PHILADELPHIA COMMUNITY SUSTAINABILITY INITIATIVE

Every Neighborhood A Community of Choice
Philadelphia’s ability to grow and prosper in the 21st century requires that every neighborhood within the City become a Community of Choice; safe, stable, sustainable communities that current and prospective residents would choose to live in. City Council’s goal is clear and precise: use all available resources to make “Every Neighborhood a Community of Choice.”

To that end, City Council proposes the Community Sustainability Initiative (CSI) – an unprecedented and comprehensive strategic framework to guide the work of City Council in making every neighborhood in Philadelphia a Community of Choice. It is built on solid research, using current data and advanced technology, to fully document the current state of our communities and neighborhoods to be compared against the goal we have set for our City. Knowing where we are and where we want to go creates a lens by which our work can be viewed, a context to measure the legislative efforts of this body and an evaluation tool to assure that whatever we do moves our City closer to our goal.

CSI’s strategic framework is aspirational, actionable and accountable, and at the same time it must be flexible and adaptable to the uncertainties that lie ahead in the 21st century. It will be a transparent, living document enriched and refined as our knowledge base grows through citizen participation, collaborative research and constant review of best practices in other cities.

As this framework takes form, there will be a number of administrative and business practice advances that will need to be developed and implemented to effectuate the vision. A set of initial policy recommendations are included in this report and it is anticipated that many more will be developed as CSI grows and evolves.

Philadelphia’s greatness is not just rooted in our nation’s history. In order to make the great American democracy experiment really work for generations to come, we in City government must behave as if we truly believe our greatest days lie ahead of us. With citizens, the private sector and government working collaboratively toward a healthier and more prosperous future, we can achieve our goal of making every neighborhood a Community of Choice.
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INTRODUCTION

The Community Sustainability Initiative (CSI) is a strategic framework, intended to assist City Council and the City of Philadelphia in achieving the goal of securing for all Philadelphia citizens “Every Neighborhood a Community of Choice.” The premise is that while acknowledging that there will always be income and housing quality variation across neighborhoods, and there will always be movement in and out of neighborhoods, every citizen should be able to live in a neighborhood that offers its residents a decent “Quality of Life” as measured by certain fundamental, meaningful and measurable characteristics.

As with all research and policy initiatives, this project has some basic assumptions underlying the work. It assumes that 1) as citizens’ incomes rise, and their resource afford them the opportunity to select a different housing product or locations, the City of Philadelphia will offer places that meet their demand. 2) That all neighborhoods can expect good quality of life attributes without having to move out of the city; and 3) City government, to the extent that it can, should actively measure and provide higher quality of life levels for each neighborhood via innovative and appropriate city services and policies. The CSI initiative is designed to make Council more effective and pro-active, by providing further insight into how their legislative actions will improve the quality of life of residents in neighborhoods, and by assisting in forecasting the effects policy actions will have on public service delivery.

Efforts to make local government more efficient and accountable to citizens are not new. Typically such efforts are in the domain of the executive branch and operating departments. Today we launch a new concept, the Community Sustainability Initiative, novel in that it brings the legislative branch City council explicitly into the loop. This reemphasizes the fact that legislators play a key role in resource allocation and policy development at the local level. The uniqueness of CSI is its concentration on neighborhood quality, not on trying to resolve all local policy issues.

At the core of CSI are key quantitative measures that reflect quality of life (safety from crime, quality elementary schools, amenities, safe housing conditions and access to work, recreation and retail). Hundreds of variables were examined and assessed, resulting in a set of key measures that are descriptive and ongoing for each city neighborhood. The data underlying each measure is based on detailed research, careful data analysis and advanced statistical and mapping technology.

PURPOSE

The first purpose is to fully statistically valuate our neighborhoods as attractive locations to live to help understand how and why some neighborhoods are less attractive and focus public policy on helping them, while at the same time improving already strong neighborhoods.

The second is to inform and to measure progress of legislative activity in terms of these basic neighborhood characteristics. Knowing where we are and where we want to go creates a lens by which City Council’s (and the entire City government’s) work will be viewed, measured, and evaluated.
As a strategic framework CSI is dynamic, actionable, transparent and accountable, yet at the same time it must be flexible and adaptable to the uncertainties that lie ahead in the 21st century. It will be enriched and refined as our knowledge base grows and our understanding of how best practices in other cities can help us achieve our goal. As this framework takes form, there will undoubtedly be a number of administrative and business practice advances that will need to be developed and implemented to effectuate the vision. A set of initial policy recommendations are included in this report; it is anticipated that many more will be developed in the future as the CSI framework is utilized by Council.

Philadelphia’s ability to grow and prosper in this 21st century requires that every neighborhood within the City become a Community of Choice: safe, stable, sustainable communities that anyone - current residents of Philadelphia and those who are considering making Philadelphia their new home - would choose to live in. CSI has been developed with the full knowledge that government can’t fix all neighborhood problems and that ultimately the potential for residents to be able to live in good neighborhoods will be determined by their income and wealth. And the initiative is based on how people actually do behave (mobility, adjusting to constraints, increasing or decreasing consumption), not a construct that doesn’t match how the world works. Private investment (or reinvestment) in the housing infrastructure of a community is the largest and most powerful force for neighborhood quality. A hallmark of American life is the ability for families to “move up” to “better” neighborhoods as their financial conditions change. The CSI neighborhood model incorporates this fact.

CSI may be seen as a citywide version of the third core goal of the HUD Choice Neighborhoods Program: Create the conditions necessary for public and private reinvestment in all neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families’ choices about their community.

QUALITY OF LIFE

The basic thrust of the CSI initiative is to focus local government on taking actions that will increase the quality of life of Philadelphia’s current and future citizens. “Quality of Life” means different things to different people at different stages of their lives. However, there are universal elements, that when present, create places where people, over the entire spectrum of family income levels, want to live, work and raise families. People aspire to live in places where these elements exist in abundance and, if they can, move away from places where they do not. Furthermore, people want to have the option (or choice) to move to different neighborhoods as their personal financial or family conditions change. The premise underlying CSI is that every citizen is entitled to live in a neighborhood characterized by a “decent” quality of life. Where the municipal government can, it should strive to make improvements to neighborhoods that decrease or mitigate “bad characteristics” as well as increase or augment “good characteristics”.

The data measures incorporated into the CSI model represent universal core elements that must be present in a or a characteristic of every neighborhood in order for Philadelphia to realize our full potential as a modern, competitive 21st Century City.
Philadelphia neighborhoods have various strengths and weaknesses. Quality, diversity and accessibility to services and amenities can vary greatly from place to place. The Philadelphia Community Sustainability Initiative seeks to raise the standard of quality for all neighborhoods. As a first step towards that goal, it was necessary to identify areas of the city that would serve as benchmarks on the various quality of life indicators and then rank all block groups relative to these areas.

City Council used The Reinvestment Fund’s (TRF) Market Value Analysis (MVA) tool to identify these benchmark areas in Philadelphia. The MVA is an assessment that identifies and differentiates the range of housing market conditions in a given city. Philadelphia has used this tool to support decision making since 2001. TRF produced the first MVA for the Street Administration, establishing a framework for allocating the Neighborhood Transformation Initiative’s resources to address the specific conditions facing Philadelphia’s neighborhoods and housing markets. Since then, TRF has completed follow-up MVA studies in 2003, 2007 and most recently in 2011. In addition, nearly 20 cities around the country, including Detroit, Houston, Baltimore and Pittsburgh use the MVA today to better understand local housing market conditions, the underlying causes of neighborhood distress, and to identify areas of opportunity for investment. Private developers, foundations and CDCs also use it to find areas of strength in their communities and to measure the impact of their work.
Map 1. 2011 Philadelphia Market value analysis (MVA)

Map 2. 2011 MVA Middle Markets

2010 - 2011 MVA

- Insufficient Data
- Regional Choice
- Steady
- Transitional
- Distressed
- Split BG or Estimated Market
- Non Residential >=150,000 sqft
- Park/Open Space, Culture/Rec
- Water
The benchmark areas are based on the block groups that were characterized as stable or transitional in the 2011 MVA (shown on Map I in blue or yellow). Essentially, these benchmark areas represent the expected standards of living for all residents, assuming that all citizens want to live in decent, safe, and prosperous neighborhoods. The Community Stabilization Initiative established seven indices of quality to measure, these include a(n):

Amenities  
Commerce  
Education  
Housing Demand  
Housing Stability  
Prosperity  
Safety

The valuations in each of the benchmark areas were averaged to produce a measure of what the typical stable or transitional block group would look like on each of the indices. In addition, all indices were then rolled up from the block group to the neighborhood level and compared to a range of values for the benchmark areas (about 2/3 thirds of the benchmark block groups fall within this range). Ideally, if CSIP is effective, all neighborhoods in Philadelphia will eventually fall within or above this benchmark range of values.
Public amenities such as libraries and recreation centers are valuable public services that help to build identity and a sense of community in neighborhoods. Proximity to high quality public spaces enhances neighborhood values. Libraries not only offer books, periodicals and internet service to residents, they offer places for people to socialize, develop skills, and serve as safe havens for children after school. Similarly, recreation centers are critical for all Philadelphians, providing facilities for exercising as well as opportunities for children to learn sports, access after school tutoring and participate in summer camp programs. Access to financial services is also important to neighborhoods as local bank branches provide more advantageous terms to borrowers and residents seeking to cash paychecks.

