

# 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 uprooted.
- 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.





**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.

## 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

# The Problem

*Housing Costs Are Going Up, but Wages Are Not*

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.**



## 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.

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.



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.

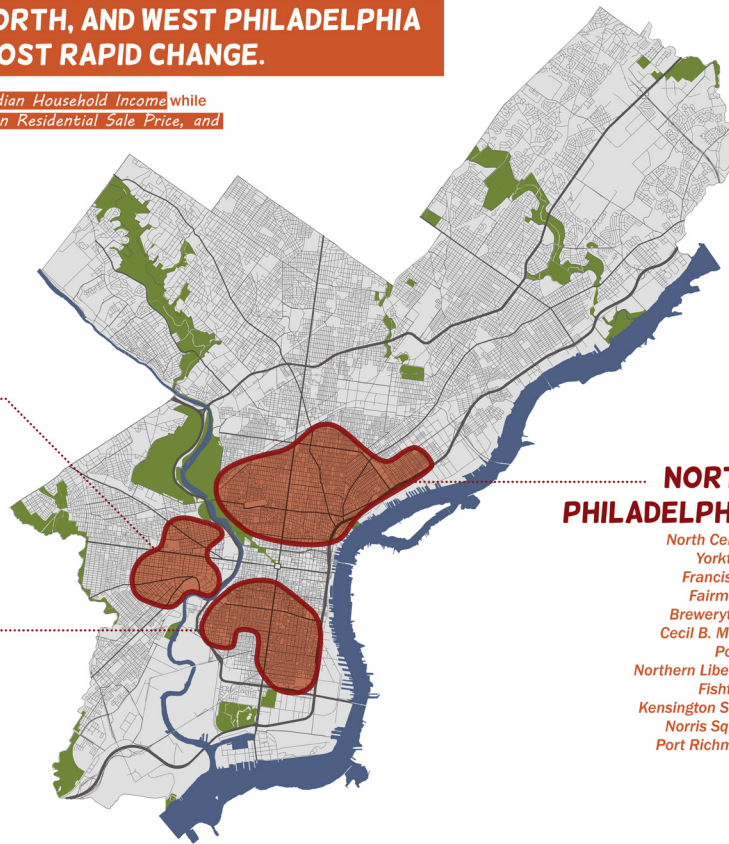
These areas are experiencing a decrease in *Median Household Income* while seeing rapid increases in *Median Rent*, *Median Residential Sale Price*, and *Households headed by 25-34 year olds*.

### WEST PHILADELPHIA

Powelton Village  
Mantua  
Belmont  
West Powelton  
Saunders 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

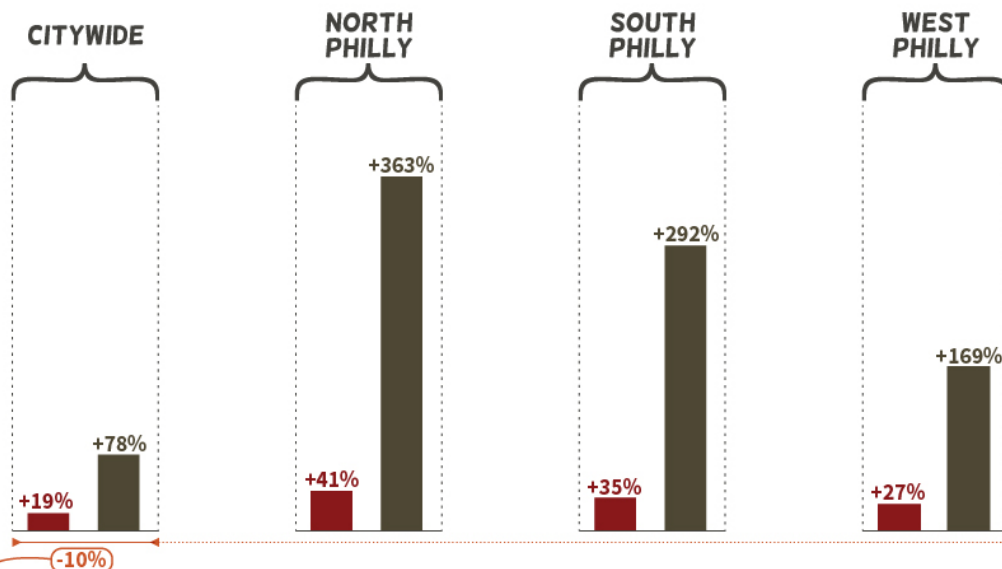


I personally had to spend \$15,000 to make my home accessible after I bought it in 2009.... On any given day there are over 100 people with disabilities in the only city-owned nursing institution, paid for by tax-payers, that want to live in the community; their main obstacle is housing.

