

Mpact Podcast Episode 86 November 2024

Preserving Missing Middle Neighborhoods

Speakers from Philadelphia share proven approaches to saving naturally occurring affordable housing.

ULI Philadelphia's Kevin Moran leads a discussion with **Pennsylvania State Senator Nikil Saval, Philadelphia City Councilmember Jamie Gauthier and Commissioner of the City of Philadelphia**

Department of Records, James Leonard.

This podcast is a partial recording of the Tuesday plenary at the 2024 Mpact Transit + Community conference in Philadelphia.

Podcast segments:

- 1:15 - 6:29 Kevin Moran overview of naturally occurring affordable housing in Philadelphia
- 6:29 - 13:23 Pennsylvania State Senator Nikil Saval describes the state's Whole Home Repair Program
- 13:23 - 20:14 Commissioner James Leonard from the City of Philadelphia Department of Records focuses on how the city is helping residents navigate the problems of tangled titles.
- 20:48 - 30:01 Councilmember Jamie Gauthier describes loss of low cost housing and several policies in Philadelphia to stem the tide
- 30:01 - 54:11 Discussion and Q&A

[00:00:00] **Kammy Horne:** Welcome to the Mpact Podcast. This is Kammy Horne, CEO of Mpact, formerly known as Rail~Volution. More than a year ago, we launched our new name and tagline, Mpact: Mobility, Community, Possibility.

We are a national organization working at the intersection of transit, related mobility options, and community development. The podcast is a chance to hear from a range of voices as we go deeper into how to leverage transit to make communities better for people.

[00:00:44] **Jeff Wood:** Hey there, I'm Jeff Wood, Principal of The Overhead Wire and your host. This month on the Mpac Podcast, we're going back to the Mpac Transit + Community Conference in Philadelphia to hear about proven approaches to saving naturally occurring affordable housing. From tangled title to home repair, ULI Philadelphia's Kevin Moran leads a local panel. Stay with us.

[00:01:15] **Kevin Moran:** Thank you all for joining us today and thank you to all of our panelists as well for what will be a great conversation discussing some of Philadelphia's, what I describe as all of the above strategy to help preserve and expand our affordable housing stock. For those who might be unfamiliar, I'm Kevin Moran, Executive Director of ULI Philadelphia. The Urban Land Institute is a membership and educational association comprised of about 45, 000 members around the world, and specifically here in Philadelphia about 900 members.

[00:01:44] Our members are practitioners not unlike yourselves that represent every part of the real estate planning and land use process, inclusive of both the public and private sectors. ULI formally joined Philadelphia's discussion on maintaining and expanding the city's affordable housing stock following a 2018 Housing Action Plan, where ULI and our Terwilliger Center joined with partners to specifically explore the topic of preservation.

[00:02:10] We did this through something called a national study visit, where we had both local and national experts virtually visit Philadelphia to review briefing materials, speak to over 30 different stakeholders, and apply their own expertise and their own perspective to develop some strategies around preserving this naturally occurring affordable housing stock.

[00:02:31] But of course we know that at the end of the day, housing is something much more personal than what can be studied from afar. So, during today's conversation, we hope to connect the dots between policy and impact, and what that means for our neighbors and our communities. Indeed, even in the study visit that we conducted, which was conducted virtually, we tried to make this connection by recording some of the sounds of the neighborhood. So our panelists who weren't familiar with Philadelphia could get a small taste of what it felt like to walk out your door and hear the L roll by, or when you, you know, walk down the street to your commercial corridor that's just a couple blocks away.

[00:03:05] Preservation in a city like Philadelphia plays a key role in maintaining our overall affordability. And I'm looking forward to hearing from our panelists today about, approaches: working with landlords and renters, homeowners and home builders to achieve this vision of a diverse, sustainable and equitable community.

[00:03:24] But why did we focus on preservation so much in addition to building new housing? Well, for over a decade, Philadelphia has benefited from a growing population and yet we're still far from the peak population of over 2 million residents in the 1950s. As a result, we have considerable infrastructure that can serve a growing population and yet disinvestment over the course of multiple decades that's created repair needs that far exceed the capacity of small landlords. Additionally, it's estimated that the creation of a single unit of traditional affordable housing can cost over \$230, 000 to build. And so, while additional housing supply is critical to maintaining affordability, preserving existing housing is just as critical.

[00:04:08] Quite frankly, the solution to a need this great cannot be an either-or approach. And as our panelists will share during today's conversation, a both-and approach is how we're addressing this issue in Philadelphia.

So what does NOAA look like in Philadelphia? And when I say NOAA, I mean Naturally Occurring Affordable Housing.

[00:04:26] Through our ULI Philadelphia study, we examined the current universe of NOAA in the city. We found that there's nearly 76, 000 properties, with a concentration of these units found in middle market neighborhoods. And that's housing that's affordable up to renters earning 80 percent of AMI. These are communities that were built with mobility, from walkability to strong transit in mind.

[00:04:47] You can see here on the screen some of the typical typologies of these properties. Here you see examples of housing in West, North, and Northwest Philadelphia.



A moment ago, I emphasized small landlords. And that was intentional, because of those 76, 000 units, it's estimated 80 percent of these properties are owned by landlords with fewer than 10 properties in their portfolio, indicative of the entrepreneurial opportunity these properties offer owners.

[00:05:15] And while Philadelphia has benefited from relative housing affordability, a growing population and new market pressures are putting some of these properties at risk. About half of the universe of NOAA stock in Philadelphia is at risk because of one or more factors, from strengthening market conditions or severe repair needs.

