

LATINOS & SOCIETY

 aspen institute

Master Class Series on Economic Preservation
Districts: Promoting the Economic Health of Latino
Neighborhoods

*Tuesday, April 9, 2024
12:00 pm - 1:00 pm ET*

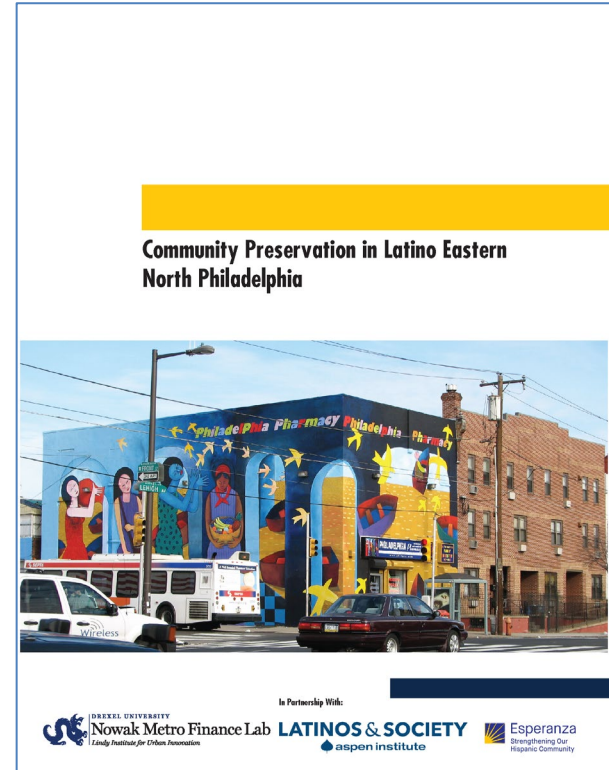
Webinar is listen-only

For technical and content-related assistance:

- Submit a question to the Q&A box on the bottom of your screen.
- Content related questions will be addressed at the end of the presentation during the designated Q&A session.
- Available resources and links will be shared throughout the discussion in the chat box at the bottom of your screen.

Community Preservation in Latino Eastern North Philadelphia

- Yearlong research project focusing on housing small business, and anti-displacement strategies
- In collaboration with the Aspen Institute Latinos & Society Program
- Funded by Comcast NBCUniversal Foundation



