-level analysis of the total population does not capture the significant population changes that have happened in Media over the past several decades.

Recent Arrivals

An analysis of where Media residents were living the year before the 2021 American Community Survey (Table 1) reveals that a significant majority, 83%, remained in the same house. However, **almost 1,000 new residents moved to the Borough in 2021**. A majority of those were Pennsylvania residents moving from another municipality in Delaware County (8%), or some other County (5%). A much smaller portion moved from a different state or abroad. For a Borough the size of Media, this is a substantial change in the number of residents.

Table 1. Residential Mobility in Media: Where Residents 1 year or older lived in 2020 (measured in 2021)

	Totals	% of Total
Same house	4,852	83%
Another municipality in Delaware County	480	8%
Another County in PA	298	5%
A Different State	138	2%
Abroad	49	1%
Total	5,817	

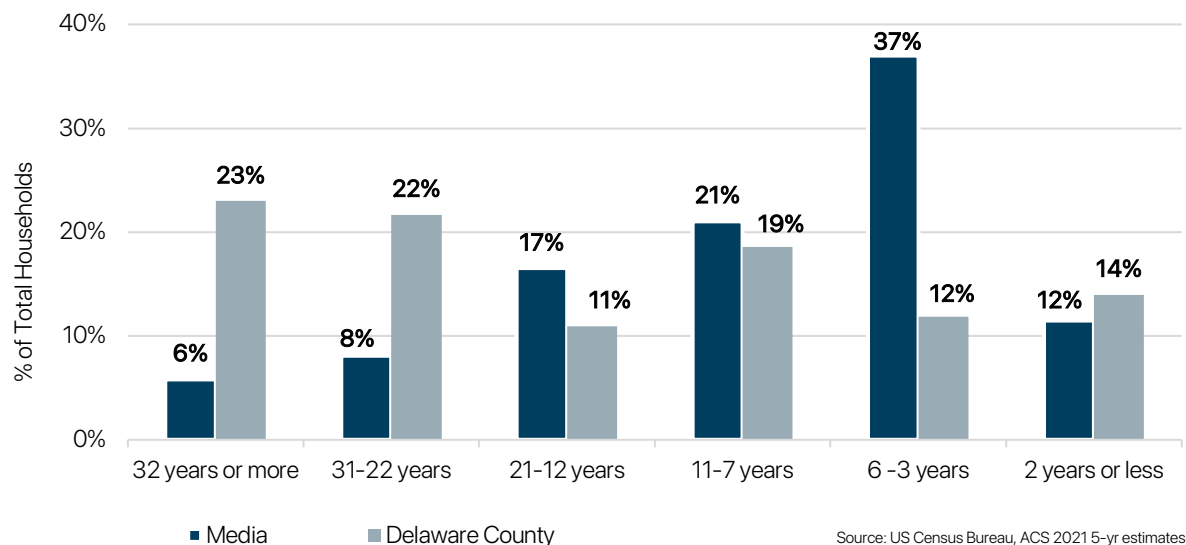
Source: US Census Bureau, ACS 2021 5-yr estimates

Length of Housing Tenure as an Indicator of Population Mobility

Figure 2 shows how long households have lived in their home. Nationally, most households stay in their home for over 20 years, with over 27% having lived in the same house for over 30 years. In the Borough, 49% of residents moved into their homes in the past 6 years, which is 21% more than the County.

While 45% of the County population has been in the same unit for over 22 years, only 14% of Media residents have done the same. This disparity in long-term residents could have several different causes including the inability of past residents to age in place because of some condition of their homes or the ability of past residents to find better housing elsewhere (potentially in the Borough itself). What is clear from this data is that Media today has many more new residents than its counterparts in the County. This is consistent with long-term residents' observations that the Borough is changing fast and that it has been hard to keep up with all the new neighbors moving in.

Figure 2. Number of Years Householder Has Lived in Unit as of 2021



COVID-19 and Shifting Housing Preferences

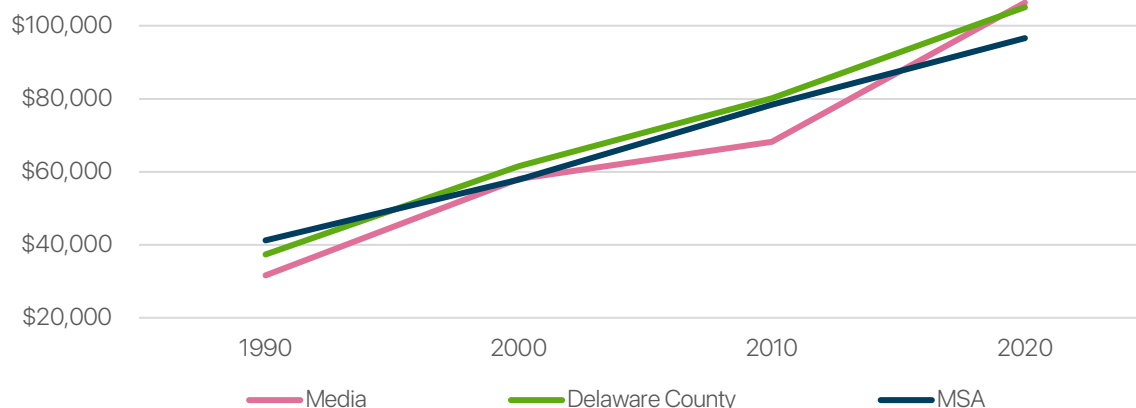
The impacts of COVID-19, which significantly disrupted housing markets across the nation, should not be overlooked. Beginning as early as the spring of 2020, households seeking accommodations outside of urban cores surged, particularly those with higher incomes who worked in offices that transitioned to remote or hybrid work arrangements. **The pandemic brought a notable shift in housing preferences that continues to this day as many office environments have permanently transitioned to hybrid and remote work schedules.** While the pandemic was likely a factor that caused rapid growth in Media's population, steady growth in the decade before COVID-19 indicates that Media was already a desirable place to live, and the pandemic may have accelerated this growth.

2.3 Changes in household income

Median Family Income

Over the past 30 years, median household income has trended upwards in Media, in line with both the County and the Metropolitan Statistical Area (MSA) which is defined by the U.S. Department of Housing and Urban Development (HUD) as the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD area for Delaware County. HUD uses these median household income estimates as a fundamental tool to determine income eligibility and affordability within housing programs.

Figure 3. Median Family Income Trends, 1990-2020



Source: HUD AMI Estimates; US Census Bureau ACS 5-yr estimates

Household Income Trends

Examining household income offers a practical perspective on the relationship between economic factors and housing accessibility. Table 2 shows changes in median household incomes over the past decade while Table 3 shows breaks that data down to show which income groups have grown or shrunk.

Combined, they show that **Media has seen a notable growth in the number of households earning more than \$100,000 and a sharp decline in households earning less than \$50,000.** This shift towards an increased presence of higher-income households could indicate that residents have improved their economic conditions. However, **the sharp increases in households who have moved to Media in the past 6 years (above), combined with the increase in higher-earner households, indicates that Media has attracted a wealthier population and that those earning below the median income have struggled to find housing to meet their needs.**

Despite these changes in household incomes, the Borough remains a more middle-class community. As illustrated in Figure 5, relative to the County, the Borough has:

- A smaller proportion of wealthy households (those making more than \$150,000).
- A large proportion of households that make between \$50,000 to \$150,000.
- A smaller proportion of households that make less than \$25,000.

Table 2. Total Households and Median Household Income, Media 2021

	2011	2021
Total households	2,711	2,947
Median household income (dollars)	\$54,583	\$77,750

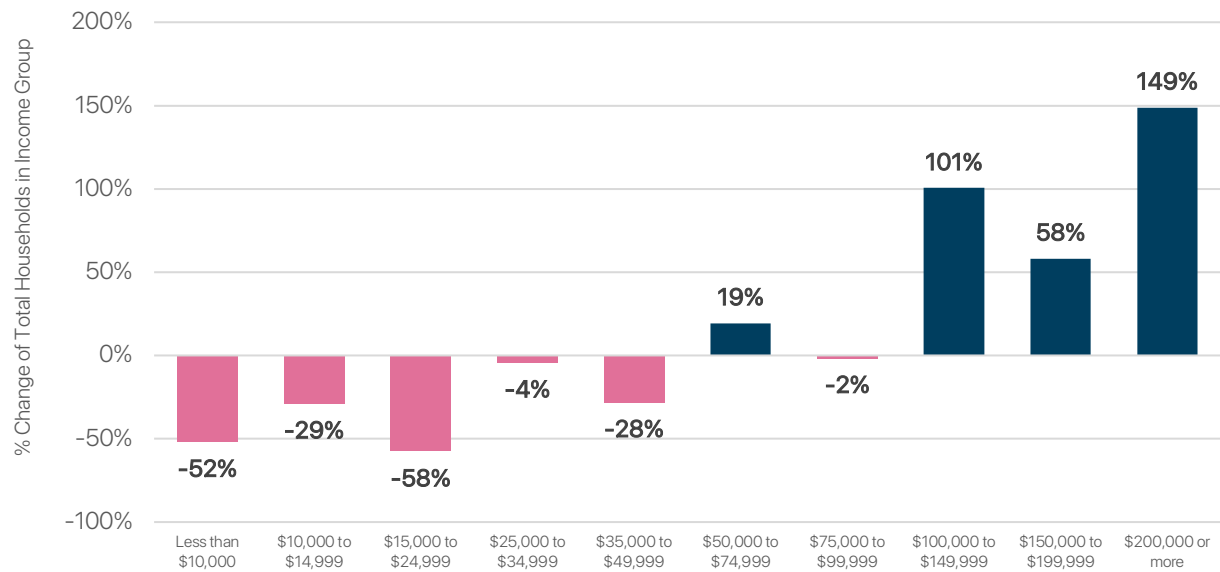
Source: US Census Bureau, ACS 2021 5-yr estimates

Table 3. Share of Households by Household Income, Media 2011 and 2021

Income segments	2011	2021	Total Gain/Loss
Less than \$10,000	189	91	-98
\$10,000 to \$14,999	59	42	-17
\$15,000 to \$24,999	250	106	-144
\$25,000 to \$34,999	269	257	-12
\$35,000 to \$49,999	477	342	-135
\$50,000 to \$74,999	456	544	88
\$75,000 to \$99,999	444	436	-8
\$100,000 to \$149,999	373	748	375
\$150,000 to \$199,999	112	177	65
\$200,000 or more	82	204	122
Total	2,711	2,947	236