[00:05:36] Solutions like the city's rental improvement fund, which provides small forgivable loans to small scale landlords to make critical repairs in exchange for maintaining affordability, is just one example of how policymakers are approaching these solutions.

Today, we'll discuss many of the approaches to maintaining and expanding the city of Philadelphia's naturally occurring, affordable housing. And perhaps most importantly, we hope to explore what that means for our neighbors and our communities and the critical role housing plays to creating safe, vibrant, connected and an equitable Philadelphia.

[00:06:11] One by one, I'll ask each of our panelists to come up and share a few remarks of different programs, policies, or initiatives that they're working on in particular. And then we'll jump into a moderated conversation about how all those programs are building off of each other, the coalitions that were

required to build them, and a real examination of their effectiveness and impact.

[00:06:29] So for now, let's stay on the conversation of preservation as I introduce State Senator Saval to share more about Pennsylvania's Whole Home Repair Program. Senator Saval.

[00:06:46] **Nikil Saval:** Thank you. Thank you so much, Kevin. It is an honor to be here. Likewise, I want to just really appreciate the resonant remarks from Assistant Secretary Coes. Thank you for joining us and for everything you've said. It resonates, I think, very widely here in Philadelphia.

[00:07:05] Also an honor to be here with Jim Leonard from the Department of Records We've worked together on issues regarding deed fraud and tangled titles. A really sterling public servant. And my dear friend and colleague councilmember Gautier, who's the leading voice in our city for equitable development.

[00:07:21] So I'm looking forward to the conversation. I do have a couple slides. What I will talk about is the Whole Home Repairs program here in Pennsylvania, which we were able to get passed in a divided legislature in Pennsylvania. And what it does is, it establishes a one stop shop for home repairs and weatherization in each county in Pennsylvania, while simultaneously building out our local workforce and adding new family sustaining jobs in a growing field.

[00:07:57] It was funded. Thank you to the Biden administration with 125 million in American rescue plan funds initially, and it is the first of its kind in the nation, making it so that Pennsylvania's can stay warm, safe and dry in homes they can afford. And it has become at this point a national model. And, you know, essentially what the Home Repairs Program does is it provides grant funding to each, you know, it's administered to the counties.

[00:08:21] It provides grant funding to, homeowners and small landlords throughout Pennsylvania, um, up to, in statute, up to 80 percent of area median income to make needed repairs to their homes. And those repairs, uh, consist of, or can, can consist of, obviously, emergency repairs for, Roof repairs, um, mold remediation, asbestos, anything that threatens the habitability of a home.

[00:08:46] But also energy efficiency, energy efficiency, you know, anything that provides, prevents the high performance of a home that leads to high utility bills. And also allowing people to age in place, so adaptive modifications for homeowners and tenants. It also fills gaps identified by housing advocates, because it provides technical assistance to the counties to help people walk through and braid existing programs. And then it supports pre apprenticeship and training programs to ensure there is a local workforce capable of meeting the demand. Um, as we, we can, we'll talk about home repair as an underutilized tool in fighting our nation's housing crisis.

[00:09:26] And we need coordinated action and investment at every level of government to ensure that households have a safe, healthy place to live. And I just want to go through very briefly, some homes that have been repaired through Whole Home Repairs, just so you have a sense of, actually we can go back, let's see, there we go.

[00:09:42] The first one I'll talk about is in Philadelphia. This is the home of Dominique. You see her here with, Governor Josh Shapiro.



Dominique is a single mother in her mid thirties with two children. She originally went to Philly's basic systems repair program because her heat was unreliable and her utility bills were unaffordable.

[00:10:03] She was even forced to spend a night in an Airbnb with her children in the winter because she had no working heat. Without Whole Home Repairs program, she would have been deferred because, her home needed too much work. Instead, she was referred to a program that was funded by Whole Home Repairs called Built to Last.

[00:10:21] They coordinated with basic systems and the weatherization assistance program. She now has her heat totally updated. She has heating and cooling through an electric heat pump and mini splits. She has weatherization to lower utility bills, structural repairs on the outside and inside. Her kitchen floor was caving in. Her house is now totally electric. And through the Built to Last program and Solarize Philly program, she will soon be getting solar on her home.

[00:10:52] Next, this is a home in Schuylkill County, which, people in Pennsylvania will recognize as sort of a former coal region in our state. The homeowner here is a senior on a fixed income living in a hundred plus year old home. We have a very old housing stock here in Pennsylvania.



[00:11:11] The house was deteriorating because of a leak in the roof that the homeowner could not afford to fix. Via Whole Home Repairs, the homeowner received an entirely new roof and rain gutters, new ceilings in the bathroom and kitchen, a new tub and shower surround, and bathroom flooring. So these repairs will allow this homeowner to age in place safely and comfortably.

[00:11:31] Next slide, please. This is the before and after of a home in Bedford County.

Bedford County

So the main issue here was be able to get the home eligible for the weatherization assistance program, the federal weatherization assistance program that is administered through the states. As many people may know, weatherization assistance is, people are often put on a wait list because of deferred maintenance issues or issues that affect the habitability of a home that make it not eligible.

[00:12:00] So this home had knob and tube wiring. So Whole Home Repairs funds were utilized to make all the necessary safety repairs in removing all knob and tube wiring, running all new wires, replacing multiple windows, installing a sump pump, and more. So these repairs made a world of difference for the family's comfort. And reassured health and safety for them in their home.

Finally, one more slide. This is the before and after of a home in Center County. Uh, this belongs to an elderly couple living in a ranch style house in the Phillipsburg area who are seeking an outside ramp for easier accessibility going to and from their car.

