COUNCIL OF THE CITY OF PHILADELPHIA

COMMITTEE ON AGING

Room 400, City Hall
Philadelphia, Pennsylvania
Monday, October 2, 2017
10:15 a.m.

PRESENT:
COUNCILMAN AL TAUBENBERGER, CHAIR
COUNCILMAN ALLAN DOMB
COUNCILMAN DEREK S. GREEN
COUNCILWOMAN CHERELLE L. PARKER

RESOLUTION 170375 - Resolution authorizing the Committee on Aging to hold hearings regarding senior housing in recognition of May as Senior Awareness Month.

\- - -

10/2/17 - AGING - RES. 170375

COUNCILMAN TAUBENBERGER: Good morning. My name is Al Taubenberger and I am the Chairperson of the Aging Committee. We have a quorum in front of me. To my right is Councilman Allan Domb. To my left is Councilman and Vice Chair Derek Green.

And at this point, we're going to have the Clerk read the title of Resolution 170375.

THE CLERK: A resolution authorizing the Committee on Aging to hold hearings regarding senior housing in recognition of May as Senior Awareness Month.

COUNCILMAN TAUBENBERGER: Thank you.

And some opening comments from the resolution sponsor, Councilman Green.

COUNCILMAN GREEN: Thank you, Mr. Chair.

Before I begin my opening comments, I just wanted to take a brief moment of silence regarding the

10/2/17 - AGING - RES. 170375

unfortunate tragedy in Las Vegas, Nevada.

(Moment of silence.)

COUNCILMAN GREEN: Thank you, Mr. Chair.

I want to thank the people who are assembled here this morning to have a conversation regarding this important topic. From my experience in a previous life, I was the Chair of the Board of the Center in the Park, which is a senior housing center in Vernon Park in Germantown, and one of the issues that was a constant struggle with Center in the Park was trying to make sure we provided housing for our members.

Now, we were fortunate to develop Maple Village, which is a multi-unit housing facility on the campus of Center in the Park. However, since that time period -- that was developed in the late '90s -- there's been constant issues and concerns for our members in reference to housing, something that I know is something that's very acute in

10/2/17 - AGING - RES. 170375

the Northwest where we have a diversity of homes and many seniors or, as my father would say, seasoned citizens have challenges as they become older and getting up and down stairs and need all types of adaptability type of changes to their homes.

And so many seniors often want to stay in their communities, but the opportunity to do so is not as available. In the Northwest and from my travels around the City of Philadelphia, I've often seen that as an issue and concern as seasoned citizens start to downsize, and as their children and/or loved ones may no longer be with them or have moved away, it's more and more challenging to maintain a household.

That's why I feel this conversation this morning is important to talk about what we're doing as a city to promote opportunities for housing for our treasured assets in our city, which are our seasoned citizens.

10/2/17 - AGING - RES. 170375

So I want to thank members of the Committee for being here so we can have this important conversation.

COUNCILMAN TAUBENBERGER: Councilman Green, thank you very much and also for your leadership on this and bringing this forward to the Committee.

As Chair I'd also like to recognize Councilwoman Cherelle Parker is here with us this morning.

And, Councilwoman, do you have any --

COUNCILWOMAN PARKER: No.

COUNCILMAN TAUBENBERGER: No opening remarks.

And, Councilman Domb, any opening remarks?

COUNCILMAN DOMB: No.

COUNCILMAN TAUBENBERGER: In that case, will the Clerk please call the first witness.

THE CLERK: For the first panel, Lydia Hernandez Velez and Catherine Califano.

10/2/17 - AGING - RES. 170375

(Witnesses approached witness table.)

MS. VELEZ: Good morning. Buenos dias, Chairman Taubenberger and the members of the Committee on Aging. I am Lydia Hernandez Velez, Deputy Managing Director for Aging, and I am here to testify regarding Resolution No. 170375, introduced by Councilman Green, which calls for hearings to discuss the need for senior housing. Thank you for this opportunity to share information and perspective on a crushing issue that will be a challenge for the City in the years to come.

To put the challenge in perspective, there are approximately 342,287 households in Philadelphia that include at least one person over the age of 55, according to the 2015 American Community Survey. An elder is the head of the household in 88.52 percent of those households. Of those households, 17.7 have an elder in the household with

10/2/17 - AGING - RES. 170375

an income of less than 100 percent of the federal poverty guidelines, and 40.2 of these households have an elder with an income of less than 200 percent of the federal poverty guidelines. Of these households, 38.3 of the homes are owned free and clear and 33.4 are owned with a mortgage, 26.5 are rented.

Regarding the homes with seniors, 54 percent of these homes were built before 1950 and 33 percent have an adult living alone. 7.6 percent of these households are linguistically isolated.

These statistics translate to a demand for senior housing as residents' capacity to manage life, given physical and cognitive challenges, increase. Philadelphia suffers from a dearth of such housing for seniors. In many developments, the waiting lists are six months to two years long. Moreover, many seniors face relocating to facilities some distance from their network of a faith community, family and friends,

10/2/17 - AGING - RES. 170375

making them vulnerable to isolation and depression. The linguistically unique communities' lack of housing impacts seniors negatively. Facing a change in the tenor of the day-to-day interactions because of the limited English proficiency contributes to negative health outcomes for isolated individuals.

Just a quick review of the issues that seniors bring to the Mayor's Commission on Aging shows the pervasive nature of the housing situation. Of over 1,000 people that came to the Information and Referral service, 70 percent of these issues touched on housing. Some residents were about to become homeless because their homes were in serious disrepair. Some were facing eviction because their income could not meet the increases in rents. And some were seeking assistance to obtain benefits such as Supplemental Nutrition Assistance Program or LIHEAP because of the challenge of meeting housing or utility

10/2/17 - AGING - RES. 170375

costs.

I welcome the opportunity to work with City Council to address this ever-increasing challenge. We are a resilient city with many great ideas that can alleviate the challenge of finding homes so our senior residents can reside in dignity and safety. Seniors deserve no less.

I will be happy to respond to questions.

COUNCILMAN TAUBENBERGER: We'll have questions when you're both finished.

MS. CALIFANO: Good morning, Councilman Taubenberger, Councilman Green, and members of the Committee on Aging and members of City Council. I am Catherine Califano, First Deputy Director of the Department of Planning and Development. Thank you for the opportunity to testify on Resolution No. 170375.

Like many Philadelphians, senior citizens face housing challenges.

10/2/17 - AGING - RES. 170375

Some need help repairing their homes. As others become less mobile, they need also need assistance in making their homes more accessible. Simply others have a need for an affordable place to live.

Meeting these needs can be difficult for many seniors. In Philadelphia, half of senior households have an income of less than $25,000. The City of Philadelphia, mostly through the Division of Housing and Community Development, tries to help address these needs.

Traditionally, DHCD uses Community Development Block Grant funds to support the Basic Systems Repair Program. BSRP is implemented by PHDC and works with small private contractors. The program makes repairs to heating, plumbing, electric, and roofing systems of owner-occupied homes.

With the help of City Council, we were thankfully able to expand this program and were able to address the

10/2/17 - AGING - RES. 170375

seven-year backlog.

BSRP targets households with incomes at 150 percent of poverty or less. For a one-person household, that's an income of about $18,000. In Fiscal Year 2017, 50 percent of homeowners were senior citizens. A thousand 40 properties received BSRP grants in Fiscal Year '17 alone.

In addition to our federal funding, state funding helps PHDC and its contractors reduce housing costs through energy efficiency improvements. The program targets households at 200 percent of poverty or less, or incomes of about $24,000. In FY17, more than 50 percent of the households served by the Weatherization Program, or 711, were elderly.

CDBG funds also support PHDC contractors with ECA, the Energy Coordinating Agency, to provide minor repairs to furnaces. In FY17, more than half the households served were seniors.

10/2/17 - AGING - RES. 170375

The program serves clients at the same income level as BSRP.

Additionally, the City's Housing Trust Fund supports adaptive mod, which makes accessible improvements to homes for low-income people with permanent disabilities. In 2017, about 70 percent, or 100 households, were senior citizens.

You may have seen the recent report of seniors being helped through the program. We're happy to report that due to the bond financing that supported the Basic Systems Repair and the Adaptive Mod Program, we no longer have a waiting list for Adaptive Mod and we are taking new applications.

To help the housing needs of seniors, the City also uses federal and local funds to support new housing and rehabilitation of existing homes. Over the past five years, City-supported developments have added 600 new affordable units for seniors for housing,

10/2/17 - AGING - RES. 170375

and more than 200 affordable homes have been rehabilitated. The City's investment of about 21 million into these units leveraged about 135 million in other funding sources. Another 100 affordable units for seniors are now under construction. These developments provide affordable housing to seniors in the neighborhoods across the City, including Logan, Port Richmond, Wynnefield, Center City, Mount Airy, and others.

The City also uses CDBG funds for housing counseling to help seniors keep their homes. Earlier this year the City included reverse mortgage financing prevention information on flyers sent to every Water Department customer. In FY17, nearly 2,000 senior households received housing counseling services from a DHCD-funded agency. In FY17, the total is about 12,000 households were served.

CDBG funds also support our NACs, our Neighborhood Advisory

10/2/17 - AGING - RES. 170375

Committees. NACs work to ensure neighborhood residents, including seniors, are aware of available programs. Each NAC partners with block captains and the Philadelphia Corporation for Aging to host annual health and welfare events for seniors. These events and ongoing discussions in their communities help to promote existing programs to senior citizens.

The City is committed to helping seniors meet their housing needs in the programs I have described. More than 25 percent of all of our total services provided in FY17 were to senior citizen households.

Thank you for the opportunity to appear today. I'm happy to answer your questions.

COUNCILMAN TAUBENBERGER: Thank you, Ms. Califano.

The Chair recognizes Councilman Green.

COUNCILMAN GREEN: Thank you,

10/2/17 - AGING - RES. 170375

Mr. Chair.

This actually is a question for both Ms. Califano and Ms. Hernandez Velez. I'm curious in reference to -- first, I think you said there's no waiting list for Adaptive Modification as of right now?

MS. CALIFANO: Correct.

COUNCILMAN GREEN: I'm glad to hear that. But I have a real concern in reference to the historical reviews of Community Development Block Grant dollars for different programs and also other funding through the Consolidated Plan which, based on this proposed budget by the federal administration, would be significantly cut, if not eliminated. And so my concern is, how do we leverage dollars? Two questions. One, you said about $21 million was used to leverage about $135 million. And what programs made up that 21 million? Was that just Community Development Block Grant dollars? Was that HOME funding?

10/2/17 - AGING - RES. 170375

MS. CALIFANO: It was a mixture of HOME, Housing Trust Fund, and Low-Income Housing Tax Credits.

COUNCILMAN GREEN: And tax credits, right. So it's tax credits, CDBG funds, and HOME funds?

MS. CALIFANO: Correct.

COUNCILMAN GREEN: And that was able to use those dollars to leverage funding at the state level?

MS. CALIFANO: The tax credits come from our state allocation.

COUNCILMAN GREEN: So I guess one of the things I'm curious about, have there been other ideas or more creative initiatives in order to leverage additional senior housing? For example, I know at the end of this week there will be a very significant event in Councilwoman Parker's district for Lindley Apartments, which was a mix of senior housing and also office space for WES Health. Are there other ideas like that where we're looking at alternative

10/2/17 - AGING - RES. 170375

ways to bring in dollars to create senior housing?

MS. CALIFANO: I think we are looking at ways to use redevelopment activity in City assets as opportunity to allow for mixed development sites. The Redevelopment Authority has issued some RFPs when we were issuing for land that encourage people coming in with a social investment as part of the strategy. There was an RFP issued for the library at 6th and Girard. It was not successful, but we're exploring new ways to look at when we can take a public asset and have it be returned better than it was with a mixture of housing on site.

We've also been working through a committee that LISC has formed to help us try to preserve expiring tax credit projects, because that's a significant supply of affordable units. We estimate that there's about 10,000 Low-Income Housing Tax Credits that may expire over the next ten years.

