

The Alley House Program

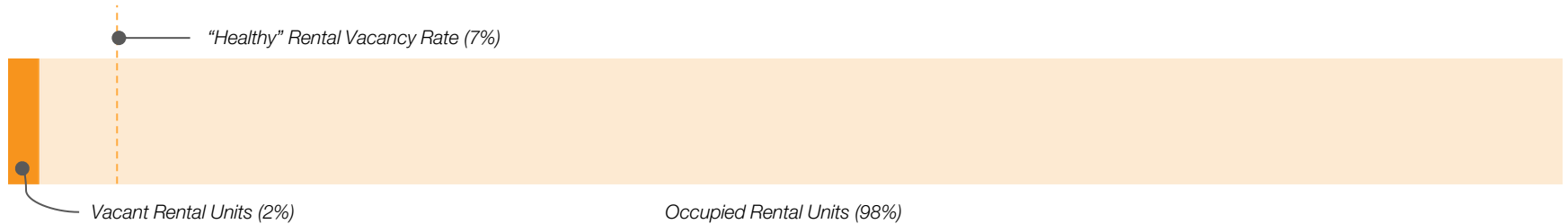


The Alley House Program Partners



Who is Impacted by the Housing Crisis in the Lehigh Valley?

Even while demand is growing, Bethlehem **rental vacancy rates are at a crisis-level of 2%.**



To reach a more “healthy” **7% rental vacancy rate**, Bethlehem would need to **add at least 1052 rental units** over the next five years.

Who is Impacted by the Housing Crisis in the Lehigh Valley?

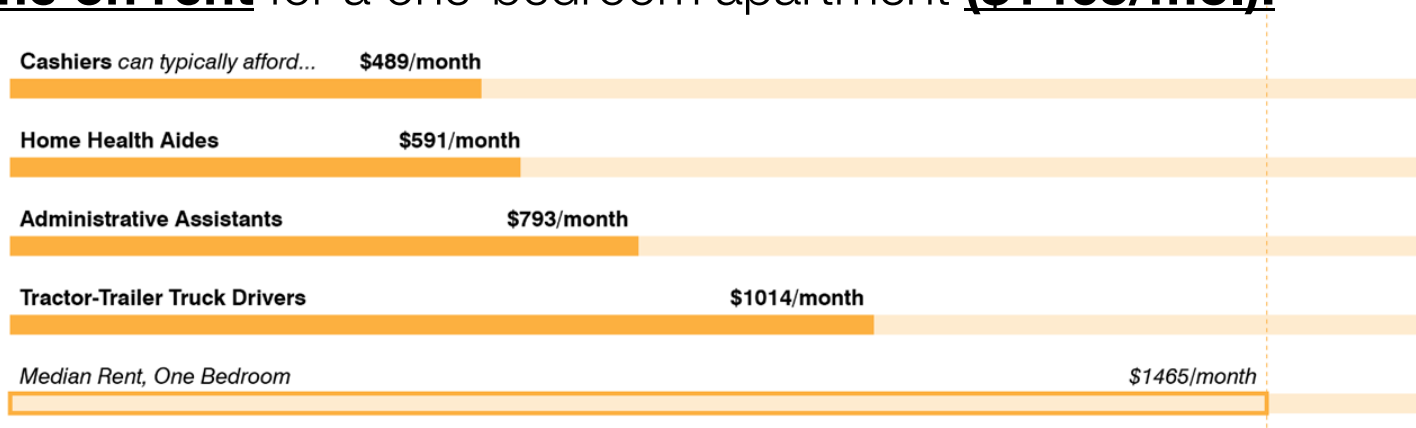
31% of all Bethlehem households – and more than **62% of renters** – are cost burdened by their housing.



More than **30% of residents** are ethnic and racial minorities, of which more than **70% are renters**. Nearly **50% of these renters** are housing cost burdened.