Centre County



[00:12:36] They both have mobility issues and need to travel for frequent medical appointments. In addition to a new ramp, they will receive a new metal roof and accessibility updates to their bathroom. So those are just a few of their over now at this point, nearly 2600 actually probably approaching somewhere closer to 3000 homes that have been repaired through whole home repairs for the whole home repairs program.

[00:12:57] And just to be clear, these are homeowners and their tenants as well, who would have otherwise lost their homes here in Pennsylvania. Um, so I'm excited to dig in more and to talk more with my colleagues, um, about, uh, preserving and, and expanding affordable housing development in our commonwealth. Thank you.

[00:13:23] **Kevin Moran:** Thank you, Senator. I think we'll stick on the topic of preservation, but approach it from a little bit of a different perspective, focusing on the City of Philadelphia's work helping residents navigate through tangled title. And if you don't know what that is, that's okay. Uh, because we're joined today by Commissioner James Leonard from the City of Philadelphia Department of Records to explain a little bit more about the complications that creates and how the city is working to resolve some of those.

[00:13:48] So, thank you for joining us.

[00:13:55] **James Leonard:** Thank you, Kevin. Good morning, everyone. So, you might ask, what's the guy from the City Records Department doing at a transit conference? Let me tell you a little bit about our role as the records department in the city of Philadelphia serves as the recorder of deeds for the city, which means, as I'm sure many, if not all of you know, we're responsible for recording and maintaining all the real estate records for every property in the city.

[00:14:23] And as such, we care deeply about the issue of what we call here and many call tangled title. So I don't know how many of you know what tangled title is, but I'll briefly define it most commonly. We experience or folks experience tangled title here in Philadelphia and elsewhere, where the current owners of the property, and by that I mean the legal owners who are on the deed, are deceased, so all legal owners deceased, and the family or the heirs have not taken steps to what we call probate the property or go through the legal process to distribute the estates of the deceased people, which typically in these cases includes a family home, often case middle housing, as we're discussing here today.

This can occur over the course of generations. So it may not be just that the deed is in the names of the most recently deceased people. It may be in the names of prior generations who have been deceased and maybe over the years has been, have the properties been occupied and lived in by family members or people who are essentially equitable owners, the heirs.

[00:15:34] But again, their names are not on the properties, the property deed. And what does that mean? That means that. Those folks exist, the heirs that is, and often times the folks occupying the property, exist in a state of extreme legal vulnerability. They cannot exercise all of the normal indicia of home ownership that we all, uh, Many of us probably take for granted and are aware of, that means they can't borrow money, they can't take out a mortgage.

[00:16:05] They can't interact with a bank if there's a mortgage on the property that's in the prior owner, deceased owner's name. They can't deal with the taxing authorities, utilities, etc. Now, often times folks exist in this vulnerable state without knowing it. What we find is that people may live for years or even decades in this state and everything is, for all intents and purposes, fine.

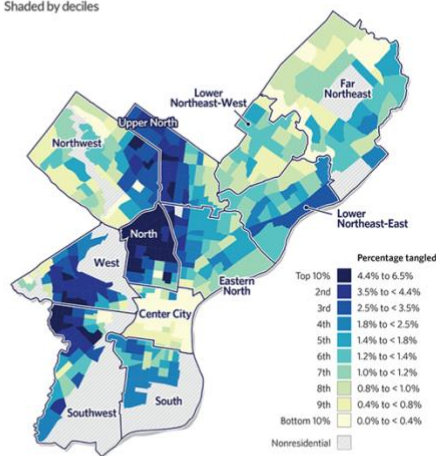
[00:16:35] But tangled title exists forever until it's, quote, untangled. And where we most experience folks with this issue is when there's a crisis. So nobody's worried about or aware of Tangle Title when they live in the house, they may pay the bills, the water bill, the tax bills, et cetera. Nobody's knocking at the door making an issue.

[00:16:57] What happens is life, right? So somebody can't pay the taxes anymore, they can't keep up with utility bills, they need, um, repairs in the home that exceed their ability to pay, um, which is part of, uh, State Senator Saval's program, Whole Home Repairs program. And at that point, they're confronted with a crisis and seek help, and only to find that it is As in their state, not the legal owner, they don't qualify to enter into a low payment tax agreement, perhaps, or an agreement with their utility company, or to prevent a sheriff sale.

[00:17:34] So this state of vulnerability that these folks exist in, um, can contribute to the loss of existing, uh, middle housing, and can really disrupt existing communities. Now in Philadelphia, we know from a Pew Charitable Trust study, and I think we have a A map here, um, that show the results, a heat map of that study.



Figure 2
Percentage of Residential Properties With Tangled Titles
by Census Tract
Shaded by deciles



Note: Tracts are sorted into 10 equally sized groups according to the incidence of tangles. Tracts shown in gray have been excluded from the analysis because they have fewer than 20 residential properties.
Source: Pew analysis of data from the Philadelphia Office of Property Assessment and the Philadelphia Department of Revenue
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[00:17:56] We know that there are conservatively over 10, 000 properties in Philadelphia that exist in a state of tangled title that are valued at approximately 1. 1 billion dollars. So that's over a billion dollars in generational wealth that is essentially what we call dead capital. Can't be accessed for all the, in all the ways that I, That I mentioned, and we know that the concentration of these properties are most most located in our black and brown communities in places like our southwestern Philadelphia communities are northern central communities and our West Philadelphia communities.

I would encourage you, don't think of tangled title as just a city problem or an urban problem or a Philadelphia problem. This is a huge problem all over the country, and we know that through our conversations and partnerships with a variety of different jurisdictions and organizations, and just last year, at the end of 2023, Fannie Mae, uh, and the Housing Assistance Council released what I consider to be a landmark study that found, uh, across 44 states and the District of Columbia, there are several hundred thousand conservatively properties in tangled title, family owned properties, oftentimes middle housing or for a rural farmland valued at conservatively approximately 32 billion.

