

## Introduction

The “Action Plan” portion of the *Year 32 Consolidated Plan* documents the activities that the City of Philadelphia proposes to undertake in Year 32 to accomplish the goals and objectives established in the “Strategic Plan.” These activities also reflect the City’s housing and community development priorities described in the “Strategic Plan.” This “Action Plan” includes a program description of the major programs to be carried out in Year 32 and a list of the housing development organizations selected through a competitive process to receive CDBG or HOME funding to develop housing for low- and moderate-income families. The “Action Plan” also outlines the activities to be funded through the Housing Opportunities for Persons With AIDS (HOPWA) program and a budget for the City’s housing and community development activities.

In order to meet new HUD regulations adopted in 2006, an Executive Summary is provided on page 154. Program Objectives and Outcomes and Annual Housing Completion Goals are provided in Tables 3a and 3b preceding the HUD-required Table 3.

## Affordable Housing Production

This section of the Action Plan describes the City’s housing investment strategies that address the housing affordability crisis, produce affordable housing units through rehabilitation and new construction, and promote homeownership as a form of community reinvestment.

### ■ Affordable Homeownership Housing

1. **Neighborhood-Based Homeownership Housing:** The City continues to support the creation of new or rehabilitated housing for homeownership affordable to low- and moderate-income households. In the past, the City has selected neighborhood-based homeownership developments through a Request for Proposals or another planning process. In Year 29, the City issued a Request for Proposals for development and acquisition financing for homeownership projects. In Year 32, the City proposes to support the development of previously identified homeownership projects and projects selected through the Year 29 RFP which do not require acquisition or for which acquisition has been completed. The units will be developed through neighborhood-based community development corporations (CDCs) and developers who have formed partnerships with neighborhood organizations.

2. **Homestart:** The Homestart program rehabilitates vacant houses for homeownership in areas where such development will contribute significantly to neighborhood stabilization and recovery. Besides creating homeownership opportunities for low- and moderate-income individuals and families, Homestart encourages current neighborhood residents to maintain their own commitment to the community. Through Homestart, vacant properties are acquired and developed for sale to qualified individuals or families. Each completed house is sold at its appraised value. Prospective homebuyers with annual incomes of at least \$8,000 and not surpassing the moderate-income guidelines of the U.S. Department of Housing and Urban Development (HUD) apply on a competitive basis to purchase the homes. The ability to secure a mortgage to finance the purchase of the property is required.

In Year 24, acquisition and planning activities were initiated targeting stable blocks containing only a small number of vacant houses. During Year 25, PHDC rehabilitated properties acquired in Year 24 and prior years. This approach was used in Southwest Philadelphia (First Genesis area), Susquehanna,

Lower Tioga and Southwest Center City. During Years 26, 27 and 28, properties were rehabilitated in Brewerytown, Susquehanna, Southwest Center City, Southwest Philadelphia and the West Philadelphia portion of the Empowerment Zone. In Years 29 and 30, properties were targeted in Brewerytown and Southwest Philadelphia (First Genesis area). In addition, properties acquired with Neighborhood Transformation Initiative (NTI) funds in Susquehanna and in the West Philadelphia section of the Empowerment Zone were rehabilitated in Year 30. In Year 31, Homestart continued to rehabilitate properties in West Philadelphia and Brewerytown acquired through NTI. In Year 32, Homestart will not be funded. However, the City proposes to make additional resources available for rehabilitation through HRP.

3. **New Construction:** The construction of new affordable housing for sale to homebuyers is increasingly important in rebuilding neighborhoods in the most blighted areas of Philadelphia. As part of NTI, vacant lots are acquired and assembled into buildable sites for new construction housing. In addition to providing affordable housing, new housing construction at scale can rebuild housing markets and increase value in communities affected by disinvestment and abandonment. New construction can also provide residents with modern amenities including off-street parking and larger lots at lower density. New construction may be used in conjunction with the Pennsylvania Housing Finance Agency's (PHFA) Homeownership Choice Program. In Year 32, in addition to HOME and HTF funds, the City proposes to allocate \$2.25 million in DCED Housing and Redevelopment Assistance funding to New Construction homeownership activities which are ready to go to construction. These developments may include Homeownership Choice projects or other large-scale homeownership ventures.

## Affordable Rental Housing

1. **Neighborhood-Based Rental Production:** In its role as the City of Philadelphia's housing finance agency and real estate acquisition/disposition agency, RDA has developed a reliable process for delivering CDBG and HOME funds for rental housing production by private, nonprofit and CDC developers through a competitive RFP approach. Since 1993 most tax-credit supported rental housing ventures in Philadelphia have been financed through a combination of CDBG-development subsidy (awarded through the RFP process) combined with Low-Income Housing Tax Credits. RDA underwriting staff has developed a close working relationship with counterparts at PHFA, the state agency that administers tax-credit financing allocated to Pennsylvania. RDA and PHFA staff

coordinate their respective reviews of development financing proposals for Philadelphia ventures to ensure that CDBG subsidy funding is used to make Philadelphia proposals as competitive as possible for tax-credit financing. Because of this close working relationship and the capability of many developers of Philadelphia affordable-housing ventures, the City has succeeded in receiving substantial awards of tax-credit financing in every funding cycle since 1993.

Financing for the rehabilitation and new construction of rental projects is provided using CDBG and HOME funds in accordance with the Rental Project Selection Criteria. Project financing for rental ventures is usually made available in the form of a long-term, low- or no-interest loan. Financing administered by OHCD through RDA may leverage PHFA PennHOMES funds and Low-Income Housing Tax Credits, and in some cases, foundation funding. In Year 29, additional CDBG funding was made available for rental housing production through a budgetary exchange of NTI bond proceeds for CDBG funds. Additional NTI bond financing for rental housing was made available in Year 30.

In order to promote transitional and permanent housing for special-needs populations, projects recommended to receive financing must allocate 20 percent of the developed units for special-needs housing. Also, in order to ensure the most efficient use of funds, OHCD will require any project which does not achieve settlement within six months to undergo a RDA staff review. Following RDA review, OHCD may decide to withdraw project funding, extend its commitment or have a different development entity undertake the construction to ensure project completion.

2. **Public Housing Production:** The City's housing agencies support the Philadelphia Housing Authority (PHA) in its development efforts in a variety of ways, including the acquisition of property through Act 94 and Urban Renewal condemnation by RDA and participation in planning efforts for PHA development priorities by OHCD. OHCD supports PHA in the following ways:

- **Schuylkill Falls HOPE VI Development:** In Year 26 OHCD committed up to \$1.2 million for the development and construction of 135 multi-family affordable housing units for Phase I of the Schuylkill Falls HOPE VI Development. This project is under construction.
- **Martin Luther King Plaza HOPE VI Development:** In Year 25 OHCD committed to assist in financing the acquisition associated with the Martin Luther King Plaza HOPE VI site. In

Year 29, OHCD allocated \$200,000 in funding support for this commitment. The City Capital Program provided a total of \$3.1 million in FY2000 and FY2001 for streets, sidewalks and utilities. In Year 28, OHCD provided \$638,500 in prior years' reprogrammed funds for demolition to support this HOPE VI development. In Year 29, OHCD provided \$1.012 million in prior years' reprogrammed funds to support demolition and environmental remediation for the final phase of this development. This project is under construction.

- Ludlow HOPE VI Development: OHCD has made substantial financial commitments to the Ludlow neighborhood through the Ludlow Village homeownership ventures. OHCD's support of Pradera Homes II and Ludlow V provided important leveraging for PHA's successful Ludlow HOPE VI application. The City is also providing vacant land in Ludlow to PHA for sites for the new construction of homeownership units as part of HOPE VI. The City will provide up to \$1.5 million in DCED funds to support the construction of 50 homeownership units.
- Mill Creek HOPE VI Development: During Year 27, PHA received a HOPE VI award for revitalization of the area around 46th and Parrish Streets. OHCD supported this effort by assisting with the financing of the St. Ignatius Senior Housing development and with Homestart within the West Philadelphia Empowerment Zone. NTI-funded acquisition is underway. In Year 30, OHCD provided \$400,000 of prior years' CDBG funding for site improvements at Mt. Olivet Village. Mill Creek is now known as Lucien E. Blackwell Homes.

PHA's efforts to encourage its residents to become more involved in management and to participate in homeownership are described on page 39. The City encourages PHA residents to become homeowners using ADDI or settlement assistance funds.

3. Development Financing/Homeless and Special-Needs Housing: OHCD plans to maintain its commitment for the development of permanent housing for the following Philadelphia residents: the homeless; persons with substance abuse; mentally ill and mentally disabled persons; persons with AIDS and disabled persons.

During Year 32 OHCD intends to provide development financing to projects selected through a competitive process. An RFP was issued by RDA in December

2005 to provide development financing for projects serving special-needs populations. Sponsors and/or developers were required to demonstrate development capacity and capability to leverage city funds with state and/or federal special-purpose funds and private funds. Priority was given to those projects which in addition to leveraging other funding, can provide needed supportive service resources, require additional OHCD financing to address gaps which cannot be eliminated by other sources, support other City revitalization efforts and/or are a continuation of a multiphased project.

4. Development Financing/AIDS-Related Housing: The RDA's special-needs housing development request for proposals issued in December 2005 included HIV/AIDS housing development.

5. Housing Development Assistance: OHCD proposes to continue its support of rental developments which receive other federal funding through the Housing Development Assistance budget. In general, the program provides funding for site improvements and related construction activities. For rental development with commitments of HUD 202 (elderly) or HUD 811 (disabled) financing, the OHCD subsidy is capped at \$15,000 per unit, based upon a dollar-for-dollar match of other funds, provided funds are available.

#### ■ Market-Rate Housing Initiatives

Market-rate housing investments, which receive little or no direct public subsidies, are developed in response to the market supply and demand. To support the NTI investment strategies, OHCD proposes to support initiatives in neighborhoods where blight elimination through demolition and acquisition of vacant land can create market-rate housing opportunities. Such initiatives may include strategic planning to identify appropriate market-rate housing sites, identifying and lowering barriers to housing development and marketing the strengths of Philadelphia neighborhoods.

#### ■ Interim Construction Financing

In Year 32 OHCD proposes to commit up to \$25 million in CDBG funds to provide interim construction financing to eligible developers who have received a funding commitment. Interim construction assistance loans, or float loans, are CDBG funds which are borrowed against budgeted but unexpended CDBG activities. Eligible developers may receive float loans at zero-percent interest for up to one year. The amount of the individual loan will be determined by the underwriting standards of the financing agency, as outlined in "Selection Criteria for Rental Projects," "Selection Criteria for Homeownership Projects" and "Selection Criteria for Special-Needs Projects" listed

in the “Appendices.” All loans will be made for eligible activities in accordance with federal regulations. The savings generated by reducing the construction-financing costs will be used to reduce the development subsidy for each approved venture.

In Year 29, OHCD implemented an interim construction financing product in consultation with PHFA and Regional Housing Legal Services. The goal is to reduce the amount of PennHOMES funding required for projects in the Low-Income Housing Tax Credit program. PennHOMES savings realized in the program will be made available to finance additional Philadelphia rental ventures. This product is based on the successful City-State Bridge Loan Program last used in Year 25. This initiative will be continued in Year 32.

The City also proposes to use a float loan to improve the timeliness of payment to developers. In the event of a default on any of these float loans, OHCD will reprogram funds in accordance with the Amendment Policy listed in the “Appendices.”

### ■ Funding Approach for Housing Production

In prior years OHCD identified CDBG or HOME funding amounts for recommended affordable housing development proposals. A number of these proposals, most of which are rental-development ventures awaiting PHFA PennHOMES financing or Low-Income Housing Tax Credits, are not ready to spend the funding awarded to them during most or all of the coming fiscal year.

To avoid continuing to reserve funds which will remain unspent for extended periods of time, OHCD will review all prior years’ funding commitments for housing production ventures at the beginning of CDBG Year 32 (after PHFA identifies those projects which are being considered for funding) and will evaluate the likely need for obligation and/or expenditure of CDBG or HOME funding. As a result of this evaluation, OHCD may shift unspent project funding unlikely to be used during Year 32 into housing developments ready to proceed.

Any shifting of funds which takes place as a result of this process will not change the City’s commitment to supporting housing production ventures authorized in prior CDBG *Plans* and to producing CDBG or HOME funding support when required. RDA project management and housing staff will continue to work closely with project sponsors and developers and PHFA staff to do as much as possible to bring rental projects to PHFA feasibility. Commitment letters which PHFA requires as evidence of City funding support

will be produced when needed by PHFA and CDBG or HOME funding will be made available when needed.

In CDBG Year 32, production ventures recommended for CDBG or HOME funding are identified by project type (rental, homeownership) and location. The number of units of production to be funded and the associated level of funding support are to be determined by technical staff based on detailed review of these ventures and supporting financial documentation, including applications submitted to PHFA. Review and decision-making will be based on the Rental Project Criteria and Homeownership Project Criteria published in the “Appendices” section of this *Plan*, and reviewed for consistency with NTI.

Funding is proposed to support activities which represent a continuation of homeownership development ventures to which commitments had been made in prior years or which were added to the production pipeline as a result of the Homeownership RFP issued in Year 29.

In April 2006, OHCD will issue a Request for Proposals for affordable rental, neighborhood-based homeownership and new construction homeownership developments seeking gap financing from the Housing Trust Fund. OHCD expects to issue another such RFP in Year 32.

### ■ Year 32 Activities for Established CDCs

In Year 32, OHCD plans to work with the following established CDCs on the activities described. In addition to these activities listed, many CDCs participate in HRP, provide housing counseling or take part in the TBSRP. The activity summary on the following pages is not intended to represent all Year 32 activities:

AchieveAbility (formerly Philadelphians Concerned About Housing)

- Rehabilitation of 10 scattered-site units in Cobbs Creek and Haddington for homeownership. This project, known as Dewey Housing, was selected through the Year 29 RFP process.
- Rehabilitation of up to 11 scattered-site units in Haddington for rent to homeless families with special needs. This project, known as Cecil Housing, was selected through the Year 29 Special Needs RFP and received McKinney funds in Year 30.
- In conjunction with Mt. Carmel CDC, planning and redevelopment of vacant houses in the vicinity of 58th and Vine Streets.

Allegheny West Foundation

- Rehabilitation of up to 28 properties in Allegheny West, using Homeownership Rehabilitation Program and other City funding. Some of these properties were acquired using NTI bond proceeds. This project is known as Forgotten Blocks.

Asociación Puertorriqueños en Marcha

- Using state and city funding, completion of approximately 53 units of new construction for homeownership, known as Pradera II, located at 8th and Berks Streets.

Community Ventures

- Completion of up to eight units of a second phase of homeownership rehabilitated housing within the West Philadelphia Empowerment Zone in conjunction with the Parkside Association.
- Completion of Susquehanna Village, a rental tax credit venture for seniors and families, located at 15th Street and Susquehanna Avenue.
- Acquisition of properties in Greenwich-Whitman for development through HRP, recommended in the Year 29 Homeownership RFP.

Friends Rehabilitation Program

- Completion of homeownership and rental units, known as Home in Belmont, selected through the Year 22 RFP process.
- Development of a complementary second phase of Home in Belmont, selected through the Year 29 RFP process.

Greater Germantown Housing Development Corp.

- Completion of the new construction of homeownership units, known as LINK Housing I for which funding was approved in Year 22. Three rehabilitated units were previously completed.
- Development of a special-needs housing project using McKinney and Special Needs funding. This project was selected through the Year 29 Special Needs RFP.

Hispanic Association of Contractors and Enterprises

- Participation in the St. Hugh Revitalization Plan, with a goal of rehabilitating vacant structures for homeownership through HRP.
- Development of a 10-unit new construction homeownership project, located in the 2700 blocks of Howard and Hope Streets. This project was

recommended in the Year 29 Homeownership RFP process.

- Complete repairs at Lehigh Park I and II, an affordable rental venture at 5th Street and Lehigh Avenue.
- Acquisition and planning for Lawrence Court, a 50-unit homeownership development in the 3300 block of North Lawrence Street.

Impact Services Corp.

- Rehabilitation of 190 W. Allegheny Ave., for the Reunification House project, to produce two units of supportive rental housing with funding from DCED.
- Development of 111 W. Erie Ave., using DCED funding.

Jefferson Square CDC

- Completion of Phase II of Jefferson Square as market-rate housing.

Kensington South CDC

- In conjunction with New Courtland Elder Services, acquire and develop a site located at 2nd and Oxford Streets for senior housing, funded by the federal Section 202 program. This site will be acquired using NTI bond proceeds.

Mt. Airy USA

- Completion of a new homeownership development at 251-279 Montana St., selected through the Year 29 RFP process.

New Kensington CDC

- Completion of eight homeownership rehabilitation units approved in Year 22.
- Continued implementation of the Open Space Management sideyard acquisition and disposition program.
- Continued support of Greensgrow, the urban agriculture economic development venture located at 2501-7 E. Cumberland St.
- Development of mixed-income homeownership units in the 400 block of Moyer Street.
- Rehabilitation of scattered-site homeownership units in East Kensington. This project was selected through the Year 29 RFP process.
- Rehabilitation of three market-rate homeownership units on Tulip Street, selected through the Year 29 RFP process.

- Rehabilitation of scattered-site vacant structures through HRP, selected through the Year 29 RFP process.

#### Norris Square Civic Association

- In conjunction with a for-profit partner, development of new-construction housing in the 2300 and 2400 blocks of Howard Street, known as the Hunter School Homeownership Initiative. The project received PHFA Homeownership Choice funding in March 2004.

#### People's Emergency Center CDC

- Completion of Cloisters III, a 50-unit rental development which received Low-Income Housing Tax Credits in 2005.
- Completion of Imani VI, selected in the Years 28 and 29 Special-Needs RFP, 10 units of rehabilitated housing on the 4000 block of Haverford Avenue.
- Development of a second phase of homeownership housing on the 3700 and 3800 blocks of Haverford Avenue, selected through the Year 29 RFP Homeownership process.
- Development of Fattah's Place and Jannie's Place, two special-needs developments which have received commitments of McKinney funds.

#### Project H. O. M. E.

- Development of up to 44 rehabilitated homeownership units in the 1800 and 1900 blocks of North 23rd Street, 1800 block of North Croskey Street and 1800 and 1900 blocks of North 24th Street, known as the St. Elizabeth's Homeownership project. This project received funding from the Neighborhood Revitalization Initiative portion of PHFA's Homeownership Choice program. The initial phase of the project was selected through the Year 29 Homeownership RFP.
- Repairs and improvements to St. Elizabeth's Recovery Residence using PennHOMES and HOME funding.

#### Philadelphia Neighborhood Housing Services

- Continuation of the Model Blocks Program.
- Completion of seven scattered-site homeownership units in Carroll Park.
- Planning and acquisition of seven scattered-site homeownership units in Morris Park.

#### The Partnership CDC

- Rehabilitation of vacant structures through HRP, selected through the Year 29 RFP process.
- Development of market-rate housing for sale on sites near 46th and Sansom Streets that were acquired using NTI bond proceeds.
- Development of 14 units of affordable rental housing in the 100 and 200 blocks of South 60th Street, using PHFA Mixed Use Facility Financing Initiative (MUFFI) and HOME funds.

#### United Communities Southeast Philadelphia

- Development of vacant structures for rehabilitation through HRP. This project was recommended through the Year 29 RFP process.
- Planning and demolition for the future development of new construction homeownership housing in the 600 and 700 blocks of Dudley Street. This project was submitted to the Year 29 Homeownership RFP.

#### Universal Community Homes

- Participation in the YouthBuild program through rehabilitation in Point Breeze and Southwest Center City.
- Participation in the Martin Luther King Plaza HOPE VI redevelopment project in conjunction with PHA.
- Development of new construction homeownership housing in the 2300 blocks of Cross and Greenwich Streets.
- Development of a new construction homeownership project in the 900 and 1000 blocks of South 17th Street.
- Development of Phase III of the 16th and Federal Street development, a 55-unit rental development, known as the Commons at Point Breeze, using Low-Income Housing Tax Credits.
- Work with Fannie Mae to implement the *South Philadelphia Plan*, an initiative to develop affordable and market-rate housing in Southwest Center City and Point Breeze.
- Development of Osun Village, a senior housing development located at 2308-12 Grays Ferry Ave., in conjunction with Odunde. This project has received Low-Income Housing Tax Credits.

#### Women's Community Revitalization Project

- If Low-Income Housing Tax Credits and PennHOMES funds are secured, the development of up to 44 new construction rental units located at Percy Street and Indiana Avenue known as Evelyn Sanders Townhomes.

#### ■ Year 32 Activities for Emerging CDCs

Other current CDC activities to be supported by OHCD include the following. This list is not inclusive of all CDCs or all CDC activities. In addition to these activities, CDCs may participate in the HRP.

#### Francisville CDC

- In conjunction with a developer to be selected, development of affordable housing units located at 15th and Parrish Streets.

#### Greater St. Matthew CDC

- Development of affordable and market-rate homeownership housing, using OHCD and M. Night Shyamalan Foundation funding.

#### Korean Community Development Services Center

- Development of scattered-site vacant structures in West Oak Lane for rehabilitation as homeownership units. This project was selected through the Year 29 RFP process.

#### Ludlow Community Association

- Development of the next phase of Ludlow Village, known as Ludlow Village V, on a site bounded by Oxford, Franklin, 8th and Jefferson Streets.

#### Mt. Carmel CDC

- In conjunction with AchieveAbility, planning and development of vacant houses and lots in the area of 58th and Vine Streets. Acquisition of the properties is underway using NTI bond proceeds.

#### Parkside Association

- Completion of the second phase of rehabilitated units in the Parkside neighborhood in conjunction with Community Ventures.

#### Phoenix Project CDC

- Development of approximately 12 homeownership units for low- and moderate-income persons in West Philadelphia.

#### Yorktown CDC

- Acquisition of three vacant structures for rehabilitation through the HRP, recommended through the Year 29 Homeownership RFP process.
- Completion of Yorktown Arms II, a 37-unit new construction rental development located at 1300 W. Jefferson St., using Low-Income Housing Tax Credits.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>AFFORDABLE HOUSING PRODUCTION</b>								
<b>A. Affordable Homeownership Housing</b>								
1. Neighborhood-Based Homeownership		1,558			500			2,058
2. New Construction Program		3,500		2,250	2,500			8,250
<i>Subtotal: Affordable Homeownership Housing</i>	<i>0</i>	<i>5,058</i>	<i>0</i>	<i>2,250</i>	<i>3,000</i>	<i>0</i>	<i>0</i>	<i>10,308</i>
<b>B. Affordable Rental Housing</b>								
1. Neighborhood-Based Rental Production	3,248	2,600			3,735	1,900		11,483
2. Development Financing for Homeless & Special-Needs Housing		3,000						3,000
3. Development Financing for AIDS-Related Housing			500					500
4. Housing Development Assistance		800						800
<i>Subtotal: Affordable Rental Housing</i>	<i>3,248</i>	<i>6,400</i>	<i>500</i>	<i>0</i>	<i>3,735</i>	<i>1,900</i>	<i>0</i>	<i>15,783</i>
<b>C. Market-Rate Housing Initiative</b>								
	50							50
<b>TOTAL: AFFORDABLE HOUSING PRODUCTION</b>	<b>3,298</b>	<b>11,458</b>	<b>500</b>	<b>2,250</b>	<b>6,735</b>	<b>1,900</b>	<b>0</b>	<b>26,141</b>



## Housing Preservation

An important indicator of a real estate market's economic well being is the physical condition of its housing stock. Many Philadelphia neighborhoods have rental and owner-occupied housing that is beginning to show signs of deterioration. Increasingly, there are vacant houses on blocks with a recent history of stability. A significant portion of the city's elderly live in these areas. The City's housing and neighborhood preservation strategies will seek to stabilize housing markets in decline or stimulate housing markets that are stagnant or in danger of decline. Generally, housing preservation investments take the form of housing counseling services; lowering barriers to purchasing a home for low- and moderate-income households; moderate subsidies to rehabilitate vacant properties; and financial assistance to homeowners and landlords to help repair and improve their properties.

The activities described in this section are designed to respond to the Year 32 priority of promoting homeownership and housing preservation.

### ■ Housing Counseling/Settlement Grant Program

1. Settlement Grants: During Year 28, OHCD ended CDBG funding for settlement grant assistance for first-time low- and moderate-income homebuyers. The implementation of federal Title X lead hazard abatement regulations has mandated that properties receiving federally funded settlement assistance be visually inspected. This inspection requirement, combined with a labor arbitration award and reduced CDBG resources, made it impractical to continue the program. Buyers who had signed agreements of sale by Jan. 17, 2003, were allowed to complete the program and to receive settlement grants of up to \$800. The City supported Settlement Assistance during Years 29 and 30 using NTI bond proceeds. The City funded Settlement Assistance in Year 31 using NTI bond proceeds. In Year 32, the City will fund Settlement Assistance with the remaining balance of NTI funds allocated in Year 31 and proposes additional NTI bond funds to support the program through 2007.

2. American Dream Downpayment Initiative: In Year 30, the City received a total of \$1.305 million in American Dream Downpayment Initiative (ADDI) funds from HUD. These funds, which are a set-aside within the HOME program, are available for downpayment assistance, including settlement costs, of up to \$10,000, up to a maximum of 6 percent of the purchase price of the house. The City is

targeting these funds to approved City-sponsored new construction or substantial rehabilitation developments, in particular to mixed-income developments or developments in areas of rapidly escalating home sale prices. The goal is to increase the affordability of units to low- and moderate-income households while preserving sales prices at the full appraised value. Assistance is limited to first-time homebuyers with incomes less than 80 percent of area median income. Beneficiaries must receive prepurchase counseling from an OHCD-approved housing counseling agency. In order to meet the HUD requirement of targeted outreach to residents of public housing and other families assisted by public housing, each developer who intends to use ADDI funds must detail and follow an outreach plan targeted to these persons as part of the marketing plan. Marketing plans must be reviewed and approved in advance by OHCD to ensure compliance with this federal requirement. The City will receive additional ADDI funds in Year 32.

3. Neighborhood and Citywide Housing Counseling: OHCD plans to support neighborhood-based and citywide organizations offering housing counseling services to low- and moderate-income people. OHCD-funded services provided by these agencies include mortgage counseling, default and delinquency counseling, tenant support and housing consumer education. OHCD supports a wide range of housing counseling services, including those of people with specialized needs. The following housing counseling agencies are proposed to be funded in Year 32:

- ACORN - \$166,250
- ActionAIDS - \$220,000
- Asociación Puertorriqueños en Marcha - \$72,675
- BEBASHI - \$110,000
- Carroll Park Community Council - \$123,500
- Ceiba - \$279,300
- Center in the Park - \$42,750
- Congreso de Latinos Unidos - \$118,750
- Diversified Community Services - \$47,500
- Frankford CDC - \$137,750
- Germantown Settlement - \$76,000
- HACE - \$100,700
- HADV - \$285,000
- Intercommunity Action - \$42,750
- Intercultural Family Services - \$114,000
- Korean Community Development Services Center - \$66,500
- Liberty Resources - \$52,250
- Mt. Airy USA - \$76,000
- New Kensington CDC - \$209,000
- Northwest Counseling Service - \$285,000

- Philadelphia Council for Community Advancement - \$228,000
- Philadelphia Senior Center - \$52,250
- South of South Neighborhood Association - \$63,650
- Southwest CDC - \$38,000
- Tenant Union Representative Network - \$277,400
- The Partnership CDC - \$114,000
- Unemployment Information Center - \$128,250
- United Communities Southeast Philadelphia - \$152,475
- United Polish American Social Services - \$42,750
- Urban League of Philadelphia - \$133,000
- West Oak Lane CDC - \$58,900
- Women Against Abuse - \$43,700.

4. Anti-Predatory Lending Activity: In Year 27, OHCD initiated a program to combat predatory lending and help stabilize neighborhoods. Predatory lending practices include charging exorbitant fees and interest rates and persuading homeowners to incur mortgage debt in excess of their needs or ability to pay. The anti-predatory lending initiative includes housing counseling specifically targeted to help consumers recognize and avoid predatory lending practices, credit counseling and helping victims of predatory lending refinance at conventional market rates. Anti-predatory lending programs are targeted to low- and moderate-income homeowners. The Homeownership Counseling Association of Delaware Valley provides training and technical assistance to OHCD-funded housing counselors in the areas of mortgage default and delinquency and anti-predatory lending counseling. Community Legal Services provides an Anti-Predatory Lending Hotline to assist or refer to other agencies those callers contemplating a refinance, debt consolidation loan or purchase money mortgage as well as those who have entered into a high-cost loan that might be predatory. Consumer Credit Counseling Service of Delaware Valley assists persons in restructuring debt and has been active in helping to stop mortgage foreclosures.

In FY 2003, using NTI bond proceeds, the City created anti-predatory loan products (PHIL-Plus and Mini-PHIL) to help homeowners refinance existing loans or access loans with reasonable credit terms. In FY 2006, the City allocated NTI bond proceeds to continue the operation of these programs.

5. Earned Income Tax Credit (EITC): Since Year 30, OHCD has supported financial literacy counseling by the Campaign for Working Families. This program helps low-income families access the

federal earned income tax credit. It is managed by the Greater Philadelphia Urban Affairs Coalition.

### ■ Emergency Repairs, Weatherization and Housing Preservation

Basic systems repairs and weatherization activities are grant-assistance programs which have been combined into a two-tier service delivery structure administered by PHDC. The Weatherization Assistance Program provides an energy audit which guides a combination of services designed to lower energy consumption. The Tier I services of the Basic Systems Repair Program (BSRP) consist of the Emergency Repair Hotline Program and Emergency Heater Hotline. These programs give PHDC an emergency response capability through which qualified preapproved contractors are assigned to complete needed basic systems repairs or replacements requiring relatively low expenditures of grant funds. Tier II provides additional funding for cases which require higher levels of rehabilitation.

Because demand for these programs is great, OHCD supports the commitment to keep these programs open year-round. In Year 29 the funding for Tier I was reduced because the City did not receive full funding from the state. Despite this reduction, the program remained open year-round. During Year 26, the Title X rule on lead-based paint hazards was implemented. At this juncture, PHDC and OHCD review every Basic Systems Repair case for potential disruption of painted surfaces. Written exemptions, as allowed in Section 35.115 of Title X, are being utilized to forego lead removal processes. The BSRP work is proclaimed as “emergency actions immediately necessary to safeguard against imminent danger.”

In Year 32, OHCD will continue to comply with the Title X regulations which may have an impact upon BSRP production. Following are summaries of funding levels and program requirements for each tier:

1. Emergency Repair Hotline Program and Emergency Heater Hotline: PHDC maintains an Emergency Repair Hotline Program to maximize housing assistance funds provided to the City and to accelerate the response to plumbing, electrical and roofing emergencies of low-income homeowners. This Tier I service, designed to serve as an early intervention system, supports emergency repairs at a cost of up to \$3,500 per property to eligible low-income homeowners. Current costs for Tier I service average \$2,870 per property.

Eligible homeowners whose properties require rehabilitation assistance exceeding the per-unit cap are automatically referred to the Weatherization/BSRP for Tier II services, described as follows.

OHCD also plans to allocate funds for the Emergency Heater Hotline, another Tier I program aimed at eliminating the heating problems of low-income people. This program provides heater repairs at a cost of up to \$2,000 per property for eligible homeowners/occupants. The program is carried out by the Energy Coordinating Agency (ECA) under contract to PHDC. Current costs for Emergency Heater Hotline assistance average \$250 per property.

To be eligible for service under either hotline program, a household's income may not exceed 150 percent of the federal poverty income guidelines (see "Appendices").

The Tier I hotlines, as well as referrals from the Weatherization Assistance Program, together serve as an intake mechanism for all of the housing preservation programs administered by PHDC. Callers to the hotlines whose houses are found to require a level of rehabilitation exceeding Tier I are automatically referred to the Tier II program described as follows.

**2. Weatherization and Basic Systems Repair Program:** To make the most efficient use of housing assistance funding, the City proposes the continued linkage of the Weatherization Assistance Program funded by DCED and BSRP funded by CDBG. Beginning in Year 18 these programs were combined to establish a single integrated system to provide homeowner rehabilitation assistance. The City proposes to allocate additional CDBG funds in Year 32 to BSRP, using savings realized from the housing agencies' reorganization. BSRP Tier II will be expanded to address repairs such as rebuilding chimneys, relining chimney flues and replacing windows which address energy-related issues. This expansion is part of the City's effort to address the energy crisis by supporting weatherization and related repairs for low-income households.

To be eligible for service under Weatherization or BSRP, a household's income may not exceed 150 percent of the federal poverty guidelines.

