

**Testimony of Andy Trackman**  
**Executive Director, Germantown United CDC**  
**On Bill No. 180261**  
**May 22, 2018**

I am Andy Trackman, Executive Director of Germantown United CDC. The CDC Tax Credit Program has been an enormous success in Philadelphia, and is largely the reason why we have such a strong network of CDCs.

Germantown United strongly supports the expansion of the number of slots to be added to this program per Bill No. 180261, and we urge Council to pass this bill by June. We also urge Council to work over the summer to create increased flexibility in the type of City taxes that can be used in this program, such as real estate taxes.

My organization is not currently in the program, although it's not from a lack of trying. Challenges we have faced in entering the program: first, finding the businesses, no more than two, who can meet the \$100,000 BIRT obligation requirement. We've either found businesses willing that don't meet that threshold, or we've found more than two, which exceeds the two-business maximum for partnership. Second there has been no slot available to apply for. Were we to be in this program, the additional funds would give us the stability to address the many needs of the Germantown neighborhood with additional staff, enable us to help grow the capacity of our smaller neighborhood partner organizations, leverage these funds for private foundation grants, provide a source of matching funds for many state grants for economic development.

Economic development work at the neighborhood level is a long-term strategy. It takes time to build relationships and trust with business owners, particularly smaller businesses or immigrant owned businesses that may be suspicious of government programs.

True community development is done with the community, and that requires planning, stakeholder engagement/input, and then execution. It takes longer, but creates more buy-in from local residents and businesses that are the fabric of our neighborhoods and deserve to be part of the process.

Knowing that the organization will still be in business and have staff over the long haul means Germantown United can plan projects (like capital projects that take time) and events, then implement them over the years. Other funding sources are very short term, and we typically can't rely on them beyond a 12 or 24-month grant cycle.

Thank you for the opportunity to testify, and thank you for considering expanding investment in neighborhood economic development.