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Executive Summary



Welcome to the PHDC Report!

PHDC is Philadelphia's full service community development organization. We provide financing for the preservation and creation of affordable housing. Our programs provide critical repairs and modifications for homeowners allowing families to remain safe and healthy in

their homes. While other programs and land services assist and facilitate community groups, businesses and developers with re-purposing vacant land. They make critical investments in our communities.

In 2019, the staff and vision for the Philadelphia Housing Development Corporation, Philadelphia Redevelopment Authority, and the Philadelphia Land Bank were consolidated to create PHDC. This consolidation was necessary to increase transparency and efficiency. These agencies still have individual boards and powers to execute specific functions, but the vision is the same—to make Philadelphia better block by block.

PHDC executes its vision through three lines of service: home improvement programs (HIP), community investment, and land management. Each component works together to change our city for the better. PHDC works closely with the City's Department of Planning and Development (DPD).

In the Spring of 2017, Mayor Kenney and City Council identified funding to support \$60 million dollars in bond proceeds to reduce the over 4,000 person waiting list for our home improvement programs. The waiting list was created due to the limited funding of our HIP programs. This bond funding was the precise injection of help we needed to help more homeowners keep and enjoy their homes. In 2020, I am proud to say not only did we significantly reduce our waiting lists but have been able to create other initiatives for homeowners and contractors.

In 2018 we partnered with Children's Hospital of Philadelphia (CHOP) on a pilot program to create a Community Asthma Prevention Program Plus (CAPP+) Home Repairs Program. You will see in this report that we were able to improve the quality of life for 45 households with children with severe asthma in the City of Philadelphia!

Executive Summary

PHDC partnered with Orleans Technical College for a job fair in 2019. This job fair was designed to increase the capacity of our contractors and give them the ability to receive additional training, support, and staff. Not only was the job fair a huge success, but there were students from Orleans Tech hired on the spot! This opportunity created support for our contractors and jobs for aspiring tradespeople. We created a pipeline and a relationship that is vital to our HIP contractors.

In March of 2020, the COVID-19 pandemic hit our country. PHDC was no exception to that impact. Over the last few months, not only have we been able to stand up our programs and staff to work remotely and even virtually, we also developed new programs to help Philadelphians. We created two phases of the COVID-19 Emergency Rental Assistance, which pays the rent of tenants who experienced income hardships due to COVID-19. To date, we have been able to assist over 14,000 tenants stay in their homes. We also launched small landlord programs that allow landlords the ability to receive financing to keep up their properties, and other programs highlighted in this report. Despite the difficulties of the pandemic, PHDC has continued to move forward and rise to the challenge.

In the fall of 2020, PHDC through the Philadelphia Redevelopment Authority, is poised to rewrite history. The Philadelphia Redevelopment Authority and the local developer, AJR, will soon complete renovation on restoring all the homes affected by the tragic bombing on Osage/Pine. We are so pleased the old and new residents on these affected blocks can begin a new chapter in their lives.

PHDC continues to be a part of the engine fueling Philadelphia's economic development. We provide consistent revenue opportunities to small and mid-size contractors, subsidies for developers, rental assistance to tenants, help for small landlords, gardens and sideyards to residents, land for affordable housing, home improvements and repairs to some of the city's most vulnerable and cost-burdened homeowners, and that's not all! Community development is ever changing, therefore with the help of our skilled and dedicated staff, we are committed to working with residents, businesses, nonprofits, city agencies, and government officials to make Philadelphia a better place to live and do business.

Looking forward to 2021 and beyond,

David S. Thomas



President & CEO



Home Improvement Programs

PHDC supports programs to help Philadelphians with home repairs. These programs prevent homelessness, keep residents in their homes, and strengthen communities. All programs require applicants to meet income guidelines. Annually, 38-45% of PHDC home improvement contracts are assigned to MBE/WBE (Minority Business Enterprise/Women's Business Enterprise) contractors, and 100% of contracts are given to small and mid-size businesses.

