

Erie, PA Comprehensive Housing Assessment

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SECTION 1: INTRODUCTION

The City of Erie faces a pivotal moment in addressing its housing challenges. Decades of population decline, economic changes, and aging housing stock have created an imbalance between housing supply and demand. Erie's City Council has posed urgent questions about housing affordability, homelessness, blight, homeownership, and zoning reforms. This comprehensive report -- produced internally as a proactive measure to guide policy, rather than relying on an outside consultant -- examines the full spectrum of Erie's housing market conditions and proposes a multi-year, actionable strategy.

Our analysis covers affordable housing needs, workforce and market-rate housing supply, homelessness and special populations, homeownership trends, and regulatory barriers like zoning ordinances. We also integrate this housing strategy with Infinite Erie, the region's economic development framework, ensuring alignment with broader community goals. The overarching purpose is to identify gaps in Erie's housing market and recommend concrete solutions that City Council and local stakeholders can implement to improve housing opportunities for all residents.

In the sections that follow, we delve into the data and analysis supporting our findings and recommendations. The report is organized to first present an Executive Summary with critical findings, then a Housing Market Analysis (demographics, supply and demand, affordability, special-needs housing) and a review of Current

Initiatives and Gaps. We then detail the Strategic Recommendations with specific action items, timelines, and potential funding sources. Throughout, we provide comparisons to best practices and case studies from other communities, as well as extensive citations for all data -- reinforcing that our conclusions are grounded in verifiable information.

By addressing housing affordability, quality, and availability in a comprehensive manner, Erie can set the foundation for not only improving living conditions but also spurring economic growth and neighborhood revitalization. Housing is tied to everything -- jobs, education, health, and the ability to attract and retain residents. As the Jefferson Educational Society aptly noted, "quality, affordable housing in every neighborhood" is key to Erie's prosperity and social equity in the 21st century. This report aims to equip City Council and community leaders with a clear roadmap to achieve that vision.

SECTION 2: EXECUTIVE SUMMARY

▲ The Housing Crisis at a Glance

6,000	454	9,500	46%
EXTREMELY LOW-INCOME RENTERS IN NEED	HOMELESS RESIDENTS (January 2024)	PROPERTIES SHOWING SIGNS OF DISTRESS	RENTERS PAYING UNAFFORDABLE COSTS

Six Critical Findings

- 1. Severe Affordable Housing Shortage** For every 100 extremely low-income households, only **50** affordable units exist. Half of Erie's most vulnerable residents cannot find housing they can afford.
- 2. Housing Market Mismatch** Families with means are stuck in homes below their budget—there's nowhere to move up. This blocks starter homes for first-time buyers and traps lower-income renters. Erie doesn't just need **more housing**—it needs the **right housing** at every price point.
- 3. Tax Structure Undermines Affordability** City residents pay **\$1,200+** more annually in property taxes than Millcreek Township on identical homes—erasing Erie's price advantage.
- 4. Racial Homeownership Gap** White homeownership: 72%. Black homeownership: **44%**. Erie's gap of approximately 28 points mirrors the national average, though local data suggests it may be wider in certain city neighborhoods.
- 5. Aging Housing Stock Crisis** Median home built in **1950**. Half of all housing is 70+ years old with deferred maintenance, lead paint hazards, and outdated systems.

6. Income-Housing Mismatch Erie's median income of **\$43,397** is 35% below state median. The problem isn't high prices—it's that incomes are too low. Nearly 25% live in poverty.

Erie vs. Suburbs: Tax Disadvantage

MUNICIPALITY	TOTAL MILLS	TAX ON \$100K HOME
City of Erie	39.54	\$3,954/yr
Millcreek Twp	27.08	\$2,708/yr
Harborcreek Twp	27.70	\$2,770/yr
Summit Twp	21.93	\$2,193/yr

Market Snapshot

Metric	Value
Median Household Income	\$43,397
Median Home Value	\$108,200
Median Gross Rent	\$836/month
Population (2023 Est.)	~94,156
Population Loss Since 1960	-32.0%
Cost-Burdened Households	~30%
Poverty Rate	25.7%

Key Questions for Council

1. How will Erie fund affordable housing beyond federal grants? Federal funds (HOME, CDBG) are limited and come with restrictions. Should Erie establish a local Housing Trust Fund? If so, what sources should

capitalize it—ARP remainder, transfer tax allocation, foundation partnerships, or other revenues? What funding level is realistic and sustainable?

2. What is the status of HOME-ARP and other federal allocations? Erie County's original \$3.4 million HOME-ARP allocation has seen at least \$500,000 committed, leaving an estimated \$2.9 million or less remaining. The City of Erie has approximately \$2.2 million available from its separate allocation. Council should confirm: What is the exact remaining balance for both City and County funds? Are current projects on track? The obligation deadline was December 31, 2024, with full expenditure required by September 30, 2030. Projects should target completion by 2026 to align with local priorities. Is Permanent Supportive Housing the right priority for remaining funds?

3. Should Erie adopt a targeted "Block by Block" revitalization strategy? Concentrated intervention in micro-areas can create visible transformation and catalyze private reinvestment. Is Council prepared to select target blocks and commit multi-year resources? What role should the Land Bank, RACE, and neighborhood organizations play? How do we balance demolition with rehabilitation and infill?

4. How do we address the structural tax disadvantage? Erie's property tax burden is \$1,200+ higher annually than surrounding townships on equivalent homes. Should Erie expand LERTA abatements, create a local homestead exemption, waive fees for priority projects, or pursue other reforms? What is politically and fiscally feasible?

5. Who will lead and coordinate housing strategy? Housing issues span multiple departments, agencies, and jurisdictions. Should Erie hire a dedicated Housing Coordinator? Form a standing Housing Task Force with City, County, HACE, nonprofits, and residents? How do we ensure alignment with Infinite Erie and avoid duplication of effort?

Full Strategic Recommendations

A. Expand and Preserve Affordable Rental Housing

- Create and capitalize local Affordable Housing Trust Fund (\$5M over 5 years)
- Pursue aggressive development using HOME-ARP and LIHTC funding
- Expand Cornerstone Community Land Trust (target: 50 CLT homes in 5 years)
- Implement preservation program for at-risk "naturally occurring" affordable rentals
- Maximize Section 8 voucher utilization; create Landlord Risk Mitigation Fund
- Partner with Emphasys Software (or similar) to develop centralized affordable housing portal

B. Revitalize Neighborhoods and Combat Blight

- Scale up "Block by Block" targeted revitalization approach

- Prioritize Homes in the Parade and Ash/Rees neighborhoods for quick wins
- Increase Erie Land Bank funding (\$1M infusion) and streamline acquisition
- Enhance code enforcement with tiered rental licensing system
- Promote adaptive reuse of vacant schools, churches, and commercial buildings
- Coordinate housing with Infinite Erie neighborhood investments

C. Improve Affordability and Accessibility

- Increase down payment assistance from \$5,000 to \$10,000 for target areas
- Launch Housing Navigator program for vulnerable populations
- Implement eviction prevention and tenant protection measures
- Expand aging-in-place support and accessible housing options
- Hire Housing Coordinator; form intergovernmental Housing Task Force

D. Foster Inclusive and Sustainable Growth

- Adopt Inclusionary/Incentive Zoning for mixed-income development
- Inventory and strategically deploy public land for housing
- Pursue HUD lead hazard control grants; integrate energy efficiency
- Create annual Housing Report Card with measurable outcomes
- Align all housing initiatives with Infinite Erie investment playbook

Infinite Erie Alignment

Housing is explicitly identified in Infinite Erie's Neighborhoods and Main Streets investment portfolio.

Housing First Erie demonstrates what's possible—by addressing chronic homelessness, the initiative aims to redirect approximately \$5 million in annual community costs (at ~\$50,000/person for 100 chronically homeless individuals) toward permanent solutions while stabilizing vulnerable populations. Housing instability is an economic development barrier; every housing investment advances the broader regional strategy.

