DEVELOPMENT WITHOUT DISPLACEMENT

A Call to Action

2019
Philadelphia Coalition for Affordable Communities
Executive Summary

The Problem

There is an affordable housing and land use crisis which is taking our city down a path where affordable, accessible homes will be out of reach for a majority of Philadelphians and where community open space and gardens are lost to profit-driven development. We continue to see housing costs skyrocket while income is not keeping pace.

Those of us facing this crisis are Black, Brown, White and Asian. We are hospital workers, teachers, cashiers, restaurant and hotel workers, janitors, social workers, childcare workers, security guards and people receiving social security.

While certain council districts and neighborhoods are hit hardest by this crisis the problem affects every part of the city.

UNFULFILLED PROMISES

Many of us worked with our elected officials to create two powerful tools that could make a difference:

• The Housing Trust Fund – to increase investment in the creation and preservation of decent, affordable, accessible housing and
• The Land Bank-- to transform vacancy and blight into homes, jobs, gardens and parks; guaranteeing that new development is fair, transparent and accountable.

These tools are not yet meeting the needs our communities face. Now it’s up to all of us to make sure that our politicians live up to their promises and use these tools to benefit Philadelphians.

IF PROMISES ARE NOT KEPT—THE COSTS

• In Philadelphia more than half of all city’s renters and almost one of every three homeowners are cost burdened—after paying their housing costs there’s not enough left to cover other basic needs.
• Displacement due to rising housing costs is threatening the diversity of our neighborhoods
• In North, South and West Philadelphia the African American population has dropped 22%-35% since 2000.
• Community gardens and farms that have been sources of affordable nutrition and places where people gather are up-rooted.
• Because elected officials have not adequately invested in addressing this crisis:
  • our city spends $32 million on temporary shelter and emergency services for more than 6,700 homeless people every year. That’s 2 times the amount the city spends to create permanent affordable rental housing.
  • 16% of our city’s population has a disability. Many of those folks end up in the city’s nursing home.
  • Seniors and people with disabilities are moving unnecessarily to nursing facilities—it costs city taxpayers $120,000 to keep a single person in a nursing home
  • Children are being taken from their families and placed in foster care—it costs city tax payers $13,000 a year to put a child in foster care

If we do not invest more of our city’s resources in affordable housing and fresh affordable food, we will end up paying an even steeper price later on.
The Philadelphia Coalition for Affordable Communities calls on City Council members to:

1. Pass legislation that would provide new sources of funding for the production and preservation of housing that is affordable and accessible.
   - Ensure that HALF of all money in the Housing Trust Fund goes to households making 30% or less of Area Median Income (AMI)
   - Put $35 million annually from expiring tax abatements into the Housing Trust Fund and make that amount a dedicated commitment
   - $1/night per room or 1% of the hotel tax should go into the city’s Housing Trust Fund to support housing for low waged workers

2. Ensure the Land Bank works in a fair, transparent and accountable way that gives us land for community needs.
   - Publicly held and tax delinquent property from all council districts goes into the Land Bank
   - 50% of the land from each district is given for nominal fee to groups for community benefit: affordable housing, food production or economic development that creates living wage jobs
   - Any property designated as city surplus goes into the Land Bank
   - Land Bank is not required to pay the city back for real estate and other municipal liens except for taxes imposed by the School District

Philadelphia is changing. After decades of disinvestment we have been seeing an influx of new development in our city. We welcome the new residents that are moving to Philadelphia, but these changes have also placed an increased demand for land and housing that’s led to displacement—pushing out poor and working class families and people of color from their homes and from community sustaining green space. Now is the time to invest in the tools to stabilize communities, preserve affordability and halt displacement.

Philadelphia is at a critical moment. Housing security, historically a bed rock of survival for Philadelphians, is crumbling fast. If our elected officials do not act, we see ourselves headed down the same path as San Francisco and New York – vibrant cities where safe, quality, affordable housing is out of reach for a majority of residents and where beloved community gardens and open spaces are lost to profit-driven development.

This moment requires us to prioritize community needs so that our city can remain one that works for all Philadelphians. City Council must do more to protect our right to safe, affordable and accessible homes and gardens that help feed our families. The current housing and land-use crisis demands a big imagination and bold action to prevent further displacement and homelessness in our city.
Development Without Displacement: A Call to Action

Philadelphians are facing a housing affordability crisis and this crisis is hurting all of us. Decades of disinvestment has left many in our city struggling to meet basic daily needs. New market rate development often threatens families with displacement and eviction in order to make way for luxury condos and townhomes.

In Philadelphia, we are seeing rent and home prices going up while wages are stagnating, making it harder and harder for many people to keep a roof over their heads. This has led to a dramatic increase in substandard housing, displacement and homelessness. Although City Council members give lip service to the need for more affordable housing, their actions have not matched the scale or urgency of the problem.