The Weatherization Assistance Program provides the eligible household with an energy audit which utilizes the technology of a "blower door" to determine air leaks in the building. The results of the audit determine the type of assistance needed to minimize air leakage. The types of service that may be provided under Weatherization include: air-sealing measures, such as

weatherstripping, caulking and repair of primary windows and doors; wrapping of hot water heaters, heating pipes and ducts; sealing basement openings, crawlspaces and chaseways; insulating and airsealing of the roof area; repair and efficiency modifications to central heating systems; electrical load reduction measures; and in-home energy education. Eligible households whose properties meet DCED guidelines for property suitability may receive weatherization assistance of up to \$2,100 per property. Weatherization assistance is available to homeowners and renters but BSRP services are only available to homeowners.

In the Tier II category of BSRP, an eligible homeowner may receive up to \$15,000 of rehabilitation assistance through BSRP. Typical Tier II repairs include heating system replacement, plumbing drainage system replacement, water service replacement, wiring, roof replacement and structural systems repair (floors, ceilings, walls, etc.) Eligible homeowners receiving Tier II services may also receive up to \$2,100 per property in weatherization assistance. Currently, the average cost for Tier II services is \$4,375 per repair.

In Year 28, the City allocated \$2 million in NTI bond proceeds to support a Targeted Basic Systems Repair Program available to families earning up to 80 percent of median income. This program provides a grant and/or grant and loan and is targeted to households able to access legitimate home repair loans, or to properties located in areas that will leverage other NTI or publicly or privately funded revitalization activities. In Year 29, the City continued the Targeted Basic Systems Repair Program (TBSRP) with \$2 million in NTI bond proceeds and allocated an additional \$1 million to support Basic Systems Repair efforts in areas undergoing large-scale redevelopment. In Year 30, the City allocated \$2 million in TBSRP funds to support other NTI housing activities.

In Year 31, the City allocated HTF funds to a Targeted Housing Preservation Program to support home repairs, including facade and systems repair. These repairs may be targeted around existing or new developments or in specific neighborhoods and will be carried out by community-based organizations such as CDCs.

**3. SHARP Home Repair Program:** OHCD plans to continue its support of the Senior Housing Assistance Repair Program (SHARP) sponsored by the Philadelphia Corporation for Aging. SHARP provides essential repairs averaging \$1,458 each to the homes of residents who are 60 or older. This figure includes Pennsylvania Lottery funds and CDBG funds.

4. Utility Emergency Services Fund: OHCD also plans to continue to support the work of the Utility Emergency Services Fund (UESF) to meet utility emergencies. UESF provides grants to low-income families who have utility arrearages and are in danger of having utility services discontinued.

5. Energy Coordinating Agency: OHCD proposes to continue to support the work of the Energy Coordinating Agency (ECA) in organizing government, utility and community weatherization and fuel assistance services to low-income Philadelphians. ECA sponsors eight community-based Neighborhood Energy Centers to provide direct services as well as information and referral to low-income community residents. ECA implements the Emergency Heater Hotline program with heater repairs up to \$2,000 per property for eligible homeowners/occupants.

6. Vacant Property Stabilization: Encapsulation is the temporary sealing of a deteriorated vacant building to protect it against water damage while acquisition is being completed in preparation for subsequent rehabilitation and reoccupancy. Encapsulation is designed to limit the cost of rehabilitating a vacant building by protecting against water damage, other deterioration caused by exposure to the elements and vandalism. Encapsulation will also improve the appearance of a block on which a vacant building is located by securing and upgrading the structure rather than leaving it exposed. Work performed on these residential properties may include roof replacement, gutters and downspouts and the installation of doors and windows. In some cases, encapsulation may also include structural repairs such as the repair or replacement of walls and joists or other stabilization. Under NTI, the priority for encapsulation has been single-family residential properties located on stable blocks with no or very few other vacant properties.

#### ■ Home Equity Financing and Rehabilitation Assistance

1. Homeownership Rehabilitation Program: The Homeownership Rehabilitation Program (HRP) provides financing for the acquisition and rehabilitation of vacant houses requiring moderate rehabilitation for sale to low- and moderate-income first-time homebuyers. Financing is provided through a combination of private debt and CDBG or NTI bond subsidy. Homebuyers are required to finance 100 percent of the after-rehabilitation value of the property and to participate in a program of prepurchase housing counseling. A subsidy averaging up to \$35,000 per property in each development package is provided. In

certain cases, the subsidy may be deepened as needed to match on a dollar-for-dollar basis any corporate or foundation grant funds, contributed developer fees and/or Title I funds brought to the financing package by the developer CDC. Identification of appropriate properties, financial packaging and development is carried out by the participating CDC or private developer which earns a developer's fee. In Year 28, HRP was expanded using the NTI bond funds, which permits higher-income populations to be served. The expanded program is open to for-profit developers as well as CDCs. An additional \$1 million in NTI bond proceeds was provided to HRP in Year 29. In Year 30, \$4 million in NTI was allocated to HRP. A total of \$5 million in NTI bond funds has been committed to HRP. The City will continue to support HRP in Year 32.

2. PHIL Loan: The Philadelphia Home Improvement Loan (PHIL) program administers home improvement loans of up to \$25,000 at below-market rates. Interest rate and loan amount depend on the applicant's income level and the level of rehabilitation to be completed. In Year 28, the PHIL Loan program was expanded using NTI bond funds. Three-percent loans are available based on household income and 5-percent loans are not income-restricted. In addition, participating banks are now permitted to originate non-FHA-insured loans under the program.

3. Philadelphia Neighborhood Housing Services (PNHS) Program: OHCD plans to continue to support the PNHS program which provides neighborhood revitalization services including home-improvement loans, first-home purchase mortgages, community improvement grants and loans and neighborhood planning, community organizing and housing development services to its Full Service Neighborhoods: Carroll Park, Cobbs Creek and Morris Park.

In Year 29, PNHS engaged in a planning process to select a new neighborhood, meeting with community representatives and other stakeholders in Morris Park. In Year 30, PNHS offered its full range of services to residents of Morris Park.

PNHS maintains ties to the Fern Rock-Ogontz-Belfield neighborhood and Overbrook neighborhood as Self-Reliant Neighborhoods, offering technical assistance, housing development services and home-improvement loans.

To assist existing homeowners whose properties need rehabilitation and improvement, PNHS provides home-improvement loans of up to \$30,000 for up to 20 years at below-market interest rates. Under the Community

Improvement Program, homeowners and PNHS jointly contribute funding to support the cost of improvements/repairs to steps and sidewalks, retaining walls and porches.

In addition, landscaping, weatherization, exterior paint and trees may be provided under this program. PNHS is a self-help program that has succeeded in leveraging 100 percent of CDBG program dollars through homeowner reinvestment in loans and community improvements co-pay and through private subsidies and sale proceeds of vacant property rehabilitation projects.

OHCD plans to continue its support of the Model Blocks Program in Year 32. PNHS provides exterior improvements to owner-occupied houses in specific neighborhoods with active CDCs. Exterior treatments may include brick-cleaning, painting and front aluminum siding; energy-conservation treatments of new windows, doors and roofs; porch additions, railings, lamp posts and flower barrels. The subsidy is matched with PNHS loan funds or homeowner payments. To reinforce affordable housing development, OHCD proposes to continue to support supplemental community improvement programs in neighborhoods targeted by PNHS in Year 32. Budget line items for the Model Blocks and Community Improvements programs have been combined in the Year 32 budget.

4. **Impact Services Building Materials Exchange Program:** OHCD plans to maintain the funding of this program which provides tools and building materials to low- and moderate-income people. The Building Materials Exchange will generate \$160,000 of CDBG program income for \$123,000 of CDBG investment in Year 31.

5. **NTI Housing Programs:** In Year 28, NTI bond proceeds were allocated to support three new housing programs: employer-assisted housing, anti-predatory lending loan products and TBSRP. In Year 29, NTI bond proceeds were allocated for the following activities:

- **Employer-Assisted Housing Program.** In Year 28, the City awarded a \$250,000 contract to the Greater Philadelphia Urban Affairs Coalition (GPUAC) to design and market an employer-assisted housing program to Philadelphia employers. In Year 29, GPUAC marketed the program, called HomeBuyNow, to local employers. It will develop a menu of mortgage products to accommodate different employers' goals and resources; arrange for the participation of lending institutions, housing counselors and home inspectors. With the help of local lenders, the program will help employers

provide housing counseling and mortgage and home improvement loans to employees. The City will match employer contribution to provide additional grants to accompany the mortgage and home improvement loans. The City allocated \$750,000 in NTI bond proceeds to support the implementation of the EAH program in Year 29.

In Year 30, the prior year funds committed to the Teacher and Student Retention Initiative were folded into the Employer-Assisted Housing Program to promote employer-assisted housing with the Philadelphia School District. In Year 31, NTI provided additional funding to support this program.

- **Preservation Development Initiative.** The City faces a challenge in dealing with its stock of neglected historically and architecturally significant buildings. In Year 29, the City allocated \$250,000 in NTI bond proceeds to support an initiative to help the City integrate preservation strategies for historically and architecturally significant buildings into redevelopment plans. These funds leveraged additional resources from the National Trust for Historic Preservation.

In Year 30, NTI funded two new housing initiatives:

- **Historic Properties Repair Program.** The City proposed to provide grants to low- and moderate-income homeowners in historic districts to complete needed exterior repairs such as windows, facade treatments and painting. The goal of the program is to maintain the integrity of properties in designated historic districts without placing an unnecessary financial burden on low- and moderate-income homeowners. This program, administered by the Preservation Alliance for Greater Philadelphia, began service in Year 31.
- **Housing Trust Fund of Philadelphia.** The City proposed to use NTI bond funds to contribute to an Affordable Housing Trust Fund, up to \$1.5 million. NTI bond funds must be used for the rehabilitation or construction of affordable rental, homeownership or special-needs housing, consistent with the requirements of the Housing Trust Fund of Philadelphia as described in the State and City Council legislation and Mayor's Executive Order.

In Year 31, NTI funded a new housing initiative:

- **Equitable Development Strategy.** The City proposed to use NTI bond funds to implement an Equitable Development Strategy (EDS) to address concerns of long-time residents in appreciating real estate markets about rising real estate taxes, real estate speculation and displacement. NTI investments, combined with other factors such as low mortgage interest rates and the 10-year real estate tax abatement, are stimulating real estate markets across more areas of the city than at any other time in recent history. Though the appreciating market is creating new wealth in communities, there is growing concern about the impact of these changes in many communities. The EDS will employ strategies to balance growth and equity by promoting mixed-income development and supporting affordable housing programs; providing existing homeowners with accurate information about planned development in order to counter rumors and misinformation; educating homeowners about options to address increasing real estate assessment; leveraging NTI bond funds to create purchase and/or rehab loans to preserve affordability in targeted neighborhoods; and promoting existing homeowner assistance programs and providing Targeted Basic Systems Repair programs in select areas. The EDS will also review available data and develop recommendations for other measures that will help long-term residents remain in these communities. In 2006, OHCD will develop a pilot EDS program in Brewerytown.

**Budget Detail - CDBG Year 32 (FY 2007)**  
(in thousands)

**C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7**

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>HOUSING PRESERVATION</b>								
<b>A. Housing Counseling</b>								
1. Settlement Grants						900		900
2. American Dream Downpayment Initiative		201						201
3. Neigh. & Citywide Housing Counseling	3,634		330					3,964
4. Anti-Predatory Lending Activity								
- Homeownership Counseling Assoc of Del Valley	65							65
- Community Legal Services	220							220
- Consumer Credit Counseling	43							43
5. GPUAC-Earned Income Tax Credit (EITC)	48							48
<i>Subtotal: Housing Counseling</i>	<i>4,010</i>	<i>201</i>	<i>330</i>	<i>0</i>	<i>0</i>	<i>900</i>	<i>0</i>	<i>5,441</i>
<b>B. Emergency Repairs, Preservation &amp; Weatherization</b>								
1. Emergency Repair Hotline - Tier 1				2,350				2,350
2. Heater Hotline - PHDC/ECA				900				900
3. Weatherization & Basic Systems Repair								
- Tier 2	9,918				1,517		1,619	13,054
4. Targeted Housing Preservation					1,785			1,785
5. Weatherization (DCED to PHDC)				2,150				2,150
6. SHARP Home Repair Program	325							325
7. Utility Emergency Services Fund	525							525
8. Energy Coordinating Agency	433							433
<i>Subtotal: Repairs, Preservation &amp; Weatherization</i>	<i>11,201</i>	<i>0</i>	<i>0</i>	<i>5,400</i>	<i>3,302</i>	<i>0</i>	<i>1,619</i>	<i>21,522</i>
<b>C. Home Equity Financing &amp; Rehabilitation Assistance</b>								
1. Homeownership Rehab Program	1,000	250			1,000			2,250
2. PHIL Loans	900						4,000	4,900
3. Neighborhood Housing Services								
- Loan Program	257							257
4. Impact Services Building Materials Program	123							123
<i>Subtotal: Home Equity Financing &amp; Rehabilitation Assistance</i>	<i>2,280</i>	<i>250</i>	<i>0</i>	<i>0</i>	<i>1,000</i>	<i>0</i>	<i>4,000</i>	<i>7,530</i>
<b>TOTAL: HOUSING PRESERVATION</b>	<b>17,491</b>	<b>451</b>	<b>330</b>	<b>5,400</b>	<b>4,302</b>	<b>900</b>	<b>5,619</b>	<b>34,493</b>



## Homeless and Special-Needs Housing

The activities described in this section are designed to respond to the Year 32 objective of developing and providing more permanent and transitional housing for homeless people and other low-income people with specialized housing and service needs. Year 32 resources combine housing development with service delivery and rental assistance. This section also describes the expenditures of Housing Opportunities for Persons With AIDS (HOPWA) funds and Emergency Shelter Grant (ESG) funds.

### ■ Emergency Shelter Grant Financing

The mission of the Office of Emergency Shelter and Services (OESS) is the provision of emergency food, short-term shelter and supportive services to homeless individuals and families. OESS administers all emergency shelter and shelter-related support service funding available to the City. A major funding source of the provision of emergency housing is the federal Emergency Shelter Grant (ESG) program which is allocated to the City as an entitlement program through OHCD.

In Year 32, OHCD will continue to assign the administration of ESG funds, under a Memorandum of Understanding, to OESS to assist in the funding of emergency shelter and related supports. The proposed usage of ESG funds remains to augment the City's array of shelter and support services, in addition to leveraging local operating and available state funding for emergency homeless housing.

Every three years the City issues a new competitive Request for Proposals to select emergency shelter providers funded by ESG. Selection criteria include agency capacity, experience and track record, budget, quality of case management and supportive services, facility consistency with local building and health codes, experience providing services to persons with behavioral health issues, ability to provide services quickly and quality of linkages to community service agencies or professionals. OESS's policy is to renew contracts for up to three years with existing providers that are performing satisfactorily. During the term of the contract, OESS's Quality Assurance Unit monitors the performance of all service providers. If providers do not meet acceptable standards of service provision and are not able to develop and adhere to a corrective action plan, the contract will be terminated. OESS

has terminated the contracts of several service providers due to subquality performance. When service termination occurs, OESS uses a competitive process to identify an alternate site or increases the capacity of existing sites.

In Year 32, the City will provide \$2.297 million in General Fund money to provide the required local match for the ESG program.

### ■ Housing Assistance/Mental Health

OHCD plans to continue its commitment to respond to the need for assisted housing for persons with mental illness. During Year 32 OHCD plans to allocate funding for the provision of rental assistance for persons receiving supportive services under programs administered by the Office of Behavioral Health (OBH). The supportive services provided include treatment, case management, socialization, recreation and residential support to this targeted population.

### ■ Rental Assistance to the Homeless

In Year 32 OHCD plans to continue its support of the Philadelphia Transitional Housing Program which provides housing counseling, case management and rental assistance to homeless persons to promote self-sufficiency. Also, in Year 32 OHCD plans to continue to provide rental assistance to persons with HIV/AIDS.

The City has determined that homeless persons and persons with HIV/AIDS have unmet housing needs and that the provision of rental assistance under the HOME program will narrow the gaps in benefits and services received by these persons. Local market conditions which informed this determination were outlined in the "Housing and Homeless Needs Assessment" and "Housing Market Analysis" which were Sections 1 and 2 of the *Year 29 Consolidated Plan*. In accordance with HUD requirements, these sections must be updated every five years. Portions of these sections were updated and printed in the *Year 31 Consolidated Plan*, pages Appendix 38—82.

During Year 32 OHCD plans to continue to provide oversight to the competitively awarded federal Shelter Plus Care (S+C) Program. S+C provides rental assistance to homeless persons/households with histories of mental illness, substance abuse or persons with AIDS through contracts with various nonprofit organizations.

## ■ Homelessness Prevention

In Year 32, the City proposes to allocate NTI and HTF funds to a Homeless Prevention Program to prevent or reduce homelessness. This will include emergency assistance to maintain households in their own residences when eviction or mortgage foreclosure is imminent. The funds may also be used for security deposits, utility assistance or long-term hotel, motel or boarding home rental assistance. The Homeless Prevention will include an array of shelter diversion and homeless prevention activities. The Office of Adult Services will assume policy oversight and administration of the program. Adult Services will issue several competitive Request for Proposal processes to select providers for the varied shelter diversion and homelessness prevention activities.

## ■ Housing Opportunities for Persons With AIDS (HOPWA)

The HOPWA region for which OHCD administers funding includes Philadelphia, Bucks County, Montgomery County, Delaware County and Chester County. HOPWA funding to the five-county region is allocated based on the region's AIDS caseload compared to the rest of the nation. Philadelphia will receive \$7.083 million in new HOPWA funding, a decrease of \$253,000 from Year 31. OHCD proposes to allocate \$250,000 in prior years' unexpended HOPWA funding, for a total of \$7.333 million available in Year 32.

### Consultation and Coordination

The original HOPWA regulations issued by HUD mandated that the City, as grantee, work closely with the Ryan White CARE Act Planning Council for the region in allocating funding and in designing HOPWA-funded housing programs for persons with AIDS.

While the revised regulations governing the application for the *Consolidated Plan* eliminated this formal requirement, OHCD continued to coordinate with Ryan White CARE Act Planning Council by meeting monthly with the Housing Committee of the Philadelphia HIV Commission, the Ryan White Title I Planning Council for the entire region. In 1995 the Mayor designated the Philadelphia HIV Commission as the Ryan White Title I Planning Council for the region. A new Housing Committee of the commission was appointed jointly by the Health Commissioner and the Housing Director in 1997 and filled the role previously held by The Philadelphia AIDS Consortium's (TPAC) Housing Subcommittee. In 2000, the City restructured the Ryan White Planning Council and eliminated the Housing Through this committee, local government representatives as well as advocates, persons with

HIV/AIDS, and service and housing providers meet to advise OHCD on HIV/AIDS housing policy and programs.

### Project Sponsor Selection

In 1997, OHCD selected project sponsors through a Request for Proposals for housing counseling, emergency grants and rental assistance. In cooperation with AACO and TPAC, in Year 25 OHCD centralized the administration of HOPWA-funded and Ryan White-funded emergency grants. The Philadelphia Health Management Corp. was selected to contract with the City to administer these funds and the program was renamed the Direct Emergency Financial Assistance Program (DEFA). During Year 28, Philadelphia Community Health Alternatives (PCHA) was selected to provide additional rental assistance units. PCHA is now called the Mazonni Center. In Year 32, OHCD intends to continue to contract with existing project sponsors for emergency grants, rental assistance, operating costs and supportive services and housing counseling activities carried out by suburban providers. Philadelphia agencies providing housing counseling activities for persons with HIV/AIDS were selected as part of a broader housing counseling RFP issued by OHCD in February 2004.

### Urgent Needs to be Met

OHCD proposes to allocate HOPWA funds to program activities in the five counties of Southeastern Pennsylvania, including Philadelphia, as described on the following page. This allocation plan supports the most urgent and immediate housing needs by concentrating on direct housing assistance, including rental assistance vouchers, short-term (emergency) payments to prevent homelessness and direct operating costs for community-based and other residences. Funding is continued for information/referrals (housing counseling) and for supportive services linked to housing services for persons with mental illness and substance-abuse issues. In Year 28, funding was increased for the DEFA program because of increased demand for assistance in paying utility bills. Since 1999, DEFA has been available to persons with HIV as well as to persons with full-blown AIDS.

A permanent inventory of affordable housing units for low-income persons with HIV or AIDS will be created by acquiring, constructing or rehabilitating new housing units. In Year 32, OHCD proposes to provide housing development financing for HIV or AIDS housing. These funds were made available through the RFP for Special-Needs Housing issued by the RDA in December 2005.

Units created through this RFP will be available for persons with HIV as well as those with AIDS.

#### Private and Public Funding Sources

For most of the housing activities to be funded, there is little other public or private funding available. The Ryan White CARE Act funds case management services which serve as the basic social service system for persons with HIV/AIDS. Ryan White funds in the Philadelphia region have not traditionally been used to provide housing or housing services and regulations severely limit the kind and nature of housing which can be provided. In Years 23 and 24, Philadelphia's CDBG program funded housing counselors at ActionAIDS and at Congreso de Latinos Unidos. Montgomery County's CDBG program has funded a half-time housing counselor through Family Service of Montgomery County and also provides HOME-funded rental vouchers. Gaudenzia House provides drug and alcohol treatment services for clients in its HOPWA-funded rental assistance program. The City's HOPWA-funded rental-assistance program complements its HOME-funded housing voucher program for persons with AIDS. The City of Philadelphia and Delaware County both utilize HUD's Shelter Plus Care program to provide housing vouchers and supportive services for homeless persons with HIV/AIDS and other special needs. HUD's McKinney Act homeless programs have provided development financing for several AIDS housing ventures in the region. Private foundation fund raising and fund raising by The AIDS Fund support many of the organizations which carry out HOPWA-funded activities.

#### Goals

Using Year 32 HOPWA funds, the City expects to provide housing for 800 households through short-term payments to prevent homelessness, through tenant-based rental assistance or units provided in HOPWA-funded housing facilities.

#### ■ Dignity Housing

Year 31 was the last year for funding to be provided for Dignity Housing's general operating expenses.

#### ■ Adaptive Modification Program for Persons With Disabilities

OHCD plans to maintain as a priority increasing housing accessibility for disabled people using additional state funding. The Adaptive Modification Program is available for homeowner-occupied and renter-occupied homes which need to be made accessible for people with disabilities. This program received NTI bond proceeds in FY 2006.

#### ■ Technical Assistance and Planning

OHCD intends to fund technical assistance and planning efforts in Year 32 to support homeless and special-needs housing initiatives. OHCD proposes to continue its funding of the Greater Philadelphia Urban Affairs Coalition which assists other private organizations through workshops on homeless housing and supportive services. OHCD will continue to fund the provision of technical assistance to organizations developing housing for, or providing assistance to, persons with disabilities. OHCD now appoints an HIV/AIDS Housing Advisory Committee.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>HOMELESS &amp; SPECIAL-NEEDS HOUSING</b>								
<b>A. Emergency Shelter Grant</b>							2,297	2,297
<b>B. Housing Assistance - MH/MR</b>		100						100
<b>C. Rental Assistance/Homeless</b>	200	2,197	300				117	2,814
<b>D. HOPWA</b>			5,958					5,958
<b>E. Adaptive Modification</b>	800			500	268	800		2,368
<b>F. Technical Assistance/Planning</b>								
1. Homeless	45							45
2. Disabled	25							25
<b>G. Homeless Prevention Program</b>					595			595
<b>TOTAL: HOMELESS &amp; SPECIAL-NEEDS HOUSING</b>	<b>1,070</b>	<b>2,297</b>	<b>6,258</b>	<b>500</b>	<b>863</b>	<b>800</b>	<b>2,414</b>	<b>14,202</b>

## HOPWA Budget Detail CDBG Year 32 (FY 2007)

HOPWA Eligibility Category	Rental Assistance	Short Term Payments & Emergency Grants	Operating Costs	Information Referrals & Housing Counseling	Supportive Services	Housing Development	Sub-Total Program Costs	Sponsor Admin. Costs	Contract Total
ActionAIDS				205,000			205,000	15,000	220,000
ActionAIDS (Job Training)					60,500		60,500	4,500	65,000
BEBASHI				102,300			102,300	7,700	110,000
Bucks Co. Family Services	140,000			31,500			171,500	12,500	184,000
Calcutta House			180,000				180,000	13,000	193,000
Catholic Social Services (McAuley/Good Shepherd)					170,000		170,000	12,000	182,000
CO-MHAR	375,000				285,000		660,000	50,000	710,000
Community Service Council of Chester Co.	143,000						143,000	10,500	153,500
Congreso	500,000			120,000			620,000	40,000	660,000
Delaware County	382,000			155,000			537,000	37,000	574,000
Gaudenzia	60,500						60,500	4,500	65,000
Housing Development (RFP)						500,000	500,000		500,000
Intercultural Family Services				130,000			130,000	9,000	139,000
Keystone House			140,000				140,000	10,000	150,000
Mazzoni Center	420,000			100,000			520,000	32,000	552,000
Montgomery County Family Services	55,000			25,000			80,000	6,000	86,000
Non-Profit Housing Dev. Corp. — High St. Manor	118,000						118,000	8,500	126,500
Philadelphia Health Management Corp.		320,000					320,000	23,000	343,000
TURN	1,500,000			507,000			2,007,000	133,000	2,140,000
<i>Subtotal</i>	<i>3,693,500</i>	<i>320,000</i>	<i>320,000</i>	<i>1,375,800</i>	<i>515,500</i>	<i>500,000</i>	<i>6,724,800</i>	<i>428,200</i>	<i>7,153,000</i>
OHCD Administration Costs								180,000	180,000
<b>Grand Total</b>	<b>3,693,500</b>	<b>320,000</b>	<b>320,000</b>	<b>1,375,800</b>	<b>515,500</b>	<b>500,000</b>	<b>6,724,800</b>	<b>608,200</b>	<b>7,333,000</b>

## Employment and Training

Employment, contracting and purchasing on OHCD-funded construction and economic development projects are governed by both local and federal requirements. The City of Philadelphia's Neighborhood Benefit Strategy, implemented by Council Bill #9900563, requires project sponsors to return half the economic value of housing production, preservation and economic development activities to the local community through employment, contracting and purchasing. Federal Section 3 guidelines require that 30 percent of all construction and construction-related new hires be residents of the local area where the project occurs. OHCD will continue to make affirmative action and employment and training for neighborhood residents an integral part of its program in Year 32. OHCD will also continue to issue periodic reports highlighting accomplishments and opportunities in these areas.

### ■ Community Development Network

In Year 29, OHCD ended its support of a housing-employment-training network through neighborhood-based training and employment opportunities. With implementation of the Workforce Investment Act and the Greater Philadelphia Works Program, OHCD continued to coordinate the activities with other public and private resources that move people from welfare to work. Because of the reduction in CDBG funding in Year 29, OHCD ended its support of neighborhood-based employment and training activities. The Philadelphia Workforce Development Corp. (PWDC) offers employment and training programs. In Year 32, OHCD proposes to fund only those employment and training activities which are ineligible for PWDC support.

OHCD proposes to continue to support the activities of the Communities in Schools Program which are ineligible for PWDC funding by providing administrative support to coordinate the Academies of Travel & Tourism (AOTT), Student Hospitality Internship Program (SHIP), Careers Through Culinary Arts (C-CAP), Educational Transitions (ET) and the Education Leading to Employment and Career Training (ELECT) programs. Through these various initiatives, Communities In Schools of Philadelphia, in partnership with the School District of Philadelphia, will offer educational/training opportunities to high school students who will have an opportunity to learn and experience various aspects of the hospitality industry. The School District's expanded academic program will make the students uniquely qualified to pursue career opportunities in the growing hospitality and tourism industry in Philadelphia.

OHCD proposes to provide support to ActionAIDS for its Positive Action Program. This program is a return-to-work program for people living with HIV and AIDS. It will be funded in part through PWDC. The HOPWA funds will be used to develop a needs and skills assessment and a job bank and to serve persons who are ineligible for the PWDC program.

### ■ YouthBuild Philadelphia

During Year 18 the Point Breeze community was selected as a site for YouthBuild, a national demonstration program sponsored by the Ford Foundation, which links housing rehabilitation with education and job-readiness training for young people who had dropped out of high school. OHCD was able to support this demonstration by providing development subsidies for properties to be rehabilitated through the program. In Year 23 OHCD continued its support of YouthBuild through an expansion into the Ludlow neighborhood.

Over the past several years, OHCD has provided development subsidies for YouthBuild activities in Point Breeze, Southwest Center City, Ludlow, Germantown and North Central Philadelphia. In Year 32, OHCD proposes to continue to support the Philadelphia YouthBuild program with operating support and development subsidies provided on a project-by-project basis through the Neighborhood-Based Homeownership or Rental Production budgets. YouthBuild also receives operating support from HUD.

YouthBuild involves high-school dropouts between the ages of 18 and 21 in a program that enables them to complete their academic education and learn job skills by rehabilitating housing in their communities for low-income occupancy. The program is comprehensive with a strong emphasis on leadership development, decision-making and involvement in community issues. Components of the program include counseling, peer support groups, driver's education, cultural and recreational events and job placement. OHCD's support for YouthBuild is for activities which are ineligible for PWDC funding.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

CDBG YEAR 32 - FISCAL YEAR 2007

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>EMPLOYMENT &amp; TRAINING</b>								
<b>A. Employment/Training Network</b>								
1. Communities in Schools	171							171
2. ActionAIDS			65					65
<b>B. YouthBuild Philadelphia</b>	665							665
<b>TOTAL: EMPLOYMENT &amp; TRAINING</b>	<b>836</b>	<b>0</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>901</b>



## Acquisition, Site Preparation and Community Improvements

Before investment can take root and growth can occur, certain impediments must be removed. In the case of neighborhood development, one of the greatest impediments is blight in all its forms—vacant buildings, trash-strewn vacant lots, abandoned autos, litter, graffiti and dangerous street trees. Blight undermines a community's quality of life by depressing property values and creating a perception that an area is unsafe and unclean. Because the presence of blight is crucial to business and family location decisions, the City must eradicate it to revitalize Philadelphia neighborhoods successfully.

Using CDBG, NTI Bonds, City General Operating and City Capital funding, a substantial investment has been made in acquisition, demolition and clearance, site improvements, community gardening and other community improvement activities. In Year 32, OHCD proposes to continue successful programs in community gardening and open space management.

### ■ Acquisition

The City's ability to assemble land for reuse and redevelopment is critical to stabilizing and rebuilding Philadelphia's neighborhoods. Although Philadelphia has approximately 60,000 vacant lots and structures, few are large enough to sustain significant commercial, industrial or residential investment. In the past, the City assembled land for redevelopment in a reactive, developer-driven process that was marked by significant delays and resource constraints. Through NTI, the City is overhauling this land assembly system and implementing a new approach that is proactive and driven by neighborhood development considerations. As part of NTI, the City is acquiring large quantities of vacant land. By holding title to this land, the City will be able to market developable parcels according to neighborhood plans and to dispose of the properties without the delays that characterize the current system. Taxable bonds, Qualified Redevelopment Bonds, CDBG and state DCED funds finance these activities.

In order to better coordinate the acquisition and development process, in Year 29 the City issued an RFP for homeownership projects. Projects recommended for acquisition were submitted for City Council approval for condemnation in 2005. To support the cost of these acquisitions, the City allocated funding support from DCED in Year 30. In addition,

CDBG funding in the amount of \$10 million was allocated in Year 30 for acquisition activities.

An important component of transforming neighborhoods is developing an efficient mechanism for acquiring, assembling and disposing of property. Accurate street address information is critical to almost any data tracking system. In the past, agencies maintained "stand-alone" databases, which are unable to communicate or easily share information with other agencies' systems. Starting in Year 28 the City committed \$3 million in NTI bond funds over five years to upgrade the City's mapping and data sharing capabilities through a single system known as the Uniform Land Records System (ULRS). Managed by the Mayor's Office of Information Services, ULRS will link property-specific data among the major City departments using a common address model and the City's geographic information system.

To efficiently track the acquisition, assembly and disposition of property, the City is developing a Virtual Property Management Information System (VPMIS). In Year 31 the City increased its planned expenditures for this activity from approximately \$3.5 million in bond funds over five years to \$5.3 million. VPMIS will streamline land acquisition-disposition processes by:

- 1) eliminating data-entry redundancies and inefficiencies;
- 2) facilitating the tracking of a property through the City's administrative pipeline; and
- 3) enabling managers to identify bottlenecks in the system.

VPMIS will be developed as a core application of the Uniform Land Records System, drawing on address-based data critical to the land acquisition and disposition processes.