BSRP

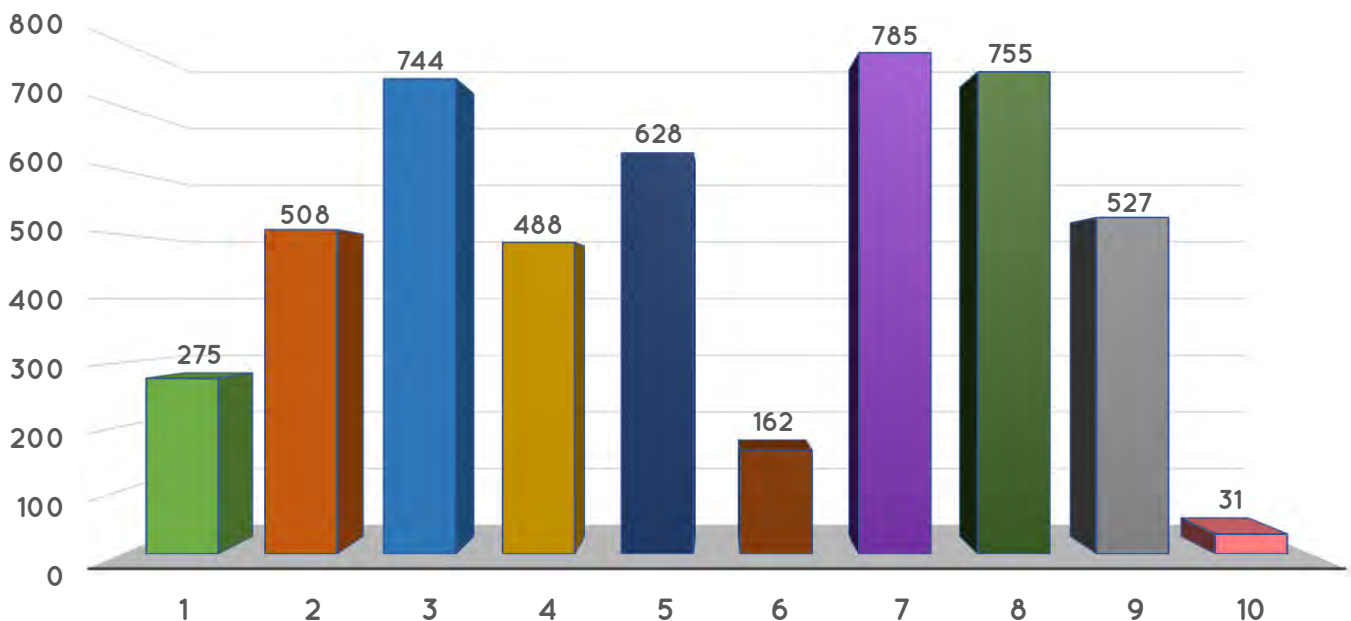
The Basic Systems Repair Program (BSRP) provides free repairs to correct electrical, plumbing, heating, structural and roofing emergencies in eligible owner-occupied homes in Philadelphia.