A reasonable measure of the quality of a neighborhood’s amenities is the average distance to certain key amenities such as libraries, recreation centers and banks from the center of each block within the larger block group. Places that score high (either a 4 or 5) are in closer proximity to such amenities, on average, than those places with lower scores. However, many of these types of amenities are absent in certain sections of the city. Some areas of North Philadelphia, for example, lack parks and places for children to come together after school. A shortage of private amenities, like grocery stores, also creates food deserts where minimal access to nutritious foods can affect people’s health. Moreover, even accounting for our excellent public transit system, many of Philadelphia’s neighborhoods lack convenient access to both public and private amenities. Certain sections of North and Lower North Philadelphia, for example, can’t readily access the mass transit train lines (Broad Street Line and Market-Frankford Line). This is a double-edged sword because both transit and amenities are in short supply in these neighborhoods.
Map 4 highlights the block groups in Queen Village. The block groups on the western edge of the neighborhood scored a 5 on the Amenities Index as there are several recreation centers and a library not far to the west, in the adjacent Bella Vista neighborhood. There are only two bank branches in the block group, both at the northern edge near South Street. The block groups on the eastern edge of the neighborhood scored slightly lower as they were a bit farther from recreation centers, banks and the library in Bella Vista.
Recommendation for Area with a low Amenities Index Score

**University Good Neighbors Philly Program**

The City should establish a formal, collaborative program to further encourage all city colleges and universities (and possibly other large not-for-profit institutions) to formally embrace their adjacent neighborhood communities in ways in which they have comparative advantages, such as student involvement, vendor purchasing power, scale, educational expertise, security, and direct employment. This program should involve the City Commerce, Managing Director and Planning departments, working alongside District Council Members and offices. This would help surrounding neighborhoods in all of the variables of CSI, including strengthening small local businesses, establishing amenity retail, improving the physical environment via capital investments, and offering community educational programs and housing reinvestment subsidies.

**Funding:** No new direct funding; redeploy and utilize existing offices and staff

**Philly Neighborhood Arts Explosion**

Encourage expanding the local production and installation of public neighborhood art. Encourage neighborhood festivals and performing arts. Empower and expand the reach of the City’s Parks & Recreation Department, the Arts and Culture Office, the Cultural Alliance and similar organizations to serve to bring neighborhood and citywide arts and culture groups together to develop programs designed to generate neighborhood activity, interest and pride. Enlist local community and civic associations to help develop, promote and participate. Expand the reach of the Mural Arts program by increasing funding and promotions of the murals, as well as linking them more directly with specific neighborhoods. Target resources to attract Arts/Cultural investments and activities to bring residents and non-residents to areas with few existing arts and related amenities. This would make all neighborhoods more attractive and increase opportunities for residents to get together and develop neighborhood pride.

**Funding:** Start with $3 million/yr. to REC and ARTS&CULTURE by reallocating existing City General Fund and encourage private match funding.

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**Parks and Recreation Capital Improvement Program**

Recreation Center accessibility and quality is a crucial factor in neighborhood quality of life. Similarly, the attractiveness of citywide and neighborhood parks plays a key role in neighborhood quality. In addition to adequate annual operating funding, rec centers and parks are in dire need of significant capital improvements. Direct City Planning and the Parks & Recreation department to come up with a visionary, 21st century plan for making the city’s parks and recreation facilities the best in the USA.

The city should embark on a 5-10 year, $150 million capital improvement effort to build new, upgrade, and reinvest in the rec center and park infrastructure of the city, beginning with those in the worst condition and in the neighborhoods with the lowest amenity index scores. The city should identify and establish “Neighborhood Parks TIF Districts” immediately and set the Base Year as the 2013 assessment year.

**Funding:** $50 million in city capital bonds, $75 million in PGW Sale proceeds and $25 million private, corporate and foundation match. The city should appoint the Fairmount Park Conservancy as the private funding coordinator for this program.
Neighborhoods that have a greater number and diversity of food establishments, neighborhood-scale retail and personal service options are more attractive commercial areas. Philadelphia’s commercial corridors developed in times when residents shopped very differently than they do today. Today, shoppers look to purchase a variety of options from a single location. Commercial corridors that have a wide diversity of services concentrated in one physical location may therefore be likely to attract more shoppers. The Commerce Index measures both diversity and quantity of commercial services available to residents within their neighborhoods.

A community’s quality in regards to Commerce can be determined by the number and variety of retail and service businesses that are typically associated with neighborhood livability. High quality block groups have both a relatively high number and a wide variety of types of commercial businesses. In Philadelphia they tend to be concentrated around many of the traditional commercial corridors in the city: Broad and Market Streets, Frankford Avenue, Roosevelt Boulevard and Germantown and Ridge Avenues. Neighborhoods that tend to score low either have fewer of these commercial services or there is a lack of diversity among the types of businesses present.
Map 5. West Powelton Commerce Index

Map 5 Displays the Commerce Index for the block groups in the West Powelton neighborhood. The proximity of this neighborhood to Lancaster and Haverford Avenues as well as the campus of Drexel University means that there is an abundance of retail and service establishments with a wide diversity of choices for neighborhood residents.

Source: City of Philadelphia and TRF
Recommendation for Area with a low Commerce Index Score

**Philadelphia 21st Century Commercial Corridor Initiative**

Expand support for making certain retail corridors more physically attractive and financially viable. Categorize corridors as “Local Demand Retail” and “City/Regional Destination Retail” and use city economic development programs to encourage retail that is most appropriate for either. Some other city programs, like the Storefront Improvement Program which reimburses business owners in commercial corridors for improvements they make and Corridor Beautification and Cleaning which is in place to help with streetscape improvements, leading to more pleasant shopping and service experiences, can be utilized as well. LISC also has a Commercial Corridor Revitalization Initiative that gives support to groups wanting to better their corridors. Focus on reducing the regulatory and tax burdens associated with operating small retailing businesses in Philadelphia neighborhoods, assist with marketing (for City/Regional Destinations) and improving the basic public infrastructure (including parking and transit) along the corridors. Consider limiting the length of the Commerce Dept. Commercial Corridor Areas to concentrate resources and attract tenants to vacant spaces in strong corridors. Encourage the establishment of NIDs & BIDs, by expanding the Commerce Department’s existing programs, and work with nearby college and university business schools to assist with retail development and entrepreneurial development. Develop “Gateway” enhancements to bridge transitional corridors to stable markets.

Funding: Re-allocate in General Fund an additional $3 million/yr. to Commerce programs and add $10 million/year to the Street's capital program.

**Philadelphia Large Scale Retail Initiative**

The nature of retailing has changed, and economies of scale allow for lower prices for most commodities, benefitting all citizens, especially the poor. The city should encourage the siting and growth of larger retailers in key locations throughout the city so that residents of all neighborhoods can have enhanced access to greater choice and lower prices. The resulting lower cost of living for neighborhood residents translates into more local spending (and therefore generates more local retail and employment). Speed up the process for assembling larger sites for large scale retail development. This would help both the commerce and amenities index scores for nearby neighborhoods.

Funding: Utilize existing economic development programs augmented with TIF and possible City Capital funding for site infrastructure.

**Philadelphia Re-Imagining Neighborhood Icon Program**

Many city neighborhoods have blighted or vacant structures that were at one time neighborhood anchors and icons. These structures, many architecturally significant, helped define the neighborhoods and include churches, schools, institutions and even important private commercial buildings whose very presence helped indicate prosperity, quality of life and stability. When these buildings are vacant, blighted or even in disrepair they matter more than other vacant or blighted properties; they are a powerfully negative symbol of commercial and neighborhood decline. And they are a fiscal burden to the city. Old city-owned buildings, churches and PSD/Archdiocesan closed school buildings are a special and most important subset of these properties. Energize current plans to explore how these buildings can be returned to commercial retail or mixed use.

Funding: No additional funding; reprioritize efforts and generate consensus on moving properties into reuse. Be prepared to subsidize the re-use investment via existing economic development programs and incentives.
The quality of local schools plays an important role in the home buying and selling decisions for families with school aged children. A 2000 survey by the Philadelphia City Planning Commission found that the presence of good schools was selected as the third most important neighborhood characteristic for both buyers and sellers between ages 25 and 44 with children. Good, safe local schools are the hallmark of decent places to live and improving the quality of schools is a good way to create more attractive neighborhoods.