Five-Year Success Metrics

METRIC	CURRENT BASELINE	2030 TARGET
New/Rehabbed Affordable Units	—	500+ units created
Homeless Point-in-Time Count	454 (Jan 2024)	<200
Properties with Distress Signs	9,500	<5,000
Renter Cost Burden Rate	46%	<35%
Housing Trust Fund Balance	\$0	\$5M capitalized

The Bottom Line

Erie's housing crisis requires a coordinated, multi-year response—not a single program or quick fix. The good news: Erie has the tools (updated zoning, Land Bank, federal funds), the framework (Infinite Erie alignment), and proven models (Housing First Erie). What's needed now is **prioritization, dedicated staffing, and sustained investment.**

Recommended Next Step: City Council should immediately form a Housing Working Group—including City and County officials, HACE, nonprofits, and residents—to prioritize these recommendations, assign responsibilities, and set implementation timelines.

SECTION 3: DEMOGRAPHIC AND ECONOMIC TRENDS IN ERIE

Understanding Erie's housing situation requires a look at the city's demographic and economic context. Erie is an older industrial city that has experienced significant population and income changes over time. These trends directly impact housing demand and the types of housing needed.

Population Loss and Age Composition

Erie's population has been declining for decades. The city's peak population was 138,440 in 1960, but by 2010 it had fallen to 101,786, and by 2020 it was 94,831. Recent estimates (2023 ACS) show approximately 94,156 residents. This long-term loss of residents (roughly 44,000 since 1960) is a fundamental reason why Erie has more housing units than households, contributing historically to high vacancy and low property values. The population decline has been driven by economic changes (manufacturing job losses and limited job growth in past decades) and suburbanization. Erie's population age structure also affects housing needs: about 16% of residents are 65 or older, and roughly 22% are under 18. An aging population means increasing need for senior-

accessible housing, while the share of youth will influence demand for family-sized units. Erie's median age is around 35 years, indicating a balance of younger and older cohorts; however, many younger adults have left in search of opportunities.

Table 3.1: Population Decline Timeline

Year	Population	Change from Peak
1960 (Peak)	138,440	—
2010	101,786	-26.5%
2020	94,831	-31.5%
2023 (Est.)	~94,156	-32.0%

Table 3.2: Population Change by Area

Area	1960	2024	Change
City of Erie	138,440	~94,156	-32.0%
Erie County (Total)	250,682	~269,544	+7.5%
Erie County (outside city)	112,242	~175,388	+56%

Table 3.3: Age Distribution

Age Group	Percentage
Under 18	~22%
18-64	~62%
65 and Older	~16%
Median Age	~35 years

Household Types and Size

The city has about 39,419 households in total. The average household size is approximately 2.24 persons, which is slightly smaller than the national average (~2.6). This reflects that many households are singles or couples without children, and also that Erie has a substantial senior population who often live in smaller households.

About 34% of households in Erie are single-person households, and only around one-quarter are married couples with children. This diversity of household types means that Erie needs a mix of housing options -- from small one-bedroom or studio units to larger family homes. In particular, the rise of single-person and single-parent households (over 700 single mothers with children live in public housing alone) points to the need for affordable apartments and small homes, as well as supportive housing services.

Table 3.4: Household Characteristics (2023 ACS)

Characteristic	Value
Total Households	~39,419
Average Household Size	~2.24 persons
National Average	~2.6 persons
Single-Person Households	~34%
Married Couples with Children	~25%

Racial and Ethnic Composition

Erie is a racially diverse city, though still majority white. According to 2023 ACS data, approximately 66.7% of residents are White (non-Hispanic), 15.4% Black or African American, 2.44% Asian, and around 8% Latino/Hispanic (of any race). The city has seen growing diversity in recent decades, with an increase particularly in New American and refugee populations. The racial composition intersects with housing in important ways: minority households in Erie have much lower homeownership rates and incomes on average. Nationally, White homeownership stands at 73.8% while Black homeownership is approximately 45.9%—a gap of about 28 percentage points. Within the City of Erie, where homeownership is only 53% overall (compared to 68.3% countywide), racial disparities in homeownership are likely more pronounced, particularly in lower-income neighborhoods where minority populations are concentrated. Minority households are more likely to be renters and more likely to face cost burdens. Any housing plan must address this racial gap by expanding access to homeownership for people of color and ensuring fair housing enforcement.

Table 3.5: Racial and Ethnic Composition (2023 ACS)

Race/Ethnicity	Percentage
White (non-Hispanic)	66.7%
Black or African American	15.4%
Latino/Hispanic	~8%
Asian	2.44%
Two or More Races	5.32%
Other	2.14%

Table 3.6: Homeownership by Race (National Comparison)

Group	National Rate (2023)
White Households	73.8%
Black Households	45.9%
Hispanic Households	49.8%
Asian Households	63.0%
White-Black Gap	~28 points

Note: Erie County's overall homeownership rate is 68.3%; City of Erie's rate is 53%. Local racial disparities in homeownership likely mirror or exceed national patterns, particularly within the city limits where minority populations are concentrated.

Income and Employment

Erie's economic profile heavily influences housing affordability. The city's median household income is \$43,397 (2019–2023 ACS), which is substantially below the U.S. median (\$70k) and the Pennsylvania median (\$67k). Nearly a quarter of Erie residents live below the poverty line (25.7%), a very high rate (more than double the national ~12%). One of Erie's ZIP codes (16501, in the downtown core) has been identified as one of the poorest in the nation, with a median income around only \$10,000. Such low incomes are the crux of Erie's housing affordability problem. As noted in the Erie Refocused plan, "lack of housing affordability is more likely a function of very low incomes, not high property values" in the city.

Unemployment in the Erie metro has improved since the early 2010s (pre-pandemic it was around 5%, and is back to ~4-5% in 2023), but many new jobs are in lower-wage sectors like services and logistics. The sectors

employing Erie residents include healthcare, education, manufacturing (declining but still present), and service/hospitality. There is a mismatch where many of the jobs available do not pay enough to comfortably afford median rent or home prices.

Table 3.7: Income Comparison

Geography	Median Household Income
City of Erie	\$43,397
Pennsylvania	\$67,000
United States	\$70,000

Table 3.8: Poverty Rates

Geography	Poverty Rate
City of Erie	25.7%
ZIP Code 16501	~Highest in Nation
United States	~11-12%

Real estate in Erie has traditionally been very affordable by national standards. The median home value in the city is about \$108,200 (ACS 2023) -- far below the U.S. median (~\$303,400). Likewise, median gross rent is about \$836 per month. These low housing costs reflect both the lower demand (from population decline) and the age/condition of the housing stock. While this nominal affordability is a strength, it comes with challenges: low property values mean limited equity for homeowners and tighter margins for landlords to maintain properties. Additionally, even at these low prices, a household needs an income of roughly \$33,000 to afford the median rent without cost burden (30% of income standard) -- yet nearly 40% of Erie households earn less than \$35,000 a year. This explains why around 30% of all households (and about 46% of renters) in Erie are cost-burdened by housing.

Table 3.9: Housing Affordability Metrics

Metric	Erie	U.S.
Median Home Value	\$108,200	~\$300,000
Median Gross Rent	\$836/month	Higher
Income Needed for Median Rent	\$33,000	—
Households Earning <\$35,000	~40%	—

Housing and the Economy -- Recent Trends

Erie's housing market has shown some signs of tightening in recent years. Realtors have noted that moderately priced homes (under \$150k) often sell quickly. One analysis found that median home sale prices in Erie rose to 99% of list price, with some homes even getting multiple offers. This indicates that while Erie is still affordable, it's no longer a buyer's market to the extent it once was. On the rental side, a healthy rental market vacancy is typically around 5%. In 2019, Erie County's rental vacancy was reported around 6-7%, but within the city and for the most affordable units, the vacancy is likely much lower -- effectively a tight market for low-cost rentals. There aren't many decent apartments sitting empty in the low-price range; low-income renters compete for scarce units. A tight rental market particularly harms those with the fewest resources, as lower-income renters have the fewest options and little bargaining power.

Table 3.10: Housing Market Indicators

Indicator	Value
Sale Price to List Price Ratio	99%
County Rental Vacancy (2019)	6-7%
Healthy Market Vacancy	~5%

Another economic factor is the influence of college students. Erie has several colleges (Gannon University and Mercyhurst University within the city, plus Penn State Behrend just outside). The student population is a few thousand, significantly smaller as a share of the city than in a typical college town. Still, areas around the campuses see student rental demand. Overall, students are likely a modest factor -- they contribute to rental demand for certain unit types and can inflate the city's poverty rate (since many have low incomes on paper while in school).