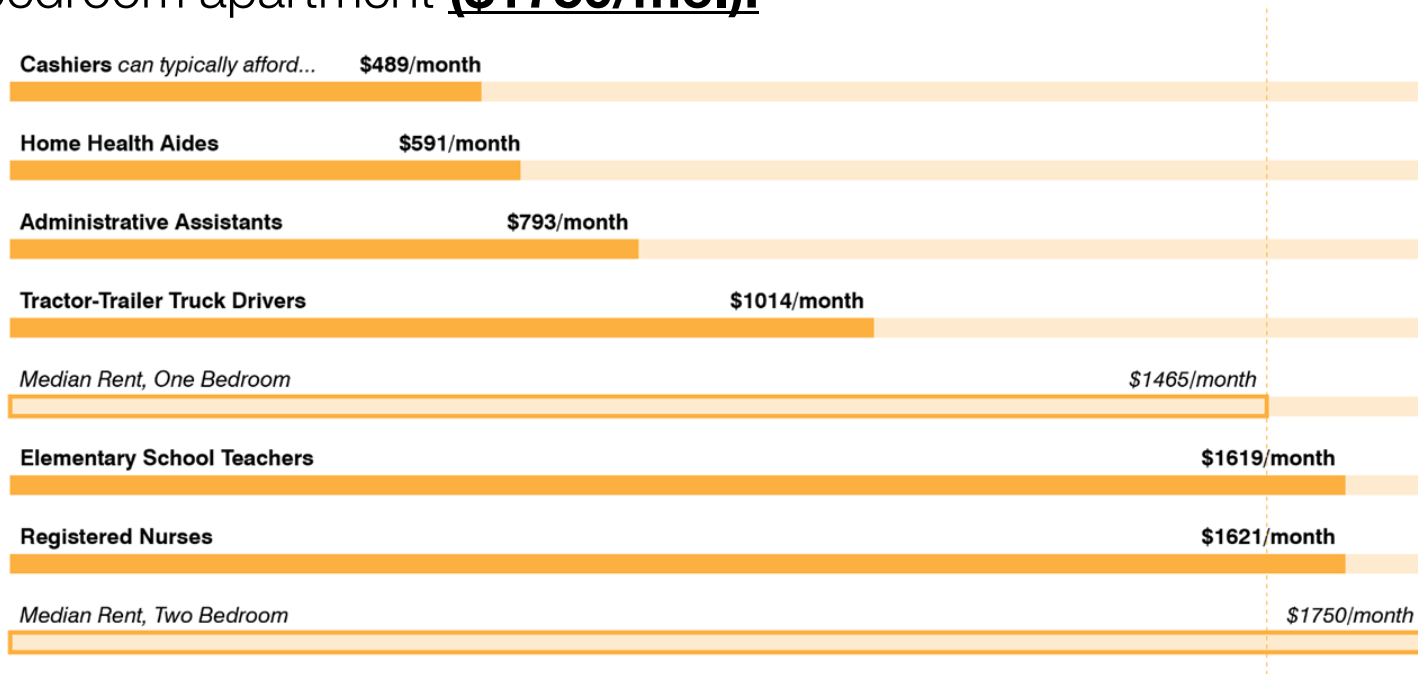
Who is Impacted by the Housing Crisis in the Lehigh Valley?

A broad range of occupations would **pay more than 30% of their income on rent** for a one-bedroom apartment **(\$1465/mo.)**:



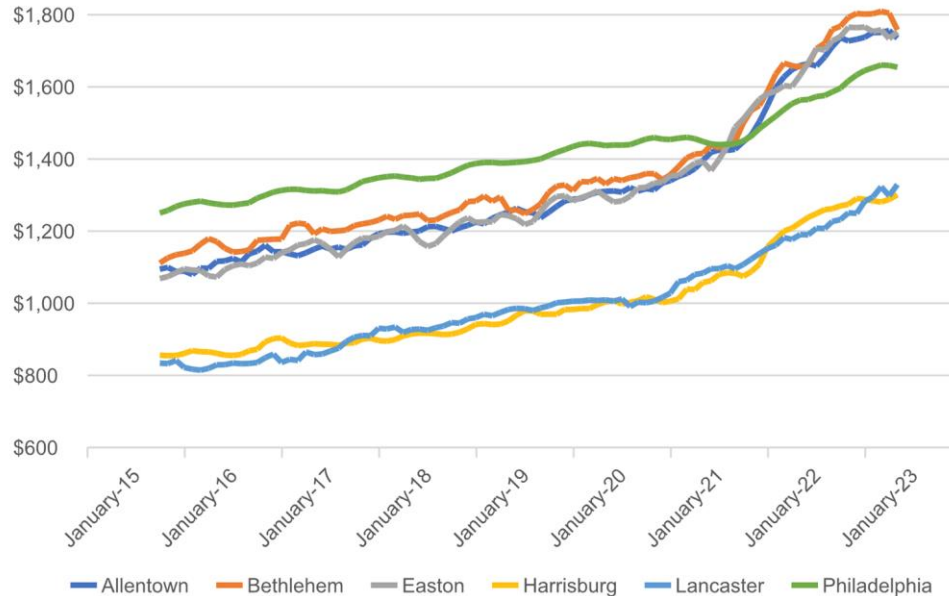
Who is Impacted by the Housing Crisis in the Lehigh Valley?

Even more would **pay more than 30% of their income on rent** for a two-bedroom apartment **(\$1750/mo.)**:



Lehigh Valley Housing Crisis: A Regional Challenge

Since 2020, growth in **median rental prices** in the Lehigh Valley have **outpaced and exceeded Philadelphia.**