10/2/17 - AGING - RES. 170375

COUNCILMAN GREEN: And are you providing -- going back to my Center in the Park days, because I know we're already working on that project with one of our future panelists coming up about an expiring tax credit for Maple Village and trying to maintain that as senior housing. Are you providing any assistance to any of the organizations that have been involved in senior housing around the City? Because my concern is that for some of these organizations, they may not have the resources or the connections to figure out how do we leverage and do -- because for many of these tax credit projects, the non-profit developer has right of first refusal to maintain the project, but if they don't have the resources, they may not even know what that means.

MS. CALIFANO: Correct. And so we think that there's four different types of strategies that we have -- when we look at national models, there's

10/2/17 - AGING - RES. 170375

regulations, there's financial incentives, there's technical assistance, and there's the information that needs to be accessible and usable, and strategies have to move all of those areas to ensure projects are preserved.

So we are looking at -- we've been bringing together for-profit and non-profit developers to think about what are strategies that are amenable across the board to preserving tax credit deals.

COUNCILMAN GREEN: And do you keep like a running, I guess, timeline of those projects that are expiring? Because I think that's something that would be good to reach out for the District Councilmembers to know that, okay, next year, two years, the senior housing project that you may have worked on or your predecessor may have worked on 5, 10, 15 years ago is now going to expire, here are some assets and some resources that you can work with a non-profit partner to maintain that as

10/2/17 - AGING - RES. 170375

senior housing. Because my concern is that once those tax credits expire, then they can become market rate and then you're going to have even less housing going forward.

MS. CALIFANO: We have that same concern and, yes, what we've done is we've been compiling information on tax credits, on project-based Section 8, on HUD 202, which are -- so looking at the broader universe of subsidized units and when they are set to sunset and thinking about strategies on how we prioritize and encourage those operators today to re-enroll.

COUNCILMAN GREEN: Okay. And then, finally --

MS. CALIFANO: And we're happy to provide that to each Councilperson.

COUNCILMAN GREEN: Yeah. That will be good if you can provide it to the Chair and also to all District Councilmembers, because I think that's something that it takes time to prepare

10/2/17 - AGING - RES. 170375

and for people to be empowered with information, then they can reach out to resources they may have which may help those non-profit developers that were partners in the initial project to put together the resources they may need to maintain that project as senior housing.

Ms. Hernandez Velez, I'm curious in reference to what you may have heard from other cities and what they're doing with senior housing. I know in the resolution we talked about senior villages, core communities. I know in Rhawnhurst working with Jewish Federation, they have the naturally --

MS. VELEZ: Occurring.

COUNCILMAN TAUBENBERGER: Occurring.

COUNCILMAN GREEN: Naturally occurring retirement community, or NORC. So what are those type of concepts that you may have seen in other cities that we are trying to do here?

MS. VELEZ: Well, one that has

10/2/17 - AGING - RES. 170375

come up, especially in the East Village and others places where there are large properties with several rooms, is what is called the Golden Girls Concept, meaning that several unrelated seniors living together. The barrier in Philadelphia is that the Housing Code does not permit more than three unrelated persons to live under the same roof. So that's been a challenge that has been brought to me. In fact, last Monday was the celebration of 15 years of the village movement across the nation, and part of those discussions is what alternatives for seniors who want to remain in their neighborhood, remain in their network and continue to serve each other as the challenge of aging comes up, and that's one of the concepts that has come up and, that is, to allow seniors -- in some properties it's just a collaborative, almost going back to the '60s co-ops and creating that community environment to help people remain in the community that they've lived in for most of their lives.

COUNCILMAN TAUBENBERGER: Just a point of information on what you had just raised, and this comes from, believe it or not, our international aspect as far as sister cities. When Frankfurt, our newest sister city from Germany, sent a delegation over, one of the people was a senior who now has time, retired executive, but lives in the very same type program, which in Frankfurt, Germany has been going on for a number of years. So I think we should, now that it's been mentioned, I should ask him, And how's it going and what the history of it is. It makes complete sense.

MS. VELEZ: Yes. It is a concept that engages at many levels in the sense of it's financially not a burden other than the individuals help to maintain that household. That person who owns the house, quote/unquote, gets assistance.

COUNCILMAN TAUBENBERGER: We

10/2/17 - AGING - RES. 170375

may have to change our zoning.

MS. VELEZ: Well, our Zoning Code also provides for accessory dwelling units, which would be the opportunity for a senior to carve off a part of their home as a separate unit that they would then rent and allow someone to use that space. They don't need their entire house. They may choose to have part of it. We have not in Philadelphia resolved how that's going to work. It is in the code. It is provided in the code.

COUNCILMAN TAUBENBERGER: Oh, really?

MS. VELEZ: Yes. Accessory dwelling units are in there.

COUNCILMAN TAUBENBERGER: Then in your estimation, for us to completely embrace this type of program, what do we need to do?

MS. VELEZ: Well, I think we need to review the code in terms of allowing unrelated persons living under the same roof.

10/2/17 - AGING - RES. 170375

COUNCILMAN TAUBENBERGER: All right.

MS. VELEZ: Now, the ordinance itself is really focused on the issue of students and university residents and having a lot of young people, but at the same time, there is a need in Philadelphia because we do have areas of the City like Mount Airy, like East Falls that have huge homes where people really want to stay there, but they can't afford it because they can't afford all the costs related to it. And, in fact, there is a very -- there was a burgeoning village movement in the Northwest also.

We actually have East Falls, Northwest Village, Penn's Village, and the NORC, Rhawnhurst NORC, and at the meeting last Monday, several other communities in the Northeast, South Philadelphia have expressed an interest in building villages, which I think is an important both physical sense and also the relationship sense so seniors are not

10/2/17 - AGING - RES. 170375

isolated. That is an important part of who we are as Philadelphians. We take care of each other, and we have many programs to do that.

COUNCILMAN GREEN: There was actually, I believe -- and I have to check on the status -- a co-op village that was proposed for Mount Airy Presbyterian where there would be a cooperative living space, and some of the people that were going to participate in that were seniors.

But I think in reference to making the change to the Zoning Code, I also would like to figure out from both planning in reference to how we maintain that type of change, because if you take a building and you make it into multiple units with the goal of allowing that for seniors, what happens if it's not enforced. And I can see from a near neighbor perspective, Yes, we supported this and we did a proviso and those type of things to have this property converted

10/2/17 - AGING - RES. 170375

from a single-family to multi-family expressly for seniors, but what happens if a future property owner doesn't follow that, and then how do you enforce that.

And so I think that's some of the concerns -- right, clawback. That's some of the concerns that near neighbors would have.

MS. VELEZ: And there's a gray area between as people's capacity diminishes within those kinds of units at one point, is it a nursing home.

COUNCILMAN GREEN: Right.

MS. VELEZ: When is that line crossed and what services are defined.

COUNCILMAN GREEN: Right.

MS. VELEZ: The other creative housing issue that I think is also a challenge in Philadelphia is grandparents caring for grandchildren and how to address that ever-burgeoning issue of housing for those kinds of units. So a grandparent needs to care for a child, but they live in a senior unit that

10/2/17 - AGING - RES. 170375

doesn't allow younger children. There's really -- they either go into the private sector or -- there are some projects in Philadelphia, one that I know of, that is trying to address that demand and would probably be the first one in Philadelphia, which is the Asociacion Puertorriquenos en Marcha project at 9th and Norris. So those are another aspect of the challenge for seniors.

COUNCILMAN GREEN: And so how is that being addressed?

MS. VELEZ: Well, right now, as I said, there's one property that's being developed at 9th and Norris as part of APM, Asociacion Puertorriquenos en Marcha.

COUNCILMAN GREEN: APM?

MS. VELEZ: APM has a senior housing unit that also will have units dedicated to grandparents raising grandchildren.

I haven't heard of anything else in any other part of the City, but

10/2/17 - AGING - RES. 170375

it is something that at times, as I reviewed our information referral requests, is an issue that has come up several times. I won't say it's an overwhelming issue, but it does come up.

COUNCILMAN GREEN: And my last question, considering that our population is getting more and more seasoned, as my dad would say, this is going to be a larger and larger issue, and considering that we may have even less Community Development Block Grant dollars going forward, what were some things that both of you would suggest that we as a city need to do in addition to the programs we already have and some of the things you've talked about?

MS. CALIFANO: I think we are going to have to look at new ways to find financing. We are looking at different concepts that have been proposed around generating new funding to support the production. Are there ways to contain costs and are there ways to get other

10/2/17 - AGING - RES. 170375

partnerships involved so that people have a longer term view, and that has attracted other private sector dollars. So New York and Chicago have set up acquisition funds that major banks have joined with, and that's increased the dollars for the production of affordable housing units. So we're looking at those also.

COUNCILMAN GREEN: And when you say "acquisition funds," are those dollars to acquire properties that can be used for development?

MS. CALIFANO: The way that it works in New York and Chicago, it is a fund that allows for the acquisition of tax credit projects that are expiring that someone wants to opt out to preserve, but it also supports new production as well.

COUNCILMAN GREEN: Okay. Thank you very much.

COUNCILMAN TAUBENBERGER: Councilman, thank you.

10/2/17 - AGING - RES. 170375

The Chair recognizes Councilwoman Parker.

COUNCILWOMAN PARKER: Thank you, Chairman Taubenberger, and thank you, Councilman Green, for your leadership on raising this issue and for also mentioning the success that we are about to be able to celebrate in Logan with WES. A huge special thanks and shout-out to Dennis Cook, along with former State Senator Shirley Kitchen and Councilwoman Marian Tasco, because they definitely were the flag bearers in making sure that the project was seen through completion. And we may have a lot of care, but for me a key is quality, and we just recently toured there, and millennials would like to get a condo over there. That's how nice it is.

Councilman Domb, you could figure out how to parse those out if you went. And I encourage everyone to take a tour.

Lydia, I'm happy to read in

10/2/17 - AGING - RES. 170375

your testimony you sort of putting on the record that some residents, in essence our seniors, risk becoming homeless when their homes are in serious disrepair, and I know, Cathy, I know you said, yeah, Cherelle will definitely be home nodding because she's affirming the need for home repair even outside of the work that we've done with BSRP.

With that in mind, I want you to talk a little bit more, if you will, about what kind of requests that you get for seniors, particularly those who don't fall inside of the BSRP income eligibility guidelines who need to make repairs to their homes. What's the requests like coming in?

MS. VELEZ: Well, for some of the cases that we dealt with, for example, in row homes where there's been a fire or one of the homes in the row has fallen into such disrepair, things like front walls that are peeling off the townhouse or the row house, a lot of

10/2/17 - AGING - RES. 170375

roofing questions, how do I get some assistance to fix my roof.

For many seniors, their lives are constricted to the first or second floor, and if they have higher floors, they don't even go up there until the problem is so serious that the water has come down to the second or the first floor.

For some, it's really a question of the heating system or the cooling system that has fallen into disrepair. Some of their equipment is 20, 30 years old, not efficient, higher cost. Those are real challenges for seniors. They're kind of caught do I invest thousands of dollars to fix this system or do I just Band-Aid it until I'm no longer here, whatever takes me out of this property.

Another challenge that a lot of seniors have is making their house function for them in the state that they're in. So questions about putting

10/2/17 - AGING - RES. 170375

bathrooms on the first floor, questions about access. Row homes are not particularly friendly for folks who have access challenges. So creating opportunities for folks and referring them to services and opportunities to fix that so that they have an easier way in and out of their home. Some seniors are so isolated, that they may spend weeks without any contact with folks outside of a small circle of caregivers or friends, et cetera.

So that's some of the challenges we've seen.

COUNCILWOMAN PARKER: I appreciate your response to that. Particularly from an affordability perspective, when you're a senior, you're in the twilight years, is what I like to often refer to them as, and you have a fixed income. So everything is parsed out. And when you mentioned the issue of kinship care, one I know well because I'm a product of kinship care.

10/2/17 - AGING - RES. 170375

Councilman Taubenberger,
Mr. Chairman, they just didn't have the sexy name in 1972 when I was born when my grandmother and grandfather decided to take care of me. They just were taking care of their granddaughter.

So I'm definitely interested in figuring out how we can support seniors who find themselves, 30, 40 years after they've already raised children, back and they've got toddlers and children who are in elementary school now.