In summary, Erie's demographic and economic trends paint a picture of a community with shrinking population, low incomes, and an aging populace, which in turn has led to surplus housing in poor condition alongside pockets of acute need for quality affordable homes.

SECTION 4: HOUSING STOCK AND MARKET CONDITIONS

Erie's housing stock is a mix of old and new, owned and rented, thriving and blighted. This section provides an overview of the types, ages, conditions, and availability of housing in the city, as well as recent market trends in sales and rents.

Housing Stock Overview

According to the latest data, Erie has approximately 43,377 housing units in total (for ~39,419 households, indicating about 3,958 units vacant at a given time, roughly a 9% vacancy rate). The majority of Erie's housing units are single-family homes, either detached or attached (rowhouses). In the owner-occupied sector, single-family detached homes dominate. In the rental sector, about half of units are in single-family houses (often older homes subdivided or investor-owned), and the rest are in multifamily buildings (from duplexes and triplexes up to larger apartment complexes). Erie does have some larger apartment developments (especially subsidized housing complexes), but does not have a very dense high-rise housing profile like bigger cities.

Table 4.1: Housing Stock Overview (2023 ACS)

Metric	Value
Total Housing Units	~43,377
Total Households	~39,419
Vacant Units	~3,958
Vacancy Rate	~9%

A critical characteristic of Erie's housing is its age. The median year built of homes in the city is around 1950 -- meaning half the homes are over 70 years old, with many exceeding 80 years. Entire neighborhoods consist of early 20th-century structures: areas on the east and west bayfront, and central city neighborhoods like Little Italy and Trinity Park, feature homes from the late 1800s to 1920s. While these houses have charm and solid construction, many suffer from deferred maintenance. Older homes often have issues such as outdated electrical and plumbing, poor insulation, lead paint hazards, and structural wear. A 2016 comprehensive survey of Erie's 25,000+ residential structures rated many for condition. It found wide variation by neighborhood -- some areas, like parts of the southwest city and frontier Bayfront, had 70% of homes in good or excellent condition, whereas areas like East Bayfront and Little Italy had a much lower share. The survey identified 9,500 properties with signs of moderate or severe distress, highlighting a substantial need for rehabilitation and blight remediation.

Table 4.2: Housing Age and Condition

Metric	Value
Median Year Built	~1950
Homes Over 70 Years Old	~50%
Properties Surveyed (2016)	25,000+
Properties with Distress	9,500

Homeownership vs Rental

About 53% of occupied units are owner-occupied and 47% renter-occupied in Erie. This split has implications for community stability and investment. Homeownership rates are lower in the city than the suburbs (Erie County's homeownership is ~68.3%), due in part to the city's lower incomes and higher concentration of multi-unit housing. Within the city, homeownership rates vary by neighborhood -- generally higher on the more suburban-style outskirts and lower in the inner-city areas. The lowest homeownership is in places like 16501 and 16502 ZIPs (central city) where many households are very low-income. These areas also overlap with higher minority populations, reflecting historical disparities. Encouraging homeownership in the city (for those who are prepared for it) can help build equity for residents and stabilize neighborhoods. However, with nearly half the housing as rentals, strong protections and quality standards for rental housing are equally important.

Table 4.3: Housing Tenure

Tenure Type	Percentage
Owner-Occupied	53%
Renter-Occupied	47%

Vacancy and Blight

Erie's vacancy story is complex. On one hand, having some vacancy (around 5%) is normal and even healthy in a housing market. On the other hand, excess vacancy and abandoned properties have been a persistent problem. The "Erie Refocused" plan noted about 4,000 units were unoccupied citywide around 2016 (roughly 15% vacancy) and that a subset were truly abandoned (1,900 units) -- often tied to tax delinquency, foreclosures, or heirs' properties. Since then, Erie has taken steps to tackle blight: the City revived its Blighted Property Review Committee, the Erie Land Bank was created in 2018, and the Erie Redevelopment Authority (RACE) has actively used tools to address derelict structures. Through partnerships with RACE and funding support (including state grants and American Rescue Plan funds), Erie has been demolishing dozens of condemned houses -- over 160 blighted structures were demolished between 2017 and 2022. While demolition removes

immediate hazards, it also subtracts housing units from the stock, so it must go hand-in-hand with strategies to rebuild or reutilize the vacant land.

Table 4.4: Vacancy and Blight Statistics

Metric	Value	Year
Unoccupied Units	~4,000	2016
Vacancy Rate	~15%	2016
Truly Abandoned Units	1,900	2016
Structures Demolished	160+	2017-2022

Rental Market Conditions

For renters, one key metric is the median gross rent of \$836. This includes contract rent plus utilities. By comparison, the median renter household income in Erie is around \$27,000, which would make the affordability threshold about \$675. That suggests the median rent is above what a median renter can comfortably pay, again reinforcing the high cost-burden rate among renters. A healthy rental market vacancy is typically around 5%. In 2019, Erie County's rental vacancy was reported around 6-7%, but within the city and for the most affordable units, the vacancy is likely much lower -- effectively a tight market for low-cost rentals. There aren't many decent apartments sitting empty in the low-price range; low-income renters compete for scarce units.

Table 4.5: Rental Market Indicators

Metric	Value
Median Gross Rent	\$836/month
Median Renter HH Income	~\$27,000
Affordable Rent (30% threshold)	~\$675/month
Rental Vacancy Rate	7-8%

Another aspect of the rental market is student housing and short-term rentals. Erie has seen growth in short-term rentals (STRs) like Airbnb due to tourism (proximity to Presque Isle State Park, summer events, etc.). A recent analysis showed 218 active Airbnb listings in Erie as of September 2024, with a median occupancy of 61% and average daily rate ~\$114. The City Council recognized the need to regulate STRs -- in April 2023, it passed an ordinance to license and inspect short-term rental units, requiring an annual \$80 registration fee and twice-yearly inspections. From a housing perspective, there is concern that STRs could reduce the long-term rental

supply if many owners convert units to Airbnb. At ~218 listings (which is <1% of total units), STRs are currently a small slice, but monitoring is important.

Table 4.6: Short-Term Rental Market (Sept 2024)

Metric	Value
Active Airbnb Listings	218
Median Occupancy	61%
Average Daily Rate	~\$114
Annual Registration Fee	\$80
STRs as % of Total	<1%

Home Sale Market

Erie's home sale market had been relatively flat for years but is now seeing some appreciation. The median sale price in 2022 for Erie City was around \$120,000 (multiple listing data), up from perhaps \$80-90k a decade prior -- a sizeable increase in percentage terms, though still low-cost. Houses in good condition in desirable city neighborhoods (e.g., frontier Bayfront, Glenwood area) often sell quickly and sometimes above asking. Real estate agents have noted that Erie has attracted some out-of-town buyers (people relocating from higher-cost areas or investors) due to its affordability. This uptick, combined with a lack of new construction, means first-time buyers face competition for limited move-in-ready starter homes. Many of Erie's for-sale homes require some updating, which can be a barrier for FHA or VA buyers. The housing mismatch is evident: some higher-income households are living in what would traditionally be "starter homes," while some moderate-income families might be stretching to buy those same modest homes.

Table 4.7: Home Sale Market Trends

Metric	Value
Median Sale Price (2022)	~\$120,000
Median 10 Years Prior	\$80,000-\$90,000
Appreciation Trend	Significant % increase

Notably, Erie also has a significant tax foreclosure pipeline. Each year, Erie County holds judicial tax sales for properties that are tax-delinquent for 2+ years. In 2022, Erie used some American Rescue Plan (ARP) funds to launch a "Healthy Homes" repair program targeting low-income homeowners, with an aim to fix hazards and

preserve homeownership. This can indirectly reduce foreclosures by helping owners maintain code compliance. However, tax delinquency remains a problem -- stemming from poverty and from absentee landlords who abandon properties. Addressing this will require both enforcement (through Land Bank acquisition and sales) and assistance (through tax relief programs or payment plans).

SECTION 5: HOUSING NEEDS AND GAPS ANALYSIS

To craft effective solutions, we must identify where the largest gaps exist between the housing that Erie residents need and the housing that is available. This involves analyzing the data on housing cost burden, affordability by income level, and the supply deficits for different types of housing.