Philadelphia has a rising housing affordability crisis. Housing prices are going up, while wages have stagnated.

In 2016, 52% of renter households citywide were housing cost burdened, compared to 42% in 2000.

In 2016, 30% of owner households citywide were housing cost burdened, compared to 25% in 2000.

In 2016, 21% (or about 125,000 households) of ALL households were severely cost burdened, meaning they spent more than HALF of their income on housing.

What Does “Housing Cost-Burdened” Mean?

Households that are forced to spend more than 30% of their income on housing, which severely limits their ability to afford other basic needs.
North, South and West Philadelphia have been hit the hardest. While median gross rent increased 19% citywide between 2000 and 2016, housing costs have spiked even more dramatically in these areas of the city surrounding Center City.

PORTIONS OF SOUTH, NORTH, AND WEST PHILADELPHIA ARE UNDERGOING THE MOST RAPID CHANGE.

These areas are experiencing a decrease in median household income while seeing rapid increases in median rents, median residential sale price, and households headed by 25-34 year olds.

WEST PHILADELPHIA
- Powelton Village
- Mantua
- Belmont
- West Powelton
- Souders Park
- Spruce Hill
- Cedar Park

SOUTH PHILADELPHIA
- South of South
- Point Breeze
- Grays Ferry
- Bella Vista
- Hawthorne
- Queen Village
- Passyunk Square
- Pennsport
- Dickinson Narrows

NORTH PHILADELPHIA
- North Central
- Yorktown
- Francisville
- Fairmount
- Brewerytown
- Cecil B. Moore
- Poplar
- Northern Liberties
- Fishtown
- Kensington South
- Norris Square
- Port Richmond

I personally had to spend $15,000 to make my home accessible after I bought it in 2009.... On any given day there are over 100 people with disabilities in the only city-owned nursing institution, paid for by tax-payers, that want to live in the community; their main obstacle is housing.

German L. Parodi
Board Vice President of Disabled in Action of PA (DIA), member of the Philadelphia Coalition for Affordable Communities

What do these sale price increases mean for Philadelphians?
The median residential sale price in Philadelphia increased between 2000 and 2016 from $81,180 to $144,365

- North: +363% (from $53,190 to $246,050)
- South: +292% (from $68,580 to $269,000)
- West: +169% (from $87,090 to $233,875)

Note: All have been adjusted to 2016 dollars.
Displacement of Low-Income People of Color

The current housing affordability crisis has also led to a historic displacement of Black residents. Between 2000 and 2016, all three areas experienced a dramatic drop in the number of Black residents and a simultaneous increase in the White population. Our neighborhoods are changing dramatically, often at the expense of communities of color.

CHANGE IN RACE, 2000-2016

NORTH PHILLY

+39%

-22%

SOUTH PHILLY

+17%

-30%

WEST PHILLY

+74%

-35%

Sources: 2000 Census, 2012-2016 American Community Survey 5-year Estimates
According to a report from the Pew Charitable Trusts:

82% of poor households in Philadelphia live in housing with no rent subsidies, at an average monthly cost of $729.

94% of these households were spending more than 30% of their income on their housing

80% were spending at least 50% on those expenses.

In middle school the neighborhood started to gentrify. The corner stores were replaced with cafés and restaurants. The empty lots and old factories became condos worth half a mil. Because of the gentrification, my friends and their families were all pushed out because they couldn't afford to pay the rent.

Justin Moore
Member of the Women's Community Revitalization Project (WCRP)
What’s Been Promised & What’s Been Accomplished

Despite the many challenges our city faces Philadelphia has a strong history of people coming together to fight for policies that work. A Coalition that’s been key in organizing to push our elected officials to create and preserve affordable homes and for open space to grow fresh and healthy food is the Philadelphia Coalition for Affordable Communities (formerly known as the Philadelphia Coalition for Affordable Housing & the Campaign to Take Back Vacant Land). Because of the Coalition’s efforts, Philadelphians now have two powerful tools - the Housing Trust Fund and the Land Bank - to directly address the housing crisis and ensure food justice. Now it’s up to all of us to make sure that our politicians live up to their promises and use these tools to benefit Philadelphians.
The Land Bank

What is the Philadelphia Land Bank?

The Land Bank was created in 2013 to address the city’s massive blight problem and to ensure that there would be a fair and transparent process for the city to put vacant land and buildings back into productive use. The Land Bank’s purpose is to:

- Take in city-held and tax delinquent land and share the land inventory information with the public;
- Create a single, transparent streamlined process for transferring vacant land and buildings to new owners;
- Prioritize land for affordable housing, food producing green space, economic development (including jobs with living wages) and other community needs &
- Strategically assemble sites to meet community needs and market demand.

The Land Bank has not nearly met its mission.