[00:19:27] Um, many of these, about two thirds affect rural communities and disproportionately black farmers. And if you ever want to watch a great documentary about that, there's one called, uh, Gaining Ground, that was released just about a year or so ago about the plight of folks experiencing this issue in black owned farmland.

[00:19:53] So, again, I look forward to, um, talking about this issue more with, uh, my panelists and Kevin. And including on some of the solutions that we are trying to implement and we think perhaps or that we think would be helpful. Thank you.

[00:20:14] **Kevin Moran:** Thank you, Commissioner. And when we talk about an all of the above strategy, I don't think there's very many council people that have more to talk about. And I'm joined by, uh, then our former planner turned council member, Council member Jamie Gautier. So thanks so much for joining us. And I'm really looking forward to your remarks about, uh, legislative packages, policies and programs that are really helping to create mixed income neighborhoods in the city.

[00:20:38] So welcome.

[00:20:48] **Jamie Gauthier:** Again, my name is Council Member Jamie Gauthier. I represent Philadelphia's 3rd Council District, which includes much of West and Southwest Philadelphia. I'm also the Chair of City Council's Committee on Housing, Neighborhood Development, and the Homeless, and I'm also the Chair of Council's Environment Committee.

[00:21:06] As you may have picked up, from some of the comments and remarks that we heard earlier, Philadelphia is in the midst of an affordable housing crisis. People are working very hard on this issue, but we have to do much more to meet the need. This is why I ran for council in the first place. I'm an urban planner, I had worked in the housing and community and economic development field for some time before I ran, But I felt like, in government I could make more change around making sure that everyone had access to safe, accessible, affordable housing. And I also ran for council because I feel that the very thing that makes Philadelphia, Philadelphia is at risk, which is the stability and the diversity of our neighborhoods. We have always prided ourselves on being a city of homeowners, but the dream of homeownership is moving out of reach for thousands of Philadelphians every day, and affordable housing in general has become a lot more scarce, um, in the city.

[00:22:18] Um, I wanted to give you some idea of what things look like on the ground. Pre COVID, Philadelphians paid almost 900 million more in rent than they could afford. Um, and, you know, we all know that this is not money that comes out of thin air. This is money that people are spending on housing that should be spent on healthcare and food and other essentials.

[00:22:41] As you heard, uh, when Kevin talked about NOAA, um, we're losing low cost housing at a rapid pace, um, and almost all of the new homes coming online are market rate and luxury units. In 2000, 52 percent of homes purchased by traditional buyers cost 100, 000 or less and 3 percent cost 400, 000 or more. In 2021, that, uh, was shown to have flipped on its head.

[00:23:11] Um, in 2021, 3 percent of homes sold to traditional buyers cost 100, 000 or less and 23 percent cost 400, 000 or more. Um, additionally, um, between 20, uh, 2000 and 2021, investors bought more than one out of every three single family home, um, in the city of Philadelphia and black households were the only racial group that received fewer mortgages in 2021 than in the year 2000.

[00:23:43] Just to give you a few stats about my district, 54 percent of 3rd district renters are cost burdened, meaning they spend more than 30%, sometimes much more than 30 percent of their income on their housing expenses, and 30 percent of homeowners in the 3rd district are considered homeless. Um, it's going to take a lot more work and it's going to take a lot more costs burdened and although there's so much great work happening at our current pace, it will take 220 years to solve the housing crisis, which is time we don't have.

[00:24:15] As the chair of City Council's Committee on Housing, Neighborhood Development, and the Homeless, um, I'm leading, uh, our efforts to build and preserve safe, stable, affordable, and accessible housing. Um, a few years ago, I, uh, was able to pass a bill with the support of my colleagues called the Mixed Income Neighborhoods Overlay District, which now covers portions of 40, 000 homes.

[00:24:38] For council districts, it's essentially mandatory inclusionary zoning that requires that 20 percent of residential units and new residential housing projects with 10 units or more, um, be reserved for households earning up to 40 percent AMI if it's rental housing and 60 percent AMI if it's, uh, owner occupied units.

[00:25:01] Um, I also was able to, uh, put forward and pass, uh, the people's preservation package, which give this, the city and its partners the right of first refusal and right of first offer, um, to keep expiring government subsidized affordable housing online. Um, here in Philadelphia, we have about 12, 000, uh, units of subsidized housing that could expire in the next 10 years if we don't, um, you know, come up with a plan for it.

[00:25:31] Last session, I was able to pass a legislative package called Defying Displacement. Um, it did a few things. Uh, first, um, it created a new property tax relief program for, um, low income homeowners. Um, uh, I was grateful that this passed just ahead of the city's new reassessments, which happened this year. Um, so our most vulnerable homeowners will have their property taxes frozen at prior year lev year levels.

[00:25:58] Um, defying displacement also cracks down on rampant illegal discrimination against residents using, uh, housing vouchers. Um, and then lastly, um, it requires that the city's, uh, that the money that comes in through the city's density bonus program goes into the housing trust fund as opposed

to the city's general fund, um, and that that money is spent, um, in the communities where it is generated.

[00:26:26] Um, we also worked on something we call the Public Land for Public Benefit bill, which cuts red tape for community land trusts, um, that are trying to acquire vacant, um, land and property through the city's land bank. And allows, um, you know, community land trusts and community minded developers to be more on par with for profit developers that are competing for the same, uh, land.