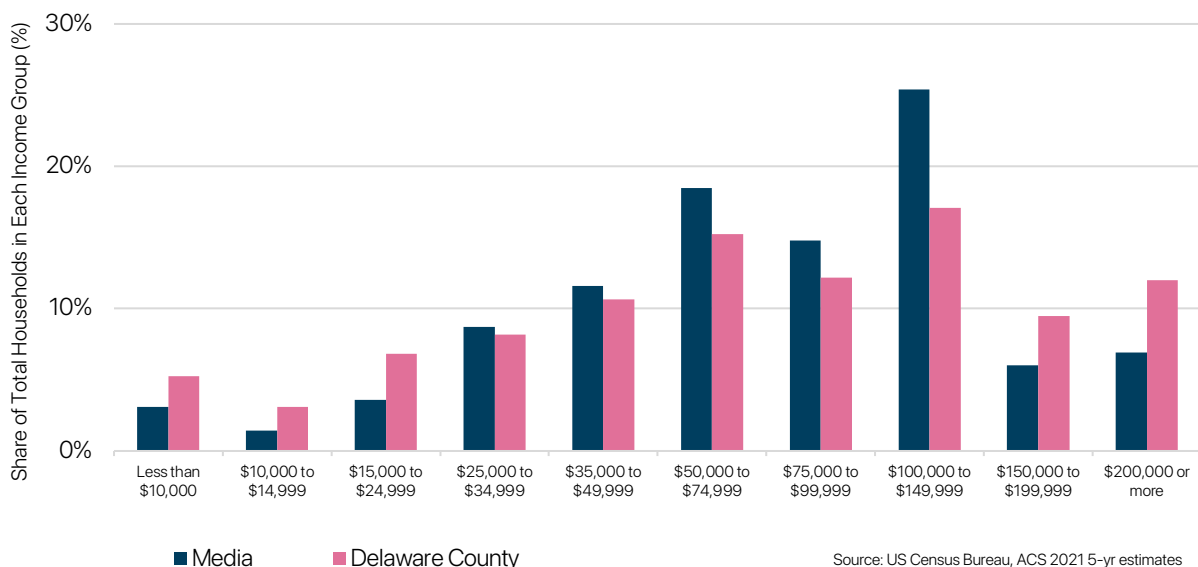
Source: US Census Bureau, ACS 2021 5-yr estimates

Figure 4. Change in Household Income Groups, Media 2011 to 2021



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

Figure 5. Household Income Distribution, Media Borough & Delaware County, 2021



2.4 Change in Household Incomes of Renters and Homeowners

As Media's household composition has changed, so too has the profile of renters and owners. Table 4 and report changes in renters and owners by household incomes. This data shows:

- There has been a net decrease in the number of homeowners and a substantial increase in rental housing.
- There has been the most growth in the rental market in units with households earning more than \$100,000.
- There has been a sizable loss in the number of households making under \$25,000 who rent in Media.
- There has been a loss of households who own their home and make between \$15,000 and \$100,000.
- The large growth in households making more than \$100,000 has ended up in rental units. This has significantly decreased the ratio of renters to owners in these income categories.

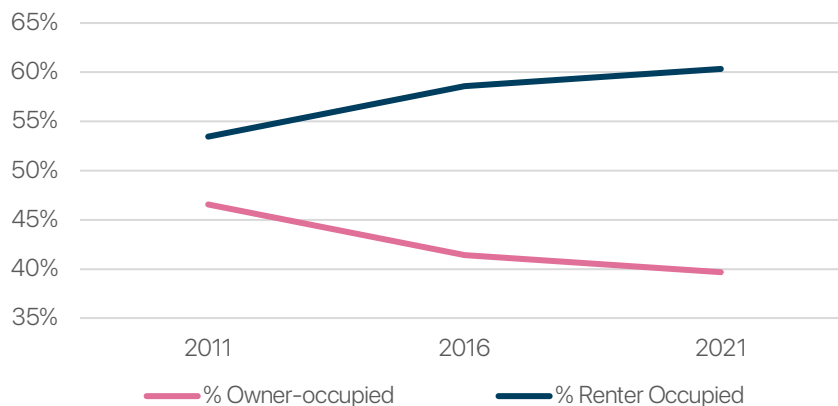
As illustrated in Figure 6, these changes have resulted in a substantial shift in Media from a community that was relatively split between renters and owners (53% rent : 47% own) to one where most people in the Borough rent (60% rent : 40% own).

Table 4. Number of Owner and Renter Households by Household Income in 2011 and 2021, Media

Income Category	Owner 2011	Owner 2021	Change	Renter 2011	Renter 2021	Change
Less than \$10,000	8	14	75%	181	77	-57%
\$10,000 to \$14,999	10	12	20%	49	30	-39%
\$15,000 to \$24,999	81	38	-53%	168	68	-60%
\$25,000 to \$34,999	98	73	-26%	171	184	8%
\$35,000 to \$49,999	163	75	-54%	314	267	-15%
\$50,000 to \$74,999	223	204	-9%	232	340	47%
\$75,000 to \$99,999	239	184	-23%	204	252	24%
\$100,000 to \$149,999	265	290	9%	109	458	320%
\$150,000 or more	175	279	59%	19	102	437%
TOTAL	1,262	1,169	-7%	1,447	1,778	23%

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

Figure 6. Housing Tenure in Media, 2011-2021



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

2.5 Changes in the Age of Residents

Population change has not been consistent across all age groups in Media. An analysis of how the age composition has shifted over ten years provides insights into who Media is attracting, who may be relocating elsewhere, and who might be facing affordability challenges.

Growing Youth and Midlife Populations

Table 5 identifies changes in population by different age groups. The increase in the under-15 population suggests a growing influx of young families moving to Media, parallel to the increase of 156 residents aged 35-54 who are more likely to have school-aged children than other cohorts.

More Young Adults

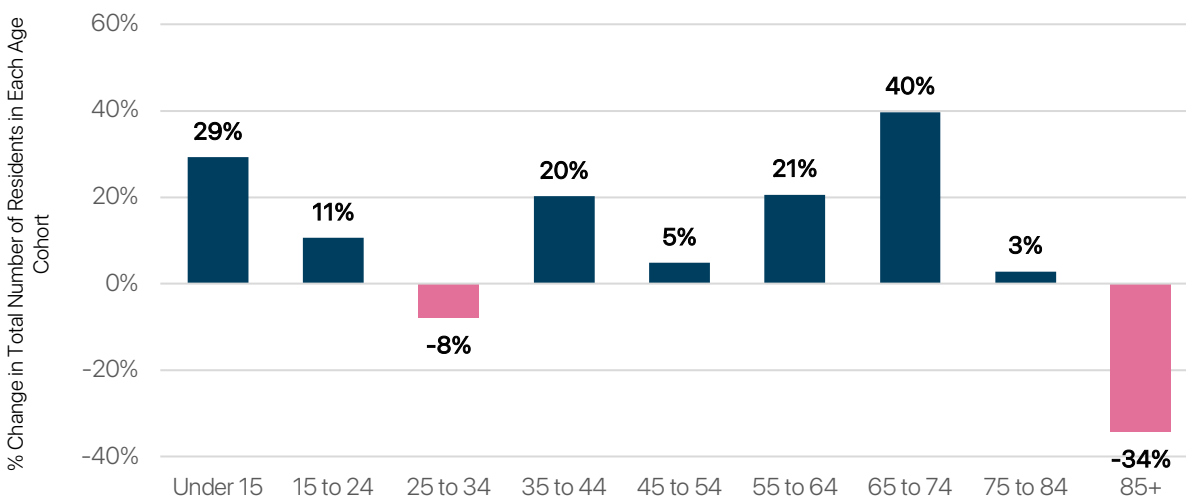
Young adults, namely those in college or newly entering the workforce (20-24) have also increased in Media. There are two likely causes of this increase. The first is that Media has become a more attractive place for those residents. The second is that people in that age group are having a harder time accessing affordable housing anywhere in the region and are therefore staying at home. The latter aligns with national trends that have shown more young adults living with their parents due to housing costs.

Table 5. Population Change by Age Cohort in Media, 2011 to 2021

Age Cohort	2011	2021	Total Gain or Loss
Under 15	492	636	144
15 to 19	444	491	-6
20-24	230	283	53
25 to 34	1348	1240	-108
35 to 44	621	746	125
45 to 54	642	673	31
55 to 64	712	858	146
65 to 74	487	680	193
75 to 84	300	308	8
85+	305	200	-105

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

Figure 7. Percent Change in Age Cohorts in Media, 2011-2021



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

Challenging to Retain Young Professionals (25-34)

Notably, Media lost over 100 adults aged 25-34 between 2011 and 2021. These young professionals are typically early to mid-career individuals with varying income levels, ranging from entry-level salaries to mid-career salaries. Without more data, it is impossible to know why fewer members of this group have decided not to call Media home anymore. However, since this age cohort has traditionally been the largest, it is worthwhile for the Borough to investigate this in more detail.

Municipalities nationwide aim to attract and retain young professionals because they boost the local economy and enhance the vibrancy of a community, bringing demand for neighborhood-focused businesses such as coffee shops and local restaurants, as well as tailored retail. Declines in this age cohort can indicate trouble in the health of the housing market, as this cohort is more likely to create a balanced demand for varied housing types at different price points. This could indicate that demand is not being met in Media. Nationally, this age group has been less likely to start families than previous generations¹.

Older Adults (65 to 84)

In 2011, Media had 201 more residents aged 65 to 84, signifying that the Borough is attractive to this demographic. Interviews with local landlords confirm that this demographic (often referred to as Empty Nesters, because their children have moved out of the house) is attracted to Media for the same reason young professionals are: the quality of amenities and walkable nature of the Borough. Like younger new arrivals, they tend to be wealthier than the average Media resident. Therefore, it is worth noting that this data does not make clear whether lower-income seniors face barriers to

¹ <https://www.pewresearch.org/short-reads/2021/11/19/growing-share-of-childless-adults-in-u-s-dont-expect-to-ever-have-children/>

housing in the Borough and/or have already left the Borough. Given the overall decline in lower-income households, it is likely that they are.

2.6 Conclusion

The analysis of population growth and household incomes confirms something that many residents already know: Media has become a community of choice in the region. For the first time in decades, Media has seen consistent population growth rather than decline. Approximately half of those moving to Media have come from other areas in the County, while another third have moved from other areas of the State. This is consistent with the view that Media is attractive to people who want to live in a more urban environment while staying close to their previous communities.

Media has become more attractive to higher-income earning households, who have moved to Media in greater numbers in the last six years than any other demographic. This population has largely occupied rental housing, which has flipped the Borough from being a majority owner-occupied community to a majority renter community (52% of households owned in 2011 while 45% did so in 2021). The construction of West End Flats, a large multi-family rental property offering more than 200 units, has played a large role in this shift.

As the Borough has attracted more higher-income households, it has also seen a loss in lower-income households. The loss of 406 households making under \$50,000 a year, even as the Borough added 294 households, indicates that housing may have become unaffordable for low- and moderate-income households. In 2011, 70% of these lower-income households rented. This made them more vulnerable to changing market conditions.