This index essentially measures the educational environment of a neighborhood by assessing the quality and safety of the local elementary school. Two solid indicators of the educational environment of Philadelphia neighborhoods are the 2012 Great Philly Schools quality rating for the elementary school serving the block group (based upon Philadelphia School District catchment areas) and the number of crimes within ¼ mile of the school building. Block groups that score high on the Education Index are served by schools rated highly by Great Philly Schools with few crimes within ¼ mile of the school building. These areas currently are concentrated in the northeast and northwest sections of the city as well the eastern part of Center City.

Groups like the Philadelphia Education Fund, which works with the School District and vested groups to improve education in the City, as well as dedicated parents, teacher and administrators work tirelessly to ensure the betterment of Philadelphia’s schools. Indeed strides have been made in recent years as graduation rates have risen and test results have improved, but much still needs to be accomplished as there are many neighborhoods that are greatly underserved and it will depend on the continued cooperation of families, communities and school officials in making sure every child has a chance at a good education in the city.
Map 6 displays the Education Index for the Somerton neighborhoods which is served by the William H. Loesche Elementary School and the Anne Frank Elementary School. They are both rated highly (8 or above) on the Great Philly Schools overall school rating and have very few crimes per 1000 people within a ¼ mile of their buildings.
Recommendations for Area with a low Education Index Score

**Neighborhood School Preference Expansion**

Local neighborhood preferences must factor in the approval process for new schools, whether traditional or charter, in order to establish links between the school and neighborhood from the very beginning. New school approval process must also take into account neighborhood characteristics such as employment, concentration of employers in the area, demographics (e.g., non-native English speaking populations).

**Funding:** No additional funding required

**Target Private Funds for Remedial Students**

Identify potential private (including Foundation) funding for remedial/supplemental support for individual students in certain neighborhood schools to provide additional out-of-school instructional support. Engage local private high schools, colleges and universities, as well as neighborhood and civic groups and retired-but-active residents, to provide assistance via tutoring programs that encourage use of online instruction for poorer students (also diminishing the digital divide). Utilize neighborhood libraries for tutoring activities.

**Funding:** Reallocate PSD budget, supplemented by private funding and efforts

**Increase University-School District Partnerships**

Encourage colleges and universities to take even more active roles in the elementary education of students in their adjacent neighborhoods. Many have been active and developed excellent programs; CSI could promote that and encourage greater involvement and investment. Explore new partnerships with Educational and Anchor Institutions. Expand the school year/summer programs for certain neighborhood public schools. Partner with PSD, local businesses and local colleges and universities for programs and tutoring and with community groups and police to increase in-school safety for students, staff and teachers. Encourage Philadelphia Schools Partnership to concentrate some portion of funding efforts in neighborhoods with lowest performing schools, especially in those neighborhoods not immediately adjacent to a college or university.

**Funding:** supplement PSD budget by private funding and efforts

**School Based Family Services**

Studies have shown that children who show up at school hungry, tired, or in poor health are not going to achieve their fullest academic potentials. Students and their families should have easy access to all health services to which they are entitled. One of the best ways to deliver these services in an efficient and effective manner is to place services in the city neighborhood schools as they can provide direct access to care.

This initiative is to establish centralized centers in neighborhood communities throughout the city that provide a variety of health services to students and their families in a convenient and accessible environment. Using physically located focal points, like local schools, is a natural place to locate these centers as they are convenient and easily accessible. The goal is to keep student in school, learning; and improving wellness and socio-economic outcomes for our children, their families and the communities in which they reside.

**Funding:** May be available under the Federal Affordable Care Act; reconfigure how services are deployed in departments.
Of all the Indices, the demand for housing in Philadelphia is a reflection of the value that investors and homeowners perceive in different parts of the city. As neighborhood conditions in Philadelphia change over time, some locations become more attractive, and therefore attract higher demand. Demand is largely a function of sales price but it is also a measure of where sales transactions are occurring, and where property owners are investing in the housing stock. The public sector alone cannot build or transform housing markets, but it can align its investments with market forces to ensure that housing remains affordable in areas that are appreciating in value and strengthen market demand in transitional neighborhoods. Keeping a keen eye to market activity allows the public to strategically allocate scarce resources most effectively.

A strong indicator of the demand for housing in a neighborhood can be constructed from three indicators of the housing market. These indicators include the median sales price of all single family residential properties, the percentage of single family properties that had building permits issued and the percentage of residential properties sold. This index represents demand for residential housing; it highlights areas where both individuals and investors are most likely to be investing in housing. Conversely, it also identifies areas where there is little market activity. It provides a broad indication of the health of the housing markets and over time, it will provide insight into which way demand is trending in a particular area.

In Philadelphia, the neighborhoods to the North of Center City such as Fairmount and Northern Liberties, as well as to the South of Center City like Point Breeze and East Passyunk, have experienced sales and price increases in recent years. Some of these neighborhoods are established and have been occupied by the same families for years so it’s imperative that rising demand is tempered with maintaining affordable stock for these individuals. Conversely, certain neighborhoods in the North and Northeast show flat sales so investment and promotion in these areas is vital in ensuring a diverse range of housing types and prices throughout the city.
Map 7. Andorra Housing Demand Index

Map 7 shows the Housing Demand Index for the block groups in the Andorra neighborhood - where between April 2012 and March 2013 the median sales price was above $200,000, over 500 building permits were issued and over 3% of the residential properties were sold. Each of these indicators are well above their city average and as a result the neighborhood receives a Housing Demand Index score of 5.
Recommendation for Area with a low Housing Demand Index Score

2000 New Affordable Housing Initiative

There is a severe shortage of affordable rental housing and workforce homeownership opportunities in Philadelphia as evidenced by the following: In March of 2013 the Philadelphia Housing Authority (PHA) Board of Commissioners voted to close the waiting list for PHA housing as the list had reached 110,000. PHA owns 14,000 units and the average wait time for persons on the list had reached 10 years. According to HUD any household that pays more than 30% of their income for housing and utility costs is burdened. In Philadelphia there are over 116,000 renter households that pay more than 30% of their income for rent and utilities and another 70,000 renter households pay more than 50% of their income for rent and utilities. According to a highly respected study conducted by the National Low Income Housing Coalition titled, “Out of Reach 2013,” a Philadelphia household making minimum wage would have to hold three full time jobs (120 hours of work per week) in order to pay 30% of their income to rent the median price two bedroom unit. In the alternative that household would have to earn $21.52 per hour in one full time job to afford the same.

2000 New Affordable Housing Initiative will:

• More effectively utilize state and federal housing funds that are allocated to the City but are not used to their maximum potential or at all;
• Kick-start revitalization in blighted neighborhoods by developing affordable rental units on publicly owned land;
• Promote and maintain sustainable mixed-income communities by developing affordable rental housing and affordable ownership units on publicly owned land in rapidly gentrifying areas;
• Convert publicly owned land into taxable properties, owned by a taxable entity, providing an additional annual property tax revenue stream to the City; and
• Create jobs, both construction and construction-related, in addition to post-construction jobs in managing and maintaining the affordable rental units.

Funding: No new direct funding required, rather coordination of existing resources between the City, the Philadelphia Housing Authority and the Pennsylvania Housing Finance Agency will yield greater production.

Philadelphia Property Tax Credit for Reinvestment Program

The homestead exemptions and gentrification relief provided under the new AVI assessment system encourage homeownership and mitigate the impacts of rapid changes in market conditions that could in the short-term harm certain homeowners. Encourage affordable housing development and redevelopment by working with PHA, PHFM, PRA and provide foundations such as the Presbyterian foundation to assist in housing needs for families and elderly. For certain neighborhoods, the city could provide a grant-equivalent credit for up to 15-20% of the property taxes paid to be used for upgrading the structural condition of the house, including funding for combining very small units into larger, more marketable units.

Funding: Automatically from General Fund

Neighborhood Branding Initiative

Philadelphia is often described a “City of Neighborhoods”, and there is still pride in various neighborhoods, but often times that is based on what they used to be, not what they are now or what they can be in the future. Enlist existing neighborhood groups and civic associations to lead these efforts. Distinctive brands that celebrate both past and present should be developed. Neighborhood festivals, events, street closings, and similar events can help cultivate a sense of pride and hopefulness in a community. This could be developed in conjunction with any neighborhood safety or amenity enhancing initiatives. For certain areas, the City can support neighborhood marketing programs to retain and attract new residents to these areas.

Funding: Minimal direct funding ($500,000) from General Fund, augmented by private sources

Review Property and Land Tax Structure

The City’s current property tax assessment framework depends heavily on a structure’s assessed value rather than the value of the land on which it sits. Philadelphia should further study whether flexibility in tax reliance on property value versus land value could be used as a tool to encourage investment and marketing of underutilized and vacant parcels that damage neighborhood quality.

Funding: Revenue Neutral"
Philadelphia did not experience the foreclosure crisis as badly as other cities (e.g., Newark, Miami, Phoenix, and Cleveland, to name a few). That said, foreclosures have remained at elevated levels in Philadelphia going from 5,126 foreclosures in 2005 to 6,255 in 2012. Tracking foreclosure actions and increasing mortgage delinquency rates with local data allows the City to remain proactive and responsive to changes in the neighborhood housing markets. The Housing Distress Index highlights where the problem is trending high and if it is concentrated in a specific area of the City.