### German L. Parodi

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

## CHANGE IN INCOME VERSUS HOUSING COSTS 2000-2016



BETWEEN 2000-2016, CITYWIDE MEDIAN HOUSEHOLD INCOME DECREASED 10% WHILE HOUSING COSTS INCREASED.

Change in Median Household Income, 2000 - 2016

Change in Median Gross Rent, 2000 - 2016

Change in Median Home Sale Price, 2000/2002 - 2016/2018

Note: All have been adjusted to 2016 dollars.

Sources: 2000 Census, 2008-2012 and 2012-2016 American Community Survey 5-year Estimates, and data from the City of Philadelphia Office of Property Assessment.

### 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)

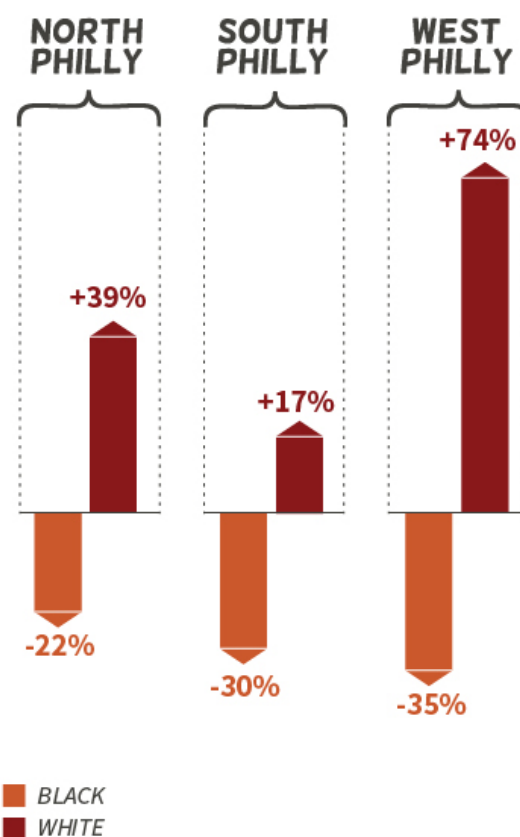




# Displacement of Low-Income People of Color

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



Sources: 2000 Census, 2012-2016 American Community Survey 5-year Estimates



## HOW MUCH IS AFFORDABLE?

IF YOUR HOUSEHOLD INCOME IS:	30% OF YOUR MONTHLY INCOME IS:	HOW MANY NEED HOUSING IN THIS RANGE?	ANOTHER WAY TO THINK ABOUT THIS:
<b>\$8,000</b> per year through Social Security Disability Insurance	<b>\$200</b>	<b>81,300 Households</b> earn less than \$10,000 per year	<b>1 in 7</b> (14%) Philly households earn less than \$10,000 per year
<b>\$15,080</b> per year from a full time minimum wage job	<b>\$377</b>	<b>42,800 Households</b> earn between \$10,000 and \$15,000 per year	<b>1 in 5</b> (21%) Philly households earn less than \$15,000 per year
<b>\$19,749</b> per year (poverty level for parent with two children)	<b>\$494</b>	<b>39,600 Households</b> earn between \$15,000 and \$20,000 per year	<b>~1 in 3</b> (28%) Philly households earn less than \$20,000 per year