[00:26:52] And then, lastly, as a whole council, um, we worked on the Neighborhood Preservation Initiative, which is a 400 million program, um, created by the council under the leadership of our former council president, Daryl Clark, to invest in programs that expand and protect affordable housing. NPI has created a win for profit program.

[00:27:14] for a number of very important affordable housing programs. Um, it allows us to fund a lot of the Tangle Title work, um, which I'm grateful for. I, uh, have a lot of the Tangle Titles in my district. Um, it, uh, has allowed for more funding for repairs for small landlords, um, that helps us to keep, you know, naturally occurring affordable housing.

[00:27:38] Um, and, uh, NPI also created a program called Turn the Key, which has been amazing. Um, this is a program that, um, you know, delivers subsidized city owned vacant land to developers. And then also, um, through the program, we subsidize, um, We are creating a million dollars of housing for black uh homeowners with, uh, 75, 000 to bring, um, the prices of those homes all the way down.



JAMIE GAUTHIER
 PHILADELPHIA COMPTROLLER

[00:28:05] So through turn the key, we're creating a thousand, um, new single family homes in the city that are selling for between 185, 000 and 195, 000, which is huge. Um, so MPI also allows us to, uh, to fund free emergency repairs to fix roofing and major home systems through our basic systems repair program, which is one of the most popular, um, programs in the city of Philadelphia.

[00:28:35] It helps us to provide down payment and closing cost assistance for first time home buyers, which has also been, uh, really huge in the city, um, and allows for more funding for adaptations for homeowners that have disabilities. Um, here in Philadelphia, we've been able to. Also worked really hard on, um, eviction diversion, which has become a model in the entire country.

[00:28:59] And so through eviction diversion and which requires mediation between landlords and tenants before an eviction can even be filed, um, we've decreased evictions in our city by thousands. Um, and you know, we've also gotten landlords paid through our targeted financial assistance program. Um, Um, and then lastly, Built to Last, um, and, and along with Basic Systems Repair, um, has been a great pro, great programs for the city that have provided our low income homeowners with critical home repairs, um, health and safety improvements, and energy assistance, uh, efficiency improvements as well.

[00:29:41] And those programs have paired very well with some Senator Nikil's, uh, whole home repairs, uh, funding. And so, um, we've been doing a lot. I'm grateful to have been a part of it, uh, as a member of city council. Um, but also grateful to be here in this room with so many people, um, passionate and committed to doing more.

[00:30:01] And I look forward to the discussion.

[00:30:10] **Kevin Moran:** Oh my gosh. Thank you so much. I mean, when we talk about an all of the above strategy, I think between the three of you, uh, uh, that's, that's. That approach is truly embodied, uh, and it can be a little overwhelming to think about all of the different programs, policies, legislative packages, um, that are required to even chip away at the affordability challenges facing communities like Philadelphia and communities really around, around the country and around the world.

[00:30:38] One of, one of the areas I wanna zoom in on a little bit, I'm jumping a little bit ahead on our questions here, but one of the things that strikes me as particularly important for this room is the approach to coalition building in order to implement some of these programs. Um, senators certainly in a, in, in a, in the commonwealth.

[00:30:58] There's political divisions, uh, in any large municipality. There's bureaucratic silos. In terms of reaching really diverse communities, partnerships are, are super important to making sure the programs you're creating are actually being utilized. So this is really a question for everyone. Um, but I'm curious, um, how you approach coalition building in whatever form that means, whether that's across the political spectrum, across interests of landlords and home builders, whatever the case might be.

[00:31:34] Council member, do you want to start?

[00:31:42] **Jamie Gauthier:** Hello? Hello. Okay. Um, you're right. It's very important to build, um, coalitions and to work with, um, all of the various stakeholders that are involved in housing in order to solve this crisis. I will say that, um, As a district council representative, my most important constituency are the folks who live in the third district.

[00:32:04] So, um, Um, at the core, my policies are informed by the people that I represent, which mostly are black and brown working class people in

West Philadelphia, um, in Southwest Philadelphia. But I regularly not only meet with constituents, I talk to developers, I talk to, um, you know, folks in the affordable housing sector.

[00:32:28] Sphere for profit developers, uh, our friends in, uh, pro bono, uh, legal service, uh, they, they lend a lot to the policies that we put through council, um, and I'm, I'm, I make sure to do that with every single, um, policy, right? Um, whether we're talking about zoning or, um, you know, what we're pushing for through the budget.

[00:32:54] Um. You have to have the voices of all the stakeholders involved. It doesn't mean that they always agree, right? Rarely do,

[00:33:02] **Nikil Saval:** but yeah.

[00:33:04] **Jamie Gauthier:** I will say, for example, uh, you know, developers weren't thrilled about mandatory inclusionary zoning, but, you know, we still talked about it, right? And I've also, You know, even when there's a conflict, try to make sure that policies, um, at least try to meet, you know, folks where they are.

[00:33:22] So, as an example, with the mandatory inclusionary zoning piece, which does require very deep affordability, we also got the city to change its policy on vouchers. So, developers can accept housing vouchers that are more than 40 percent AMI for a rental unit, They can pocket that money, which helps them to bring in more revenue, um, it helps to cut down on voucher discrimination, and it still allows them to meet, um, the goals of my law, which requires 40 percent AMI.

[00:33:54] And so, you talk to everybody, and even though you don't agree 100%, I think you try to work with folks, because the end goal, um, is to get the affordable housing units.

[00:34:04] **Kevin Moran:** And at the risk of sounding like a cliché, it sounds like it's, it's really trying to find those win win those win win moments where, where you can bring those diverse coalitions along for the, for the same goal.