### ■ Use of Blight Certification

In areas where the City is making a multiyear commitment to neighborhood revitalization, the RDA uses blight certification to facilitate land acquisition through eminent domain. This approach, formerly used in connection with execution of redevelopment plans for Urban Renewal Areas, involves the completion of a survey of existing neighborhood conditions, certification of blight through a resolution of the Philadelphia City Planning Commission (PCPC), preparation of a redevelopment plan including identification of properties to be acquired and authorization of the redevelopment plan through formal action by City Council.

The blight certification process is more efficient than Act 94 condemnation for areas in which substantial

RDA acquisition is required in order to assemble land for development.

- ❑ In Year 20 OHCD and the RDA obtained blight certification resolutions for two of the four Lower North Philadelphia neighborhoods in which development was planned: Poplar and Ludlow.
- ❑ In Year 21 OHCD and RDA obtained blight certification resolutions for two neighborhoods: Cecil B. Moore and Francisville.
- ❑ In Year 22 OHCD obtained a blight certification resolution in New Kensington/Fishtown to support a pilot sideyard acquisition/disposition program.
- ❑ In Year 24 OHCD obtained blight certification resolutions for the Sarah Allen Urban Renewal Area, in the Belmont/Mantua neighborhood, for an area at 49th and Locust Streets and for Point Breeze East.
- ❑ In Year 25 OHCD obtained a blight certification for the Parkside National Register Historic District Redevelopment Area.
- ❑ In Year 26 OHCD obtained a blight certification for an area of Eastern North Philadelphia in the vicinity of the 2300 and 2400 blocks of North Howard Street, to support acquisition associated with the Hunter School Homeownership development. These blight certifications will assist in assembling land for specific development ventures supported by OHCD.
- ❑ In Year 27, OHCD obtained a blight certification resolution for an area in the American Street Empowerment Zone along American Street from Girard Avenue to Lehigh Avenue. Acquisition in this area will support industrial development in the Empowerment Zone.
- ❑ In Year 28, the Philadelphia City Planning Commission (PCPC) certified as blighted areas the Logan Triangle; an area for Convention Center expansion; Kingsessing between 52<sup>nd</sup> and 62<sup>nd</sup> Streets, Chester Avenue and the AMTRAK railway; an area near Frankford Creek for residential development; Mill Creek; and an expanded area at 49<sup>th</sup> and Locust Streets.
- ❑ In Year 29 the area around 52<sup>nd</sup> and Lancaster was expanded to include the 4900 block of Girard Avenue and adjacent areas. Also in Year 29, areas in Upper Nicetown, East Germantown, West Fairhill/East Tioga/Hunting Park were certified, as well as areas around 54<sup>th</sup> Street and Columbia Avenue and 16<sup>th</sup> and Moore Streets.
- ❑ In Year 30, the existing central Brewerytown area and the 44<sup>th</sup> and Aspen area were expanded, a new area encompassing Cottman Avenue and Riverview was created in the Northeast, and Center City redevelopment areas were recertified. New development areas were certified in West Oak Lane and Andorra.
- ❑ In Year 32, OHCD will work with the RDA and PCPC to obtain blight certifications as appropriate.

## ■ Demolition

At any given time there are more than 7,000 dangerous buildings in the city, as many as 1,000 new buildings become dangerous each year. The goal of the residential demolition program is to protect the health, safety and general welfare of Philadelphia residents by drastically reducing the city's inventory of vacant and dangerous houses over five years. Before the advent of NTI, the City demolished buildings in a reactive manner, waiting for buildings to become so dangerous that they required immediate "curbside" demolition.

Under NTI, the City identifies target areas for demolition based on geographic analysis of the following factors; condition of structures, level of vacancy, proximity to schools and other neighborhood assets, home sales and proximity to industrial land use. Once target areas are identified, demolition packages are developed through a series of field surveys and neighborhood tours. District council staff, community leaders, community-based organizations and city agencies participate in the decision-making process. Before issuing notice to proceed on any demolition work, the City notifies all surrounding property owners and holds a series of community meetings to alert residents of the upcoming demolition activities. Contractors are responsible for the entire demolition procedure--stuccoing, asbestos checks and stabilization and greening of resultant lots--which increases accountability, efficiency and subcontracting opportunities for smaller firms.

In Year 29, the City demolished 1,380 dangerous buildings as part of the NTI targeted and emergency curbside demolition programs. In Year 30, the City demolished 1,237 dangerous buildings. In Year 31 the City will wrap up the NTI targeted demolition program by completing approximately 1,000 demolitions.

Starting in Year 31, curbside demolition was funded out of the General Fund. In Year 30, the City began to develop a procedure for integrating best practices and elements of the NTI demolition process into the City's

curbside demolition program, including improving systems for tracking dangerous buildings, scheduling re-inspections of vacant properties and contracting for curbside demolitions.

### ■ Logan Triangle Area

Using NTI bond financing, the RDA will acquire 985 parcels to be assembled and sold for new development. OHCD expects to complete relocation activities in the Logan Triangle Area in 2006. OHCD will continue to work with neighborhood organizations, PCPC, other city agencies and residents to review commercial and other alternatives for the re-use of the land. A Request for Proposals for re-use of the site is expected to be issued in 2006. Funding for neighborhood planning in Year 32 is incorporated in the budget line for Neighborhood Planning (NACs).

### ■ Management of Vacant Land

In the case of open spaces and vacant lots, the focus of the City's efforts will be to establish a comprehensive land management system that includes keeping vacant lots reasonably free of debris; open space planning; neighborhood greening projects to stabilize vacant lots; street tree maintenance and tree plantings; and education and technical assistance support for community stewards of vacant land.

#### **1. Vacant Lot Cleaning and Tree Maintenance Program:**

In June 2001, the City launched a citywide Vacant Lot Clean-Up Program. Through this NTI initiative, approximately 31,000 vacant lots, regardless of ownership, were cleaned. The City used general operating funds for the initial follow-up cleaning of vacant lots. In addition, the City has a backlog of dead and dangerous trees. Once the backlog is eliminated, the City will shift funding to support an ongoing tree management program that will increase the level of planting and pruning activities. To date, 23,033 dead trees have been removed from city streets and 53,000 trees pruned. City workers cleaned 11,150 vacant lots in Year 29 and 9,300 in Year 30 and will clear weeds and debris from 7,000 to 9,000 vacant lots in Year 31. In addition in Year 29, the City contracted with eight community organizations to provide ongoing maintenance on approximately 2,000 lots throughout the city. In Years 30 and 31 nine community organizations participated and cleaned more than 2,500 lots. A 10th group may be added in Year 32. Each year 70 to 90 community residents are hired on a part-time basis to perform the work.

**2. Environmental Clearance:** OHCD proposes to allocate CDBG funds for environmental clearance and

soil remediation for sites proposed for housing development activity in Year 32.

**3. Open Space Planning and Management:** While essential, surface cleaning is insufficient to transform urban vacant land into community assets. Without additional treatments, soon after lots are cleaned, illegal dumping recreates the previous trash-strewn conditions. Working with the Pennsylvania Horticultural Society (PHS), the City will break this cycle of cleaning and deterioration through its "Green City Strategy." The Green City Strategy is a partnership among City agencies, community residents, organizations and businesses to:

- 1) conduct basic housekeeping of all vacant lots;
- 2) "clean and green" select vacant lots;
- 3) landscape community gateways and key lots;
- 4) plant street trees;
- 5) improve municipal parks and public spaces; and
- 6) plan open spaces.

In Year 30, a consulting firm hired by PHS and the City made recommendations for a long-term vacant land maintenance plan. In addition, a study released by the University of Pennsylvania indicates a direct relationship between greening and increased real estate values. Therefore, in the next two to five years, a major fund-raising effort will be launched to support the NTI Green City Strategy. In January 2005, the William Penn Foundation awarded a two-year, \$2-million grant to PHS for greening and community organizing efforts. Several corporations have also pledged support for park improvements and commercial corridor projects. Private supporters include: Citizens Bank, which has supported improvements in 10 neighborhoods from Vernon Park in Germantown to Jefferson Square and Wharton Square Parks in South Philadelphia; and Moon Nurseries, which donated labor and materials to green a traffic island on Ogontz Avenue in West Oak Lane. Federal grants totaling approximately \$550,000 supported vacant land maintenance and tree planting in Year 30. Additional federal grants totaling \$376,000 and City funds supported the work in Year 31. The City invested more than \$8 million from its Operating Budget in Years 29, 30 and 31, with another \$3 million in City funds planned for Year 32, to support the NTI Green City Strategy.

In addition, OHCD will use CDBG resources to support activities related to planning, maintenance and improvement of open spaces in low- and moderate-income neighborhoods in a number of ways. OHCD

proposes to maintain support for PHS' Philadelphia Green program. This program provides technical assistance and gardening supplies for organized community gardeners. In 2005 the City received a grant from the Pennsylvania Department of Conservation and Natural Resources (DCNR) to prepare a comprehensive parks, recreation and open space plan, known as *GreenPlan Philadelphia: The City's Blueprint for Sustainable Open Space*. In Year 31, OHCD supported GreenPlan Philadelphia by providing CDBG resources to PHS for community outreach and neighborhood-based planning activities. OHCD proposes to continue its support of *GreenPlan Philadelphia* in Year 32 through civic engagement and planning activities of PHS.

In Year 32, OHCD proposes to support the Neighborhood Gardens Association to be matched dollar-for-dollar by private funding sources for the installation of watering systems and other physical improvements at land-trust garden sites in low- and moderate-income neighborhoods.

In the past, OHCD supported the New Kensington Open Space Management Program through the Philadelphia Green program. New Kensington's efforts have included comprehensive planning and greening of Frankford Avenue, creation and maintenance of gardens throughout the New Kensington neighborhood, the development of a Garden Center at Frankford and Berks Street to provide educational and gardening materials for community residents, and implementation of a side yard program. Under the side yard program, OHCD has committed CDBG funding to acquire scattered vacant lots in the New Kensington/Fishtown Urban Renewal Area neighborhood for conveyance to adjacent homeowners interested in developing these properties as gardens, yards or parking areas. In Year 32, OHCD proposes to support New Kensington CDC to continue the Open Space Management Program.

#### ■ Small Vacant Lot Abatement Program

The Small Vacant Lot Abatement Program (SVLAP), was initiated in Year 26. Authorized by an expansion of Ordinance 1202A, SVLAP is a coordinated effort to eliminate urban blight caused by thousands of privately owned small vacant and abandoned lots scattered throughout the city. The aim of the program is to afford homeowners, neighborhood residents and organizations the opportunity to clean, maintain and acquire small vacant lots in their communities. Through the program homeowners can increase property values by creating sideyards, gardens and patio areas. Faith-based institutions and community organizations can

create attractive gardens and open spaces that can be enjoyed by all.

To be eligible for acquisition through this program, small vacant lots must meet the following criteria:

- 1) The Department of Licenses and Inspections has determined the lot is a public nuisance as defined by the Philadelphia Code because of overgrown weeds, trash and/or other code violations.
- 2) The owner of record is delinquent in the payment of real estate taxes and/or water and sewer rents or other municipal liabilities.
- 3) There has been no lawful or productive activity on the lot in the 12 months prior to application.

As of Dec. 31, 2005, SVLAP has processed more than 3,017 applications and transferred 481 lots to abatement-agreement holders. OHCD proposes to continue to support SVLAP in Year 32.

#### ■ Site and Community Improvements

In Year 28, a total of \$6.845 million was allocated in the City's FY 2003 Capital Program to support site improvements and infrastructure associated with housing activities. Of this amount, \$1 million was allocated to support site improvements in the Cecil B. Moore Homeownership Zone. This amount repays \$1 million in City Capital Funds previously allocated to this project which were returned to the Capital Program in FY 2002. This allocation of \$1 million completes the City's match requirement pledged to the project in its proposal to HUD for Homeownership Zone funding.

A total of \$3.5 million in City Capital Funds was allocated to support the redevelopment of Richard Allen Homes by the Philadelphia Housing Authority (PHA). This investment will fund infrastructure improvements to support the construction of 178 new units adjacent to the Poplar Nehemiah homeownership development.

City Capital Funds of \$2.145 million were allocated for streets and underground utilities for the Schuylkill Falls HOPE VI development. This funding allocation will complete the City's Capital commitment to the project.

The City Capital Program also allocated \$200,000 to support site improvements for the Ludlow Village V homeownership development of 22 new-construction houses in the 1500 blocks of North Franklin and North 8<sup>th</sup> Streets. The project will continue the reconfiguration of North Franklin Street begun in Ludlow Village III by widening the street and providing a planted median

strip. Because of reduced resources available in the City's Capital Program, no City Capital funds are proposed for OHCD or PHA-supported housing development in FY 2006 or FY 2007.

To reinforce affordable housing development, OHCD proposes to continue to support supplemental community improvement programs in neighborhoods targeted by PNHS in Year 31. Funding for this effort is now part of the budget line for PNHS in the Housing Preservation section.

Retaining walls, alleys, driveways, curbs and sidewalks are private property and property owners are responsible for their maintenance, repair and reconstruction. In some instances, commonly shared retaining walls are seriously deteriorated and may be a threat to public safety. The cost of repairing or replacing this private infrastructure is substantial and outstrips the City's current resources. In Years 28 and 29, the City expended \$1 million in NTI bond proceeds for the repair of selected dangerous retaining walls that pose a clear threat to public safety. In Year 28, the Streets Department surveyed and estimated repair costs of more than 60 retaining walls in need of repair citywide. Repairs to three walls were completed in Year 29 and the City will contract for repairs to another three in Year 30. In Year 30, the City allocated another \$1.1 million in NTI bond proceeds to this repair program, which will fund the repair of another three walls. In Year 31, an additional \$500,000 in NTI bond proceeds was allocated for the retaining wall repair programs. By law, abutting property owners are required to pay back a portion of repair costs, capped at \$40,000, over four years, with the City paying the balance.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>ACQUISITION, SITE PREPARATION &amp; COMMUNITY IMPROVEMENTS</b>								
<b>A. Management of Vacant Land</b>								
1. Environmental Clearance	143							143
2. Philadelphia Green	451							451
3. Neighborhood Gardens Association	25							25
4. New Kensington Open Space Management	71							71
<i>Subtotal: Management of Vacant Land</i>	690	0	0	0	0	0	0	690
<b>B. Site &amp; Community Improvements</b>								
1. PNHS Community Improvements/Model Blocks	150							150
<i>Subtotal: Site &amp; Community Improvements</i>	150	0	0	0	0	0	0	150
<b>TOTAL: ACQUISITION, SITE PREPARATION &amp; COMMUNITY IMPROVEMENTS</b>	<b>840</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>840</b>



## Community Economic Development

The activities described in this section are designed to respond to the Year 32 objectives of advancing employment and training for low- and moderate-income residents of Philadelphia by targeting neighborhood commercial corridor revitalization, eliminating blight in targeted neighborhoods, enhancing community-based development projects, stabilizing and expanding the city's employment base and expanding workforce development programs. This work will advance the objectives of the City's Economic Development Blueprint and focus on the objective entitled "Sustain Advances in Neighborhood Economic Development." These activities are coordinated through the Neighborhood Transformation Initiative (NTI). They will be integrated on a citywide level with the Commerce Department and the Mayor's Business Action Team (MBAT), and on the neighborhood level with the Empowerment Zone, Renewal Community and the administration of the Keystone Opportunity Zones.

In April 2001, Mayor Street unveiled NTI, a \$296-million strategy to rebuild and preserve Philadelphia's neighborhoods as thriving communities with clean and secure streets, vibrant retail, recreational and cultural outlets and quality housing. In Year 31, recognizing that holistic neighborhood change could not be fully realized without strategic investments in neighborhood commerce, the City began to integrate its community economic development activities with NTI. This commitment was set forth in the City's Economic Development Blueprint which prioritized increasing investment in neighborhood commercial corridors as a means of sustaining the positive changes initiated by NTI. The significant impacts NTI has made in blight removal, housing development and preservation, and improved government delivery systems must be supported by a strategy that will promote commercial corridors as healthy, vibrant hubs for steadily improving neighborhoods.

In Year 32, the City will fund community economic development services in three broad categories: business assistance, neighborhood commercial corridor assistance and community-based organization assistance.

In addition to City agencies, the Philadelphia Industrial Development Corp. (PIDC) and the Philadelphia Commercial Development Corp. (PCDC) are key partners in the implementation of this plan, especially through their provision of business assistance. PIDC

and PCDC projects will create low- and moderate-income employment opportunities (at least 51 percent of the created and/or retained employment opportunities will be available for low- and moderate-income people); retain and expand the retail base to provide retail goods and services to neighborhoods and to residents of low- and moderate-income neighborhoods; or assist in the prevention or elimination of slums or blight. In addition, PIDC and PCDC projects will stimulate investment in economic activity in the city, the generation of tax ratables throughout the city and investment by other lending institutions. PIDC generally operates on a citywide basis except where programs are specifically designed to serve targeted areas. PCDC's programs accomplish these goals on both a geographically targeted and citywide basis.

The framework for neighborhood commercial corridor assistance in Year 32 will be NTI's ReStore Philadelphia Corridors initiative, supported in part by \$21.8 million in bond proceeds. It will weave together the NTI principles of neighborhood planning, blight elimination and prevention, land assembly, neighborhood investments and leveraging, with the strategies developed in the City's Economic Development Blueprint. This will allow the City to breathe new life into long-neglected commercial corridors by putting in new curbs, sidewalks, lighting, trees and façade work so these areas will be appealing places for residents to shop and work. Corridors located throughout the city will receive services that increase their ability to participate in the market and bring quality goods and services to local residents. Businesses on corridors will receive services designed to help them prosper and serve as a job-creating engines for their communities. Community development corporations (CDCs) and nonprofit organizations will also help support this focus on neighborhood commerce.

Vibrant commercial corridors provide the stable center of healthy neighborhoods. This strategy will result in improved corridors with fewer vacancies, new development, the creation of new jobs and support of neighborhood entrepreneurs. These districts will offer necessary retail services, local employment opportunities and a means for keeping dollars cycling through the community.

Community-based organization assistance will support community-based organizations (CBOs) working on commercial corridors in concert with the ReStore Philadelphia Corridors initiative.

All funded agencies that provide direct assistance to for-profit businesses or nonprofit organizations that

undertake programs for the creation of employment opportunities will coordinate their activities with the City or its designee for employment placement of low- and moderate-income Philadelphians. Such programs may be undertaken on a targeted neighborhood basis or on a citywide basis.

### ■ Business Assistance

The City proposes to implement the following programs, designed to provide direct technical assistance and financing to businesses, on a citywide basis. Where feasible, these programs will support the ReStore Philadelphia Corridors initiative by providing such services to targeted neighborhood-based commercial corridors in low- and moderate-income neighborhoods.

#### 1. The Growth Loan Program

PIDC will provide low-interest, second-mortgage financing for business expansion in the city. Combined with private financing, this revolving loan pool contributes to the capital necessary to complete private business expansion that could not occur solely through private financial markets. At least 51 percent of the created and/or retained employment opportunities realized through these loans will be available for low- and moderate-income people. These projects will also retain and expand the retail base to provide retail goods and services to neighborhoods or assist in the prevention or elimination of slums or blight. In addition, PIDC projects will stimulate investment in economic activity in the city, the generation of tax ratables throughout the city and investment by other lending institutions.

#### 2. For-Profit Business Assistance Program

PCDC will provide managerial and technical assistance to retail or commercial firms that will provide goods and/or services to the city's low- and moderate-income neighborhoods. The types of technical assistance may include developing detailed business plans, preparing financial projections for business operations, merchandising, advertising, planning for controlled growth, providing assistance for management and organization structure, assisting in procurement and designing and implementing system controls tailored to the needs of the client firm. PCDC will participate in the Philadelphia Small Business Support Center as a technical assistance provider. PCDC may also provide this type of managerial and technical assistance to businesses that create employment opportunities for low- and moderate-income people and are funded by one of PCDC's loan or grant programs.

#### 3. Business Financing Programs

PCDC's For-Profit Business Assistance Programs arrange financing for small business start-up and expansion. PCDC will assist small businesses in obtaining financing for expansion and start-up, working capital and real estate acquisition for business uses. Project funding will be secured from private and public lending agencies and PCDC's Small Business Revolving Loan Fund (SBRLF). PCDC will also administer the City's Small Business MicroLoan program. PCDC operates the SBRLF and MicroLoan programs on a citywide basis with special attention given to businesses on commercial corridors located in low- and moderate-income neighborhoods. In Year 32, the SBRLF will be supported through prior year CDBG funding.

It will provide direct lending to at least 15 firms. At least 45 new jobs will be created as a result of this lending and 95 jobs will be preserved.

#### 4. Housing Rehabilitation Assistance Loan Program

PCDC will implement a Housing Rehabilitation Assistance Loan Program to assist CDBG-funded residential rehabilitation activity. PCDC will provide working capital loans to small and minority contractors who are rehabilitating privately and publicly owned residential units for low- and moderate-income Philadelphians. Funding for this program will come from prior year revolved dollars.

#### 5. Section 108 Loan Program

The City will implement the Section 108 Loan Program, funded in prior years, to expand the capacity for commercial and industrial lending and to assist potential downtown development. It is anticipated that \$15 million of Section 108 funding will be applied for during 2006 and that \$2 million of Economic Development Initiative funding will be applied for during 2006, if it is made available by HUD. Loans will be used to support an array of development needs including but not limited to acquisition, site preparation, construction, reconstruction, rehabilitation, machinery and equipment acquisition, infrastructure improvements and related project costs. The goals of these loans will be to create or retain permanent jobs for residents of Philadelphia, especially those with low and moderate incomes, to stimulate private investment to expand retail goods and services in the neighborhoods, to eliminate blight and to generate tax ratables for the City. The projects approved for the Section 108 Loans will be consistent with the City's Economic Development Blueprint, and will help sustain

the advances of NTI. Under the Section 108 Loan Program, the City is allowed to borrow funds against its future CDBG entitlement receipts. Although this activity is expected to be self-sustaining (as private developer debt service payments repay the City for Section 108 loan obligations), future CDBG entitlement receipts and other security offered by the City are used to guarantee all Section 108 loans. Any use of future CDBG funds for this purpose will reduce CDBG funds allocated to economic development activities in an equal amount for the years affected.

6. Section 108 Loan Guarantee Payments  
In the event that a PIDC Section 108-funded loan is unable to meet its interest and/or principal payment, then PIDC may utilize the CDBG funding authorized under this agreement upon receipt of written approval from the City. The funds will be transferred from otherwise unallocated prior or current year CDBG program income. It is anticipated that such repayments will not exceed \$1.7 million.

## ■ Neighborhood Commercial Corridor Assistance

The City proposes to implement a number of programs targeted to neighborhood commercial corridors in low- and moderate-income communities. These programs will provide assistance to businesses located on such corridors and to CBOs working on targeted corridors. CDBG resources will be coordinated with bond proceeds, other City funds, state and other federal resources to achieve the greatest impact on targeted corridors.

### 1. ReStore Philadelphia Corridors

The ReStore Philadelphia Corridors initiative will revitalize neighborhood commercial corridors and re-establish their historic roles as central places to shop, work, and meet neighbors through the following strategies:

#### □ Focus planning and data analysis on strengthening corridors:

NTI has inspired and assisted dozens of neighborhoods throughout the city to come together to create visions for their communities, test their feasibility and plan their implementation. ReStore Philadelphia Corridors will make investments based upon such plans.

#### □ Align and leverage resources:

CDBG resources will be supplemented by and coordinated with \$65 million in bond proceeds, City Capital Program funding, state and other federal

resources to support ReStore Philadelphia Corridors.

#### □ Make neighborhood commercial corridors more welcoming places:

Investments in business assistance, neighborhood corridor services and support to CBOs will be designed to increase commerce and job creation by making the corridors easier and more pleasant for pedestrians to navigate with improved connections to transportation, a greater sense of security and more appealing storefronts for customers.

#### □ Develop a system to attract and retain businesses:

ReStore Philadelphia Corridors will help neighborhood groups and business associations understand, value and market their assets to support and grow existing businesses, and attract regional and national chains to their corridors, thus creating jobs that will be made available to low- and moderate-income residents.

In Year 32, this program will be implemented by the City through NTI, Commerce Department, City Planning Commission and the Managing Director's Office, among others, as well as PCDC, PIDC and community-based partners. The City anticipates that approximately \$21.8 million of the \$65 million in anticipated bond proceeds will be invested in this initiative in Year 32.

The City intends to support the following activities on neighborhood commercial corridors: streetscape enhancements and other capital improvements; investments in corridor sustainability, marketing and security measures; technical assistance to businesses and business associations; and technology improvements. Bond funding will also be made available to supplement the Neighborhood Development Grant Activities described in "Community-Based Organization Assistance." The bond-funded activities will be the same as those made available under the CDBG-funded section of the program. Other components of the ReStore Philadelphia Corridors initiative are described below.

Bond funding for acquisition of commercial properties will replace the Targeted Neighborhood Commercial Area Acquisition Program funded in previous years with CDBG funds. An Acquisition Pool will be made available to enable the City and CBOs to acquire for redevelopment key properties on neighborhood commercial corridors. The goals for such acquisition will be to attract a business that will provide retail

goods or services to residents of that neighborhood as well as the creation of jobs. Consistent with the ReStore Philadelphia Corridors initiative, investments will be targeted to commercial corridors based on their level of organization, existence of plans, capacity of local CDCs or other neighborhood-based organizations, feasibility and proximity to other public and private investments.

The ReStore Philadelphia Corridors initiative will include a small-business loan guarantee program. Designed to improve the access of small businesses located on commercial corridors to mainstream lenders, this program will provide a guarantee or reserve fund that will leverage other financing. The loan guarantee program will supplement the SBRLF operated by PCDC. In Year 32, the SBRLF will be supported through prior year CDBG funding.

In addition, the ReStore Philadelphia Corridors initiative will use bond proceeds and other City funds to make façade and security rebate grants to businesses located on neighborhood commercial corridors. Previously funded out of CDBG funds, the Small Business Commercial Improvement Program (SBCIP) will provide a rebate on a matching basis up to \$5,000 per a single commercial property or \$10,000 for a corner or multiple address business property. A property improved under this program may utilize the SBCIP allowance no more than once every five years with exception of signage and/or awning costs for a new business. The City may designate specific areas to receive up to a 75-percent rebate for specific façade improvements. Such additional benefits will be at the sole discretion of the City. Corridor businesses will be encouraged to participate in uniform design guidelines to heighten the impact of façade improvements. This program will be coordinated by NTI with MBAT, PCDC and CBOs providing outreach to business owners and assisting with the application process.

The ReStore Philadelphia Corridors initiative will contain a Main Street Program component. This uses a four-point approach of organization, economic restructuring, promotion and design to structure a local incremental, comprehensive strategy for a targeted corridor. Organizations selected to participate in the program engage in the following improvement activities on a neighborhood commercial corridor for a minimum of five years:

**1. Main Street Management**—to coordinate improvement activities on the corridor;

**2. Façade Renovation**—to improve the visual appearance of storefronts in the Main Street district;

**3. Building Renovation**—to enhance commercial business opportunities for area residents;

**4. Creation of Downtown Anchors**—to provide funding for major commercial and cultural facilities that will draw people to the Main Street district; and,

**5. Streetscape Enhancement**—will only be provided for communities that have an established Main Street program and have generated sufficient revitalization activity to justify investment in infrastructure.

NTI will implement the Main Street Program, funded with state resources, through four CBOs selected in prior years. In Year 32, up to two additional Main Street organizations may be selected to operate the program utilizing between \$50,000 and \$75,000 for Main Street Management and Façade Renovation activities only.

## 2. Targeted Neighborhood Commercial Area Program (TNCA)

To assist the implementation of the City's Economic Development Blueprint and ReStore Philadelphia Corridors initiative, PCDC will work in designated low- and moderate-income neighborhoods throughout the city. PCDC will provide direct assistance to for-profit businesses and nonprofit organizations that act as key service providers and employers in these areas through the TNCA Program. The principal goal of TNCA is to enable these businesses to remain and to expand while providing needed goods, services and employment opportunities for Philadelphia's low- and moderate-income residents.

In Year 32, the City expects to continue to support through staff activities the same TNCAs that were supported in Year 31 (see "Appendices"). Consistent with the ReStore Philadelphia Corridors initiative, investments and services to specific corridors may vary depending upon the level of organization, existence of plans, capacity of local CDCs or other NBOs, feasibility and proximity to other public and private investments. PCDC's efforts will be coordinated with those of NTI and MBAT staff to ensure no duplication of effort.

## ■ Community-Based Organization Assistance

### 1. Neighborhood Development Fund

PIDC will provide financial assistance to nonprofit businesses, CDCs or joint ventures of these entities. Coordinating with the Department of Commerce and NTI, PIDC may fund activities to provide financial assistance to economic development projects that help stabilize and foster economic growth in distressed areas of the city. Funding for this program will come from prior year appropriations.

### 2. Neighborhood Development Grant Activities

In conjunction with its ReStore Philadelphia Corridors initiative, the City will allocate CDBG resources to support community-based economic development activities. NTI will target appropriate investments to selected commercial centers based on their level of organization, existence of plans, feasibility, capacity of local CDCs or other NBOs and proximity to other public and private investments. This work will be coordinated with TNCAs that are the focus of PCDC's efforts.

In Year 31, the City designated specific amounts to be made available for planning, pre-development and development funding, including the Neighborhood Commercial Area Transformation Program. In Year 32, these funds will be combined in one pool but may be used for activities similar to those in prior years as described below:

- **Pre-development** grants of up to \$20,000 each to support predevelopment activities associated with community-sponsored economic development ventures. Predevelopment activities may include but are not limited to architectural/engineering services and financial packaging of development projects. Every award must be matched on a one-for-one basis with non-City funds.
- **Planning grants** of up to \$20,000 each to support economic development planning activities targeted to neighborhood commercial revitalization and blight elimination. Every award must be matched on a one-for-one basis with non-City funds.
- **Neighborhood Development Grants** of up to \$200,000 each to neighborhood-based economic development projects as gap financing. The grant program may be used in conjunction with PIDC's Neighborhood Development Fund. Grant requests must accompany public financing packages that demonstrate the financial need for the subsidy.

- **Neighborhood Commercial Area Transformation (NCAT) Grants** of up to \$500,000 each to support predevelopment activities that will substantially transform older, income-impacted communities. Projects should not only create permanent jobs but also assist in changing the nature of the existing economically distressed neighborhoods. Eligible activities may include but are not limited to acquisition, architectural, engineering and financial packaging of development projects by Community-Based Development Organizations (CBDOs).

### 3. Targeted Neighborhood Support Grant Activities

In Year 32, the City proposes to undertake Targeted Neighborhood Support Grant Activities in support of the ReStore Philadelphia Corridors initiative. The range of these activities will include but not be limited to:

- strengthening neighborhood commercial corridors through planning and research;
- making commercial corridors more welcoming and viable through revitalization and elimination of blight;
- increasing availability of jobs and retail goods and services through business development and retention; and
- strengthening businesses through marketing, technical assistance and financing.

These activities will be carried out by CBDOs. The specific activities that will be carried out by each group will be based upon the ReStore Philadelphia Corridors initiative and determined by a work plan developed by the CBDO in conjunction with the City. The amount of funding that will be made available will be based upon the work plan.

### 4. Capacity Building Assistance for CBDOs

In Year 32, in support of the ReStore Philadelphia Corridors initiative, the City proposes to fund capacity-building activities for CBDOs working on neighborhood commercial corridors. Such activities may include but will not be limited to technical assistance with planning, organizational development, real estate development, financial management, board and organizational development.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	City Bond Proceeds	Other	TOTAL
<b>COMMUNITY ECONOMIC DEVELOPMENT</b>								
<b>A. Business Assistance</b>								
1. Growth Loan Program (PIDC)	4,000							4,000
2. Small Business Revolving Loan Fund (PCDC)	1,455							1,455
3. Section 108 Loan Program (PIDC)							15,000	15,000
4. Technical Assistance to Small Businesses							600	600
<i>Subtotal: Business Assistance</i>	<i>5,455</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>15,600</i>	<i>21,055</i>
<b>B. Neighborhood Commercial Corridor Assistance</b>								
1. ReStore Philadelphia Corridors						21,800	600	22,400
2. Main Street Program				500				500
<i>Subtotal: Neighborhood Commercial Corridor Assistance</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>500</i>	<i>0</i>	<i>21,800</i>	<i>600</i>	<i>22,900</i>
<b>C. Community-Based Organization Assistance</b>								
1. Neighborhood Development Fund (PIDC)	1,000							1,000
2. Neighborhood Development Grants	900							900
3. Targeted Neighborhood Support Grant Activities	1,400						300	1,700
4. Capacity Building Assistance for CDCs	175							175
<i>Subtotal: Community-Based Organization Assistance</i>	<i>3,475</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>300</i>	<i>3,775</i>
<b>TOTAL: COMMUNITY ECONOMIC DEVELOPMENT</b>	<b>8,930</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>21,800</b>	<b>16,500</b>	<b>47,730</b>



## Community Planning and Capacity Building

This section describes capacity building assistance proposed for neighborhood organizations and emerging CDCs.