**38-45%
MBE/WBE**

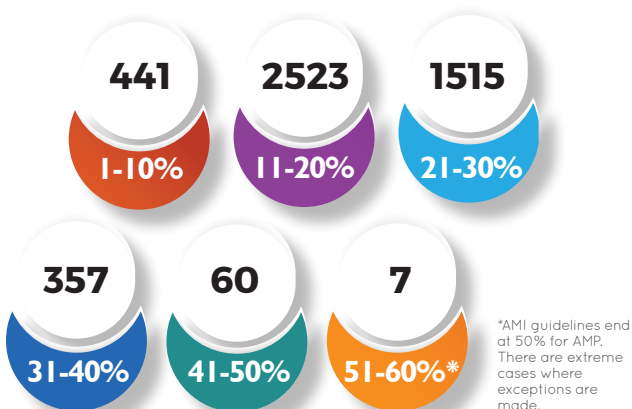


**100%
small and
mid-size
businesses**

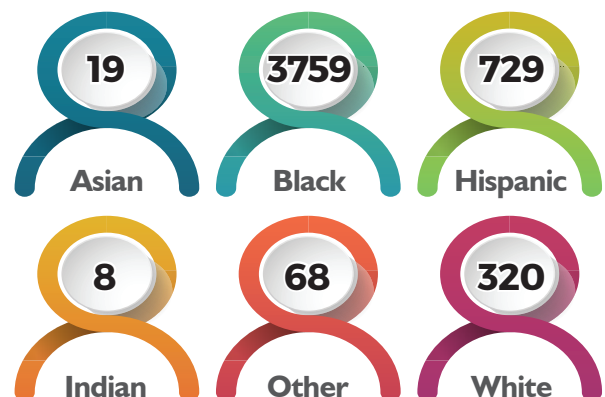
BSRP by Council District



BSRP Numbers by AMI



BSRP Numbers by Race



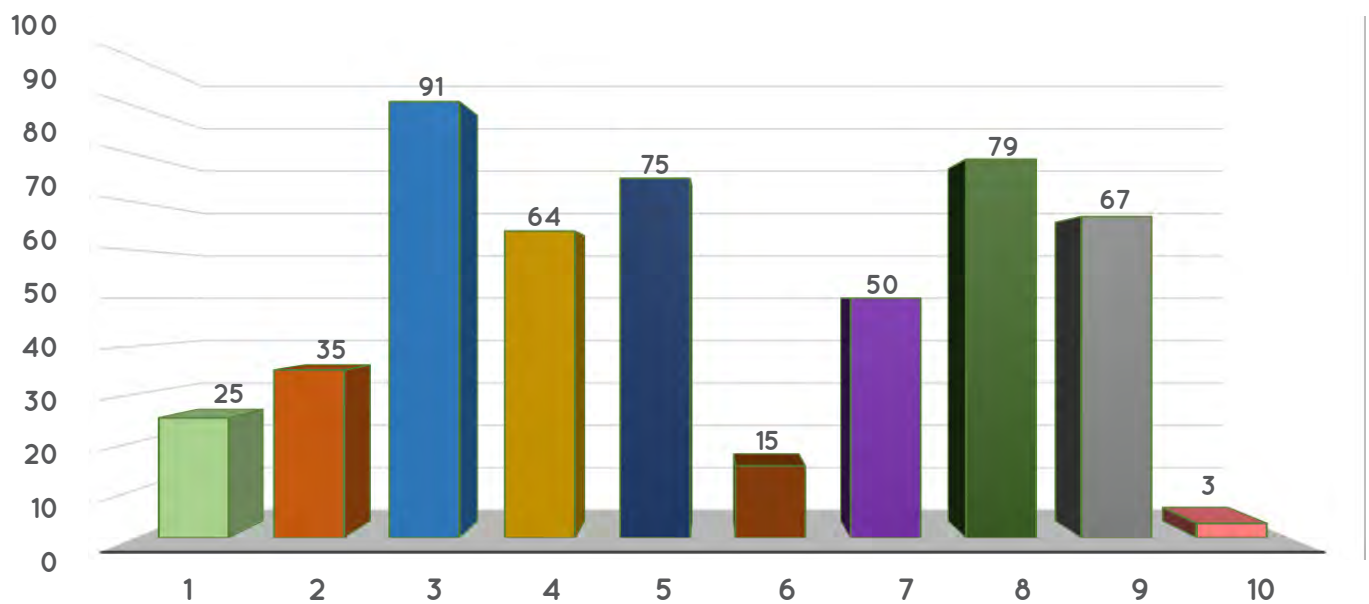
Home Improvement Programs

AMP

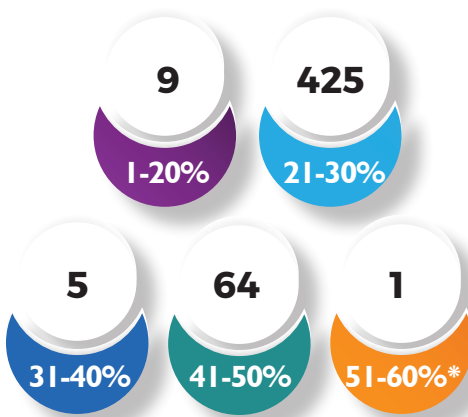
The Adaptive Modifications Program (AMP) is designed to help low-income individuals with permanent physical disabilities live more independently in their homes. It provides free adaptations to a house or an apartment, allowing easier access to and mobility within the home.



AMP by Council District

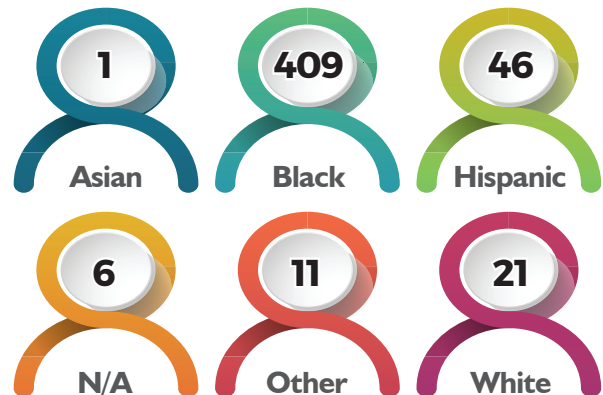


AMP Numbers by AMI



*AMI guidelines end at 50% for AMP. There are extreme cases where exceptions are made.

