

# BuildLV 2019 Shows Steady Housing, Industrial, Office Growth

The Lehigh Valley continued to grow in 2019 as developers and investors worked to keep pace with the thousands of new residents and workers who arrive in the region each year.

While new warehouses continued to impact the development scene, last year also saw the second-most approved new housing units since 2007, a big increase in office development and continued strength in approved public/quasi-public projects, according to the LVPC's newly released *BuildLV: 2019 Development and Housing Trends Report*.

As the only entity that reviews every development plan and advises local governments on approvals – there were 451 plans in 2019 – the LVPC is uniquely positioned to use that data to advance the policies of the region's new comprehensive plan, *FutureLV: The Regional Plan*. The LVPC has been producing the annual development report for the region since 1972.

In total, 3571 new housing units were proposed on 749 acres of land, while another 16.6 million square feet of non-residential development was proposed on 1419 acres.

Not all of that development was approved in 2019. More than 14 million square feet of warehouse projects have been proposed over the last three years, but are not yet approved and 2,000 housing units proposed in 2019 are in review, setting up a string of potentially active months and maybe years ahead.

The continued growth confirms the success of a region that's been attractive to new residents and businesses, but the steady flow of new development only intensifies the need to manage the region's growth, as its available undeveloped land – excluding farmland -- shrinks to about 10% of its total 464,411 acres.

"The Lehigh Valley's success and growth bring both opportunities and challenges," said LVPC Executive Director Becky Bradley. "If development continues at this pace, we're all going to have to make important decisions about managing what that growth should be and where it should go. Implementing the policies of FutureLV are more important now than ever."

BuildLV 2019 is designed to create a clear picture of the development activity of the past, so we can best prepare for what's coming in the future.

The report is the subject of an annual forum hosted by the Greater Lehigh Valley Chamber of Commerce, radio and television shows, news stories and a special report done annually by Lehigh Valley economist Kamran Afshar.

Those who follow BuildLV know that since 2013, the region has seen nearly 46 million square feet of industrial space proposed -- including more than 40 million square feet of warehousing. The housing market has been on a steady rebound and apartments have overtaken the single-family dwelling as most developed housing type.

That evolving housing market prompted us to include a Special Housing Trends Section. After years of stagnation following the Great Recession, the median price has increased by \$10,000 over two years to \$190,000 at the close of 2018. Nearly a decade of low construction numbers, even as population grew steadily, had home sales inventory levels at their lowest point since 2005, but builders in 2019 were working hard to reverse that. The 1,571 housing units approved in 2019 were the second-most since 2007 – behind only the 1,782 approved in 2017. The 463 single-family homes approved, along with the 563 approved in 2018, mark the busiest two-year period for single-family homes in more than a decade, but they still fell short of the 1,273 apartments approved over that period, including 677 in 2019.

“In the 2010s, the Lehigh Valley had the lowest amount of residential development since the 1930s, but the development that has occurred has been increasingly diverse,” said LVPC Senior Community Planner Jill Seitz. “Meeting the future needs of the region is going to require continuing to increase that diversity, while adding new units to meet demand.”

Overall, 2019 was a more diverse development year. To go along with those single-family homes and apartments were also 211 townhomes, 80 twins and 140 assisted-living units.

On the non-residential side, the 5.3 million square feet of approved industrial development was joined by 327,112 square feet of commercial, 694,289 square feet of office, 122,561 square feet of retail and 606,561 square feet of public/quasi-public, bolster by big investments by St. Luke's University Health Networks in Bethlehem Township and Lehigh Valley Health Network in Salisbury Township.

BuildLV is among the LVPC's most popular products and it will continue to be key in managing a successful region's future growth.

An online interactive map of development, housing sales and rental data, along with the BuildLV report and FutureLV can be found at [lvpc.org](http://lvpc.org). You can also sign up to receive monthly development updates by emailing LVPC Program Associate Bethany Vazquez at [bvazquez@lvpc.org](mailto:bvazquez@lvpc.org).