[00:34:15] **Jamie Gauthier:** Yeah. And I'll, I'll give you one more example. Um, we did a bill cutting down on, uh, section eight voucher discrimination. And I thought that the developers were really going to fight against that one, but

they honestly, didn't, right? In this housing market, they're seeing, um, Section 8 housing vouchers as a way to bring in more revenue.

[00:34:36] Um, they did complain about some aspects of the program and things that they wanted to work better. And so we created a working group, um, with, um, residential developers and our housing authority and my council office to implement changes to make the Section 8, um, housing voucher program work better.

[00:34:54] better for developers and landlords.

[00:34:58] **Kevin Moran:** So I think that's a, it's a great example of sort of that. Um, the building bridges between various stakeholders. Senators of all in terms of, uh, you know, a commonwealth like Pennsylvania is as politically diverse as it is. Um, what was, what was the process like for getting whole home repairs, um, enabled?

[00:35:21] **Nikil Saval:** Yeah. Um, thank you. So, um, uh, unlike city council and in Philadelphia, I work in a, in a body that is renowned for its efficiency and, um, for, um, so we, everything just kind of sails through, um, so it's really not hard. No, so the, um, the, Uh, I mean, one, I just want to say it's, it's having watched the council member, you know, over the years past, it's an amazing body of work in a very short period of time.

[00:35:51] Um, and, you know, and a real inspiration, I think, for us at the state level, when it comes to coalition building in, in Harrisburg, I mean, and I'll, and I'll sort of focus on whole home repairs as an example. It sort of was critical to us to find, you know, I think an issue one, which of course we did. Clearly spoke to a real material need, but one that in many different kind of advocates and groups could find a foothold in.

[00:36:18] And housing of course is, is, is arguably the one of the biggest in that respect. But for Whole Home Repairs, we had a coalition of advocates that we built who each found a different sort of way into the issue. So, for example, people who fought for, you know, advocacy organizations fighting for disability rights found a very important foothold in Whole Home Repairs.

[00:36:39] Um, energy efficiency organizations found a foothold in Whole Home Repairs. Um, of course, the, the, uh, housing advocates, you know, legal aid organizations had been fighting for things like this for a long time. Um, Um,

small landlord associations were very, very interested in Whole Home Repairs. Part of one of the, um, the aspects of Whole Home Repairs is speaking of sec, uh, Housing Choice vouchers, is that for, if you can receive, um, Whole Home Repairs dollars, uh, to help upgrade your, your, an apartment to meet Section 8 criteria.

[00:37:13] So that was also very, you know, exciting to a lot of, a lot of small landlords. And so, You know, we had a kind of very broad coalition of, uh, you know, housing advocates, disability rights advocates, climate justice advocates, um, you know, advocates for racial justice and, and, um, and equitable development just in, in Philadelphia, but also, And then going to the kind of commonwealth wide perspective, we had to kind of find a shared language to talk about a shared crisis, and we obviously have a Philadelphia centric perspective on this.

[00:37:48] But, Traveling across the Commonwealth and working with, you know, my colleagues on the other side of the aisle in particular, we found ourselves in rural Armstrong County, in Schuylkill County, but one of the biggest champions for this program was a Republican representing Schuylkill County, because they saw this, a sort of intervening in a cycle of abandonment and displacement that rather than allow homes to fall into disrepair, which was happening on a, happens on a, on a very massive scale, uh, you intervene and actually stabilize a home and thereby stabilize a community, and You know, one way or the other, that prevents, that brings more investment to a neighborhood and area that might otherwise lack it.

[00:38:34] And so that was the other kind of coalition that needed to be built between, you know, um, you know, frankly, communities of working class, and poor and working class communities in various parts of the Commonwealth. It was sort of like putting a puzzle together. And I will just say that, Part of the, one thing that we did in our office and, and I think is, is important is we hired a full time organizer on staff.

[00:38:58] So we have someone who really, whose job it is to build coalitions of this kind and work with organizations. So now even going up to Passing Hallware and Repairs and now continuing, we meet, uh, bi weekly with this coalition to ensure that now implementation is going, you know, the way that it, it, it should or, or, Finding out when it isn't going that way, which that's a very difficult issue.

[00:39:22] Um, so I think that's also been critical to the, to passing the program, but also the success of it. And I think it offers a kind of model for other sorts of programs of that kind.

[00:39:32] **Kevin Moran:** And again, just another cliché. It's, it's really finding those moments when, when you hear there's more that unites us than divides us.

[00:39:40] I think housing is one of those things that truly can, can unite folks. Um, who, who, as, as we have talked about today, keeping someone in their home is a much, more affordable strategy than creating new housing, even though both are necessary. So, Commissioner, um, you know, we talked about coalition building in terms of, of, uh, stakeholders in terms of reaching across the aisle.

[00:40:06] I think there's also an important part of coalition building to make sure programs can actually folks are actually using those programs that are being offered. Can you talk a little bit about your work to outreach to different communities in order to get folks leveraging the, the tangled title programs?

[00:40:25] **James Leonard:** Um, everybody can, yep, I can hear him. So. We work with, extensively, with a number of common stakeholders, the council member, and I'm sure Senator Stavall, locally, um, that includes all of our legal services agencies. Housing agencies, et cetera. And we do, I would say, dozens of events per year, whether that's with our local elected officials, state elected officials, community groups, legal services agencies hosting events.

[00:40:58] So we go out and essentially table, uh, Um, table events, I go out and speak wherever I can about the issue, um, and I would say like a, you know, at least a few dozen, if not more, a year, as many as possible, but, and beyond that, if I could say a little bit about other, coalition building in a sense of policy, um, right, you, we're all looking to get to tangible, practical results that help people on all of these issues, so, and you can't do that without coalition building, so.