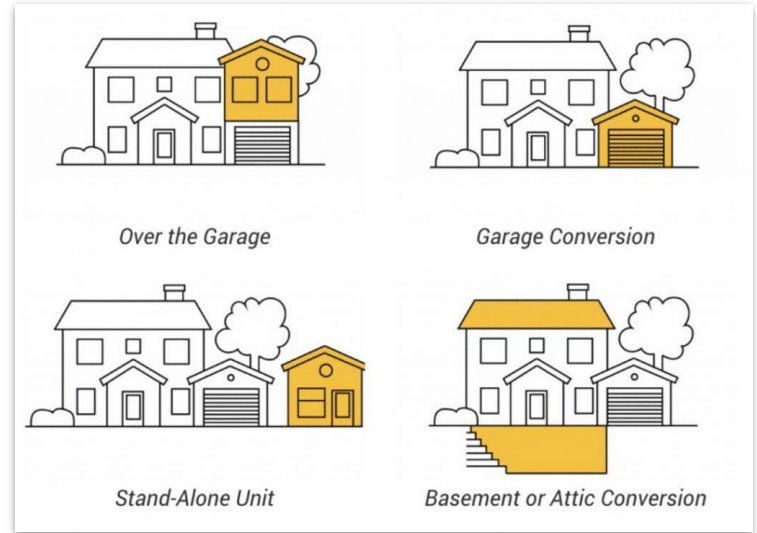


What's an Accessory Dwelling Unit (ADU)?

Accessory Dwelling Units (ADUs) are a kind of **“second living unit” on existing single-family lots, allowing for gentle increases to density.**

ADUs can take many forms, including **detached units, garage conversions, home additions, home renovations, and more.**

ADUs can serve multiple populations, allowing for **aging in place, and supplemental rental income for homeowners.**



What's an Alley House?

Alley Houses are a historic precursor to ADUs **native to Pennsylvania.**

Alley Houses **make use of limited available land** by occupying the rear yards of existing residential lots.

Down-zoning ceased Alley House development in the mid-20th century.

The Alley House Program will **revive this housing type** for today.



What's an Alley House?

Historic Alley Houses in West Bethlehem



Franklin Alley, West Bethlehem



Martins Lane, West Bethlehem



Hanover Street, West Bethlehem

The Alley House Program Overview

The Alley House Program will:

Increase Bethlehem's **supply of quality affordable rental housing**;

Lower barriers to housing access through **zoning reform** and **technical assistance allowing for new accessory dwelling unit construction**;

Provide a **regional model for place-based, gentle increases** in housing density in the Lehigh Valley.



The Alley House Program: Scope

Model Alley Houses

To develop ideas at-scale and encourage widespread adoption, a series of Alley House / A.D.U. will be built as a proof of concept for **zoning ordinance revisions and affordability controls.**

These projects will be built using a modular, pre-fabricated construction system that will **reduce material waste and keep costs low.** This system will be coordinated with the other program elements for an end-to-end development model.

Pre-Approved Plans

To make the process of building an Alley House / A.D.U. **more accessible, streamlined, and financially feasible,** a pre-approved plan program will be developed.

A set of plans to accommodate a variety of conditions would be designed by an architect and pre-vetted for compliance by relevant municipal agencies, **lowering up-front costs and logistical barriers to entry.**

Community Engagement

A robust community engagement and education strategy will be implemented, with a focus on matching HUD-eligible homeowners and tenants together, **maximizing the program effects on economic mobility.**

Community education efforts will include Community Design Workshops and an "Alley House Handbook." This will educate the community on the **benefits of Alley Houses and the process of building one.**

Workforce Development

A workforce training program will be implemented in conjunction with the pre-fabricated modular design system, allowing for a **sustainable continuity of Alley House building long into the future.**

Introducing a workforce to skills required to build Alley Houses will expand the reach of the program, **enabling the economic mobility of many more community members through professional development.**

Research and Reform

Large-scale densification is difficult due to a scarcity of vacant land parcels, **making zoning reform and increased unit development crucial.**

Qualitative and quantitative analysis of changes to zoning code to allow for Alley Houses will be pursued to **ensure responsible zoning reform while making it easier for low-income homeowners and renters to access affordable housing.**

The Alley House Program Partners



The City of Bethlehem is partnering in the zoning policy reform and community engagement efforts of this program.

The City's efforts will be led by **Sara Satullo**, Deputy Director of Community and Economic Development, and **Darlene Heller**, Director of Planning and Zoning.



Community Action Lehigh Valley (CALV) and Community Action Development Bethlehem (CADB) are partnering in the program's construction and community engagement efforts.

CALV's efforts will be led by **Anna Smith**, Director of CADB, and **Chuck Weiss**, Associate Executive Director of Housing.



Lehigh University's Small Cities Lab is partnering in the design, construction, zoning policy reform, and community engagement efforts of the program.

