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POLICY SPOTLIGHT

Streamlining Housing Permitting in Pennsylvania

Reform in five areas will help increase housing supply in the Keystone State

CHARLES GARDNER AND LUKE ZUBROD | MAY 2026

State and local laws, ordinances, and regulations governing the housing development process in Pennsylvania have added time, cost, and uncertainty to efforts to build new homes.¹ They have also contributed to the commonwealth's current housing shortage and to rising home prices.

Pennsylvania has a particularly complex system for land use approvals because of extensive municipal fragmentation. Many of the state's more than 2,600 municipalities have their own zoning ordinances and distinct land use approval systems. This convoluted and complex system has contributed to a sluggish response to rising demand for housing and to the median listing price of Pennsylvania homes rising from \$184,900 in mid-2016 to \$325,000 in mid-2025.

To identify ways to improve and streamline the housing development process that would allow homes to be built without unnecessary delay, we spoke with land use experts from across the commonwealth, including attorneys, planners, government officials, developers, scholars, and others.

Based on these interviews, **we have identified five overarching areas for reform, within which are specific recommendations for state and local policymakers to consider:**

1. Permitting Process Reform

- Streamline discretionary zoning approvals through standards-based review (state and/or local level).
 - Reduce reliance on conditional uses and special exceptions; use routine approvals instead.

¹ See Charles Gardner and Luke Zubrod, "How to Streamline Housing Permitting in Pennsylvania" (Mercatus Policy Brief, Mercatus Center at George Mason University, February 2026). Scan the QR code below for the full analysis, including sources.



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- Consolidate discretionary approvals in quasi-judicial bodies applying defined criteria.
- Allow limited relief based on objective criteria to reduce dependence on variances (permissions to deviate from zoning laws).
- Use standards-based administrative review in place of routine hearings (state and/or local).
- Simplify minor subdivisions and minor land developments (state level).
 - Prohibit localities from requiring prior approval for these small projects.
 - Allow a Planning Commission or Director to approve these projects without needing governing body approval.
- Eliminate redundant plan stages following hearing-based approvals (state level).
- Reform the process for granting variances (state level).
- Expand fast-track authority for projects that meet preapproved plans (state level).
- Authorize Unified Development Ordinances (state level).
- Require alignment between comprehensive plans (long-term planning documents) and zoning rules (state level).

2. Process Quality and Accountability Reforms

- Reform engineer selection to allow more choice for would-be developers (state and/or local level).
- Standardize and limit review letter protocol (state and/or local level).
- Allow licensed professionals to self-certify that they comply with all applicable zoning, subdivision, and land development requirements (state level).
- Require mandatory training and recertification for municipal land use decision makers (state level).
- Develop model ordinance standards (state level).
- Provide financial support for implementation (state level).

3. Transparency and Accessibility Reforms

- Establish a housing case management system to coordinate all steps of the development process (state level).
- Develop a public-facing permit tracking system to improve transparency (state level).
- Create presubmission road maps and clear public guidance (state level).

4. State Transportation Process Reforms

- Codify highway occupancy permit review timelines and cycle limits (state level).
- Implement highway occupancy improvements (state level).

5. Appeals Process Reforms

- Clarify who has legal standing to file appeals against development decisions (state level).

The significant fragmentation of local governments in Pennsylvania poses unique challenges for any effort to streamline permitting in the commonwealth. But with housing production lagging and home prices rising dramatically, the stakes are too high for state officials to rely on local governments to reform processes on their own. If implemented, these policy changes would accelerate needed housing production in Pennsylvania.