[00:41:28] Locally, for example, the council member mentioned the Neighborhood Preservation Initiative, our City Council's, um, historic investment in all of these issues, including Tangled Title, which allocated about seven and a half million dollars for tangled title, which was unprecedented. So thank you. Um, and I, I quickly looked up the, this, how's that's performed.

[00:41:49] So about 3 million of that's been deployed at this point. And that has resulted in legal services agencies bringing over 900 cases, um, to untangle title and opening up about 500 or more estates, which is how you, um, Get people to do wills and prevent tangled title. Um, so those are real, real results. And the works that all of this work, but in my area, it's handled title.

[00:42:17] Um, It's hard work, right? This is lawyers rolling up their sleeves. It takes a long time. These cases are complicated. Um, it's not easy. So the funding like this in the coalition building that supports it is critical. And at the state level, for example, again, with coalition building, we've supported our mayor's administration has supported passage of what's called the uniform, um, uniform acts The uniform partition, sorry.

[00:42:48] It's a mouthful. Uniform Partition of Heirs Property Act, which is a, has been passed by our State House and is on the way soon, I hope to state Senator Sava and his colleagues, um, and that has been enacted in this, this act provides protections to keep, to help heirs. Um, preserve their, their rights in their homes and not be exploited essentially by developers who are looking to get access to these houses by exploiting family differences among heirs.

[00:43:19] And that's been enacted in over two dozen states. It's incredibly successful. It's been enacted in quote red states, blue states, because as I said, this is not just an urban issue, it's a rural issue. I'm hopeful that we move forward with it here. I think it would be a great thing. And at the federal level.

[00:43:36] We work, for example, with, in terms of coalition building, I mentioned Fannie Mae, we have a very close relationship with them now in terms of, um, data sharing and, um, potentially developing some, working with them to develop some pilot programs that would help, um, that I hope we could pilot in Philadelphia, I tell them, um, but that could help communities across the country.

[00:43:59] So again, it's without this coalition building, you can't get to the practical results.

[00:44:05] **Kevin Moran:** And I think that's a really important. Point two, you, you talked about sort of, um, identifying programs and trying to replicate them here in Pennsylvania and here in Philadelphia. Um, I'm curious, you know, we're in a room today with, you know, over a thousand folks from across North America.

[00:44:20] Of the different programs that we've talked about today, Which ones do you think are, which ones can be replicated in places, uh, outside of, outside of our area? And are any of them uniquely, you know, designed to work here that might be harder to replicate elsewhere?

[00:44:37] **Jamie Gauthier:** Well, definitely a lot of the, um, programs that we funded through the Neighborhood Preservation Initiative, I think, can be replicated.

[00:44:45] And the idea of passing a bond to get a bulk, you know, size, amount of funding for affordable housing is definitely something that can happen in other places. So through, um, MPI, we have, uh, 400 million over a four year period, and You know, some of the programs I would say are more replicable, are one, turn the key, so this idea of using, um, city owned vacant property, um, providing that, uh, you know, as a subsidy to developers, um, so that they can build affordable home ownership.

[00:45:20] And then subsidizing the buyer on the other end so that the buyer can afford it is highly replicable. Um, and we would be happy to talk to anyone about that. Um, right of first offer and refusal, we actually looked at a lot of other places before developing and implementing, um, that policy. Um, our home repair programs, um, before we did NPI and before we got the whole home repair which infused basic systems repair with resources are, that program was constantly oversubscribed.

[00:45:56] It's offering grant funds of up to, I believe, 25, 000, 30, 000 for people to make. Critical repairs that keep them in their homes. Um, and so, you know, we used to have a waiting list of hundreds, um, but now that we have more funding for that program, we're spending about a million dollars a week on it. Um, highly replicable and eviction diversion.

[00:46:18] The idea that we do not just have to accept a reality where tons of people are evicted from their homes. We can do something to try to bring, um, agreement and mediation between tenants and landlords. Um, and we can make sure that at the end of the day, landlords are, are whole. That benefits everyone.

[00:46:36] everyone. Um, I looked at a lot of other places before, um, implementing mandatory inclusionary zoning here. Um, and the way that, you know, we structured the mixed income neighborhoods overlay, it probably

works best in very dense, um, communities, but I can see that being replicated in other places. And so I think there are a lot of things that we talked about today that we either got from other places.

[00:47:00] Or that could work, um, in other places. And that's a beauty of us all, you know, sharing, um, ideas and learnings.

[00:47:07] **Kevin Moran:** So most of these are highly replicable, maybe with some, some fine tuning here, here and there. Senator Saval?

[00:47:13] **Nikil Saval:** Just, again, lingering on whole home repairs, the, um, it, it is being replicated and, and was designed, replicable.

[00:47:22] I mean, we had this idea that, That this was, uh, you know, one, in part, one of the ways we approached the program, and this, this goes to something that the council member said, is we knew there were existing programs. In some ways, they were an inspiration. Basic systems in Philly and, and, and built to last, which was a kind of holistic, uh, way to, to braid different programs.

[00:47:43] And so, In a way, but then also we looked at federal weatherization assistance and what blocked people from getting access to that. And that's a, that's a national program. It's administered through the states. And so, people are already sort of aware of these issues in, in, in a multitude of states. So, um, once we actually succeeded in passing whole home repairs, we got outreach from a number of different agencies.

[00:48:07] States, legislators, et cetera. And so it is now, in fact, there is a whole home repairs program that was created at the administrative level in Maryland. There's whole home repairs legislation introduced in Massachusetts. There is a whole home repairs act in Maine. We just, uh, delivered remarks to a conference, um, of Illinois, um, advocates speaking, trying to create a whole home repairs program there.