In addition to that, I want you to flip your hat and I want you to go back to the Rendell administration in Harrisburg. I don't think you all get enough credit for shepherding in this concept of aging in place. It was revolutionary thinking, Estelle Richman along with you, Lydia, when people were saying that we needed to focus on nursing home, nursing home, nursing home and we were saying, no, we can be more efficient if we provided access and in-home care,

10/2/17 - AGING - RES. 170375

the home-based care. It's also an economic development engine, because we created jobs for home-based healthcare workers.

Tell me what that looks like now in the City of Philadelphia. Are you getting more demand for people who are saying, I need in-home care, or are people trying to relocate to nursing homes?

MS. VELEZ: No. I really do think that every survey of seniors is, I want to stay in my home, I want to stay in my community. That's the top outcome.

Point of correction. In the Rendell administration, I was in the Banking Department.

COUNCILWOMAN PARKER: You were in banking, but you were a part of the team.

MS. VELEZ: Well, I think it was part of the concept, again, of what do people actually want, not what we want to give them. And when you really look

10/2/17 - AGING - RES. 170375

at the cost, the difference between in-home care and nursing home care is huge to -- it costs three times as much to go into nursing home care than someone who can in fact -- and I'm sure that our colleague from PCA will be talking about that demand.

And when you talk about kinship care, I was blessed with having my mother in my home for the last few years of her life, and it was so important for her to have supports around her to make sure that the quality of life was the best it could be given whatever was going on with her health-wise, and thankfully it was a very short period of time when she needed really intensive care and we were able to provide it in the home, so she didn't have to go to an environment she didn't know.

And that's also an issue with people with limited English proficiency. Their ability to express that, to promote that is a challenge, and it's something

10/2/17 - AGING - RES. 170375

that I personally am very, very invested in, because I think one of the realities of Philadelphia is the diversity of the languages being spoken by our seniors, and as many seniors begin to develop cognitive challenge, they may have worked for 30 years and managed English perfectly, but then they get to a point where their home language is their best way to communicate, the most accurate way to communicate what's going on with them.

COUNCILWOMAN PARKER: Thank you for your testimony.

And, finally, Mr. Chairman, let me say to Ms. Califano, you know, we've heard our Council President and I, many others have echoed that the most affordable housing is the existing housing stock in the City of Philadelphia and, if you will, I want us to -- everyone is thinking about sort of this revolutionary aspect of Rebuild, right, the rebuilding of infrastructure and parks, rec centers, and libraries in the

10/2/17 - AGING - RES. 170375

City of Philadelphia, but I want you, if you will, to talk about BSRP again. You mentioned it in your testimony, but also the other aspect of the maintenance of our existing housing stock.

MS. CALIFANO: So the Basic Systems Repair Program has proven extremely effective over time at allowing very low-income households to stay in their homes. It's also been instrumental in preserving housing stock for the next generations, because some people may choose to live on the first floor and not be aware of those structural issues. The cost then to repair for the next low-income household who may buy that house once that moves on is a cost that the City, we bear. So expanding Basic Systems Repair has been a critical part of the strategy for over 30 years in Philadelphia.

And at times Philadelphia has had various loan products too to serve households that are unable to

10/2/17 - AGING - RES. 170375

participate -- that are above the Basic Systems Repair, but have a steady income and do have needs to address to keep their property up to code, as well as be a good neighbor to the neighbors on the block to know that they're maintaining their property, and those strategies -- thank you, Councilwoman, and with Council President Clarke -- get to move into a new phase and expand these services as a loan product in Philadelphia.

COUNCILWOMAN PARKER: Thank you, Mr. Chairman. I said that was the last one, but this really is. Lydia struck one when she mentioned Department of Banking.

COUNCILMAN TAUBENBERGER: Sure.

COUNCILWOMAN PARKER: So you remember that old hat and what you're doing now, and the issue of reverse mortgages is mentioned, an issue that we raised because we saw a lot of foreclosures taking place, particularly in districts like the Ninth where we have

10/2/17 - AGING - RES. 170375

a high rate of homeownership. What is that like?

I mean, Cathy, you can comment from your side because obviously we worked from a budgetary perspective to address it.

But, Lydia, in your role have you seen it?

MS. VELEZ: We have seen it, and I think a lot of the gap is people's understanding and financial literacy around what a reverse mortgage is, how it works, and what the costs are associated with that product. I think because of the sense that folks have, that I've got frozen money in my home that I need for repair for the home or I need for medical costs or I need for something for my grandchildren or for my family members, that folks sometimes enter it a little bit too fast without really understanding what that product is.

We haven't seen that much of it in the information referral area, but as

10/2/17 - AGING - RES. 170375

I go around, yeah, I hear that from folks and I also hear it from administrators of programs that are saying, yeah, these folks came in with this issue, who do I go to. So, of course, referring them to the Banking Department, referring them to other agencies.

AARP has a lot of very good information about what it is and how to manage that product and the challenges of folks taking that step back, because usually they need it now and so they're willing to push aside concerns or issues --

COUNCILWOMAN PARKER: Sense of urgency.

MS. VELEZ: -- or understanding because of the urgency of the need.

COUNCILWOMAN PARKER: Cathy, you want to comment on that any?

MS. CALIFANO: I think just the Department of Housing has tried to expand and adapt as we hear from our housing counseling agency, and it is -- it was a

10/2/17 - AGING - RES. 170375

growing problem. HUD did make some changes that we think were positive, but we've been doing an ongoing project with The Reinvestment Fund to study the issue and to look at whether there are any discriminatory fair housing violation practices around who is being targeted and where they're being targeted and what are the strategies we should deploy if those things are occurring. But we are serving people through our housing counseling to try and mitigate some of the problems.

COUNCILWOMAN PARKER: Thank you.

Thank you, Mr. Chairman.

COUNCILMAN TAUBENBERGER: You're welcome. And, Councilwoman Parker, thank you for your line of questioning. And just a comment. When it comes to grandchildren being raised by grandparents, whatever your initiative is, I'd like to help you and work with that. I think you have raised a very

10/2/17 - AGING - RES. 170375

important factor here that many times is overlooked, and I think these folks need a lot of support and support -- maybe in some cases they don't need the support, but the support should be available if they want it, because I think it's something that's very helpful that can help Philadelphia a great deal, something we should -- so please count me in.

Councilman Domb.

COUNCILMAN DOMB: Thank you, Chairman Taubenberger, and thank you, Vice Chair Councilman Green, for bringing this to our attention.

I had a question for the panel. Good morning. In your testimony I think, Ms. Velez, you mentioned that 38.3 percent of the homes are owned free and clear, 33.4 percent are owned with a mortgage, and 26.5 rent, which means homeownership is 73.5, which is really strong, because citywide it's 52, and there's only three cities out of the top 25 in the country that are over 50. So

10/2/17 - AGING - RES. 170375

we're doing pretty well in that category.

My question is, how does that compare to other cities like Philadelphia that have this issue, the homeownership?

MS. VELEZ: We are a very, very high home owner-occupied city as I've gone through and worked with the different programs and met with colleagues across the nation. In some parts of the City, it's even higher than that, because this is a town with that ethic of it's better to own than to rent. And for many seniors, that puts them in a really tough place where the housing cost both for their ability to maintain the property and the associated property tax costs, et cetera, is a high percentage of their income, and that is a challenge.

COUNCILMAN DOMB: I have a couple other questions. I didn't realize until I got here today that I'm in the senior category, but you say that over the age of 55? Really?

MS. VELEZ: Yeah.

10/2/17 - AGING - RES. 170375

COUNCILMAN DOMB: Because this is not just a Philadelphia problem. This is a national problem that we need to, I think, change our thinking about age, because go back in time to 1900, the average age was 47. Every year from 1900 to 1950 the age grew, mortality, five months. In 2000, the age was 75, and in 2017, great for women, they live until 84 average and men live until 81. But we really haven't changed our guidelines, and what's going to happen is all economies, all governments are structured based on old systems and they can't afford to handle the new retirement, especially as Vice Chair Green put in his resolution, the New York Times said that the national population age 65 and older is going to grow 48 million to 79 million in the next 20 years.

So I'm going to say we have two very productive Councilmembers here that are over 55, and so my question is, why are we not as a country raising the bar

10/2/17 - AGING - RES. 170375

on retirement?

Medicine is unbelievable today, people living way longer than they lived 10 or 20 years ago, and yet the retirement age should be raised dramatically just from a statistical standpoint.

MS. VELEZ: Well, I think part -- there are discussions about that. There are many, many -- for example, it manifests in recruitment for senior centers. Many senior centers are now rethinking their name and taking "senior" out of it because they are not getting -- even the 65 to 75 population is --

COUNCILMAN DOMB: But here's my question on that. My question is, we have people that are 55, 60, 65, and 70, most are way more productive than their parents were at those ages. Most have more knowledge. Most could be tremendous mentors. Most could be utilized in our economy in Philadelphia, and I think it would be great also to figure out how do

10/2/17 - AGING - RES. 170375

we utilize their skills, because when people rest, they rust.

MS. VELEZ: Well, I think just to address that issue in terms of who we see in our job development area, which we saw over -- I think over 1,200 people came to our offices looking for jobs, and we only serve folks who are over 55. And so they want to remain in the workforce. They want to remain in active roles in different context. Yes, we are living longer, living healthier in the long term because of the advances in medicine and advances in wellness. That's, in fact, a conversation that's being had about what is a senior, and for many folks it's not just the arbitrary I'm 55, although I'll tell you that two days after I turned 65, I got my SEPTA pass. But, you know, I think a lot of folks are considering it like why are you judging me because I'm 65 or I'm 70 even.

COUNCILMAN DOMB: Right.

MS. VELEZ: Because I think

10/2/17 - AGING - RES. 170375

that the role -- the medical and the societal engagement is so important.

But, yeah, I think you're right in the sense that folks want to rethink it, but not necessarily raise the Social Security retirement age or do other things that impact it.

COUNCILMAN DOMB: I think part of the problem is that our grandparents worked until they died. Let's be realistic. That's what they did. Yet we expect to retire and expect society to help us in that retirement. And that's okay. I don't have any plans, by the way, for the record to ever retire. Okay? But I would say this: I think that the bar has to be raised, because we're living so much longer and governments can't afford to support that whole system. It just can't happen. It's not going to happen.

Last comment. I'm sitting here thinking about the population and the housing stock in Philadelphia, and most

10/2/17 - AGING - RES. 170375

of our housing stock -- I'm just going to be generic -- is living room, dining room, kitchen, in that order, two or three bedrooms on the second floor. So most seniors have to climb steps. I would say to builders who are thinking about building, if they could maybe change that housing stock for future homes and put living room first and then kitchen and then dining room, with a dining room that's convertible to a first floor bedroom, seniors could stay in their homes. Or in the reverse. And those townhomes, if we could come up with a fix, that we flip the kitchen from the back to the middle room where there's a dining room and make the kitchen a master suite. Because when you're 75 or 80, you're probably not entertaining a ton of people and need a dining room, but this way they can stay in their home and the costs would be dramatically lower. Just for the record.

Thank you, Mr. Chairman.

10/2/17 - AGING - RES. 170375

COUNCILMAN TAUBENBERGER: You're welcome, Councilman Domb.

MS. CALIFANO: I did want to clarify, all of our housing -- the affordable housing senior programs all have 65 as the age, not 55.

COUNCILMAN DOMB: That's better, but I'd like to see it even go to 68 or 70. I know so many people that are 75 and productive.

So thank you.

COUNCILMAN TAUBENBERGER: Councilman Green.

COUNCILMAN GREEN: Very brief. Since Councilman Domb brought up the point of age, I'd be remiss and just reflect on yesterday my father turned 85 yesterday. It's amazing considering that he's the youngest of the brothers. My Uncle Jesse turned 90 about a month ago and then the middle brother, my Uncle Eddie, will be turning 88 on December 11th before me.