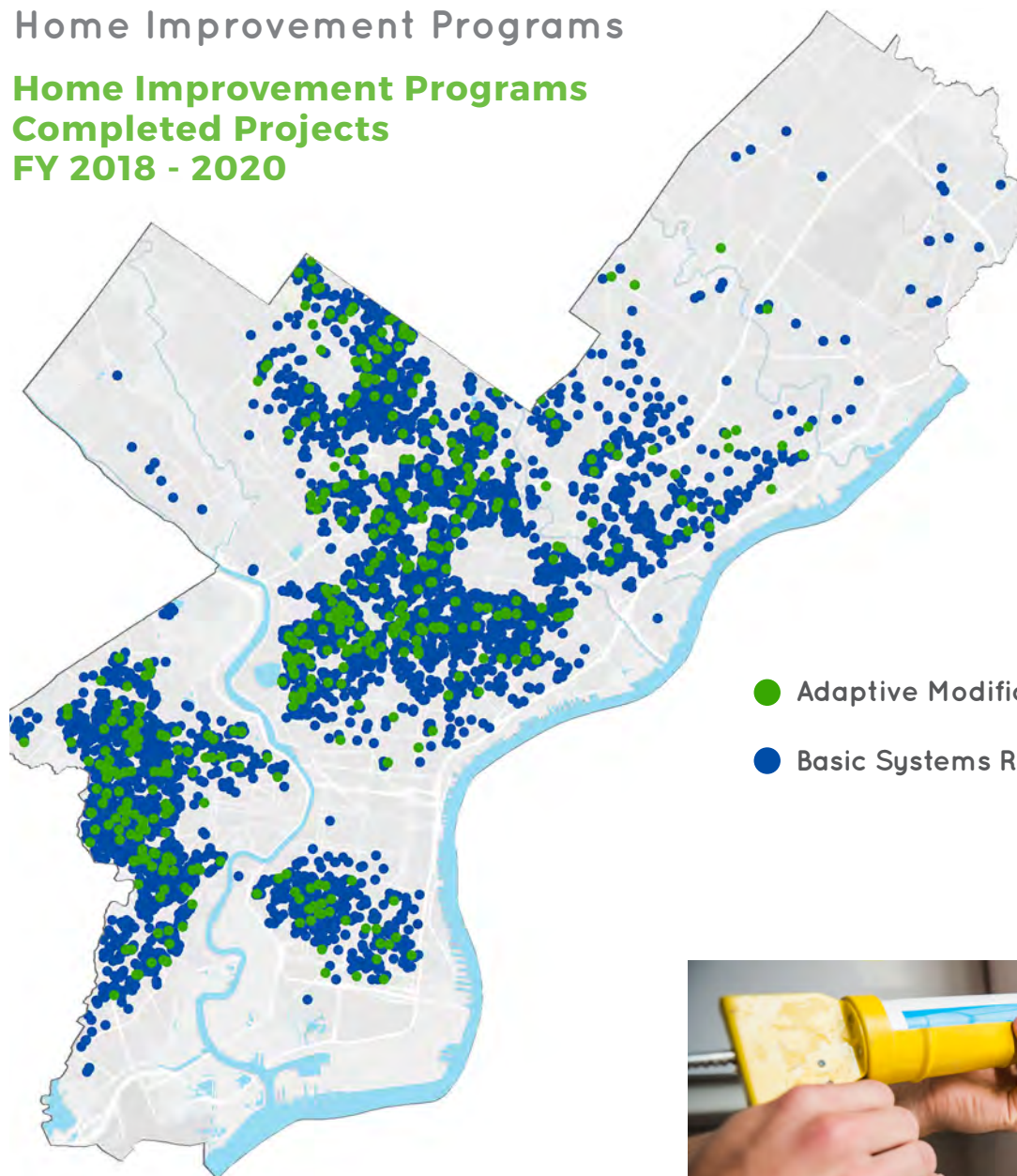
AMP Numbers by Race





Home Improvement Programs

Home Improvement Programs Completed Projects FY 2018 - 2020



- Adaptive Modifications Program
- Basic Systems Repair Program



Weatherization

The Weatherization Assistance Program provides free weatherization and energy-efficiency improvements to owner-occupied houses and tenant-occupied rental units located in the City of Philadelphia. From January 1, 2018-December 31, 2019 weatherized 1,409 units, investing \$5,760,428 in those homes.

Starting in January 2020, ECA assumed weatherization services for Philadelphia homeowners.