### ■ CDC Support Services and Planning

OHCD will continue to support a structured program of technical assistance to help neighborhood-based nonprofit and citizen organizations participate in community development activities. During Year 32 OHCD intends to support the Philadelphia Neighborhood Development Collaborative (PNDC) to provide technical assistance and supportive services needed to increase CDC capacity and expand CDC activities. PNDC is a private-sector foundation consortium providing core support and technical support to the following Philadelphia-based CDCs: Allegheny West Foundation, APM, Frankford CDC, HACE, New Kensington CDC, Ogontz Avenue Revitalization Corp. and People's Emergency Center. In addition PNDC will provide a series of training workshops for non-PNDC funded organizations in the areas of organizational development, project-related planning, community-based economic development and information technology.

During Years 25 and 26 OHCD worked with the Local Initiatives Support Corp. (LISC) to conduct an assessment of the development training needs of CDCs participating in OHCD-funded development projects. Based on the assessment, specialized training programs have been developed to support CDC development activities. OHCD intends to continue the training programs during Year 32.

In Years 30 and 31, OHCD supported the Institute for the Study of Civic Values to provide technical assistance to negotiate social contracts between neighborhood organizations, landlords, and City agencies. These social contracts set forth their commitments to improve the quality of life in neighborhoods seeking to attract market-rate housing, as well as to protect existing homeowners and renters from displacement. OHCD proposes to continue to support this activity in Year 32.

OHCD intends to continue to provide support to the Community Design Collaborative which provides architectural planning and design assistance to CDCs located in neighborhoods with OHCD-funded community development activities.

In Years 25 and 26, OHCD supported the vacancy prevention activities of the Vacancy Prevention Committee of the Philadelphia Partners in Homeownership. One-half of the houses in Philadelphia are owned by people over 55 and data collected by the Boettner Center of Financial Gerontology of the University of Pennsylvania show that 45 percent of older people have not made plans to either sell or transfer the titles in their homes. Thus, over the next 15-20 years, nearly half the houses in the city are at risk of abandonment as no plans have been made for their maintenance or ultimate disposition. Known as the HomeSMART (Start Managing Assets, Repairs and Titles) Program, the vacancy prevention activities included a training program for housing counselors and senior service providers to help older homeowners understand the value of estate planning, how it can benefit them and their communities, and the establishment of a "tangled title" fund to help resolve title problems which prevent occupants from obtaining loans and grants for repairs or the smooth transfer of title of the residence.

In Year 27, OHCD supported the HomeSMART Program through the expenditure of the remaining balance of funds allocated in prior years. In Year 27, the eligibility for the tangled title funds was expanded to include all ages, not just seniors, and the maximum grant increased to \$2,000. Although the concept of vacancy prevention has been expanded, it still includes and emphasizes issues and information pertaining to the elderly. OHCD continued to support the HomeSMART program in Years 28-31, and proposes to continue support in Year 32.

OHCD has supported the Philadelphia Association of Community Development Corporations (PACDC) to provide technical assistance to OHCD-supported CDCs in the development of comprehensive plans for addressing their information technology needs, to assist in the development and maintenance of websites for the marketing of CDC programs and services and to work with a network of community-based nonprofit organizations to inventory and track vacant land in their respective service areas. OHCD proposes to continue to provide funding for these activities in Year 32.

The Energy Coordinating Agency (ECA) has provided technical assistance to the City and to CDCs regarding specifications for and implementation of energy standards in City-sponsored housing construction and rehabilitation. ECA trained PHDC and RDA inspectors in energy-related requirements, reviews building plans for multiunit projects and monitors construction to ensure compliance with energy requirements.

### ■ Neighborhood Services

OHCD funds neighborhood-based organizations for information and referral services, citizen participation and neighborhood planning. In Year 31 OHCD issued a Request for Proposals to fund organizations as Neighborhood Advisory Committees (NACs) in Year 32. NACs are funded on an area-benefit basis. Eligible service areas must contain at least 51 percent low- or moderate-income residents, based on census data provided to the City by the U.S. Department of Housing and Urban Development.

Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>COMMUNITY PLANNING &amp; CAPACITY BUILDING</b>								
<b>A. CDC Support Services &amp; Planning</b>								
1. PNDC T/A Program	50							50
2. LISC	48							48
3. Institute for the Study of Civic Values	43							43
4. Community Design Collaborative	89							89
5. Vacancy Prevention Activities	25						10	35
6. Philadelphia Assoc. of CDCs	35							35
<b>B. Neighborhood Services</b>	1,540							1,540
<b>TOTAL: COMMUNITY PLANNING &amp; CAPACITY BUILDING</b>	<b>1,830</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>1,840</b>



---

## Section 108 Loan Repayments

Although the commitment to repay prior years' Section 108 financing reduces the amount of funds available to support new activities in Year 32, the Section 108 financing made available in the past produced substantial benefits for Philadelphia neighborhoods. A complete listing of Section 108-financed affordable housing activities is provided in the "Appendices." These activities include new housing construction, vacant property rehabilitation, the development of homeless/special needs housing, acquisition and relocation services in the Logan Triangle Area, continuation of home-repair services through the Basic Systems Repair Program and the Adaptive Modifications Program. In addition, securing Section 108 financing made it possible for the City to leverage outside financing from two sources: the Homeownership Zone program which awarded \$5.52 million to support homeownership production in the Cecil B. Moore Avenue neighborhood; and \$59.8 million in Low-Income Housing Tax Credits and PennHOMES financing administered by the Pennsylvania Housing Finance Agency to support affordable rental housing production. Finally, new tax ratables will be generated for the City through the new housing construction and vacant-structure rehabilitation activities financed through Section 108 loans.

In CDBG Year 31, a substantial commitment of funding was allocated for the repayment of Section 108 financing secured in previous years to support affordable housing production and preservation activities. In Year 32, \$10.027 million is required for repayment of Section 108 principal and interest, in comparison to \$10.490 million in Year 31 and \$10.940 million in Year 30.



Budget Detail - CDBG Year 32 (FY 2007)  
(in thousands)

C D B G Y E A R 3 2 - F I S C A L Y E A R 2 0 0 7

	CDBG	HOME	HOPWA	State	HTF	NTI Bond Proceeds	Other	TOTAL
<b>SECTION 108 LOAN PRINCIPAL &amp; INTEREST REPAYMENTS</b>								
A Rental & Homeownership Dev. (Year 21)	2,803							2,803
B. Homeownership Zone (Year 22)	1,603							1,603
C. Year 22	1,717							1,717
D. Year 23	2,232							2,232
E. Year 24	1,672							1,672
<b>TOTAL: SECTION 108 LOAN PRINCIPAL &amp; INTEREST REPAYMENTS</b>	<b>10,027</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,027</b>



## Neighborhood Planning and Development by Area

This section of the *Year 32 Proposed Consolidated Plan* describes current housing and community development activities for CDBG-eligible areas of the city: North Philadelphia West of Broad Street, North Philadelphia East of Broad Street, Kensington/Frankford/Northeast, West Philadelphia, Center City North, South Philadelphia and Northwest Philadelphia. Kensington/Frankford/Northeast is distinguished from North Philadelphia East of Broad Street because of increased housing and community development in that area in recent years and to achieve consistency with the City's *North Philadelphia Plan* which does not address the geographic area east of Front Street.

### ■ CDBG-Eligible Areas for Neighborhood Planning Activities

Neighborhood planning activities, which are qualified as eligible under the Community Development Block Grant (CDBG) program on an area basis, must be located within census tracts with populations with at least 51 percent low- or moderate-income residents (persons with income 80 percent or less of the area's median income). The census tract map in the "Appendices" shows CDBG-eligible census tracts computed from 2000 census data.

As the 2000 census tract map illustrates, CDBG-eligible census tracts are concentrated in North Central Philadelphia with other significant concentrations in some areas of Kensington/ Frankford/Northeast, West, South and Northwest Philadelphia.

Housing preservation activities, CDBG-funded services (such as housing counseling and job training) and housing production are available to income-eligible households living anywhere in Philadelphia. Household income standards for programs are included in the "Appendices."

Successful neighborhood development requires careful and extensive preparation. Planning is the process that helps communities sort through and prioritize needs while assisting the City in allocating resources to meet those needs. NTI is committed to a comprehensive community planning effort that will underlie its revitalization activities. The Philadelphia City Planning Commission is coordinating this community planning effort.

### ■ Geographic Targeting of CDBG Activities

In January 2005, OHCD issued a Request For Proposals (RFP) for acquisition and development financing for homeownership projects including HRP. Sixty-five proposals were received and 29 were recommended for acquisition and/or development financing. Eleven of these proposals requested acquisition for development through HRP. Proposals seeking to use the state Homeownership Choice Program were reviewed for feasibility, consistency with program objectives and likelihood of success in obtaining funding. The RDA has issued RFPs for rental development and special needs housing in recent years. OHCD has accepted unsolicited proposals for senior housing in conjunction with HUD 202-financing and made funding awards based upon the criteria stated in the Appendix *Selection Criteria for Rental Projects*. In December 2005, at the direction of OHCD, the RDA issued an RFP for special-needs housing production. Special-needs developments will be incorporated into the City's 2006 McKinney Continuum of Care application. Because of the backlog of City-supported general rental projects seeking Low Income Housing Tax Credits from PHFA, no rental RFP was issued in Year 31.

### ■ Citywide Housing and Development Activities

In the area of Housing Production, funding through the Housing Development Assistance budget line item (gap financing for Section 202 housing development projects and other federally subsidized housing development) will be available for qualified projects, so long as funds are available. The HRP will provide financing for the acquisition and rehabilitation of vacant houses requiring moderate rehabilitation for sale to low- or moderate-income first-time homebuyers. Financing will be provided through a combination of loans and subsidies and the program will be carried out by participating CDCs. Using NTI funds, HRP was expanded to include rehabilitation by for-profit developers and properties sold to buyers with incomes more than 80 percent of area median income.

In the area of Homeownership and Housing Preservation, nearly all programs will be made available to income-eligible residents on a citywide, not targeted, basis. Under Home Equity Financing and Rehabilitation Assistance, the NHS Loan Program will continue to be offered in PNHS target areas, both the Full Service neighborhoods of Carroll Park, Cobbs Creek and Morris Park and the Self-Sufficient neighborhoods of Overbrook and Fern Rock-Ogontz-Belfield.

## North Philadelphia

The collapse of the manufacturing base of North Philadelphia's economy in the 1960s, '70s and '80s led to a withdrawal of 43 percent of the community's population between 1970 and 2000. According to the 2000 census, 40 percent of North Philadelphia's population lived in poverty, approximately twice the citywide figure. By 1980 depopulation also left the area with thousands of long-term vacant houses. For more than 15 years, OHCD has targeted much of its CDBG allocation to North Philadelphia. This area encompasses 14.3 square miles. It is bounded on the west by the Schuylkill River, on the south by Spring Garden Street, on the north by Route One and Wingohocking Street and on the east by Front Street, "B" Street and Whitaker Avenue. It includes census tracts 130-142, 144-149, 151-157, 162-169, 171-176 and 194-203. Through NTI, the demolition of vacant properties is creating the opportunity for large-scale new construction of housing, both affordable and market rate. Housing development in North Philadelphia is increasingly focused on new construction rather than rehabilitation.

The area of North Philadelphia East of Broad Street is one of the most diverse and distressed sections of the city. Located here are several PHA housing developments, including Richard Allen Homes, a successful HOPE VI project. The American Street Corridor and Kensington Avenue constitute the eastern boundaries of the *North Philadelphia Plan*. Despite the poverty, there is an active real estate market in Eastern North Philadelphia. Eastern North Philadelphia is the center of Philadelphia's growing Latino population. Of four North Philadelphia census tracts that showed population increases from 1990 to 2000, three were in that area.

In recent years, the expansion of the Center City real estate market to the north and Temple University's evolution from a commuter school to a residential campus have affected the North Philadelphia housing market. Market-rate rental housing near Temple and new construction market-rate sales housing in Brewerytown and Spring Garden are now possible. The City supports the creation of market-rate housing while preserving opportunities for affordable housing. In Year 31, NTI funded the Equitable Development Strategy to preserve opportunities for affordable housing in neighborhoods experiencing new market-rate investment.

## North Philadelphia: West of Broad Street

### ■ Goals

#### 1. Neighborhood Planning and Community Organizations

North Philadelphia West of Broad Street has many strong neighborhood organizations and several CDCs which provide neighborhood strategic planning in their areas. In addition, the Philadelphia Neighborhood Development Collaborative (PNDC) funds the Allegheny West Foundation to provide strategic planning in its service areas. The following neighborhoods are NTI planning areas: Habitat North Central/ACDC, Strawberry Mansion, Brewerytown/Fairmount/Francisville and Sharswood.

#### 2. Housing Rehabilitation

OHCD's efforts to restore residential housing in North Philadelphia West of Broad Street have been undertaken by CDCs and PHDC, through the Homestart Program, and through rental rehabilitation projects sponsored by private and nonprofit developers. The designation of the Cecil B. Moore Homeownership Zone, which will provide 296 units of homeownership housing, is especially notable. The Homestart Program has rehabilitated rowhouses for homeownership in Strawberry Mansion, Francisville, Brewerytown and South Lehigh. In Years 18, 19 and 20 OHCD allocated some of its Homestart funding to the North Philadelphia West of Broad Street area. Public-private partnerships such as that between Community Ventures Inc. and Concerned Citizens of Francisville have led to successful rental and homeownership projects. Private for-profit developers have also contributed by developing rental units in large brownstones in the West Diamond Street area and in converting the former Sartain School into affordable apartments.

#### 3. New Construction

As the demolition of long-term vacant buildings has increased in North Philadelphia, the new construction of housing has become more important in rebuilding the area. New construction homeownership developments include ventures by CDCs in Francisville and on Diamond Street. When completed, the 296-unit Cecil B. Moore Homeownership Zone is expected to be more than 85 percent new construction units. Private developers have built both rental and homeownership units in the Sharswood area and in Francisville. The Philadelphia Housing Authority's on-site and off-site Raymond Rosen units have transformed a large area of North Central Philadelphia.

Special-needs housing developers such as Project H.O.M.E. and Calcutta House have also produced new construction units for their populations.

#### 4. Economic Development

Economic and demographic decline have devastated North Philadelphia's shopping areas, forcing the closure of small necessity and convenience stores. Retail corridors serve as neighborhood main streets, shaping the quality of life of the surrounding residential areas. Rebuilding these commercial centers is as important to rebuilding North Philadelphia as is renovating vacant houses. OHCD coordinates housing revitalization with the commercial revitalization undertaken in accordance with the City's economic development programs. The Commerce Department's ongoing efforts to promote economic revitalization in the Cecil B. Moore Development District, with its Entrepreneurial Center, in Strawberry Square and in the Hunting Park West Enterprise Zone are extensions of this objective. The designation of a North Central Philadelphia Empowerment Zone also contributes to the efforts.

### ■ Area Neighborhoods

The West of Broad Street neighborhoods that have emerged as development centers and their activities are:

#### 1. Francisville

Community Ventures Inc., a neighborhood-based, nonprofit development corporation, has rehabilitated, with the support of the Concerned Citizens of Francisville, 34 rental units for low- and moderate-income families. This major rental rehabilitation project was previously funded with Pennsylvania Department of Community Affairs (DCA), federal MEND and CDBG monies. In Year 16 the Francisville/Rainbow Project, which was also previously funded with DCA money, provided 20 units of permanent rental housing for homeless people. OHCD also allocated \$500,000 for the acquisition and rehabilitation of Project H.O.M.E., 1515-23 Fairmount Ave., for 48 transitional housing units. In Year 18 OHCD provided \$1.06 million in CDBG funds for the rehabilitation of 33 rental units, known as the Fairmount Apartments, 700-800 N. 16th Street, by the Ingerman Group.

Twenty-one scattered-site PHA units were completed during Year 18, using Year 15 CDBG funds. In Year 17 OHCD allocated \$700,000 (\$350,000 in Year 17 funds and \$350,000 in Year 16 funds) to Community Ventures to finance 21 lease/purchase units, known as the Francisville III project. This project, which was completed in 1993, involved both the rehabilitation of existing properties and the construction of new, single-family units which were sold to low- and moderate-income families.

Beginning in Year 18 OHCD supported the development of Francisville IV, a 21-unit homeownership project, carried out by Community Ventures in cooperation with Francisville CDC. Phase I, composed of 11 units, is complete. Phase II, another 10 units, was completed during Year 25. Francisville IV is a combination of new construction and rehabilitation of existing structures. In Year 25, OHCD supported planning and acquisition activities for Francisville VI, an eight-unit homeownership venture on the 800 block of Uber Street and Francisville Seniors, a 42-unit senior housing venture on the 1700 block of Edwin Street. In Year 26 OHCD supported the development of these housing ventures, to be carried out by Community Ventures in cooperation with Francisville CDC. Francisville VI was completed in Year 27. Francisville Seniors, a 42-unit new construction and rehabilitation project was completed in Year 28. Francisville was also the site for a pioneering community garden project known as a Greene Countrie Towne.

OHCD supported the Francisville V project, known as Vineyard Place, 17th Street and Ridge Avenue, by providing up to \$300,000 in Year 19 CDBG funding for the acquisition and spot condemnation of properties, for architectural plans and demolition and site work for the development of a homeownership project. OHCD supported Francisville V as part of *Home in North Philadelphia* by providing \$1.466 million in HOME funds to construct 14 units for homeownership. This project was completed in Year 24.

In Year 21 OHCD supported the Francisville Affordable Housing Design Competition conducted by the Foundation for Architecture by providing funds to acquire and assemble the designated sites on the 1500 block of Poplar Street and the 800 block of 15th Street. OHCD will continue to work with the Francisville CDC to develop this site as affordable housing.

#### 2. Cecil B. Moore

As the first RDA urban renewal project in 20 years, the Cecil B. Moore Development District totally integrates housing development, commercial revitalization, capital improvements and human development initiatives. Combining Years 13-15 and Year 18 CDBG and DCA funds, OHCD allocated \$11.7 million in permanent financing and more than \$8 million in short-term Float Loan financing toward rehabilitating 140 rental units for low- and moderate-income families in the 1500 block of North Gratz Street and the 1700 block of North 16th Street. The rehabilitation of the 140 units on Gratz and North 16th Streets by National Temple Limited Partnership III included the modernization of PHA scattered-site units as well. This project was completed in December 1992.

The capital program supported site improvements along Gratz and 16th Streets in conjunction with this development program.

In Year 17 OHCD allocated \$303,000 to support costs associated with National Temple's new Nehemiah Project. Twelve pilot units on the 1600 block of Gratz Street and the 1500 block of North Bouvier Street were rehabilitated during Year 18.

OHCD made a commitment to implement the homeownership housing development proposed in the Cecil B. Moore Nehemiah plan, even with the HUD Nehemiah funding being withdrawn. Throughout Year 21 OHCD and RDA staff organized a pre-development planning process involving OHCD, RDA, PHDC staff and community members, modeled after the successful approach used to organize the Poplar Nehemiah venture. In April 1997, the City was awarded funding under the Homeownership Zone Program to develop a total of 296 units of housing in the Cecil B. Moore neighborhood. Included in this count are the 14 housing units in the 1600 block of North 19th Street developed by the Beech Corp. in conjunction with PHDC and 10 units in the vicinity of 1900 West Master Street which have been completed by Tenth Memorial CDC in conjunction with PHDC.

The City received a grant of \$5.52 million and \$18 million in Section 108 loan funds to support the Cecil B. Moore Homeownership Zone. The boundaries of the Homeownership Zone are Montgomery Avenue on the north, Master Street on the south, North Bouvier Street on the east and North 20th Street on the west. The construction of the first 29 houses, on the 1400 through 1700 blocks of North 18th Street and 1600 through 1700 blocks of West Oxford Street was completed in Year 24. Three additional units in Phase I-A were completed in Year 27. In Year 25, construction began on Phase I-B, 39 units of new construction at the former Sink Ironworks site on the 1800 block of Jefferson Street and rehabilitation on the 1400 block of North 18th Street. These units were completed in Year 27.

In Year 25, OHCD also supported planning and pre-development work for Phase II of the Homeownership Zone, consisting of 78 new construction units and 25 rehabilitated units. The first 42 of the units, located generally along Bouvier Street from Master Street to Montgomery Avenue, were completed in 2005. Three historic brownstone buildings in the 1700 block of North 18th Street were converted into owner-occupied duplex units by PHDC. These units were completed in Year 29.

During Year 28, the remaining units in Phase II were combined with Phase III. The area for Phase III is roughly Master Street to Montgomery Avenue, from 19th Street to 20th Street. In December 2002, the RDA issued an RFP for a development partner to complete the remaining 151 units in this expanded Phase III. The goals of the RFP are to increase impact and value by building at scale and to develop in accordance with a master plan for the area. A joint venture between OKKS Development and the Michaels Development Corp. was selected in the RFP process. This joint venture formed a Community-Based Development Organization with H.E.R.B. Inc., known as H.E.R.B. CDC to serve as developer of the remaining 151 units. Construction began on the first 64 units, known as Phase III-1, in December 2005.

In Year 21 OHCD supported the development of 34 rental units and four homeownership units on the 1600 block of North 16th Street, known as Cecil B. Moore Village, by The Regis Group.

In Year 23 OHCD funded acquisition through eminent domain for Sharswood Court, a 71-unit affordable rental venture on the 1400 blocks of North 22nd and North 23rd Streets and the 2100 and 2200 blocks of Master, Harlan, Sharswood and Stewart Streets. In Year 25, OHCD supported the new construction of Sharswood Court with \$1.6 million in HOME funds and \$500,000 in CDBG funds for environmental remediation for a total funding commitment of \$2.1 million. This project was completed in Year 26. In Year 29, the City supported the development of Sharswood Court II, 60 new construction rental units by the Michaels Development Corp. This project has received Low-Income Housing Tax Credits from PHFA and is under construction. In the Year 29 Homeownership RFP, the acquisition of 34 parcels within the NTI acquisition zone was recommended for the Michaels Development Corp. This site will support the new construction of 20 homeownership units. The Sharswood area is an NTI acquisition zone.

Since 1997 OHCD has assisted Habitat for Humanity-North Central with acquisition, foundation work and demolition to support its homeownership program in the Cecil B. Moore neighborhood. In 1997, OHCD provided funding for building the foundations for six homeownership units at 1901-25 Morse St. In 1998, the City provided \$212,000 in Economic Stimulus funds for foundation work on five homeownership units at 1801-09 Montgomery Ave. and 1801 N. Gratz St. In Year 25, OHCD provided \$102,000 in CDBG funds for demolition and drainage work associated with the new construction of three homeownership units at 1819-27 N. Gratz St. These units are all completed. In Year 26,

OHCD supported Habitat for Humanity-North Central with \$120,000 in CDBG funds for new foundations for six new construction homeownership units at 1810-26 N. 18th St. These units are completed. The work of Habitat for Humanity-North Central supports the Cecil B. Moore Homeownership Zone efforts. In Year 28, OHCD funded the installation of foundations and other site work for the new construction of three additional units by Habitat for Humanity. These units are completed. In the Year 29 Homeownership RFP, the acquisition of 37 vacant lots in the vicinity of 18th Street and Montgomery Avenue was recommended for Habitat. This acquisition will support the development of 24 new construction units.

The Commerce Department began the implementation of a broad-based economic development initiative in the Cecil B. Moore Avenue area in Year 17. Specifically, this effort assists the Beech Economic Development Corp. to undertake economic, housing and community development activities designed to create or retain permanent jobs, increase the availability of goods and services and provide low- and moderate-income housing. This TNCA area comprises a majority (51 percent or more) of low- and moderate-income residents and encompasses the 1400-2000 blocks of Cecil B. Moore Avenue.

### 3. Broad Street and Susquehanna Avenue (North Central)

Diamond Street, in the Broad and Susquehanna area, has been a major center for housing rehabilitation in North Philadelphia. During past years OHCD supported rehabilitation of PHA scattered-site houses on the 1500 block of Diamond Street and ACDC's reconstruction of duplexes on the 1700 block of Diamond Street for both homeownership and rental opportunities. ACDC completed new construction of the Eleanor Miller homeownership project on the 1700 block of Page Street. ACDC has also rehabilitated Dorothy Lovell Gardens which provides 23 units for homeless people at 2114-16 N. Gratz and 1821-23 W. Diamond Streets.

In Year 18 OHCD allocated up to \$820,000 to ACDC for the Gratz Commons project located in the vicinity of North 19th and Diamond Streets. Completed in 1995, this project involved the rehabilitation or new construction of 39 rental units. The City allocated funds for the development of the south side of the 1600 block of Diamond Street by ACDC for the new construction of 17 townhouses. This project was completed in Year 24.

In Year 26, OHCD supported acquisition on the north side of the 1600 block of Diamond Street, in anticipation of future development. Using NTI funds, in Year 28, OHCD supported additional acquisition and encapsulation activities for future development on this block.

Located just west of the area, the Raymond Rosen Apartments was a major PHA priority for modernization. In accordance with the proposed development approach for PHA off-site replacement units, in Year 23 OHCD supported the acquisition and site preparation costs for the new construction of 152 replacement housing units associated with the Raymond Rosen site. Construction of the Raymond Rosen off-site replacement housing in the area of 21st Street and Woodstock Street and 20th Street and Montgomery Avenue was completed in Year 28.

In Year 26, OHCD supported the acquisition of vacant land on the 1400 block of Susquehanna Avenue for future development as senior rental housing. During Year 29, NTI funds were allocated for additional acquisition for this development, known as Susquehanna Village. This project now combines senior and family housing and received \$2.1 million in HOME and CDBG funds. The project received Low Income Housing Tax Credits from PHFA and is under construction with Community Ventures as the developer.

In Year 26, OHCD supported the rehabilitation of four vacant structures on the 2200 block of North Park Avenue, in coordination with YouthBuild and the block association. This project was completed by PHDC.

In Year 25 OHCD supported the acquisition of eight vacant structures in the Susquehanna neighborhood for rehabilitation through the Homestart Program. The rehabilitation was completed in Year 27. Using NTI funds, 10 additional vacant properties were acquired through condemnation for Homestart in South Lehigh. These properties were rehabilitated in Years 30 and 31.

### 4. Strawberry Mansion

Strawberry Mansion has also benefited from concentrated housing rehabilitation and commercial revitalization assistance. During the 1980s Commerce Department grants helped build Strawberry Square, a major neighborhood retail center. Through its Special Acquisition and Homestart programs, OHCD coordinated rehabilitation for homeownership on blocks near the shopping district. In Year 18 OHCD allocated up to \$1 million from its Homestart Program in Strawberry Mansion. The allocation of these funds resulted in the rehabilitation of additional properties for homeownership. Using Year 19 funds, OHCD provided \$550,000 for the rehabilitation of eight additional Homestart properties in Strawberry Mansion.

OHCD allocated \$3.3 million for the environmental remediation and new construction of 28 homeownership units at 29th and Dauphin Streets, a development known as Mother Dabney Square. This project, completed in 1997, was developed by PHDC in

cooperation with the Strawberry Mansion Housing Coalition. In addition, in Year 19 OHCD allocated \$250,000 to PHDC for the rehabilitation of four homeownership units on the 2900 block of York Street, developed in cooperation with the Strawberry Mansion Housing Coalition. These units are now complete.

During Year 17 OHCD provided \$904,000 in CDBG funds to Philadelphia Landed Interests to rehabilitate the former Most Precious Blood School, 2821-27 W. Sedgley Ave., into 32 rental units for low-income people. This project was completed in January 1993. Using a combination of Year 17 and prior years' CDBG and DCA funds, OHCD allocated permanent financing of \$905,862 and bridge financing of \$1.2 million to Mansion Court Associates for the rehabilitation of 24 rental units in the 1800-2000 blocks of North 32nd Street. Known as Mansion Court, this project complements previous OHCD investment in the projects listed below. OHCD's support with Year 20 funds provided 21 rental units. Mansion Court is now complete.

A limited partnership formed by Pennrose Properties has completed the rehabilitation of 48 rental units, known as Diamond I, for low- and moderate-income people in the vicinity of 31st-33rd and Diamond Streets with prior years' rental rehabilitation funds. Pennrose has rehabilitated an additional 32 rental units, known as Diamond II, in the same area and has completed the rehabilitation of the former Sartain School, providing 35 units for elderly occupancy. During Year 18 OHCD allocated up to \$1.3 million to Pennrose Properties for the rehabilitation of approximately 35 rental units, known as the Diamond III project. Of the \$1.3 million allocated for the Diamond III project, \$1.2 million was temporarily loaned to the Mansion Court project. With the repayment of the \$1.2-million loan the Diamond III project, located in the 2900-3200 blocks of Diamond Street, is complete. OHCD allocated up to \$500,000 in Year 18 funds to acquire properties for rehabilitation for Diamond III and other projects.

In Year 19 OHCD allocated \$500,000 in HOME funding to PHDC to carry out the Housing Association Reinvestment Corp. project, known as HARC II, which involved the new construction of 10 units for homeownership in the 2600 block of Oakdale Street. This project was completed in Year 24.

In Year 21 OHCD funded Homestart in Southwest Strawberry Mansion to support neighborhood planning efforts in that area. OHCD funded Homestart in Strawberry Mansion in Years 22 and 23.

In Year 22 OHCD supported planning and acquisition for the rehabilitation of scattered units for homeownership developed by Project H.O.M.E., known as

St. Elizabeth's Homeownership. In Year 23, Project H.O.M.E. completed Phase I, four units through the Homeownership Rehabilitation Program. In Year 24, OHCD provided \$709,000 in HOME funds for St. Elizabeth's Homeownership Phase II, eight units on the 1800 block of North 23rd Street and the 2200 block of Berks Street. This project was completed in Year 25. Also, OHCD has supported other development ventures of Project H.O.M.E.

In Year 24, OHCD provided HOME funding for Rowan Homes I, eight rental units for previously homeless families, on the 2700 block of Diamond Street. OHCD also provided a combination of HOME and CDBG funds for Rowan Homes II, 30 transitional housing units on the 1900 block of Judson Street. Rowan Homes I was completed in Year 27 and Rowan Homes II was completed in Year 26.

In the Year 29 Homeownership RFP, acquisition was recommended for St. Elizabeth's Homeownership V, sponsored by Project H.O.M.E. This project will rehabilitate up to 44 rehabilitated homeownership units in the 1800 and 1900 blocks of North 23rd Street, 1800 block of North Croskey Street and 1800 and 1900 blocks of North 24th Street. It received Neighborhood Revitalization Initiative funds from PHFA's Homeownership Choice program and will also require CDBG or HOME funding and funding through HRP. Phase 1 of this development will be under construction in Year 31.

In Year 32, the City proposes to support repairs and improvements to St. Elizabeth's Recovery Residence, 1850 N. Croskey St., using PennHOMES and HOME funds. This project was selected through the Year 31 Special-Needs RFP.

In Year 24, OHCD engaged in planning activities for the rehabilitation of non-PHA vacant structures on the south side of the 3100 block of Berks Street as PHA replacement units or private-market rental units. In Year 25 OHCD supported acquisition through eminent domain of nine privately owned vacant structures. Friends Rehabilitation Program was selected through a site-specific RFP as developer of these units for homeownership using federal HOME funds. This development was completed in Year 29.

In Year 28, the City supported the application for Low-Income Housing Tax Credits by Pennrose Properties and the Strawberry Mansion Housing Coalition for the rehabilitation of the Vernon Apartments (formerly known as the Clifford), located at 33rd and Clifford Streets. OHCD provided subsidy for this 68-unit development. This project was completed in Year 31.

OHCD proposes to support a 10-unit new construction affordable homeownership development in Strawberry

Mansion. A developer will be selected through a Request for Proposals.

5. Allegheny West and Tioga-Nicetown Allegheny West and Tioga-Nicetown have benefited from the industrial and commercial development programs subsidized by CDBG as they are located in the Hunting Park West Enterprise Zone and are designated neighborhood commercial corridors.

In Year 16 OHCD funded Bancroft Court/The Allegheny, a new construction development of 60 rental townhouses at 1604 W. Allegheny Ave. This project, developed with the C.O.L.T. Coalition, was completed in 1992. In Year 17 OHCD provided \$397,500 in Year 17 and prior years' funds and \$371,000 in MEND funds to Edgewood Manor Associates, a limited partnership formed by The Regis Group, to rehabilitate 49 rental units at 1501 and 1510 W. Allegheny Ave.