## 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.



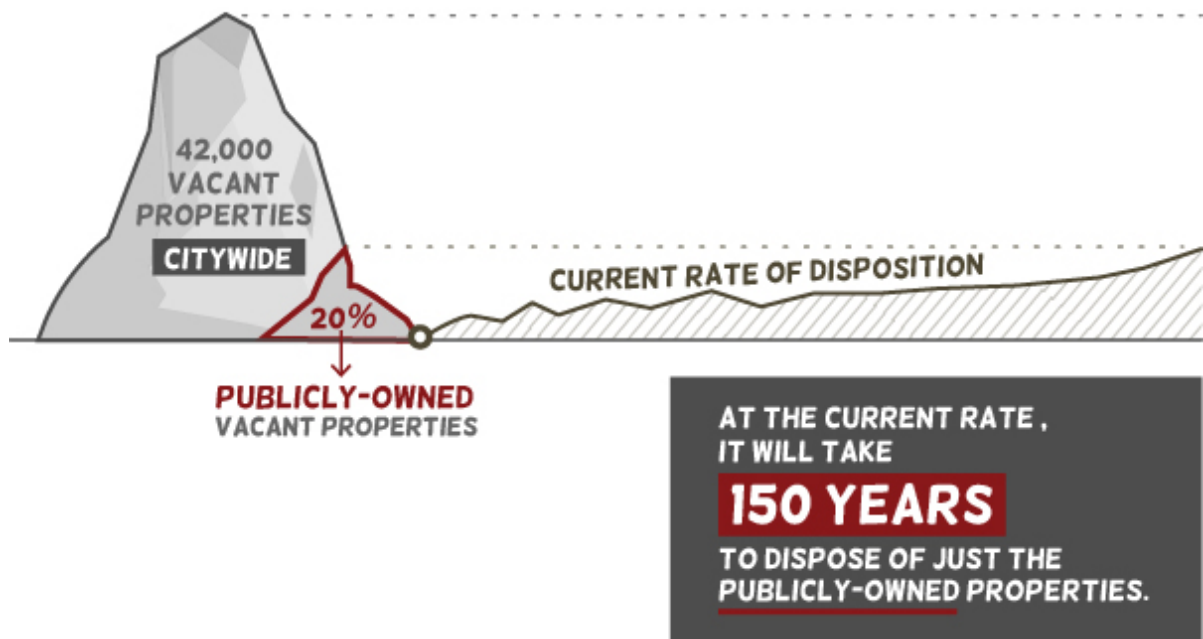


# The Land Bank

## 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:



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/ 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, **COMPARED TO 42%** in 2000

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

PHILADELPHIA CITY COUNCIL DISTRICT	1	2	3	4	5	6	7	8	9	10	CITYWIDE
CITY COUNCIL MEMBER	Squilla	Johnson	Blackwell	Jones	Clarke	Henon	Quiñones-Sánchez	Bass	Parker	O'Neill	
<b>RENTER HOUSEHOLDS</b>											
Cost-Burdened in 2000	39%	45%	47%	40%	40%	37%	42%	44%	43%	49%	<b>42%</b>
Cost-Burdened in 2016	46%	48%	52%	48%	47%	52%	62%	54%	61%	49%	<b>52%</b>
Percent Change	+7%	+3%	+5%	+8%	+7%	+15%	+20%	+10%	+18%	0%	<b>+10%</b>
<b>OWNER HOUSEHOLDS</b>											
Cost-Burdened in 2000	25%	27%	27%	24%	24%	22%	29%	25%	25%	20%	<b>25%</b>
Cost-Burdened in 2016	25%	29%	29%	29%	27%	29%	38%	30%	34%	29%	<b>30%</b>
Percent Change	0%	+2%	+2%	+5%	+3%	+7%	+9%	+5%	+9%	+9%	<b>+5%</b>

**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!	Mt. Vernon Manor CDC
215 People's Alliance	My Place Germantown
ACT UP	New Jerusalem Laura
Advocates for the West Fairhill Community	New Kensington CDC
AFSCME District Council 47	PASNAP
All that Philly Jazz	People's Emergency Center
Applied Mechanics	Philadelphia Area Cooperative Alliance
Aquinas Center Youth Voices	Philadelphia Jobs with Justice
Arab American CDC	Philadelphia Orchard Project
Caucus of Working Educators	Philly Tenant's Union
Center City Organized for Responsible Development	Poor People's Economic Human Rights Campaign
Circle of Hope	Resource Generation
CCP Faculty Federation	Save Smith School Committee
Community Legal Services	SEIU 32BJ
Dignity Housing	SEIU Healthcare Pennsylvania
Disabled In Action	Self-Determination Housing Project of Pennsylvania
East Park Revitalization Alliance	Showing Up for Racial Justice (SURJ)
Farm to City, LLC	Simple Homes
Firm Hope Baptist Church	The Simple Way
Friends Rehabilitation Program	Snyderville CDC
Habitat for Humanity of Philadelphia	Southwest CDC
Housing Alliance of Pennsylvania	Spatial Justice Lab
Impact Services	Tenant Union Representative Network (TURN)
Kensington Renewal	UNITE HERE Local 274
LandHealth Institute	United Communities Southeast Pennsylvania
Liberty Resources	United Food and Commercial Workers
Life Center Association	United Home Care Workers of Pennsylvania
Logan Orchard & Market (LOAM)	Universal Communities
Lutheran Settlement	Viola Street Residents Association
Mariposa Food Co-Op	Women's Community Revitalization Project
Mental Health Partners	Youth United for Change