The population shift has also had an impact on the age of residents. The Borough has seen nearly a 30% increase in children 15 years or younger. There have also been sharp increases in people who are 55 to 74, suggesting that Media is an attractive place for people who are moving towards or are in retirement. The decline in residents ages 25 to 34 needs further investigation. This group has, and continues to be, Media's largest cohort. It has also been the group that has driven growth in more urban and town-center places like Media. This information may be hiding a more significant shift in which more affluent younger professionals have moved to Media but not in such numbers as to offset the loss of middle- and low-income households who have had to move out. However, without more information, it is impossible to draw any conclusions.

Interviews with residents and stakeholders have raised questions about what changes have occurred in the Borough's racial composition. This issue is explored in more depth in [*Racial and Ethnic Changes*](#).

3 HOUSING MARKET & AFFORDABILITY

3.1 Measuring Affordability Based on Household Incomes

Area Median Income Measures

An important measure that helps assess and administer housing programs to low-income populations is the Area Median Income (AMI) statistic. The US Department of Housing and Urban Development (HUD) publishes the AMI to assess how individual household incomes compare to the median family income of the Metropolitan Statistical Area (MSA). Media is in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA. HUD calculates the median family income for a 4-person family household based on Census Bureau estimates and adjusts for household size.

To determine if individual households are eligible for assistance, HUD and other entities determine a household's annual income and household size. They then calculate what percentage of the AMI they earn to determine their eligibility. Table 6 provides the AMI for each measured household size in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA. It also shows the incomes for several key groups:

- Households with income below 50% AMI are considered very low income.
- Households with income between 51% and 80% AMI are considered low income.
- Households with income between 81% and 120% are considered moderate income.

Table 6 below shows these thresholds for Media. A detailed breakdown of AMI percentiles is reported in Appendix A.

Table 6. Area Median Income per Household Size for PA-NJ-DE-MD MSA

Household Size	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
AMI	\$80,080	\$91,520	\$102,960	\$114,400	\$123,552	\$132,704	\$141,856	\$151,008
50% AMI	\$40,040	\$45,760	\$51,480	\$57,200	\$61,776	\$66,352	\$70,928	\$75,504
80% AMI	\$64,064	\$73,216	\$82,368	\$91,520	\$98,842	\$106,163	\$113,485	\$120,806
120% AMI	\$96,096	\$109,824	\$123,552	\$137,280	\$148,262	\$159,245	\$170,227	\$181,210

Source: HUD FY2023, MSA AMI Estimates

Housing Cost Affordability

The U.S. Department of Housing and Urban Development (HUD) defines housing as affordable if households are spending 30% or less of their monthly income on housing costs, including rent or mortgage payments, utilities, and other related expenses. This standard is based on the idea that households should not have to sacrifice other basic needs, such as food and healthcare, to meet their housing obligations. Households paying between 30% to 50% of their household income on

rent are classified by HUD as being ‘cost-burdened,’ while those spending over 50% are ‘severely cost burdened.’² Nationally, renters are more likely than homeowners to spend more than 30% of their income on housing.³ This is increasingly important since Media has transitioned to become a more renter-oriented community (See [Change in Household Incomes of Renters and Homeowners](#)) and has seen a loss in lower-income households who rent.

3.2 Media's Diverse Residents: A Profile of Borough Households

The conversation around affordability in this Report will be framed around the challenges and opportunities that some typical people face. Below, this report identifies a several types of households which can help ground the discussion of affordability. They include **a service worker, a teacher, a nurse, a skilled tradesperson, a young professional, a fixed-income retiree, and a typical family**. These profiles were chosen because they represent households employed in industries and jobs that are commonly found in Delaware County.⁴ As such, they provide a framework for understanding who could and could not afford to live in the Borough.

The tables below each profile show the household income, AMI level, and maximum monthly affordable housing cost (no more than 30% of monthly household income), for a one- and two-person household. The analysis assumes that the two-person household is employed in the same industry and earning the same income. The family profile highlights the income for one typical family in Media. Keeping these residents in mind while reading about mortgage prices and rental rates, helps provide context to the question of who Media is and is not affordable for.

This analysis uses the median or average income for each household type to determine the AMI level compared to the MSA and the maximum monthly housing costs for each household without being cost burdened.

Profiles of Media's "Typical Households"

Service Worker

This diverse group includes individuals employed across various service-oriented industries, including retail sales, food service, customer service, healthcare aides, housekeepers, and others who provide essential services and support to our community. Service workers often face the challenge of income volatility, as their earnings can be influenced by seasonal demand, tips, or commission-based structures. While some service workers, particularly those in specialized or managerial positions, may earn higher incomes, a substantial portion of this group earns moderate to lower wages. Service workers often work in sectors where hourly or part-time employment is common.

Median Income for Food Preparation and Serving Related Occupations

² https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html.

³ <https://www.census.gov/library/stories/2022/12/housing-costs-burden.html>.

⁴ The US Census publishes worker profiles by industry sector on their OnTheMap tool (<https://onthemap.ces.census.gov>). Healthcare and Social Assistance (20%); Educational Services (11%); Retail Trade (9%); and Professional, Scientific and Technical Services (8.5%) represent the top industries in which people are employed in the County in 2020. Manufacturing, Construction and Warehousing combine to account for 15% of all jobs.

The median annual wage for food preparation and serving Related occupations in the MSA is \$29,090, meaning that a household with two service workers earning the same salary would have an annual household income of \$58,180.

Table 7. Service Worker Income, Food Prep and Serving

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$29,090	36%	\$727
Two Household Earners	\$58,180	64%	\$1,455

Source: US BLS Occupational Employment and Wage Statistics, 2022

Minimum Wage Earner

To understand how those on the lower end of the service worker industry are faring in Media's housing market, the analysis below uses the Pennsylvania minimum wage of \$7.25 for a 40-hour full-time service worker to determine an annual income of \$15,080, far below the AMI of \$80,080. This resident would need to pay up to \$377 in rent and utilities to remain within the affordability range defined by HUD. Such low rental rates are difficult to find anywhere in the nation and this one-person household would immediately qualify for any affordability programs. The challenge presents when meeting the reality of how affordable housing is allocated.

Table 8. Service Worker Income (Minimum Wage)

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$15,080	19%	\$377
Two Household Earners	\$30,160	33%	\$754

Source: Pennsylvania Department of Labor & Industry, 2023

Teachers and Educators

Media takes pride in its outstanding schools which are only as good as the teachers who work there. However, teachers, especially those in the early stages of their careers, often contend with entry-level salaries. The US Bureau of Labor Statistics (BLS) reported the median annual wage for educators and librarians in the United States as \$60,820 in 2022. Ensuring that educators can comfortably reside and teach in Media not only strengthens the Borough's educational system but also contributes to the overall vitality of Media's economy.

Table 9. Teacher Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$60,820	76%	\$1,521
Two Household Earners	\$121,640	133%	\$3,041

Source: US BLS Occupational Employment and Wage Statistics, 2022

Nurses and Social Workers

Healthcare professionals and social workers play pivotal roles in ensuring the community's well-being. The BLS reports 2022 median salaries for Registered Nurses (RNs) at \$84,690 for the MSA. Registered Nurses at Riddle Memorial Hospital, part of the Main Line Health System, can earn between \$70,000 to \$93,000, while nurse practitioners typically earn between \$61,000 to \$95,000, according to Glassdoor data. Social Workers, crucial for providing essential social services, typically earn salaries ranging from \$54,000 to \$79,000.⁵ ⁶ Furthermore, the demand for healthcare professionals in Media and the surrounding region is evident as Main Line Health has taken steps to address potential shortages by raising nurses' salaries, as reported in August 2021.⁷ Their efforts underscore the importance of keeping compensation competitive in such fields, but also may indicate that nurses are being pushed out of areas like Media because they can't find housing that is affordable to them.

Table 10. Nurse Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$84,690	106%	\$2,117
Two Household Earners	\$169,380	185%	\$4,235

Source: US BLS Occupational Employment and Wage Statistics, 2022

Skilled Tradesperson

Skilled tradespersons include those in construction, carpentry, and various labor and skilled craft roles. While specific salary data varies depending on the trade and level of experience, it's worth noting that skilled tradespersons often command competitive wages based on their expertise. There are certain trades, such as welding and mechanical repair that are struggling to find employees and can garner competitive wages, but there are still others that are freelance tradespeople that may not be earning at the same level, falling behind the AMI. This analysis is based on publicly available 2022 data for a laborer working for Media Borough who earned \$69,793.⁸ As an estimate for the field overall, the analysis in Table 11 uses BLS estimates for construction industry wages in the MSA. The median annual income is reported at \$59,640 in 2022.

Table 11. Tradesperson Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$59,640	74%	\$1,491
Two Household Earners	\$119,280	130%	\$2,982

Source: US BLS Occupational Employment and Wage Statistics, 2022

⁵ <https://www.glassdoor.com/Salary/Riddle-Memorial-Hospital-Salaries-E122074.htm>

⁶ This data is self-reported through Glassdoor and may not reflect current wages of employees of the system.

⁷ <https://montco.today/2021/08/main-line-health-raising-nurses-salaries-prevent-shortage/>

⁸ <https://govsalaries.com/salaries/PA/media-borough>

Young Professional

Typically aged between 22 and 32, this age group's earnings can vary widely based on factors such as education, career choice, and experience. According to the US Bureau of Labor Statistics (BLS), on average, young professionals in this range may earn annual incomes ranging from \$35,000 to \$80,000 or more, depending on their specific field. Their income levels are often indicative of their early- to mid-career status but may lead to challenges on the lower end of the income spectrum as they seek housing that is affordable to them. While the range of incomes in this category is inherently broad, the analysis will turn to national salary estimates for college graduates with a bachelor's degree in 2022. These young professionals are likely starting their first professional jobs. While the Borough saw an increase in 20-24 year olds, the population aged 25-34 declined by over 100 people. The National Association of Colleges and Employers (NACE) reported 2022 starting salaries at \$60,028 for the Class of 2022.

Table 12. Young Professional Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$60,028	75%	\$1,501
Two Household Earners	\$120,056	131%	\$3,001

Source: NACE 2023 Salary Survey

Fixed-Income Retiree

Media's retirees typically receive an average retirement income of around \$16,344, although this data is somewhat dated (2010-2014 ACS). This income level represents 20% of AMI, underscoring the financial constraints many retirees in Media face while managing living costs on fixed retirement incomes and funds. Comparatively, Pennsylvania's average retirement income is \$24,392, ranking 38th nationally, with the national average at \$27,617 per household.⁹ In Media, many retired households receive incomes below state and national averages, while housing prices and rental rates in the Borough outpace that of the County (Figures 5 and 6).