In Year 19 OHCD allocated up to \$664,337 in Section 108 funding for the development of 32 rental units (24 new construction, eight rehabilitation), known as Tioga Gardens, at 1801 W. Tioga St. and 3526 N. 18th St. In Year 28 OHCD supported Tioga Arms, a 30-unit tax-credit rental rehabilitation project located at 1828 W. Tioga St. This development was selected in the Year 26 Special Needs RFP.

In Year 20 OHCD funded the rehabilitation of the Edgewood Manor II, 1508 W. Allegheny Ave., by The Regis Group and the Ingerman Group, to provide 56 rental units. Using Year 20 funds, OHCD also supported Tara Development, in cooperation with the C.O.L.T. Coalition, for the rehabilitation of St. Joseph's, 1511-27 W. Allegheny Ave., to provide 62 units of elderly housing. This project is now complete.

In Year 21 OHCD supported PHDC and the Philadelphia Community Civic Organization for acquisition and planning activities for the development of the 2500 blocks of Sterner, Seltzer and Silver Streets, the 3-S Project. In Year 22 OHCD committed \$1.5 million for Phase I, the rehabilitation of 16 units of home-ownership on the 2500 block of Silver Street. In Year 22 OHCD supported the acquisition of 10 more units for homeownership on the 2500 block of Sterner Street. In Year 26, OHCD supported acquisition and predevelopment activities for Phase II, the development of 2500 Sterner Street. Phase II was completed using federal HOME funds.

In Year 25 OHCD supported the acquisition of four vacant structures in the Lower Tioga neighborhood for rehabilitation through the Homestart Program. The rehabilitation was completed in Year 27.

In Year 27, OHCD supported the Allegheny West Foundation (AWF) to rehabilitate up to six properties

for homeownership through the YouthBuild program. These properties are located at 2818 and 3060 N. 25<sup>th</sup> St., 3110 N. 35<sup>th</sup> St., 2847 and 2849 N. Garnet St. and 2810 N. Wishart St. Also in Year 27, OHCD supported the acquisition of up to 11 properties in the "Forgotten Blocks" area, including the 2800 block of Garnet Street, 1900 block of Somerset Street, and 2700 and 2800 blocks of North 19<sup>th</sup> Street. In the Year 29 Homeownership RFP, AWF was selected to rehabilitate 14 vacant units as a second phase of the Forgotten Blocks project. These properties were acquired with NTI funds. The Forgotten Blocks project will be under construction in Year 31.

AWF was selected in Year 30 to participate in the Elm Street and Main Street programs funded by DCED. AWF will focus on the North 22nd Street commercial corridor and surrounding neighborhoods.

In Year 32, OHCD proposes to support construction of three units of infill housing for homeless families, located at 1735-39 Belfield Ave., developed by Raise of Hope.

#### 6. Brewerytown

In Year 19 OHCD provided \$520,000 for the rehabilitation of eight units of Homestart housing in Brewerytown. In Year 20 OHCD allocated \$975,000 for 15 additional Homestart units and in Years 21, 22 and 23 continued its support of the Homestart program in Brewerytown.

In Year 25 OHCD supported the acquisition of vacant structures in Brewerytown for rehabilitation through Homestart. These properties are under construction.

As part of the Brewerytown Redevelopment Plan, OHCD has committed to support 15 affordable homeownership units through downpayment assistance grants. This support will ensure a mixed-income development in Brewerytown, which is part of a large-scale market-rate development.

#### 7. Spring Garden

A partnership of the Spring Garden CDC and The Community Builders is developing and managing rental properties in the Spring Garden neighborhood. Known as the Spring Garden Revitalization Project, this venture involves the historic rehabilitation and new construction of 97 units of housing in 38 existing buildings and two vacant lots. Seventy-two units were reserved for public housing, 19 units were targeted to low-income households and six units are available for moderate-income households with rents restricted to 60 percent of median income. Although the project uses a combination of Low-Income Housing Tax Credits, a \$1.862-million CDBG subsidy and other City funding, the CDBG funds are restricted to the rehabilitation portion only. This mixed-income, mixed-finance development was completed in Year 28.

## North Philadelphia: East of Broad Street

### ■ Goals

#### 1. Neighborhood Planning and Community Organizations

OHCD has supported neighborhood planning and participation in the area of North Philadelphia East of Broad Street by funding community organizations in many communities. In addition, several community groups are funded by PNDC to carry out neighborhood strategic planning. These groups are Asociación de Puertorriqueños en Marcha (APM), and the Hispanic Association of Contractors and Enterprises (HACE). OHCD will continue discussions on area revitalization plans with these and other groups including Norris Square Civic Association, the Ludlow Community Association, Women's Community Revitalization Project (WCRP) and Ceiba.

#### 2. Homeownership for Neighborhood Revitalization

In recent years, homeownership in Eastern North Philadelphia has become a focus of OHCD's program. The large tracts of vacant land in Eastern North Philadelphia have led to proposals for newly constructed homeownership units by neighborhood-based organizations (NBOs) including the Ludlow Community Association, Nueva Esperanza, Norris Square Civic Association, HACE and APM.

The 176-unit Poplar Nehemiah development, with its modern amenities and green space, serves as a model for other new construction ventures.

The Homestart Program has rehabilitated vacant single-family houses in Eastern North Philadelphia. In Year 15 OHCD invested approximately \$1 million in conjunction with the Homestart Program to renovate single-family buildings around 5th Street. Under Homestart, OHCD allocated Year 16 funds for the development of homeownership units in Eastern North Philadelphia neighborhoods. In Year 17 OHCD allocated approximately \$1 million to the Homestart Program for properties in the North Philadelphia Train Station area east of Broad Street. OHCD allocated up to \$1 million in Year 18 for the rehabilitation of additional homeownership units under the Homestart Program in the North Philadelphia Train Station area and an additional \$745,000 in Year 19.

In Years 17 and 18 OHCD funded Centro Pedro Claver's Homeowner Assistance Program to support the

rehabilitation of approximately 70 homes in Eastern North Philadelphia.

In Years 13-17 OHCD allocated \$3.75 million for rehabilitation under Philadelphia Rehabilitation Plan's (PRP) Eastern North Philadelphia Initiative which provided homeownership opportunities. In Year 18, OHCD provided \$600,000 to PRP for this initiative. In addition to renovation of housing for homeownership, OHCD provided \$2.9 million during Years 14-16 for the significant rehabilitation of the PHA scattered-site buildings that constitute a major portion of Eastern North Philadelphia's housing stock. Since Year 17 OHCD has made a significant investment of CDBG funds for the rehabilitation and new construction of affordable housing in the North Philadelphia area East of Broad Street.

#### 3. CDC and Private Rental Housing

In addition to housing for homeownership, rental housing has been a focus of OHCD funding in Eastern North Philadelphia in recent years through both CDCs and other nonprofits, through private developers and through joint ventures between non-profits and community groups. CDCs and non-profits active in Eastern North Philadelphia which have developed rental housing include Norris Square Civic Association, APM, HACE and WCRP.

#### 4. Economic Development

Commercial revitalization is important in the City's investment in Eastern North Philadelphia. Especially significant has been the Commerce Department's support of the 5th Street Golden Block shopping area around 5th Street and Lehigh Avenue under the TNCA program. Other TNCA areas in Eastern North Philadelphia include Germantown and Lehigh Avenues, Germantown and Erie Avenues and North Marshall Street. The American Street Corridor remains a target for development assistance under Commerce's Enterprise Zone Program. The American Street Corridor has also been designated an Empowerment Zone.

### ■ Area Neighborhoods

The following neighborhoods have emerged as centers of OHCD investment in recent years:

#### 1. East and West Poplar

In Year 18, OHCD allocated up to \$1 million in CDBG funds for the acquisition of property in support of the Poplar Nehemiah Project being carried out by the Poplar Enterprise Development Corp. The Poplar Project received a Nehemiah grant directly from HUD, in addition to support provided by OHCD. Since Year 19, OHCD continued to support acquisition and

new construction for this development through a combination of CDBG and Section 108 loan funds. All phases of the Poplar Nehemiah Project were completed in Year 26 for a total of 176 new construction homeownership units. (Phase I, 64 units, was completed in Year 22, Phase IA, 11 units, in Year 23, Phase IIA, 44 units, in Year 24, Phase IIB, 57 units, in Year 26.) In addition, OHCD provided PHA up to \$320,000 in Year 20 CDBG funds for demolition at Richard Allen Homes, 1015 Parrish St., as part of its overall renewal activities at Richard Allen. Richard Allen Homes was awarded HOPE VI funds to redesign the development and reduce the density. PHA received \$50 million in HOPE VI funds for the creation of 408 units in a mixed-income neighborhood. Phase I, the Gladys B. Jacobs Senior Building, located on the 1100 block of Fairmount Avenue, is an 80-unit, five-story building that was completed in Year 23. Phase II, 150 three-story townhouses, was completed in Year 26. Phase III, an additional 178 new townhouses, is completed.

In Year 24 OHCD provided \$20,000 in CDBG funds to Friends Rehabilitation Program for planning work associated with the Alphonso Deal Housing Development, an affordable housing venture in the vicinity of 10th and Wallace Streets. This site is now proposed for market-rate new construction housing.

In Year 29, OHCD supported the construction of Simpson MidTown Apartments, a 40-unit HUD 202 senior housing development at 10th and Green Streets, by providing \$600,000 in federal HOME funds. This project was completed in 2005.

## 2. North Philadelphia Train Station area

The North Philadelphia Train Station area, which runs from west of Broad Street to east of Broad Street, has been a target area for Homestart. In Year 17 OHCD rehabilitated 16 units for homeownership in the area bounded by 5th to 22nd Streets and Susquehanna to Erie Avenues under Homestart. During Year 18 OHCD provided funding for the rehabilitation of 19 homeownership units under Homestart. In Year 19 OHCD funded the rehabilitation of 11 Homestart houses by providing up to \$745,000 in funding.

## 3. Ludlow

OHCD continues to support new construction and housing rehabilitation in this area. In Year 17 PHA scattered-site units were rehabilitated with prior-year funds and OHCD allocated \$480,000 in DCA funds to HACE to finance the construction of 24 rental units, known as Villas de HACE, at 1429-31 Marshall St. and 1426-44 N. 6th St. This project was completed in 1992.

Since Year 17 OHCD has funded the Ludlow Community Association, in partnership with PHDC, for the development of new construction homeownership units, known as Ludlow Village, on the 1500 and 1600 block of North 7th, North 8th and Franklin Streets. The first two units were developed as a pilot project to test the effectiveness of a modular housing approach. They were completed in 1994. Construction of five of these units, which were built in the traditional "stick-built" method, was completed in 1997. Sixteen additional units were completed in Year 25, using a combination of Year 21 and Year 22 funds totaling \$2.5 million. In addition, Ludlow Community Association rehabilitated four scattered-site homeownership units with YouthBuild, to support the Ludlow Village development.

In Year 25, OHCD provided \$2.9 million in HOME funds for Ludlow Village IV, the new construction of 25 homeownership units on the east side of the 1600 block of North Franklin Street and the west side of North 7th Street. This development was completed in Year 27. In addition, in Years 25 and 26 OHCD was involved in a collaborative planning effort with PHA for a HOPE VI application to include Ludlow. This proposal was not funded by HUD. PHA submitted a revised Ludlow HOPE VI application to HUD in February 2005 and has received a funding commitment from HUD.

In Year 26, OHCD supported acquisition and planning efforts for Ludlow Village V, on the site bounded by Oxford Street on the north, Franklin Street on the east, Jefferson Street on the south and 8th Street on the west. OHCD expects construction of the 22 homeownership units on this site to begin in 2006.

In Year 22 OHCD supported planning and acquisition efforts of WCRP for the development of rental units at 6th and Berks Streets. In Year 24, OHCD provided \$1.09 million in CDBG and HOME funds for the new construction of 26 rental units at this site, known as Lillia Crippen Townhouses. This development was completed in Year 25.

In addition, OHCD provided funding to WCRP for the new construction of 20 units of rental housing at 6th Street and Montgomery Avenue, selected through the Year 23 Special-Needs RFP. This venture, known as Lillia Crippen Homes II, was completed in Year 27.

In 1999 the City provided \$1 million for acquisition and related costs for 57 properties for a new homeownership initiative on the 1900 block of North 8th and 700 block of West Berks, 1700 block of North Franklin and 700 block of West Norris Streets. This development, known as Pradera (The Meadows)

Homes provided for the construction of 50 homeownership units. The project was awarded \$1.7 million by PHFA through its Homeownership Choice Demonstration Program. OHCD provided a total of \$2.68 million in HOME funds to support Pradera Homes. This venture was completed in Year 28. In Year 30, OHCD supported the construction of an additional 53 homeownership units, Pradera Homes II, by APM, located at 8th and Berks Streets. Pradera II received additional Homeownership Choice funds in Year 30. This phase is under construction.

OHCD allocated up to \$550,400 in Year 18 HOME funds to Laragione Development for the rehabilitation and new construction of four rental and four homeownership units at 1213, 1215, 1300 and 1302 N. Franklin St. These units were completed in 1995.

In addition, OHCD committed CDBG funding for acquisition and demolition in connection with the construction of the Borinquen Plaza retail center at the site bounded by Norris, Berks, 6th and 5th Streets. This development was carried out by APM and completed in 1999.

#### 4. 5th Street and Lehigh Avenue

The residential area around the "Golden Block" NCR has been an important center for housing rehabilitation. The community has worked with the leadership of St. Christopher's Hospital to design a comprehensive homeowner rehabilitation, rental rehabilitation and social service adaptation for the hospital's former site along 5th Street. OHCD and the Commerce Department provided \$1.6 million in Year 17 and prior-years' funds to the Canus Corp. in permanent financing for the rehabilitation of 29 rental units, known as Lehigh Park Center Apartments, at the St. Christopher's Hospital site on 5th Street and Lehigh Avenue. HACE took over the management of Lehigh Park I and II in 2003. In Year 30 OHCD supported HACE in making needed repairs to the buildings.

An additional \$1.305 million in Year 18 funds was provided as a bridge loan. Once the bridge loan was repaid, the funds were used for the rehabilitation of the former Morris Pavilion building into 48 rental units known as Lehigh Park, in the 2600 block of North 5th Street. This project is now complete. OHCD provided \$195,000 in Year 18 CDBG funds for the rehabilitation by PRP and HACE of homeownership units adjacent to the St. Christopher site.

OHCD allocated up to \$2 million in Year 19 CDBG funds to HACE to finance the new construction of 80 rental units at 161-71 W. Allegheny Ave., known as Villas del Caribe. This project was completed in 1997. In Year 21 OHCD committed \$745,000 for the

development of 52 units of elderly rental housing by HACE at 173-83 W. Allegheny Ave., known as Casa Caribe. This project, which is also funded with HUD Section 202 funds, was completed in 1998. In Year 28, OHCD provided \$855,000 in gap financing to Caribe Towers, at 3231 N. 2nd St., a 57-unit senior building being developed by HACE with support from the HUD Section 202 program. This development, which was selected through the Year 27 Rental RFP, was completed in Year 30.

In Year 28, OHCD committed \$25,000 for the development of a neighborhood strategic plan for the St. Hugh neighborhood, bounded by 5<sup>th</sup> Street on the west, B Street on the east, Allegheny Avenue on the south and Glenwood Avenue/Venango Street on the north. This plan was completed in Year 29. In Year 28, acquisition of 13 vacant structures in the area surrounding the St. Hugh Church and School was initiated, using NTI bond proceeds. It is anticipated these properties will be rehabilitated by HACE, using HRP funds.

OHCD provided \$480,000 in Year 17 funds to WCRP to construct 24 rental units, known as Adolfinia Villanueva Townhouses I, at 701-17 W. Somerset St. This project was completed in 1992. In Year 18 OHCD allocated up to \$100,000 to WCRP for the acquisition and related costs associated with the development of Adolfinia Villanueva Townhouses II, 719-35 W. Somerset St. OHCD provided up to \$1.12 million in Year 19 funding (\$620,000 CDBG, \$500,000 HOME) to WCRP for the development of 30 new construction rental units at this location.

#### 5. Germantown and Lehigh Avenues

The Commerce Department has assisted the Germantown and Lehigh Avenues neighborhood development corporation, to undertake economic and community development activities designed to create or retain permanent jobs and increase the availability of goods and services locally. The Germantown and Lehigh Avenues neighborhood development corporation supports the commercial revitalization of the target area by working on economic development activities. It cooperates and coordinates with local business associations promoting revitalization and economic development activities. This support includes disseminating information on specific business retentions and start-ups, enhancing employment opportunities and increasing the availability of essential goods and services for low- and moderate-income residents.

#### 6. Fairhill/Hartranft

OHCD supported APM to develop 12 rental units (six new construction, six rehabilitation) in the 2300 block of North 7th Street. This development supported APM's 24-unit rental project in the same block, using Year 16 funds. This project is complete. During Year 18 OHCD allocated funds to acquire properties in the surrounding area for future housing development by APM. With Year 19 funds, OHCD provided APM with up to \$1.25 million in CDBG funds for its Jardines de Borinquen new construction rental development which provided 45 units at 2008-50 N. 6th St. and 2011-57 N. Marshall St. This project is complete. OHCD supported the development of Jardines de Borinquen II, on the 2000 block of North 7th and Marshall Streets, a 45-unit rental project, by APM using Years 20 and 21 funds. This project was completed in 1997. In Year 21 OHCD also supported the acquisition and planning activities for eight units of new construction homeownership at 7th Street and Susquehanna Avenue. In Year 25 OHCD provided \$1.03 million in HOME and CDBG funds for the development of these units. The project was completed in Year 27.

As part of OHCD's commitment to use CDBG resources to support the development of replacement public housing units necessitated by the demolition and lower-density redevelopment of the Southwark Plaza housing development, the RDA issued an RFP in January 1998 for the new construction of affordable rental housing for low-income persons on the 2200 block of North 6th Street and vicinity. The winning proposal was submitted by APM for the development of 42 units of affordable rental housing known as Taino Gardens. Eleven units are reserved for eligible tenants. OHCD supported this development with \$1.5 million in a combination of CDBG and HOME funds in Year 24. Construction was completed in Year 25.

Through Section 108 loan funds, OHCD provided \$1.713 million to the efforts of North Philadelphia Community Help to rehabilitate 43 rental units for low- and moderate-income people on the 2700 block of North 11th Street. This project was completed in Year 26. In Year 18 OHCD allocated up to \$1.2 million in CDBG, DCA and federal HOME funds to Michaels Development Corp. for the new construction of up to 70 rental units at 2200 N. 13th St. This project was completed in 1994.

OHCD supported the Village of Arts and Humanities in the development of Village Homes, a six-unit new construction homeownership venture on the 2500 blocks of North Warnock and North 11th Streets. The project received acquisition and planning funds from DCA and in Year 25, OHCD provided \$800,000 in HOME funds. This project was completed in Year 27.

In the Year 29 Homeownership RFP, the acquisition of 12 vacant lots in the 2700 blocks of Hope and Howard Streets was recommended for HACE. This site will support the development of 10 new construction units.

In Year 30, OHCD supported predevelopment activities for the rehabilitation of 2848-50 N. 9th St. by Women of Excellence. This development, called Project Restoration, will provide 14 units for homeless women. It was selected through the Year 29 Special Needs RFP and received McKinney funding in 2004.

In Year 30, the City supported the acquisition of a site at Percy Street and Indiana Avenue for the development of up to 44 new construction rental units by WCRP, called Evelyn Sanders Homes. Development of this venture requires both PennHOMES and Low-Income Housing Tax Credits.

#### 7. West Kensington and Norris Square

Since Year 16 OHCD has supported the rehabilitation and new construction housing efforts of the Norris Square Civic Association for revitalization of the Norris Square neighborhood. OHCD supported acquisition and site preparation and provided \$790,000 in construction subsidies for the new construction of 21 units of rental housing on the 100 block of West Norris Street, known as Los Balcones. This project was completed in 1994.

Since Year 18 OHCD has supported acquisition, demolition, environmental remediation and planning activities associated with the development of a former warehouse located at 104-18 W. Norris St., known as La Torre. Norris Square Civic Association constructed 10 units of homeownership housing on this site. This project was completed in Year 29. In addition, OHCD provided \$860,270 in Year 19 and Year 20 HOME funds for the rehabilitation of nine scattered-site homeownership units, known as Hope Street I and II. These projects are now completed.

In accordance with OHCD guidelines for supporting elderly developments with HUD Section 202 financing, in Year 25 OHCD provided \$525,000 in prior years' HOME funds for the development of 35 units of elderly housing on the 2100 block of North Howard Street, at the Norris Square Senior Center. This project was completed in Year 26.

In Years 25 and 26 OHCD supported planning and acquisition efforts for a 33-unit homeownership development on the 2300 and 2400 blocks of North Howard Street, to complement the investment of the School District of Philadelphia in construction of a new

Hunter Elementary School on the east side of the 2400 block of North Howard Street. Additional acquisition was funded in Years 28 and 29 with NTI bond proceeds. This development, which is known as the Hunter School Homeownership Initiative, was awarded Homeownership Choice funding in 2004. This venture, reconfigured as 50 new construction units, will be under construction in Year 32.

In Year 25, OHCD committed up to \$340,000 in CDBG funds to support the rehabilitation of a vacant warehouse building, located at 135-41 W. Norris St., into the Norris Square Childcare Center. This early childhood development facility provides care for 200 preschool children. This project was completed in 2001.

OHCD allocated up to \$100,000 in Year 18 funds to United Hands Community Land Trust for the acquisition costs associated with its scattered-site homeownership project. In Year 19 OHCD provided \$500,000 in HOME funds for the rehabilitation of 10 properties for homeownership. At the request of United Hands Community Land Trust, this project was carried out by PHDC.

During Year 17 OHCD provided \$1.22 million in financing to develop a 20-unit new construction homeownership project at 1727 N. Hancock St., sponsored by Nueva Esperanza. This project was completed during Year 18. OHCD provided up to \$1.3 million in HOME funds to Nueva Esperanza for the development of Villa Esperanza II, a 15-unit new construction homeownership development on the 2300 block of Mascher Street. This project was completed in 1997.

In Year 21 OHCD funded Nueva Esperanza for acquisition and soil remediation at 1322-40 N. Hancock St. for the future new construction of homeownership units. In Year 25 OHCD provided \$490,000 in HOME funds for the new construction of seven homeownership units at this site. This project was completed in Year 26.

In Year 28, OHCD supported acquisition and planning activities for a new-construction rental development of up to 32 units in the area west of Orianna and Diamond Streets. This project, sponsored by WCRP, was selected for acquisition in the Year 27 Special Needs RFP and for development in the Year 28 Special Needs RFP. This project, known as Karen Donnally Townhomes, was completed in Year 30. OHCD provided \$2,215,700 in CDBG and HOME funds in Year 29 to support construction.

In Year 29, OHCD supported WCRP to build the Iris Nydia Brown Townhouses, 12 new construction rental units for very-low income families, located at 2742-62 Mascher St.

This venture received Low-Income Housing Tax Credits and was completed in Year 31.

#### 8. Hunting Park

In Year 19 OHCD allocated up to \$130,000 in CDBG funds to the Hunting Park CDC for planning and acquisition for homeownership in the area near Reese, Fairhill and 6th Streets. In Year 21 OHCD provided \$412,200 in HOME funds for the rehabilitation of four homeownership units on the 4200 block of Darien Street. In Year 25 OHCD funded the acquisition of three vacant properties identified by Hunting Park CDC to be added to its existing inventory to create the following scattered-site rehabilitation package: 4032, 4052, 4054 N. Darien St., 3443 N. Palethorpe St., 3226 N. Philip St., 163 W. Raymond St., 4052, 4132 N. 6th St. and 3850, 4132 N. 7th St. OHCD proposes to support the development of these properties as homeownership units.

#### 9. Franklinville

In Year 19 OHCD allocated up to \$75,000 in CDBG funding to Centro Pedro Claver for acquisition for a homeownership project. During Year 20 OHCD assisted Centro Pedro Claver in planning activities which identified four appropriate properties for rehabilitation: 704 W. Venango St., 3638 N. Darien St., 3627 N. Marshall St. and 3547 N. 7th St. Known as Franklinville I, these properties are now complete. OHCD proposes to support the rehabilitation of four additional homeownership units, known as Franklinville II. These units are located at 805 and 809 W. Tioga St. and 611 and 705 W. Venango St.

10. Olde Kensington and Kensington South  
In prior years OHCD has supported a variety of development projects in Olde Kensington, including single-family rehabilitation for homeownership and a 25-unit, new construction homeownership development at 3rd and Cadwallader Streets known as Kensington Gardens. In Year 21 OHCD supported WCRP's new construction project of 21 rental units at Master and Orianna Streets, known as Johnnie Tillman Homes. This project was completed in 1997.

In the Year 29 Homeownership RFP, the acquisition of three vacant parcels at Jefferson and Mascher Streets in Kensington South was recommended to provide a site for the construction of 24 units known as Howard's End, by the Kensington South CDC.

In Year 30, the City provided acquisition funding for a parcel at 2nd and Oxford Streets, to be developed into affordable senior housing, using Section 202 financing. This development will be carried out by

Kensington South CDC and New Courtland Elder Services.

#### 11. Yorktown

In Year 17 OHCD funded an environmental assessment of the 1400 block of North 13th Street to determine the suitability for housing development. In Year 20 OHCD supported additional testing of the site. In Year 21 OHCD funded the development of Yorktown Arms for 56 rental units of elderly housing. This project was completed in 1997. In Year 28, OHCD supported Yorktown Arms II, a 37-unit addition to Yorktown Arms. This project has received Low-Income Housing Tax Credits and was selected through the Year 27 Rental RFP. This project will begin construction in Year 31.

In the Year 29 Homeownership RFP, acquisition of three scattered-site properties in Yorktown for development by the Yorktown CDC through the HRP was recommended.

In Year 24, OHCD supported the rehabilitation of 1101 W. Oxford St. The property is complete.

#### 12. Northern Liberties

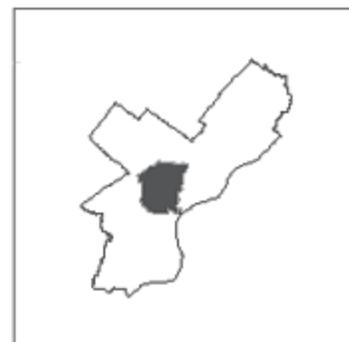
OHCD plans to support the development of Mt. Tabor Cyber Village Housing for Seniors, located at 973 N. 7th St. This 56-unit, new construction rental housing venture requires PennHOMES and Low-Income Housing Tax Credits. The sponsor is Mt. Tabor Community Education and Economic Development Corp.

## Locations of Year 32 Activities: North Philadelphia



### Legend

-  Homeownership
-  Rental
-  Special Needs



## Kensington/Frankford/ Northeast

### ■ Goals

The area east of Front Street along the Delaware River has undergone enormous economic change in the last four decades as many factories closed and population decreased. New immigrants have joined the older residents in many communities. The area comprises parts of census tracts 143, 158-161, 177-193, 293-302, 315-318, 325-326, 330-332.

#### 1. Neighborhood Planning and Community Organizations

OHCD supports neighborhood planning in this area by funding groups located in Kensington and Frankford. In addition, PNDC funds New Kensington CDC and Frankford CDC for strategic planning. In Year 27 OHCD funded the preparation of Neighborhood Strategic Plans in Tacony and Mayfair. In Year 30 OHCD funded a Neighborhood Strategic Plan for Bridesburg.

#### 2. Homeownership for Neighborhood Revitalization

OHCD supports the rehabilitation and new construction of single-family rowhomes for homeownership in Kensington and Frankford. In past years OHCD has supported homeownership rehabilitation by the New Kensington CDC, the Kensington Housing Partnership and Kensington Homeownership Program which linked neighborhood groups with PHDC to create rehabilitated homeownership housing. OHCD has also funded new construction by Frankford CDC for homeownership in Frankford.

#### 3. Economic Development

The Commerce Department's TNCA program assists business strips at Frankford and Allegheny Avenues, Kensington and Allegheny Avenues, in Kensington/Harrowgate and in the 4400-5300 blocks of Frankford Avenue.

### ■ Area Neighborhoods

#### 1. Kensington/East of Front Street

In Year 16 OHCD provided \$514,000 to the New Kensington CDC to rehabilitate seven units for homeownership, consistent with the guidelines of the Homestart Program. OHCD provided \$520,000 in Year 17 funds to this organization to finance a seven-unit homeownership project. In Year 18 OHCD allocated \$560,000 to New Kensington CDC to rehabilitate eight properties for homeownership. In Year 19 OHCD allocated to New Kensington CDC up to

\$600,000 in HOME and CDBG funding to rehabilitate eight properties for homeownership and for acquisition for future rehabilitation.

In Year 21 OHCD supported New Kensington CDC for acquisition for future development of homeownership units and the completion of currently funded projects. In Year 22 OHCD supported New Kensington CDC for the development of 10 homeownership units. In Year 23 OHCD supported New Kensington CDC for the acquisition of an additional 10 units for homeownership. In Year 25 OHCD provided \$729,000 in HOME funds for the rehabilitation of 10 scattered-site homeownership units: 2117, 2306 E. Cumberland St., 2059, 2079, 2081 E. Hagert St., 2559 E. Norris St., 2020 E. Sergeant St., 2547 Tulip St., and 2347, 2349 E. York St. These properties are completed. In addition, in Year 25 OHCD provided acquisition funding for additional scattered-site homeownership units: 2178 E. Cumberland St., 2045, 2047 E. Dauphin St., 2417, 2436 E. Firth St., 2209 E. Gordon St., 2064, 2065 E. York St. Construction is anticipated to begin on these properties in 2006.

In Year 26, OHCD supported planning and pre-development costs associated with the new construction of four homeownership units on the 2400 block of East Dauphin Street, based upon the designs submitted by Wesley Wei in the Francisville Affordable Housing Design Competition held in 1995.

In Year 31, OHCD proposed to support the development of mixed-income homeownership units in the 400 block of Moyer Street. This should be under construction in Year 32.

In 1999 the City provided \$175,000 for acquisition and related costs for the Greensgrow Philadelphia Project, an urban agriculture venture growing hydroponic lettuce, tomatoes and herbs located at 2501-27 E. Cumberland St. In addition, in Year 23 OHCD provided funding for a feasibility study for the New Kensington Center to be developed in a former factory building located at the corner of Coral and Letterly Streets. This site is now 27 units of rental housing, known as Coral Street Arts House. This project was completed in 2005.

In the Year 29 Homeownership RFP, 14 vacant structures on Hagert and York Streets were proposed to be acquired for the New Kensington CDC. These structures will provide 11 homeownership units when rehabilitated. In Year 30, four vacant structures and one vacant lot on Tulip Street were proposed to be acquired for the New Kensington CDC to develop three unsubsidized houses for sale. It is proposed to acquire seven vacant properties in East Kensington for New

Kensington CDC to rehabilitate through the HRP. These projects were identified in the Year 29 Homeownership RFP.

In Year 29, OHCD supported the development of Neumann Senior Housing, a 70-unit HUD Section 202 project, located at 1601 Palmer St., with \$1.05 million in HOME funds. This development is sponsored by North County Conservancy and is under construction. In addition, in Year 30, OHCD supported the rehabilitation of 67 units of senior housing known as Neumann North, selected through the Year 28 rental RFP. This development, which is adjacent to Neumann Senior Housing, located at 1741 Frankford Ave., received Low-Income Housing Tax Credits. This project is completed.

In Years 23-27 OHCD supported an Open Space Management Program in New Kensington, in conjunction with the Pennsylvania Horticultural Society (Philadelphia Green), Neighborhood Gardens Association and the New Kensington CDC. OHCD provided funding for the acquisition of 127 lots for use as side yards and parking, as well as operational support for the Open Space Management Program. OHCD intends to continue its support of this program in Year 31.

In Years 17 and 18 OHCD provided a total of \$555,595 to KAN/KARP for the development of King's Highway Apartments, a 10-unit rental development on the 3000 block of Frankford Avenue. In Year 22 OHCD supported planning activities of KAN/KARP for the revitalization of the 2900 and 3000 blocks of Frankford Avenue. In Year 25 OHCD provided \$1.174 million in HOME funds for the rehabilitation of 31 units of affordable rental housing on the 2900 and 3000 blocks of Frankford Avenue, known as Kings Highway II. This development is completed.

In Year 30, OHCD and KAN/KARP engaged in planning for the area around the new Willard School at Trenton and Auburn Streets to identify opportunities for new housing to support the school.

