



We build strength, stability, self-reliance *and* shelter.

March 17, 2021

Hon. Jerry Knowles  
113 Ryan Office Building  
PO Box 202124  
Harrisburg, PA 17120-2124

Dear Representative Knowles,

At Habitat for Humanity Philadelphia, we support HB581 Affordable Housing Unit Tax Exemption Act and the impact it would have on thousands of families in Pennsylvania. We are committed to repairing and building wealth with affordable housing. We aim to close the gap of inequities within communities, particularly communities of color, by ensuring that everyone has access to affordable, safe and healthy housing. Our main focus is homeownership (creating and preserving) but we also understand the critical need for affordable rental.

Our vision is a world where everyone has a place to call home and thus are able to utilize other opportunities related to employment, education, health and civic engagement. It is also critical for individuals and families in Philadelphia to build their wealth through both homeownership and pocket equity via affordable monthly housing costs. A tax abatement allows low income families to better afford the homes they own or rent.

Our work in North Philadelphia has illustrated a stark example of the need for an affordable tax abatement. We are building, selling and repairing homes to and for low income families in neighborhoods that are seeing rapid gentrification. North Philadelphia has seen the median house value increase 254% between 2000 and 2018. Homes we have sold to households making 30-60% of the Area Median Income are being re-assessed by the City such that the updated monthly tax burden is equal to – *or more costly*- than their monthly mortgage payments. Families who have worked hard for years to own a home are finding a few years into homeownership that they will severely struggle to afford the new taxes, even with current City relief available.

Investing through an abatement in distressed, racially segregated communities would promote an inclusive economic recovery and ensure that Black and brown families purchasing or repairing homes in transitional and improving neighborhoods- with greater access to opportunity – are able to stay and benefit. Thoughtful tax incentives and reforms should target these communities that have seen racist policy open the floodgates of disinvestment for far too long.

We thank you for championing this bill and working with colleagues to bring it to fruition. We hope your colleagues will also see its importance.

With gratitude,

A handwritten signature in black ink, appearing to read "Carrie Rathmann".

Carrie Rathmann  
Director of Strategic Partnerships, Habitat for Humanity Philadelphia



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