



1315 Walnut Street, Suite 1600 | Philadelphia, PA 19107

www.pacdc.org PHONE 215.732.5829 FAX 215.732.5725

Supporting CDCs. Strengthening Neighborhoods.

**Testimony on Bill No. 140443
Before the Committee on Finance
City Council of Philadelphia
June 11, 2014**

Good morning Chairwoman Tasco and other members of Council. My name is Beth McConnell, and I'm the Policy Director for the Philadelphia Association of Community Development Corporations, or PACDC. PACDC is a membership association of more than 100 organizations, including 50 CDCs, that work to revitalize our neighborhoods, provide affordable housing, and advance equitable development strategies. Thank you for the opportunity to testify on Bill No. 140443, introduced by Councilman Greenlee, which would provide an estimated additional \$750,000 annually to the Philadelphia Housing Trust Fund by raising the Deed and Mortgage Recording Fees by \$5. Because City Council unanimously approved an increase in these fees by \$5 to fund the Recorder's Office in December 2013, the City is authorized under state law to increase the Housing Trust Fund portion by the same amount.

As you know, our need for affordable homes is enormous. The National Low Income Housing Coalition estimates that Philadelphia has only 38 affordable units for every 100 households that are extremely low-income (earning less than 30% of Area Median Income). We need approximately 60,000 more units to meet the needs of residents at or below 30% of AMI.

The Philadelphia Housing Trust Fund is a vital resource that helps address our massive housing needs. Last year alone, \$4 million in HTF development funds were absolutely critical to the development or preservation of 380 units of affordable housing. Since it's creation, the HTF funded major repairs to 1,589 homes, improved accessibility for 1,194 people with disabilities and repaired 6,125 heaters. It has also prevented homelessness and/or foreclosure prevention

for 2,358 households, and provided utility assistance – which is often needed to get people into permanent housing – for 1,701 Philadelphians.

But each year the City receives three times more proposals for worthy affordable home development projects than it has the local, state and federal resources to support. The waiting list for BRSP is so long that the City was forced to close it. The City was also forced to eliminate funding for targeted housing preservation in prior years due to budget constraints, although we applaud OHCD for allocating a small amount of HTF resources to it in FY15.

PACDC applauds Councilman Greenlee for his leadership introducing Bill No. 140443, which will offset the FY15 cut of \$740,000 in our federal Community Development Block Grant allocation, another source of funding for affordable homes and homelessness prevention.

We thank Council for its past and ongoing work advocating for policies and programs to end homelessness, address affordable housing needs, and advance equitable development. We look forward to continuing to work with you until every Philadelphian has an affordable place to call home.

Thank you.

Contact:

Beth McConnell

bmccconnell@pacdc.org

215-732-5829 x 110