Home Improvement Programs

Heating Assistance

Heater Hotline

The Heater Hotline provides free emergency heater repairs for eligible households. This program is run by the Energy Coordinating Agency. It is supported by the Division of Housing and Community Development (DHCD). In FY 19-20 a total of 8,024 households were assisted.

LIHEAP CRISIS

PHDC LIHEAP CRISIS program helps replace and repair heaters for income eligible homeowners in need. Since mid-2018, we helped 977 homeowners with their heating needs.



THPP

The Targeted Housing Preservation Program (THPP) helps preserve the housing stock across the city. PHDC works with community organizations such as Habitat for Humanity and Rebuilding Together to help stabilize homes.



Childrens Hospital of Philadelphia

From 2018-2020, PHDC partnered with Children's Hospital of Philadelphia (CHOP) on a pilot program to create Community Asthma Prevention Program Plus (CAPP+) Home Repairs Program. CAPP+ was developed to address the impact of unhealthy housing on pediatric asthma outcomes in West Philadelphia neighborhoods. CAPP+ was the pilot initiative of Healthier Together, CHOP's new umbrella initiative that focuses on some of the most pressing health and economic needs in neighborhoods surrounding the hospital's campus.



45 Households

PHDC

\$402,684.60



CHOP

\$549,141.51



Total

\$951,826.11



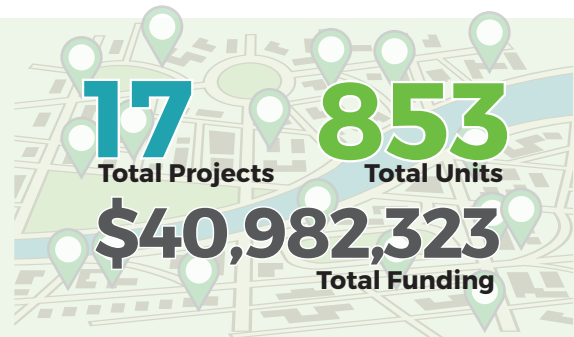


Community Investment

PHDC has one goal—improving our communities. Achieving that goal takes many forms. Affordable housing. Public Art. Social impact. Support for homeowners and renters. Economic Development. PHDC's work can be seen in neighborhoods throughout Philadelphia.

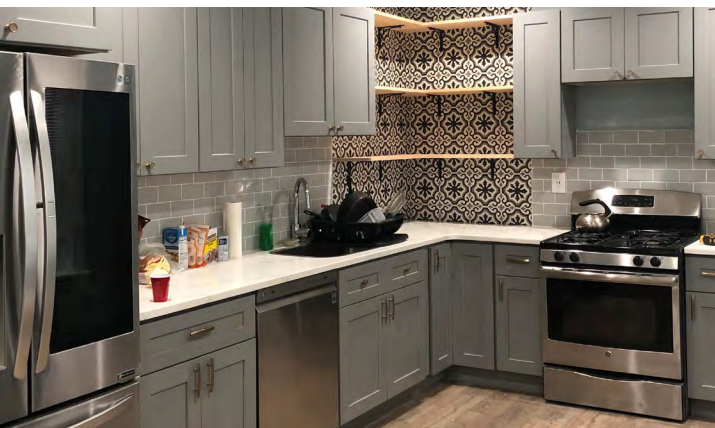
Affordable Housing Production and Preservation

PHDC invests federal and local funds in affordable housing projects, and to date has invested in over 13,000 units across the city. From July 2018 to June 2020, PHDC invested nearly \$41M to create or preserve 853 affordable housing units.



Restore, Repair, Renew (RRR)

In 2019 PHDC launched Restore, Repair, Renew – a new program to provide low-cost loans to Philadelphia homeowners to make repairs. A report from the Philadelphia Federal Reserve showed that nearly 75% of low- and moderate-income borrowers were being denied home repair loans. In contrast, Restore, Repair, Renew has a 53% approval rate. To-date the program originated 109 loans for nearly \$2M.



