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2019 Shaping Up As Busy Development Year

Development across the Lehigh Valley showed no sign of slowing in the first half of 2019, as municipalities approved 574 new housing units and more than 2.8 million square feet of non-residential space.

Even more telling is the amount of development proposed, but not yet approved. Another 1,269 housing units and 6.2 million square feet of non-residential development – a majority of it warehouses – were proposed from January to June, but remain in the approval process.

It continues a trend in which developers try to take advantage of an improving housing market and an online shopping boom that's made the Lehigh Valley one of the nation's fastest-growing regions for warehousing and logistics.

It also comes as the LVPC releases *FutureLV: The Regional Plan*, which maps out a strategy to manage the region's growth, while preserving the farmland, open space and natural resources that define the Lehigh Valley's character.

"We're an attractive region for new residents and businesses, and that creates a need to strike a balance between growth and preservation," said Becky Bradley, LVPC Executive Director. "FutureLV is designed to do that. We think there's a way to remain a vibrant, successful and growing region, while preserving those things that make up our identity."

Since 1972, the LVPC has produced an annual development report for the region. What is now called BuildLV has become an integral tool for developers, investors, planners and municipal leaders looking to track development trends across the Lehigh Valley. The LVPC gives a mid-year report as a precursor to the full report produced when the development year closes.

The Lehigh Valley remains one of Pennsylvania's fastest-growing regions, and the first half of 2019 did nothing to suggest that will change anytime soon.

Just more than 9 million square feet of non-residential space was reviewed in the first six months of the year, including 6.5 million square feet of warehouse space. Roughly 2.8 million square feet was been approved – most of it proposed over the previous two years. However, that leaves millions of square feet more awaiting approval, pushing the amount of warehouse space proposed since 2017, but not yet approved, to more than 13 million square feet regionwide.

Among the largest projects reviewed were the two warehouses totaling 1.1 million square foot proposed for 77 acres in Upper Nazareth Township and the 913,000 square foot warehouse plan proposed for 92 acres in Lower Macungie Township.

But not every large project was for warehousing. Air Products and Chemicals Inc. got approval for a 664,647 square foot office and research development, the vacant former Mary Immaculate Seminary in Lehigh Township is proposed for redevelopment as the 329,000 square feet Lehigh Valley Resort and Spa, and Lehigh Valley Hospital Network proposes building a 215,000 square foot hospital and office building campus in Lower Nazareth Township.

The 2.8 million square feet in non-residential number for the first half of the year continues a trend that's been growing since 2013. Over that six-year period, the region has averaged just more than 6 million square feet of approved non-residential development a year.

On the residential side, the 574 units approved is on par with the past six years, when the region averaged just less than 1,300 new approved housing units a year. As has been the case during most of that period, apartments lead the growth with 250 units, followed by 187 single-family units.

One encouraging trend in the first half of 2019 is that roughly five housing units were approved per acre – driven higher by all those apartments, and particularly the 220 approved for just four acres in downtown Allentown. If that holds firm for the rest of the year, it would be the highest per acre total this century.

Higher density development is a key component of FutureLV. The plan, designed to carry the region to 2045 and beyond, is built around a Centers and Corridors concept crafted to build up economic centers, create more walkable neighborhoods and enhance our transportation network. It lays out 57 Centers -- ranging from downtown Allentown to Madison Farms in Bethlehem Township to Portland Borough's commercial district where people live, work or shop. It recommends virtually all future development be focused around those Centers, or along the road-and-trail-based Corridors that connect them. Doing that will help preserve the region's farmland and open space, while driving activity into business districts and creating more walkable neighborhoods. The resulting density will increase the activity and vibrancy of neighborhoods, while strengthening the transportation system in a way that makes it more usable for pedestrians, bicyclists and drivers.

"We're at a tipping point that requires we take action now or risk losing the things we love," Bradley said. "We must reuse, recycle and revitalize. We're laying the foundation for culture change."

A summary of the mid-year report can be found at XXXX.

A draft of *FutureLV: The Regional Plan* is at <https://www.lvpc.org/futurelv.html>. The plan remains open for public comment through September 23.