As the retired population of Media continues to grow, finding ways to allow long-term residents to retire in a place with affordable living options that cater to the amenities and services that seniors require will be important to explore.

Table 13. Retired Household Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
One Household Earner	\$16,344	20%	\$409
Two Household Earners	\$32,688	36%	\$817

Source: US Census Bureau, ACS 2014 5-yr estimates

⁹ <https://wisevoter.com/state-rankings/average-retirement-income-by-state/>

A Typical Family in Media

A typical family in Media often comprises parents in their mid-30s to early 40s, with one or both partners actively employed. The parents typically have careers in professional sectors, such as education, healthcare, technology, or local businesses. The family's earnings can vary based on the professions and experience of the parents.

Per 2021 Census estimates, the median family income in Media was \$106,318. This analysis utilizes the 2021 estimate to assess AMI for a 4-person household, with two parents and two children. This family likely prioritizes access to quality education and community activities.

Table 14. Typical Family Household Income

Household Type	Household Income	AMI Level	Maximum Affordable Housing Costs (monthly)
Family	\$106,318	93%	\$2,658

Source: US Census Bureau, ACS 2021, 5 yr Estimates

What can Media's Typical Households Afford?

Table 15 illustrates the type of units that could be afforded, or not, by the household described above. The average rents reported here are discussed in greater detail in Section 3.4 Rental Market.

This table illustrates that single-income households are overwhelmingly going to struggle to find affordable housing in Media. Studio's and one-bedrooms may be sufficient for the 46% of Media households that are only one person but may make it difficult for those with larger households. It is noteworthy that 70% of County households are larger than one person.¹⁰

Two-income households will find more affordable housing options in Media. According to the US Census, 65% of families in Media had two people working sometime in the past 12 months.

Retired income households and service workers, however, are likely facing the most challenges in attaining affordable rental housing in the Borough, especially if they are single-person households.

Table 15. Rental Affordability Analysis for Typical Residents, One-Income Households

Apartment Type	Average Rent (per month)	Service worker	Teacher	Nurse	Tradeperson	Young Professional	Retired
Studio	\$963	No	Yes	Yes	Yes	Yes	No
One Bedroom	\$1,522	No	Yes	Yes	No	Yes	No
Two Bedroom	\$1,860	No	No	No	No	No	No
Three Bedroom	\$3,065	No	No	No	No	No	No

Source: Apartments.com, 2023

¹⁰ US Census Bureau, ACS 2021 5-yr estimates

Table 16. Rental Affordability Analysis for Typical Residents, Two-Income Households & Family Household

Apartment Type	Average Rent (per month)	Service worker	Teacher	Nurse	Tradeperson	Young Professional	Retired	Family
Studio	\$963	No	Yes	Yes	Yes	Yes	No	Yes
One Bedroom	\$1,522	No	Yes	Yes	Yes	Yes	No	Yes
Two Bedroom	\$1,860	No	Yes	Yes	Yes	Yes	No	Yes
Three Bedroom	\$3,065	No	No	Yes	No	No	No	No

Source: Apartments.com, 2023

3.3 Media's Housing Market

For-Sale & Owner-Occupied Housing

Studying the median home values and prices, average rental rates, and vacancy rates helps uncover some affordable housing challenges. Understanding what Media's typical households can afford to spend on housing pairs with the review of what housing types exist in Media and how much they cost to rent or own.

Market Snapshot

Reports from Redfin and Zillow estimate that homes in Media stay on the market between 6 and 14 days, which indicates a competitive sales market, with homes selling between 1.6%-2% above list price, on average.^{11 12}

Per 2021 estimates reported by the U.S. Census Bureau, the vacancy rate for owner-occupied units in Media is 0%, meaning that none of the 246 vacant housing units that year were for-sale units. This trend has been sustained in Media, with 0.1% vacancy rate for owner-occupied homes, representing 46 vacant units. It is important to note that there was increased volatility in the housing market in the 2011 as the economy and was still challenged by the impacts of the Great Recession.

Median Home Sale Price

Home sale prices more accurately reflect the conditions of housing market demand, compared to home values that operate on a lag, determined by the timing of assessments completed by the municipality. Sale prices offer a real-time snapshot of the interactions between buyers and sellers, immediately reflecting factors such as economic trends, buyer preferences, and local market dynamics.

A five-year snapshot shows that home values have trended upwards, with **average sale prices in Media rising from \$394,000 to \$580,000 per Redfin data, a 47% increase**. Media's home sale prices far outpace Delaware County. **Average home sale price in the County rose to \$320,000 as**

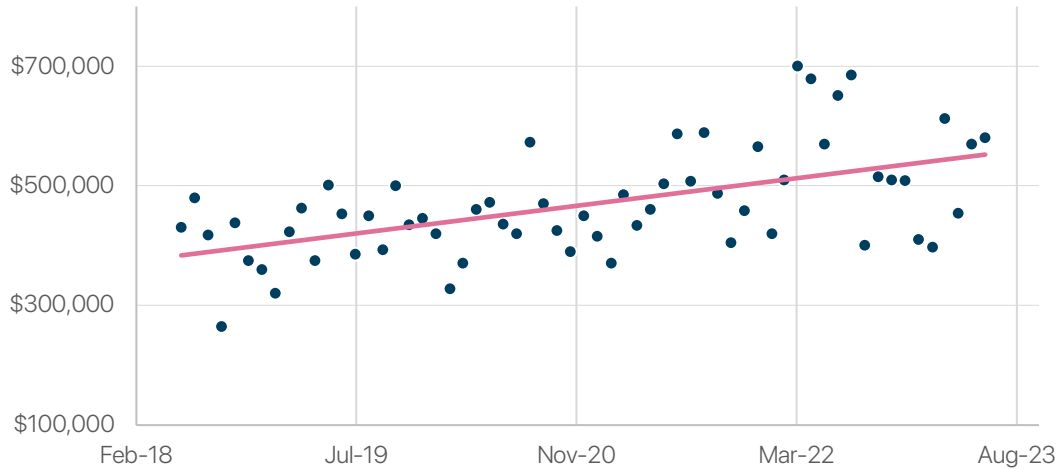
¹¹ <https://www.redfin.com/city/12393/PA/Media/housing-market#trends>

¹² <https://www.zillow.com/home-values/53251/media-pa/>

of 2023, approximately 50% higher than in 2018. The fact that Media's sale prices are almost double that of the County indicates a high demand for housing demand in the Borough and the transition of Media to a community of choice.

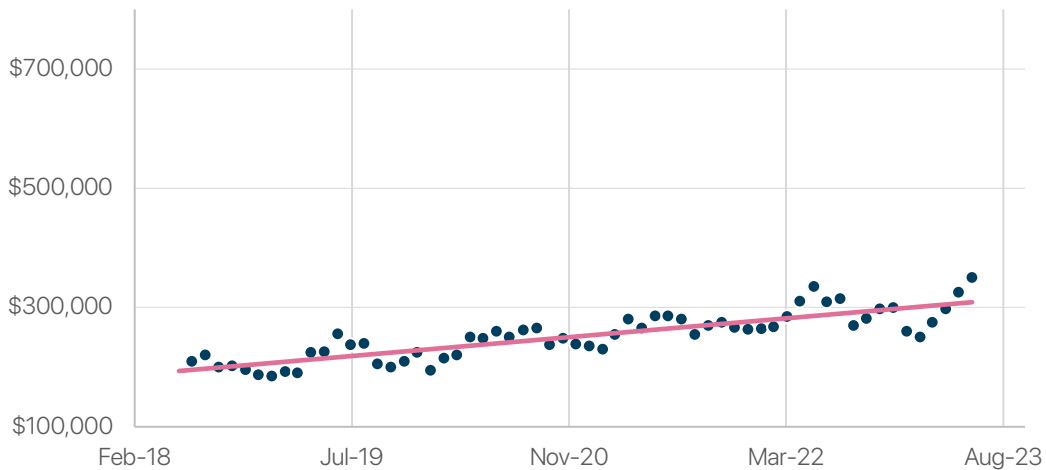
The rapid increase in housing prices illustrates that this is a relatively new phenomenon and that Media's desirability has outpaced its neighbors.

Figure 8. Median Home Sale Price, Media 2018-2023



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

Figure 9. Median Home Sale Price, Delaware County, 2018-2023



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

Owner-Occupied Home Values

As illustrated in

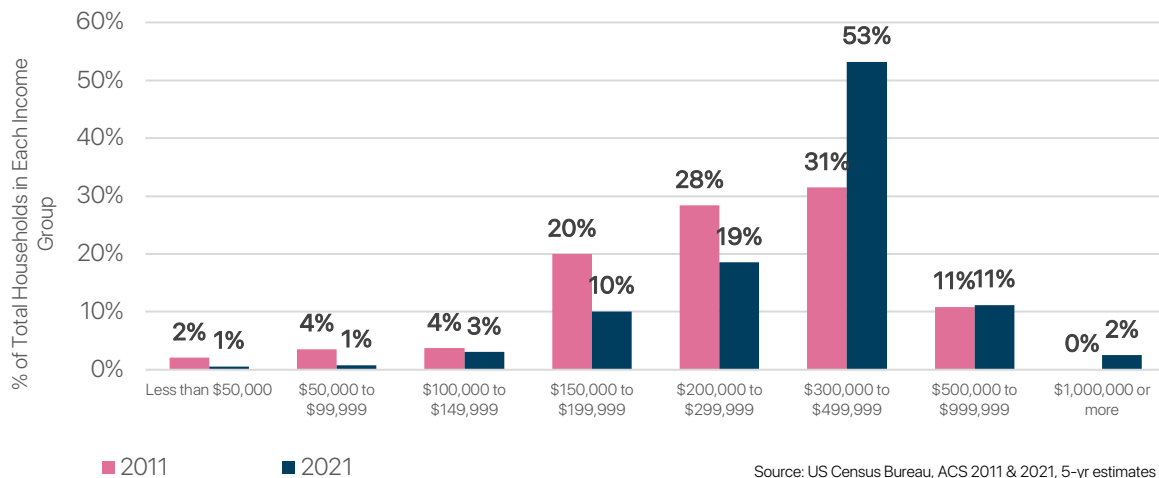
Figure 10, owner-occupied home values over the previous ten years have increased substantially. There has been a notable increase in the number of homes valued between \$300,000 and \$500,000. There has been a corresponding dip in all homes valued under \$300,000. **As shown in Table 18, over 50% of owner-occupied homes were valued between \$300,000 to \$499,999.** For the first time in Media, 2021 also saw the emergence of homes valued over \$1 million, reflecting the trend nationwide of increasing home values.