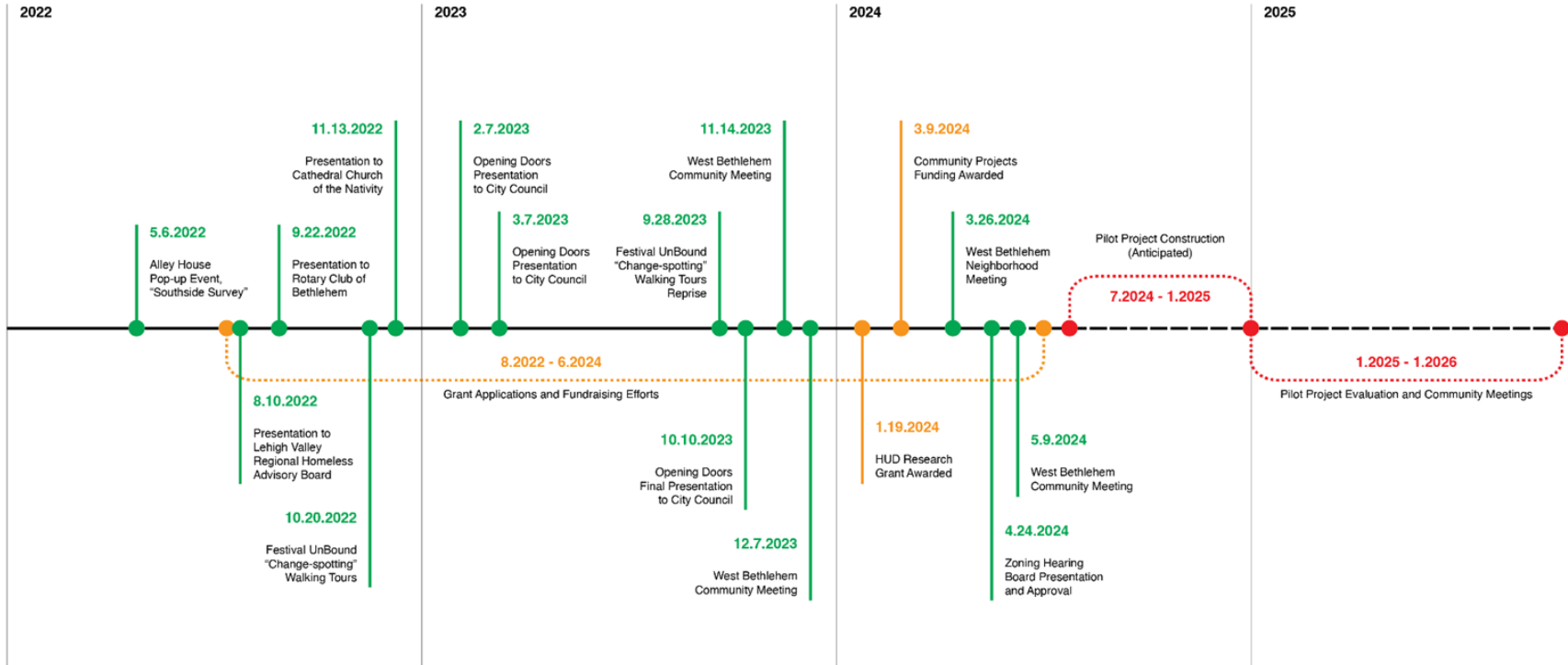
Wes Hiatt, Assistant Professor of Architecture, is the program coordinator and design lead. **Dr. Karen Beck Pooley**, Professor of Practice in Political Science, is leading zoning policy research efforts.



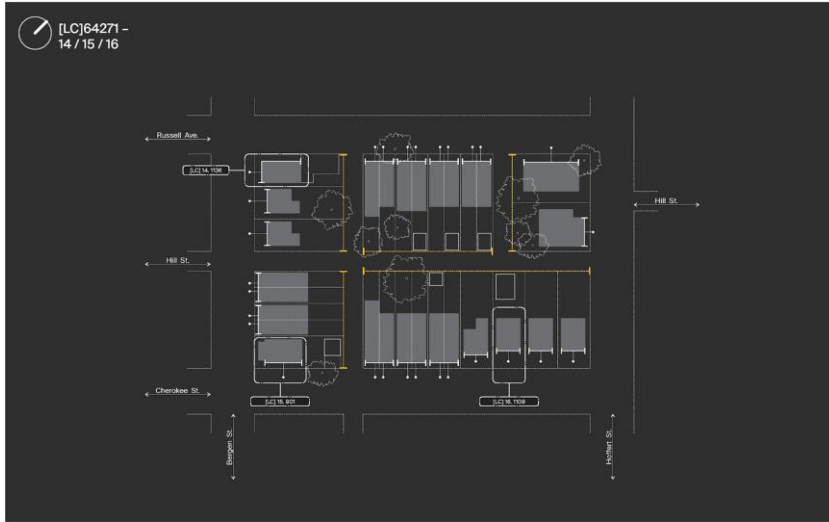
New Bethany is partnering to provide property management and tenant selection services for the program.

Marc Rittle, Executive Director, will lead New Bethany's efforts.

