



# CITY OF PHILADELPHIA

OFFICE OF PLANNING AND DEVELOPEMENT  
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ANNE FADULLON  
Director

Tuesday, April 26, 2016

The Honorable Darrell Clarke  
City Council President  
City Hall, Room 490  
Philadelphia, PA 19107-3290

Dear Council President Clarke:

This letter is in response to questions raised at the FY 2017 Budget Hearing that was held on Tuesday, April 12, 2016.

## **Council President Clarke and Councilman Jones**

### ***Need data on migration of low-income in the city, where are they going?***

Assessing household movement and projected movement within the City and region is an important analysis that will take time to accurately produce. To respond to your immediate request, we took a first look at the current snapshot of areas with household movement within the City, areas of concentration of low income households and areas with growth of low income households. The low income household map highlights the percent of all households living within that tract that are low income. Using census data, we were able to highlight places where residents stated that they had moved in to their current residence between the years of 2010 and 2014.

The attached three maps are color coded by census tract, display council district boundaries and highlights areas that have changed over time. This data does not tell us *why* places have changed but *where* they have changed.

As part of the larger strategic housing and community development plan to be produced by Planning and Development, we will explore and research this issue further.

**Councilman Jones**

*Need more information and data on the Conservatorship Program.*

See Attachment I, Basic Facts about Conservatorship Program.

**Councilwoman Sanchez**

*1. When will we know about side lots? How long?*

The Land Bank is currently in the process of assessing all requests for side yards. We will respond to all open EOIs by July 2016. As part of our CDBG hearings, the Office of Planning and Development will suggest changes to the side yard program to improve resident's ability to settle on properties.

*2. How many square feet of land maintenance are we currently doing?*

PHS currently maintains 11,300 parcels which is 15 million square feet.

*3. No detail around housing providers – NACs and Housing Counselors – need itemized list.*

See Attachment II, OHCD Housing Counseling Agencies and NACs.

**Councilman Domb**

*Auction of properties last year. Could this be utilized by LB to move properties?*

The Land Bank can sell properties at an auction sale. If we use this strategy, we would first want to assess the outcomes from the prior sales and learn from those experiences. Including, pre-select the properties that would be placed up for auction, aggressively advertise, pre-qualify bidders, and establish minimum prices before the sale begins.

**Councilwoman Sanchez**

*Need OHCD to provide list of all funded positions.*

See Attachment III, OHCD positions.

**Councilman Green**

*Can you provide information of areas in the city where CDBG dollars have been spent for elimination of blight/slums by HUD guidelines?*

We have not funded project under elimination of blight/slums by HUD guidelines. HUD has explicit conditions that a city must meet defining blight and slum. Projects can be funded to address blight on an **area basis**---clearly eliminating objectively determinable signs of slums or blight in a defined area (24 CFR 570.483(c) (1)); or – **spot basis**---strictly limited to eliminating specific instances of blight outside such an area. 24 CFR 570.483(c) (2)

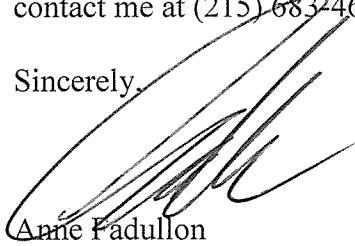
In addition to HUD’s criteria, OHCD must also comply with City code – 21-1103 which defines very low, low and moderate income beneficiaries.

“The funds contained within each year’s final Consolidated Plan, exclusive of administration and program management costs, will not be considered to primarily benefit very low, low and moderate income persons or give maximum priority to very and low income persons unless:

- (1) Seventy-five percent (75%) of the funds within each year’s final Consolidated Plan, exclusive of administration and program management costs, directly benefit very low, low and moderate income persons; and
- (2) Priority is given to developing and implementing projects and activities that directly benefit very and low income persons.

Should you have any questions or need additional information to this response, please feel free to contact me at (215) 683-24600.