As strong indication of a neighborhood’s Housing Stability can be constructed by determining its percentage of residential properties that received Act 91 notices (an indicator of mortgage delinquency) and the number of foreclosure filings in the particular community over a finite amount of time. These indicators represent the degree to which foreclosure and mortgage delinquency threatens the ability of homeowners to keep their homes.

Interestingly, areas of high Housing Stability include areas with both high Housing Demand and places where housing demand is at its lowest. These are often places where few homeowners have mortgages or where banks are reluctant to foreclose on homes because of low home values. Many of these homeowners have lived in their homes for decades and have paid off their mortgages and see no need to downsize or leave an asset that they have no debt obligation on. Also part of the equation is the fact that these homeowners may be in areas of low demand so their housing values remain low. On the flip side, popular and trendy neighborhoods show little delinquency because they attract professionals and members of the creative class who enjoy the lifestyle present in these areas and can afford the higher prices attached to the housing stock.
Map 8 shows the Housing Stability Index for block groups in the Fairmount neighborhood. Most of the neighborhood scores a 4 or a 5 on the index though block groups closer to Girard Avenue on the northern edge of the neighborhood score somewhat lower. This would indicate somewhat high foreclosure and notices of delinquency in this part of the neighborhood.
Recommendation for Area with a low Housing Stability Index Score

2000 New Affordable Housing Initiative

There is a severe shortage of affordable rental housing and workforce homeownership opportunities in Philadelphia as evidenced by the following: In March of 2013 the Philadelphia Housing Authority (PHA) Board of Commissioners voted to close the waiting list for PHA housing as the list had reached 110,000. PHA owns 14,000 units and the average wait time for persons on the list had reached 10 years. According to HUD any household that pays more than 30% of their income for housing and utility costs is burdened. In Philadelphia there are over 116,000 renter households that pay more than 30% of their income for rent and utilities and another 70,000 renter households pay more than 50% of their income for rent and utilities. According to a highly respected study conducted by the National Low Income Housing Coalition titled, “Out of Reach 2013,” a Philadelphia household making minimum wage would have to hold three full time jobs (120 hours of work per week) in order to pay 30% of their income to rent the median price two bedroom unit. In the alternative that household would have to earn $21.52 per hour in one full time job to afford the same.

Building An Affordable Future Initiative will:

• More effectively utilize state and federal housing funds that are allocated to the City but are not used to their maximum potential or at all;

• Kick-start revitalization in blighted neighborhoods by developing affordable rental units on publicly owned land;

• Promote and maintain sustainable mixed-income communities by developing affordable rental housing and affordable ownership units on publicly owned land in rapidly gentrifying areas;

• Convert publicly owned land into taxable properties, owned by a taxable entity, providing an additional annual property tax revenue stream to the City; and

• Create jobs, both construction and construction-related, in addition to post-construction jobs in managing and maintaining the affordable rental units.

Funding: No new direct funding required, rather coordination of existing resources between the City, the Philadelphia Housing Authority and the Pennsylvania Housing Finance Agency will yield greater production.

Mortgage Foreclosure Assistance/Avoidance program

While mortgage foreclosures are declining nationwide, and Philadelphia was never in as bad shape as many other cities, mortgage foreclosures can still have a terrible effect on certain neighborhoods. Assess the effectiveness of existing public and private programs designed to assist homeowners to “work out” ways to stay out of foreclosure and to make optimal decisions if in foreclosure already. Land tax program above would reduce foreclosures by reducing negative impacts on property values of neighborhood disinvestment.

Funding: Minimal via OHCD or General Fund, and state funding

Neighborhood Existing Housing Affordability Program

Supplement new low-moderate income housing construction subsidies with a program to keep existing affordable housing available to moderate income residents. Philadelphia could buy “covenants” or “deed restrictions” on existing for-sale units that are currently affordable to keep them permanently affordable. In this program, for certain neighborhoods, the RDA examines buildings that are currently “affordable” and are offered for sale. The RDA offers the seller a cash payment and/or equivalent land value property for the covenant. This program would be developed and administered by OHCD and RDA.

Funding: Initial $1 million from City/RDA land sale proceeds, and/or OHCD
Philadelphia is home to a diversity of households of various incomes, wealth levels and family sizes. When households are financially secure, the residents are less dependent upon public subsidies and are better able to maintain and invest in their homes. Understanding when a household’s cost of living is in line with their income or when households may be financially stressed is useful for knowing which intervention strategies are most likely to improve prosperity for all Philadelphians.

Both current and future indications of community prosperity can be constructed by such indicators as the median household income in the block group, the percent of the block group with homeowners and renters who are burdened by the cost of their housing and the percent of households that are owner occupied. Until the City has other information, these indicators are based entirely upon US Census data, currently the 2011 American Community Survey.1

The level of a neighborhood’s Prosperity can be measured by the financial well-being of the households within the area. Areas that score high on this Index will typically have higher household incomes, fewer cost-burdened households, and will tend to have higher homeownership rates. Prosperity in Philadelphia is more diffused across the city relative to some of the other indices. While there are concentrations in the northwest and northeast sections of the city, there are also pockets throughout other parts as well. This is due mainly to the high home ownership rates and relatively cheap housing costs within the City of Philadelphia.
Map 9. Packer Park Prosperity Index

Map 9 shows the Prosperity Index for the Packer Park neighborhood in South Philadelphia. While the median household income and percentage of resident who are cost burdened are just slightly above the city average, the home ownership rate in this neighborhood is 83%, among the highest in the city.
Recommendation for Area with a low Prosperity Index Score:

**Philly Neighborhood Financial Literacy**

Increase information campaigns and outreach for city, state, federal and nonprofit financial literacy programs and workshops in certain low-moderate income neighborhoods.

*Funding: Small amounts from General Fund.*

**Philly Sports and Entertainment Roots**

Create strategies for recruiting Philadelphia sports and entertainment personalities as “ambassadors” for neighborhood improvement, public health and education programs.

*Funding: Small Amounts from General Fund.*

**Accessible Childcare**

Prosperity is very dependent upon having a job. To increase employment opportunities, make quality childcare more accessible to working families in underserved neighborhoods, by having DHS develop a (or expand an existing) program to identify, train and directly subsidize or otherwise encourage accredited, high-quality day care operators. Seek out voluntary child care contributions and program initiatives from employers and other private sources.

*Funding: Begin with $1m pilot program DHS General Fund or CDBG (and any reimbursements)*

**Encourage Neighborhood Entrepreneurs**

Develop strategy to formalize relationships between City and members of the underground economy (eg, unlicensed barbers) to increase familiarity with regulatory and enforcement environment, develop skills and create incentives for off-grid entrepreneurs to seek benefits available to legitimate and compliant businesses.

*Funding: Small Amount from General Fund*

**Implement Philadelphia Jobs Commission Recommendations**

The Jobs Commission took a serious and comprehensive look at employment opportunities for Philadelphia residents. The Commission recommended a number of government actions that could increase business activity in Philadelphia that would, in turn, increase demand for workers. Some of these recommendations are promoting entrepreneurship and fostering business formation, using Select Greater Philadelphia and other groups to increase business attraction efforts, specifically towards non-U.S. companies wanting to expand in the U.S., looking at tax reform, investments in infrastructure and other methods to ease the environment for small businesses and having different entities, like the Commerce Dept and PIDC, coordinate industry, training and policy efforts.

A sense of safety in one’s home, block and neighborhood is paramount for building quality neighborhoods. While criminal activity is the most concrete measure of unsafe areas, neighborhood attributes such as the presence of vacant lots and buildings and the presence of nuisance properties are also important factors to consider. Visual signs of distress are more likely to attract criminal activity. Cities intentionally establish laws to create safe environments that require property owners to clear their sidewalks and secure their unoccupied properties. The Safety Index represents the wide range of factors that are likely to impact residents’ perception and experience of neighborhoods as safe or unsafe places to live.

In order to effectively index the safety of a particular area, it is not only important to include indicators of the number of actual crimes committed, but also data that indicates whether conditions are present that make crime more likely to occur. Such indicators can include factors such as the crime rate per 10,000 people within ¼ mile of the boundary of the block group, the 311 nuisance reports per 1000 residents, the percent of buildings that are vacant, and the percent of lots that are vacant. Block groups that have fewer crimes per 1000 residents, fewer vacant buildings and lots and fewer nuisance calls to 311 naturally tend to be safer.