Program Timeline: Many months and years of runway



Research and Design Visioning



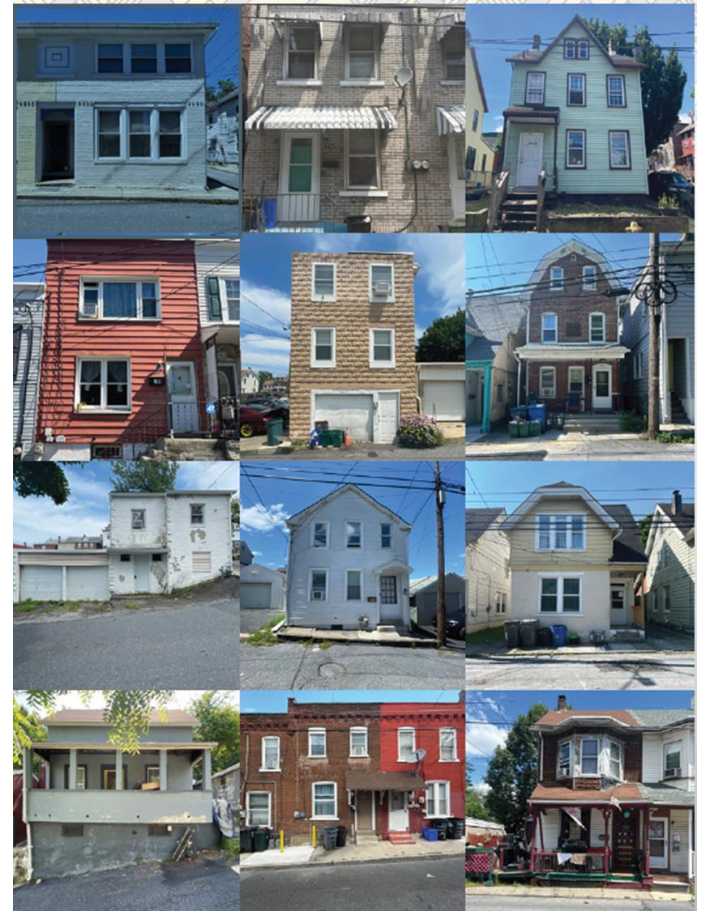
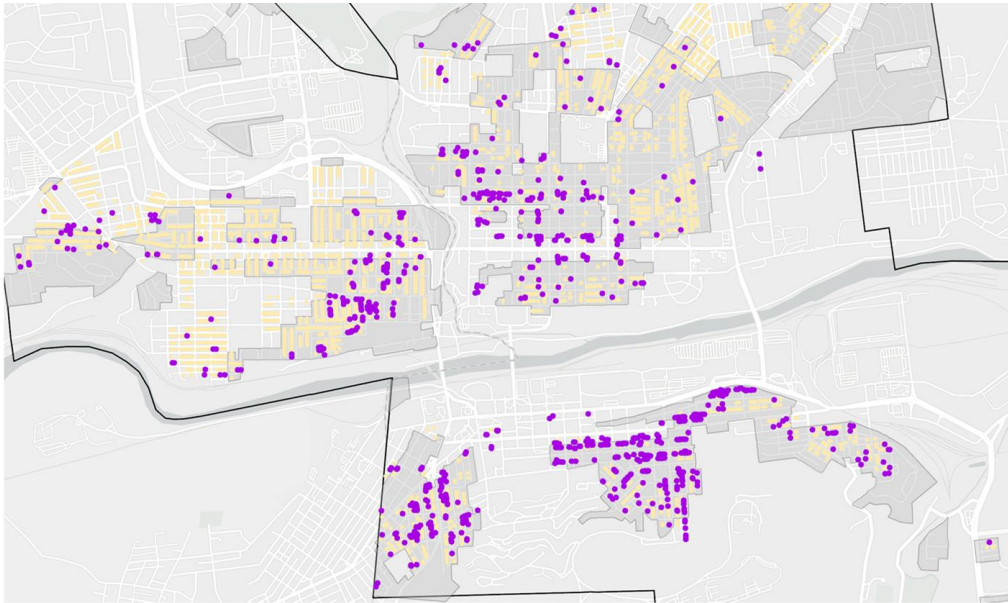
Existing Conditions Surveys



Prototype Design

Research and Design Visioning

A Summer 2024 alley survey studied **8,187 properties**, including **919 alley houses on over 50 miles of alley**.



Ongoing Public History Research

The Program worked through oral histories to learn about housing experiences, neighborhood life, and neighborhood change from the perspectives of residents living in existing alley houses.

- *Methods*
 - Worked with Kim Carrell-Smith to learn the best practices for interviews.
 - Spoke to four residents inside their homes.
- *What we heard*
 - Personalization of space; passion about the changes residents' made, internally and externally to their homes
 - Valuable connections made with neighbors, despite turnover and neighborhood change