Sincerely,

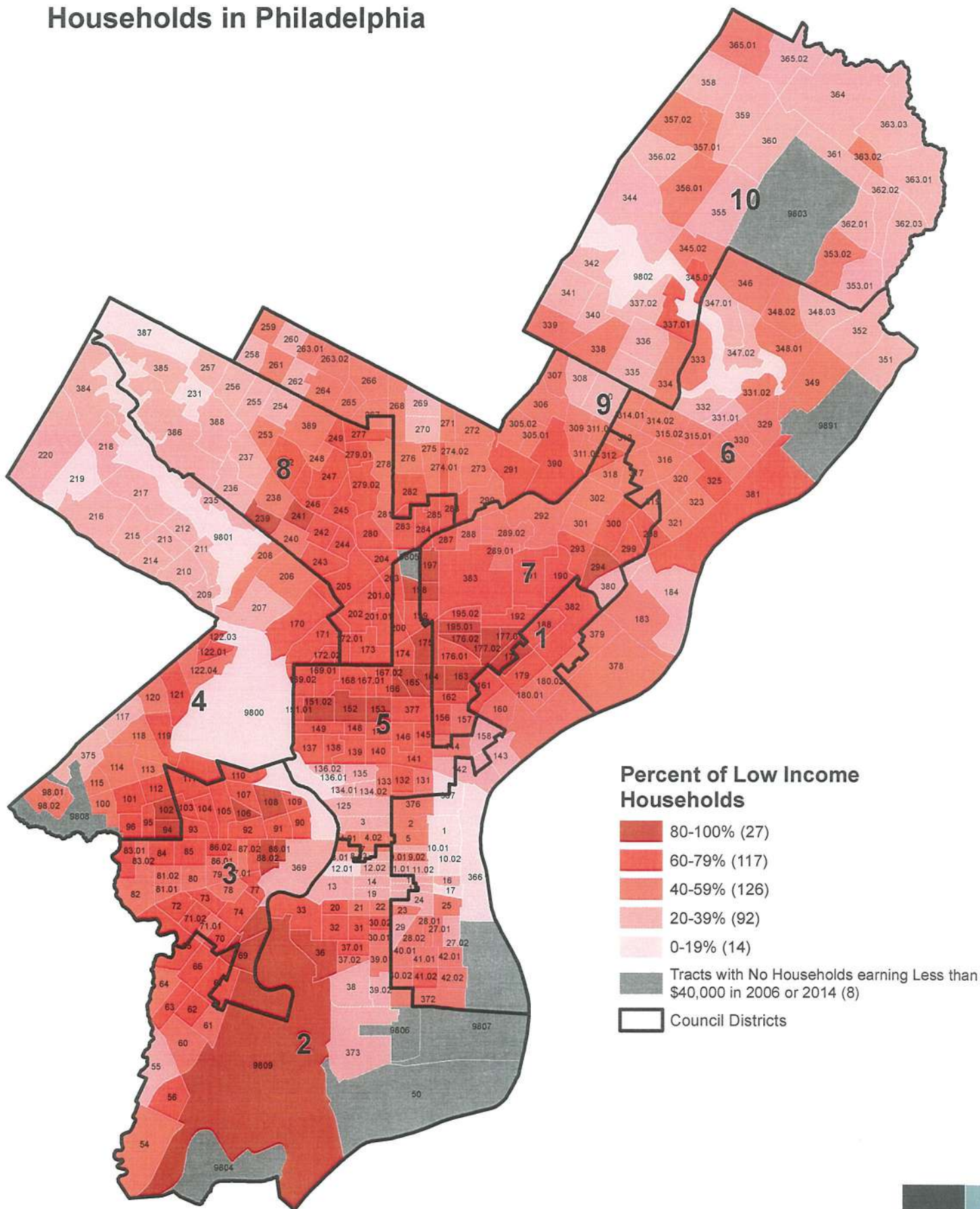


Anne Fadullon  
Director of Planning and Development

- cc: Councilman Jones  
Councilwoman Sanchez  
Councilman Domb  
Councilman Green  
Catherine Califano, Deputy Director