Table 17. Total Owner-Occupied Units and Median Home Value, Media 2011 & 2021

	2011	2021
Owner-occupied units	1,262	1,169
Median Home Value	\$268,900	\$354,600

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

Figure 10. Owner-Occupied Home Values, 2011 and 2021 Percentages¹³



¹³ Self-reported values from the American Community Survey Census Estimates, 2011 & 2021

Table 18. Number of Units in each Home Value Range, 2011 and 2021*

The data presented below is self-reported home values collected by the American Community Survey and may not be representative of the actual sales price or assessed home value.

Home Value Range	2011	2021	% of total, 2021
Less than \$50,000	26	7	1%
\$50,000 to \$99,999	45	9	1%
\$100,000 to \$149,999	47	36	3%
\$150,000 to \$199,999	252	118	10%
\$200,000 to \$299,999	358	217	19%
\$300,000 to \$499,999	397	622	53%
\$500,000 to \$999,999	137	131	11%
\$1,000,000 or more	0	29	2%

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

For-Sale Affordability for Media's Typical Households

Translating a housing price into monthly costs involves calculating the monthly mortgage payment, property taxes, homeowner's insurance, and potentially other expenses like homeowner association fees. Zillow estimates an interest rate of 7.2% for 30-year fixed-rate mortgages for the 19063 Zip Code which encompasses Media, through a traditional lender, provided the borrower has a good credit score between 720-739. Creditworthiness, measured by the credit score, can affect the interest rates offered by a mortgage lender. Variations between lenders, veteran status, and other factors can influence this interest rate.

Total Monthly Housing Costs = Monthly Mortgage Payment + Monthly Property Taxes +
Monthly Homeowner's Insurance + Other Monthly Expenses

The current median home sale price in Media is \$580,000. A down payment of 20% of the property value would amount to \$116,000, while the monthly principal, interest, insurance, and tax payment would be approximately \$4,100. **A property at this price would be unaffordable for all the households identified in *Profiles of Media's "Typical Households"*.**

This is not to say that all of Media is unaffordable. The current median sale price is substantially higher than the median home value of \$354,600. Given the same assumptions as above, the monthly payment for such a property would be approximately \$2,500. This would still require a down payment of nearly \$71,000. **This median house would require a household income of approximately \$102,000 so as not to exceed 30% of household expenses.** This would be

accessible to two-income households of teachers, tradespeople, and nurses. However, it would be largely inaccessible to most single-income households, service workers, and young professionals.

3.4 Rental Market

Rental Rates

According to data published by Apartments.com, the average rent was approximately \$1,522 per month. It also provides more detail on the price and size of different units, reported below. Rental rates have increased on average by 2.44% since last year, amounting to an increase in \$38 in monthly rent. According to the US Census estimates, the vacancy rate fell in the 10 years between 2011 and 2021 from 7% to 4%, suggesting a more competitive rental market. Higher rents and lower vacancy rates make it more challenging for some individuals or families to find affordable rental housing.

Table 19. Average Rent per Apartment Type, August 2023

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

It is worth noting that average rental rates may hide the difference between different products in the market. Media has recently seen the construction of a large multi-family rental property that targets higher-income residents. As a result, it likely pulls the average rent upwards. Interviews with local landlords indicate that one-bedroom units can be rented for as low as \$1,200 to \$1,400.

Rental Affordability

Using the affordable thresholds presented in *Profiles of Media's "Typical Households"*, **single-income households made up of nurses and tradespeople can likely find one-bedroom units in the Borough.** However, such units may not be appropriate for single-parent households that are looking for at least one bedroom for the children.

Single-income service workers, teachers, young professionals, and retiree households would all likely have to focus their search on studios. To the extent that households have two incomes, the rental market becomes much more affordable. However, accessing three-bedroom units would be all but impossible for all but the highest-income earning households. **Service worker households, even those with two incomes, will likely find it near impossible to access even the smallest rental housing in the Borough.** See Table 15 and Table 16 for more details on what Media's typical households can afford in the rental market.

4 HOUSING AFFORDABILITY IN MEDIA

4.1 Defining the Problem

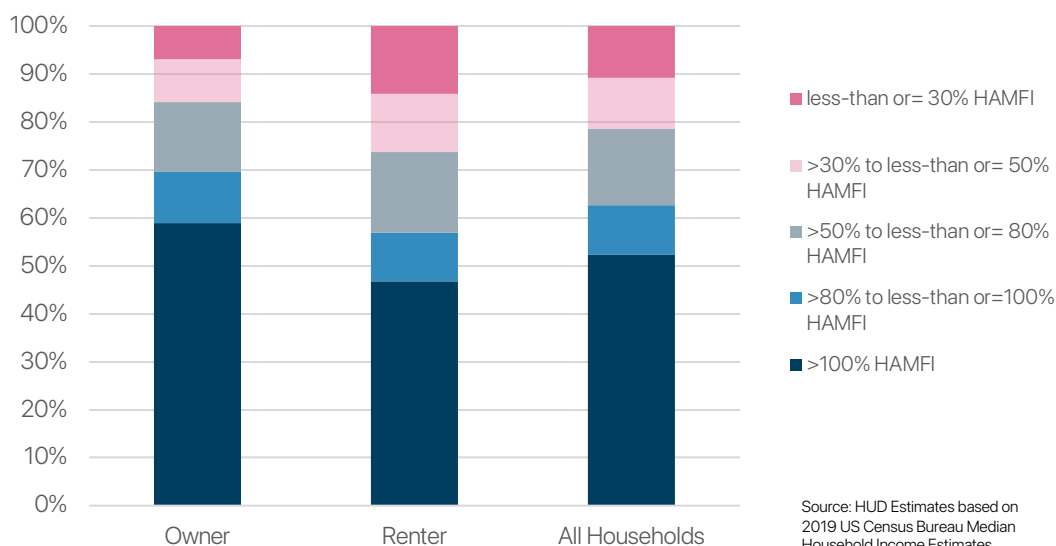
The analysis in the previous section examined how accessible the housing market is to various household types, regardless of whether they live in Media. This section focuses on Media's current residents' housing cost burden.

The Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs including the Public Housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs. HUD develops income limits based on Median Family Income estimates and Fair Market Rent area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county.

Income Distribution based on Household Area Median Family Income (HAMFI)

According to HUD, Households earning between 50% and 80% of the Household Area Median Family Income (HAMFI) are considered low-income, those earning between 30% and 50% are considered very low-income, and those earning less than 30% of the HAMFI are classified as extremely low-income households. Figure 11 shows that **approximately 1/3 of all residents of Media are at least low-income. Low-income residents are more likely to rent than own.** The concentration of households earning less than 30% of the HAMFI among renters underscores the challenges faced by low-income individuals and families in securing homeownership.

Figure 11. Household Income classified as % of HAMFI



Housing Cost Burden and Household Income

Table 12 shows a breakdown of housing cost burden by household income group.¹⁴ Those households making less than \$75,000 a year are substantially more likely to face housing affordability issues than those making more than that. While there are relatively few households earning less than \$20,000, they are faced with the toughest affordability challenges in the rental market. These households include the service worker earning minimum wage and the retired income household described further in [Profiles of Media's "Typical Households"](#). Those earning between \$20,000 and \$75,000 a year comprise around 23% of Media's households and over 70% of them are cost burdened.

Table 20. Housing Cost Burden by Household Income Group

Income Group	Total Number of Households in Income Group	Share of Total Households in Media Borough	% Of Households in Income Group that are 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%

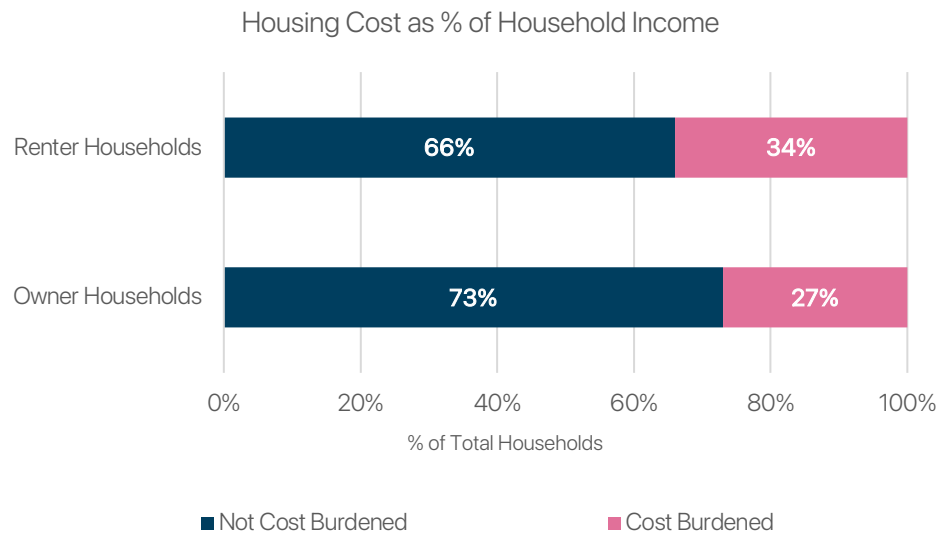
Source: US Census Bureau, ACS 2021, 5-yr Estimates

However, just because a household is low-income does not mean that it cannot find affordable housing. Figure 12 shows how much of their income renters and homeowners spend on housing. HUD defines cost-burdened households as those who spend over 30% of their household income on housing costs. Those who are severely cost-burdened spend over 50%. As shown in Figure 12, more than 1/3 of renters are cost burdened and more than a quarter of homeowners are. The fact that nearly 30% of renters are a cost burden aligns with the analysis of rents and incomes presented in [Rental Market](#).

Not shown in Figure 12, 12% of Media's households are paying over 50% of their household income towards housing costs, classifying them as severely cost-burdened. Severely cost-burdened households are much more likely to rent: 16% of renters are severely burdened compared to 7% of owners.