Cost-Burdened Households

A household is "cost-burdened" if it spends more than 30% of its income on housing (rent or mortgage plus utilities). By this standard, approximately 30% of all Erie households are cost-burdened. This includes nearly half of renter households and a smaller share of homeowners. According to 2020 CHAS data, about 46% of Erie's renter households pay over 30% of income on rent, and roughly 22% pay over 50% (severely cost-burdened). For homeowners with a mortgage, around 20-25% are cost-burdened, whereas homeowners without a mortgage have much lower burden rates. The cost burden is extremely concentrated among lower-income groups.

Table 5.1: Cost Burden by Tenure

Household Type	Cost-Burdened (>30%)	Severely Burdened (>50%)
All Households	~30%	—
Renter Households	~46%	~22%
Homeowners w/ Mortgage	20-25%	—
Homeowners w/o Mortgage	Lower	—

Affordability by Income Level

Breaking it down by HUD income categories (relative to Area Median Income or AMI):

Extremely Low-Income (ELI) households (income \leq 30% of AMI, roughly under \$25,000): There are about 6,000 ELI renter households in Erie. Housing affordable to them would have to cost less than ~\$625/month. Only a fraction of rentals in Erie have gross rents that low. As a result, an overwhelming majority of these households are cost-burdened. Additionally, some ELI households live in public or subsidized housing, which

caps their rent at 30% of income. But demand far exceeds supply: HACE's waiting lists often have hundreds of applicants, and turnover is slow (public housing tenants waited an average of 12 months).

Very Low-Income (VLI) households (31–50% of AMI, roughly \$25k–\$40k): These households also struggle. Affordable rent for someone at \$35,000/year would be around \$875. In Erie, about half of rentals fall under that, so some VLI households find sustainable housing, but many still end up cost-burdened. The data likely show around 70% of VLI renters in Erie have some level of cost burden.

Low-Income (LI) households (51–80% of AMI, roughly \$40k–\$63k): In this range, many can find affordable options in Erie's market, especially homeownership. Cost burden rates for this group are lower, but some still face burdens.

Moderate/Middle-Income (workforce) households (81–120% of AMI, roughly \$63k–\$94k+): These households generally are not cost-burdened by Erie's housing costs. Their challenge is more one of preference and availability of market-rate development.

Table 5.2: Housing Affordability by Income Level

Income Category	% of AMI	Income Range	Affordable Housing
ELI	≤30%	Under \$25,000	<\$625/month
VLI	31-50%	\$25,000-\$40,000	~\$875/month
LI	51-80%	\$40,000-\$63,000	Higher options
Moderate/Middle	81-120%	\$63,000-\$94,000+	Affordable

Table 5.3: ELI Housing Gap

Metric	Value
ELI Renter Households	~6,000
Affordable Units per 100 ELI HH	~50
ELI Renters Cost-Burdened	~69%
Average Wait for Public Housing	12 months

In summary, the most acute affordability gap is at the lowest incomes. For every 100 extremely low-income renter households in Erie County, there are only about 50 units affordable and available to them. This means roughly half of ELI renters have to either pay more than they can afford, live in substandard units, or double up.

Homelessness and Special Populations

The Point-in-Time (PIT) count in January 2024 found 454 people homeless in Erie (including sheltered and unsheltered). This was higher than previous years, reflecting economic strains. Within that population, there are single adults, families with children, youth, and veterans. Erie has emergency shelters, but those were near capacity and length of stay has increased. Community Shelter Services opened 5 tiny homes in 2023 (with plans for 12) and quickly filled them with homeless families, indicating that alternative shelter models can help if scaled up.

Table 5.4: Homelessness Point-in-Time Count (Jan 2024)

Category	Count
Total Homeless	454
Sheltered	378
Unsheltered	76

Other special needs include seniors aging in place, people with disabilities needing accessible housing, domestic violence victims needing confidential transitional housing, and refugee/immigrant families needing larger units and culturally competent outreach. These populations require targeted support to ensure they access housing programs.

Table 5.5: Special Populations Housing Needs

Population	Key Housing Needs
Seniors	Aging in place support; accessible
People with Disabilities	Accessible units; modifications
DV Victims	Confidential transitional housing
Refugee/Immigrant Families	Larger units; culturally competent
Youth Aging Out of Care	Transitional housing programs
Veterans	Supportive housing; tiny homes

Critical Housing Needs Summary

Table 5.6: Critical Housing Needs Summary

Need	Description
Deeply Affordable Rentals	More units for ELI households via subsidized housing, vouchers, or preservation
Workforce Housing	Both rental and ownership for moderate-income households
Rehabilitation	Restoring vacant/substandard units to availability
Cost Burden Reduction	Energy efficiency upgrades, property tax relief
Homelessness Interventions	Rapid rehousing, supportive housing, non-traditional solutions

SECTION 6: CURRENT STRATEGIES AND POLICY INITIATIVES

Before recommending new measures, it's important to acknowledge and assess the efforts already underway by the City of Erie, Erie County, and partner organizations. Erie is not starting from scratch on housing policy; a number of programs and recent initiatives form a foundation to build upon.

Erie Refocused and Neighborhood Plans

The City's last comprehensive plan, Erie Refocused (2016), was a decision-making guide that heavily emphasized blight elimination, right-sizing city services, and stabilizing neighborhoods. Over the past several years, Erie did follow some of these recommendations: City Council enacted a citywide LERTA tax abatement to spur investment, the Redevelopment Authority targeted strategic code enforcement and clustered rehabs, and major efforts went into downtown revitalization. Neighborhood organizations like Our West Bayfront and East Bayfront/Eastside Renaissance emerged with their own community plans.

Blight Fight -- Land Bank, Code Enforcement, Demolition

Erie has become quite aggressive in addressing blight since 2017. The creation of the Erie Land Bank gave the city a mechanism to acquire problem properties, clear titles, and package them for reuse. The Land Bank works closely with the City's Code Enforcement and Blighted Property Review Committee. Funding for these activities came from multiple sources: CDBG grants, a 2018 state blight grant, County gaming revenue, and recently American Rescue Plan Act (ARPA) funds. However, one constraint is funding -- demolition and rehab are costly. The Land Bank gets only ~\$150k/year from Act 137 (via County) to play with, plus whatever grants it wins.

Table 6.1: Blight Remediation Funding Sources

Source	Description
CDBG Grants	Federal community development funding
State Blight Grant (2018)	One-time state funding
County Gaming Revenue	Local revenue sharing
American Rescue Plan Act	Federal COVID relief funds
Act 137 (via County)	~\$150,000/year

Housing Rehabilitation and Healthy Homes

Both the City and County run home repair programs to preserve housing. The City's Department of Economic and Community Development uses CDBG and HOME funds to assist low-income homeowners with critical repairs. In the 2025 Annual Action Plan, the City allocated over \$220,000 for city housing rehab programs. A notable initiative is the ARP Healthy Homes program, launched in 2022-23, which is specifically aimed at removing health and safety hazards from homes. The City got \$4.5 million in ARP marked for housing improvements. The gap in these programs is that demand far outstrips supply; hundreds of low-income homeowners could use assistance, but resources allow only maybe 20-40 full rehabs per year.

Table 6.2: Housing Rehabilitation Programs

Program	Funding Source	Annual Amount/Capacity
City Housing Rehab	CDBG, HOME	\$220,000+ (2025)
County Act 137 Rehab	Act 137	20 units countywide
ARP Healthy Homes	American Rescue Plan	\$4.5 million total
Per-Home Repair Cap	ARP	\$25,000-\$30,000
Combined Annual Capacity	All sources	20-40 homes/year

Homeownership Promotion

Erie has a few avenues for promoting homeownership. HUD's HOME program funds a down-payment assistance (DPA) initiative for first-time homebuyers in the city -- typically providing around \$5,000 to \$7,000 for income-eligible buyers. The state PHFA offers Keystone Advantage DPA loans and mortgage products that Erie buyers can use. Habitat for Humanity in Erie has built or rehabbed dozens of homes sold to low-income families with sweat equity and zero-interest loans. However, the scale of these efforts is relatively small against

the need. Many potential first-time buyers in Erie have credit issues or lack savings; DPA helps, but some also need credit counseling. Fortunately, several HUD-approved counseling agencies operate in Erie.