- There are 42,000 vacant properties in the City and 20% of those are owned by the city government.
- Since 2013 when the Land Bank began operating there have been fewer than 300 properties disposed of. If we continue at this rate it would take more than 150 years for us to deal with city-owned properties alone.
  - Although other government entities have disposed of a few properties in this time period-the stated goal of the Land Bank was to consolidate publicly held land into one agency (instead of multiple agencies such as the Philadelphia Redevelopment Authority, Department of Public Property, Philadelphia Housing Development Corporation). This has not happened and only the Land Bank has requirements for publicly owned land to be used for fair and equitable development.
- Not enough land has gone into the Land Bank, and not enough land has come out to be developed for affordable homes, living wage jobs and fresh and healthy food.
The Housing Trust Fund

Created in 2005 in response to community organizing, Philadelphia’s Housing Trust Fund is designed to provide resources for four main things:

- New Construction
- Adaptive Modifications
- Homelessness Prevention
- Basic Systems Repair

The Housing Trust Fund was required to use half of its resources each year to focus on households with the highest need—those making 30% or less of Area Median Income (AMI) or about $26,000 per year for a family of four. At the end of 2018, based on PCAC’s efforts, new resources were added to the Housing Trust Fund.

What has the Housing Trust Fund Done?

Our Housing Trust Fund is funded by deed recording fees which bring in $9 million- $14 million per year. In October of 2018, after years of organizing by the Philadelphia Coalition for Affordable Communities, Philadelphia’s City Council passed a series of bills that promise an additional $71 million over five years to the Housing Trust Fund. City Council created a sub-fund of the Housing Trust Fund that no longer guarantees HALF of all new money for households at or below 30% AMI.

The Housing Trust Fund does not have enough money to meet the growing housing needs of Philadelphians.

52% of renter households were housing cost-burdened in 2016, **COMPIRED TO 42%** in 2000

30% of owner households were housing cost-burdened in 2016, **COMPIRED TO 25%** in 2000

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234,067 households were housing cost-burdened in 2016, or **40%** of all households citywide

Sources: 2000 U.S. Census and 2012-2016 American Community Survey 5-Year Estimates
WHAT NEEDS TO BE DONE

The time for action is now. City Council must act immediately to protect all Philadelphians' right to a safe, sustainable, affordable and accessible home and community sustaining green space.

WE DEMAND that City Council members:

Pass legislation that would provide new sources of funding for the production and preservation of housing that is affordable and accessible.

- Ensure that HALF of all money in the Housing Trust Fund goes to households making 30% or less of Area Median Income (AMI)
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We believe in a city where there is true development without displacement, where we attract new resources to our growing city while protecting long-time residents and our beloved green space. We can achieve safe, quality, accessible housing that is affordable to low-income residents and invest in established and new healthy, food-producing community gardens. **We can achieve this if our elected officials have the courage to act.** We will not rest until we have reached the Philadelphia we all deserve.
JOIN OUR GROWING COALITION

in safeguarding our human right to housing and our need for community sustaining green space by fighting for these vital investments in our city’s future.

Find us at http://phillyaffordablecommunities.org or contact Christi at 215-627-5550 x218

COALITION MEMBERS

15Now Philly!
215 People’s Alliance
ACT UP
Advocates for the West Fairhill Community
AFSCME District Council 47
All that Philly Jazz
Applied Mechanics
Aquinas Center Youth Voices
Arab American CDC
Caucus of Working Educators
Center City Organized for Responsible Development
Circle of Hope
CCP Faculty Federation
Community Legal Services
Dignity Housing
Disabled In Action
East Park Revitalization Alliance
Farm to City, Llc
Firm Hope Baptist Church
Friends Rehabilitation Program
Habitat for Humanity of Philadelphia
Housing Alliance of Pennsylvania
Impact Services
Kensington Renewal
LandHealth Institute
Liberty Resources
Life Center Association
Logan Orchard & Market (LOAM)
Lutheran Settlement
Mariposa Food Co-Op
Mental Health Partners

Mt. Vernon Manor CDC
My Place Germantown
New Jerusalem Laura
New Kensington CDC
PASNAP
People’s Emergency Center
Philadelphia Area Cooperative Alliance
Philadelphia Jobs with Justice
Philadelphia Orchard Project
Philly Tenant’s Union
Poor People’s Economic Human Rights Campaign
Resource Generation
Save Smith School Committee
SEIU 32BJ
SEIU Healthcare Pennsylvania
Self-Determination Housing Project of Pennsylvania
Showing Up for Racial Justice (SURJ)
Simple Homes
The Simple Way
Snyderville CDC
Southwest CDC
Spatial Justice Lab
Tenant Union Representative Network (TURN)
UNITE HERE Local 274
United Communities Southeast Pennsylvania
United Food and Commercial Workers
United Home Care Workers of Pennsylvania
Universal Communities
Viola Street Residents Association
Women’s Community Revitalization Project
Youth United for Change