RRR Partners



RRR Top Repair Categories

Clockwise from top

- ▶ Structure
- ▶ Bathroom
- ▶ Kitchen
- ▶ Other External
- ▶ Other Internal
- ▶ Weatherization
- ▶ Roof
- ▶ HVAC
- ▶ Plumbing
- ▶ Electric

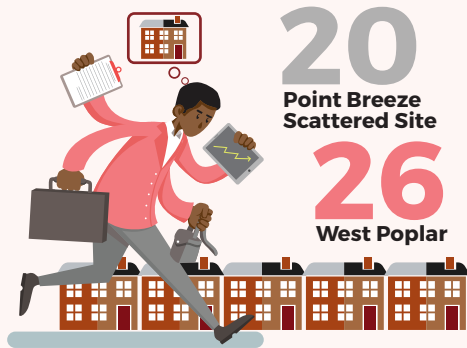


Community Investment



Workforce Housing Credit Enhancement

In 2019 PHDC won the Urban Land Institute's Robert C. Larson Housing Policy Leadership Award for its workforce housing program. Part of this program is the Workforce Housing Credit Enhancement, which provides a partial guarantee to open up opportunities for smaller developers. In 2018 and 2019 PHDC provided guarantees on over \$2M of workforce housing construction to produce 46 new housing units.



Impact Development Fund

PHDC partnered with PIDC—Philadelphia's economic development corporation—to provide a new low-cost loan fund for neighborhood development projects. The Impact Development Fund invested nearly \$9M into community-based commercial and housing projects, creating or retaining over 280 jobs.



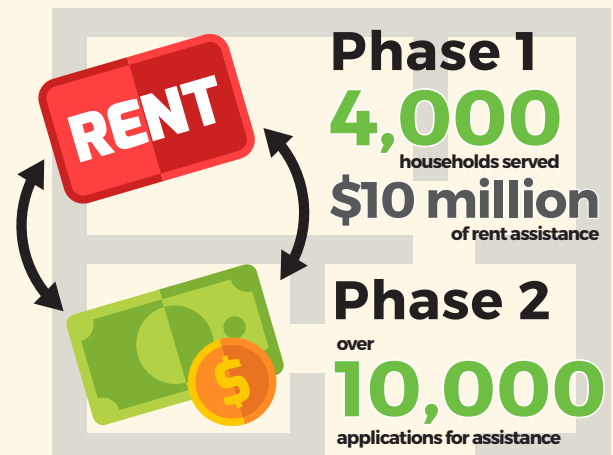
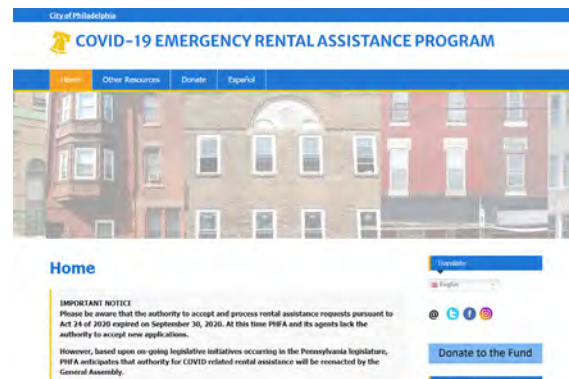
Housing Action Plan

PHDC is helping to implement the City's Housing for Equity plan. It is working with other stakeholders to explore how to reduce construction costs, preserve affordable homes, and promote naturally occurring affordable housing.



PHLRentAssist

PHLRentAssist Program was created during the 2020 COVID-19 pandemic to help renters stay in their homes. This program helps both the renter and the landlord. There were two phases.

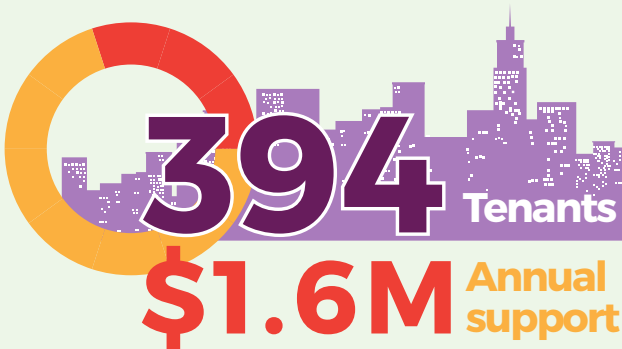




Community Investment

Shallow Rent

In 2019 PHDC launched its new Shallow Rent program to provide rent assistance for tenants living in affordable housing projects who are cost burdened (spending more than 30% of their income on rent). The program currently provides over \$1.6M in annual support for 394 tenants.



Landlord Assistance

PHDC developed two loan products, administered by Impact Loan Fund to provide assistance to “mom and pop” landlords in Philadelphia. Unfortunately, landlords frequently are not eligible for other types of small business loans, and we are here to help! These landlords provide much of Philadelphia’s unsubsidized (“naturally occurring”) affordable housing, but often have challenges obtaining private financing.



