



Empowering citizens to effect positive change in their community

1 December 2020

Philadelphia City Council Committee of the Whole
City Hall
Philadelphia, PA 19107

RE: City Council Hearing on Construction Impact Tax (Bill No. 200556)

Dear Councilmembers,

My name is Ellie Devyatkin, commercial corridor manager from the Frankford CDC, and I am submitting written testimony in support of Bill No. 200556, the 1% Construction Impact Tax.

The Frankford community and commercial corridor have been hit hard by COVID-19, and the results have exacerbated long-standing inequities across the city. Residents are struggling now, more than ever, to afford safe, quality housing and buy food. Our businesses that had closed in the spring are still struggling to make up back rent, and many of their customers have still not returned. They need money, and it rings hollow to say that we care and tell them we care but not be able to address their actual needs. This tax has the potential to direct funding toward these needs.

We are calling on Council to adopt language in the legislation that either authorizes the CIT or the bond to do the following:

- Dedicate at least 25% to neighborhood commercial corridors
- Create an Advisory Committee for any new spending that includes significant and diverse community representation
- Work with the building trades to negotiate an affordable labor rate for the use of these funds
- Ensure that affordable housing providers and community developers who rely on public subsidy for projects that serve low-income communities and microenterprises receive adequate subsidy to offset their CIT contribution

A 1% tax on construction is not enough to make up for generations of disinvestment and inequity, but it is a start. Neighborhoods across the city deserve to benefit from development in more affluent or popular parts of the City. Shy of ending the tax abatement, implementing this tax is the least the City could do to invest in the communities that keep this City going.

I thank our Councilwoman Maria Quinones-Sanchez, the rest of City Council, and the Kenney Administration for working together to serve our community needs and leadership in proposing an equitable recovery plan.

Sincerely,

Ellie Devyatkin
Commercial Corridor Manager
Frankford CDC