In Philadelphia, crime rates have been steadily declining over the past few years, making for safer neighborhoods and a citizenry that’s more comfortably engaged with each other and their communities. This can be somewhat attributed to declines in crime in cities across the board, but specifically in Philadelphia, the Police Department has amped up efforts to be better informed, relying on more data and analysis and a stronger relationship with the communities they patrol. This has led to safer streets and closer relationships with Philadelphia’s neighborhoods.
Map 10. East Mt. Airy Safety Index

Map 10 highlights the Safety Index for block groups in the East Mt. Airy section of the city. While the northern and western portions of the neighborhood score a 5 on the Safety Index, the block groups that abut Chew and Germantown Avenues have lower safety scores.
Recommendation for Area with a low Safety Index Score:

**Philly Neighborhood Walkability Initiative**

Increasing a neighborhood's walkability and vitality makes it more attractive to residents and increases property values, promotes healthy behavior and can deter crime. The benefits are both social and physical. This initiative calls for the Parks and Recreation Department, in coordination with the Police and Fire Departments, to enlist neighborhood and community groups and civic associations to identify impediments to walkability and to promote neighborhood walking activity and “know your neighbor” programs. Another facet is to improve pedestrian lighting in certain areas.

The Streets Department should be called on to more fully institute some of its award-winning and innovative traffic-calming and pedestrian enhancement projects. Expand implementation of the “complete streets” strategy in certain neighborhoods to improve pedestrian safety. Gather community input via crowd-sourced mapping.

*Funding: Reallocate existing General Fund budget and seek outside grants.*

**Vacant Property Neighborhood Clean-up Program**

Assess the maximum clean-up fees, and increase the weighting of land in the property assessment process in order to make it more costly for those owners who do not maintain their properties and thereby harm their neighbors. Create a Neighborhood Disinvestment Penalty Fee, lienable, based on cost of issuing citations by L&I. Expand on recent efforts to influence behavior and attitudes towards trash and littering. Engage neighborhood groups and businesses, as well as neighborhood schools. Work with PHS to increase green tree and other plantings to create more pleasant and healthier environments.

*Funding: Set fee as $250-500 per month and increasing over time if non-compliant.*

**Vacant Building and Land Opportunity Program**

Trash strewn sidewalks and vacant lots and empty, deteriorating buildings are blights that ruin the physical environment in neighborhoods throughout the city. From graffiti to dangerous hulks, nothing says THIS IS A ROTTEN, UNSAFE NEIGHBORHOOD any clearer and louder. The primary losers are those who live in such neighborhoods; outsiders avoid them when they can. However, City government cannot avoid these places and an aggressive effort has to be made — and budget dollars appropriated for — cleaning up and eliminating blight. Many of these parcels are owned by the city government or one of its agencies, so the city government actually contributes to the poor quality of life in these neighborhoods.

Institute an aggressive and serious vacant land and lot re-use program, along with a commercial/residential structure re-use/clearance effort. Institute a thorough and systematic process by which properties are determined to be vacant, both long-term vacant and short-term vacant. Utilize the newly established Land Bank, run and coordinated by the RDA.

The city should move quickly to demolish and clean up where appropriate; creating a 5-year program run by RDA in coordination with the Land Bank, to demolish and stabilize and sell vacant buildings and lots. To generate the best long-term solution, the city should look to get as many parcels as possible into the hands of private owners who will have an incentive to keep the property well maintained. The city should take charge of or coordinate the disposition of ALL such buildings (whether owned by the PSD, Archdiocese, or private owners) in a coordinated fashion, in order to maximize the overall benefits to the neighborhoods’ residents, who are currently left out of the equation.

The city and its agencies should NOT consider themselves financial brokers, looking narrowly to maximize the current value of these assets. Wall Street brokers don’t care what happens outside of the transaction: the city government has a moral obligation to do just that: every day a vacant city owned building or parcel sits deteriorating, the city government is harming the citizens in that particular neighborhood.

*Funding: $50 million, 3-year program. Source $25 million PGW Sale Proceeds and $25 million in land sales and Federal, private, corporate and foundation match.*
Ultimately, the main determinant of neighborhood quality is the income and wealth of the residents. Greater household income allows for greater investment and reinvestment in the housing stock, and greater demand for neighborhood-oriented retail and amenities.

As such, one of the best things the city can do to improve the quality of all neighborhoods is to encourage, rather than discourage, employment opportunities for its current and future citizens. This is even more crucial in the 21st century economy, where most factors of production are very mobile and can seek geographic locations offering the highest returns. Business development, job creation and retention, access to living wage jobs, job training opportunities and life-long educational opportunities increase employment opportunities for City residents throughout the city and the region.

Standard economic development policies can help, but are unlikely to make significant progress toward increasing employment of city residents, primarily because they do not include incentives large enough to overcome the economic disadvantages associated with investing in and operating a business in Philadelphia, and hence employing her residents.

Furthermore, city residents have to have the requisite skills to be considered for employment, and many are very low or unskilled. Labor and workforce training and preparation are crucial. Note that NONE of these requirements are geographic, or place-based. The government should not try to make the marketplace even harder for low skilled labor by requiring inefficient locational mandates for jobs. Good transportation networks and access can handle that.

It is important to note that no single government action, policy or program alone can solve all of the problems associated with high unemployment and underemployment. However, if smartly conceived and implemented, certain policies can result in significant improvements to our labor market. Improved labor market outcomes require policies that address problems in both insufficient labor demand (companies and entities hiring people) and poor quality labor supply (low and unskilled labor pool).

POLICIES DESIGNED TO INCREASE LABOR DEMAND

In order for city residents to gain employment employers have to be successful and located in or near the city. The recent findings of the Council-created Jobs Commission represent a good base from which to generate pro-employment policies. Likewise, the City’s Manufacturing Industry Task Force is currently examining the potential for expanded manufacturing generating policy.
RECOMMENDATIONS FOR SPECIFIC SECTORS:

1. COMMERCIAL OFFICE SECTOR.

Center City’s commercial office sector hasn’t grown since 1980; and since that time over 30 million square feet of class A office space has been built in the suburbs. Obviously, much of that has been filled with companies that used to be in, and hire employees in, Philadelphia. The city’s competitiveness as a location is summed up in those numbers. The BIRT Net Income tax is the main culprit, but the city’s high wage tax rate is another problem as well as the costly regulatory structure.

2. MANUFACTURING (ALL LEVELS)

Follow the upcoming recommendations of the Manufacturing Task Force, and note that taking advantage of the macro environment favorable to U.S. manufacturing by strengthening this crucial sector. Manufacturers sell product to the outside world, and bring MONEY/INCOME into the city, strengthening the city’s economy and generating more employment.

3. INSTITUTIONAL/EDUCATION/HEALTH CARE/ARTS-CULTURE/NON-PROFIT

Refer to the neighborhood level recommendations for these institutions to play important roles in strengthening the neighborhoods surrounding their facilities. Overall, do everything possible to encourage, not discourage, the investment of physical capital (new and upgraded buildings), expansion of operations and employment by these institutions in the city.

4. RETAIL: LARGE SCALE AND NEIGHBORHOOD LEVEL

Low prices and greater choice is a key ingredient to improving quality of life for city residents. The City should develop a strategy to encourage the greatest diversity of low cost, large scale retail, accessible to all.

5. ENERGY (INCLUDING PGW & MARCELLUS SHALE)

Take advantage of the Marcellus Shale boom and make Philadelphia an LNG and other liquid fuels export center by upgrading the ports. Whether via PGW or via sale of PGW, the city should establish a diversified energy company here in Philadelphia vs a single distribution company.

6. TOURISM AND HOSPITALITY

Encourage expansion of hotel development. Expand funding of PCVB, GPTMC and IVCC to promote.

7. CAPITAL INFRASTRUCTURE

In addition to (or incorporating) the capital improvement on a major detailed previously, embark on a major 10 year basic infrastructure upgrade program investing $2 billion over the period. As part of this initiative, establish an “Areawide TIF” program for neighborhood capital improvements; this is possible due to AVI.

LABOR SUPPLY SIDE EFFORTS

In order for city residents to gain employment…these residents must have basic skills, and increasingly specific skills required by the hiring companies.

*Increase investment in Community College of Philadelphia as the primary public institution designed to help some residents develop basic skills necessary to become viable members of the labor force. This has 2 important ramifications: individual residents get employment opportunities they would not otherwise have gotten and the entire city gains by have an incrementally higher skilled labor force, which is attractive to companies.

• Increase annual city funding by $2.5 million
• Include CCP in all economic development efforts

*Assess the effectiveness of existing government sponsored job training programs and be ready and willing to reallocate resources from ineffective programs into effective or innovative programs.
CONCLUSION

THE BEGINNING

City Council’s launch of the Community Sustainability Initiative establishes a clear and precise goal, “Every Neighborhood A Community of Choice,” and affirms Council’s commitment to the citizens and neighborhoods of Philadelphia to achieve that goal.

It is the beginning of a process that acknowledges that there are certain universal core elements that must be present in or reasonably accessible to every neighborhood in order to achieve our goal and for Philadelphia to realize our full potential as modern, competitive 21st Century City.

• A range of housing that is both affordable to people of diverse economic profiles and that is also high quality, energy efficient and physically and financially viable over the long-term.