But I really wanted to touch

10/2/17 - AGING - RES. 170375

base on a comment, Lydia, you made regarding our high rate of homeownership. From my reflection when I worked in the Law Department and I used to represent Office of Housing and Community Development, we had an even higher rate of homeownership. Do we have any numbers and data that show for seniors the loss of housing? Because it seems like with the growth of the population and a lot of seniors have retired and they own their homes, but they've been often losing their homes to foreclosures.

Councilwoman Parker brought up reverse mortgages. Do we have any data that's focused just on the homeownership rate, which has been going down, although still high compared to many other cities, it has been going down, but of that loss percentage, how much of that is attributed to senior-owned properties?

MS. VELEZ: I haven't seen those numbers, but I will say there's another factor, and, that is, that

10/2/17 - AGING - RES. 170375

Philadelphia is experiencing an in-migration of folks from the suburbs back into the City because they're looking for a quality of life, and many of those seniors have much more disposable income. I don't think -- this is just my instinct. I think most of them are coming in to ownership or co-ops, et cetera, as opposed to renting. But there has been an in-migration in Philadelphia, and it has everything to do with what you're looking for as a quality of life in your next phase.

In Spanish, old age is really called the third age. And so the concept that you're in another age, another experience, another set of requirements I think is very accurate for some of the folks that I've had contact with who have, in fact, said living in the burbs and having to depend on the car is not the kind of life I want. I want to be in an urban setting and I want to be able to walk to the doctor, walk to the cafe,

10/2/17 - AGING - RES. 170375

walk to the theatre, walk to entertainment.

COUNCILMAN TAUBENBERGER: Very good.

Councilman Green, I would like to have you share with the Committee what your father and his brothers, your uncles, eat in the morning for breakfast to get that long and healthy livelihood -- I mean life. I mean, that's fantastic. I'd like that to be known. That's some work we can do here.

COUNCILMAN GREEN: Based on your educational training as an agronomist, it's in fact growing up on a farm, getting up at the crack of dawn, working the farm. I think that added to a long life.

COUNCILMAN TAUBENBERGER: Thank you. Thank you for sharing. As someone who is 64 years old and aspire at least to get deep into my 80's, maybe 90's, I'd like to know as much as possible about this. And I also think it's the

10/2/17 - AGING - RES. 170375

responsibility of this Committee to share that kind of information with all. So thank you very much.

And, Councilman Domb, on your point and a little bit of history, how the federal governments have -- things have to change or must change, but that's not a discussion for this Committee. But many people are probably not aware that the Social Security system was actually based on the German system, which was put in place by Otto von Bismarck. One of the things he did and probably lost the history, but our system is based on that, and he did that in the 1880s. But for your information, he went to his ministers, because this was all a new concept back then. He said, I want to know when the average German dies, and the answer was 59 years old. So he said, very good, very good. So we'll start our program at 62, hoping that many do not make it.

But things have changed. Smart

10/2/17 - AGING - RES. 170375

businessman, yeah, that's true. 1880s. So it is all very interesting, and I think we have to learn from things that are going well and things that are not going well. But, once again, that greater concept is not our point.

I do have a question, a couple questions actually, for Ms. Hernandez Velez, and it's something that I know a bit about because I'm blessed that my parents taught me another language. You write that -- or you said in your notes that 7.6 percent of households are linguistically isolated. In a city as diverse as Philadelphia, I'm a little concerned on how that can happen and what languages are those. Because I could see that happening, and I've known friends of my parents who if they didn't have someone that spoke German around, it could be difficult. How can that happen here and how can we address it? Because I think it's a simple answer if we could do it.

10/2/17 - AGING - RES. 170375

MS. VELEZ: Probably there are enclaves that either through migration or through -- an example is the Bhutanese migration into Philadelphia, a very specific group and community that has come here. And another example is the Cambodian and Vietnamese communities that arrived here in the '70s and now their homes are getting older.

So I draw from my own experience with some of my family members who lived in a totally linguistic shell within New York City and shopped at stores where they spoke Spanish, worked at places where they spoke Spanish, had the newspaper, had some television, not a lot. So, yes, you can in fact in a large city live in a bubble where the need to translate and interact with systems is handled either by your grandchildren -- I can tell you the times from my early years in my public school I was pulled out of class to translate for adults. But, yes, that's possible, and part of

10/2/17 - AGING - RES. 170375

the issue is how to integrate the community-based honest brokers who are interacting with different systems to make sure they get information out to the community.

COUNCILMAN TAUBENBERGER: Because one of the great things of Philadelphia is very much its diversity, and there have to be people in all age groups that know most every language -- I wouldn't say every one, but almost all languages known to man right here in the City. So having them connect with the right people and not have that isolation I think is important.

MS. VELEZ: But, remember, for many of these communities, the structures that would have supported their seniors were blown away, because they went from conflict area to a refugee camp to the United States. What would have normally happened in their community was totally destroyed by that experience. And so sometimes it's difficult to recreate it

10/2/17 - AGING - RES. 170375

in another environment, although there are many, many efforts to do that through SEAMAAC and other community-based organizations, Congreso. There are a lot of community-based organizations that are reaching out to folks and trying to make sure that no one is left isolated.

COUNCILMAN TAUBENBERGER: If there's anything the role of this Committee can do or I can do personally, please count on me, because as a fellow human being, it would be awful for someone who can't get the services they need simply because they don't know who to ask or how to speak a certain language. And, once again, I think the resources in the City are deep enough that we should be able to come up with someone that can speak for the Bhutanese, the Cambodians or even if it's some Spanish or even German or French.

MS. VELEZ: When we translated our Food Resource Guide, we had to include Russian and two types of

10/2/17 - AGING - RES. 170375

Cantonese and Mandarin Chinese and Vietnamese and Korean and Spanish and Creole French and West African languages, because that's who is in the City and that's who is getting old in the City.

COUNCILMAN TAUBENBERGER: All right. Well, I'll be happy to help or if you think legislation comes to the answer.

MS. VELEZ: I appreciate it.

COUNCILMAN TAUBENBERGER: I do have another question for either you or Ms. Califano, and that would be as follows: Does the City or does your office have a position on reverse mortgages for seniors, pro or con, or no comment at all?

MS. CALIFANO: I think that it is a very challenging financial instrument, and where it became problematic is sometimes a member of the household was just signing the mortgage, but not keeping the other -- putting the other family members on the deeds. So

10/2/17 - AGING - RES. 170375

the husband dies and the wife had no access to that property, could be evicted by the bank. So that would be --

COUNCILMAN TAUBENBERGER: That would be very sad if that happens.

MS. CALIFANO: So there were things that HUD has done to change the requirement. You do have to participate in housing counseling, but that housing counseling does not have to be a HUD-certified housing counseling. So a lot of lenders had more of a pro forma.

So I think that the housing counseling agencies have tried to step up and through our legal service agencies to help seniors who have gotten into that complex financial product to try and assess whether it is the right product and who it's appropriate for.

COUNCILMAN TAUBENBERGER: Could you state for the record if there is a place in a location, a zip code or a ward or division, where there is a high concentration of reverse mortgages? Do

10/2/17 - AGING - RES. 170375

you know of any?

MS. CALIFANO: I can't name it now, but I can get you -- provide you with -- we can look at where the reverse mortgages are in the City and ones that have gone to foreclosure and provide that to you. I just don't have it accessible now, but it is information that we can access for you.

COUNCILMAN TAUBENBERGER: We'd like that. I think it's important to know, and that way, we even have a sense how important or maybe it's -- maybe the numbers are not as high as we think of folks with reverse mortgages.

Councilman Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman. I just want to make a comment on reverse mortgages. Coming from a real estate background, I'd say it's the last resort, and we should try to make sure that everyone who is taking one understands what they're getting into, because 99.9 percent of the time

10/2/17 - AGING - RES. 170375

they are a nightmare, a reverse mortgage, a nightmare, and we should not be encouraging them. They're the last resort, last resort by far. Usually the interest rate is higher and usually the lender is getting a better return and exchange for the risk. So it would not be something we would recommend, in my opinion.

COUNCILMAN TAUBENBERGER: Councilwoman Parker.

COUNCILWOMAN PARKER: Thank you. Thank you, Mr. Chairman. Sort of point of information for the record. We held a hearing and, like we've been since we arrived in this body, had a laser-like focus on this. So, Councilman Domb, just from a professional real estate perspective, I appreciate you noting for the record the potential misuse and the dangers of the product.

In addition to that, while I know we may not have the study in front of us, I think your question, Councilman

10/2/17 - AGING - RES. 170375

Taubenberger, was very much appropriate, because in Philadelphia, we've seen reverse mortgages targeted to our neighborhoods that have some of the higher rates of homeownership; i.e., Councilman Green was saying, yes, middle neighborhoods. So those middle neighborhoods, not where people are rich, where they're usually making like a nickel or a dollar over the income guidelines, where they are -- Councilman Domb, you know how I feel about this -- paying their property taxes, even if they're making payment agreements, but they are targeting this product in those particular communities. So I thank you, Councilman, for raising our awareness on it.

And, Councilman Taubenberger, thank you for acknowledging that we have to pay attention to this product in our city, because usually what happens is the children or others who live in the household with the seniors who are

10/2/17 - AGING - RES. 170375

accustomed to taking care of themselves and not having a child involved in their affairs, they've usually gotten the product, Councilman Domb, thinking, well, you know, I've taken a financial burden off of my shoulders and that of my children, without thinking exactly about what you described, which is the end game that usually ends up wealth being taken from the family. So thank you so very much for noting that for the record.

COUNCILMAN TAUBENBERGER: Ms. Califano, thank you and, Ms. Hernandez Velez, thank you very, very, very much.

Hold on. Don't go.

COUNCILMAN DOMB: I just want to make one more statement on the house and follow up with Councilwoman Parker's comments. It's clear in the United States the number one wealth generator is owning your own home. And so these reverse mortgages take that wealth from families that want to pass that on

10/2/17 - AGING - RES. 170375

generationally, and that's the danger.

Thank you.

COUNCILMAN TAUBENBERGER: And actually, if I could also make an additional comment. For a lot of reasons, most because of our federal tax code, I think America has one of the highest percentage of homeownership anywhere in the world. I think that's something to be applauded. It's much higher than in Europe and other places, so we -- oh, yeah. Well, because you don't get a tax deferment in Europe.

So thank you both very, very, very much.

Mr. Wright, will you call the next panel, please.

THE CLERK: Second panel, Dina Schlossberg, Mark Myers, and Bob Theil.

(Witnesses approached witness table.)

COUNCILMAN TAUBENBERGER: And please start in any order that the three of you would like, and if we could, we'd

10/2/17 - AGING - RES. 170375

like to hear all your testimony and then
have questions, if that's okay with the
Committee.

MS. SCHLOSSBERG: Good morning.
I want to thank Councilman Taubenberger
and Councilman Green and the remainder of
members of City Council for holding these
hearings and for inviting me to testify
today regarding Resolution 170375. My
name is Dina Schlossberg and I am the
Deputy Director and Senior Attorney for
Multi-Family Housing at Regional Housing
Legal Services. So I think I might be
the lawyer of the group, although Lydia
is I think as well.

Regional Housing is a
non-profit organization that provides
legal representation to non-profits
developing affordable housing and
community development or working to
revitalize communities. Regional Housing
provides a full range of legal services
for free on acquisition, financing,
leasing, organizational issues to

10/2/17 - AGING - RES. 170375

non-profit, helping with partnerships and in general providing technical assistance to non-profits who are engaged in the development or the preservation of affordable housing.

Regional Housing is also active on numerous policy and programmatic initiatives here in Philadelphia and statewide. We're a statewide program, and our principal office is located in Glenside, Pennsylvania. We also have a small office in Philadelphia that's housed at Community Legal Services. We work closely with other public interest non-profit organizations to address systematic problems that affect the housing needs of low-income Philadelphians. So we work with the Philadelphia Association of Community Development Corporations, PACDC, the Housing Alliance, and our fellow non-profit legal aid organizations, Community Legal Services and Philadelphia Legal Assistance.

10/2/17 - AGING - RES. 170375

For over 40 years, Regional Housing has been representing non-profit organizations involved in the development and preservation of affordable housing. So we have like a wide depth of knowledge and a wide history of knowledge, and I think that because also our program is statewide, our staff is recognized nationally for its commitment to excellence and for its deep knowledge of affordable housing programs and policies. And I'd be happy to talk about some of the things that we're seeing in other parts of the state as well as nationally if you're interested.