In Year 18 OHCD allocated up to \$250,000 for acquisition and up to \$750,000 for the rehabilitation of approximately 20 homeownership units under the Kensington Homeownership Program. This homeownership initiative continues OHCD's commitment to providing additional homeownership opportunities in Kensington which began under the Kensington Housing Partnership (KHP) venture. Approximately 60 properties were acquired utilizing \$594,000 in CDBG Year 14 funds allocated to the KHP program. In addition, \$340,000 in Year 15, \$750,000 in Year 16

and \$750,000 in Year 17 funds were allocated for the rehabilitation of approximately 50 properties by KHP and PHDC. OHCD's total commitment to the KHP projects through Year 18 was \$3.434 million. In Year 19 OHCD provided \$500,000 in Section 108 funds to rehabilitate nine properties for homeownership in the area designated by KAN/KARP. At the request of KAN/KARP, this development was carried out by PHDC.

## 2. Frankford

In Year 18 OHCD allocated \$845,000 to Frankford CDC (then called CDC of Frankford Group Ministry) for the acquisition of property, environmental clean-up of the site and new construction of 12 homeownership units, known as the Meadow II project at 4629-39 Paul St. The acquisition of the site also supported the development of a rental project for the elderly, known as Meadow House, which was funded under the HUD 202 program. Meadow House is completed. OHCD allocated \$500,000 in Year 19 HOME funds to Frankford CDC for the construction of an additional 12 homeownership units at Meadow II. Meadow II is completed. In Year 21 OHCD supported Frankford CDC for the acquisition of properties through Act 94 condemnation on the 4600 block of Cloud Street for future homeownership development. In Year 22 Frankford CDC received development subsidies through the Philadelphia Bankers' Development Initiative (a City-funded program) for the rehabilitation of eight homeownership units on the 4700 block of Griscom Street. In Year 24 OHCD provided \$424,600 in HOME funds for the development of four units of homeownership housing on the 4600 block of Cloud Street. This project was completed in Year 25. In Year 24 OHCD supported acquisition for the development of 15 units of new construction homeownership housing on the 1800 block of Wilmot Street, known as the Wilmot Meadow Development. OHCD provided \$1.773 million in HOME funds for construction in Year 25. This project is completed.

In Year 27, OHCD supported Frankford CDC for the development of Gillingham Court, an 11-unit new construction homeownership venture located at 4541-4547 Tackawanna St. This project is under construction.

In Year 30, OHCD supported the Griscom Street Apartments, 4725-34 Griscom St., a 20-unit senior rental development by Frankford CDC. This project applied for Low-Income Housing Tax Credits in 2004 and 2005.

Frankford CDC was selected in Year 30 to participate in the Elm Street and Main Street programs funded by DCED. Frankford CDC will focus on the Frankford

Avenue commercial corridor and surrounding neighborhoods.

### 3. Bridesburg/Port Richmond

In Year 30, OHCD funded a Neighborhood Strategic Plan in Bridesburg, in consultation with the Bridesburg CDC. The plan will address a range of community development issues, including riverfront activity along the North Delaware River and housing options.

In Port Richmond, OHCD supported Octavia Hill Association in the preservation of 32 units of affordable rental housing at 2423-29 E. Cambria St. This project was completed in 1997.

### 4. Juniata Park

In Year 25 OHCD provided \$1.65 million to the restoration of the Carl Mackley Apartments located at 1401 E. Bristol St. Originally built in 1934 as a labor-sponsored housing project for union members of the local workforce, the building was rehabilitated in 1999 as 184 units of affordable rental housing.

In 2003, using NTI bond funds, the City supported the acquisition of a six-acre site along Frankford Creek, between Cayuga and Wingohocking Streets. This site is proposed for the development of a 50-unit mixed-income homeownership project, the Twin Homes at Frankford Creek. This project received PHFA Homeownership Choice funding in 2003 and will also require a City subsidy. It is expected to be under construction in 2006.

### 5. Pennypack

In Year 24 OHCD provided \$186,500 in HOME funds for the new construction of 50 units of senior housing, known as Manor Glen, located at 8401 Roosevelt Blvd. Financed through the HUD Section 202 program, the development was carried out by Evangelical Senior Housing. The project was completed in 1999.

### 6. Mayfair/Tacony

In Year 27 OHCD funded the preparation of Neighborhood Strategic Plans in Mayfair and in Tacony. These plans allow community-based organizations to effectively address a wide range of community development issues, establish priorities and make choices among available community improvement options, consistent with NTI. The Mayfair Strategic Plan, which was conducted in consultation with the Mayfair CDC, considers the area bounded by Pennypack Creek, Frankford Avenue, Harbison Avenue and Roosevelt Boulevard. The Tacony Strategic Plan, which was conducted in consultation with the Tacony Civic Association, considers the area bounded by

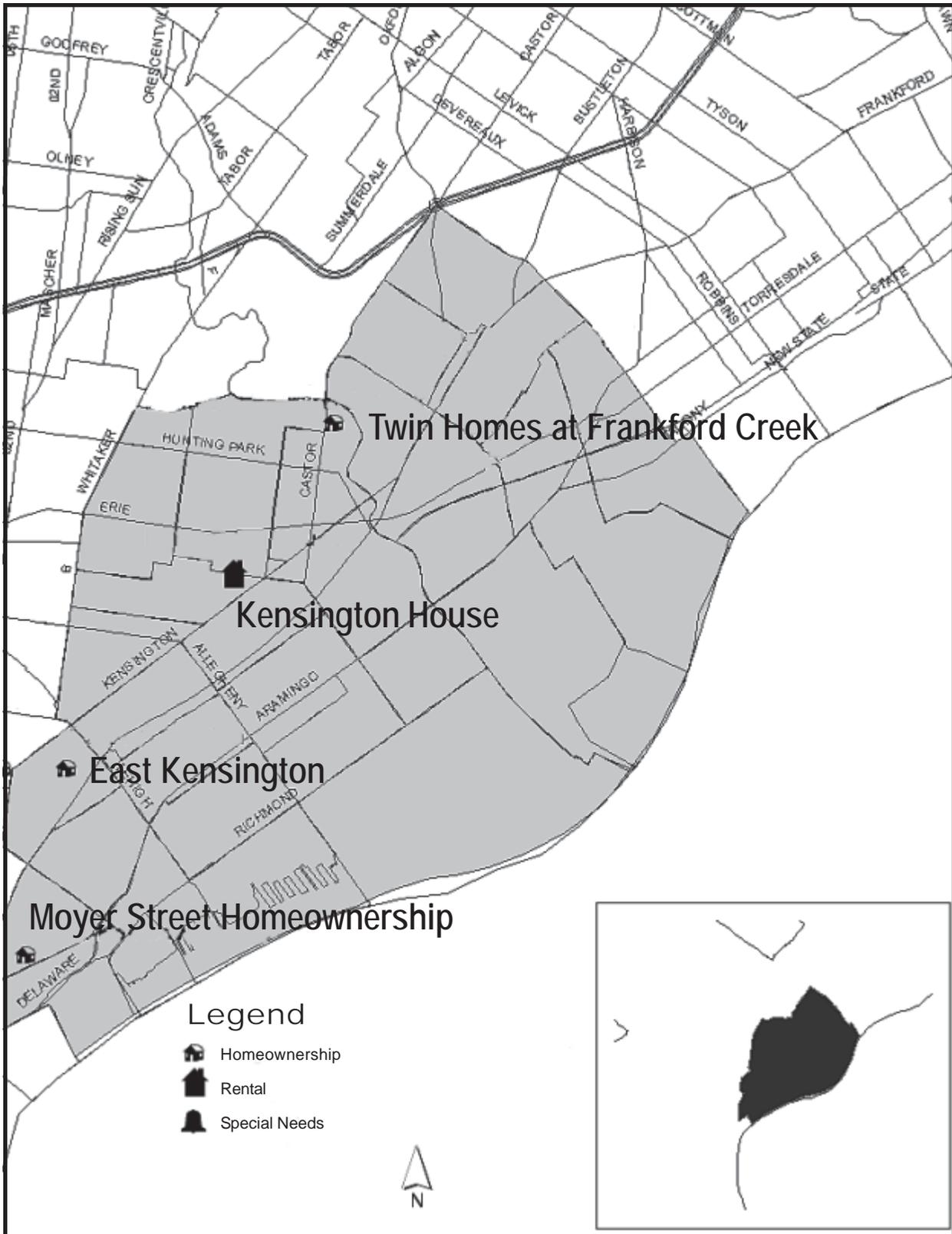
Cottman Avenue, the Delaware River, Levick Street and Frankford Avenue.

### 7. Somerton

In Year 28, OHCD provided \$30,000 for planning and pre-development activities for the rehabilitation of the FOP Senior Apartments, located at 730 Byberry Road. Improvements to this 106-unit building, which was built in 1971 through the HUD Section 202 program, will be financed with tax credits, PennHOMES, and NTI funding. This project was completed in Year 30.

In Year 29, OHCD supported Center Park III, a 39-unit HUD 202 senior project, located at 1901 Red Lion Rd. This development is sponsored by the Jewish Federation. This project was completed in 2005.

## Locations of Year 32 Activities: Kensington/Frankford/Northeast



## West Philadelphia

After North Philadelphia, West Philadelphia has received the next greatest share of CDBG resources for neighborhood planning, housing rehabilitation, new construction housing and economic development. The area encompasses census tracts 52-75, 77-88, 90-96, and 100-116. OHCD has funded neighborhood planning through community groups in Belmont, Carroll Park, and Haddington. The rehabilitation of rowhouses as single-family homeownership units, the creation of affordable rental units in multifamily developments and the rehabilitation of PHA scattered-site units have been priorities for OHCD in West Philadelphia over the years. OHCD supports the Philadelphia Neighborhood Housing Services program in three West Philadelphia neighborhoods: Carroll Park, Cobbs Creek and Morris Park. Many West Philadelphia neighborhoods including Parkside, Mantua, Belmont, Mill Creek, Dunlap, Saunders Park, Southwest Philadelphia, Paschall and Eastwick received development support from OHCD in the past.

### ■ Goals

#### 1. Neighborhood Planning and Community Organizations

OHCD has historically supported neighborhood planning activities in West Philadelphia by funding NACs in many communities. PNDC supports the neighborhood strategic planning efforts of People's Emergency Center. In addition, in Years 16, 17 and 18 OHCD supported the West Philadelphia Coalition of Neighborhoods and Businesses to promote neighborhood development.

#### 2. Homeownership for Neighborhood Revitalization

OHCD supports renovation of single-family rowhomes for homeownership in the West Philadelphia neighborhoods in greatest need. During Year 16 OHCD invested some of its Homestart budget for the rehabilitation of homes in this area. OHCD selected properties for renovation in the Southwest Philadelphia, Mantua and East Parkside areas. This activity built upon the Year 15 Homestart projects in Southwest Philadelphia and Mantua. In Year 17 OHCD allocated more than \$1 million for the rehabilitation of Homestart properties in West Philadelphia neighborhoods and committed additional funding for Homestart in Mantua and Southwest Philadelphia in Year 19. In Years 20 through 24 and in Year 26 OHCD funded additional Homestart units in Mantua. In conjunction with the West Philadelphia Empowerment Zone, five Homestart houses were completed in Carroll Park, Cathedral

Park and Mill Creek. The Partnership CDC has been active in using HRP for rehabilitation in Walnut Hill. PNHS has rehabilitated single-family properties in Carroll Park.

#### 3. Multifamily Building Renovations

The city's largest concentration of multifamily rental buildings is located in West Philadelphia. Because many of these have been vacant or significantly deteriorated, their rehabilitation has been a primary developmental objective of OHCD over the past 11 years. Using CDBG and/or MEND funds, the RDA has rehabilitated the Art Apartments (30 units), Walnut Park Plaza (123 units) and the Glademore Apartments (81 units). During Year 15 a total of 104 units at the Admiral Court and Dorset Apartments were rehabilitated. In Year 15, 80 rental units in the 5100 block of Regent Street were rehabilitated. During Year 16 the Dunlap School at 51st and Race Streets was rehabilitated to provide 35 senior citizen apartments. Two rental projects for the homeless in West Philadelphia, the Von Louhr Apartments (25 units) at 15-25 S. 61st St., and the People's Emergency Center project (11 transitional and nine permanent units) at 3902 Spring Garden St., were completed in Year 16. Locust Towers, a previously vacant 40-unit building, was rehabilitated in Year 17. Seventy-nine rental units were rehabilitated in the 4700 block of Chestnut Street and the surrounding area by the LIH/Chestnut group including the Robert Wood Johnson Foundation. This project was completed in 1992. Bernice Arms, 6000 Baltimore Ave., was completed in 1999 by Pennrose Properties. The Chatham Apartments, a 40-unit rehabilitation development at 242 S. 49th St., was completed in 2000 by the Ingerman Group. The Holmes School, a 42-unit senior rental development with retail space at 55th and Chestnut Streets, was completed in 2002 by Neighborhood Restorations. A 33-unit building, 4901 Spruce St., was rehabilitated by Pennrose Properties in Year 30.

#### 4. Economic Development

West Philadelphia neighborhoods surround a number of important neighborhood shopping centers. Throughout the past decade, area commercial revitalization has been among the CDBG's important economic development objectives in West Philadelphia. Support for major service retail corridors was maintained in Year 31. These include 52nd and Market Streets, Lancaster Avenue (4000-4600), Baltimore Avenue (5000-5100), 49th Street and Baltimore Avenue (Cedar Park), 60th and Market Streets, Lansdowne Avenue (5900-6200) and Woodland Avenue. The West Parkside Enterprise Zone is one of the city's Enterprise

Zones with ongoing support from the Commerce Department. In addition, a portion of West Philadelphia was designated as part of Philadelphia's Empowerment Zone.

## ■ Area Neighborhoods

### 1. Haddington/Dunlap

In Year 16, \$1.95 million in DCA prior year funds was invested to renovate Dunlap School at 5031 W. Race St. into 35 units of housing for elderly people. In addition, \$36,000 in CDBG Year 16 funds was allocated for the rehabilitation of four rental units at 519-21 N. 55th St. by Philadelphians Concerned About Housing (PCAH). OHCD allocated an additional \$525,000 for 21 units of special-needs housing to PCAH for Haddington I in the vicinity of 54th and Summer Streets. This project was completed in 1997. OHCD continued its commitment to the neighborhood by providing an additional \$1.5 million to PCAH for an additional 28 scattered-site units of special-needs housing, known as Haddington II. This project was completed in 1998. OHCD also provided \$1.5 million in Section 108 loan funds for an additional 20 units of scattered-site rental housing, known as Appletree Housing. This project was completed in Year 26. In Year 27, OHCD supported PCAH in its next venture, known as Avondale Housing. This development, which provides 18 units of permanent housing for single-parent families in transitional housing programs, was completed in Year 28. In Year 28, OHCD supported Ruby Housing, an 11-unit scattered-site rental rehabilitation project sponsored by PCAH. This development was selected in the Year 27 Special-Needs RFP and will provide permanent supportive housing for formerly homeless families. This venture was completed in Year 29. In Year 29, OHCD supported PCAH's Woodcrest Housing development, the acquisition and rehabilitation of 11 scattered-site properties in the vicinity of 54th and Parrish Streets. This development was selected through the Year 28 Special Needs RFP and was completed in Year 30. PCAH is now known as AchieveAbility.

OHCD allocated up to \$170,000 in CDBG funds to Independent Community Assistance Network (ICAN) for the rehabilitation of 11 rental units on the 6100 block of Vine Street.

At the request of Haddington Leadership Organization, PHDC completed the rehabilitation of three scattered-site homeownership units, using Year 18 funds. In Year 16 OHCD funded the Greater Germantown Housing Development Corp. (GGHDC) to assist the West Philadelphia Housing Development Corp. (WPHDC) with acquisition and start-up costs. In Year 17 OHCD

continued its financial support of WPHDC by allocating \$500,000 to its rehabilitation program. At the request of WPHDC, PHDC completed the rehabilitation of four homeownership units.

In Year 22 OHCD allocated \$400,000 to the construction of Booth Manor, a 50-unit rental development for the elderly located at 5522 Arch St., sponsored by the Salvation Army. CDBG funds were combined with \$4.788 million in federal Section 202 funds. This project was completed in 1998.

In Year 23 OHCD allocated \$1.5 million for the rehabilitation of the former Brooks School, located at 5631-43 Haverford Ave., into 33 units of affordable rental housing. Developed by the Ingerman Group, this project was completed in 1998. To support the Brooks School development, PHDC rehabilitated a duplex unit (homeowner's unit plus rental unit) at 5623 Wyalusing Ave. through the Homestart program. This property was completed in Year 28.

In the Year 29 Homeownership RFP, AchieveAbility was selected to rehabilitate up to 10 scattered-site units for homeownership in Haddington and Cobbs Creek. This project, known as Dewey Housing, will be under construction in 2006.

OHCD intends to support the planning and acquisition efforts of the Mt. Carmel CDC in an area bounded by 57th Street on the east, 59th Street on the west, Vine Street on the north and Arch Street on the south. Working with AchieveAbility, Mt. Carmel CDC intends to pursue a strategy of rehabilitation of vacant structures, some infill new construction and development of green space.

OHCD will support Cecil Housing, the rehabilitation of 11 units of scattered-site housing by AchieveAbility. This project was selected through the Year 29 Special Needs RFP and received Low-Income Housing Tax Credits in 2006.

### 2. Parkside

Parkside was a major center for West Philadelphia development throughout the 1980s. The city's Special Acquisition homeowner rehabilitation program rebuilt a significant section of East Parkside. This is one of the major areas where industrial development and housing rehabilitation can reinforce each other. OHCD provided financing of \$835,000 in Years 16 and 17 CDBG funds to rehabilitate 18 units at 4150-52 Parkside Ave. by the Parkside Historic Preservation Corp. This project was completed in 1993. In Year 19 OHCD allocated \$2 million in Section 108 funds for the rehabilitation of the Brentwood Apartments (44 units) at 4120-40 Parkside Ave. by Pennrose

Properties in conjunction with the Parkside Historic Preservation Corp. This project is complete. In addition, OHCD provided \$852,500 for the development of 16 units of affordable rental housing at the Brantwood, 4144 Parkside Ave., developed by Parkside Historic Preservation Corp. and Pennrose Properties. This project was completed in 1999.

In Year 29, OHCD supported 1260 Housing Corporation's Pennsgrove Permanent Housing Initiative, the construction of 10 housing units for persons with mental illness. This development was selected through the Year 28 Special Needs RFP and received McKinney funding. Because site control and zoning approvals could not be obtained for the Pennsgrove location, this project was combined with funding for Powelton Heights, a 48-unit affordable rental development for persons with mental illness, located at 4113-43 Warren St. Powelton Heights is under construction.

In the Year 29 Homeownership RFP, the acquisition of 14 vacant structures in East Parkside was recommended for Habitat for Humanity. These properties will be developed without additional subsidy.

In Year 26, OHCD supported planning and acquisition activities for the rehabilitation of up to 32 units of homeownership housing in the West Philadelphia Empowerment Zone through a joint venture between Parkside Association of Philadelphia and Community Ventures. In Year 27, OHCD funded the acquisition of these units. OHCD funded the rehabilitation of these units through a combination of CDBG, HOME and Empowerment Zone resources. The first phase of 19 units will be completed in Year 31. The second phase, eight units, is under construction.

### 3. Overbrook

Overbrook remains connected to Philadelphia Neighborhood Housing Services (PNHS) as a Self-Reliant Neighborhood. The Lansdowne Avenue retail corridor from 59th to 63rd Streets received support through the Commerce Department. OHCD provided \$345,330 to PNHS to rehabilitate seven units for homeownership, located at 1650 N. Allison St., 5537 and 5543 Jefferson St., 5512 Lansdowne Ave., 5727 N. Park Ave., 5839 N. 12th St. and 5735 N. 13th St. These properties were completed in Year 24.

### 4. Wynnefield

In Year 19 OHCD allocated up to \$1.5 million in CDBG funds to Kearsley/Christ Church Hospital for the new construction of 60 units of elderly housing at 2100 N. 49th St. in a facility which provides a continuum of care. This project is complete.

In Year 28, OHCD supported Monument Mews, a 60-unit rental new-construction development on the Methodist Services for Families and Children Campus at 4300 Monument Rd. This development will serve formerly homeless and/or low-income special-needs households and was selected through the Year 27 Special-Needs RFP. This development is under construction. In Year 29, OHCD supported the rehabilitation of an additional 11 units of rental housing at 4300 Monument Rd., known as Fresh Start. This development was selected through the Year 28 Special Needs RFP and was completed in Year 30.

### 5. Mantua

Mantua has been a development area of the City's housing programs for more than a decade. OHCD invested \$1 million in Year 16 CDBG funds in the renovation of vacant houses for homeownership under Homestart. In Year 17 OHCD allocated additional funds to rehabilitate another seven homes in Mantua under its Homestart Program. OHCD allocated \$495,000 in Year 19 funds for the rehabilitation of seven Homestart houses in Mantua. OHCD provided \$670,000 for the development of nine Homestart units in Mantua in Year 20. In Year 25 OHCD supported the rehabilitation of five additional Homestart units. OHCD has also supported PHA scattered-site renovation here using CDBG funds and allocated \$16,000 in Year 16 funds to upgrade the heating system at Stephen Smith Towers, 1030 Belmont Ave. In Year 19 OHCD allocated \$1.3 million in HOME funds for the new construction of 22 rental units, known as Spencer's Place, at 36th and Aspen Streets, developed by Pennrose Properties. This development was completed in 1997. Mantua is an NTI acquisition zone.

In Year 30, the City supported the application for Homeownership Choice funding from the Pennsylvania Housing Finance Agency for Union Hill Homes, approximately 50 new construction for-sale units located in the vicinity of Union and Aspen Streets. This project received Homeownership Choice funds in 2005 and will be under construction in Year 32.

### 6. Carroll Park

In Year 19 OHCD allocated \$850,000 in Section 108 loan funds to PNHS and the Ingerman Group for the rehabilitation of 30 rental units in the Hestonville Apartments at 5400 Lansdowne Ave. This project was completed in 1995. In Year 22 PNHS expanded its program to the Carroll Park community, which is now a full service PNHS neighborhood offering the full range of NHS programs and services. In Year 26, OHCD supported planning and pre-development activities for the rehabilitation of seven scattered-site home-

ownership units. These units were completed in 2005. In Year 27, OHCD supported the rehabilitation of seven Homestart properties in conjunction with the Empowerment Zone. These properties were completed in Year 28. In Year 31, OHCD proposes to rehabilitate up to five additional Homestart properties in conjunction with the Empowerment Zone.

In the Year 29 Homeownership RFP, acquisition of 21 scattered-site properties in Carroll Park for development by Resources for Human Development through the HRP was recommended.

In Year 32, OHCD proposes to support the development of up to 12 units for homeownership by the Phoenix Project CDC in conjunction with Resources for Human Development.

#### 7. Cathedral Park

OHCD supported Habitat for Humanity-West Philadelphia through acquisition of properties on the 4900 block of West Stiles Street. In Year 26, OHCD provided \$12,260 in CDBG for the acquisition of two additional properties on this block for rehabilitation as homeownership units through the Habitat for Humanity program.

In Year 27, OHCD funded the rehabilitation of one Homestart unit in conjunction with the Empowerment Zone. Using NTI acquisition funding, the City is acquiring properties in the 4900 block of Girard Avenue. This site will be developed as new construction homeownership units, using a combination of HOME and Empowerment Zone funding.

#### 8. Belmont/Mill Creek Area

In Year 20 OHCD allocated up to \$600,000 in City Economic Stimulus funding for the new construction of 135 homeownership units to be developed at 46th and Market Streets by Philadelphia Interfaith Action (PIA). In Year 21 OHCD allocated an additional \$2.35 million in Economic Stimulus funds for a total commitment to PIA of \$2.95 million. FY '95 City Capital funds supported infrastructure and site improvements for this development. This project is now complete. In Year 18 OHCD supported the Sarah Allen project by providing \$1.03 million to the Friends Rehabilitation Program (FRP) to construct and rehabilitate 36 rental units at 41st and Parrish Streets. OHCD continued this commitment to the Sarah Allen project in Year 20 by funding the rehabilitation of 87 units of elderly housing at this site. This OHCD funding commitment supported the rehabilitation of the former Sarah Allen Nursing Home building which received an award of \$6.96 million in federal Section 202 funding. In Year 21 OHCD provided \$900,000 for Sarah Allen IV, a combination of rehabilitation and new construction

of 40 rental units which was completed in 1998. In Year 24 RDA issued an RFP for the development of scattered-site rental units in the vicinity of 41st and Brown Streets. FRP in conjunction with the Belmont Improvement Association was selected as the developer. In Year 26 OHCD provided \$1.15 million in CDBG and HOME funds for this 27-unit development, now known as Belmont Gardens. This project was completed in 2001.

In Year 22 OHCD supported the acquisition of 15 properties for rehabilitation into homeownership and rental housing to be developed by FRP. In Year 25 OHCD provided \$750,000 in HOME funds for Belmont Homes, eight units of homeownership and two rental units. This project was completed in Year 26. In Year 27, OHCD supported Home in Belmont, a scattered-site homeownership development of seven rehabilitated properties and one new construction unit for a total of eight housing units. This project is under construction. A second phase of Home in Belmont is planned. These two ventures will support the Sarah Allen development.

In Year 22 OHCD supported the acquisition for Belmont Affordable Homes, a 37-unit scattered-site rental development in the vicinity of 42nd Street, Belmont Avenue and Parrish Street. This project, formerly known as the Waverly Development, was carried out in two phases. Belmont Affordable I, consisting of 17 units, was completed in 1997. Belmont Affordable II, consisting of 20 units of rental housing, was completed in 1998. In Year 27, OHCD supported Belmont Affordable III, an additional 46 units of rental housing, using a combination of CDBG funds, and Low-Income Housing Tax Credits. This project was completed in Year 28. In Year 28, OHCD supported Belmont Homes IV, an 11-unit affordable tax-credit development in the area of 42nd Street and Girard Avenue, selected in the Year 27 Rental RFP. This is complete. In Year 29, OHCD supported Belmont V, 24 rental units, selected through the Year 28 Rental RFP. This project was completed in Year 30.

In Year 23 OHCD provided \$1.15 million to H.E.L.P. I, a combination of new construction and rehabilitation of 40 units of permanent homeless housing at 4900 Wyalusing Ave. This development, based upon the successful New York model, was completed in 1998. In Year 24 OHCD provided \$980,000 to H.E.L.P. II for 50 units of transitional homeless housing at 4901 Wyalusing Ave. This project was completed in 1999.

In Year 20 OHCD allocated \$1.5 million for the modular construction of 72 rental units at 45th and Parrish Streets, known as Jameson Court, by Michaels Development Corp. This development was completed in 1997.

During Year 27, PHA was awarded a HOPE VI grant for the comprehensive redevelopment of public and affordable housing in Mill Creek, known as Lucien E. Blackwell Homes. The Mill Creek HOPE VI development is under construction. In Year 27, OHCD provided \$350,000 in gap financing for the St. Ignatius Senior Housing development, 67 new construction rental units, at 42nd Street and Fairmount Avenue. This project was completed in 2003. In conjunction with the West Philadelphia Empowerment Zone, OHCD supported one Homestart rehabilitation in Mill Creek in Year 27. This unit is complete.

In Year 30, OHCD provided \$400,000 in prior years' CDBG funding to support site improvements at Mt. Olivet Village, a PHA rehabilitation project in the Mill Creek revitalization area.

#### 9. Cobbs Creek

In Year 23 PNHS expanded its program to the Cobbs Creek community. Cobbs Creek is a Full Service PNHS neighborhood, offering the full range of rehabilitation and loan services, community improvements and technical assistance provided by PNHS. In Year 24 OHCD provided \$1.75 million for the rehabilitation of 6000 Baltimore Avenue into 46 units of elderly housing. The development, carried out by Pennrose Properties, was completed in Year 25. In Year 25 OHCD provided \$300,000 in CDBG funds for the environmental remediation of the former Holmes School, located at 55th and Chestnut Streets. In Year 26 OHCD provided an additional \$1.5 million in CDBG and HOME funds for the rehabilitation of the building into 40 units of senior housing. The City also provided \$750,000 in Economic Stimulus funds to support the creation of commercial space in the building. This project, developed by Neighborhood Restorations Inc., was completed in Year 27.

In the Year 29 Homeownership RFP, AchieveAbility, formerly known as Philadelphians Concerned About Housing, was selected to rehabilitate 10 scattered-site units for homeownership in Haddington and Cobbs Creek. This project, known as Dewey Housing, will be developed in Year 31.

In Year 31, the City provided \$250,000 in prior years' reprogrammed HOME funds to support The Partnership CDC's development of 14 units of affordable rental housing in the 100 and 200 blocks of South 60th Street. This project is receiving Mixed Use Facility Financing Initiative (MUFFI) funds from PHFA.

#### 10. Walnut Hill and Garden Court

In prior years OHCD supported the rehabilitation of apartment buildings in Walnut Hill, including 104 units at the Admiral Court and Dorset. In Year 25 OHCD

provided \$1.797 million in HOME and CDBG funds for the rehabilitation of the Chatham Apartments, 242 S. 49th St., into 40 units of affordable rental housing. The developer was the Ingerman Group. In Year 29, OHCD supported the moderate rehabilitation of 4901 Spruce St., a 33-unit building, by Pennrose Properties. This development, which was selected through the Year 27 Rental RFP, has received Low-Income Housing Tax Credits and was completed in Year 30.

In Year 18 OHCD provided up to \$52,000 to PCAH to rehabilitate one rental unit at 135 S. 51st Street.

In Year 21 OHCD supported the rehabilitation of 12 scattered-site units for homeownership by The Partnership CDC. This development was completed in Year 25. In Year 22 OHCD supported the acquisition and planning efforts of The Partnership CDC for the rehabilitation of eight more scattered-site homeownership units. This development is complete.

In Year 27, the City supported the acquisition of 10 properties in Garden Court for rehabilitation by The Partnership CDC through the Homeownership Rehabilitation Program. In the Year 29 Homeownership RFP, acquisition of 22 scattered-site properties in Walnut Hill for development by The Partnership CDC through the HRP was recommended.

#### 11. University City

In Year 24 OHCD provided \$825,000 in HOME funds to support Ralston/Mercy Douglass House, a HUD 202 project consisting of the new construction of 55 units of elderly housing at 39th and Market Streets. This project was completed in Year 27.

#### 12. West Powelton

OHCD has long supported the work of People's Emergency Center CDC to provide homeownership opportunities in the neighborhood surrounding the People's Emergency Center. In Year 19 OHCD provided \$452,500 for the rehabilitation of eight scattered-site units for permanent housing for formerly homeless families. Known as Partnership Homes, this project was completed in 1996. In Year 25, OHCD supported the development of Imani Homes II, a seven-unit rental development in the 4000 block of Green St. for formerly homeless persons. This development received funding through the HUD McKinney program in 1999 and was completed in 2002. In Year 26, OHCD supported the development of Imani Homes III, a five-unit rental development on the 300 block of North 41st Street. This project received McKinney funding in 2000 and is complete. In Year 27, OHCD supported the development of Imani Homes IV, an eight-unit permanent supportive rental housing project on the 3900 block of Lancaster Avenue and the 4000 block

of Green Street. This project received McKinney funding in 2001 and was completed in 2005. In Year 28, OHCD supported acquisition funding for Imani Homes V, an 11-unit supportive-service rental housing project for persons with special needs. This project, located on the 3800 block of Haverford Avenue, received development financing in Year 29 and is currently under construction. In Year 30, OHCD awarded PECCDC funding for an additional 10 units of supportive-service rental housing to be located in and around the 3900 block of Haverford Avenue. This project is now part of Cloisters III, a 50-unit affordable rental housing development financed with Low-Income Housing Tax Credits and currently under construction.

In the Year 29 Homeownership RFP, the acquisition of nine parcels in the area of 38th Street and Haverford Avenue was recommended for the People's Emergency Center CDC. These sites will support the new construction of 12 units and the rehabilitation of six units for homeownership. These units will be under construction in Year 32.

The People's Emergency Center CDC (PECCDC) was selected in Year 30 to participate in the Elm Street and Main Street programs funded by DCED. PECCDC will focus on the Lancaster Avenue commercial corridor and surrounding neighborhoods.

In Year 27, OHCD provided up to \$255,000 to support the rehabilitation of the Rudolph/Mercy Douglass Home for the Blind, located at 3827 Powelton Ave., into 17 rental units for independent living. This project has received HUD Section 811 financing and was completed in Year 28.

### 13. Upper Southwest Philadelphia/ Elmwood

In Year 19 OHCD allocated up to \$660,000 in funds from Year 19 CDBG and Section 108 to the South 55th Street Partnership to rehabilitate 20 rental units at 800-18 S. 55th St. This project was completed in 1997.

### 14. Cedar Park

In Year 21 OHCD committed \$700,000 to Baltimore Avenue Revitalization Corp. for acquisition and demolition costs associated with the construction of a community-based outpatient medical center located at 5008-28 Baltimore Ave. This project was completed in 1998.