Ongoing Public History Research

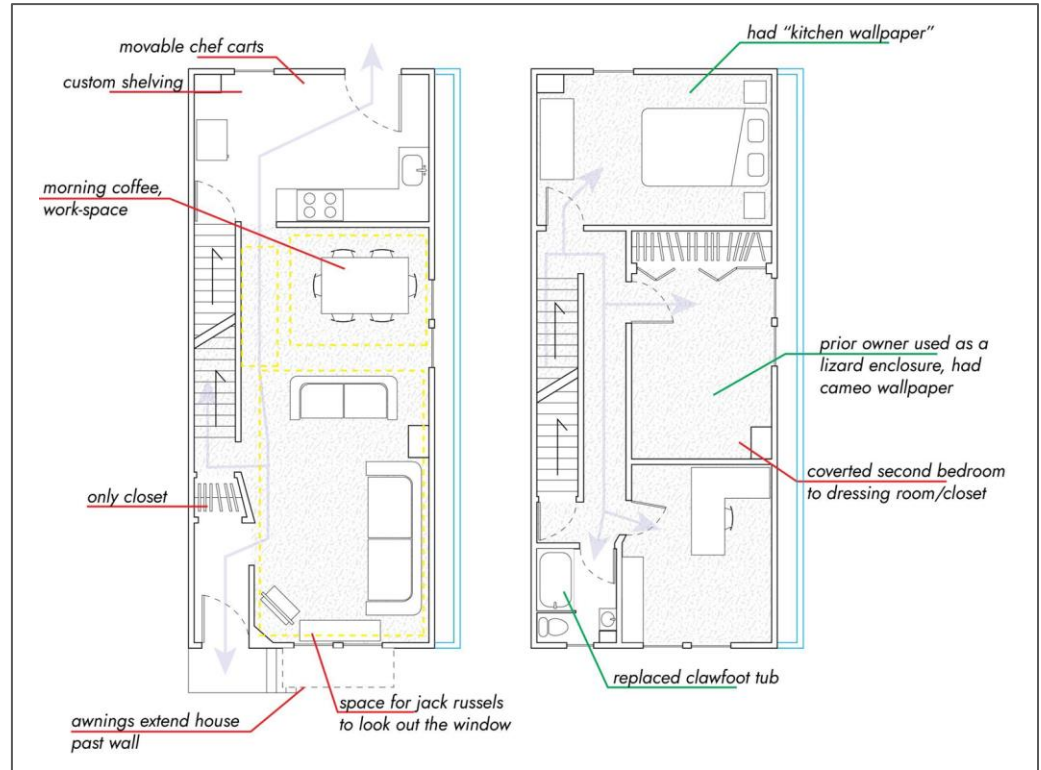
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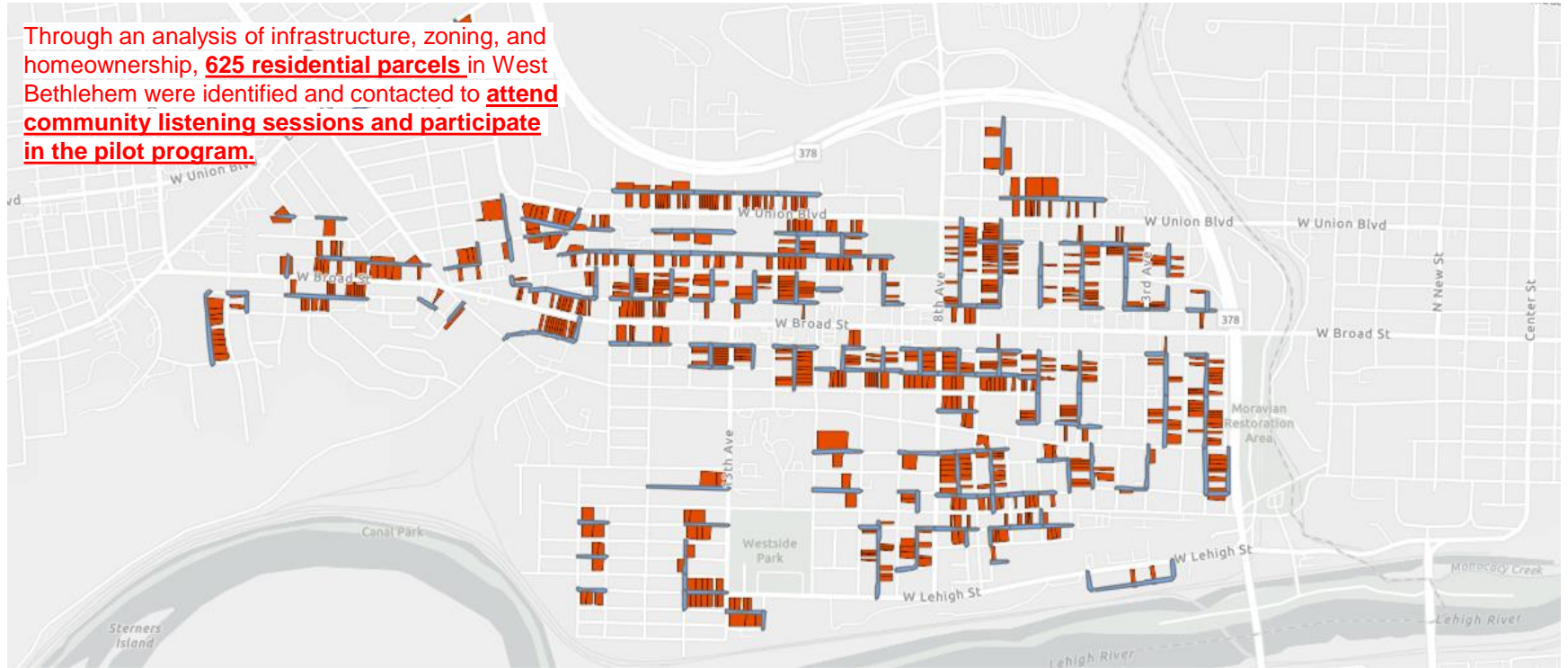
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Alley House Pilot Project: Site Selection Process