Percent for Art

Philadelphia is home to an unparalleled collection of public art in every medium including sculptures, paintings, memorials, photographs, glass art, kinetic works, and murals throughout all areas of the city. Over 350 of these artworks were commissioned through PHDC’s Percent for Art Program. In 2019 we celebrated the 60th Anniversary of Philadelphia’s Percent for Art Programs, the first in the nation. PHDC’s Percent for Art Program requirement mandated that at least one percent of the building construction costs be allocated to the commissioning of original site-specific public art.



Art is Essential

100 artists will each be awarded \$1,000 for their ideas. Ideas can be in any medium and will consider how community members can interact with the work. Through this project, we hope to foster, showcase, and amplify artists’ ideas about the evolving role of public art in our community.

Land Management

PHDC manages the acquisition, disposition, and maintenance of most publicly owned land in Philadelphia. It is guided by the Philadelphia Land Bank's 2019 Strategic Plan.

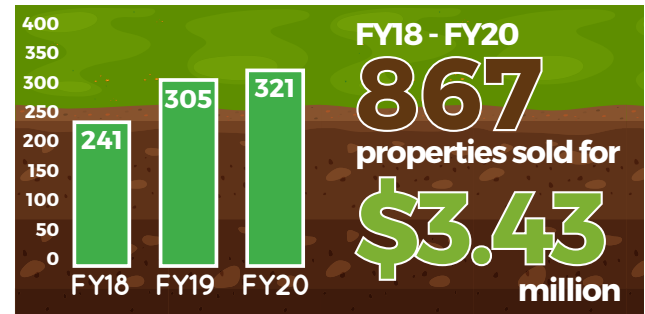
Over the past two years those activities have become more predictable and transparent. The 2019 PHDC staff consolidation supported consistent application of policies for all transactions. In 2020 the Vacant Property Review Committee was eliminated, achieving a goal of community advocates.



These policy and organizational changes have led to significant achievements:

- Strategic property acquisitions increased from 21 in FY17 to 312 in FY19. In FY20, 157 properties were acquired. Acquisitions in FY 20 were cut short due to the COVID-19 Pandemic. Acquisitions through FY20 have

Properties Conveyed



returned \$2.1 million in back taxes to the Philadelphia School District.

- Dispositions have increased as well, from 241 properties in FY18 to 305 in FY19 and 321 in FY20. Dispositions through FY20 have brought in excess of \$3 million in revenue.
- License agreements, which grant temporary access to property, help to formalize existing individual and community gardens. In FY19 and FY20 103 license agreements have been signed.
- PHDC's Land Management staff have also made operational improvements, better coordinating and prioritizing property acquisitions, improving data collection and usage, and better sharing policies and processes with the public.

Land Dispositions 2018-2020	Housing total # of units	# of units 30% ami	# of units 60% ami	# of units 120% ami	# of units market
Fiscal year 2018 strategic plan disposition targets (6-30-2018)	221	45	66	55	55
Total - conveyed in fy 2018, approved, awaiting approval	241	9	135	72	25
	109.05%	20.00%	204.55%	130.91%	45.45%
Variance to annual goal (6-30-2018)	20	-36	69	17	-30
Fiscal year 2019 strategic plan disposition targets (6-30-2019)	221	45	66	55	55
Total - conveyed in fy 2019, approved, awaiting approval	305	37	99	154	15
	138.01%	82.22%	150.00%	280.00%	27.27%
Variance to annual goal (6-30-2019)	84	-8	33	99	-40
Fiscal year 2020 strategic plan disposition targets (6-30-2020)	316	63	95	79	79
Total - conveyed in fy 2020, approved, awaiting approval	321	62	131	5	123
	101.58%	98.41%	137.89%	6.33%	155.70%
Variance to annual goal (6-30-2020)	5	-1	36	-74	44



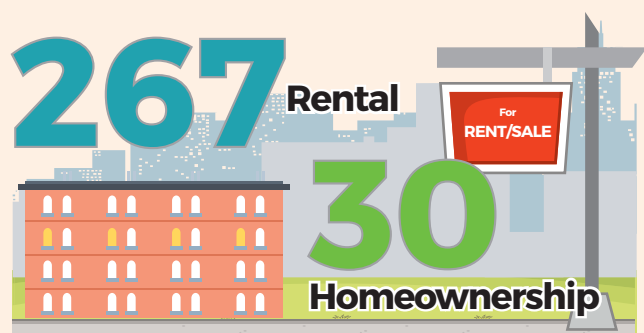
Land Management

Success Stories

Land for Affordable Housing in North Central

The City of Philadelphia and the Philadelphia Housing Authority are implementing a \$30 million Choice Neighborhoods Implementation grant from the U.S. Department of Housing and Urban Development to redevelop the Norris Apartments, a distressed 147-unit low-rise public housing complex built in 1959 and 1960.