Table 6.3: Homeownership Assistance Programs

Program	Amount	Source
HOME Down Payment Assistance	\$5,000-\$7,000	HUD HOME
PHFA Keystone Advantage	Varies	State of PA
Act 137 First-Time Buyer	Varies	County
Habitat for Humanity	Sweat equity + 0% loans	Nonprofit

Affordable and Subsidized Housing Development

Erie's capacity to produce new affordable housing largely resides with a few non-profit developers. HANDS is the region's primary non-profit housing developer, which has built hundreds of affordable rental units (funded by Low-Income Housing Tax Credits, LIHTC) in Erie County. In the city, HANDS developed properties like St. Joseph Apartments (senior housing in a converted school). Private developers using LIHTC have also contributed. However, these projects occur sporadically (as funding is competitive). Erie has HOME-ARP funds available for housing development: Erie County's original \$3.4 million allocation has approximately \$2.9 million remaining (after at least \$500,000 committed as of May 2025), while the City of Erie has approximately \$2.2 million available from its separate \$2.9 million allocation. These funds are aimed at housing for homeless and extremely low-income populations, with full expenditure required by September 30, 2030. One emerging initiative is the Cornerstone Community Land Trust, seeded by Erie Insurance and in the Infinite Erie portfolio. The CLT model keeps homes permanently affordable by owning the land and selling just the house to income-qualified buyers with resale restrictions.

Table 6.4: Key Housing Developers and Projects

Developer/Entity	Type	Notable Projects
HANDS	Nonprofit	St. Joseph Apartments; hundreds of LIHTC units
GECAC	Nonprofit	Senior housing
Beacon Communities	Private	Erie Heights, Harbor Homes renovations
Cornerstone CLT	Community Land Trust	Permanently affordable homeownership

Table 6.5: Major Housing Funding Opportunities

Funding Source	Amount	Target Population
HOME-ARP (County)	~\$2.9M remaining (est.)	Homeless and ELI populations
HOME-ARP (City)	~\$2.2M available	Homeless and ELI populations
Low-Income Housing Tax Credits	Competitive	Low-income renters
Infinite Erie PSH Project	~\$5M annual cost savings	Chronically homeless

Zoning and Land Use Reforms

Historically, Erie's zoning code (last overhauled in 2005) was fairly conventional and restrictive in residential zones. In late 2024, Erie City Council passed Ordinance 54-2025 (and related amendments) which modernized the zoning in significant ways. Key changes included: allowing Accessory Dwelling Units (ADUs) as a permitted use in all residential districts; allowing Short-Term Rentals (like Airbnb) as a permitted use in R-1 and R-1A (with certain additional regulations); easing development in commercial and waterfront districts; updating definitions and removing outdated restrictions; encouraging Planned Residential Developments and Neighborhood Centers by making them permitted in more zones; and reducing some parking requirements for certain uses and districts.

Table 6.6: Key 2024 Zoning Reforms (Ordinance 54-2025)

Reform	Previous Status	New Status
Accessory Dwelling Units (ADUs)	Not explicitly allowed	Permitted in R-1, R-1A, R-2, R-3
Short-Term Rentals (Airbnb)	Special exception required	Permitted in R-1, R-1A with regulations
Commercial/Waterfront Development	More restricted	More uses by-right
Group Homes	Special approval required	Permitted by-right
Planned Residential Developments	Special exception	Permitted in more zones
Parking Requirements (C-3)	Standard minimums	Reduced/eliminated

These reforms are quite progressive and aligned with recommendations from other housing studies. As of now (2025), the City is likely working on the implementation details. The challenge will be ensuring these code changes translate into actual development: will homeowners take advantage of the new ADU permission to build backyard cottages or convert garages? The City might need to actively promote and provide technical assistance or even incentives for ADUs (like waiving permit fees for the first ADUs or offering pre-approved design plans).

Housing First Erie: Permanent Supportive Housing as Core Infrastructure

One of the most significant housing initiatives currently underway in Erie is Housing First Erie, a collaborative effort to implement a permanent supportive housing model for individuals experiencing chronic homelessness. Housing First Erie is aligned with national best practices and explicitly incorporated into the Infinite Erie investment framework, positioning housing stability as foundational economic and social infrastructure.

Housing First Erie is built on a well-established principle: individuals experiencing homelessness achieve better outcomes when provided stable, permanent housing first, paired with voluntary supportive services, rather than being required to meet preconditions such as sobriety or employment. This model has been shown nationally to reduce long-term public costs associated with emergency services, healthcare utilization, incarceration, and repeated shelter stays.

Program Structure and Components: The initiative integrates permanent housing units (not time-limited or transitional), on-site or closely coordinated supportive services (case management, healthcare access, behavioral health support), and low-barrier entry minimizing administrative or behavioral requirements for housing access. Unlike emergency shelters or transitional housing models, Housing First Erie is designed to permanently remove individuals from homelessness, freeing up shelter capacity and stabilizing vulnerable populations.

Alignment with Infinite Erie and Regional Economic Strategy: Housing First Erie is formally identified within Infinite Erie's Neighborhoods and Main Streets investment portfolio. This positioning reflects a broader shift in regional thinking: housing is not merely a social service expense, but a long-term investment with measurable economic and community returns. The initiative benefits from cross-sector coordination including nonprofit housing and service providers, healthcare and behavioral health systems, City and County government collaboration, and alignment with Continuum of Care funding and federal housing programs.

Addressing Critical Gaps: Housing First Erie directly addresses several gaps identified in this report: the shortage of permanent housing for individuals below 30% AMI; high shelter utilization and lengthened shelter stays driven by lack of permanent options; cyclical homelessness requiring repeated emergency interventions; and rising public costs associated with unmanaged homelessness. By stabilizing the most vulnerable residents, Housing First Erie allows other housing resources to function more effectively.

Lessons for Broader Housing Policy: Housing First Erie provides an important case study illustrating that housing solutions advance when regulatory clarity, funding alignment, and intergovernmental cooperation are present; permanent housing models outperform temporary or fragmented interventions; and housing initiatives succeed when treated as infrastructure, not pilot programs. This contrast is particularly relevant when compared to stalled housing efforts elsewhere (such as the unresolved tiny home deployment). Housing First Erie demonstrates that housing innovation is not constrained by concept or funding alone, but by governance, process, and execution.

Infinite Erie and Intergovernmental Coordination

The Infinite Erie Collaborative includes City, County, business, and nonprofit leaders working on a common economic development playbook. The fact that Infinite Erie explicitly supports projects that "tackle

homelessness and create safe and affordable housing" is significant -- it means housing is being treated as infrastructure or economic investment, not solely as social welfare. Housing First Erie exemplifies this alignment and demonstrates the benefits of coordinated governance. The City's new administration (2026 mayor) has indicated that all housing recommendations should tie into Infinite Erie's initiatives. This formalization ensures that housing efforts remain strategically connected to broader economic development goals.

Table 6.7: Housing Authority of the City of Erie (HACE) Overview

Program	Units/Vouchers	Occupancy/Utilization
Public Housing Units	1,800+	94% Occupied
Housing Choice Vouchers	~1,200	High Utilization
Total Households Served	~3,000	—

Institutional Capacity and Path Forward: In summary, Erie has many pieces of the puzzle on the table: comprehensive plans that outline vision, programs tackling blight and assisting owners, Housing First Erie demonstrating what coordinated housing solutions can achieve, meaningful funding streams for new housing, and updated zoning to enable more solutions. The critical assessment is that while these efforts have improved conditions, the scale of the response has not yet fully matched the scale of the need -- particularly for affordable housing production and homelessness prevention. However, Housing First Erie proves that Erie possesses the institutional capacity to solve complex housing challenges when systems are aligned, governance is clear, and cross-sector coordination is sustained. This success should inform the strategic recommendations that follow, demonstrating that Erie can execute ambitious housing initiatives when the policy framework is in place.

SECTION 6.5: LOCAL TAX BURDENS AS A STRUCTURAL BARRIER TO AFFORDABILITY

Housing affordability in Erie is shaped not only by market prices and household income -- but also by local taxation. The City of Erie's property tax structure, municipal fees, and transfer taxes significantly affect both the monthly cost of homeownership and the feasibility of new housing development. Compared to surrounding municipalities, Erie residents and investors face a markedly higher tax burden that erodes the city's affordability advantage and hinders reinvestment in its aging housing stock.