My focus this morning, I really wanted to talk about, as you can see, the breadth of need in the City of Philadelphia is vast and there is a strong component that is about preserving affordable housing for homeowners. My focus this morning really is on the need for the preservation and the increase of rental housing, and I'll explain why.

10/2/17 - AGING - RES. 170375

We serve non-profit organizations that have missions to serve the lowest income of the elderly Philadelphians. The need for safe and secure affordable housing for low-income Philadelphians is great, but particularly acute for the very lowest income seniors. Pennsylvania has the fourth highest concentration of seniors of any state in the nation, and Philadelphia is home to the largest population of seniors among any of the major U.S. cities. According to a report prepared by the Pew Charitable Trust, almost 580,000 seniors age 65 and above live in the Philadelphia region, and of these, about 193,000 live in the Philadelphia city. But one-third of the nation's seniors are low income and live at below 200 percent of the federal poverty level, meaning they are living on an annual income of no more than 22,000. In Philadelphia, this number is even more dire with about 33,000 senior citizen individuals living

10/2/17 - AGING - RES. 170375

at or below 100 percent of the federal poverty level or existing on a mere $11,000 per year. That's less than $1,000 a month to cover all of the monthly needs of food, housing, transportation, and other fundamentals of sustaining needs.

Among the Philadelphia elderly -- and this is really where a lot of my office has its focus -- is on deep poverty, meaning a single person living on no more than $5,700 per year. This number of adult seniors living in deep poverty has increased dramatically across the country actually and for numbers that people are really beginning to look at, including what's happened to people's capacity to get some kind of retirement through the workforce.

According to research conducted by the Philadelphia Corporation for Aging, as of 2013 Philadelphia had approximately 14,500 seniors living in deep poverty. The need for affordable

10/2/17 - AGING - RES. 170375

housing is a national phenomena and it is growing. As reported in the HUD Worst Case Housing Needs 2017 report to Congress, only 66 affordable housing units exist for every 100 extremely low-income renters. Because some of these units are occupied by persons with higher incomes, nationally only 38 affordable units are available for occupancy for every 100 extremely low-income renters, and the same Worst Case Housing Needs 2017 report to Congress indicated only one-half of these units are actually physically adequate for occupancy, meaning that some of the others, while available, are certainly not quality and not up to housing code.

During 2015, nationally 1.85 million elderly renters had worst case housing needs, meaning they are very low-income renters who did not receive governmental assistance and who paid more than one-half of their income for rent. This is an increase of over 382,000

10/2/17 - AGING - RES. 170375

elderly individuals since last reported in 2013.

There's a myth that low-income seniors are adequately supported by subsidized housing. Yet low-income seniors often fail to secure the assistance that they may need and there simply isn't enough of it. A Harvard study found in 2011 that 3.9 million households 62 and older had very low incomes, at or below 50 percent of the area median, but only 36 percent benefited from assistance. The same Worst Case Housing Needs report from HUD indicated that 42 percent of the Philadelphia metro is very low income renters, making less than 50 percent of the area's median income, qualify as worst case housing needs.

Here in Philadelphia the housing need, especially for seniors, is compromised by the immense growth of interest in rental housing for middle and upper income renters. According to a

10/2/17 - AGING - RES. 170375

report issued this year by the Federal Reserve, the need for affordable housing was made more severe by the loss of affordable units. And I think that's something that the City has to look at dramatically. Overall, Philadelphia lost a total of over 23,000 low-cost rental units, meaning units that would naturally rent for $750 a month or less per month. The number of affordable rental units available now for every 100 lower income rental households fell from 82 to 68 between 2005 and 2014. In Philadelphia, for the lowest income renters, there are just 33 affordable and available units per 100 renter households in 2014.

There's a dire need to increase and preserve the supply of affordable housing and to better serve the housing needs of Philadelphia's low income and extremely low income senior population. We represent -- I'll just tell you anecdotally, I represent Presby's Inspired Life, NewCourtland Elder

10/2/17 - AGING - RES. 170375

Services, Center in the Park, Wynnefield Overbrook Revitalization Corporation. We also represent Catholic Social Services and a myriad of other non-profit providers of affordable housing for seniors, and it's not uncommon to have wait lists of 200 to 500 per building.

The problem to address the needs of extremely low-income seniors in the City of Philadelphia requires a multi-faceted approach, including increasing the supply of affordable housing and preserving the existing supply. I know this has also been a goal of City Council and particularly City Council President Darrell Clarke.

I hope today to be able to help identify the need for more affordable senior housing, and I'm happy to share with you some ideas and some visions that we've seen from other parts of the country and the parts around the state on other ways to bring in dollars for affordable housing, as well as other

10/2/17 - AGING - RES. 170375

models that are being used to kind of maximize affordable housing opportunities.

Thank you. I want to thank Councilman Green and the rest of the Committee for holding these hearings as we work together to address this growing need.

MR. THEIL: Good morning. My name is Bob Theil. I'm the Government Affairs Manager for NewCourtland Senior Services, a non-profit provider of affordable housing, healthcare, and supportive services for seniors in Philadelphia. On behalf of Pam Mammarella, Vice President of Government Affairs for NewCourtland, I would like to thank members of this Committee, particularly Councilman Green, for the opportunity to provide testimony on this topic, which is critical to the health and welfare of seniors in the City.

As evidenced by this hearing, the need for high-quality, affordable

10/2/17 - AGING - RES. 170375

senior housing is tremendous and growing. The growth of the 65-plus population as well as increased housing costs has combined to stretch affordable senior housing waiting lists in the City. Today a senior can wait on a list for years before it's their turn to move in.

This perpetual limbo can make life for seniors living on a fixed income precarious. In addition, seniors living in homes that are unsuitable for their unique needs are at greater risk of preventable and costly institutionalizations in skilled nursing facilities.

To combat this issue, NewCourtland has laid out a bold plan to develop 2,000 affordable senior housing units in Philadelphia in 15 years. We have also created a preference on our waiting lists for seniors that are eligible for the Nursing Home Transition program or in need of supportive services which helps prevent unnecessary nursing home placements.

Through this initiative, we will match our clients' needs by enabling them to age in place with dignity and support, while also saving Pennsylvania millions of tax dollars as long-term community-based care promoted by this housing plan costs about half of the institutional care provided in skilled nursing facilities.

By planning to invest in excess of 500 million in the community through this 15-year plan, 120 million of our own money, NewCourtland plans to significantly increase the City's total affordable senior housing stock. As we move forward, we will continue to call upon the City and the State for its support and funding to make this a reality.

Thank you for your work, and thank you again for the opportunity to present on this topic.

MR. MYERS: Good morning. My

10/2/17 - AGING - RES. 170375

name is Mark Myers. I am the Director of Housing at the Philadelphia Corporation for Aging. On behalf of PCA, I want to thank Chairman Taubenberger for hosting this hearing, Councilman Green for introducing this hearing, and to the members of the Aging Committee for focusing on this very important topic.

As you may know, PCA is the state-designed area agency on aging responsible for coordinating and administering federal, state, and local funds for older Philadelphians. PCA provides a wide range of services to the City's elderly, from funding senior centers to alleviating older adult abuse, ensuring nutritious congregate and homebound meals, and we provide much-needed housing repairs, modifications, and other services. Last fiscal year, PCA provided housing services to over 1,160 consumers, more than any other City program. Additionally, requests for housing

10/2/17 - AGING - RES. 170375

information to our PCA Helpline accounts for the highest volume of calls we receive every year.

Although our funding is limited, PCA's Housing Department provides a variety of home repairs and modifications to help make older Philadelphians' home safer, more secure, and more accessible. Through the Senior Housing Assistance Repair Program, or SHARP, minor home repairs and modifications are provided to low-income Philadelphia homeowners age 60 and older. Depending on income, SHARP services may be offered at no charge or on a cost-sharing sliding scale. Often minor repairs to doors and stairs as well as adaptations such as tub seats and grab bars provide much-needed assistance to the consumers that we serve.

Housing is one of the key pillars necessary to foster neighborhood stabilization and enable seniors to successfully age in place. Seniors who

10/2/17 - AGING - RES. 170375

do not have safe and accessible housing are at significantly greater risk of falls and other health concerns, which can lead to costly hospitalizations, institutionalization, and frequent ER visits.

In addition to costly housing challenges, older Philadelphians also struggle with poverty. Philadelphia has the highest poverty rate among the nation's ten largest cities. Forty-two percent of those 65 and older are living at 200 percent of the poverty level. Additionally, almost 5 percent of women and 4 percent of men in Philadelphia over 65 are living in deep poverty, preventing many senior homeowners from being able to maintain their homes due to costly repairs.

PCA has a 40-plus year history in providing crucial housing services. We think it is important to provide the following facts at today's hearing:

In the next ten years, we

10/2/17 - AGING - RES. 170375

expect to see a significant increase in the number of older adults ages 60 to 74, especially among minority elderly. Many of these folks are going to need assistance with maintaining their homes and getting needed repairs that are crucial to keeping them in their home.

Seventy percent of older Philadelphians own their own home, 25 percent rent, and the rest are in various types of alternative housing.

The majority of older Philadelphians would like to remain in their current home for ten years or more, many because they see no alternative choice and, second, they are very attached to their neighborhoods. If there was a low-income housing option in their neighborhood, they would be very interested in moving.

About 25 percent of older adults say that they will move in five years. Of those, almost half are looking for affordable senior housing.

10/2/17 - AGING - RES. 170375

Many seniors report needing repairs to their roofs, plumbing, and heating and cooling systems. Over a quarter of all older Philadelphians report some type of home repair need. The reason these repairs have not been made may in part be explained by the fact that almost 40 percent report that housing costs were somewhat to very difficult to meet.

Given the increasing needs of Philadelphia's most vulnerable population, PCA is seeking your assistance in meeting these housing challenges. With limited funding options, several years of flat funding, and a long waiting list for those consumers we serve through our SHARP program, the demand for housing service is ever growing. We encourage all City-managed organizations and non-profits throughout the City that provide housing services to work together collaboratively to address these needs

10/2/17 - AGING - RES. 170375

and to develop and seek out more alternatives so Philadelphia seniors aren't forced into nursing homes or simply settle for what's available, but be provided with choices that can help them thrive in their communities with dignity and affordability.

Thank you very much.

COUNCILMAN TAUBENBERGER: Thank you very much, Mr. Myers.

Councilman Green.

COUNCILMAN GREEN: Thank you, Mr. Chair, and thank all of you for your testimony this morning. First, I want to reflect on both the testimony of Ms. Schlossberg as well as Mr. Myers and the fact that the Commonwealth of Pennsylvania has the fourth largest senior population in the nation and the City of Philadelphia is the largest of all major cities with that size of senior population. I think it's something very important that many people I don't think realize.

10/2/17 - AGING - RES. 170375

So I'm curious in reference to, Ms. Schlossberg, what trends you see in other cities in reference to how people are dealing with senior housing, especially in reference to financing and structure, projects, especially considering your years of legal experience in this regard.

MS. SCHLOSSBERG: Thank you for your question. Yes. The need for senior housing is pretty rapid and it's pretty extreme throughout the State of Pennsylvania, but because of the population density in Philadelphia and obviously the long history of homeownership and the deep poverty, the need is pretty severe here.

What we are seeing -- and I think NewCourtland is some -- is part of the model that NewCourtland uses, which is to have the senior housing be co-located with other services. And the purpose of that is to allow seniors to age in place without needing -- so that

10/2/17 - AGING - RES. 170375

they get some of the other proper needs, daily needs, met.

So, for instance, I would encourage members of this Committee to look at the North Penn Commons project that's in Lansdale, Pennsylvania and --

COUNCILMAN GREEN: Ms. Schlossberg, can you restate that.

