

President's Message: From the Chaos the City & State Create for Housing Providers, Hapco Philadelphia is Your Steady Hand & Outstretched Arm

Hollywood could not have scripted a more terrifying plot than what rental property owners faced in the last two years.

Pandemic. Eviction Moratorium. Depleted rent relief. Eviction Diversion. Rent control. High property assessments and taxes.

It has been both obstacle course and horror movie if you're a mom-&-pop rental unit owner in Philadelphia. If you are a provider of low- to moderate-priced rental housing and after so many years of unchecked city regulation, fees, and costs didn't force you out of the affordable rental housing market before, the COVID eviction moratorium and shortage of emergency rent monies either have or have you seriously considering getting out now.

Hapco Philadelphia pushed City Hall to make the pandemic-created and nationally recognized PHL Rent Assist program permanent, and to keep funding it. It worked. Money has recently been appropriated and it, hopefully, signals clearly to City Council and state lawmakers in Harrisburg that rental property owners are hurting and need ongoing financial assistance. And not just during a pandemic.

Simply, the costs of creating and maintaining lower-end priced rental units is outweighed by the onerous and burdensome costs of doing business in the City of Philadelphia.

When city council voted to continue the pandemic Eviction Diversion Program to the end of 2022, Hapco Philadelphia proactively created a new page on its website (www.hapcophiladelphia.com) aimed at helping members through the process, including answering questions and providing direction for additional help. HP also teamed up with housing experts to educate HP members through eviction diversion webinars, along with Q & A sessions that were posted to the HP website.

Renewed city council discussions on "rent stabilization" (i.e., rent control) immediately set off alarm bells at Hapco Philadelphia's headquarters. A battle over rent control was coming. HP's media team conducted surveys and interviews, including a Drexel University economist who pointed to study after study showing that rent control doesn't work, and instead forces small rental property owners out of the market. Rapidly. And

that translates to even more affordable rental housing turned into market rate/luxury housing or converted to other purposes like returning to single-family sales. Look for Hapco Philadelphia's video digital short aimed at debunking the myth that rent control creates affordable housing. When in fact, it does just the opposite.

Hapco Philadelphia's lobbyists at the Pennsylvania state capitol and our statewide sister organization, PROA (Pennsylvania Rental Property Owners Association), regularly updates us on proposed bills affecting the rental property community. Bills dealing with elimination of school property taxes, and legislation on rent control, eviction diversion, and more rent relief are making their way through the capitol. Those alerts are constantly posted to HP's website and social media. Likewise, our cohort to the board of PROA brings significant attention of what proposals originate in Philadelphia. As PA's largest metro area, we advise member organizations that what happens here will come to your hamlet, too.

HP's president and its board members have been invited to testify before the state House Urban Affairs Committee.

When it comes to calling out the hypocrisy of unfair city property tax laws, Hapco Philadelphia's animated editorial cartoon, "Sally the Rental Owner" was emailed to council members and lawmakers in Harrisburg. The latest iteration of our on-going series is titled, "Who's Not Paying Property Taxes". The digital short shows politicians that small landowners and businesses are being bankrupted by property and business taxes that large corporations, pro sports teams, and billion dollar endowed universities pay little or nothing due to tax status or other curried favor.

As with all advocacy organizations, there is strength in numbers. That's why HP undertook the unprecedented mining of the City of Philadelphia's database to invite new small, independent rental owners to be part of the city's largest rental advocacy group. At Hapco Philadelphia's annual virtual membership seminars we invite high placed members of city government to directly address YOUR issues, including recent guests Councilman Derek Green and City Controller Rebecca Rhyhart who spoke and answered members questions.

As 2022 unfolds, Hapco Philadelphia will be reinstating our popular and well-attended Member Education Seminars, to keep HP's rental owners among the smartest, best-informed, and most influential in the country. And as always, there's strength in numbers. Spread the word! Join a committee. HP is always looking for new and fresh ideas.

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