• Access to high quality educational opportunities, including early childhood education, with special emphasis on neighborhood elementary schools as community anchors.

• Freedom from crime and the fear of crime. Being and feeling safe in your home, neighborhood and across the City.

• Business development, job creation and retention, access to living wage jobs, job training opportunities and life-long educational opportunities.

• Easy access to quality goods and services including fresh foods.

• Ability to effectively and efficiently access employment, goods and services and housing through a variety of public and private modes of transportation.

• Access to libraries, well-maintained parks and recreation centers, tot lots, community gardens and other places for social recreation.

• Access to quality affordable mental and physical health services.
• Effective and efficient delivery, by City government, of services that maintain and improve the quality of community life.

• The sense of belonging with neighbors, sharing a common vision for the community and working together to achieve common goals.

• An attractive constructed and natural environment free of blighting influences. A safe environment free of physical, chemical and other pollutants that harm people, plants and animals.

• Access to programs, events and institutions both in the neighborhood and city-wide that promote and enhance the cultural heritage and diversity of our City.

Each of these elements represents a piece of the fabric of community life; when woven together create a tapestry of communities that everyone would want to live in.

We are realistic about the challenges that we face as we strive towards the goal and fully understand and appreciate that:

• There are some neighborhoods and communities in Philadelphia that have all or most of these elements, some that lack some key elements and others that have few if any of these elements and;

• We must be about the business of maintaining the neighborhoods and communities that are already communities of choice, strengthen those neighborhoods and communities that lack some of the essential elements and rebuild those neighborhoods and communities that have few or any of these elements in order to truly become a great City we aspire to be.

CSI Philadelphia is not about measuring everything- but beginning to measure what counts. It is about outcomes not outputs. CSI will be engaging and iterative allowing various voices to weigh in what matters to residents. It combines data with 21st Century technology provide Council and our citizens with the information they need to make informed decisions and create programs and policies that move our City forward so that every neighborhood in our City is a community of choice.
APPENDIX I: KNOW YOUR NEIGHBORHOOD METHODOLOGY

Each of the CSIP indices was constructed through a multi-step process to ensure their validity and reliability. A list of candidate variables was compiled for each of the broad index categories under consideration (Amenities, Commerce, Education, Housing, Prosperity and Safety) based on prior research and a review of the literature. Once the final database of potential indicators was compiled, they were run through a statistical Factor Analysis to determine which combinations of variables created the most consistent and accurate index. For instance, when considering the variables for an index on housing, the factor analysis determines which of those variables will most consistently agree in each block group. In the case of the Housing Index, the factor analysis identified two indices: one constructed from the median sale price, the percentage of residential properties that has permits, and the percent of residential properties that sold over a one year period; the second was comprised from foreclosures and the number of Act 91 notices. This essentially means that the indicators in the first index agree with each other in a given block group, but they do not agree with the indicators in the second index, meaning that this two indices represent different things. In this case, the first index represents the demand for housing and the second index represents the stability of the housing market. For complete list of the variables that contributed to each index, see the data directory that follows.

After the factor analysis determined which variables should be used to construct each index, we standardized each (using the Z score method) to ensure that they were all on the same scale. We then added the standardized variables together to create a block group level raw score on each index. In the final step, block groups were ranked into quintiles and given a rank score on based on each index score. This rank score is what each index is based upon. For example, if a neighborhood’s Housing Index Score was in the top 20%, it was given a final index rank score of 5, if it was in the bottom 20% it’s final index score was 1.
<table>
<thead>
<tr>
<th>Category</th>
<th>Indicator</th>
<th>Indicator Type</th>
<th>Description</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Density</td>
<td>Housing Density Index</td>
<td>Inverted Ray</td>
<td>The housing density index represents the combined block group score of median sales price, percentage of properties sold and the percentage of properties with building permits.</td>
<td>NYS</td>
</tr>
<tr>
<td>Housing Density</td>
<td>Median Sales Price</td>
<td>Density</td>
<td>Median sales price of single family residential properties that sold for $2000 or more within a mile of the edge of the block group, between 4/1/2012-6/30/2013.</td>
<td>City of Philadelphia Office of Property Assessment</td>
</tr>
<tr>
<td>Housing Density</td>
<td>Building Permits</td>
<td>Rate</td>
<td>Rate of properties with building permits issued per 10,000 single family properties between 4/1/2012-6/30/2013.</td>
<td>City of Philadelphia Department of Licenses and Inspections</td>
</tr>
<tr>
<td>Housing Density</td>
<td>Residential Permits</td>
<td>Rate</td>
<td>Percentage of residential properties with no $3000 or more within a mile of the edge of the block group, between 4/1/2012-6/30/2013.</td>
<td>City of Philadelphia Office of Property Assessment</td>
</tr>
<tr>
<td>Housing Density</td>
<td>Housing Crime</td>
<td>Inverted Ray</td>
<td>The Housing Crime Index represents the combined block group score of the percent number of properties in foreclosure and the percent of properties with delinquent utilities.</td>
<td>NYS</td>
</tr>
<tr>
<td>Housing Density</td>
<td>Median Net Sales</td>
<td>Density</td>
<td>Median net sales of single family residential properties between 4/1/2012-6/30/2013.</td>
<td>Pennsylvania Housing Finance Agency</td>
</tr>
<tr>
<td>Safety</td>
<td>Safety Index</td>
<td>Inverted Ray</td>
<td>Safety index represents the combined block group score of the crime rate, 311 report rate, percent vacant building, and percent vacant lots.</td>
<td>Philadelphia Police Department</td>
</tr>
<tr>
<td>Safety</td>
<td>Crime Rate</td>
<td>Rate</td>
<td>Police reports the number of crimes per square mile within a mile of the edge of the block group and the population within a mile of the edge of the block group, limited to within the City.</td>
<td>Philadelphia Police Department</td>
</tr>
<tr>
<td>Safety</td>
<td>Fire Sprinkler &amp; Fire Alarm</td>
<td>Rate</td>
<td>Percent of buildings with fire sprinkler and fire alarm within a mile of the edge of the block group, between 11/30/2005-12/31/2013.</td>
<td>City of Philadelphia Fire Prevention</td>
</tr>
<tr>
<td>Safety</td>
<td>Nuclear Reactor</td>
<td>Rate</td>
<td>Percent of buildings with nuclear reactor facilities within a mile of the edge of the block group, between 5/1/2003-12/31/2013.</td>
<td>City of Philadelphia Department of Licenses and Inspections</td>
</tr>
<tr>
<td>Education</td>
<td>Education Index</td>
<td>Inverted Ray</td>
<td>The Education Index represents the combined block group score of school quality rating and the incidence of crime within a mile of the school.</td>
<td>NYS</td>
</tr>
<tr>
<td>Education</td>
<td>School Quality Rating</td>
<td>Inverted Ray</td>
<td>A description of the methodology and data used to compile GreatSchools Average Rating can be found at the following link: <a href="http://www.greatschools.org/gs/primer/guidelines/how-to-use-the-ratings/">http://www.greatschools.org/gs/primer/guidelines/how-to-use-the-ratings/</a></td>
<td>GreatSchools</td>
</tr>
<tr>
<td>Education</td>
<td>Students within 1/4 mile of school</td>
<td>Rate</td>
<td>The percentage of students within 1/4 mile of school, calculated by population weighted buffer area.</td>
<td>Philadelphia Police Department</td>
</tr>
<tr>
<td>Amenities</td>
<td>Amenities Index</td>
<td>Inverted Ray</td>
<td>The Amenities Index represents the combined block group score of the distance to the nearest library, distance to the nearest recreation center, and the distance to the nearest park.</td>
<td>NYS</td>
</tr>
<tr>
<td>Amenities</td>
<td>Distance to Nearest Library</td>
<td>Distance</td>
<td>The average distance, in miles, from the center of each block within the block group to the nearest library branch.</td>
<td>City of Philadelphia Parks and Recreation</td>
</tr>
<tr>
<td>Amenities</td>
<td>Distance to Nearest Park</td>
<td>Distance</td>
<td>The average distance, in miles, from the center of each block within the block group to the nearest park branch.</td>
<td>City of Philadelphia Parks and Recreation</td>
</tr>
<tr>
<td>Amenities</td>
<td>Distance to Recreation Center</td>
<td>Distance</td>
<td>The average distance, in miles, from the center of each block within the block group to the nearest recreation center branch.</td>
<td>City of Philadelphia Parks and Recreation</td>
</tr>
<tr>
<td>Property</td>
<td>Property Index</td>
<td>Inverted Ray</td>
<td>The Property Index represents the combined block group score of median household income, percent cost burdened (Owner and renter), and the percent owner occupied.</td>
<td>NYS</td>
</tr>
<tr>
<td>Property</td>
<td>Percent Cost Burdened</td>
<td>Rate</td>
<td>Percentage of median household income and renters for whom selected monthly owner costs are 35% or more of household income. between 2007-2011. Source: Housing and Urban Development.</td>
<td>2011ACS</td>
</tr>
<tr>
<td>Property</td>
<td>Median Household Income 2011</td>
<td>Currency</td>
<td>Computed median household income in the past 12 months, as reported between 2007-2011. A household includes the people who occupy a housing unit as their usual place of residence.</td>
<td>2011ACS</td>
</tr>
<tr>
<td>Property</td>
<td>Percent Owner Occupied, 2011</td>
<td>Rate</td>
<td>Computed percentage of household head who is owner occupied between 2007-2011. Percentage calculations were suppressed in cases where the denominator of the calculation was less than 10. (e.g., households, persons, households, etc)</td>
<td>2011ACS</td>
</tr>
</tbody>
</table>
Because the quality of life in any neighborhood is influenced significantly by the income and wealth of its residents, and because residential mobility is an important component of quality of life, municipal government actions that increase employment opportunities or wealth building opportunities will have a strong positive effects on neighborhood quality of life throughout the city. However, many government programs and operations do significantly influence the quality of life across neighborhoods.