Through an analysis of infrastructure, zoning, and homeownership, **625 residential parcels** in West Bethlehem were identified and contacted to **attend community listening sessions and participate in the pilot program.**

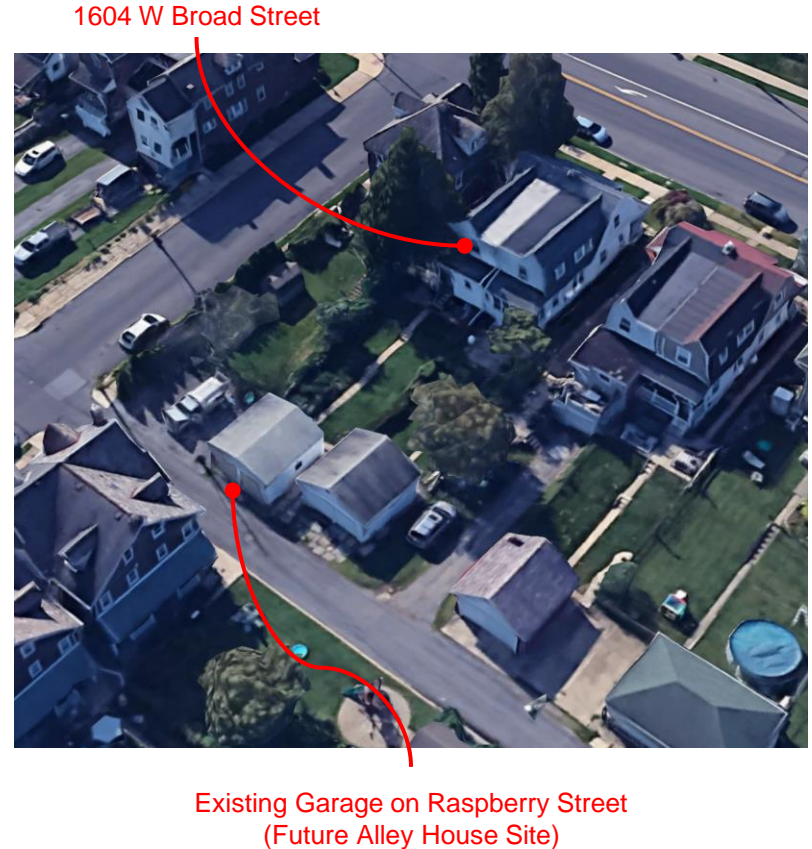


Alley House Pilot Project: 1604 W Broad Street

1604 W Broad Street will be the site of the Alley House Pilot Project.

The homeowners will continue to live in the street-facing house while **the Alley House in their backyard is rented affordably for 20 years.**

Affordability commitments and **tenant management services** will be provided by Community Action Lehigh Valley and New Bethany.



Alley House Pilot Project: Homeowner Profile

Reginald and Mary Lewis have lived at **1604 W Broad Street** since 2020.

As **lifelong Lehigh Valley residents** with backgrounds in construction and mortgage lending, Reginald and Mary are dedicated to helping **find solutions their community's affordable housing challenges.**

1604 W Broad Street



Reginald Lewis (Homeowner)

Chuck Weiss (CALV)

Alley House Pilot Project: Site



Existing Garage (Future Alley House Site)



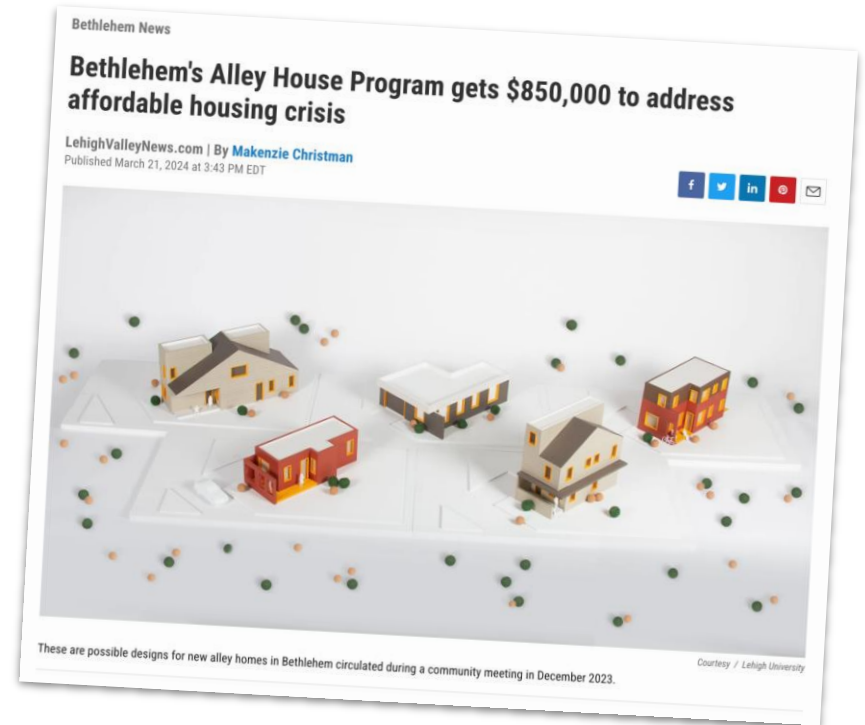
Alley House Pilot Project: Role of Students