Elevated Property Tax Rates in the City Core

Homeowners in the City of Erie face a combined property tax rate of approximately 39.54 mills -- nearly 4% of assessed home value. This includes city (13.12 mills), Erie County (6.61 mills), and the Erie City School District (19.81 mills). On a \$100,000 home, this equates to an annual tax bill of approximately \$3,954.

By contrast, in Millcreek Township the total rate is approximately 27.08 mills (including 4.20 mills municipal, 16.27 mills school, and 6.61 mills county), amounting to about \$2,708 annually on the same home value -- a difference of over \$1,200 per year. Summit Township's total rate is approximately 21.93 mills (\$2,193 on a \$100,000 home), and Harborcreek Township's total is approximately 27.70 mills (\$2,770). This tax differential reduces monthly affordability in the city by roughly \$100/month, enough to influence mortgage qualification thresholds and reduce buyers' purchasing power.

Table 6.5.1: Property Tax Millage by Municipality

Municipality	City/Township	School District	County	Total Mills	Effective Rate
City of Erie	13.12	19.81	6.61	39.54	3.95%
Millcreek Township	4.20	16.27	6.61	27.08	2.71%
Harborcreek Twp	1.29	19.80	6.61	27.70	2.77%
Summit Township	1.52	13.80	6.61	21.93	2.19%

Transfer Taxes Add Upfront Barriers for Buyers

Erie levies a standard 2% real estate transfer tax on home sales, split between the state, city, and school district. While not unique to Erie (its suburbs charge the same), the effect is still significant: a \$150,000 home sale results in \$3,000 in transfer taxes, increasing the upfront cash needed to close and potentially limiting first-time buyer participation. No local policies currently offset this burden for targeted buyers.

Rental Licensing, Inspections, and Development Fees

Erie operates an annual rental licensing program (\$40 per unit), with required inspections every two years. While intended to ensure minimum housing quality, the cumulative effect of annual fees, third-party inspections, and reinspection costs (up to \$65 per event) places Erie landlords at a cost disadvantage compared to neighboring jurisdictions, most of which have complaint-driven code enforcement only. Permit, sewer tap, and occupancy fees -- while broadly aligned with standard Uniform Construction Code schedules -- add thousands of dollars in marginal cost to residential rehab and infill development. For affordable housing developers operating on tight margins, this can be a deciding factor in project viability.

Structural Consequences for Ownership and Investment

These tax and fee dynamics have tangible effects on housing outcomes. For potential homebuyers, Erie's higher tax burden often neutralizes the affordability benefit of lower home prices. For example, a \$120,000 home in Millcreek may result in the same monthly payment as a \$100,000 home in Erie once taxes are included -- effectively reducing demand and suppressing city property values.

For developers and investors, Erie's high baseline tax exposure often makes projects financially infeasible without incentives. A 50-unit multifamily project valued at \$5 million would incur nearly \$62,000 more annually in taxes in the city than in Millcreek -- a long-term liability that undermines pro forma viability unless mitigated by tax abatement tools like LERTA.

This system has contributed to disinvestment, slowed turnover of blighted properties, and diverted reinvestment activity to the urban fringe. The current tax environment places Erie at a structural disadvantage in competing for both households and housing capital.

Table 6.5.2: Tax Impact Analysis

Scenario	Annual Tax Burden	Monthly Impact	Affordability Effect
\$100,000 home in City	\$3,954/year	~\$330/month	Reduces purchasing power ~\$15,000
\$100,000 home in Millcreek	\$2,708/year	~\$226/month	—
\$5M multifamily (City vs. Millcreek)	\$62,000+ annual difference	—	Often makes projects infeasible

Current Tax Abatement Tools and Limitations

The City has deployed the Land Equity Tax Abatement (LERTA) program to address some of these pressures. LERTA freezes property taxes at pre-improvement levels for a period (typically 10 years) when owners invest in rehabilitation or new construction, encouraging reinvestment. While this tool has generated some activity (particularly downtown and in targeted neighborhoods like West Bayfront), its application has been uneven. LERTA is limited in scope (only applies to new construction and substantial rehab; does not help existing residents with tax burden relief), time-limited (the abatement expires, after which taxes jump significantly), and insufficient for deeply affordable projects (for projects targeting extremely low-income households where rents are inherently low, LERTA alone may not make projects financially viable).

Additionally, the School District's property tax rate (19.81 mills) is the largest component of the total burden, yet School District finances are largely outside the City's control -- though the City can advocate for state education funding increases to reduce local property tax reliance.

Implications for Housing Strategy

The tax burden is a critical gap identified in Erie's current housing initiatives. While the programs highlighted in Section 6 address rehabilitation, affordable housing development, and homeownership assistance, none fully compensate for the structural tax disadvantage. A household earning \$35,000 may theoretically afford the median \$108,200 home price, but the additional \$100-150/month in property taxes compared to suburban alternatives makes that purchase unaffordable in practice. Similarly, a nonprofit developer analyzing a 40-unit

affordable project will find the tax bill significantly erodes the viability assumptions built into Low-Income Housing Tax Credit (LIHTC) pro formas.

Policy Recommendations: Aligning Tax Policy with Housing Goals

To create a more enabling environment for housing development and ownership, Erie should consider the following reforms: expand residential tax abatements by extending LERTA-style abatements citywide or offering automatic abatements for all qualifying infill and rehabilitation projects; introduce a local homestead exemption to create a city-level tax relief program for owner-occupiers to lower effective tax burdens on primary residences; waive or rebate fees for priority projects by considering waiving permit, inspection, and tap fees for affordable or first-time homebuyer rehab projects; streamline rental licensing by shifting to a tiered inspection cycle; and evaluate a split-rate tax system by exploring taxing land at a higher rate than buildings to encourage development of underutilized properties while reducing penalties for capital improvements.

Together, these reforms would realign Erie's tax structure with its housing affordability and reinvestment goals. By reducing recurring costs for residents and stabilizing the economics of housing development, the city can reverse the downward cycle of high rates and low investment, making Erie more competitive in both regional and state housing markets.

SECTION 7: STRATEGIC RECOMMENDATIONS FOR ADDRESSING ERIE'S HOUSING GAPS

Drawing from the analysis of needs, current efforts, and best practices from other communities, we present a comprehensive set of recommendations for the City of Erie and its partners. These recommendations are organized into thematic areas and, where appropriate, prioritized in a suggested sequence. The goal is to establish a multi-year action plan that City Council and stakeholders can implement progressively. We focus first on initiatives that address the most urgent gaps (e.g. extreme affordability needs and blight) and those that lay a groundwork for long-term change (like capacity-building and policy reforms).

A. Expand and Preserve Affordable Rental Housing

A1. Create and capitalize a local Affordable Housing Trust Fund. Erie should establish a dedicated Housing Trust Fund to finance the development and preservation of affordable housing. While the City utilizes federal funds (HOME, CDBG), those are limited and come with restrictions. A local trust fund, which could be seeded with sources such as American Rescue Plan (one-time), future federal infrastructure funds, or local revenues (for example, a small portion of the city's real estate transfer tax or an inclusionary zoning in-lieu fee from developers), would provide flexible funding. This fund could offer low-interest loans or grants to projects that create housing for households below 50% AMI. We recommend aiming to capitalize at least \$5 million over the next 5 years in this fund.

A2. Pursue aggressive development of new affordable units using HOME-ARP and LIHTC. The City and County have opportunities with HOME-ARP funds, though availability has shifted since original allocations.

Erie County's original \$3.4 million allocation has seen at least \$500,000 committed as of May 2025, leaving an estimated \$2.9 million or less remaining. The City of Erie's separate allocation (\$2.9 million) has approximately \$2.2 million available per its November 2025 RFP for rental development. The priority should be to use these funds to develop housing for the homeless and extremely low-income. We recommend focusing on non-congregate shelter or Permanent Supportive Housing (PSH) projects. Key deadlines include obligation by December 31, 2024 (ARPA rule) and full expenditure by September 30, 2030. Projects should aim for completion by 2026 to align with local priorities. Developers should contact Erie County Planning (planning@eriecountypa.gov) for county funds or respond to City RFPs for municipal allocations. Pairing HOME-ARP with LIHTC can maximize impact for PSH and non-congregate projects.

