

## City of Philadelphia

### Philadelphia Housing Advisory Board

June 13, 2018

#### **Attendance**

##### **HAB Members**

**Present:** Anne Fadullon, Greg Heller, Barbara Capozzi, Duane Bumb, Stephanie Pastula, Monica Burch, Greg Hill

**Not Present:** Tom Earle, Herb Wetzel, Daniel Cortes

**Consulting Team:** Vincent Reina, Lamar Wilson, Carolyn Placke, Andy Frishkoff

**Staff:** Melissa Long and Cathy Califano

##### **Handouts:**

Philadelphia Housing Action Plan Overview

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Brief introductions by guest and members and overview of meeting agenda

##### **Discussion:**

Anne Fadullon, provided a brief overview of the various housing related taskforce and planning processes, the department is seeking to align under a consolidated Housing Action Plan. Notably, the Eviction Prevention Task Force, OHS Homelessness Housing Plan, Historic Preservation Task Force and the following Working Groups: Resources and Financing; Access to Homeownership; Construction Costs and Technology; and Affordable Housing Preservation. Anne also mentioned there are the various housing related bills before City Council and this Plan may assist legislative efforts as well. The plan seeks to provide a roadmap for the next 10 years to achieve housing production and preservation goals for homeless, affordable, work force and market-rate housing units. LISC and team will presentation and update the HAB as the work unfolds. The final Action Plan will be concise and prescriptive.

#### **Housing Action Plan Background/Summary, presented by consultant team**

##### **A. Process:**

- Goals: coalition building; applying data and benchmarking; alignment of public policies; and engage public private and nonprofit stakeholders to define an action plan; and then support implementation.
- Phases, several of which overlap at various points:
  - Research & Review-what are the various groups working on, what have other places done
  - Data Analysis-primarily focused on defining and refining the ten-year housing unit production/preservation goals
  - Stakeholder working groups-identify and create priority goals
  - External Stakeholder Engagement-keeping City Council and Housing Advisory board informed and including stakeholders in meetings and conversations
  - Production: a tight prescriptive report of about 20 pages focused on action items and a timeline for implementing the full plan.

## **B. Discussion on Plan Production Goals**

- The 10-year plan will define goals for meeting the needs for homeless, affordable, workforce and market rate housing through production of new units and preservation of existing units.
- The consultant team presented a range of scenarios to estimate the annual production goals for each year. The chart offered 1,980 additional units each year of the plan to accommodate population increases or a cohort based approach which estimated a need to produce 2,100 units per year.
- The consultant team discussed the following factors to consider in refining the numbers:
  - Household size (these have been decreasing for years)
  - Current market-rate new production (2,500 -2,600 units per year)
  - Life expectancies
  - Immigration Growth (recent PEW Study shows substantial growth)
  - Rehab Production: the most recent year available 8,300 permits pulled with roughly 2/3rds for minor rehab and 1/3<sup>rd</sup> for major rehab.
  - Price Pressures: Does Philadelphia lack units or is the inventory shortage due to a pricing mismatch issue and not a lack of demand?
  - Production Cost: if the plan estimated that 83,000 units would need to be produced at an average cost of \$100,000/unit that equates to \$8.3 billion (while not all would be public funds that was a big lift).
  - All agreed that targets need to be crafted to ensure Philadelphia has a healthy housing market of all types- including accessible units.
  - Income categories and family size together

## **C. Next Steps**

- 1) Consultant team will continue to refine the data analysis and research. It was expressed that the information coming out of the discussion was very helpful. Consensus of the group was to go with larger aspirational goal and break out by income bands.
- 2) The working groups are continuing to convene and the team will pull together their recommendations meeting with every team's leaders, understanding their recommendations, doing additional best practices and then culling from those individual working committees, the top recommendations.
- 3) Lamar will be writing the actual draft and begin circulating that for comments and review in September and then the group will roll out the final plan in October.