### 15. Southwest Philadelphia

Southwest Philadelphia below Baltimore Avenue remains among the most depressed areas of West Philadelphia. In Year 18 OHCD funded the Southwest CDC to provide neighborhood planning activities in the area. OHCD

funds the Eastwick Project Area Committee to provide neighborhood planning services in Eastwick. OHCD invested more than \$800,000 in Year 16 for rehabilitation under the Homestart Program. OHCD provided \$330,000 for five Homestart properties in Southwest Philadelphia in Year 19, using prior years' funds. OHCD supported Homestart in Year 23. Woodland Avenue is a major retail service corridor which has received support through the Commerce Department.

OHCD has provided \$1,181,800 in Years 26 and 27 HOME funds to support the new construction of 15 homeownership units on the 4700 block of Reinhard Street. Developed by The Nonprofit Housing Development Corp., this project is under construction.

During Year 22 OHCD worked on a conservation/preservation approach to address deterioration in the First Genesis area of Southwest Philadelphia. Six severely deteriorated properties were demolished and eight vacant properties were encapsulated in order to protect them for future rehabilitation.

During Year 24, four vacant properties were marketed through the Homestart Program. Rehabilitation of these properties was completed during Year 25. Condemnation was initiated during Year 24 on additional vacant properties in the 6000 blocks of Kingsessing Avenue and Allman Street.

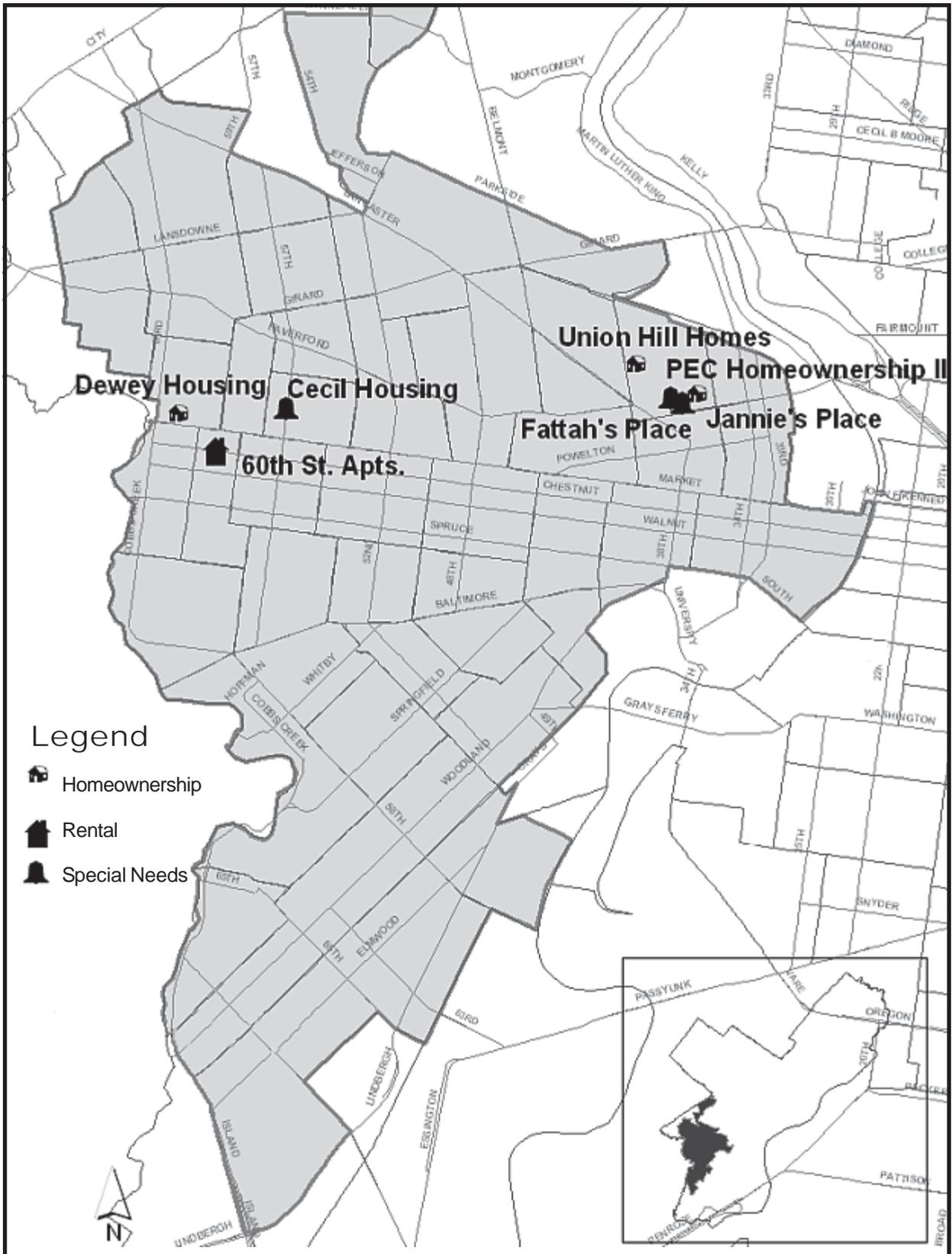
Using NTI bond proceeds, the City is acquiring properties in the area from 56th to 60th Streets, Woodland Avenue to Chester Avenue, for the Southwest Renewal Initiative. Through this venture, the Board of City Trusts, PHDC and Presbyterian Homes will redevelop projects for homeownership in conjunction with HRP. This project is under construction.

In Year 29, OHCD funded the Greenway Presbyterian Apartments, a HUD 202-funded senior development located at 2050 S. 58th St. Consistent with the selection criteria, this 68-unit development received \$1.02 million in HOME funds. This project was completed in 2005.

### 16. Eastwick

In Year 30, the City proposed to support Inglis Apartments at Elmwood, 6100 Eastwick Ave. This new construction apartment building will provide 40 rental units for persons with physical disabilities. This project was selected through the Year 29 Special Needs RFP. It received Low-Income Housing Tax Credits and will be under construction in Year 31.

## Locations of Year 32 Activities: West Philadelphia



## Center City

### 1. Chinatown North

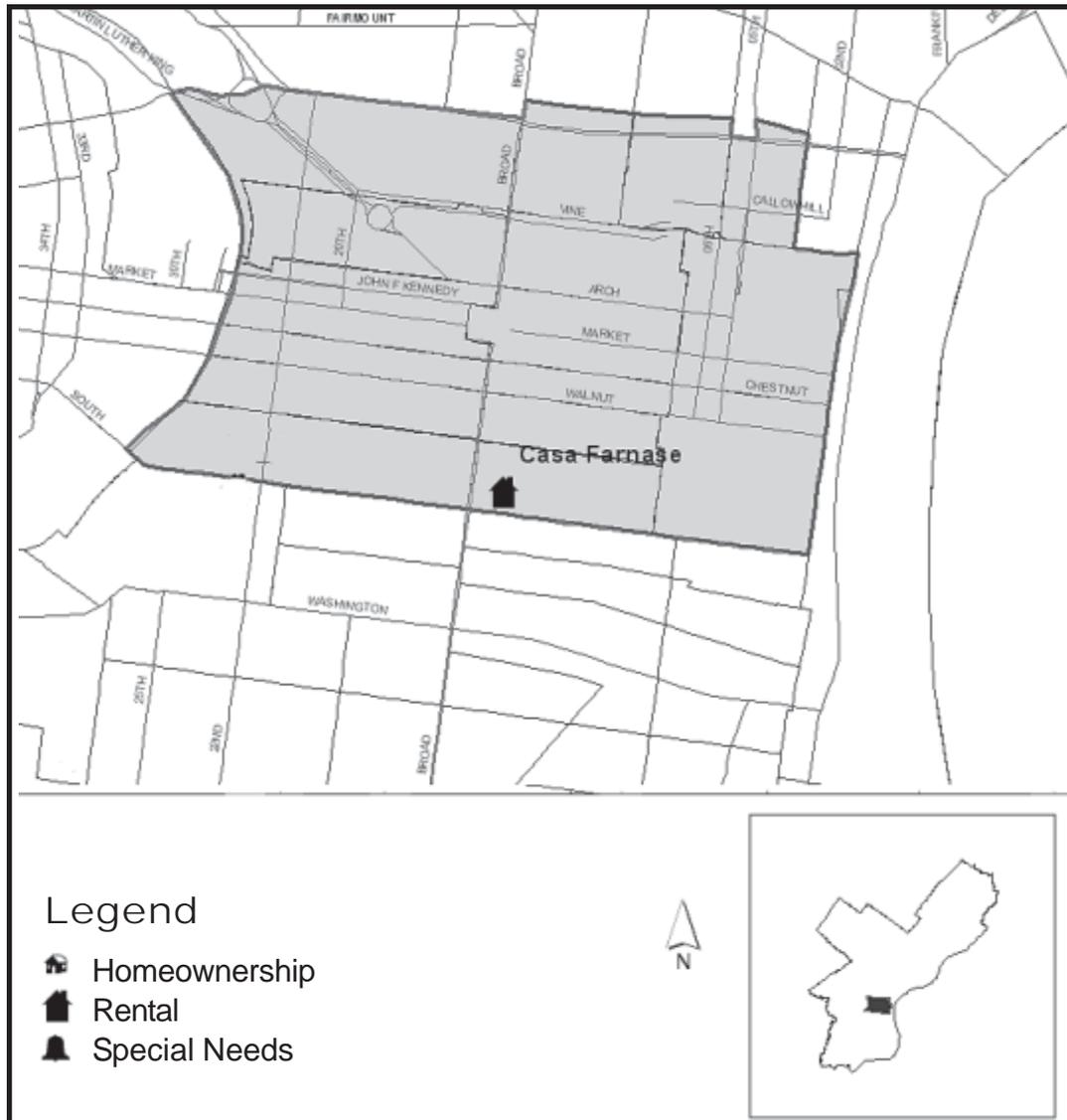
Due to development pressure from the Pennsylvania Convention Center and other commercial development, the opportunity to increase the supply of affordable housing in the Chinatown area is very limited. For this reason, the Philadelphia Chinatown Development Corp. has expanded development north of Vine Street for its community, in census tracts 1, 2, 5, 126 and 127. In Year 19 OHCD allocated \$1.8 million in HOME funds for the acquisition, planning and development of 36 new construction homeownership units at 8th and Vine Streets by the Philadelphia Chinatown Development Corp. This project is now complete. In Year 24 OHCD allocated funds for the acquisition of a site at the northwest corner of 9th and Wood Streets

for future homeownership development. In Year 27, OHCD supported the construction of 10 units of homeownership housing on this site, known as Sing Wah Yuen; construction was completed in 2003.

### 2. Center City

In Year 28, OHCD supported the rehabilitation of Kate's Place, 1929 Sansom St., into 144 affordable rental units. The development is sponsored by Project H.O.M.E. and received Low-Income Housing Tax Credits. This project was selected through the Year 27 Rental RFP and will maintain an affordable housing resource in this area of Center City. This project was completed in Year 30.

In Year 32, OHCD proposes to support repairs to Casa Farnese, located at 13th and Lombard Streets.



## South Philadelphia

South Philadelphia is the most economically and racially diverse area of the city. Neighborhoods of desperate poverty coexist with those of considerable affluence, held together by a strong middle-class foundation of single-family rowhomes. In recent years, the extension of Center City's strong real estate market has made market-rate housing possible in much of South Philadelphia. The section of South Philadelphia targeted for OHCD assistance is comprised of census tracts 13-51. South Philadelphia neighborhoods that have received OHCD assistance include Queen Village, Pennsport, Whitman, Hawthorne, Point Breeze and Southwest Center City. Significant development initiatives in selected neighborhoods remain. The Port of Philadelphia is the newest Enterprise Zone under the auspices of the Commerce Department.

### ■ Goals

#### 1. Neighborhood Planning and Community Organizations

OHCD has supported neighborhood planning in South Philadelphia by funding community organizations in several neighborhoods, including Grays Ferry, King's Village, Pennsport, Queen Village, Southwest Center City and Whitman.

#### 2. Homeownership for Neighborhood Revitalization

A neighborhood development goal is to preserve low-income housing while retaining a delicate balance among low-, moderate- and upper-income residents. To accomplish this, OHCD targeted CDBG funds for homeownership through Homestart in South Philadelphia from Years 16 to 27. The Jefferson Square homeownership development will produce both affordable (subsidized) and market-rate units.

#### 3. Private and CDC Rental Development

With its easy accessibility to Center City, South Philadelphia has been a focus for rental development by both private developers and CDCs. In 1991 the Ingerman Group completed a large-scale rental rehabilitation project on the 1900-2100 blocks of Christian Street in Southwest Center City. In Year 17 OHCD provided financing for the conversion of the former Landreth School in Point Breeze into 51 rental units. This project was completed in 1992. In Year 18, OHCD allocated \$300,000 to the Hawthorne CDC to acquire and rehabilitate properties for rental units, \$1.094 million to Pennrose Properties and the Housing Consortium for Disabled Individuals for 27 new-construction rental units on South 16th Street, and

\$715,000 in Year 18 and prior years' funds to Octavia Hill and YouthBuild for 22 units of rehabilitated rental housing in Point Breeze. Universal Community Homes has produced affordable rental housing in Southwest Center City and in Point Breeze.

### ■ Area Neighborhoods

#### 1. Queen Village

Located in the vicinity of 4th Street and Washington Avenue, the Courtyard Apartments at Riverview (formerly Southwark Plaza) is surrounded by Queen Village and is one of PHA's largest developments. With a total development cost of approximately \$58 million, Courtyard Apartments at Riverview was supported primarily by \$39.5 million in Major Reconstruction of Obsolete Projects (MROP) grants supplied by HUD to PHA, with additional contributions of limited partner equity proceeds and CDBG funds of \$2 million. Developed by a joint venture of Southwark Development Corp., Affordable Community Housing Advocates Inc., Housing Association of Delaware Valley and the National Housing Partnerships Inc., the renovated development consists of 165 units of elderly housing in the one remaining high-rise building and 305 newly constructed townhouses, for a total of 470 units. The development was completed in Year 26. The Queen Village Neighbors Association has been a leading force in involving PHA tenants and residents of the surrounding community in joint projects and dialogue.

#### 2. Jefferson Square

As part of OHCD's commitment to use CDBG resources to support the development of replacement public housing units, as a result of the demolition reduced density redevelopment at Southwark Plaza, the RDA issued an RFP in January 1998 for the rehabilitation of Mt. Sinai Hospital North Building, located at 430 Reed St., into rental housing for elderly persons. The winning proposal was submitted by Michaels Development Corp. which developed 37 units for eligible residents. In Year 24 OHCD provided \$1.678 million in CDBG and HOME funds to support this venture which was completed in Year 26.

In 1998, the City committed \$3 million in Economic Stimulus funds to support acquisition and development of 94 homeownership units in the Jefferson Square neighborhood, bounded by Federal Street on the north, Reed Street on the south, 4th Street on the east and 5th Street on the west. The developer is Jefferson Square CDC. The development was awarded \$1 million by PHFA through its Homeownership Choice Demonstration Program in 2001. Phase 1, 30 affordable and 12 market-rate units, is completed.

OHCD provided CDBG subsidy to support the affordable units. Phase II of this development will provide an additional 52 market-rate housing units and is under construction.

### 3. Greenwich/Whitman

In Year 19 OHCD allocated \$450,000 to rehabilitate six units for homeownership through the Homestart Program. OHCD continued its support of the rehabilitation of homeownership units in Greenwich/Whitman by Community Ventures in cooperation with Weccacoe Development Association. In Year 24 OHCD committed \$825,000 for Greenwich/Whitman I, a development of 10 scattered-site units. This development was completed in Year 25. In Year 26 OHCD supported Greenwich/Whitman II, an additional 13 homeownership units on the 500 block of McClellan Street and vicinity. This development was completed in 2004.

In Year 22 OHCD supported the acquisition costs associated with the rehabilitation by United Communities Southeast Philadelphia of five units of homeownership housing on the 500 block of Emily Street. This development was completed in Year 28.

In the Year 29 Homeownership RFP, acquisition of 14 scattered-site properties for development by United Communities Southeast Philadelphia through the HRP was recommended.

In Year 27, the City supported acquisition funding for the South Philadelphia Presbyterian Apartments, 67 units of affordable new-construction senior housing at 5th and Jackson Streets. This project, which received HUD Section 202 and HOME financing, was completed in 2005. OHCD will continue to work with the South Philadelphia Area Revitalization Corp. (SPARC) to develop a homeownership project in the area near 5th and Jackson Streets. This project may include acquisition, rehabilitation and new construction.

### 4. Hawthorne

OHCD allocated \$200,000 to Hawthorne CDC for the rehabilitation of four rental units, located at 1236-40 Catharine St. and 801 S. 13th St. This development was completed in 1996.

In 1998 PHA received a \$25.2-million HOPE VI development grant for the revitalization of Martin Luther King Plaza, located at 13th and Fitzwater Streets. The planned revitalization calls for the demolition of the four high-rise towers on site, which was completed in October 1999, the development of 330 rental units and 150 homeownership units, through a combination of rehabilitation and new construction through neigh-

borhood and commercial development along Broad Street. OHCD agreed to provide up to \$4.5 million in CDBG funds for acquisition, demolition and relocation costs associated with MLK Revitalization, to be paid over five years. In Year 26, OHCD committed \$1 million in CDBG funds for MLK acquisition. In accordance with the agreement with PHA, OHCD allocated \$1.5 million in CDBG funds in Year 27 to support acquisition associated with MLK Revitalization and allocated \$1.4 million in Year 28. In Year 28, OHCD provided \$638,500 in prior years' Section 108 loan funds for demolition activities to support the construction of additional MLK units. OHCD allocated \$200,000 for MLK acquisition costs and \$1.012 million for demolition and remediation costs in Year 29.

### 5. Southwest Center City

Through Homestart, OHCD has supported the rehabilitation of 76 units of homeownership housing since Year 16. The area south of South Street in the 30th Ward has been a center for significant rental rehabilitation to preserve affordable low- and moderate-income housing in the face of rapidly rising rents and real estate assessments. In Year 19 OHCD allocated up to \$770,000 in HOME funds for the development by The Regis Group of one rental and 13 homeownership units, known as Bancroft Court, at 1609-13 Fitzwater St., 726-30 S. Bancroft St. and 1613, 1631, 1633, 1637, 1703, 1705, 1708 Webster St. In Year 19 OHCD allocated up to \$500,000 in CDBG funds for the acquisition of 36 units of rental housing known as Artists' Village, at 17th and Bainbridge Streets. OHCD provided \$850,000 for this project by The Regis Group and the South of South Neighborhood Association (SOSNA), using Year 20 funds. This project was completed in 1995.

In Year 22 OHCD supported environmental assessments on the vacant lot at the corner of 18th and Christian Streets, proposed for new construction of eight units of homeownership, known as Julian Abele Homes.

In Year 21 OHCD provided \$1.5 million for the new construction and rehabilitation of 32 rental units at 15th and Christian Streets, known as Universal Court by Pennrose Properties and Universal Community Homes. This development was completed in 1998.

In Year 22 OHCD provided \$732,300 for the development of 21 new-construction rental units on the 800 block of South 16th Street, known as Universal Court II, by Universal Community Homes. This project was completed in 1999.

Since Year 21 OHCD has supported Universal Community Homes to carry out the rehabilitation of

homeownership units with YouthBuild. In Year 21 OHCD provided \$338,850 in HOME funds for the rehabilitation of five properties on the 1400 block of Montrose Street. In Year 22 OHCD provided \$291,180 in HOME funds for the rehabilitation of five homeownership units on the 1000 block of South Chadwick Street. In Year 23 OHCD provided \$251,580 in HOME funds for the rehabilitation of five properties on the 700 block of South Hicks Street. These properties are complete. In Year 24 OHCD provided an additional \$265,000 in HOME funds for the rehabilitation of three homeownership units on the 1400 block of Montrose Street. The properties are complete.

In Year 21 OHCD provided \$897,270 for the rehabilitation of five properties into 10 units of housing (five homeownership and five rental) on the 1600 block of Christian Street, known as Doctors' Row. This project is complete. In Year 24 OHCD provided \$898,250 in HOME funds for an additional five buildings on the 1600 block of Christian Street to be rehabilitated as 10 units, known as Doctors' Row II. The project was completed in Year 26. Doctors' Row was developed by SOSNA and Gary Reuben. In Year 26, OHCD supported the acquisition of 1627 Christian St., the remaining vacant property in Doctors' Row.

The City is working with Universal Community Homes, Fannie Mae and others on a special initiative known as the *South Philadelphia Plan*, to develop affordable and market-rate housing in Southwest Center City. The City proposes to provide assistance for acquisition and development to support this initiative. Three million dollars in NTI bond proceeds were provided as bridge financing for the acquisition of properties between South Street and Washington Avenue for market-rate housing. As market-rate units are completed and sold, the repaid bridge financing funds will be made available to support affordable housing south of Washington Avenue in the Point Breeze community.

In Year 25, RDA, at the direction of OHCD, initiated an Urban Renewal Taking in connection with the Martin Luther King Plaza HOPE VI development. As part of that Taking, the RDA has authority to acquire and assemble development packages on the 700 block of South 15th and the 900 and 1000 blocks of South 17th Streets. These blocks are proposed for market-rate and affordable homeownership development. In Year 28 OHCD proposed to support a new construction homeownership development carried out by Universal Community Homes and SOSNA on the 900 and 1000 blocks of South 17th Street. This development is expected to be under construction in 2006.

As part of OHCD's commitment to use CDBG resources to support the development of replacement public housing units necessitated by the demolition and lower-density redevelopment of Southwark Plaza, RDA issued an RFP in January 1998 for the rehabilitation of the former St. Anthony's School at 2317-33 Carpenter St. and properties in the vicinity. The winning proposal was submitted by Ingerman-Regis Corp. and SOSNA, which developed 38 units of elderly housing in the school building and 15 units of family housing for eligible tenants in the vicinity. The north side of Montrose Street was treated through rehabilitation and the remainder of the site was treated through a combination of rehabilitation and new construction. The development maximized the creation of open space, including parking, at this site. In Year 24 OHCD provided \$1.65 million in CDBG and HOME funds to support this development which was completed in Year 26.

OHCD intends to work with the Greater St. Matthew CDC to revitalize the neighborhood near 23rd and Fitzwater Streets, through the acquisition and rehabilitation or new construction of homeownership housing units, both affordable and market rate. NTI bond funds will support acquisition. OHCD proposes to support the affordable units using HOME or CDBG funds. This project has received a commitment of funding from the M. Night Shyamalan Foundation.

In Year 30, OHCD proposed to support a senior housing development known as Osun Village at 2308-12 Grays Ferry Ave. carried out by Universal Community Homes and Odunde. This development has received Low-Income Housing Tax Credits and will be under construction in Year 32.

#### 6. Point Breeze

Point Breeze has been a significant center for city development for the past 22 years. Point Breeze was one of the original Greene Countrie Townes, an urban gardening and open space management program sponsored by Philadelphia Green. The area has benefited from various homeowner and rental rehabilitation programs. Eighteen units were selected for rehabilitation under the Homestart Program in Year 15, and three in Year 16. In Year 17 OHCD provided financing for the rehabilitation of the former Landreth School, 1201 S. 23rd St., into 51 affordable rental units. In Year 18 OHCD allocated \$1.094 million in CDBG, HOME and DCA funds to Pennrose Properties for the new construction of 27 rental units, known as Tasker Village, at 1508-40 S.16th St.

OHCD has supported the YouthBuild Program in Point Breeze since Year 18 by providing the needed development subsidies. YouthBuild provides training in building construction to young adults completing high school. In Year 19 OHCD allocated a total of \$715,000 in Year 18 and prior years' funds to Octavia Hill for the rehabilitation of 22 rental units. In Year 19 OHCD allocated up to \$201,000 in Section 108 funds to YouthBuild/Octavia Hill for the rehabilitation of 10 rental units. In Year 20 OHCD continued its support of a YouthBuild/Octavia Hill project by providing \$350,000 for 17 scattered-site homeownership units. In Year 21 OHCD allocated an additional \$500,000 for YouthBuild activities in Point Breeze. All of these projects are complete. In Year 25, OHCD provided \$150,000 in HOME funds to Eighteenth Street Development Corp. for a YouthBuild project to rehabilitate two homeownership units at 1523 S. Hicks St. and 1525 S. Garnet St. This project was completed in Year 26. In Year 26, OHCD provided \$457,100 in HOME funds to Universal Community Homes for a YouthBuild project on the 2100 block of Cross Street. Seven properties were rehabilitated as homeownership units. This development was completed in Year 27. In Year 28, OHCD allocated \$330,400 in HOME funds for the rehabilitation of four rental units at 1311-15 Point Breeze Ave. by Universal Community Homes as a YouthBuild Project. This project was completed in 2005.

Point Breeze Avenue is a major TNCA corridor supported by PCDC. In Year 23 OHCD supported the preparation of the Point Breeze Neighborhood Strategic Plan by the Point Breeze Community Development Coalition. It outlines development priorities for the neighborhood.

In Year 24 OHCD provided \$199,000 in CDBG funds for the rehabilitation of the Point Breeze Civic Association community center, located at 1518 S. 22nd St. This work was completed in 1999.

In Year 24, Presbyterian Homes was selected by the RDA as the redeveloper of a vacant parcel at 1401-35 S. 16th St., bounded by 16th and Mole Streets. Presbyterian Homes constructed 85 units of senior housing on this site, using HUD Section 202 financing and HOME funds. Supported with \$1.275 million in Year 25 HOME funds, this project was completed in Year 27.

In Year 24, RDA issued an RFP for the development of affordable rental housing through a combination of new construction and rehabilitation in the vicinity of 16th and Federal Streets. Universal Community Homes was selected to develop 53 units of affordable rental housing. In Year 25, OHCD provided \$1.7 million for this development, using a combination of CDBG and

HOME funds. This project, known as Universal Point, was completed in Year 27.

In Year 28, OHCD proposed to support a homeownership development of 18 new construction units, known as Point Breeze Estates, in the vicinity of 16th and Federal Streets. This development, to be carried out by Universal Community Homes, supports its Universal Point rental development. This venture was completed in 2005. A third phase of Universal Point, known as the Commons at Point Breeze, 55 rental units, will be developed by Universal Community Homes as part of its South Philadelphia Plan Initiative. This project received PHFA tax credits and will be under construction in Year 31.

During 2002, the City supported a neighborhood planning effort for the redevelopment of the 2300 blocks of Cross and Greenwich Streets. This project will be a combination of demolition, housing rehabilitation and new construction, and greening and open space. Using NTI bond proceeds, acquisition was initiated in Year 28. OHCD proposes to support this venture of nine homeownership units developed by Universal Community Homes with construction expected in 2006.

OHCD supported the new construction of 22 units of housing known as Respite II, to be built by Catch Inc., at 1208 S. 15th St. for persons with mental illness. This development was selected through the Year 28 Special-Needs RFP and completed in 2005.

Using NTI bond proceeds, the City is acquiring the former Anthony Drexel School, located at 1800 S. 16th St., for re-use as rental housing for senior citizens. This development will require Low-Income Housing Tax Credits.

In the Year 29 Homeownership RFP, the acquisition of seven vacant lots and seven vacant structures in Point Breeze was recommended for Habitat for Humanity. This acquisition will support the development of eight new construction and seven rehabilitated units.

#### 7. King's Village and Grays Ferry

In Year 19 OHCD allocated \$1.5 million to Michaels Development Corp. for the new construction of 70 units of affordable rental housing, known as Grays Ferry Apartments, at 32nd and Wharton Streets. This development was completed in 1994. OHCD allocated \$1.5 million for the new construction of 21 units of affordable rental housing on the 2700 block of Titan Street. This development was completed in 1998. OHCD allocated \$1.933 million for the rehabilitation of 21 units

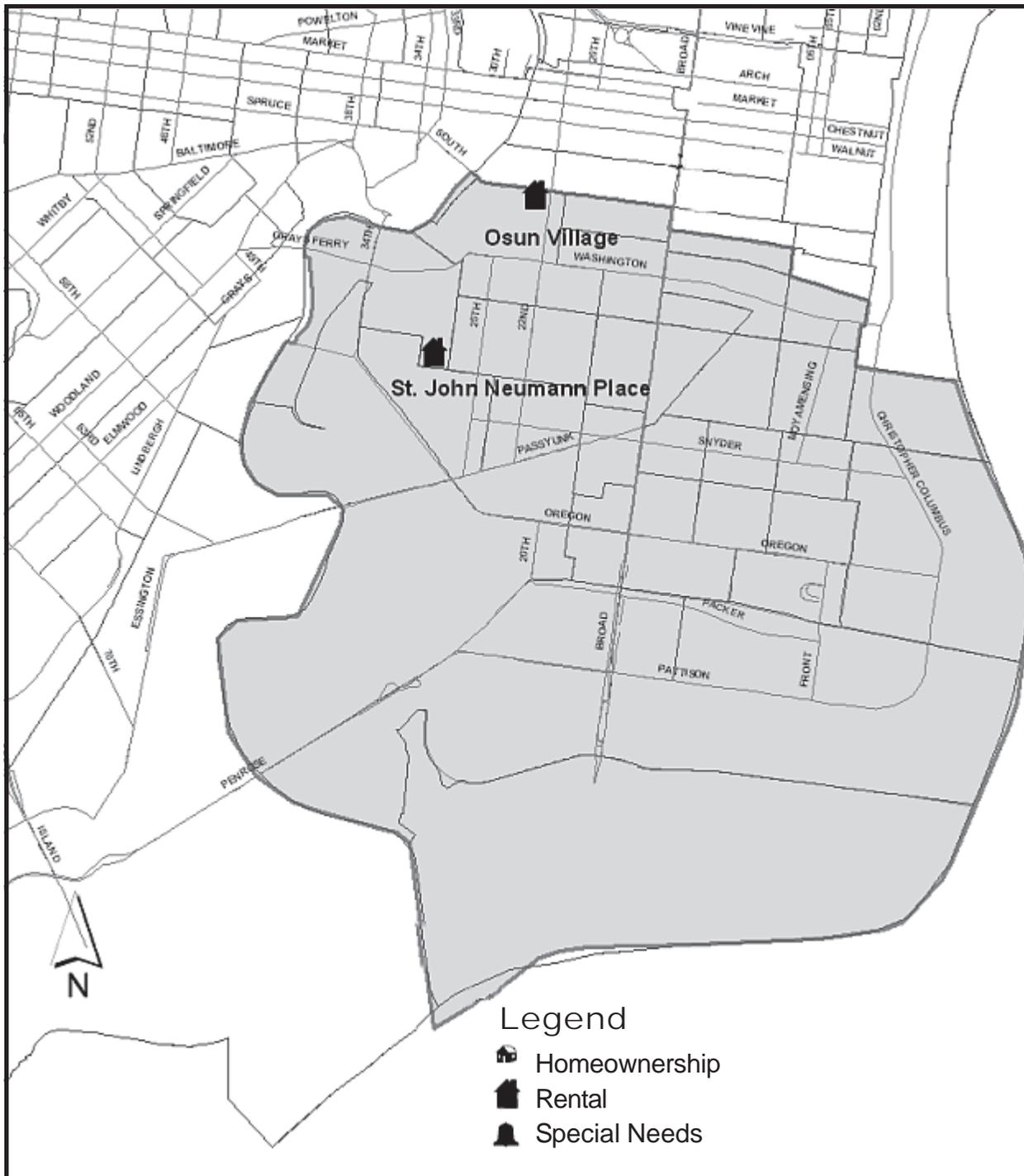
on the 2700 block of Sears Street for sale to income-eligible first-time homebuyers. This development, which was carried out by PHDC, was completed in Year 25. In Year 26, OHCD supported acquisition of the remaining vacant properties on the block. In Year 27, OHCD funded the rehabilitation of the remaining vacant properties to complete this homeownership venture. This project, known as Sears Street II, is completed.

During Year 31, OHCD will continue planning activities and increased marketing of existing home-repair programs in the "Forgotten Bottom" neighborhood, south of Grays Ferry Avenue and west of 34th Street.

In Year 28, OHCD supported the rehabilitation of the former Anthony Wayne School at 28th and Morris Streets into 35 senior rental apartments. This venture received Low-Income Housing Tax Credits and was completed in Year 30.

In Year 30, OHCD supported a feasibility study for the re-use of the former St. John Neumann High School located at 2600 Moore St., as senior housing. OHCD will provide gap financing to this 75-unit senior housing venture which received Low-Income Housing Tax Credits in 2006.