Attachments

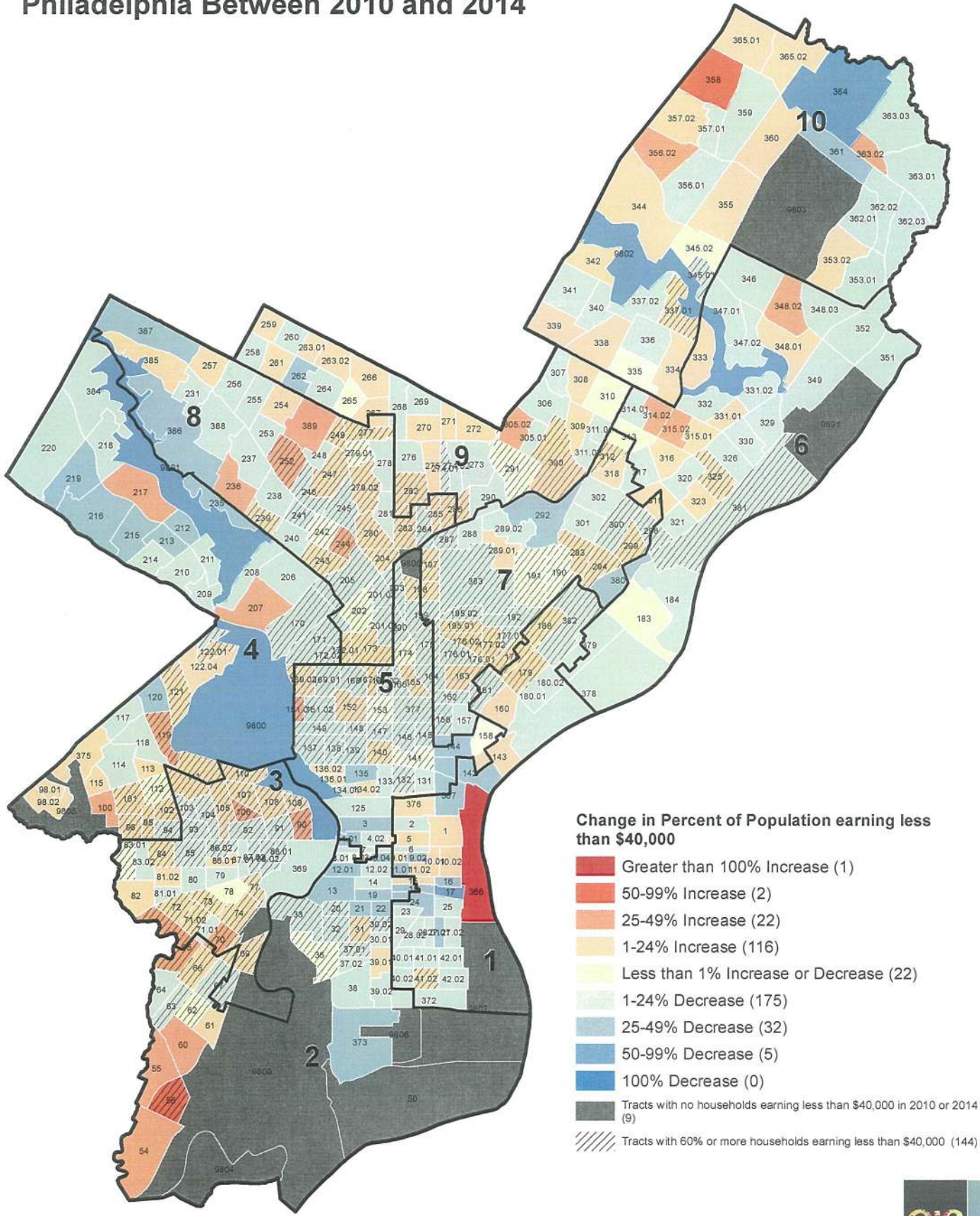
# Concentration of Low Income Households in Philadelphia



\*Data Source: 2010-2014 ACS 5 Year Estimates. Low income is defined as households earning less than \$39,999 as annual household income.