2024 Funding Updates

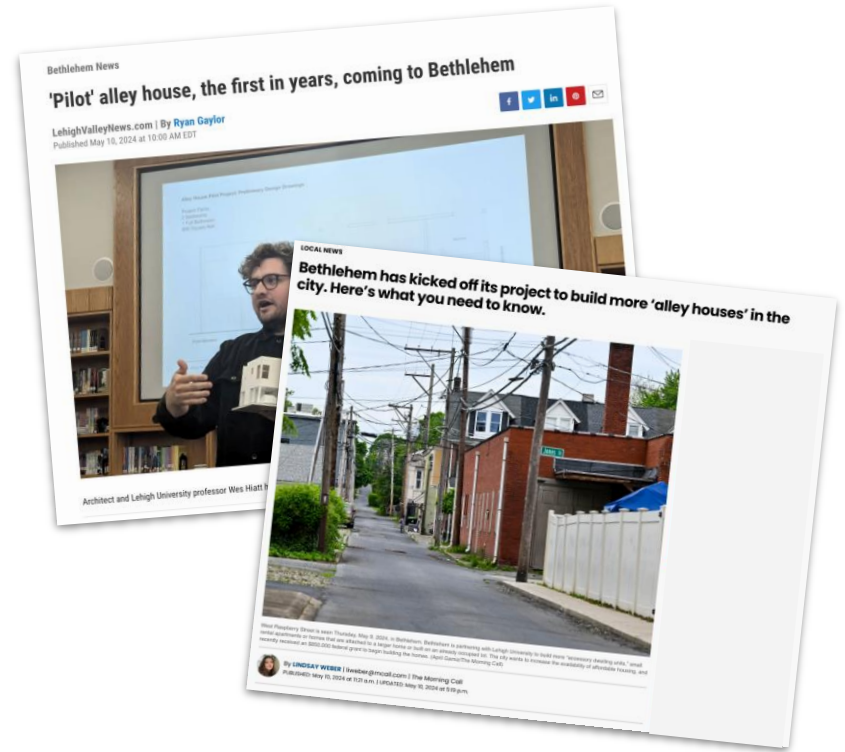
1. US Department of Housing and Urban Development (HUD) Research Grant – **\$196,744 awarded January 2024.** Grant will support research for zoning and land-use reform, as well as an ADU best-practice survey in small cities similar to Bethlehem.
2. FY24 Congressionally Directed Spending / Community Projects Funding (CPF) – **\$850,000 awarded March 2024.** Grant will support pilot project construction and related programmatic efforts.
3. PHARE - **\$500,000 awarded June 2024**



Since January 2024...

Community Meetings: Program partners held two community meetings in West Bethlehem to **inform residents about the Program and solicit feedback on the Pilot Project.**

Pilot Project: A homeowner and site in West Bethlehem have been identified for the Pilot Project. A schematic design was developed in partnership with the homeowner and City of Bethlehem, and **was approved by the Zoning Hearing Board** for all necessary variances.



Since January 2024...

Zoning Research: HUD-funded zoning and land-use research to study ADUs in Bethlehem has been initiated. A steering committee, made up of community stakeholders, **has been formed to guide the development of this research.**

Small Cities Lab: Lehigh University's Small Cities Lab is launched to support the Alley House Program and other **community-facing, action-oriented projects and research.**



Next Steps

Until January 2025...

Zoning Research: HUD-funded ADU research will continue, including an **analysis of current Bethlehem zoning and best-practices** for ADUs in small cities.

Pilot Project: Design and construction of the first Alley House will be completed. **Design will be led by Lehigh University, and construction will be managed by CALV with assistance from Lehigh University students.**

Community Meetings: More **“Community Design Workshops”** and other meetings!



Small Cities Lab

Get in touch!

Wes Hiatt
Co-Director, Small Cities Lab
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Small Cities Lab Mission:

- **Support interdisciplinary research** that builds on the breadth of Lehigh faculty expertise
- **Expand impactful hands-on learning** opportunities for students
- **Enhance community connections** between Lehigh and small cities across the country, including Bethlehem and others throughout Pennsylvania
- Use this new knowledge and these relationships to **unlock transformative, actionable solutions** to pressing urban challenges



Thank you!