MS. SCHLOSSBERG: It's called North Penn Commons, and it's the -- the developer was Advanced Living Community Services, which is a non-profit that's longstanding senior -- provider of senior housing in Montgomery County. And in that case, that project, North Penn Commons, is a collaboration, the co-location of a senior center, food security program called Manna on Main Street, and Advanced Living, and the whole building ties into the YMCA. So it was a way to also kind of bolster the attendance and kind of the community access to the YMCA. It provides a feeding program so that the Manna on Main

10/2/17 - AGING - RES. 170375

Street, which was intended to feed low-income people or people who needed access to food in the community, also allows the members who live in that building to go down and get food on a daily basis and because -- there's also a doctor's office now on the first floor.

So we're seeing more and more of an attempt to try to collaborate, particularly in communities where funding sources, grant or foundation funding may be funding three or four or five ancillary organizations and trying to kind of bring them together in some aspect so that there's an economy of scale that's serving the seniors while you're also serving the organizations that serve the seniors.

So in that particular project at North Penn Commons, the idea was brought together by the North Penn Foundation, which now I think has a new name, and that was able to bring in other foundation funding as well. So I think

10/2/17 - AGING - RES. 170375

that that's one model that we're beginning to see.

Another model that we're beginning to see is also for seniors. Interesting kind of niche market is seniors who have adult children with developmental or physical disabilities who are unable to leave their homes that are not safe for them because they have no place for their children to go. So we're beginning to see modeling of housing where it's being developed for the younger generation that are now 30's, 40's, and 50's so that they can live independently while the parents can live somewhere either on the same campus or in a nearby campus. So trying to address like sort of the whole family aspects and the family need. And those are just two models.

There's a third model that we're representing on granny cottages where -- now, this doesn't really work in places like the City, but it does work in

10/2/17 - AGING - RES. 170375

more rural environments where you would literally have a cottage on your property where your mother, grandmother would live. It's about 400, 500 square feet, owned by the center on -- Corporation on Aging in that particular jurisdiction, and it's sort of three-way contract between the Department of Aging, the family, and the grandmother, mother, whoever lives in the building, where there's some support given by the family members, some support given by the Corporation on Aging.

So that's a different model that probably wouldn't work in Philadelphia, but it's somewhat akin to the model of shared housing that other people were discussing.

I could go on. We're also seeing kinship care. There is -- I would encourage people to maybe invite in Mission First Housing, who I think Councilman Green knows, where they are doing a grandparent and grandchildren

10/2/17 - AGING - RES. 170375

project in Washington, DC, and there has been a strong interest in trying to develop that kind of housing model here in Philadelphia.

COUNCILMAN GREEN: Those are all very interesting ideas, and actually we're talking about co-locating multiple services, as you talked about the North Penn project, and is there an ability to do a combination of senior housing and retail in the sense of could you -- and it escapes me a little bit, but can you do a project for Low-Income Housing Tax Credits for the housing for seniors, combine that with New Market Tax Credits for a retail, so they would have a commercial use?

MS. SCHLOSSBERG: All the time. You have to condo the building. So now we're getting in like real estate weeds, but, yeah, you just have to condo the building.

COUNCILMAN GREEN: Because that's to me a concept that provides --

10/2/17 - AGING - RES. 170375

MS. SCHLOSSBERG: That's what NewCourtland does. That's what Project HOME does.

COUNCILMAN GREEN: I'm about to transition to NewCourtland and your 2,000 units, so that's a good segue.

MR. THEIL: We're actually doing that. One of our developments in Northwest Philadelphia, 3232 Henry Avenue, it was the former EPPI site, the Eastern Pennsylvania Psychiatric Institute.

COUNCILMAN GREEN: Oh, yes.

MR. THEIL: We bought that around two and a half years ago.

COUNCILMAN GREEN: That's on Henry Avenue?

MR. THEIL: Henry Avenue, 3232 Henry Avenue, right across from Abbottsford Homes.

So we're doing that, and you guys are working with us. So actually a part of that is going to be retail. So we're going to have senior housing,

10/2/17 - AGING - RES. 170375

senior healthcare through a life center, and there's going to be around 6,000 square foot of retail. There's a lot of retail going in at that area, so we're trying to make it focus more towards medical, maybe a dialysis center or urgent care. So we're kind of going that route, but that's something we do -- we use New Market Tax Credits. We applied for RCAP, applied for DHCD money as well. So we kind of mix all those funding sources together. So you'll see that at that development once it's done.

COUNCILMAN GREEN: Because when you were talking -- when, Dina, you were talking earlier, it made me think of how do you find a way of, okay, we need housing, but we also need some way to help subsidize, sometimes we may need some gap filling beyond the Low-Income Housing Tax Credits, but then the community may need some type of commercial use, and that could be the first floor, and that would be the New

10/2/17 - AGING - RES. 170375

Market Tax Credit coming in.

MR. THEIL: Yup. That's exactly what we're doing. You'll see that at Henry Avenue as we develop that.

COUNCILMAN GREEN: And then also in your testimony you talk about 2,000 units over 15 years?

MR. THEIL: Yes.

COUNCILMAN GREEN: And this is in addition to the current number of units you already have?

MR. THEIL: It will be 2,000 is our goal. Right now we have around 300, with around 142 kind of in construction right now. So that's the long-term goal. We're doing that through separate campuses we have. Allegheny has around 105 right now and Germantown has around over 200, around 200. But then we're also starting to do the scattered site. The scattered site is what we're doing as well. Around Northeast Philadelphia, one of our projects is St. Bart's. It's at 5600 Jackson Street. It was a former

10/2/17 - AGING - RES. 170375

Catholic school, Jackson and Harbison. Councilman Taubenberger knows it. So we're doing that there, and we're doing that life center, a smaller model, with eventually 142 senior housing units. But also in that area -- and this goes with what Councilman Domb was saying -- there's a lot of single-story, one-story row houses around there that are around 600 to 700 square feet. So we're buying them and then using them and converting them into affordable senior housing units. And they're set up just like Councilman Domb was saying. You walk in and the kitchen is right there, the living room is right there, and then we have the bedroom in the back with a nice size bathroom and everything like that.

So our goal is to -- right now we obtained over 40. Our goal is to do around 200 of them in that area, because it's such a huge need. And the way it works out financially, it helps us. It's way cheaper for us to buy these little

10/2/17 - AGING - RES. 170375

houses for 70,000, 80,000, throw 40,000 into it as compared to build like a St. Bart's or the EPPI site. You're looking at almost 300,000 per unit to kind of get something like that going.

COUNCILMAN GREEN: So your concept is creating a village or community concept, buy scattered sites, buy them for 70, 80, put in 40, 50, make them adaptable for seniors, and you do it in a cluster area so you have other services.

MR. THEIL: Yup.

COUNCILMAN GREEN: And so how many units do you plan on doing per year?

MR. THEIL: The goal is to do 200. So right now we have around 40. So we're going to try to do around 50 a year for the next four years.

COUNCILMAN GREEN: And then how are you deciding which areas you're going to cluster those type of services in?

MR. THEIL: Well, we're just doing this now in Northeast Philly. So

10/2/17 - AGING - RES. 170375

we're trying to keep it by that life center so the people who live in those units, the scattered site, will be able to utilize the life center, which is our medical model for all inclusive care. So they'll be able to go in there and back and forth and be able to use that center.

COUNCILMAN GREEN: And then for existing locations, so I know the NewCourtland location off Allegheny and then Germantown Home and then also the units you're building in the Germantown Home campus.

MR. THEIL: Yes.

COUNCILMAN GREEN: Would you build other scattered sites around either Allegheny or Germantown Home to build on that existing development?

MR. THEIL: Right now the model is based around the single-story 600 square foot houses. So if there was other places like that around there, I'm sure our leadership team would kind of look at that as well. So around North

10/2/17 - AGING - RES. 170375

Philly, around our Allegheny campus -- you've been there -- there's not too many of those kind of sites around there. So it's kind of harder. We want to keep it to single story so it's easy for them to kind of age in place and be safe at the same time.

COUNCILMAN GREEN: And so have you been having conversation with the District Councilmembers as you grow your network? I mean, 2,000 is a lot of units.

MR. THEIL: Yes.

COUNCILMAN GREEN: So are you talking to the District Councilpersons and letting them know about, okay, these are the areas that we're looking to develop in scattered sites?

MR. THEIL: Yes.

COUNCILMAN GREEN: And also they may have knowledge of locations or parcels in their districts that may be amenable to both the life center as well as scattered sites around --

10/2/17 - AGING - RES. 170375

MR. THEIL: Yes, sir. It's one of the first things we do as soon as we get in there, we kind of -- like Councilman Henon was part of our Liddonfield property that we bought, so we're working with him. Councilwoman Sanchez is the St. Bart's district person. So, yeah, we're -- I mean, that's the first thing we do.

We hear that a lot from a lot of our Councilpeople who come in, what about this property, maybe check out this property. So we're always in the land of look. So right now if we built everything that we have in the pipeline, that would get us to around 1,000 units. So we still have a ways to go to get there.

COUNCILMAN GREEN: Okay. Good.

And then finally, Mr. Myers, I know that PCA is kind of unique compared to other entities around the Commonwealth where the dollars come from the state to the County Office Assistance as opposed

10/2/17 - AGING - RES. 170375

to a non-profit like PCA. So my question is, what are some of the trends you're seeing at the state level in reference to funding for our seniors? I know we're currently waiting -- I won't say with bated breath because we may not make it -- for a state budget, but what are some of the things you're seeing in reference to funding, considering the large number of seniors we have in the Commonwealth compared to the nation?

MR. MYERS: Currently, we serve -- and this speaks a little bit to Councilwoman Parker's statements earlier. We serve about over 10,000 people in our waiver program, and what that waiver program is is the Department of Aging's nursing home diversion dollars that go to support those consumers that are nursing home look-alikes, and we use those dollars to provide supportive services to them in their homes.

As you may know, the managed care organizations are going to be moving

10/2/17 - AGING - RES. 170375

in in July of 2018 and they're going to be managing those dollars, and then PCA will work collaboratively with those MCOs to serve those consumers, along with maybe some other service coordination entities.

The long-term care aspect of that gets a little bit out of my purview. That's actually one of the long-term care programs at PCA. I'm in the Housing Department, but I have been at PCA for about 27 years. I've been in seven different positions here, so I do know a little bit of the lay of the land there after devoting most of my career to aging services. So these housing needs are certainly very important to me.

COUNCILMAN GREEN: So outside -- and I actually have a resolution for hearings on the managed long-term care transitions, which we'll see. I know the Southwest region, I think, is the first region and then it's going to move across the Commonwealth.

10/2/17 - AGING - RES. 170375

But outside the difference in how funding is provided, do you see any other changes? I know there's been discussion in reference to a lottery system off and on over the years, but have you seen any other information that you may hear from within PCA on what may be happening at the state level regarding funding for senior housing?

MR. MYERS: No. I haven't seen that yet. The dollars that we use for the SHARP program or the aging block grant funds come through the AAA to us, and we've been setting aside some of those dollars for, I think, the last four years approximately to provide the SHARP program and to provide those minor repairs and adaptations that we do in consumers' homes.

I have been seeing a growing need for those. Our waiting list right now stands at about 450 folks, and generally it takes from point of entry to service approximately a year for a

10/2/17 - AGING - RES. 170375

consumer to get those housing services.

For the waiver program, the consumers I mentioned earlier, we do work for those consumers as well. We can put in stair glides, wheelchair lifts. We can do half bathrooms on the first floor. We can modify the home in order to serve the needs of those consumers.

COUNCILMAN GREEN: Okay.

Thank you, Mr. Chair.

COUNCILMAN TAUBENBERGER: Thank you, Councilman Green.

Just very, very quickly. We do have an international guest here. He is a city councilman from the City of Cafamagalum (ph), which is in the Indian State of Kerala. He comes as a guest of Vincent Emmanuel. And, Mr. Kennedy Peter, would you please rise and be recognized.

(Applause.)

COUNCILMAN TAUBENBERGER: Thank you for coming, and I certainly would like to have a word with you after the

10/2/17 - AGING - RES. 170375

hearing, if that is possible.

I do want to say it does fit into the hearing to a degree. The State of Kerala is home -- there are many Philadelphians that trace their origins to the State of Kerala. They speak a language known as -- well, it's English, but Malayalese. And so we have a very vibrant group here in Philadelphia, in the Philadelphia region, and it's something we talked about earlier, about the diversity of this city, and here we have Councilman Kennedy Peter actually here.