A3. Support Community Land Trust and homeownership models for low-income renters. To address the need for affordable ownership and to keep units perpetually affordable, Erie should expand the Cornerstone Community Land Trust (CLT) initiative. The City could donate or discount the cost of vacant lots and homes in the Land Bank inventory to the CLT. A goal could be to create 50 CLT homes in the next 5 years in various neighborhoods -- effectively a scattered-site affordable subdivision.

A4. Implement an Affordable Housing Preservation Program for at-risk rentals. While building new units is crucial, Erie must also preserve existing affordable rentals that might be at risk -- for instance, "Naturally Occurring Affordable Housing" (NOAH) or subsidized properties nearing the end of their compliance period. We recommend Erie map out priority properties for preservation by end of 2025 and seek to preserve 100 units by 2027 via this strategy.

A5. Leverage Section 8 and other rental assistance effectively. The Housing Choice Voucher (Section 8) program is federal but locally administered by HACE and the County HA. Vouchers are a key tool to make existing housing affordable. Erie should ensure it's maximizing voucher utilization. The City could even use some ARP or trust fund money to start a Landlord Risk Mitigation Fund that encourages landlords to rent to families with vouchers or other subsidies by reimbursing excessive damage or unpaid rent.

A6. Develop a centralized affordable housing portal. Erie should partner with a housing technology provider such as Emphasys Software to develop a comprehensive online portal for low-income housing resources. This website would serve as a one-stop destination where residents can search available affordable units, check eligibility for programs, join waitlists, and connect with housing navigators. A centralized digital platform would reduce barriers for vulnerable populations who currently must navigate multiple agencies and paper-based systems. The portal could integrate listings from HACE, nonprofits, LIHTC properties, and landlords accepting vouchers -- dramatically improving transparency and access to Erie's affordable housing inventory.

B. Revitalize Neighborhoods and Combat Blight (Housing Quality and Supply Side)

B1. Scale up Blight Elimination and Infill Development in a "Block by Block" approach. Building on the Land Bank and RACE efforts, we recommend doubling down on a targeted neighborhood revitalization strategy. The concept is to pick a few micro areas (e.g., a 4-5 block area in East Bayfront, one on West Bayfront, one on the lower Eastside, etc.) where conditions are borderline -- not entirely abandoned, but with several blighted houses and many low-value homes. Concentrate resources to acquire or fix every blighted property on those blocks within a 1-2 year span. This creates a noticeable improvement and can stimulate private

reinvestment. Erie is already piloting this with the East Side Renaissance. The City should formally adopt this "Block by Block" approach as policy. A realistic goal might be to fully rehabilitate or infill 50 blighted/vacant property sites per year if funding allows (the cost could be around \$5 million/year if averaging \$100k per site including demo and rebuild).

B1a. Prioritize Homes in the Parade and Ash/Rees Neighborhoods for Quick Wins. For immediate, visible impact, Erie should direct early funding toward the Homes in the Parade and Ash/Rees neighborhoods. These areas offer strategic advantages for quick wins: existing community infrastructure, proximity to assets, and housing stock that can be stabilized with targeted investment. Concentrating resources in these neighborhoods first would demonstrate momentum, build community confidence, and create replicable models for scaling to other areas. Early success stories in these neighborhoods can help generate political support and attract additional private and philanthropic investment for broader citywide efforts.

B2. Increase funding for the Erie Land Bank and streamline property acquisition. The Land Bank currently is constrained by funding and process. We recommend that the City and School District consider forgiving back taxes on properties the Land Bank is trying to acquire to make acquisitions easier. Also, devote a portion of any one-time funds to the Land Bank specifically for acquiring strategic problem properties. Perhaps an infusion of \$1 million to the Land Bank could allow it to acquire, clear, and hold dozens more lots.

B3. Enhance Code Enforcement and Rental Inspections with a focus on habitability. Erie's code enforcement staff should continue to be proactive in citing problem properties, but we suggest a shift in emphasis to health and safety violations that impact tenants. We want enforcement that improves conditions without reducing affordable stock. One idea is to implement a rental licensing tier system: properties that pass inspection get longer license terms; those with violations get re-inspected more often. Tenants need to be aware of their rights -- a tenant hotline or clinic could be supported to help renters report unsafe conditions without fear of retaliation.

B4. Promote Adaptive Reuse and Infill of Vacant Commercial/Institutional Buildings for Housing. Erie has a number of vacant former schools, churches, and commercial buildings in neighborhoods. Adapting these for housing can both eliminate blight and add units without consuming open land. Success stories include the conversion of the old Griswold Plaza post office to Boston Store apartments, and St. Joseph's school to St Joseph Apartments. The City should inventory such structures and reach out to developers. Offer incentives like historic tax credits (many are historic), zoning variances for residential use, or ensure the new zoning permits it. Additionally, above-storefront vacant spaces downtown or along commercial corridors are ripe for loft housing.

B5. Green and Quality of Life Investments in Neighborhoods. Housing doesn't exist in a vacuum -- people need quality neighborhoods. Part of keeping middle-income families in the city, and making lower-income neighborhoods attractive, is investing in infrastructure and amenities. Infinite Erie's Neighborhoods and Main Streets portfolio already includes projects like park improvements and main street revitalization. The City should coordinate housing efforts with these. Continued focus on public safety (reducing crime) in tandem with housing efforts is also crucial, as safety is a top factor in housing choices.

C. Improve Housing Affordability and Accessibility (Demand-Side Support and Special Populations)

C1. Strengthen and expand first-time homebuyer assistance and counseling. Increasing homeownership, especially among younger households and minority groups, can stabilize neighborhoods and build wealth. We recommend that the City increase the amount of down payment assistance (DPA) available per buyer and broaden eligibility slightly. For example, consider raising the DPA from ~\$5,000 to \$10,000 using a combination of HOME and possibly local funds for those buying in target areas or purchasing rehabs. Also, support homebuyer education by mandating that DPA recipients attend a HUD-certified counseling course. The City should ensure marketing of these programs reaches under-represented communities -- maybe hold "homeownership fairs" on the east side.

C2. Launch a "Housing Navigator" program for vulnerable populations. A Housing Navigator (or a small team of them) would function as case managers to help specific groups find and secure housing. For example, a Navigator could help homeless individuals with vouchers identify landlords and mediate the lease-up. Another could work with families facing eviction to relocate to new housing swiftly (preempting homelessness). Erie could use some of its federal Emergency Solutions Grant (ESG) or state Homeless Assistance funds to hire these Navigators through nonprofits.

C3. Implement eviction prevention and tenant protection measures. Keeping people housed is as important as providing new housing. Erie should bolster eviction prevention by possibly funding a Landlord-Tenant Mediation program or an Eviction Legal Aid program. The City could allocate some ARP or CDBG-CV funds to local legal services to represent low-income tenants facing eviction. Additionally, consider establishing a rent relief fund -- even a small ongoing fund to cover one-time back rent for families could prevent many evictions. The City might track if landlords are not renewing leases to do Airbnbs and consider policies if that becomes a trend.

C4. Address the specific housing needs of seniors and persons with disabilities. We recommend a two-pronged approach for seniors: "Aging in Place" support and Senior Housing development. For aging in place, continue and expand programs like minor home repairs, accessibility retrofits (ramps, grab bars) using CDBG and Act 137 funds. For those seniors who can't or don't want to stay in big old houses, increase options like senior apartments or co-housing. For people with disabilities, ensure that a portion of any new units developed are accessible (Section 504 requires this for federal-funded projects). Enforce fair housing -- group homes for people with disabilities must be allowed in residential areas.

C5. Integrate housing strategies with workforce and transportation initiatives. Housing affordability is not just about the rent/mortgage; it's also about location efficiency. Erie should coordinate with EMTA (Erie's transit) and economic development to ensure housing is near jobs and transit lines. Transit-Oriented Development (TOD) in Erie might be as simple as focusing new housing near the major bus corridors. The City can give priority in funding or approvals to projects in these areas. Link housing with workforce: if a new employer comes, proactively plan for housing those new workers. The Construction Trades Training Program expansion in Infinite Erie is an opportunity to train residents in construction trades and employ them to rehab housing in Erie.

