

## **Testimony on the Philadelphia Land Bank**

Joint Hearing of the Committee on Housing, Neighborhood Development and The Homeless & the Committee on Public Property and Public Works
Rick Sauer for PACDC
October 30, 2024

Good morning Chairpersons Gauthier and Lozada, Vice Chairs Landau and Squilla, and members of City Council's Committee on Housing, Neighborhood Development, and the Homeless and the Committee on Public Property and Public Works. My name is Rick Sauer and I am the Executive Director of the Philadelphia Association of Community Development Corporations (PACDC). I also previously served as a member of the Philadelphia Land Bank Board for more than eight years. Thank you for the opportunity to testify as we explore and implement improvements to the Land Bank.

PACDC is the leading voice of non-profit community development organizations in Philadelphia. Our 60 CDC members and over 100 additional associate members are responsible for addressing key affordable housing, social service, and economic development needs across the City. We and our members see the Land Bank as key to equitably addressing many challenges facing our communities – particularly those that have suffered from decades of disinvestment and, most urgently, for those experiencing gentrification.

PACDC has been deeply involved in efforts to reform and improve the City's vacant property system for many years. We played a lead role in advocating for the creation of the Philadelphia Land Bank. What we and many others called for at the time was a Land Bank that was transparent, predictable, accountable, and efficient in getting properties back into productive reuse, and prioritized the equitable development of our communities. While we succeeded in getting the Land Bank created and have much to celebrate, ten years in, it has thus far failed to live up to expectations, especially for long-term residents who live in communities that have been impacted by vacant properties.

Early in her Administration, Mayor Parker also identified a need to reform the Land Bank to improve its effectiveness. This hearing is evidence that our vision for a more effective system of vacant property management and reuse still resonates. I'd like to thank City Council for the leadership role it has played in keeping attention on this issue – in particular Councilmembers Gauthier and Lozada for calling today's joint hearing.

We know that this hearing is prompted by an earnest desire to improve the Land Bank so that it works for all Philadelphians. While we must be clear about challenges that currently exist, our goal is to be forward-looking and future oriented. We thank the Administration – particularly Angel Rodriguez, the Executive Director of the Land Bank and Jessie Lawrence, Department of Planning and Development Director and former Land Bank staffer – and everyone testifying today for joining us in finding meaningful solutions.

My comments are a direct reflection of the concerns we have heard from our membership, as well as my experience serving as a Philadelphia Land Bank Board member. So, while this may be my testimony, please understand it as the synthesis of the experiences of a range of stakeholders from across the City.

I would like to focus the remainder of my testimony today on the following six higher-level issues:

- 1) Strategic Plan: The last Land Bank Strategic Plan is a draft from 2019 that was never approved despite the current requirement for a new Strategic Plan to be produced every three years. The Land Bank needs a clearly articulated strategy to ensure a balanced approach for the disposition of properties across a spectrum of competing uses, with a priority for community beneficial uses that are consistent with neighborhood plans. Therefore, the City should allocate resources for a fresh, robust strategic planning process with significant community input that includes a re-evaluation of Land Bank policies and procedures. We understand that this is a significant undertaking, but it is necessary to ensure that the Land Bank adequately understands changing market conditions and community needs.
- 2) Reporting: While the Department of Planning and Development maintains a Land Management Dashboard, the Land Bank has not produced an Annual Report since 2019. These reports are an important tool for public officials and other stakeholders to evaluate how well the Land Bank has met its goals over the last year. The failure to produce an Annual Report with more detailed information also harms the Land Bank's own efforts to celebrate successes and address setbacks. More than just good practice, these reports are required by the State authorizing and local legislation that the Land Bank operates under. We strongly urge the Land Bank to prioritize complying with this requirement and allocating the staff resources to produce a publicly accessible Annual Report.
- 3) **Disposition Policy**: Vacant property is one of the most critical and finite resources the City has to build a more equitable Philadelphia and preserve cultural and economic diversity in transitioning neighborhoods. We must prioritize the use of publicly owned property for community beneficial uses, including truly affordable housing development and preservation of community gardens in transitioning neighborhoods where market rate development continues unabated. Public inventory in those neighborhoods is one of few options for maintaining affordability. To achieve this, there is a need to update the disposition policy that was embedded in legislation in 2019.
- 4) Acquisition Policy: The power to strategically acquire privately-owned vacant properties affordably is one of the primary elements that makes the Land Bank model so successful elsewhere. However, the Philadelphia Land Bank did not develop an Acquisition Policy as planned in 2019. The Land Bank also needs to update its analysis of vacant properties across the City to identify opportunities to acquire privately held properties that are adjacent to public owned land to assemble larger developable sites. Funding to acquire sites both from Sheriff Sales and private entities should be a priority, in particular for parcels in transitioning neighborhoods to facilitate community beneficial uses as the loss of these sites forecloses on the possibility for meaningful affordable housing development in these changing neighborhoods in the future.

- 5) Transparency: Our members and other applicants have consistently reported that there is a frustrating lack of information that would allow an applicant for land to know where their request is in the process that may take months or years, or even to know if their request is being considered. This lack of transparency also directly contributes to a lack of accountability as bottlenecks are not identified and addressed. The initial plan was for the Land Bank to have a transparent and accessible process whereby applicants could track the status of their request. The City is clearly capable of accomplishing this as is evidenced by other systems such as Eclipse and 311. It is well past time for the Land Bank to adopt something similar.
- 6) **Customer Service**: Beyond the need for additional resources to support adequate staffing that would result in improved communications and response times, there also appears to be a need for additional staffing to review applications and process standardized documents to reduce delays that add additional expense to development during a time of already high costs and unaffordable housing. We know that due diligence is necessary, but there is ample opportunity for improvement. When it comes to affordable housing, making these improvements can mean the difference between someone sleeping in their new home for the first night or spending weeks or months more doubled up in unsafe housing or in a shelter. Finally, we believe that Philadelphia is best served by a Land Bank that views community applicants as partners and works to identify ways to get deals done by being more flexible and consistent.

While these six issues stand out as higher-level priorities, there are other important process issues deserving of attention. Many of these have straight forward solutions, but we understand that may require careful consideration by a range of stakeholders. We therefore would recommend the creation of a Task Force or Working Group to continue today's conversation, and would welcome the opportunity to participate.

Thank you for the opportunity to testify this morning.

Rick Sauer Executive Director, PACDC rsauer@pacdc.org