# Growth of Low Income Households in Philadelphia Between 2010 and 2014

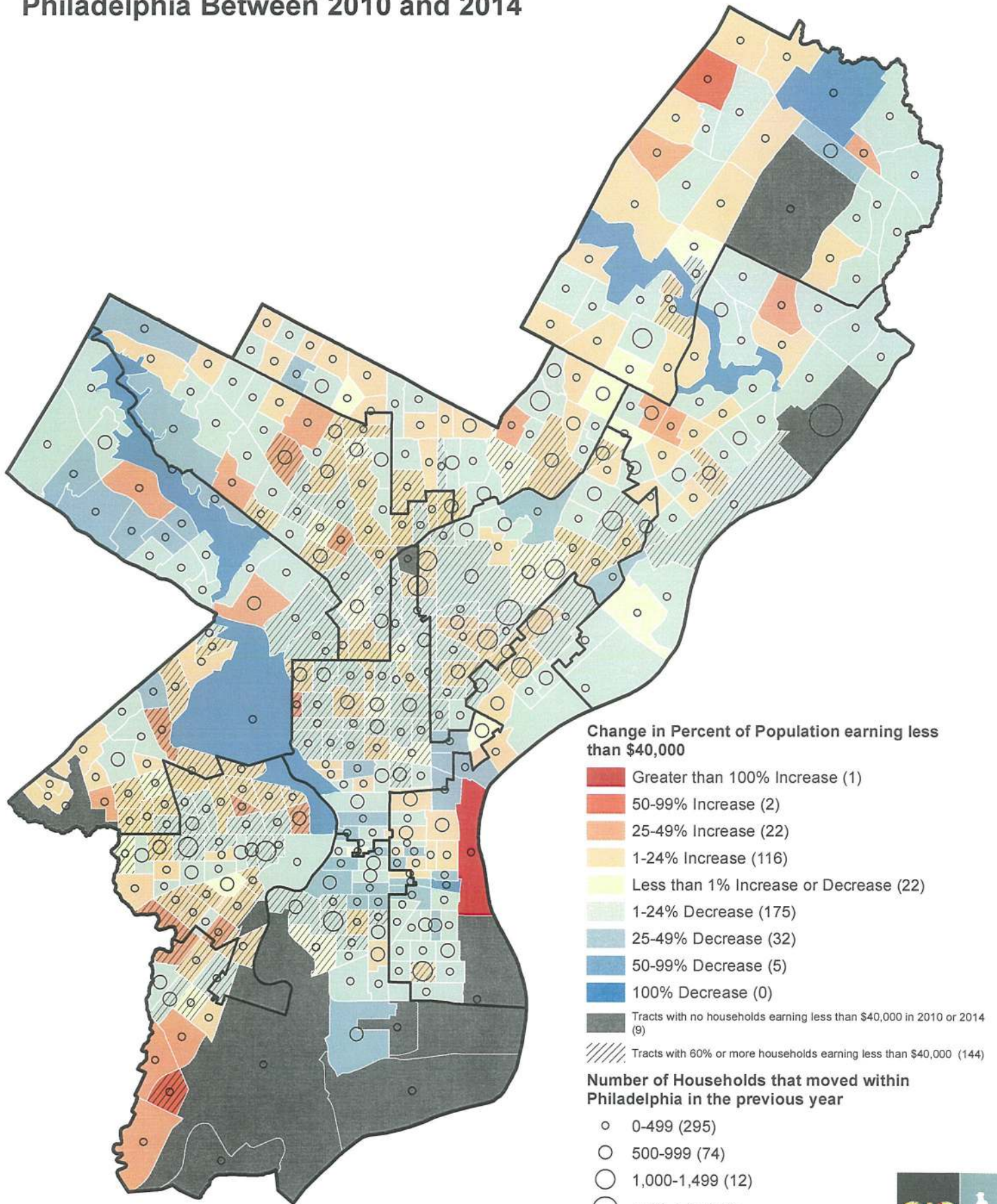


\*Data Source: 2006-2010 and 2010-2014 ACS 5 Year Estimates. Low income is defined as households earning less than \$39,999 as annual household income. Growth and declined is shown as the change in the percent of households earning between \$0 and \$39,999 between the two sets of ACS Estimates.