At this moment, Councilman Domb, please.

COUNCILMAN DOMB: Thank you, Chairman Taubenberger.

And good morning. Still morning here. Two questions. One is, have we looked at -- you mentioned this with the housing you're doing in Northeast Philadelphia. Have we looked at the option of converting existing row

10/2/17 - AGING - RES. 170375

homes that are two stories and flipping the kitchen to the dining room and putting a bedroom where the kitchen is as an adaptive reuse of the space and not having people climb the steps? Because most of my experience with seniors, including my own family, is most of the issues occur when they fall, and once they fall, including my mother recently, it's a tremendous downhill situation. So if we can eliminate those steps, they stay in their house. The adaptive reuse can't be expensive, because below you can get to the plumbing below. You have a crawl space or a basement, and just flipping it. They don't really need a dining room at that age. You could have like a great room. Have we looked at that as an option? Either one.

MR. MYERS: Depending on the consumer situation depends on where we end up making the modification. So we have -- if the consumer is confined to the second floor, we'd be able to make

10/2/17 - AGING - RES. 170375

modifications up there. If they're confined to the first floor, we can do those type of adaptations. So we can put a bathroom in the first floor. We can move the kitchen around. We've moved kitchens from the back of the house to the middle of the house, the dining room area.

One of the big problems that we encounter is the washer and dryer. They're all in the basements, and seniors can't get into the basement oftentimes, and we've looked at ways of moving that around. We recently came across a case where a consumer didn't have basement stairs. She had a ladder, and she was going up and down the stairs to do her wash via a ladder. So we were able to get in there right away and address that.

COUNCILMAN DOMB: But you do have those combo units now that are under the counter. They wash and dry, the LG's. They're very efficient.

MR. MYERS: Yes. Yes.

10/2/17 - AGING - RES. 170375

COUNCILMAN DOMB: So here's one thought: We have 35 or 38 percent of these homes with no mortgage. Maybe if we made a relationship with a bank that would lend them the 15,000 or 20,000 to convert, they could stay in their home and it would be a much less expensive option than other alternatives they have. Just a thought for you to think about.

Second question I guess is for Ms. Schlossberg. I want to make sure I understand the numbers. We have a city of 1,560,000 people, and in your testimony there's 193,000 that are seniors, I guess, and that's over the age of 65. That represents 12.3 percent of our population. Of those seniors, one-third are low income, if I'm reading your testimony correctly?

MS. SCHLOSSBERG: Of the region, the Greater Philadelphia region, one-third are seniors. So the number that I thought was more important here was the 33,000 are living in poverty.

10/2/17 - AGING - RES. 170375

COUNCILMAN DOMB: How many of the people in the City, 193,000, are actually in poverty, do you know, or low income?

MS. SCHLOSSBERG: The percentage of the number or the raw numbers?

COUNCILMAN DOMB: Either one.

MS. SCHLOSSBERG: I don't remember the numbers, but the overall poverty rate in Philadelphia is 25.9 percent.

COUNCILMAN DOMB: I know the overall poverty is 26. I'm trying to figure out of the 193,000 that live in Philadelphia of the seniors, you say the region is one-third. Do you have any idea how many are in the City? Is that one-third also or is that a different number?

MS. SCHLOSSBERG: I don't remember. I'd have to look -- I don't remember.

MR. MYERS: I believe it's

10/2/17 - AGING - RES. 170375

around a third.

MS. SCHLOSSBERG: It's about a third, yeah.

COUNCILMAN DOMB: So it's about 64,000 roughly is a third.

So this is my question: Our overall population, 26 percent are in poverty, seniors are 33 percent, so the delta is 7 points. So we need to deal with this, but the underlying problem of overall poverty is probably where the real cure has to occur. Because if we can lower that dramatically, we're going to lower this overall senior problem also. Because it doesn't -- most people probably are in poverty before, and then they become a senior and they're still in poverty. There's a small delta, which is a 7 point difference, that fall into, I think, poverty when they become seniors, if I'm reading your statistics correctly.

MS. SCHLOSSBERG: I think I understand what you're saying. Some of that can be addressed, of course, with an

10/2/17 - AGING - RES. 170375

economic gain for the members who fall into that delta. Increasingly those who fall into poverty as they become older are either the result of a loss of income and they're not going to get another job or physical disability or mental health issues and kind of the loss of kind of like a safety net of Social Security that's greater than --

COUNCILMAN DOMB: But that's what's adding to the 7 percent. If they're in poverty before, that's your 26 base. When they get to that age, it's just adding --

MS. SCHLOSSBERG: That's right.

COUNCILMAN DOMB: Okay. Thank you very much for your testimony today. Thank you.

COUNCILMAN TAUBENBERGER: Thank you, Councilman Domb.

Councilwoman Parker.

COUNCILWOMAN PARKER: Thank you, Mr. Chairman.

And let me thank each of you

10/2/17 - AGING - RES. 170375

for being here. I have to give just a huge special thanks, Holly, Mark, and Gail. I've been wearing you all out for so long, between Harrisburg and here, and you all are sort of our first line of defense on the ground, because we call you, not with anything just for our constituents, but when you are serving as a caregiver -- I was for my grandfather in 2005, and I was just elected, and I remember a friend telling me, I know of a wonderful place that would take very good care of your grandfather, Cherelle. Because if you're going to be commuting back and forth to Harrisburg, there's no way you're going to be able to take care of daddy at home. And my grandmother was from North Carolina and -- South Carolina actually, and I said to my friend, She would reach down from the heavens and touch me on my shoulder if I said because of my career, I couldn't find a way to make it work for my grandfather in my house. And we called you all, and you

10/2/17 - AGING - RES. 170375

all helped us work that out. So I just always have to give a special thanks to you. And we've helped other people to do the same.

With that being said, I want you to sort of shift and tell me what you think about this. This week we're in the Northeast in my district. We're at Jardel Recreation Center. Monty is there with us from CLS. We're talking about deeds, estate, homeownership, reverse mortgages, and all of the sudden, this issue comes up. Child tries to get parent to give power of attorney and ownership of the house over to the child. Housing counseling agency assists with this process, but they detect something is occurring in the midst of this relationship, and so they wait until the child leaves the room, and they see the fear in the parent's face that this is not something that the parent really wants to do. It's almost as if the parent is being forced to sign over

10/2/17 - AGING - RES. 170375

ownership and/or power.

It was very unnerving to hear this, but I know it happens more frequently than we probably give attention to. And Monty from CLS, as usual, said, Well, I want everybody to look at Councilwoman Parker and tell her that we used to have a program called a Rep Payee Program where seniors who receive Social Security -- I know they do this for veterans -- had an entity that was responsible for taking care of that kind of business.

And so with that being said, I said, Well, wait, I needed to ask you, is that something that we see a challenge with? Does PCA have a staff that does that, and what is that demand like? Are you even familiar with it? I know --

MR. MYERS: Yeah. I am a little familiar with it. The majority of times when we get calls to our Housing Department related to this type of situation, we'll refer over to our Senior

10/2/17 - AGING - RES. 170375

Helpline. The Senior Helpline is equipped to kind of filter out those issues. Sometimes these types of issues get referred to our Older Adult Protective Services Unit or we refer to organizations like CLS, Community Legal Services, and other legal staff that can help with that. We do have a legal department too at PCA, and they're able to -- they've dealt with this on many occasions.

COUNCILWOMAN PARKER: Well, listen, I just, for my colleagues and Councilman Taubenberger and Green and Domb, I will just state for the record I just heard this on Saturday. It was not something that I thought was happening as frequent as it does. And with that being said, maybe, Mr. Chairman, Councilman Green, because you raised this issue, and Councilman Domb, this is something we should visit, because it made me think of how many seniors, particularly when we hear Lydia talk about those who have a

10/2/17 - AGING - RES. 170375

language barrier, right, what about those who don't have a child, not that they can trust but one who is responsibly taking on the role of managing their finances? I did not think about that until Michelle Lewis from Northwest Counseling, she gave us this case study and said the housing counseling agency felt it. And so they waited for -- they tried to like out-wait the child to like have to go to the bathroom, and she said she could feel it, and they looked and she said, You know what, I left my notary stamp back at the office, to sort of buy some time. It was really unnerving. So maybe this is something that we should explore.

COUNCILMAN TAUBENBERGER: Exactly.

COUNCILMAN GREEN: Just to follow up on that. Thank you, Councilwoman Parker. I know this is an issue I think I recall when we did the hearings last fall regarding financial fraud in this Committee, that issue came

10/2/17 - AGING - RES. 170375

up somewhat of bullying from family members who are doing that.

Also I know there is -- and I believe this concept is through PCA, the Ombudsman program, where I know Center in the Park and there's a bunch of other senior agencies provide ombudsman services to seniors at nursing facilities where they may feel they're being harassed or taken advantage of by nursing facilities. However, maybe using that model could be a framework for broadening that for people who are in their own homes who are being bullied.

Because you have some people that come to nursing homes or senior centers that may need those services, but they can't get the services in their house, but they could get it through a senior center. So taking the Ombudsman type of program that is already providing help for seniors at nursing homes, maybe having ombudsmen go to senior centers as a resource, because you already have a

10/2/17 - AGING - RES. 170375

network that do that in nursing homes. Because basically the ombudsman process is, listen at each nursing center and provide information regarding the ombudsman, so that way seniors feel comfortable talking to someone as a third party saying if you're being challenged or bullied at the nursing home, here's someone you can talk to, but maybe broadening that since you already have a network to senior centers. So those who go to a senior center, they go out and they have fun, some take trips, but having someone in that neutral space that could provide that service, which is outside of them, because a lot of seniors do go to senior centers all around the City and that's somewhere they may be comfortable in giving that information as opposed to if they're in their home, they won't have that same level of comfort.

So maybe that's an idea. I know PCA works with the ombudsman process, and maybe that's a way of

10/2/17 - AGING - RES. 170375

broadening that. But I think Councilwoman Parker is right. I think that's a good conversation to have.

MR. MYERS: That's certainly a good idea. We serve about 20,000 folks through our senior centers and we have a pretty healthy Ombudsman program. So I can go back and certainly share that information and talk about it. That's a good idea.

COUNCILMAN TAUBENBERGER: Expect to see a resolution surface from the Committee, from the four of us that were here, and also with your input as well, on what we can do to hold a hearing on that and have a full discussion on that topic, because I think it's very important.

MR. MYERS: We would be happy to participate.

COUNCILMAN TAUBENBERGER: Very good.

Councilwoman Parker, you raise a very, very good issue here.

10/2/17 - AGING - RES. 170375

COUNCILWOMAN PARKER: Thank you.

Just a final question, if I may, Mr. Chairman.

COUNCILMAN TAUBENBERGER: Sure.

COUNCILWOMAN PARKER: It was about the SHARP program, home repairs, modifications provided to low-income Philadelphia homeowners. If you have the data now, you can answer. If not, don't worry about it.

I just wonder how many people call to access the SHARP program but are not income eligible.

MR. MYERS: Not many, because we have a cost-sharing component to the program. So those that want to use those services and have that work done, we can work with them based on -- it's income based. The majority are in cost-share, and we would love to serve more through that program as well.

COUNCILWOMAN PARKER: Let me also ask you, the contractors who do the

10/2/17 - AGING - RES. 170375

work, does PCA sort of have a network? So thinking about contractor fraud. Obviously you've been successful. Everybody knows the SHARP program. We know what the demand is like for your program. But what do you do with -- how do you get your contract? Because where do they come from? How do they get on your list?

MR. MYERS: They're PCA staff. So the way this works is, I have five and a half mechanics that do this work for us.

COUNCILWOMAN PARKER: In-house?

MR. MYERS: Then we have four inspectors. But it's a different type of model. So we send out a social worker first to look at the house, talk to the consumer, discuss housing needs. Then once the consumer says what they want, the inspector goes out and looks to see if we can do it. Many of these houses we work in are over 100 years old, and so if we change a faucet, pipes break, drains

10/2/17 - AGING - RES. 170375

break. So we have to be very careful. But they're my staff.