Master Class Panelists



Bruce Katz

Co-Founder and
Director, Nowak Metro
Finance Lab at Drexel
University



Reverend Luis Cortes

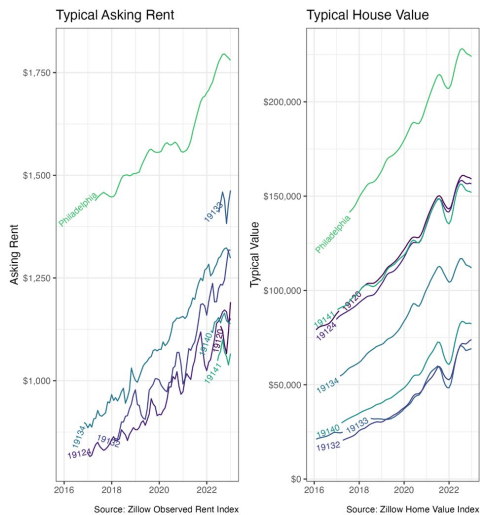
Founder, President,
and CEO
Esperanza



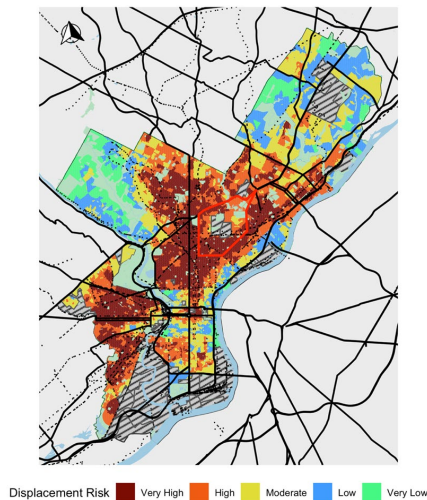
Ira Goldstein

Senior Advisor Policy
Solutions,
Reinvestment Fund

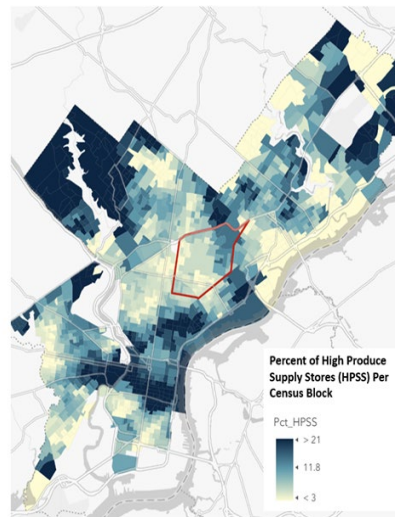
Overall Neighborhood Conditions



Rising housing prices

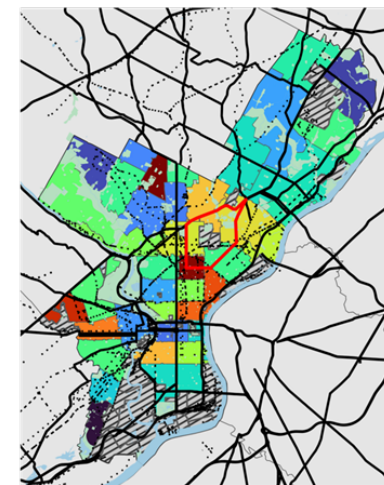


Socioeconomic vulnerability



Business closures & predatory retail

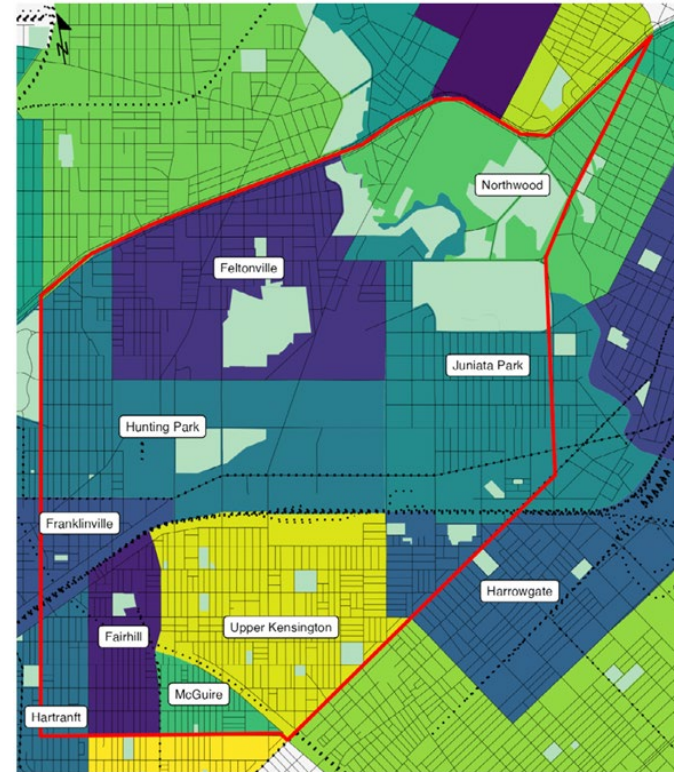
Number of \$504 Loans by ZIP Code Per 1,000 Businesses



Inadequate access to capital & investment

Building on Neighborhood Strengths

- 50-90% Latine
- 4 business corridors, 300 independently owned, small businesses, 60% Latine
- Serves as destination for new Latine residents
- Interdependency between businesses and community residents



Neighborhoods in Eastern North Philadelphia

Source: Community Preservation in Eastern North Philadelphia (February 2024, Report)

Challenges

Displacement Threats:

- Affordable prices rising quickly
- Increasing number of investor purchases
- Gentrification south of the neighborhood and moving northbound
- Significant turnover of businesses
- Public policy:
 - Effects of tax abatement on new construction
 - An AMI skewed by wealthier counties and lack of supply for renters below 60% AMI
 - Expiring LIHTC deals

Opportunity for preservation arises

Opportunity Community

A New START for Eastern North Philadelphia

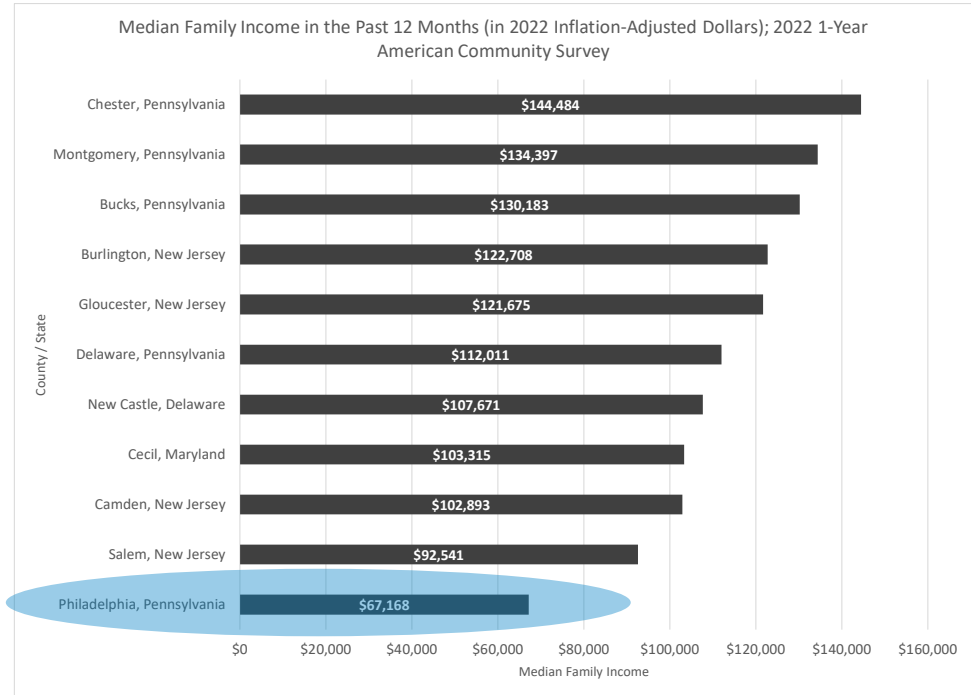
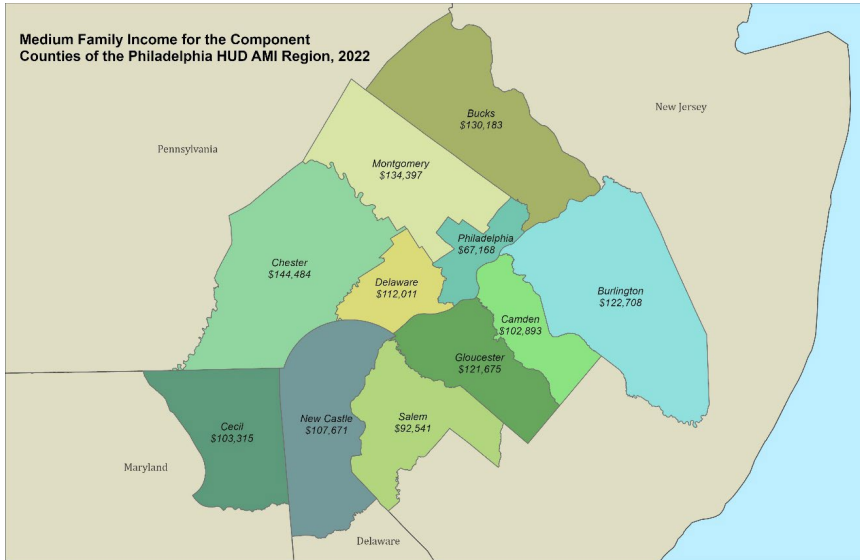


The Opportunity Community Model

- We want to realize an **Opportunity Community** where anyone can have a good quality of life regardless of working income.
- Creating Hispanic-owned and operated institutions that build on assets of the neighborhood to provide on-ramps to spiritual, personal, and economic advancement. We call this process a **transformative moment**.