# Growth of Low Income Households in Philadelphia Between 2010 and 2014



\*Data Source: 2006-2010 and 2010-2014 ACS 5 Year Estimates. Low income is defined as households earning less than \$39,999 as annual household income. Growth and declined is shown as the change in the percent of households earning between \$0 and \$39,999 between the two sets of ACS Estimates. Household moves is based on the ACS question which asks if the household moved to current home from the same county in the last year.



**What is Conservatorship?**

Under the Pennsylvania **Abandoned and Blighted Property Conservatorship Act** (PL 1672, No 135.Cl.68). Conservatorship is a helpful tool to obtain the right to take possession of a property in order to return it to productive use and into compliance with code. The third party is appointed by the court to make necessary improvements to stabilize the property. Essentially, it allows one party to acquire rights to a property owned by another party to bring the property back into productive use. While conservatorship can potentially be a useful mechanism to gain legal access to property, it can be an uncertain, lengthy and costly legal process and requires preparation.

**What Kinds of Property are Eligible for Conservatorship?**

- Residential, commercial or industrial buildings or structures and its surrounding land.
- Vacant lots on which a building has been demolished.
- Adjacent properties may also be included in one petition if those properties are owned by the same person and if the properties were used for the same or related purposes.
- The property has to be unoccupied, not on the market for sale or in mortgage foreclosure, and be either unsafe or meet other public nuisance conditions.

**Who can file a Petition to Establish a Conservatorship?**

- A resident or business owner within 2,000 feet of the property (essentially a four block radius).
- A nonprofit organization that operates in the city and has participated in a project within a five-mile radius of the property.
- A lien holder or other secured creditor of the owner.
- A governmental unit (e.g., municipality, redevelopment authority).

**What has to be done to establish a Conservatorship?**

A petition for conservatorship must be filed with the court. The petition should set forth:

- A statement that the property meets conditions listed above
- A statement that the owner is in violation of municipal code or that the property is a public nuisance
- A recommendation for who, specifically, should be conservator of the property
- A preliminary plan with estimated costs for how the conservator is going to bring the property back into compliance with municipal code, as well as sources of funding for rehabilitation
- A schedule of the mortgages, liens and other encumbrances on the property
- Once the petition has been filed, a series of hearings will be scheduled for the court to assess the qualifications of the proposed conservator, feasibility of the plan, the proposed financing of that plan and eventually the sale of the property

### What Powers and Duties does the Conservator Have?

- Develop a plan to resolve the code violations on the property
- Operate, manage, and improve the property in order to bring it in compliance with all municipal code requirements
- Find funding sources to finance the implementation of that plan
- Contract for the repair and maintenance of the property
- File a lien against the property to cover the costs of the conservatorship such as the costs of rehabilitating the property, attorney's fees, and court costs
- Sell the property to reimburse court costs, rehab expenses and to pay liens

### Complications of Conservatorship

- **Funding:** Since the property owner maintains ownership of the property during the conservatorship period (i.e. during property rehab), commercial funding sources have not been readily willing to finance these projects. Therefore the Conservator needs to identify alternate funding sources (foundations, public funds or "friends and family"). This has made it difficult to use this tool at scale.
- **Liens:** While the court-sanctioned sale can be "free and clear" of liens, a conservatorship is only feasible where the property is in a location where the rehab costs and expenses of conservatorship can be covered by the sales price or rent revenue. If the conservator is not a public entity, excess net sales proceeds would also have be available to pay a developer's fee (which, by statute, is small)
- **Cost:** The Conservator must bear all the costs of the legal process to secure Conservatorship up front.