The initial recommendations presented here are designed to address many of the issues that influence the quality of life in Philadelphia’s neighborhoods, in some cases expanding existing programs and in some cases proposing new initiatives.

Because Philadelphia’s municipal government fiscal resources are very strained, a basic thrust of CSI recommendations is to stretch the productivity of those scarce resources in four ways:

1. Increase the effectiveness of delivery of existing public programs
2. Leverage the intangible value of the neighborhood residents to generate positive change
3. Leverage the tangible and intangible value of key anchor institutions in neighborhoods
4. Leverage private sector and philanthropic commitments for specific neighborhood investments.

For the first, strong efforts must be made to make the city workforce and operating departments more efficient, producing higher levels and quality of service delivery for the citizens. In addition, reallocating and re-targeting existing resources could have beneficial effects for neighborhood quality of life in many parts of the city. This is already happening in many cases where departments and city employees are addressing problems with innovative and cost saving solutions. We need even more of that, and city management and employees are up to the task. This is required across all sectors and occupations, reflecting recognition of a changed world and new requirements for all in the 21st Century.

For the second, every recommendation envisions enlisting and reinvigorating various community groups in every neighborhood. Council members have a unique connection with community groups, perhaps the strongest and most influential connection compared with any other part of municipal government. These recommendations are not mechanisms for wasting scarce public resources to provide gains for small groups or individuals, but rather a new way to leverage public sector resources to help many individuals make their neighborhoods and communities richer. This is true not only for community groups but for all players who are advantaged by the current system to the disadvantage of average residents. Greater citizen input could also generate additional revenues via crowd-funding or other targeted current alternative revenue raising efforts.

In this regard, the recommendations can only be successful if they do not lead to playing one group off against another or encouraging resource-sapping fighting amongst competing community groups and interests. A basic tenant of these recommendations requires that...
organized neighborhood groups do not oppose investment and improvement efforts, forcing their fellow residents to suffer a declining status quo, but rather embrace, steer and encourage new investment.

For the third, there are recommendations for rethinking and expanding the efforts to engage large institutions in the effort to improve neighborhood quality of life levels. Many of these institutions engage in very successful neighborhood improvement programs already and those can be used as models for other institutions and neighborhoods. This avenue holds particular promise for a city like Philadelphia, where such institutions are already very active in promoting civic advancement.

The fourth calls for corporate and private philanthropic investments to match public funding for certain neighborhood capital improvements. Adopting parks and recreation centers or plazas could provide significant quality of life improvements for neighborhood residents. A number of non-profit organizations do some of this now; these efforts could be ramped up with strong city backing and coordination.

**AMENITIES**

**PHILLY NEIGHBORHOOD ARTS EXPLOSION**

Encourage, through financial subsidies, the local production and installation of public neighborhood art, including expansion of the Mural Arts program. Encourage neighborhood festivals and performing arts. Bring neighborhoods and arts and culture groups together to develop the program designed to generate neighborhood pride. Expand the reach of the Mural Arts program by increasing funding and promotions of the murals, as well as linking them more directly with specific neighborhoods.

Target resources to attract Arts/Cultural investments and activities to bring residents and non-residents to areas with few existing services and amenities.

**UNIVERSITY GOOD NEIGHBORS PROGRAM**

Instead of pressing for PILOT payments, the city should establish a formal, collaborative program to further encourage colleges and universities to embrace their adjacent neighborhoods communities in ways where they have a special advantage, such as purchasing power, scale, educational expertness, and employment. This program should involve the City Commerce and Planning Departments working along with District Council members and offices. This way the city can better leverage some of the hidden value these unique institutions bring to the city and direct it towards improving conditions in neighborhoods and fostering better town-gown relationships. This could generate both direct and indirect benefits, including strengthening small local businesses, establishing amenity retail, improving the physical environment via capital investments, offering community educational programs, and housing reinvestment subsidies. Direct funding specifically to encourage institutional anchors to create incentives for improving the quality of the surrounding area, (may include things like employer assisted housing programs, adopt a park etc.)

**PARKS AND RECREATION BENCHMARK PROGRAM**

Establish a way of measuring and understanding the existing conditions of infrastructure and center usage, set minimal benchmark, then figure out a budget for upgrading. Focus on improving the quality of services provided by recreations centers, playgrounds, neighborhood parks and ball fields throughout the city.

**PARKS AND RECREATION CAPITAL IMPROVEMENT PROGRAM**

Recreation Center quality is a crucial factor in neighborhood quality of life. Propose a $100 million, 5-year capital improvement effort to upgrade and clean up all recreation centers and small local neighborhood parks. Source $75 million TIF/city capital bonds and $25 million private, corporate and foundation match.

**COMMERCE**

**PHILADELPHIA 21ST CENTURY COMMERCIAL CORRIDOR INITIATIVE**

Expand support for making certain retail corridors more physically attractive. This is NOT meant to have neighborhood commercial corridors substitute for all (especially larger-scale stores) retail, but to encourage retail that best fits the local community demand. Focus on reducing the regulatory and tax burdens associated with operating businesses in Philadelphia neighborhoods, and improving the basic public infrastructure along the corridors.

Limit the length of the Commerce Dept. Commercial Corridor Areas to concentrate resources and attract tenants to vacant spaces on strong corridors. Establish a minimal occupancy level (greater than 75%) to be eligible for participation.

Develop “Gateway” enhancements to bridge transitional corridors to stable markets.

**PHILADELPHIA RETAIL INITIATIVE**

Recognize that the nature of retailing has changed, and economies of scale allow for lower prices for most commodities. Therefore, encourage the siting and growth of larger retailers in key locations throughout the city. The resulting lower cost of living for neighborhood residents translates into more local spending (and therefore generates more local retail and employment). Some of the impact of such an initiative should be able to be tracked in the Commerce Index.
PHILADELPHIA RE-IMAGINING NEIGHBORHOOD BUILDING ICON PROGRAM

Many city neighborhoods have blighted or vacant structures that were at one time neighborhood anchors and icons. These structures helped define the neighborhoods and include churches, schools, institutions and even important private commercial buildings whose very presence helped indicate prosperity, quality of life and stability. When these buildings are vacant, blighted or even in disrepair they matter more than other blighted properties; they are a powerfully negative symbol of decline. Explore how these buildings can be returned to commercial retail or mixed use.

For these and other opportunities, establish a pilot system for fast-tracking of public approvals for new businesses/large development sites.

Old city-owned buildings, churches and PSD/Archdiocesan closed school buildings are a special and most important subset of these properties. Not only are these buildings larger than most blighted parcels in neighborhoods, but they also are prominently located and once served as magnets for community stability and pride. Regardless of who owns them, each day these remain their presence screams out: the city government doesn’t care about this NEIGHBORHOOD.

Partners for Sacred Places has been effective at matching arts organizations with institutions that have large historic structures. The same strategy could also be to identify key structures that are likely to go vacant and prioritize reuse as well as demo those that are in areas with excessive blight.

EDUCATION

EXPAND CHARTER SCHOOL PROGRAM INITIATIVE

Expand Charter school local neighborhood preference allowances in order to make charter elementary schools a stronger part of the community and to link the charter school to the neighborhood.

TARGET PRIVATE FUNDS FOR REMEDIAL STUDENTS

Identify potential private funding for remedial/supplemental support of individual students in certain neighborhood schools to provide additional out-of-school instructional support. Encourage Philadelphia Schools Partnership to concentrate in certain neighborhoods. Provide assistance to programs that encourage use of online instruction for poorer students (also diminishing the digital divide).

EXTEND THE PUBLIC SCHOOL YEAR

Expand the school year for certain neighborhood public schools. Partner with PSD, community groups, and Police to increase in-school safety for students, staff and teachers.

INCREASE UNIVERSITY-SCHOOL DISTRICT PARTNERSHIPS

Encourage colleges and universities to take even more active roles in the elementary education of students in their adjacent neighborhoods. Many have been active and developed excellent programs; CSI could promote that and encourage greater involvement and investment. Explore new partnerships with Educational and Anchor Institutions.