Now, for the waiver program, we hire contractors for that, and we've got a good handful of very good contractors. And one of the researchers at PCA was telling me a few weeks ago, one of the most requested services in a recent survey he did was having PCA talk about what contractors should be vetted and saying use this contractor. Now, there's legal ramifications for him doing that, but we have many, many people that ask who could we use, who could we hire, and we can't really do that.

COUNCILWOMAN PARKER: I just want you to put a pin in that to say you'll be hearing from me very soon.

MR. MYERS: Oh, okay. Great.

COUNCILWOMAN PARKER: What you just described is a part of the larger sort of picture of being able to access contractors who are affordable and honorable.

10/2/17 - AGING - RES. 170375

MR. MYERS: And honest, right.

COUNCILWOMAN PARKER: Who are actually going to do the work, while also making sure that we focus on the recruitment of women and disabled businesses and minority businesses, right? And so we have something that we're moving on.

And, Councilman Taubenberger, even with that, again, because of its impact on our aging community, we will make sure that you and members of this Committee are well aware.

We'll be coming to you really soon.

I just tried to bait him a little bit and let him know we're going to be asking him for some help very soon.

So just thank you all so very much for what you do.

MR. MYERS: Thank you very much.

COUNCILMAN TAUBENBERGER: Councilwoman Parker, thank you very much.

10/2/17 - AGING - RES. 170375

Ms. Schlossberg, I do have one question for you, if I could, and that is from your testimony on Page 3, it was the next-to-last paragraph, the number of affordable rental units available for every 100 lower income renter households fell from 82 percent to 68 percent between 2005 and 2014. Why do you think that happened?

MS. SCHLOSSBERG: Part of the reason why the number of affordable rental units fell is a combination of a reduction just leaving the market, properties that were torn down, properties that have -- that are no longer viable, but also properties --

COUNCILMAN TAUBENBERGER: You mean viable in the sense they weren't up-kept properly?

MS. SCHLOSSBERG: They weren't kept up or that they were demolished intentionally or they were demolished because they had to be.

The other factor is that a

10/2/17 - AGING - RES. 170375

number of these units are being converted. So partly --

COUNCILMAN TAUBENBERGER: Are being converted to?

MS. SCHLOSSBERG: To higher income.

So the particular loss of the 20,000, 20,000 to 23,000 units in the City were -- a number of them, a high percentage of them, were in kind of what some call escalating gentrifying communities, Center City, West Philly and like the sort of Fishtown, Kensington area, where there had been naturally -- I mean, there's always an acronym, but sort of naturally occurring affordable housing. Sort of like now there's naturally occurring retirement communities, naturally occurring affordable housing, which were units that were at market available to people who were lower income, because sort of the balance in Philadelphia was that it wasn't that expensive to live here. As

10/2/17 - AGING - RES. 170375

the economy has changed, as we've had this in-migration, a lot of those sort of ring communities, particularly West Philly -- that's not so ring, but West Philly and parts around Center City have dramatically, dramatically converted, and you can see it in Point Breeze, you can see it in Fishtown, you can see it in Kensington, you can see it in parts of West Philly. Some sometimes it was taking properties that were in decay or not 100 percent up to code but people were living in otherwise, and other times they were properties that were vacant where people are just out and out getting things slipped underneath their doors saying I'll buy your building. So we're losing a lot of what some also call naturally occurring affordable housing of one to four units, so smaller rentals, that you can buy them now and turn them into student housing. You can turn them into lots of other things that make a lot more money.

10/2/17 - AGING - RES. 170375

COUNCILMAN TAUBENBERGER: Thank you. Thank you very much. And Ms. Schlossberg and Mr. Myers and Mr. Theil, thank you for being part of our hearing today.

MS. SCHLOSSBERG: We applaud you. Thank you very much.

COUNCILMAN TAUBENBERGER: Mr. Wright, if you would please call the final panel.

THE CLERK: Jon Geeting, Angela Foreshaw Rouse.

(Witnesses approached witness table.)

COUNCILMAN TAUBENBERGER: If you could please identify yourself for the record and also you can start at any -- whoever wants to start first. You can work that out between each other.

MS. ROUSE: Hello. Good afternoon, Council. How are you? My name is Angela Foreshaw Rouse and I'm with the AARP office of Pennsylvania.

MR. GEETING: And my name is

10/2/17 - AGING - RES. 170375

Jon Geeting. I'm here as a concerned citizen, but I work for Philadelphia 3.0.

MS. ROUSE: So we just want to definitely be here today to thank you and commend Council for taking up this very important issue of housing, especially for older Philadelphians. Livable communities is a very major concern, issue for AARP and it's something that we're monitoring closely across the country. So, again, thank you for this opportunity to provide testimony at today's hearing, and we speak today on behalf of our 1.8 million members in Pennsylvania and our over 800,000 members in the Philadelphia region.

When AARP considers the issue of senior housing, we broaden the topic to focus on the concept of livable communities, recognizing that housing is the key component for this concept. AARP has established six key principles of livable communities. They are:

Secure affordability - those

10/2/17 - AGING - RES. 170375

are communities that should provide transportation, housing, and other services and features that are affordable to people of all income levels. Very important for AARP.

Another key component is ensuring equitable access. All people should have access to affordable transportation and housing, as well as a safe and healthy environment in which to live.

Ensuring quality - individuals should have high-quality choices to meet their needs, including housing and transportation.

Prioritize accessibility and the ability to age in place - people of all abilities and ages should be able to enjoy services and community features that meet their needs, allowing them to live in the setting of their choice and increase their access to destinations in and around this great city.

Promote health, safety, and

10/2/17 - AGING - RES. 170375

environmental sustainability - communities should support the right of individuals from all incomes and backgrounds to live safe and healthy lives.

Achieving holistic policymaking - all communities should recognize and act on the intersections between livable communities and such issues such as health, wellness, safety, work, education, environmental concerns, and social engagement to enable residents across generations to live their best lives.

In considering these principles that I've just read before you, the affordability of housing for older citizens is a major factor in Philadelphia and in other large cities across the country. In so many instances, older citizens face a situation where they become home rich, but in their reality, their living situation is in serious jeopardy. Older

10/2/17 - AGING - RES. 170375

homes often require very expensive maintenance, and of course property taxes can be a significant burden for many on a fixed income. Even for those willing to sell their homes and move to smaller spaces, the cost of moving may be cost prohibitive.

Cities like Philadelphia face a dilemma. At the same time that housing stock is being modernized to attract new residents, the affordability of housing is increasing beyond the reach of many longtime residents of this great city. It requires a careful strategy to ensure that older residents are not left behind as Philadelphia moves forward.

There is no magic bullet solution to guarantee older citizens have a safe, affordable housing choice. AARP does believe that Housing Trust Funds, tax credits, bonds, and addressing the property tax question are all part of the equation, but how everything adds together is the discussion that we must have and is taking place today. Most importantly, as housing issues are discussed and debated in Philadelphia, the work of the Committee that is so very important will need to take a look at the concerns of older Philadelphians, and it should be a much-needed integral part of the conversation.

AARP stands ready to work with this Committee and other elected officials and interested organizations and citizens to make affordable senior housing available in Philadelphia.

Again, thank you very much for this opportunity to be here today and the opportunity to discuss this issue.

COUNCILMAN TAUBENBERGER: You're very welcome.

Mr. Geeting.

MR. GEETING: Thank you to the Chair, Councilman Taubenberger, and Councilman Green for organizing this hearing. Thank you to the members of the Committee.

10/2/17 - AGING - RES. 170375

Building on what we heard this morning about today's seniors' desire to age in place in environments that preserve their independence and their mobility and their connections to family and community, I wanted to underscore one idea that we heard about today, which is accessory dwelling units. Accessory dwelling units is an issue that I wanted to kind of drill down on a little bit and boost the signal on.

I had just been doing a little bit of research about this topic recently, and it seems we have an interesting opportunity here in Philadelphia. They're sometimes called granny flats or in-law suites. They're about 400 to 500 square foot backyard cottages that allow a homeowner to either house a relative on their property or create an additional income stream by renting it to a tenant, which may be great for people who are on a fixed income and may want to make a little bit

10/2/17 - AGING - RES. 170375

of additional money, and it's a way to create more housing that allows aging people to live with their families but have an independent living space that gives them some privacy as well. And in addition to what we were talking about earlier with the need for more single-story homes without stairs, this is yet another sort of option for that.

So before going further, I want to say this is not a silver bullet. I don't think there's like any kind of silver bullets in this discussion, but I do think it's a choice that people should have, and it's especially interesting because it doesn't require an outlay of taxpayer money. It's something that we can make with a -- more of these happen with a free policy change in the Zoning Code.

Looking at some of the evidence from some other cities, particularly these have taken off in the Northwest of the United States and Vancouver.

10/2/17 - AGING - RES. 170375

Vancouver is really probably the best North American example of these. And it's not -- it's, again, not a silver bullet for affordability either. They tend to be more in the moderately affordable category rather than like deeply affordable. And I think a lot of it depends on how easy it is to actually build them.

Vancouver has gone a long way, probably further than anybody, in that direction. But since the 1980s, they've built about 2,600 of these units. So it's not an insignificant amount. It's not going to be for everybody, but about a third of single-family homes in Vancouver do have one of these accessory dwelling units on the back, which is kind of remarkable.

So here in Philly --

COUNCILMAN TAUBENBERGER: Can you repeat that?

MR. GEETING: About a third of single-family homes.

10/2/17 - AGING - RES. 170375

COUNCILMAN TAUBENBERGER: A third of Vancouver homes?

MR. GEETING: Yeah.

COUNCILMAN TAUBENBERGER: Have accessible --

MR. GETTING: Accessory dwelling unit attached to it, yeah. It's kind of incredible.

So Philly, we've got a really dense like downtown area where it's not going to be probably the best fit there, although like I'm in Fishtown and like I have -- I'm in like an RSA-5 neighborhood, but we have like a pretty deep backyard. Like sometimes I think like, hey, my dad is going to get old at some point, like could we build like a backyard thing for my dad. We actually have like pretty deep backyards. I think it makes sense mostly for like the Northwest and the Northeast where you've got some yards where you've got some space.

So where this stands, in the

10/2/17 - AGING - RES. 170375

2012 zoning reform, the City created some language in the code for ADUs, but it still says "reserved" in that spot. It's in Section 14-604(11). And so it basically spells out the whole thing, but it doesn't actually write in any of the zoning categories in those spaces. So that's kind of the work that's left to be done. And I understand that from having some conversations with folks at Planning about this, that there may be some additional legislative changes that will be needed to make this kind of take off. But at a minimum, the main thing that needs to happen is -- I think it's RSD-1, 2, and 3 were the ones that they initially intended to be written in there, and that's sort of what -- that's what's on Council's plate.

So that's basically all I have. Thank you, everybody.

COUNCILMAN TAUBENBERGER: Well, Mr. Geeting and Ms. Rouse, thank you.

Any questions from the

10/2/17 - AGING - RES. 170375

Committee?

(No response.)

COUNCILMAN TAUBENBERGER: Is there anyone else that would like to testify that is here?

(No response.)

COUNCILMAN TAUBENBERGER: Well, I thank you all very, very much. I want to thank Councilman Green for his leadership in bringing this forward, and Councilwoman Parker was exceptionally helpful in testimony and things going forward, gave us some ideas this morning. Councilman Domb had to leave for a previous meeting and I appreciate his working on our Committee as well.

We're going to recess at the call of the Chair, but I do ask everyone to keep in mind the prayers of those people in Las Vegas that lost their lives or lost family members and are injured. This is something that is just terrible. It has shaken me to the core of my humanity why these things happen. But

10/2/17 - AGING - RES. 170375

please do that. And I think we'll recess at the call of the Chair, and everyone have a great day.

Thank you.

(Committee on Aging concluded at 12:15 p.m.)

- - -

CERTIFICATE

I HEREBY CERTIFY that the proceedings, evidence and objections are contained fully and accurately in the stenographic notes taken by me upon the foregoing matter, and that this is a true and correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control and/or supervision of the certifying reporter.)