HOUSING COUNSELING & FORECLOSURE PREVENTION ORGANIZATIONS YEAR 41/FY 2016		
<i>Housing Counseling Support Services</i>		
Robert Lukens, OHCD Diversion Case Consultant	Counselor Max fees	PLA Diversion Outreach Coordination
SaveYourHomePhilly Hotline (Philadelphia Legal Assistance)	Ceiba EITC	Philadelphia VIP (Tangled Title)
Community Legal Services	Seniorlaw Project	
<b><i>Housing Counseling Agencies</i></b>		
Affordable Housing Center of PA	Intercommunity Action, Inc.	Nueva Esperanza
Asociación Puertorriqueños en Marcha	Intercultural Family Services	Philadelphia Council for Community Advancement
Center in the Park	Korean Community Development Services Center	Philadelphia Senior Center
Clarifi	Liberty Resources	Southwest CDC
Congreso de Latinos Unidos	Mt. Airy USA	Tenant Union Representative Network
Diversified Community Services	New Kensington CDC	Unemployment Information Center
Greater Philadelphia Asian Social Services	Norris Square Community Alliance	United Communities Southeast Philadelphia
Hispanic Association of Contractors and Enterprises	Northwest Counseling Services	Urban League of Philadelphia
Neighborhood Advisory Committees (NACs) Year 41 Agencies		West Oak Lane CDC
ACHIEVEAbility	New Kensington CDC	
Allegheny West Foundation	Nicetown CDC	
Asociacion Puertorriqueños en Marcha (APM)	Parkside Association	
Brewerytown-Sharswood CDC	People's Emergency Center CDC	
Frankford CDC	South Kensington Community Partners	
Greater Philadelphia Asian Social Service Center (GPASS)	Southwest CDC	
HACE	Strawberry Mansion NAC	
Hunting Park CDC	The Enterprise Center CDC	
Mt. Vernon Manor	Universal Companies	
	Whitman Council	

**City of Philadelphia  
Fiscal 2017 Operating Budget  
Schedule 100 - List Of Positions**

Department: 06 - OFFICE OF HOUSING & COMM DEV		Division: 0651 - EXECUTIVE DIRECTION DIVISION		Fund: 100 - COMMUNITY DEVELOPMENT FUND				
Line no.	Title	Salary Range	FISCAL 2015 Actual Pos @ 06/30/2015	Fiscal 2016 Budgeted Positions	Increment Run Jan-16	FY17 Budgeted Positions	Annual Salary July 1	Budgeted Inc/Dec
<b>065101 - EXECUTIVE DIRECTION</b>								
1	ACCOUNT CLERK	\$ 30,729 - \$ 33,440	1	1	1	1	\$ 34,665	0
2	ACCOUNTANT	\$ 39,453 - \$ 50,728	1	1	1	1	\$ 51,753	0
3	ACCOUNTING SECTION SUPERVISOR	\$ 59,273 - \$ 76,209	1	1	1	1	\$ 77,634	0
4	ADMINISTRATIVE TECHNICIAN	\$ 29,698 - \$ 38,184	1	1	1	1	\$ 39,809	0
5	APPLICATION ADMINISTRATOR	\$ 55,369 - \$ 71,182	1	1	1	1	\$ 72,407	0
6	CLERK 3	\$ 32,675 - \$ 35,654	0	1	3	3	\$ 101,767	2
7	COMMUNICATIONS DIRECTOR	\$ 67,817 - \$ 87,198	1	1	1	1	\$ 87,823	0
8	COMPLIANCE DIRECTOR	\$ 67,817 - \$ 87,198	1	1	1	1	\$ 85,399	0
9	DEPUTY DIRECTOR	\$ 115,635 -	1	1	1	1	\$ 115,635	0
10	DIR. OF OFFICE OF HOUSING AND COMM. DEV.	\$ 137,914 -	1	1	1	1	\$ 137,914	0
11	DIRECTOR OF FINANCE & TECHNICAL SERVICES	\$ 78,912 - \$ 101,452	1	1	1	1	\$ 103,077	0
12	EQUAL EMPLOYMENT PROGRAM MONITOR	\$ 37,691 - \$ 48,459	1	1	1	1	\$ 49,149	0
13	EXECUTIVE ASSISTANT	\$ 42,686 - \$ 55,123	0	1	0	1	\$ 55,748	0
14	GRAPHIC DESIGN SPECL	-	0	1	0	0	\$ 0	(1)
15	Graphic Design Specialist	\$ 45,616 - \$ 50,444	1	0	1	1	\$ 51,469	1
16	HISTORIC PRESERVATION PLANNER 2	\$ 52,040 - \$ 66,893	1	1	1	1	\$ 67,718	0
17	HOUSING BUDGET ANALYST	\$ 52,040 - \$ 66,893	1	1	1	1	\$ 67,918	0
18	HOUSING PROGRAM ANALYST 2	\$ 46,716 - \$ 60,063	1	1	1	1	\$ 70,698	0
19	INFORMATION TECHNOLOGY MANAGER	\$ 75,542 - \$ 97,126	1	1	1	1	\$ 81,595	0
20	INFORMATION TECHNOLOGY PROJECT LEADER	-	1	1	0	0	\$ 0	(1)
21	LAN ADMINISTRATOR	\$ 55,369 - \$ 71,182	1	1	1	1	\$ 72,407	0
22	NETWORK TECHNOLOGY ANALYST	\$ 46,716 - \$ 60,063	0	0	0	1	\$ 46,716	1
23	POLICY & PLANNING DIRECTOR	\$ 75,542 - \$ 97,126	0	1	1	1	\$ 97,751	0
24	PROGRAMMER ANALYST II	\$ 46,716 - \$ 60,063	1	1	1	1	\$ 61,088	0
25	PUBLIC RELATIONS SPECIALIST 2	\$ 44,737 - \$ 57,518	1	1	1	1	\$ 57,518	0
26	Policy & Planning Program Manager	\$ 63,548 - \$ 81,701	1	1	1	1	\$ 82,526	0
27	WORD PROCESSING SPECIALIST	\$ 29,840 - \$ 32,434	2	3	1	1	\$ 33,659	(2)
<b>Subtotal - EXECUTIVE DIRECTION</b>			<b>23</b>	<b>27</b>	<b>25</b>	<b>27</b>	<b>\$ 1,803,843</b>	<b>0</b>
<b>Grand Total - 0651 - EXECUTIVE DIRECTION DIVISION</b>			<b>23</b>	<b>27</b>	<b>25</b>	<b>27</b>	<b>\$ 1,803,843</b>	<b>0</b>