HOUSING DEMAND INDEX

LAND TAX TO ENCOURAGE INVESTMENT

With AVI, the city has the ability and capacity to differentially tax land, which would encourage investment and/or sales of the underutilized and vacant parcels that do so much damage to neighborhood quality. We propose a 5-year phase-in program to increase the weighting of land assessment to provide incentive for reinvestment and a disincentive for non-investment that harms others in the neighborhoods. In the first year, land would be double weighted, and increase over 5 years until land is weighted at 5 times the improvements.

PHILADELPHIA PROPERTY TAX REINVESTMENT PROGRAM

The homestead exemption under the new AVI assessment system is one way to encourage homeownership. For certain neighborhoods, the city could provide a grant-equivalent credit for up to 15-20% of the property taxes paid to be used for upgrading the structural condition of the house that does not qualify for tax abatement, including funding for combining very small units into larger, more marketable units. Focus home improvement/purchasing programs to generally stable areas that are now experiencing distress: both in the form of grants and low interest fixed loans

NEIGHBORHOOD BRANDING INITIATIVE

Philadelphia is often described a “City of Neighborhoods”, and there is still “pride” in various neighborhoods, but often times that is based on what they used to be, not what they are now and what they can be in the future. Distinctive brands that celebrate both past and present should be developed. Neighborhood festivals, events, street closings, and similar events can help cultivate a sense of pride and hopefulness in a community. This could be developed in conjunction with the Neighborhood safety initiative in the neighborhood safety section.
For areas with Moderate Demand that have high rankings for Safety, Education and Amenities, the City can support neighborhood marketing programs to retain and attract new residents to these areas.

Review neighborhood plans to appropriately designate land uses; too often community based groups are focused on their most distressed blocks not the section of the neighborhood closest to private market activity. Work with City Housing Agencies to incentivize CDC activity to build off market strength. New Housing units will likely cost less to produce and the values are more likely to appreciate over time, increasing the new home owners asset.

**HOUSING STABILITY**

**PHILADELPHIA REVERSE MORTGAGE GUARANTEE PROGRAM**

Partner with AARP and local financial institutions to offer a lifetime guarantee to homeowners to encourage the use of reverse mortgages in certain cases to improve residents’ quality of life and generate more demand for local retail amenities. The City would pay for the guarantee for qualified homeowners in certain neighborhoods. (Note: this is mathematically similar to the homestead exemption component of AVI, and allows the homeowner to tap into the property value without fear of outliving the reverse mortgage and being forced to vacate.)

This can be especially important in neighborhoods that are or may be transitioning, especially if current homeowners can retain ownership of some part of any upside (value capture).

**MORTGAGE FORECLOSURE ASSISTANCE/AVOIDANCE PROGRAM**

While mortgage foreclosures are declining nationwide, and Philadelphia was never in as bad shape as many other cities, mortgage foreclosures can still have a terrible effect on certain neighborhoods. Assess the effectiveness of existing programs designed to assist homeowners to “workout” ways to stay out of foreclosure and to make optimal decisions if in foreclosure already. Develop a neighborhood based outreach campaigns/identify roll of Community Development Corps and role of Neighborhood Advisory Councils. Also, continue the use of the Diversion Court, found effective in TRF report.

**NEIGHBORHOOD EXISTING HOUSING AFFORDABILITY PROGRAM**

Supplement new low-moderate income housing construction subsidies with a program to keep existing affordable housing available to moderate income residents. Philadelphia could buy “covenants” or “deed restrictions” on existing for-sale units that are currently affordable to keep them permanently affordable. In this program, the City housing agency identifies buildings in certain neighborhoods that are currently “affordable” and if one comes on the market, the City offers the seller a cash payment for the covenant. This program would be developed and administered by OHCD and RDA.

**PHILADELPHIA NEIGHBORHOODS IN TRANSITION PROGRAM: RETHINKING GENTRIFICATION**

Neighborhoods are always in transition due to economic and demographic forces that are well-known and understood and have been around for centuries in all cultures and across all countries. This may well be one of the most difficult issues facing city governments today. Rather than trying to pretend these forces don’t exist or (worse) to say the government can stop it (it can’t), recognize that these forces will always play the defining role in neighborhood quality and devise ways to make that a positive for all residents.

Rethinking gentrification can lead to a more equitable distribution of the increases in land values caused by significant increases in demand by making sure that “value capture” is applied to existing homeowners and/or reinvestments in adjacent neighborhoods that have not seen such significant increases in demand. One approach is to moderate the rate of change by having the City intervene to keep some residential units “affordable”, and by fostering neighborhood improvements that keep the land values form falling sufficiently to encourage wholesale new entrants.

**PROSPERITY**

**PHILLY NEIGHBORHOOD WEALTH GENERATION PROJECT**

This program is designed to provide asset-building advice for homeowners in low-income neighborhoods as a means to promote both place- and people-based programs within the City. This program will attempt to simultaneously improve the economic and human capital of disinvested neighborhoods in Philadelphia.

Encourage wealth-building strategies for certain resident homeowners in certain low-moderate income neighborhoods. Utilize community groups, not-for-profit organizations and council offices and industry experts to devise programs to teach residents the fundamentals of home ownership and asset growth.

For most Americans, building equity in your primary residence is the main way to accumulate wealth over time. The mal-distribution of wealth is far more egregious (and detrimental to quality of life in the long run) than income distribution, but almost 100% of public policy and focus is on the latter.

This is not a call for everyone to own a home; we have all seen the ugly side of pushing that objective, primarily hurting the very people we thought we were helping.
VACANT BUILDING AND LAND OPPORTUNITY PROGRAM

Institute an aggressive and serious vacant land and lot re-use program, along with a commercial/residential structure re-use/clearance effort. Institute a thorough and systematic process by which properties are determined to be vacant, both long-term vacant and short-term vacant. The best way to keep a property from becoming a blight on a neighborhood is catching it early before a property becomes excessively deteriorated and less attractive to potential investors. Catching a property shortly after it has become vacant allows the City to start assessing fines quickly and apply pressure to the property owner.

Trash strewn vacant lots and empty, deteriorating buildings are blights that ruin the physical environment in neighborhoods throughout the city. From graffiti to dangerous hulks, nothing says THIS IS A ROTTEN NEIGHBORHOOD any clearer and louder. The primary losers are those who live in such neighborhoods; places that outsiders avoid when they can. However, City government cannot avoid these places and an aggressive effort has to be made—and budget dollars appropriated for—cleaning up and eliminating blight. Many of these parcels are owned by the city government or one of its agencies, so the city government actually contributes to the poor quality of life in these neighborhoods.

The city should move quickly to demolish and clean up where appropriate. To generate the best long-term solution, the city should look to get as many parcels as possible into the hands of private owners who will have an incentive to keep the property well maintained. The city should take charge of or coordinate the disposition of ALL such buildings (whether owned by the PSD, Archdiocese, or private owners) in a coordinated fashion, in order to maximize the overall benefits to the neighborhoods’ residents, who are currently left out of the equation.

The city and its agencies should NOT consider themselves financial brokers, looking narrowly to maximize the current value of these assets. Wall Street brokers don’t care what happens outside of the transaction: the city government has a moral obligation to do just that: every day a vacant city owned building or parcel sits deteriorating, the city government is harming the citizens in that particular neighborhood.

Propose a $100 million, 3-year program funded by bonded TIF and GO debt to demolish and stabilize vacant building and lots. Source $75 million city/TIF capital bonds and $25 million Fed, private, corporate and foundation match. Gear up the land bank by establishing aggressive sale requirements.

SAFEY

PHILLY NEIGHBORHOOD SAFETY INITIATIVE

Increasing a neighborhood’s walkability and vitality makes it more attractive to residents and increases property values, promotes healthy behavior and can deter crime. This is both social and physical. This initiative calls for the Parks and Recreation Department to enlist neighborhood and community groups to identify impediments to walkability and to promote neighborhood walking activity and “know your neighbor” programs.

The Streets Department should be called on to more fully institute some of its’ award-winning and innovative traffic-calming and pedestrian enhancement projects. Expand implementation of “complete streets” strategy in certain neighborhoods to improve pedestrian safety. Gather community input via crowd-sourced mapping.

In areas with high crime and general unsafe conditions it is critical to support neighborhood and community organizing activities. Focus attention on social and human service interventions. Provide opportunities for children and families to have safe, social opportunities that encourage a positive vision for the future of the community.

VACANT PROPERTY CLEAN UP FEE

Assess the maximum clean-up fees, and increase the weighting of land in the property assessment process in order to make it more costly for those owners who do not maintain their properties and thereby harm their neighbors.
PHILADELPHIA COMMUNITY SUSTAINABILITY INITIATIVE
Every Neighborhood A Community of Choice
CITY COUNCIL OF PHILADELPHIA 2014