¹⁴ A household paying more than 30% of their income in households earning on housing

Figure 12. Percentage of Household Income Spent on Housing Costs, 2021



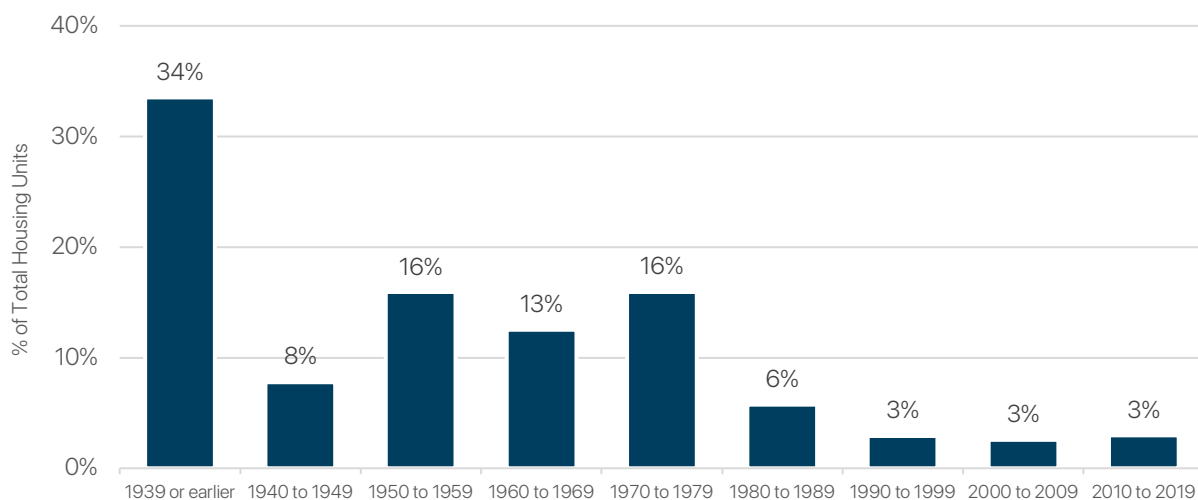
5 HOUSING STOCK

A brief overview of Media's housing stock provides some insight into factors that may affect housing affordability.

An Aging Housing Stock

Most of Media's housing was constructed before 1960, with 34% of the total stock constructed before 1940. After a slowdown in the 1940s, there was a notable growth in construction during the post-war period of the 1950s and 1960s. As the Borough explores efforts to support housing affordability, it should consider the impact of maintenance costs, given the age of the housing stock.

Figure 13. Year Housing Unit Was Built, Media 2021



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

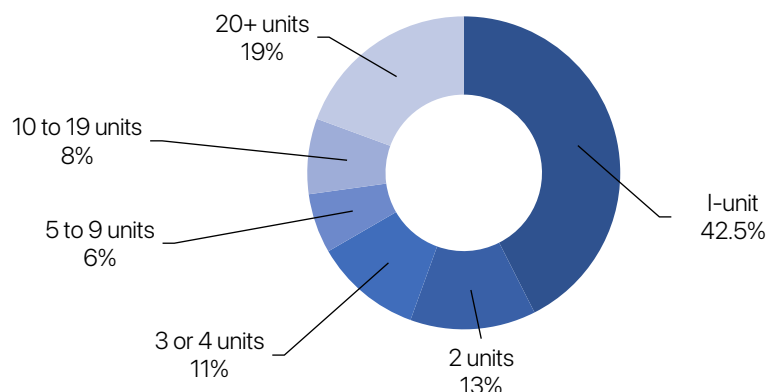
Housing Types and Composition

While approximately 43% of the housing stock in Media is single-family. Nearly 27% of all housing units in Media are in buildings with 10 or more units. This ranges from larger apartment complexes like the West End Flats to garden apartments and smaller complexes. These present various housing types for ownership and rent for different household incomes.

Figure 14 illustrates the **large number of “missing middle housing”** options in Media: those with between 2 and 19 units. **These smaller multi-family buildings account for more than 1/3 of all units in the Borough. They are almost exclusively legacy buildings that were built before the 1980s and therefore offer some of the more affordable housing options in the Borough.** Since they are smaller, they are often owned and operated by smaller landlords rather than regional corporate entities.

Equally important, **although single-family occupy the most land in the Borough, a majority of residents live in multi-family housing.**

Figure 14. Housing Unit Distribution by Building Size, 2021

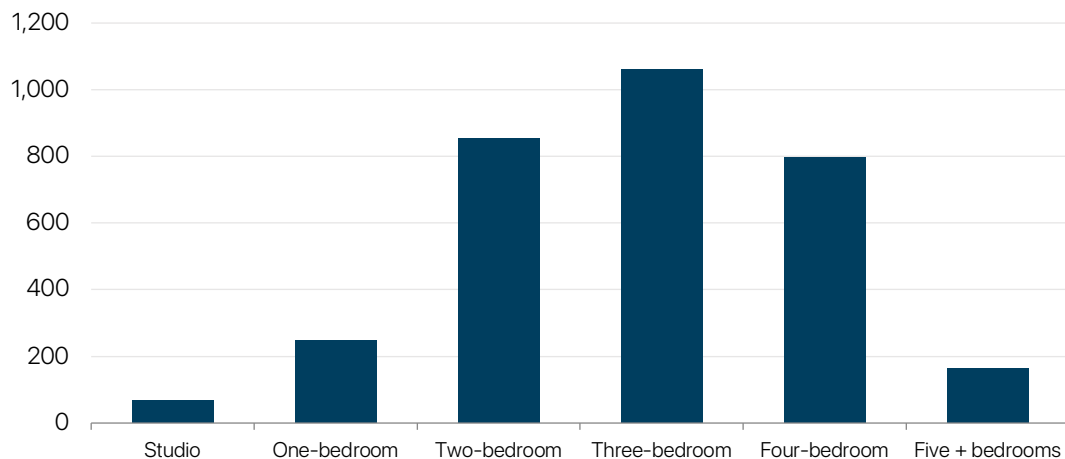


Source: US Census Bureau, ACS 2021, 5-yr estimates

Housing Size

Most of Media's housing units have two to four bedrooms, with a much smaller percentage of studios, one-bedroom units, and 5 or more-bedroom units. As the Borough explores affordable housing options, it should pay attention to the extent that new construction can help provide unit sizes that are more in line with household needs. As discussed in the [Rental Market](#) section, Media's larger bedroom rental units are less accessible to low- and middle-income households.

Figure 15. Housing Unit Distribution by Number of Bedrooms in Unit, 2021



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

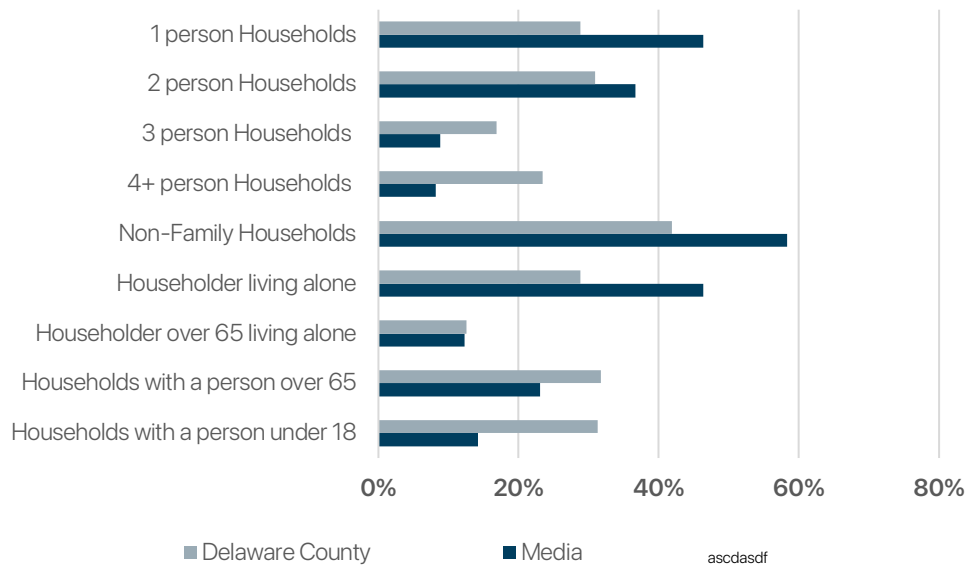
6 HOUSEHOLD CHARACTERISTICS

Household Composition

Figure 16 shows that, compared to the County, Media is comprised of more one- and two-person households and fewer three-or-more person households. There is a greater percentage of non-family households as well as householders living alone. This data is important because it reflects both the purchasing/rental power of Media households as well as their housing needs. 1 person and non-family households will be reliant on a single income source to support rent or a mortgage. As discussed previously, many housing options in Media are inaccessible with only one income source.

Moreover, the large number of three- and four-bedroom units in Media indicates that there may be a mismatch between the type of housing available and the type of housing that is needed. **A major obstacle for smaller households can be finding small enough units that allow them to rent or buy the type of space that they need.**

Figure 16. Household Characteristics, Media and Delaware County, 2021



7 RACIAL AND ETHNIC CHANGES

7.1 Demographic Composition

The demographic composition of Media's population is relevant to the discussion of housing affordability as many minority groups have historically had lower incomes and lower homeownership rates. Black and Hispanic or Latino households in the United States earn approximately half as much as White households on average and possess only about 15 to 20 percent of the net wealth.¹⁵ Media has championed itself as an inclusive community.

7.2 Race and Ethnicity

Over the past decade, **there has been a notable demographic change in Media, characterized by decreasing levels of diversity.** Despite modest growth in the Hispanic and Latino populations in the Borough, this demographic represents 3.4% of the total population as of 2020. Conversely, **the percentage of Black residents within the Borough has experienced a decline, dropping from its previous figure of over 10% to the current representation of 8% within the total population. However, there has been a total decline of almost 506 Black residents since 1990 Census estimates, a significant change in Media's demographic composition over the past 30 years.** The Asian population has been increasing steadily since the 1990s as well, almost tripling between 1990 and 2010. It is worth highlighting that Media primarily consists of a majority-white demographic, and its diversity levels are comparatively lower when contrasted with the demographics of Delaware County.

Table 21. Hispanic or Latino Population in Media, 2010 & 2020

Demographic Category	Total Count 1990	Total Count 2000	Total Count 2010	Total Count 2020	% Change 2010-2020	% Change 1990-2020
Hispanic or Latino	66	104	135	202	50%	206%
Not Hispanic or Latino	5,891	5,429	5,192	5,699	10%	-3%

Source: US Census Bureau, 1990, 2000, 2010, 2020

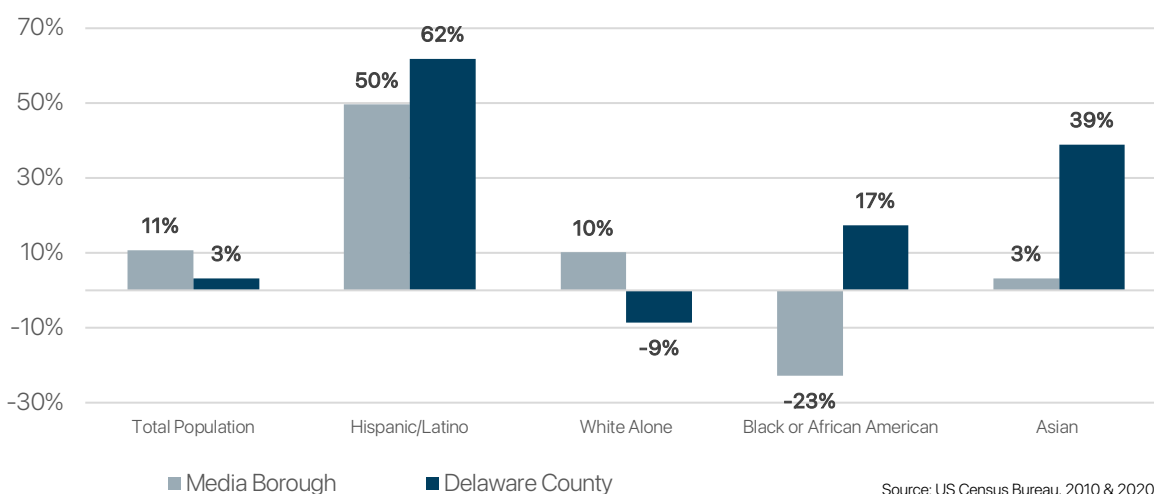
¹⁵ <https://www.federalreserve.gov/econres/notes/feds-notes/wealth-inequality-and-the-racial-wealth-gap-20211022>.