**City of Philadelphia  
Fiscal 2017 Operating Budget  
Schedule 100 - List Of Positions**

Department: 06 - OFFICE OF HOUSING & COMM DEV		Division: 0652 - OPERATIONS MANAGEMENT DIVISION		Fund: 100 - COMMUNITY DEVELOPMENT FUND				
Line no.	Title	Salary Range	FISCAL 2015 Actual Pos @ 06/30/2015	Fiscal 2016 Budgeted Positions	Increment Run Jan-16	FY17 Budgeted Positions	Annual Salary July 1	Budgeted Inc/Dec
<b>065201 - OPERATIONS MANAGEMENT</b>								
1	ACCOUNT CLERK	-	0	1	0	0	\$ 0	(1)
2	ADMINISTRATIVE OFFICER	\$ 49,132 - \$ 63,162	1	1	1	1	\$ 53,174	0
3	ADMINISTRATIVE TECHNICIAN	-	1	0	0	0	\$ 0	0
4	CLERK 3	\$ 32,675 - \$ 35,654	1	1	2	2	\$ 71,465	1
5	CONFIDENTIAL SECRETARY	\$ 38,063 - \$ 48,933	1	1	1	1	\$ 49,958	0
6	CONTRACT ADMINISTRATOR	\$ 72,448 - \$ 93,144	1	1	1	1	\$ 94,369	0
7	CONTRACT AUDIT SUPERVISOR	\$ 59,273 - \$ 76,209	1	1	1	1	\$ 77,234	0
8	Contract Auditor II	\$ 46,716 - \$ 60,063	1	0	1	1	\$ 57,113	1
9	HOUSING CONTRACT ANALYST	\$ 46,716 - \$ 60,063	3	3	3	3	\$ 182,082	0
10	HOUSING PROGRAM ANALYST 2	\$ 46,716 - \$ 60,063	2	2	2	2	\$ 120,951	0
11	HSNG PROG MONIT SUPR	\$ 59,273 - \$ 76,209	1	1	1	1	\$ 77,434	0
12	HUMAN RESOURCES MANAGER III	\$ 72,448 - \$ 93,144	1	1	1	1	\$ 94,569	0
13	IDIS PROGRAM ADMINISTRATOR	\$ 55,369 - \$ 71,182	0	1	0	1	\$ 72,007	0
14	MONITORING DIRECTOR	\$ 72,448 - \$ 93,144	1	1	1	1	\$ 94,271	0
15	NEIGHBORHOOD PROGRAM COORDINATOR 1	-	0	1	0	0	\$ 0	(1)
16	NEIGHBORHOOD PROGRAM COORDINATION DIR	\$ 75,542 - \$ 97,126	1	1	1	1	\$ 98,551	0
17	NEIGHBORHOOD PROGRAM COORDINATOR 2	\$ 41,122 - \$ 52,865	3	2	3	3	\$ 155,072	1
18	OFFICE SERVICES CLERK	\$ 29,840 - \$ 32,434	0	1	0	1	\$ 30,093	0
19	SENIOR CONTRACT AUDITOR	-	0	1	0	0	\$ 0	(1)
20	SENIOR HOUSING CONTRACT ANALYST	\$ 52,040 - \$ 66,893	2	2	2	2	\$ 135,636	0
21	WORD PROCESSING SPECIALIST	\$ 29,840 - \$ 32,434	3	3	2	2	\$ 67,318	(1)
<b>Subtotal - OPERATIONS MANAGEMENT</b>			<b>24</b>	<b>26</b>	<b>23</b>	<b>25</b>	<b>\$ 1,531,297</b>	<b>(1)</b>
<b>Grand Total - 0652 - OPERATIONS MANAGEMENT DIVISION</b>			<b>24</b>	<b>26</b>	<b>23</b>	<b>25</b>	<b>\$ 1,531,297</b>	<b>(1)</b>