In total, the redevelopment effort will create 267 rental units and 30 homeownership opportunities. We have worked with multiple City agencies, PHA, and local partners in helping to assemble the properties needed for this catalytic redevelopment.



Workforce Housing in Francisville

PHDC and the City of Philadelphia have sought new ways to leverage publicly-owned land to support investment in transitional real estate markets. The Workforce Housing (WFH) Program aims to unlock developable parcels to those committed to producing housing that is affordable to middle-income households, earning up to 120% of Area Median Income.

Our first Request for Proposals for Workforce Housing invited interested developers to apply to redevelop seven vacant properties in the Francisville neighborhood. We awarded the development opportunity to Civetta Property Group, which developed seven homes.

Community Health and Wellness Center in Kensington

We were instrumental in helping Esperanza Health Center acquire 3222-58 H Street, where construction of a community center is currently underway. The community center is part of the new Esperanza Health Center development, in a former bank building at 861 East Allegheny Avenue in Kensington.

We also helped Esperanza Health Center acquire several other tracts of land that are in use for gardening, providing open space for patients and staff. The longer-term vision for these properties includes an exercise center and multi-purpose conference center and community space to



be built during Phase II of the development. Together, the gym, community space, and conference center will expand the services that the new Esperanza Health Center can offer to the community.

Land Management

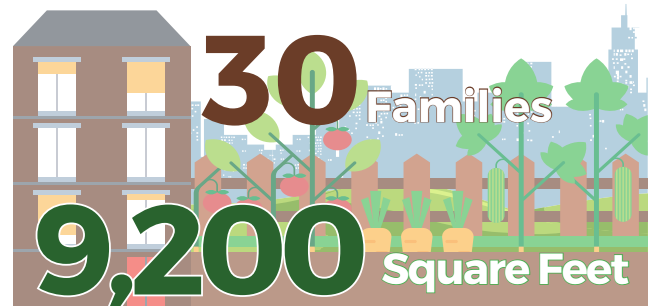
Success Stories (cont.)



Progress toward Garden Preservation with Neighborhood Gardens Trust

The Five Loaves Two Fishes Community Garden of Hestonville was founded by grassroots nonprofit Community Health and Gardens to improve the diet, nutrition and health of their West Philadelphia neighborhood. In 2013, this group transformed a neglected, trash-filled lot into a vibrant open space for growing fresh produce, fostering social connections and hosting educational programming around health and nutrition.

The garden is cultivated by over 30 families, with an emphasis on serving youth and seniors. The garden footprint includes six parcels, totaling about 9,200 square feet, with a mix of publicly



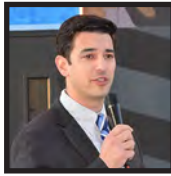
and privately owned, tax delinquent land. In 2018, the City's Department of Public Property conveyed two parcels to the Neighborhood Gardens Trust (NGT) for garden preservation. We acquired three privately owned parcels, which will be conveyed to NGT in 2020. There is one remaining parcel with a third-party tax lien that PHDC is working to include in the final garden land assembly.



Senior Team



David S. Thomas
President & CEO



Gregory Heller
Sr. VP, Community Investment



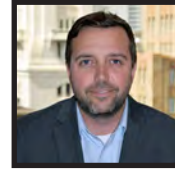
Angel B. Rodriguez
Sr. VP, Land Services



Angela Chandler
VP, Finance & Construction



Donna Trent
VP, Human Resources



Ryan Harmon
General Counsel

Board of Directors



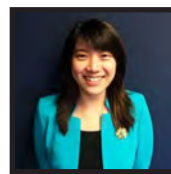
Ken Weinstein
Chair of the Board
President
Philly Office Retail



Jacquelyn Linton
President
Philadelphia Chapter
Society for Human
Resource Management



Nora Lichtash
Secretary
Executive Director
Women's Community
Revitalization Project



Peilin Chen
Treasurer
Deputy Budget Director
Department of Finance



Karen Fegely
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Business Services
Commerce



James Cuorato
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Altman Management
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Development
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