Table 22. Race of Population in Media, 2010 & 2020

Race	Total Count 1990	Total Count 2000	Total Count 2010	Total Count 2020	% Change 2010-2020	% Change 1990-2020
White	5,035	4,483	4,358	4,801	10%	-5%
Black or African- American	833	787	553	427	-23%	-49%
Asian	47	111	184	190	3%	304%
American Indian and Alaska Native	10	8	1	9	800%	-10%

Source: US Census Bureau, 1990, 2000, 2010, 2020

Figure 17. Percent Change in Demographic Groups in Media, 2010 to 2020



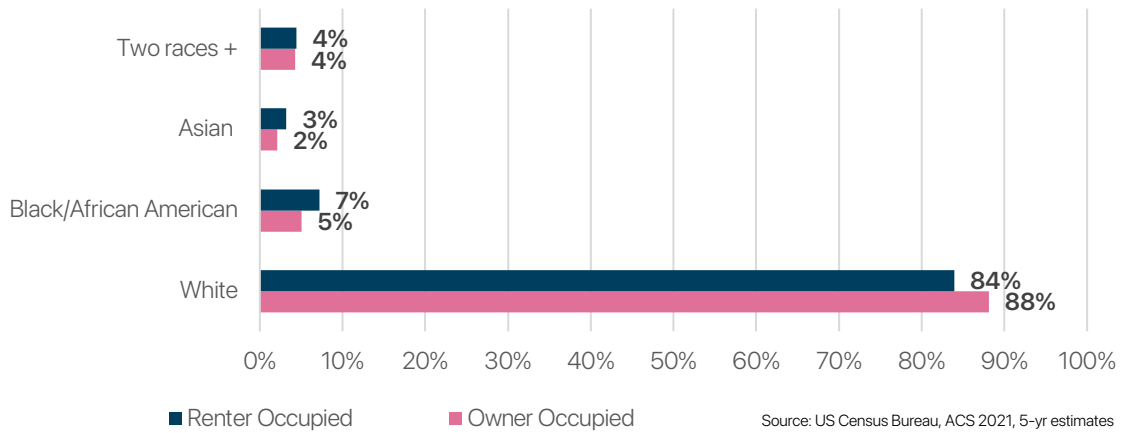
7.3 Housing Tenure by Race

In 2011, there was close to an even split between renters and home-owner households in Media. In the ten years since then, that gap has widened. Examining and understanding income trends and economic factors can lend some insight into why that shift is happening and what constraints are pushing people to rent over homeownership.

As illustrated in Figure 18, there is a slightly higher degree of racial diversity within the composition of renters in Media. Owner-occupied homes show a higher concentration of White households, with relatively smaller percentages of Black or African American, Asian, and two or more race households. This suggests that **while Media Borough's rental sector reflects a more diverse mix**

of racial groups, there remains room for further enhancing equity and representation within the owner-occupied housing segment, as well as Media’s overall diversity.

Figure 18. Housing Tenure in Media by Race of Household, 2021



APPENDIX A

This chart describes the maximum allowable incomes for households of varying sizes in a specific area, with monthly income limits calculated to ensure that housing costs do not exceed 30% of household income, as defined by HUD.

Source: HUD FY 2023, Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area

AMI Level	1-person household Max Income	Max Affordable Rent (monthly)	2-person household Max Income	Max Affordable Rent (monthly)	3-person household Max Income	Max Affordable Rent (monthly)	4-person household Max Income	Max Affordable Rent (monthly)	5-person household Max Income	Max Affordable Rent (monthly)	6-person household Max Income	Max Affordable Rent (monthly)	7-person household Max Income	Max Affordable Rent (monthly)	8-person household Max Income	Max Affordable Rent (monthly)
10%	\$8,008	\$200	\$9,152	\$229	\$10,296	\$257	\$11,440	\$286	\$12,355	\$309	\$13,270	\$332	\$14,186	\$355	\$15,101	\$378
20%	\$16,016	\$400	\$18,304	\$458	\$20,592	\$515	\$22,880	\$572	\$24,710	\$618	\$26,541	\$664	\$28,371	\$709	\$30,202	\$755
30%	\$24,024	\$601	\$27,456	\$686	\$30,888	\$772	\$34,320	\$858	\$37,066	\$927	\$39,811	\$995	\$42,557	\$1,064	\$45,302	\$1,133
40%	\$32,032	\$801	\$36,608	\$915	\$41,184	\$1,030	\$45,760	\$1,144	\$49,421	\$1,236	\$53,082	\$1,327	\$56,742	\$1,419	\$60,403	\$1,510
50%	\$40,040	\$1,001	\$45,760	\$1,144	\$51,480	\$1,287	\$57,200	\$1,430	\$61,776	\$1,544	\$66,352	\$1,659	\$70,928	\$1,773	\$75,504	\$1,888
60%	\$48,048	\$1,201	\$54,912	\$1,373	\$61,776	\$1,544	\$68,640	\$1,716	\$74,131	\$1,853	\$79,622	\$1,991	\$85,114	\$2,128	\$90,605	\$2,265
70%	\$56,056	\$1,401	\$64,064	\$1,602	\$72,072	\$1,802	\$80,080	\$2,002	\$86,486	\$2,162	\$92,893	\$2,322	\$99,299	\$2,482	\$105,706	\$2,643
80%	\$64,064	\$1,602	\$73,216	\$1,830	\$82,368	\$2,059	\$91,520	\$2,288	\$98,842	\$2,471	\$106,163	\$2,654	\$113,485	\$2,837	\$120,806	\$3,020
90%	\$72,072	\$1,802	\$82,368	\$2,059	\$92,664	\$2,317	\$102,960	\$2,574	\$111,197	\$2,780	\$119,434	\$2,986	\$127,670	\$3,192	\$135,907	\$3,398
100%	\$80,080	\$2,002	\$91,520	\$2,288	\$102,960	\$2,574	\$114,400	\$2,860	\$123,552	\$3,089	\$132,704	\$3,318	\$141,856	\$3,546	\$151,008	\$3,775
110%	\$88,088	\$2,202	\$100,672	\$2,517	\$113,256	\$2,831	\$125,840	\$3,146	\$135,907	\$3,398	\$145,974	\$3,649	\$156,042	\$3,901	\$166,109	\$4,153
120%	\$96,096	\$2,402	\$109,824	\$2,746	\$123,552	\$3,089	\$137,280	\$3,432	\$148,262	\$3,707	\$159,245	\$3,981	\$170,227	\$4,256	\$181,210	\$4,530
130%	\$104,104	\$2,603	\$118,976	\$2,974	\$133,848	\$3,346	\$148,720	\$3,718	\$160,618	\$4,015	\$172,515	\$4,313	\$184,413	\$4,610	\$196,310	\$4,908
140%	\$112,112	\$2,803	\$128,128	\$3,203	\$144,144	\$3,604	\$160,160	\$4,004	\$172,973	\$4,324	\$185,786	\$4,645	\$198,598	\$4,965	\$211,411	\$5,285
150%	\$120,120	\$3,003	\$137,280	\$3,432	\$154,440	\$3,861	\$171,600	\$4,290	\$185,328	\$4,633	\$199,056	\$4,976	\$212,784	\$5,320	\$226,512	\$5,663
160%	\$128,128	\$3,203	\$146,432	\$3,661	\$164,736	\$4,118	\$183,040	\$4,576	\$197,683	\$4,942	\$212,326	\$5,308	\$226,970	\$5,674	\$241,613	\$6,040
170%	\$136,136	\$3,403	\$155,584	\$3,890	\$175,032	\$4,376	\$194,480	\$4,862	\$210,038	\$5,251	\$225,597	\$5,640	\$241,155	\$6,029	\$256,714	\$6,418
180%	\$144,144	\$3,604	\$164,736	\$4,118	\$185,328	\$4,633	\$205,920	\$5,148	\$222,394	\$5,560	\$238,867	\$5,972	\$255,341	\$6,384	\$271,814	\$6,795
190%	\$152,152	\$3,804	\$173,888	\$4,347	\$195,624	\$4,891	\$217,360	\$5,434	\$234,749	\$5,869	\$252,138	\$6,303	\$269,526	\$6,738	\$286,915	\$7,173
200%	\$160,160	\$4,004	\$183,040	\$4,576	\$205,920	\$5,148	\$228,800	\$5,720	\$247,104	\$6,178	\$265,408	\$6,635	\$283,712	\$7,093	\$302,016	\$7,550

MEMORANDUM

TO: Brittany Forman, Borough Manager
Borough Council

FROM: Adam Tecza, FHI Studio

DATE: September 28, 2023

SUBJECT: Affordable Housing Stakeholder Interviews Summary

BACKGROUND

As part of the Affordable Housing Study, FHI Studio conducted stakeholder interviews to better understand affordable housing issues and opportunities. The Borough and FHI Studio identified and interviewed the following people. Interviews were conducted as groups to facilitate conversation and allow for a broader range of voices.

Name	Entity	Title
Local Community Organizations & Advocates		
Judy Fowler	Affordable Housing Group	Member
Addie Ciannella	Affordable Housing Group	Member
Jeanne Wordley	Affordable Housing Group	Member
Carol Glover	Affordable Housing Group	Member
Amy Komarnicki	Fellowship House	Executive Director
Tamara Graham	At Home in Media CDC	Executive Director
Delaware County		
Jordan Casey	The Housing Opportunities Program for Equity (HOPE) at The Foundation for Delaware County	Director
Philip Welsh	Delaware County	Director
Rebecca Ross	Delaware County	Principal Planner
Housing Developers		
Jacob Fisher	Pennrose	Regional Vice President
Ryan Spak	The Spak Group	Principal
Todd Strine	Media Real Estate	
Michael Markman	BET investments	President
Shoshana Bannett	Federation House	Director Of Real Estate Development
Lower Merion Township		
Chris Leswing	Lower Merion Township	Director of Building and Planning
Charles Doyle	Lower Merion Township	Assistant Director of Planning

Name	Entity	Title
Emily Crane	Lower Merion Township	Planning Technician
Charles Doyle	Lower Merion Township	Assistant Director of Planning
PNC Bank		
Omar Dudyk	PNC Bank	Community Development Banking Market Manager

KEY FINDINGS

The following summarizes what FHI Studio heard during its stakeholder interviews. The ideas expressed in this summary are the opinions of those who were interviewed and do not reflect the findings of FHI Studio's technical analysis.