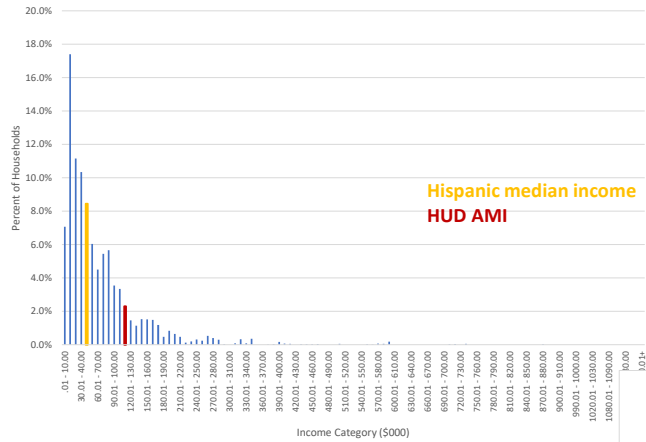


Why do so many Philadelphians find affordable housing unaffordable?

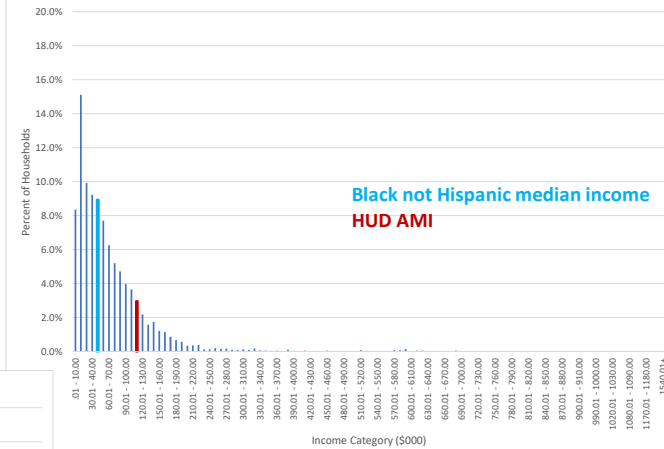


HUD AMI presents an inflated picture of income for White not-Hispanic Households, and vastly overstates it for households led by people of color

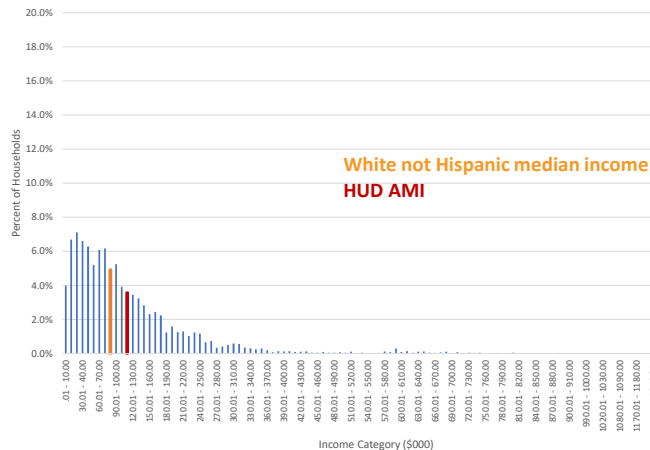
Hispanic Household Income in Philadelphia (Inflated to 2023 Dollars)