## Income Eligibility Tables

2016 Section 8 Annual Income Eligibility Guidelines							
Household Size	Very Low 25%	30%	Low 50%	60%	Moderate 80%	115%	Middle 120%
1	\$14,075	\$16,900	\$28,150	\$33,780	\$45,000	\$64,745	\$67,560
2	\$16,075	\$19,300	\$32,150	\$38,580	\$51,400	\$73,945	\$77,160
3	\$18,075	\$21,700	\$36,150	\$43,380	\$57,850	\$83,145	\$86,760
4	\$20,075	\$24,300	\$40,150	\$48,180	\$64,250	\$92,345	\$96,360
5	\$21,700	\$28,440	\$43,400	\$52,080	\$69,400	\$99,820	\$104,160
6	\$23,300	\$32,580	\$46,600	\$55,920	\$74,550	\$107,180	\$111,840
7	\$24,900	\$36,730	\$49,800	\$59,760	\$79,700	\$114,540	\$119,520
8	\$26,500	\$40,890	\$53,000	\$63,600	\$84,850	\$121,900	\$127,200
For families/households with more than 8 persons, add for each additional person:							
	\$1,625	\$4,140	\$3,250	\$3,900	\$5,150	\$6,500	\$7,800

These figures are based on the Section 8 annual income limits for low- and moderate-income households set by the U.S. Department of Housing and Urban Development (HUD), effective March 28, 2016. HUD defines 50 percent of area median income as "very low income" and 80 percent as "low income." The definition of very low-, low- and moderate-income in this table are based on City Ordinance 1029-AA which defines 50 percent of area median income as "low income" and 80 percent as "moderate income."

2016 Income Eligibility Guidelines for the Following Programs: Basic Systems Repair Program, Emergency Heater Hotline and Emergency Repair Hotline.		
Household Size	Maximum Annual	Maximum Monthly
1	\$17,820	\$1,485
2	\$24,030	\$2,003

These figures are calculated to 150 percent of federal poverty-level guidelines. They are effective as of January 25, 2016.

3	\$30,240	\$2,520
4	\$36,450	\$3,038
5	\$42,660	\$3,555
6	\$48,870	\$4,073
7	\$55,095	\$4,591
8	\$61,335	\$5,111
For families/households with more than 8 persons, add for each additional person:		
	\$6,240	\$520

Appendix 1