

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 070374)

RESOLUTION

Authorizing the Council Committee on Housing Neighborhood Development and the Homeless to hold hearings and calling on the Pennsylvania Housing Finance Agency Board of Directors to reject the Agency's proposed 2008 Low Income Housing Tax Credit Allocation Plan which is discriminatory towards projects located in low income neighborhoods.

WHEREAS, The Low Income Housing Tax Credit Program was established by Congress under the Tax Reform Act of 1986; and

WHEREAS, The Low Income Housing Tax Credit Program is administered in Pennsylvania by the Pennsylvania Housing Finance Agency; and

WHEREAS, The Low Income Housing Tax Credit Program has provided tax incentives for the development of thousands of units of affordable housing for families, the elderly and those persons with special needs in the City of Philadelphia; and

WHEREAS, The Low Income Housing Tax Credit Program has stimulated development in the City's poorest neighborhoods and often was the first new housing constructed in such neighborhoods for more than forty years. In many cases, these developments spurred other development and gave hope to many residents and assurance that their communities were no longer locations of disinvestment; and

WHEREAS, The Low Income Housing Tax Credit Program has been used by the Philadelphia Housing Authority to reinvent and transform low income neighborhoods and change the face of public housing in Philadelphia; and

WHEREAS, In Philadelphia's dynamic real estate market, where values in some neighborhoods have increased tenfold in the last ten years, the only remaining affordable housing are those housing developments built using the Low Income Housing Tax Credit Program; and

City of Philadelphia

RESOLUTION NO. 070374 continued

WHEREAS, The Pennsylvania Housing Finance Agency awards tax credits on a competitive basis using a points ranking system; and

WHEREAS, The Pennsylvania Housing Finance Agency proposes to adopt a Low Income Housing Tax Credit Allocation Plan that discriminates against projects proposed in low income neighborhoods by awarding no points in their ranking system to those projects and up to forty (40) points to those projects located in high income neighborhoods; thereby making projects in low income neighborhoods non-competitive; and

WHEREAS, This proposed ranking system, that discriminates against projects in low income neighborhoods, is a public sector version of the practice of redlining, which contributed to the decline of many of these same neighborhoods; and

WHEREAS, The Housing Impact Study conducted for the Pennsylvania Housing Finance Agency, which informs and recommends this policy decision, is flawed in its conclusions and derogatory of low income neighborhoods and the residents who live there; now therefore

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That we authorize the Board of Directors of the Pennsylvania Housing Finance Agency to reject this discriminatory proposal and continue to support the development of housing and the stimulation of markets in this City's neighborhoods of greatest need.

FURTHER RESOLVED, That a copy of this resolution be forwarded to the Governor, the members of the Pennsylvania Housing Finance Agency Board of Directors and to the members of the Pennsylvania House and Senate who represent the City of Philadelphia.

City of Philadelphia

RESOLUTION NO. 070374 continued

City of Philadelphia

RESOLUTION NO. 070374 continued

CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the third of May, 2007.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Blackwell

Sponsored by: Councilmembers Blackwell, Greenlee, Rizzo, Clarke, Goode, Miller, Reynolds Brown, Kenney, Krajewski, Council President Verna, Councilmembers Savage, Tasco, Ramos, O'Neill and DiCicco