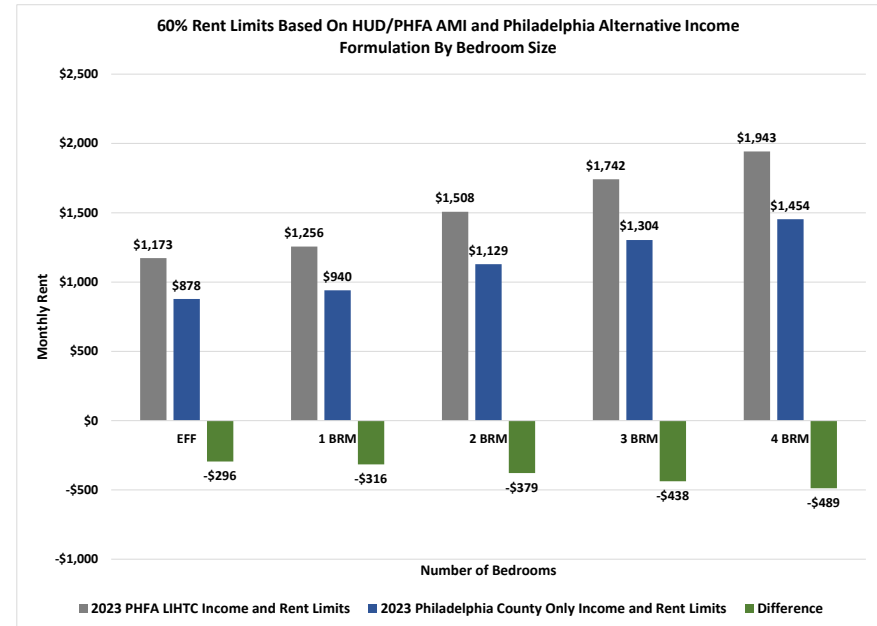
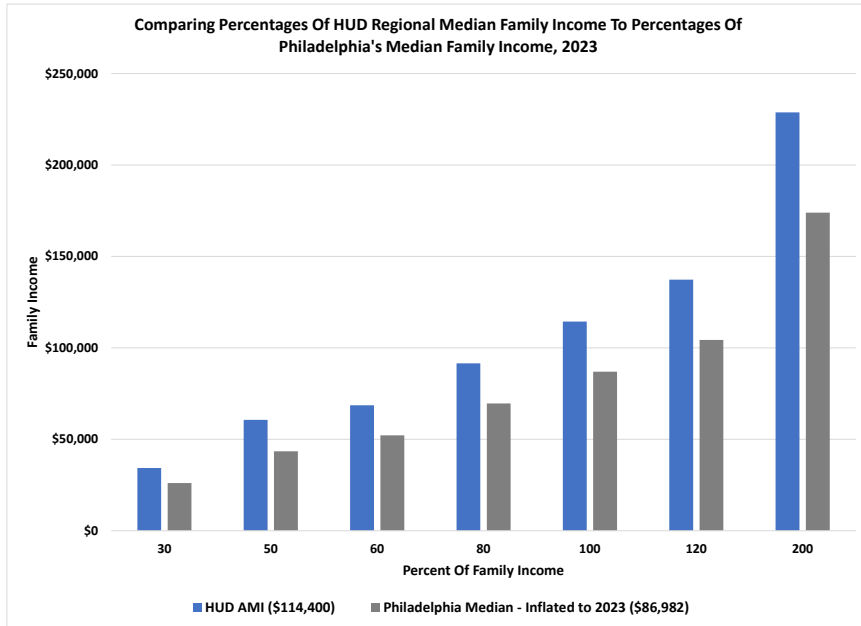
Black Not Hispanic Household Income in Philadelphia (Inflated to 2023 Dollars)



White Not Hispanic Household Income in Philadelphia (Inflated to 2023 Dollars)



60% HUD AMI is more like 40% a Philly-Specific AMI, and that means Philadelphians are short more than \$300 on affordable rents



