



Testimony on City Council Bill #240059
Freezing Property Taxes for Low-Income Homeowners
Andrew Toy for PACDC
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Good afternoon Chairperson Gilmore Richardson, Vice Chair Bass and City Council Finance Committee members. My name is Andy Toy and I am the Policy Director for the Philadelphia Association of Community Development Corporations (PACDC). Thank you for the opportunity to testify before the Finance Committee in favor of Bill #240059, allowing for a freeze on property taxes for low-income homeowners, as determined by state levels set for PACENET.

Throughout our 30+ year history, PACDC has consistently supported measures to protect low-income residents from displacement. Our advocacy has been based on a number of important factors. First, the stability of our neighborhoods is critical for ensuring an equitable Philadelphia and a good quality of life for residents. No resident should be forced to give up their home because of rising property assessments and taxes – particularly in gentrifying communities where these long-time residents have been neighborhood stewards during decades of disinvestment. We also know that the burden of increasing property taxes falls disproportionately on Black and Latino households who represent a large number of lower income homeowners. Additionally, a recent Reinvestment Fund study shows a concerning strong correlation between race and inaccurate assessments – that neighborhoods with larger shares of Black and Brown residents, and low-income residents, are more likely to be inaccurately assessed and over assessed than others, even while they are less able to absorb these added costs.

According to the Reinvestment Fund’s data analysis, up to 62,000 homes may be eligible to apply with a potential of \$4.5 million in relief in the first year alone if we assume an application rate similar to the Senior Tax Freeze. These outcomes align closely with goals of our Equitable Development Policy Platform of preventing displacement, preserving Black and Brown homeownership, and protecting what is often the most affordable home a family can have: the one they’re already in.

That being said, we also know that it is unlikely that all of those eligible for this program will apply and receive the benefits. The Byzantine nature of the City’s property tax relief system makes determining the appropriate program(s) to apply for unnecessarily complicated. We look forward to working with City Council and the Administration to modernize our system of property tax relief to create one that is equitable, easy to use, and works for all eligible homeowners so that no family goes without the benefits they deserve.

Again, we are excited to support Bill #240059 and thank you for the opportunity to testify.

Thank you - Andy Toy
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