## Locations of Year 32 Activities: South Philadelphia



## Northwest Philadelphia

Northwest Philadelphia, encompassing Germantown, East Falls, Logan, Ogontz, West Oak Lane, Mount Airy and Chestnut Hill, is among the city's most diverse sections. It includes census tracts 204-205, 232-233, 236-239, 240-249, 252-253, 265-271 and 274-286. OHCD investment has focused on Lower Germantown, Logan, West Oak Lane and Fern Rock-Ogontz-Belfield.

### ■ Goals

#### 1. Neighborhood Planning and Community Organizations

Northwest Philadelphia has strong community organizations as well as CDCs. OHCD has supported neighborhood planning efforts in the Wister section of Germantown. Ogontz Avenue Revitalization Corp. receives support for neighborhood strategic planning from PNDC.

#### 2. CDC-Sponsored Housing Development

GGHDC received CDBG funding for homeownership and Section 202 funding for elderly housing along Germantown Avenue as part of a comprehensive commercial and residential project known as Freedom Square. In addition, GGHDC converted the former Hamill Mill factory into rental apartments for the elderly and disabled, and received Year 18 and 19 OHCD funding to provide additional rental housing in rehabilitated vacant houses scattered throughout lower Germantown. These projects complement the commercial revitalization of Germantown Avenue that is using CDBG funds administered by the Commerce Department. They aim to stabilize lower Germantown while retaining its economic and cultural diversity.

The West Oak Lane CDC, the 4500 North 20th Street Block Association in Logan and PNHS in Fern Rock were each awarded Year 18 funds to rehabilitate houses for homeownership in their areas.

#### 3. Private Rental Rehabilitation

In Germantown the Queens Row project resulted in the rehabilitation of 29 rental units near the Queen Lane train station. OHCD supported the Ogontz Avenue Revitalization Corp. in the development of Ogontz III, a 15-unit rental development at 7100 Ogontz Ave. It was completed in 1995. In Year 16 OHCD funded the renovation of Ogontz Hall, a multifamily rental building in the heart of the Ogontz Avenue commercial district. It was completed in 1992.

#### 4. Economic Development

Through OHCD and the Commerce Department, the City has supported commercial revitalization in Central

Germantown, Lower Germantown and Ogontz Avenue. Perhaps nowhere else in the city has economic development been as well integrated with housing development as in Northwest Philadelphia. GGHDC's Freedom Square project with its related housing developments and the Ogontz Avenue-Ogontz Hall project are examples of the City's success in working with both nonprofit, community-based developers and the private sector in achieving neighborhood revitalization.

### ■ Area Neighborhoods

#### 1. Lower Germantown

Lower Germantown is the center of various commercial revitalization, rental rehabilitation and new construction projects. These include Commerce Department investment in the redevelopment of the Lower Germantown Business District and OHCD support of CDBG and DCA funds for the Queens Row rental rehabilitation project which provided 29 housing units.

In addition, OHCD provided \$400,000 in prior years' funds to GGHDC to rehabilitate the Hamill Mill Apartments at Church Lane and Lena Street into 40 rental units for low- and moderate-income elderly and disabled persons. During Year 18 OHCD allocated \$1.5 million in CDBG funds and \$335,000 in DCA prior years' funds to GGHDC to rehabilitate 50 rental units, known as the Lower Germantown Housing project. In Year 19 OHCD allocated GGHDC \$1.2 million in CDBG and Section 108 funds for operating support and for the rehabilitation of 34 additional rental units, known as Lower Germantown II. This project was completed in 1995.

Total funding of \$1.3 million was allocated in Year 17 to support the residential portions of GGHDC's Freedom Square project, a mixed-use development project in the 5100 block of Germantown Avenue in the Wister Urban Renewal Area. The project contains 20,550 square feet of retail/commercial space and 47 units of new construction rental housing for senior citizens, known as Elders Place. The retail site provides goods and services to the Germantown/Wister community which is inhabited by low- and moderate-income families. Other funds were provided to the commercial portion of the project through the PIDC Neighborhood Economic Development Program as were necessary and/or appropriate to complete this activity. Boundaries of the target development area are: east of Germantown Avenue, west of Lena Street, north of Wister Street and south of Collom Street.

In Year 21 OHCD allocated \$650,000 to GGHDC for the development of 19 rental units on the 6500 block of Germantown Avenue, known as Blakestone Housing. It was completed in 1997.

In Year 25 OHCD provided \$855,000 in HOME funds to support GGHDC's LINK Housing I development, up to 10 units of new construction and three units of rehabilitated homeownership, on blocks with prior investment surrounding Freedom Square. LINK Housing I is under construction. The three rehabilitated units have been completed.

In Year 26, OHCD allocated up to \$600,000 in HOME funds for Elders Place II, the rehabilitation of a vacant former factory building on the southeast corner of Collom and Lena Streets into 40 units of senior housing. Elders Place II received a commitment of HUD 202 financing. This project was completed in 2004.

In Year 25 OHCD provided \$312,600 in HOME funds to GGHDC for the rehabilitation of four homeownership units through the YouthBuild program. These properties are complete.

In Year 26, OHCD allocated \$273,500 in HOME funds to GGHDC for the rehabilitation of four properties for homeownership on the unit block of East Manheim Street through the YouthBuild program. These properties will be completed by GGHDC through the Homeownership Rehabilitation Program.

In addition, using the City's coordinated approach for treating troubled buildings, GGHDC, in partnership with the Ingerman Group, rehabilitated Manheim/Wissahickon Gardens, located at Manheim Street and Wissahickon Avenue, as a mixed-income development for rental and homeownership units. This development, known as Cricket Court Commons, was completed in 1999.

In Year 28, OHCD supported planning and feasibility activities for the redevelopment for housing at the former Manna Bible Institute, located at 700 E. Church Lane, by the Church Lane Development Corp.

In the Year 29 Homeownership RFP, the acquisition of five vacant lots in Germantown was recommended for Habitat for Humanity. This acquisition will support the development of eight new construction units. In the Year 29 Homeownership RFP, acquisition of seven scattered-site properties in Southwest Germantown for development by Resources for Human Development through the HRP was recommended.

OHCD will work with Germantown Settlement to develop a special-needs housing facility at 5023 Germantown Ave., known as A Step Ahead, to serve homeless persons with HIV/AIDS. This project was selected through the Year 29 Special Needs RFP and has received McKinney funds.

## 2. Central Germantown Commercial District

The City has funded the Central Germantown Council, a neighborhood business organization, to serve this district. The Council performs economic and community development activities designed to create or retain permanent jobs and increase the availability of goods and services. It helps businesses that provide goods and services to this low- and moderate-income neighborhood. The Council provided technical assistance to support planning for Germantown Plaza, a retail development prepared for a vacant parcel at Chelton and Wayne Avenues. The Council refers firms seeking financial assistance to PCDC, PIDC, the Client Services Unit of the Commerce Department and other agencies. It also provides staff support to the Germantown Business Association and aggressively markets and promotes the rehabilitation and re-use of vacant and/or underutilized commercial and residential properties. Finally, the Council aids the City in the implementation of effective public improvement projects concentrated in these subareas: Chelton Avenue (Pulaski Avenue to Baynton Street), Germantown Avenue (Ashmead Place to Walnut Lane), Wayne Avenue (Schoolhouse Lane to Rittenhouse Street), Maplewood Mall (Germantown Avenue to Greene Street), Armat Street (Germantown Avenue to Lena Street) and Vernon Park (between Germantown Avenue and Greene Street).

OHCD allocated a total of \$3 million in prior years' CDBG and federal HOME funds to rehabilitate 131 single-room occupancy units at the YMCA of Germantown, 5722 Greene St., now completed. The rehabilitation at this location preserves an important housing resource for homeless men.

In Year 28 OHCD supported the Center in the Park senior housing development, a 70-unit tax-credit rental development located at 5818 Germantown Ave. This project has been completed.

## 3. Mt. Airy

In Year 28, OHCD supported New Covenant Senior Housing, a 56-unit affordable rehabilitation development at 7500 Germantown Ave. This tax-credit rental project was selected in the Year 27 Rental RFP. This project was completed in Year 30.

In Year 28, OHCD supported the development of Section 202 elderly and Section 811 disabled development by New Courtland Inc., located at Sedgwick Street and Germantown Avenue, consistent with its guidelines for Housing Development Assistance. These projects are under construction.

In the Year 29 Homeownership RFP, Mt. Airy USA was selected to construct up to 15 new homeownership units on a parcel which it owns at 251-279 Montana St. This project is under construction.

Mt. Airy USA was selected in Year 30 to participate in the Elm Street and Main Street programs funded by DCED. Mt. Airy USA will focus on the Germantown Avenue commercial corridor and surrounding neighborhoods.

#### 4. Logan

Since 1986 when the problem of subsidence in the area was first identified in an engineering study, OHCD has been supporting a program of acquisition and relocation assistance to residents of the Logan Triangle Area using a combination of state and federal grants and Section 108 Loan funds. The relocation of all eligible residents of the Logan Triangle will be completed in Year 31.

In Years 23 and 24 OHCD funded a study by the Army Corps of Engineers to analyze the soil conditions and evaluate alternative uses for the area. Completed in 1999, the study included an environmental assessment and alternative re-use plans. The study suggested the approximate cost of preparing the land for redevelopment will be \$48 million, in addition to the costs of environmental remediation. OHCD will continue to work with the Planning Commission, other City agencies and residents to review alternatives for the re-use of the land, including commercial development. The RDA intends to issue an RFP for the re-use of the site in 2006.

In Year 20 OHCD allocated prior years' funds to complete the rehabilitation of the 4500 block of North 20th Street through the Homestart Program.

#### 5. Fern Rock-Ogontz-Belfield

Fern Rock-Ogontz-Belfield remains connected to Philadelphia Neighborhood Housing Services (PNHS) as a Self-Reliant Neighborhood. In Year 16 OHCD allocated \$140,000 in Year 16 funds and \$110,000 in prior year funds to rehabilitate five properties for homeownership by PNHS in conjunction with the Albert Einstein Medical Center in this neighborhood. These units are completed. During Year 18 OHCD continued its commitment to this project by allocating up to \$250,000 in CDBG and HOME funds to rehabilitate five properties, known as the PNHS/Einstein project, for homeownership. Using Year 20 funds, OHCD supported PNHS by funding the rehabilitation of three units for homeownership at 6036 Camac St., 5645 and 6008 N. Marvine St.

In Year 24 OHCD provided \$876,000 for the rehabilitation of The Elkin Residence, located at 11th Street and Clarkson Avenue, into 73 units of elderly housing. This development, financed through the HUD Section 202 program, was carried out by Community Renaissance Alliance, a partnership of the Albert Einstein Healthcare Network and The Community Builders. This project is completed.

In Year 25 OHCD provided \$1.422 million in HOME funds for the new construction of 14 units of homeownership housing on the 1400 block of Clearview Street, the former site of the Devon Manor Apartment. Demolition was completed in 1996. The Regis Group was selected through an RFP to be the developer. This project has been completed.

#### 6. West Oak Lane

In Year 17 OHCD allocated \$390,000 to West Oak Lane CDC to rehabilitate six homeownership units. OHCD continued its support to the West Oak Lane CDC by providing \$556,000 in Year 18 HOME and CDBG funds to rehabilitate 12 units of homeownership.

In Year 21 OHCD supported West Oak Lane CDC and Ogontz Avenue Revitalization Corp. (OARC) for the rehabilitation of eight homeownership units. These units are completed.

In the Year 29 Homeownership RFP, acquisition of 11 scattered-site properties in West Oak Lane for development by Resources for Human Development through the HRP was recommended.

In Year 16 CDBG and DCA funds were allocated for the rehabilitation of Ogontz Hall, a 29-unit rental project in the 7100 block of Ogontz Avenue. This project was completed in 1992. In Year 19 OHCD allocated \$498,000 for planning costs, acquisition and rehabilitation of rental housing by OARC as part of a mixed-use site, known as Ogontz III, in the vicinity of the 7100 block of Ogontz Avenue. This project was completed in 1995. The City has also provided ongoing support to the revitalization of the shopping district around the 7100 block of Ogontz Avenue.

In addition, OHCD committed \$1 million in CDBG funds to OARC for acquisition and rehabilitation of the former Penn Emblem building, located at 2111-13 Eastburn Ave., to house the Southeastern Pennsylvania Employment and Training Center. This project was completed in 1998.

In the Year 29 Homeownership RFP, the acquisition of 15 vacant structures in West Oak Lane was recommended for rehabilitation by the Korean Community Development Services Center.

In Year 30, the City provided \$1.05 million in HOME funds to support the rehabilitation of Philip Murray House II, a 70-unit senior housing development located at 6300 Old York Rd. This project also received federal Section 202 funding.

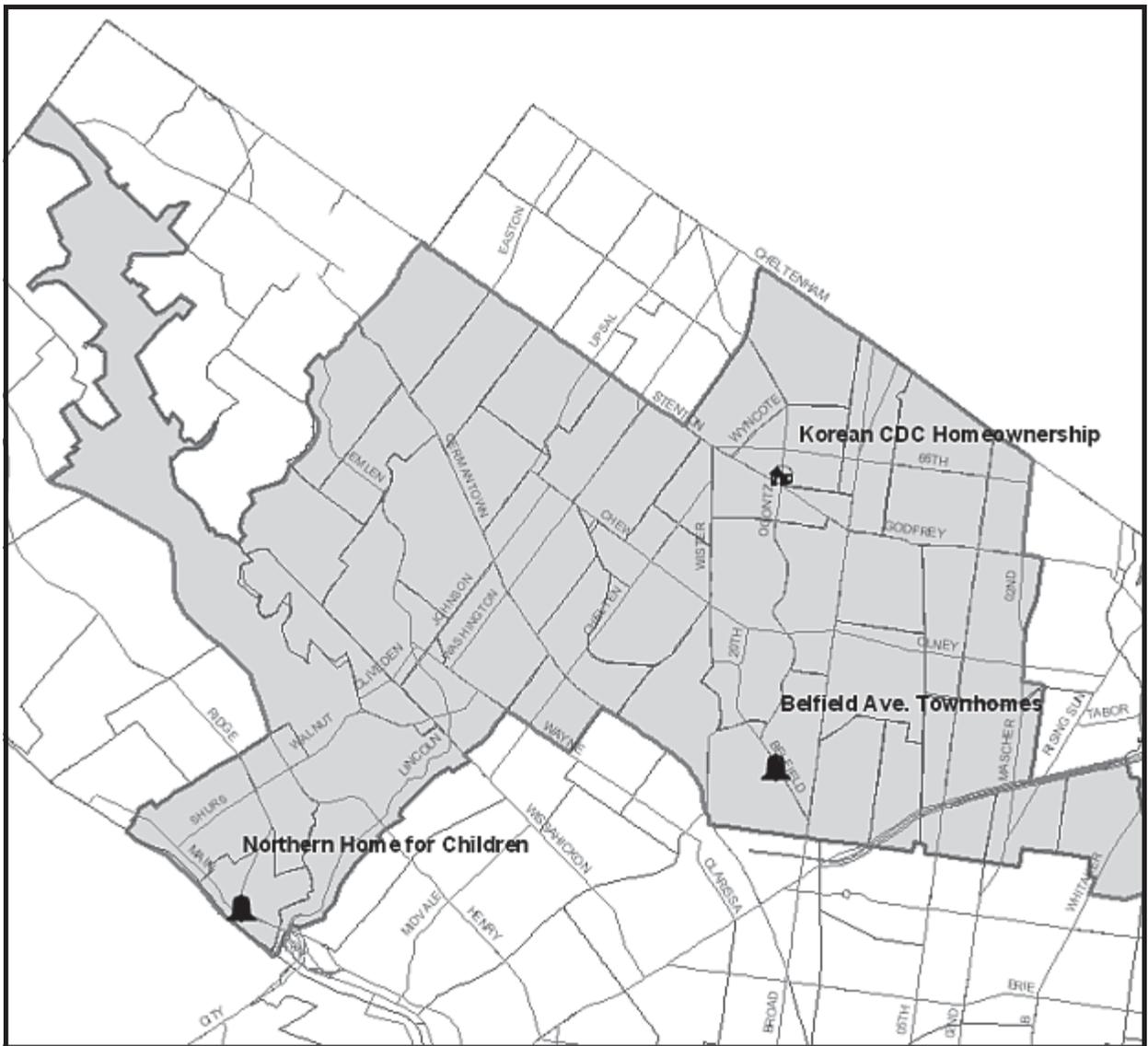
#### 7. East Falls

In 1997 PHA received a \$26.7-million HOPE VI development grant for the revitalization of the Schuylkill Falls Development, located at 4325 Merrick Rd. The demolition of the two high-rise towers occurred in December 1996. The planned revitalization calls for the creation of a mixed-income community through the construction of 300 new housing units, a mix of 150 homeownership units and 150 rental units, with some of each type developed as market-rate housing. In Year 24 OHCD committed to providing construction financing through a CDBG Float Loan of \$5.7 million. In Year 26, OHCD committed \$1.2 million in HOME funds to support the construction of 135 affordable rental units.

#### 8. Roxborough

In Year 27, OHCD provided \$975,000 in HOME funds, in accordance with the *Selection Criteria for Rental Projects*, for acquisition for the development of 4200 Mitchell St. as 65 units of senior housing. This development, called Pensdale Housing, was financed through the HUD Section 202 program and was carried out by Friends Rehabilitation Program and Interac. It was completed in 2004. OHCD plans to support a second phase of senior housing on Mitchell Street, 38 units sponsored by Intercommunity Action Inc., using Low-Income Housing Tax Credits.

## Locations of Year 32 Activities: Northwest Philadelphia



### Legend

-  Homeownership
-  Rental
-  Special Needs



## Other Actions

### ■ Cecil B. Moore Homeownership Zone

In April 1997 the City of Philadelphia was awarded an EDI grant of \$5.52 million, to be matched with an \$18 million Section 108 Loan, to develop 296 units of housing in the Cecil B. Moore neighborhood under the federal Homeownership Zone Economic Development Initiative. The Cecil B. Moore Homeownership Zone (Homeownership Zone) will transform the urban landscape of the Cecil B. Moore neighborhood and create new homeownership opportunities for low-, moderate- and middle-income Philadelphia residents. The boundaries of the Homeownership Zone are as follows:

- Eastern boundary: North Bouvier Street
- Western boundary: North 20th Street
- Northern boundary: Montgomery Avenue
- Southern boundary: Master Street

By creating a total of 296 new units of affordable owner-occupied housing, the Homeownership Zone will draw families back to the Cecil B. Moore neighborhood at the same time that an unprecedented level of private, local and federal investment is occurring in and around the community. These investments include Temple University's \$88-million sports and entertainment center; commercial revitalization and economic development initiatives supported with local funds and Empowerment Zone resources; a new charter school; and the Avenue of the Arts initiative. The new housing units and site improvements throughout the Homeownership Zone will dramatically transform the character of the Cecil B. Moore community and complement the commercial and institutional investments by restoring a viable market for goods and services in the neighborhood and eliminating blight and decay.

In Year 22, the initial phase of acquisition was completed, and the Master Street 2000 development of 10 units was initiated. Master Street was completed in Year 23. In Year 23, construction began on Phase I-A of Cecil B. Moore, with construction of 30 units completed during Year 24. Three additional units in Phase I-A were completed in Year 27. During Year 24, construction of the 14-unit Beechwood development was initiated. These units were completed during Year 26. At the beginning of Year 25, construction began on Phase I-B (39 units). These units were completed in Year 27. During Year 25, planning and acquisition for

Phase II (approximately 90 units) took place. Construction of 51 of these units began during Year 26. During Year 28, this 51-unit phase (known as Phase II-B) was reduced to 43 units due to the severely deteriorated condition of some units proposed for rehabilitation. These units were completed in 2005. Construction was begun on three historic duplexes with a total of six units in Year 28. These units were completed in Year 29.

During Year 28, the remaining units to be built in Phase II were combined with the remaining units proposed for Phase III, into a new, final, Phase III of 151 units. At the request of the City, the Redevelopment Authority issued a Request for Proposals for a development partner to carry out master planning and construction of Phase III. The developer selected through the RFP process is OKKS-Michaels Development Corp., which formed a Community-Based Development Organization with H.E.R.B. Inc. known as H.E.R.B. CDC to carry out these activities. The City is acquiring the site for Phase III using NTI bond proceeds. All EDI funds for the Homeownership Zone were expended by September 2003. Construction of 64 units in Phase 3 began in 2005.

### ■ Empowerment Zone

In 1994 Philadelphia/Camden became one of only six urban areas throughout the nation designated as an Empowerment Zone (EZ). Three neighborhoods in Philadelphia (American Street, West Philadelphia and North Central Philadelphia) were targeted for intensive economic, physical, institutional, commercial and social revitalization. During Year 21 priorities were set by the Community Trust Boards and extensive planning was completed. Since Year 21, the Community Trust Boards have continued to plan, prioritize resources and design projects. Thus, some of the originally approved benchmarks have been dissolved or canceled and others have been created. In some cases, funds allocated to new benchmarks have been transferred from another.

The Empowerment Zone has spurred economic growth through the development of three Community Development Financial Institutions (CDFIs). These CDFIs have lent more than \$41 million and leveraged another \$108.5 million through loans that have attracted new businesses to the EZ and supported the growth of existing businesses. Through these loans, the EZ has helped maintained and create 1,210 jobs for EZ residents.

In October 2000, the Empowerment Zone began to harness its resources, including EZ-funded projects

and EZ staff engagement, to support early action planning of the Mayor's Neighborhood Transformation Initiative (NTI). While the two-year project began in the American Street Empowerment Zone (ASEZ), it was expanded to the North Central and West Philadelphia neighborhoods of the EZ.

The accomplishments include:

- cleaning and greening 538 parcels of formerly trash-strewn vacant lots, in the three Empowerment Zone neighborhoods with commitments from businesses and community-based organizations to assist in the maintenance;
- coordinating businesses in the American Street Corridor to develop a five-year strategic plan and an entity through which to implement activities. The American Street Business Advisory Committee (ASBAC) has developed a shared security program; identified and resolved problems with nuisance properties, illegal trash disposal and short dumpsites, and laid the groundwork to obtain private sector support for an EZ-funded cleaning program.
- establishing the American Street Industrial Corridor Urban Renewal Area to facilitate land assembly for industrial uses without impinging upon the residential community;
- uniting 50 organizations located along Girard Avenue, a key commercial corridor connecting the American Street and North Central Empowerment Zone neighborhoods into a coalition to spur revitalization. The coalition has completed a comprehensive economic development and land-use planning process for the avenue and secured more than \$6.5 million in public and private sector support for infrastructure improvements on Girard Avenue.
- creating planning processes and programs in the EZ neighborhoods that have served as models for replication citywide through NTI.

In July 2005, Empowerment Zone staff merged with NTI staff to manage both programs on behalf of the Mayor's Office.

The current list of housing benchmarks approved by the Community Trust Boards, the Mayor, the Commonwealth of Pennsylvania and the U.S. Department of Housing and Urban Development includes the following:

#### American Street Neighborhood

- **Housing Counseling.** Housing counseling services to promote homeownership opportunities are provided to first-time homebuyers.
- **Property Acquisition.** In the American Street EZ neighborhood, the American Street Financial Services Center is managing a Pre-Development Fund, providing grants and loans for the acquisition of vacant structures and lots for future affordable housing development. This project began implementation in Year 26.

#### North Central Neighborhood

- **North Central Housing Trust Fund.** This Housing Trust Fund is structured as a revolving loan fund to provide capital for housing development and rehabilitation. The Reinvestment Fund is managing this loan pool.
- **Homeowner Support Program.** The EZ is supplementing the Targeted Basic Systems Repair Program, providing funding for greening, side yards and other exterior improvements to create "model blocks" within the North Central EZ neighborhood and supplement revitalization within the Cecil B. Moore Homeownership Zone. EZ funds are also available for administrative and program delivery expenses.

#### West Philadelphia Neighborhood

- **Housing Counseling.** Housing counseling services to promote homeownership opportunities are provided to first-time homebuyers. The Empowerment Zone completed its project to train neighborhood residents in housing counseling. OHCD is now funding housing counseling activities using CDBG resources.
- **Housing Rehabilitation.** Vacant properties will be acquired and rehabilitated for sale to income-eligible first-time homebuyers. This project is under implementation. Twenty-seven homes have been completed and rehabilitation has begun on an additional seven units.
- **West Philadelphia Housing Trust Fund.** This Housing Trust Fund is structured as a revolving loan fund to provide capital for housing development and rehabilitation. The West Philadelphia Financial Services Institution is partnering with the West Philadelphia Housing Trust Fund to implement this project.
- **Zero-Interest Loan Program.** This program provides loans of up to \$10,000 to qualified homeowners at zero-percent interest for a 10-year

period. The program addresses repairs not eligible under BSRP. The West Philadelphia Financial Services Institution is partnering with the West Philadelphia Housing Trust Fund to implement this project.

Implementation of the approved benchmarks began in Year 22. For EZ programs which are comparable to current OHCD-supported programs, existing CDBG funding will be used in the amount requested by EZ. Although some activities were canceled as EZ benchmarks, such as the Basic Systems Repair Program, Development Training, Settlement Grants and GIS, OHCD has continued to carry out such activities, targeting CDBG resources to EZ neighborhoods. CDBG funding requested for the EZ will be targeted to the EZ census tracts. To the extent that additional funding for EZ activities becomes necessary, OHCD will amend the *Consolidated Plan*. Funds will be transferred from projects for which it appears the funding will not be required.

#### ■ Lead-Based Paint Hazard Reduction

As discussed in the *Strategic Plan*, starting in 2002 there has been an unprecedented public commitment to reduce the number of housing units with identified lead hazards. Compared to the same period in 2001, the compliance rate between March and November 2002 almost tripled.

The Health Department has decreased its intervention level to two tests  $\geq 10$  ( $\mu\text{g}/\text{dL}$ ). Using figures derived from its experience in FY 2005, the Childhood Lead Poisoning Prevention Program (CLPPP) in the Health Department estimates that more than 500 new cases of "environmental intervention blood lead" (EIBL) will be identified in FY 2006; 700 risk-assessment inspections will be conducted, of which 25 will be in the homes of children with blood lead levels above 45 ( $\mu\text{g}/\text{dL}$ ) and the remainder in the homes of children with blood lead levels between 10 and 44 ( $\mu\text{g}/\text{dL}$ ).

As a result of orders issued by the Health Department (and subsequent enforcement actions through Lead Court), property owners are expected to reduce the lead hazards in the homes of approximately 600 children with confirmed EIBL levels. Health Department crews or private abatement contractors retained by the Health Department will work in the homes of approximately 300 additional EIBL children (for most low-income owner-occupants, the service will be free). Unless the work is minor and can be completed quickly, families will be relocated while it is performed. Many of the remaining backlog cases

no longer have children in them and are not given as high a priority as child-occupied houses. By the end of FY 2007, the remaining backlog of properties with outstanding lead violations is expected to be reduced to at most 250.

#### Primary Prevention

Beginning in FY 2001 there have been substantial new expenditures to reduce lead hazards where lead-poisoned children were not identified, though until recently no new funds were earmarked for that purpose. The requirements of the HUD regulation on lead-based paint hazards in housing receiving federal assistance, known as the "Title X Final Rule," become mandatory in September 2000. The regulation calls for significant attention to lead hazard control in virtually all the City's housing repair, rehabilitation funding or rental assistance per unit. More focused primary prevention activities are provided through the "Lead Safe Babies" program, supported by a 2004 grant from the Centers for Disease Control and an outreach grant from the EPA. The program will provide counseling, lead hazard identification in the homes of at least 2,000 others.

Under its contract with the local HUD office, in FY 2006 the Health Department expects to inspect and clear hazard reduction work in 600 vacant properties that will be sold by HUD as a result of FHA mortgage default.

In all of its housing rehabilitation programs which create new housing units, the City requires that properties be made lead-safe. Wipe tests are required. Through the Neighborhood-Based Homeownership, Neighborhood-Based Rental, Large Scale New Construction, Homestart and Homeownership Rehabilitation Programs, approximately 500 new lead-safe or lead-free units are created annually.

## HOME Program Guidelines

### ■ Ownership and Interest Standards for Homeownership Programs

All properties will be sold at market value to homebuyers who will finance their purchase through a bank mortgage. Assistance will be provided to prospective buyers to secure a bank mortgage. Ownership interest will be in the form of fee-simple title or ownership or membership in a cooperative.

- **Initial Buyer/Owner**—must occupy the property as his/her principal residence, retaining legal title to the property. The owner will not lease all or any portion of the property, unless the HOME funds were used to assist the low-income owner to acquire single-family housing that contains more than one unit. In this case, the owner must occupy one unit as his/her principal residence and lease the rental unit in accordance with the HOME rental housing affordability requirements.
- **Period of Affordability**—the property must remain affordable for five to 15 years, depending on the amount of HOME assistance provided per unit. Rehabilitated properties receiving less than \$15,000 per unit must remain affordable for a minimum of five years. Rehabilitated properties receiving \$15,000 to \$40,000 per unit must remain affordable for a minimum of 10 years. Rehabilitated properties receiving more than \$40,000 in HOME assistance must remain affordable for at least 15 years.
- **Maintenance of Affordability**—if the property is offered for resale during the period of affordability, OHCD will impose one of the several options to assure compliance with the HOME requirements.

#### Option 1.

The Resale Option will apply when the HOME assistance is used to provide a subsidy to a developer to cover the difference between the cost to develop the housing and the market price of the housing (“Development Subsidy”). This Option ensures that the house remains affordable throughout the affordability period. The requirements of the Resale Options are as follows:

- a) The new purchaser must meet the HOME Program definition of low-income and must occupy the property as the family’s principal residence.

- b) The sale price of the property to the new purchaser cannot exceed the “affordable price.” Under the affordability requirements, the monthly payments for principal, interest, property taxes and insurance cannot exceed 30 percent of the gross income of a family with an income that is 75 percent of area median income, adjusted for family size. Therefore, the maximum sale price is the “affordable price.”

- c) The seller of the property will be entitled to receive a “fair return” on his/her investment, which will consist of the seller’s equity (down payment paid by seller at the time of his/her purchase, principal payments made on any loan used to acquire the property and the cost of any capital improvements) and a share of the net proceeds from the sale (sale price less seller’s equity) to be determined by the City on a project-by-project basis.

The above conditions and restrictions will be incorporated in a mortgage securing repayment of the Development Subsidy. The mortgage will remain in full force and effect for the period of affordability from the date of its execution.

#### Option 2.

Under the Resale Option, the City may elect to presume that certain housing projects meet the resale restrictions during the period of affordability without the imposition of any enforcement mechanism against the subsidized housing, based upon a market analysis of the neighborhood. In accordance with HOME program regulations, the City will document the affordability of the neighborhood to satisfy the HOME resale requirements.

#### Option 3.

The Recapture Option will apply when the HOME assistance is used to provide a subsidy to a low-income homebuyer (“Direct Subsidy”) to reduce the purchase price of the property from fair market value to an affordable price. This option allows the City to recapture all or part of the Direct Subsidy if the HOME recipient sells the property to any buyer within the affordability period. The amount of Direct Subsidy that is recaptured will be reduced on a pro-rata basis for the time the homeowner has owned and occupied the house measured against the required affordability period.

### ■ HOME Program Timetable

It is anticipated that federal HOME funds will be used for programs and projects according to the following schedule.

*Neighborhood-Based Homeownership*  
Projects identified and funds obligated in Year 32.

*Homestart*  
Properties identified and funds obligated in Year 32. It is anticipated that marketing and construction for Year 32 Homestart properties will occur in 2006 and 2007.

*New Construction*  
Projects identified and funds obligated in Year 32.

*Neighborhood-Based Rental*  
Projects identified and funds obligated in Year 32.

*Homeless and Special-Needs Housing—  
Development Financing*  
Projects identified and funds obligated in Year 32.

*Housing Development Assistance*  
Projects identified and funds obligated in Year 32.

*Homeless and Special-Needs Housing—  
Housing Assistance - MH/MR*  
Obligated and spent during Year 32.

*Homeless and Special-Needs Housing—  
Rental Assistance*  
Obligated and spent during Year 32.

*General Administration*  
Spent during Year 32.

#### ■ Affirmative Marketing

Each developer of a HOME-funded development of five or more HOME-assisted units must adopt an approved affirmative marketing plan consistent with the requirements of 24 CFR 92.351. Affirmative marketing is a threshold criteria for HOME-funded rental, home-ownership and special-needs projects, as outlined in the Selection Criteria found in the Appendix of the *Consolidated Plan*.

---

## CDBG Low-Mod Benefit

Based on the City's experience in the year ending June 30, 2005, it is estimated that approximately 99 percent of CDBG funds will be used for activities that benefit persons of low- and moderate-income. No geographical distinctions are anticipated in activities based on low or moderate income.