A Comprehensive Community Preservation Strategy

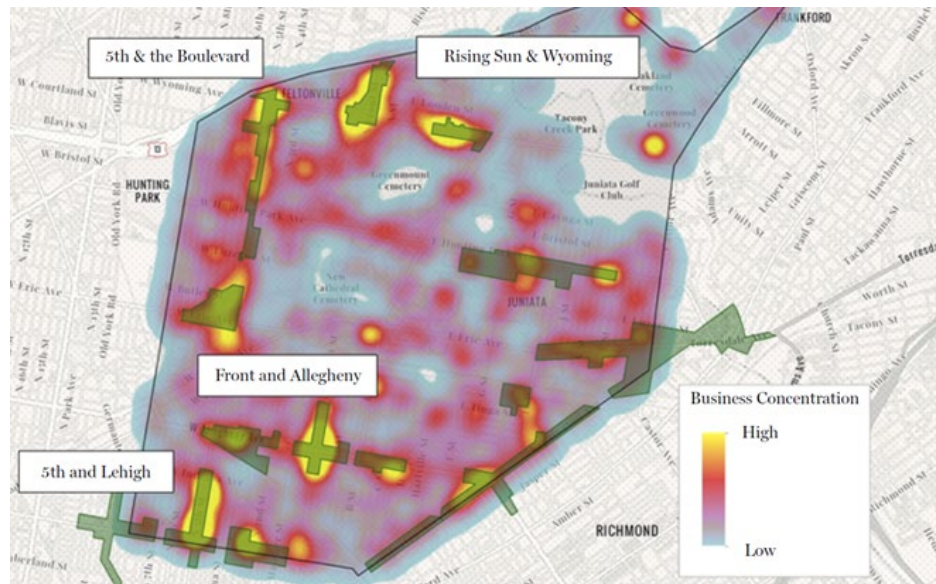
- START - Affordable Housing Preservation Strategy
 - Land trust model offering affordable rents in perpetuity at or below 60% AMI
 - Acquisition of single-family units in scattered sites
 - Financing strategy involves secondary market to manage debt costs
 - Wealth building tools for future homeownership, access to Esperanza's services and Individual Development Account (IDA) program.



A Comprehensive Community Preservation Strategy

La Cinco - Commercial Corridor Preservation Strategy

- Needs assessment of Esperanza's commercial corridor (in progress)
- Strengthening our role as a Latine destination for residents and Latines in region
 - Grocery stores, beauty shops, automobile repair shops, nonprofit services
- Opportunities for branding as a cultural destination for new visitors
 - Taller Puertorriqueño, Teatro Esperanza, Tierra Colombiana



Commercial Corridors in Eastern North Philadelphia

Source: Community Preservation in Eastern North Philadelphia (February 2024, Report)

Community Preservation for Eastern North Philadelphia

A Pathway to Protecting Residents & Small Businesses

Initiatives to Address Residential & Commercial Displacement



Stable Affordable Rental Trust (START)

- 200 rental homes in North Philadelphia
- Target population 30%-60% AMI
- Residents eligible for IDA, based on rent



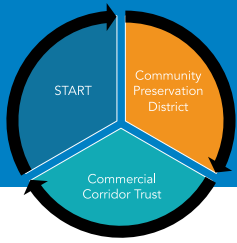
Commercial Corridor Trust (CCT)

- Targeted acquisition of transformational properties along key commercial corridors
- Stable rent for commercial tenants serving the community



Community Preservation District (CPD)

- Council-designated area of cultural importance that faces displacement
- Administered by a community-based non-profit
- Preferences for public programs for small & legacy businesses located in the district



Community Preservation Toolkit

Programs

- CDC Tax Credit
- Neighborhood Economic Development Grants
- Storefront Improvement Program
- Shallow Rent Subsidy
- Emergency Housing Assistance
- Housing Trust Fund

Policies

- Legacy Business Support
- Neighborhood Serving Retail Zones
- Tenant & Community Opportunity to Purchase
- Uniformity Clause Exemptions
- Tax Abatements for Affordable Housing
- Tenant Protections & Property Code Enforcement

Strategies

- Business Services Managers
- Workforce Development
- Tenant Organizing
- Affordable Housing Development
- Homeowner & Homebuyer Education
- Tangled Title Assistance



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Master Class Series

Q&A

Thank you for joining!

- We appreciate your feedback: Please take the webinar survey that will appear at the close of the webinar.
- You can also send feedback to: latinosandsociety@aspeninstitute.org