[00:48:32] And then there's a national bill. Um, by, uh, by our, um, junior senator from U. S. Senator from, from Pennsylvania, John Fetterman and a, um, uh, Republican Senator Cynthia Lummis from Wyoming. That is, is designed to create a national whole home repairs pilot. And so, uh, you know, the idea being that this is something that we can use everywhere.

[00:48:55] And I think what it also does is that it's to be clear, is it, is it obviously it, it's Um, Matt, actually Matthew Desmond, the, who wrote Evicted and, um, great anti poverty expert. He was writing about housing in a recent issue of the New York Review of Books, and he pointed to whole home repairs, um, as something that stops the bleeding, right?

[00:49:13] It's, I mean, that's, that's the way he, that was the sort of section he was under. It does that, but I think it also enables the successful fu spending of federal funding that in some ways we don't get to do to the degree that we could. So with Dominique's home that I talked about earlier, We were, you know, inflation reduction act spending weatherization assistance money.

[00:49:32] Some of that just doesn't get spent absent the repairs and preservation that we could do to enable homes to be ready for that work. So it is, it preserves the homes, but it also, you know, it, it, it, it makes, it makes so many more other things possible. So yeah, we're, we're hopeful that it, it does. Takes foothold, you know, everywhere.

[00:49:52] **Kevin Moran:** I appreciate you bringing it back to Dominique too, because I think, you know, as I hopefully framed at the, the top housing is, is so personal and, and that that individual impact that these programs are making are, is, is why, you know, you're all doing this work and, and why, uh, it's so important to kind of, to, to keep doing this work.

[00:50:10] I think, um, we could. We talk about housing for days, uh, and, and, and weeks and months and years probably, uh, but I think we're nearing the end of our time, so I want to do a kind of lightning round final question to wrap things up. Uh, I encourage you to think about something that's related to housing, but we have a lot of visitors here, so you can broaden, broaden the discussion if you'd like, but what's one thing as we kind of conclude that you hope everyone in the room walks away learning about Philadelphia before they leave, uh, the room?

[00:50:39] Um,

[00:50:41] **Jamie Gauthier:** that we are a very special and unique city. There's no place like Philadelphia from the neighborhoods, the culture, the restaurant, the restaurants, the history. But I also think that Philadelphia is at a unique place where we can prove that development can be equitable. Um, we, we're

not like. Uh, other places, San Francisco maybe or other places where I think, uh, the housing situation is very far gone or too far gone.

[00:51:12] Um, my goal is to put in place the policies right now to preserve, um, and protect affordable housing here and to generate affordable housing here in Philadelphia. So that we can truly be, um, a city for everyone in an equitable city. And I truly believe that we can do that.

[00:51:32] **Nikil Saval:** I mean, first that, of course, it's the greatest city, um, in America.

[00:51:37] I mean, you, if you don't leave yet, that's, um, And, but, you know, to the council member's point again, like, It is, it is, there are a lot of aspects of Philadelphia that are extraordinary, You know, the kind of density and, and the particular typologies of its housing, Obviously the row home, but, you know, um, Victorians in the, you know, The council member's district, there is a, there is a kind of, um, Um, Um, and it has a, uh, nature to it.

[00:52:01] That is that walkable livable city that is just exceptional. Um, that is also at risk, right? And it is and you know, I think that there there are ways that the city we want the city to grow. We want the city to grow in in grace. You know, we want the city to grow, um, equitably and a lot of the work that we're talking about the council member that we're talking about with rectangle titles, um, is, is critical.

[00:52:25] So, you know, I think we do have a way of demonstrating, um, Philadelphia as a kind of a model. I mean, it has become that with the eviction diversion in various ways. And so, um, but I also know I will just, you know, we it is it is a majority minority city, right? We're also dealing with like fundamental issues of racial inequity.

[00:52:46] Um, it is a plurality black city. Um, it is, you know, that we we that in other ways we I hope, you know, that we will demonstrate that. You know, new pathways for racial and economic justice in in the way that we deal with housing, um, in in Philadelphia. And I think there's we have a chance. We have a chance now.

[00:53:06] **Kevin Moran:** Commissioner, you get final word.

[00:53:08] **James Leonard:** Yeah, I would just encourage everybody to To recognize and to take back back with you how important it is not just to develop new housing stock, but to recognize Like, like we have in a place like in Philadelphia, just such a rich existing stock of housing community that goes back with generational ownership and really creates the fabric of a lot of these communities that we've discussed today.

[00:53:38] And to take back that that that can be at risk right from whether it's tangled title or or other issues. We've talked about and so it's important to and I think we've done. We're doing a decent job here, I think. But I think there's like, as we've said, a ton of work to do. Um, but I think that can be replicated potentially in a lot of your communities.

[00:53:59] I think we'd all probably love to talk to you more about it. Um, and your colleagues. But if, if you could take that away, that, um, you know, I think that would be, I think that would be a good thing. So thank you.

[00:54:11] **Kevin Moran:** Well, thank you to all of our panelists for, for this great conversation, sharing all of those inspiring ideas.

[00:54:17] And thank you to all of you for allowing us to be, to be part of this meeting. And, uh, I look forward to all of the exciting things you get to learn and explore from, from our great city. So thank you so much.

[00:54:41] **Kammy Horne:** Thanks for listening. And thank you to Hilary Reeves who leads Mpact:Voices and the development of this podcast. Find out more about our work by visiting our website: mpactmobility.org. That's M as in Mobility and Pact as in agreement. mpactmobility.org.

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