C6. Enhance intergovernmental cooperation and leadership on housing. We echo the recommendation to hire a Housing Coordinator or designate a lead housing entity. Erie's issues span departments and involve City and County. A Housing Coordinator within the City Manager/Mayor's office who convenes a regular Housing Task Force (including County DHHS, Housing Authority, CoC/homeless agencies, major landlords, and resident reps) would ensure ongoing alignment. Maintain close ties with Infinite Erie's Erie Action Team -- perhaps form a subcommittee on housing under it.

C7. Monitor and adjust Short-Term Rental and Tiny Homes policies as needed. The City's new short-term rental ordinance should be reviewed after a year or two to assess impacts. For tiny homes, the recommendation is to clear the logjam: the City and County need to resolve code issues so the 25 tiny homes can be occupied by homeless individuals. Possibly designate a site on city land for a pilot "tiny home community" for veterans or youth, partnering with a nonprofit to operate it.

D. Foster Inclusive and Sustainable Growth Tied to Housing

D1. Inclusionary Zoning (IZ) or Incentive Zoning for Mixed-Income Communities. As Erie's market starts to pick up (e.g., new market-rate lofts downtown, potential bayfront developments), it's important to ensure some affordable units are created in otherwise market-rate projects. The City could adopt an Inclusionary Zoning policy requiring that new residential developments over a certain size include, say, 10-15% affordable units (at 80% AMI or 60% AMI), or alternatively pay a fee to the housing trust fund. An alternative in weaker markets is Incentive Zoning: offer density bonuses, reduced parking, or other benefits if a developer voluntarily includes affordable units.

D2. Utilize Public Land for Housing. Erie's local governments and authorities hold some vacant land and underutilized properties. A strategic move would be to inventory public land and see what could be used for housing. For example, if the School District closes a school, that site could be sold to a developer at nominal cost for an affordable housing project (with conditions). Treat land as an asset to achieve housing goals: prioritize long-term community benefit over short-term sale price when disposing of public land.

D3. Climate Resilience and Lead Safety in Housing. As we improve housing, we should also ensure it's safe and sustainable. Erie's older homes are rife with lead paint hazards, which cause health issues in children. The City/County should aggressively pursue lead hazard control grants (HUD offers them) and continue integrating lead abatement into rehab projects. When rehabbing or building new units, incorporate energy efficiency to keep utility costs down for residents. Also, consider climate resilience: Erie's weather extremes (heavy snow, etc.) mean housing needs to be sturdy.

D4. Continuous Data Tracking and Community Engagement. The City should maintain up-to-date data on housing. Perhaps create an annual Housing Report Card to track metrics like: number of new units built (by type and price), number of demolitions, housing vacancy rate, average rent and sale price changes, homelessness count, etc. Coupled with this, ongoing community engagement is vital -- form resident committees in target neighborhoods to get feedback on housing plans. Early and transparent communication helps foster acceptance and collaboration.

D5. Align Housing Initiatives with Infinite Erie Investment Playbook Projects. Ensure every housing initiative complements the broader economic development efforts. For instance, if Infinite Erie is funding a major industrial project, consider planning a nearby workforce housing development for employees who will work there. The Permanent Supportive Housing project in Infinite Erie should be accelerated with City help (zoning approvals, letters of support, some gap funding). And the Construction Trades Training Expansion, tie it to housing rehab to create a pipeline of skilled labor for maintaining Erie's housing stock while creating jobs.

SECTION 8: CONCLUSION

Key Findings Summary

Erie's housing market is characterized by a "housing mismatch" -- many lower-income households struggle to afford units that meet their needs, while some higher-income households occupy lower-cost units, effectively squeezing out the most vulnerable. The tax burden represents a critical structural barrier not fully addressed by existing programs.

Table 8.1: Erie Housing Market Snapshot

Indicator	Value
Median Household Income	\$43,400
Poverty Rate	~25.7%
Cost-Burdened Households	~30%
Owner-Occupied Units	53%
Renter-Occupied Units	47%
Median Home Value	\$108,200
Median Gross Rent	\$836/month
Population (2023 Est.)	~94,156
Population Decline Since 1960	~44,000 (-32.0%)
Vacant Housing Units (2023)	~3,958
Abandoned Units (2016 survey)	~1,900
Properties with Distress (2016)	9,500
Homeless (PIT Count 2024)	454

Summary of Recommendations

Our study finds that no single intervention will solve Erie's housing affordability crisis; instead, a layered, multi-year plan is needed. We propose a comprehensive set of strategies:

Table 8.2: Strategic Recommendations Overview

Strategy Area	Key Actions
A. Expand and Preserve Affordable Rental Housing	Create local Affordable Housing Trust Fund; Pursue HOME-ARP and LIHTC development; Support Community Land Trust; Implement preservation program for at-risk rentals; Leverage Section 8 effectively
B. Revitalize Neighborhoods and Combat Blight	Scale up "Block by Block" approach; Increase Land Bank funding; Enhance code enforcement; Promote adaptive reuse; Green and quality of life investments
C. Improve Housing Affordability and Accessibility	Strengthen homebuyer assistance; Launch Housing Navigator program; Implement eviction prevention; Address senior and disability needs; Integrate with workforce and transit; Enhance intergovernmental cooperation; Monitor STR and tiny homes policies
D. Foster Inclusive and Sustainable Growth	Inclusionary/Incentive Zoning; Utilize public land for housing; Climate resilience and lead safety; Continuous data tracking; Align with Infinite Erie

Final Statement

Erie's housing crisis -- from affordability challenges and homelessness to blight and disinvestment -- is a multifaceted problem requiring a multifaceted solution. This report has identified the critical gaps: an inadequate supply of affordable homes for the lowest-income residents, a surplus of dilapidated units that depress community confidence, barriers facing first-time homebuyers, outdated policies that historically limited housing diversity, and a tax structure that undermines affordability advantages and discourages investment. We have also highlighted the foundations Erie can build upon: declining but still significant federal funds, strong community organizations, emerging economic investment via Infinite Erie, and a local government willing to enact bold zoning changes.

The recommendations provided here form a comprehensive plan of action. They are not quick fixes -- some will take years of sustained effort -- but they are achievable. They show that Erie does not need to spend \$100k on an outside consultant to tell it what to do; the path forward is clear if we listen to data and the experiences of our residents. By focusing on both people and properties -- protecting tenants and aiding homeowners, while repairing and constructing housing -- Erie can turn the tide on its housing issues.

Key to success will be prioritization and collaboration. We recommend City Council immediately form a Housing Working Group (including city and county officials, HACE, nonprofits, and residents) to prioritize these recommendations, assign responsibilities, and set timelines. Early wins could include: rolling out the increased down-payment assistance in the next budget; selecting target blocks for concentrated blight removal in 2025; issuing an RFP for the Housing Trust Fund management; and beginning discussions with employers and foundations to capitalize that fund.

We should measure progress not just by reports filed, but by tangible outcomes like "X number of families avoided eviction this quarter" or "Y vacant homes rehabilitated and occupied this year" or "Z percentage point

increase in homeownership in these neighborhoods." Over a five-year horizon, success would mean: hundreds of new or rehabbed affordable units are available; cost-burden rates among low-income families decrease; homelessness numbers decline; and visible blight is largely eliminated from our landscape. It would also mean Erie becomes known as an inclusive city where growth benefits everyone -- a place where quality housing in every neighborhood is not just a slogan but reality.

Erie's challenges did not arise overnight -- they are the result of structural economic shifts and policy choices over decades. Likewise, the solutions will take persistent work and mid-course adjustments. But the recommendations herein give Erie a roadmap grounded in data and proven practices.

Housing is more than a roof and walls -- it is the foundation for stable families, successful education, health, and overall quality of life. By investing in housing, Erie invests in its human capital and its future. The housing crisis can seem daunting, but with the commitment of City leaders, community partners, and the residents themselves, Erie can ensure that every resident -- from the homeless veteran to the young working family to the retired couple -- has access to a safe, affordable home and a vibrant neighborhood in which to thrive. This report shows that not only is this vision necessary; it is attainable. The next step is collective action to make it happen.