Areas of Community Concern

Fears about rising housing costs are rooted in a concern for how increased housing prices will impact the ability of the Borough to continue to be “Everyone’s Hometown.” At the heart of the issue is a concern that increasing housing costs will erode many of the qualities of the community that people appreciate and force out existing residents. Those interviewed saw increasing housing prices as a threat to a variety of different, and overlapping, communities. The following summarizes the key areas of concern.

Concerns for People

Middle-income residents: Those interviewed were explicit in their concern that even the community’s more stable residents, those earning the median income for the region, are at risk of being priced out of the community.

Aging residents: There is concern that as older residents decide to move out of single-family housing there are limited affordable options for them, especially as they rely on fixed incomes. Inter-related to this issue is a concern about the ability of aging residents to find accessible places to live and barriers to co-living options that would allow seniors to remain in their homes.

Low-income residents: There is concern that, over time, Media has become inaccessible to lower-income residents. Participants generally used the national standard of earning less than 60% Area Median Income to define low-income residents.

Black residents: There is a concern that rising housing prices are exacerbating barriers that black households have to accessing housing. On one hand, there is a concern that increasing housing prices are raising housing costs above what many prospective black households can afford. On the other, there is concern that there remain structural racial barriers in the housing market that are made worse by increased housing prices. Participants identified the unwillingness of landlords to accept housing vouchers, which are more necessary in an expensive housing market, and the ability of minorities to access credit as barriers.

Concerns for the Community

The threat to the above communities is seen as a threat to the community as a whole, as detailed below.

Loss of community cohesion: Those interviewed expressed the concern that the pace of change in the housing market has made it more difficult to maintain community norms. There is a sense that not only are people moving into media at a greater rate but those who are moving in are from communities that have not historically been in Media. These two forces have made it more difficult for established residents to maintain and enforce community norms.

Loss of black community: The Borough's black community has historically been concentrated in a relatively small geographic area. There is concern that increased housing prices have made those areas less accessible to black residents. The result has been the erosion of a community that has historically been an important part of the Borough's societal fabric.

Loss of what makes Media, Media: Those interviewed expressed the belief that part of what has made Media an attractive place to live is that it is an inclusive and accessible place. If the Borough were to lose this diversity, there is a sense that the Borough would lose an essential element that makes it special.

Housing Market

The following summarizes the findings about the housing market.

Affordable housing is a county-wide and regional issue: Media is not alone in its concern about the impact of rising housing prices on its community. The Delaware Valley Regional Planning Commission is currently development an analysis of the regional housing market that combines market and census data to create typologies of census tracts. The County has convened Housing Working Groups which are focused on three major areas of concern: the unhoused, rental, and homeownership. Those working groups are currently developing recommendations for the County Commissioners to consider. Likewise, Swarthmore Borough is currently engaged in discussions about how to address unaffordability in their community.

Media's housing prices are increasing, in part, because it is a quality place to live: Stakeholders noted that Media has seen increasing housing prices, in part, because it has successfully worked to make the Borough an attractive place to live. This work has dovetailed with changing housing preferences to make the Borough a highly desirable place to live for a variety of household types. Given the small size of the Borough, the result is that there is more demand for housing in Media than there is supply. The attractiveness of the Borough is reflected in the fact that landlords have very low vacancy rates and long waiting lists.

New construction of single-family homes is consuming the starter home market and making the rental market more competitive: Across the County, one of the issues that is making the housing market less affordable is that higher-end new construction or renovation is consuming the existing entry-level stock. The result is that communities have a larger share of higher-end housing while they are losing the lower-priced housing. Households who would have purchased entry-cost housing are either (1) staying in the rental market or (2) stretching their budgets and purchasing

more costly housing (dedicating more than 30%, and even more than 50%, of their income on housing). This has several impacts on the market:

1. As more households stay in the rental market, there is increased competition for rental units, which is putting upward pressure on rent prices.
2. Those who are deferring purchasing a home are economically stable and can afford higher rents. This has created demand for higher-end rental units. These rental units are typically more profitable than mid-priced income rental units, so construction is gravitating to the production of those units at the expense of middle-priced rental units. The difference can be seen by comparing the garden apartment units that were built in the latter part of the 20th Century and the higher-density luxury units that are frequently being produced in the region.
3. Those households that decide to push their budgets and buy are increasing the number of buyers in the middle housing market. Since most of the construction is on the higher end, the supply remains stable. The result is increasing housing prices.
4. The higher-end housing that is being constructed is often at a price point that has not been seen in the market before. This has adjusted upwards the expectations of sellers and buyers about what a house should cost.

Media has workforce rental housing: Stakeholders noted that there is rental housing in Media that is accessible to middle-income households (those making between 80% and 120% AMI). The bottom end of these apartments rent for between \$1,200 - \$1,400 for a 1- or 1.5-bedroom unit. The units are typically located in garden apartments that were built in the 1960s through the 1980s.

Media is out of reach for voucher recipients and low-income households: Discussions with stakeholders indicated that the Borough of Media is likely unattainable for those who are looking to use housing choice vouchers (Section 8) to rent in the Borough. The issue is that there is a gap between the lowest-priced rental units and the subsidy voucher that HUD will provide to someone earning 60% of AMI.

Voucher recipients face other obstacles to renting in Media: Stakeholders noted that even if vouchers could cover the cost of rent in Media, landlords are likely to be unwilling to accept vouchers because of misconceptions about the renters. Stakeholders noted that voucher recipients are, inaccurately, seen as being for racial minorities and there may be a racial component to landlords' decision to not accept vouchers.

Construction costs are currently high: The cost of producing housing is currently high. This is the result of a combination of material costs, labor costs, and borrowing costs.

Higher interest rates are impacting construction: Increased interest rates have had an impact on the region's housing market. The increased borrowing costs have simultaneously made construction more expensive and made alternative investments more attractive.

Higher interest rates are tightening the for-sale market: Higher interest rates make selling a house less appealing. Those who locked in lower interest rates in 2022 have an incentive to stay in their homes so they can continue to benefit from the low rates. Across the regional market, this means that there are fewer for-sale homes coming on the market.

Luxury rentals are primarily attractive to young professionals and older households

downsizing who want to stay in the County: Consistent with regional and national trends, higher-end rental housing is attracting two types of renters: younger professionals and older households downsizing from larger homes (often when their children move out of the house and/or they move into retirement). These residents are attracted to the mix of amenities in downtown Media, including dining, retail, and transit access.

Affordable housing issues are likely to be a long-term issue in the Borough: Nobody interviewed indicated that they thought that affordable housing is a short-term issue. The Borough should anticipate that, for the foreseeable future, they will have to actively work to address the issue.

Increasing Affordable Housing

The following summarizes some findings that the Borough should consider as it starts to consider programs and policies to support increased access to affordable housing.

Affordable housing developers are interested in Media: Affordable housing developers expressed interest in working in Media. They noted that Media would be a very good location to develop and expressed a desire to be kept in the loop regarding the Borough's progress on the issue. They were particularly interested in parcels that the Borough already owned, which would forgo the need for additional acquisition costs.

Community opposition to affordable housing is a major obstacle to development:

Stakeholders noted that community opposition to affordable housing is often an obstacle to its production. They noted that near neighbors are often resistant to the form and density of housing that is frequently necessary to support affordable housing construction. Stakeholders also noted that, frequently, affordable housing may be a priority for community residents only under the assumption that the community does not need to make any compromises to make it happen. One example provided was that neighbors resisted strategies that would have increased housing options because it would have made on-street parking more difficult. It was noted that, to the greatest extent possible, the Borough should work with residents to understand and address their concerns before projects move through the approval process.

Identifying potential locations will support affordable housing development: A stakeholder noted that there is considerable benefit when a community has already publicly identified sites where they want to see affordable housing constructed. They noted that even identifying a district was often insufficient. They noted that the approvals process has been much faster, and therefore more cost-effective, in places where specific sites have been identified.

Affordable housing should be contextualized within a larger housing strategy: Lower Merion emphasized the importance of putting affordable housing strategies within the context of a larger housing policy. They emphasized that affordable housing is only one component of a larger issue. By having a larger housing policy context, they can answer questions about what they are doing for a variety of different people in the community, including families, the elderly, and disabled people. They also noted that it allowed them to articulate where change and growth would, and would not, occur.

Funding for policies and programs should match their funding sources: It was noted that as Media begins exploring policies and programs, it needs to match funding sources with appropriate projects. For example, any type of regular assistance requires a steady stream of money. As such, it would be inadvisable to fund it through a program that does not produce regular income (e.g., through land development extractions).

Inclusionary zoning can be enforced through the land development process: Lower Merriam Township noted that any inclusionary zoning provisions could be enforced through zoning rather than by creating a special administrative mechanism. Should a property owner fail to rent approved units at an affordable rate, then it would constitute a zoning violation.

Media is not a low-income community and thus makes it harder to leverage Community Reinvestment Act (CRA) funds to support affordable housing: CRA funds can be invested in low- and moderate-income census tracts, which Media does not have. This limits the types of programs which could be leveraged to support affordable housing. CRA money can be used to invest in specific low-income housing projects outside of low- and moderate-income census tracts. However, those projects must have a majority of affordable units. This means that inclusionary zoning projects that require 20% affordability would be ineligible.

There are likely Community Development Financial Institutions (CDFIs) in the region that would be interested in supporting affordable housing in Media: Banks can invest CRA money into conduit institutions like Community Development Financial Institutions (CDFIs). These institutions have greater lending flexibility than traditional banks (better underwriting criteria) and can offer loans from 50 to 100 basis points lower than market rates for affordable housing projects. Partnering with CDFIs, such as True Access Capital and Community First, may provide Media an opportunity to create better market conditions that would make affordable housing projects more likely to happen.

There is an interest in exploring a variety of solutions: Stakeholders identified a variety of potential ways of addressing affordable housing and/or raising the necessary funds to support affordable housing programs. They included:

- Redevelopment planning / Site identification
- Tax abatements
- Land subsidies
- Shared parking
- Zoning updates / inclusionary zoning
- Home improvement grants
- Rental support
- Purchase support
- ADUs and live-in support
- Tax credits/deed restriction
- Education
- Creating a land bank