



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

**BILL NO. 240058
(As Amended, 6/4/24)**

Introduced February 1, 2024

Councilmembers Gauthier, Landau, O'Rourke, Brooks and Squilla

**Referred to the
Committee on Rules**

AN ORDINANCE

Amending Section 14-702 of The Philadelphia Code, entitled "Floor Area, Height, and Dwelling Unit Density Bonuses," to add requirements related to the use of payments in lieu of building affordable housing to receive floor area, building height and dwelling unit density bonuses; and amending Section 14-533, entitled "MIN, Mixed Income Neighborhoods Overlay District," to add requirements related to the use of payments in lieu of building affordable housing to satisfy certain minimum affordable housing building requirements; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 14-700 of The Philadelphia Code is hereby amended as follows:

CHAPTER 14-700. DEVELOPMENT STANDARDS

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§ 14-702. Floor Area, Height, and Dwelling Unit Density Bonuses

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(7) Mixed Income Housing.

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(b) Criteria.

City of Philadelphia

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A floor area, height, or dwelling unit density bonus, as applicable, may be earned for developments where at least fifty percent (50%) of the gross floor area will be in residential use (i) by providing affordable housing, provided that the project meets the standards set forth in subsections (.1) through (.5), below; or (ii) if the owner of the property enters into a payment-in-lieu agreement that meets the standards set forth in subsection (.6), below, provided that no development with fewer than ten dwelling units may earn these bonuses by entering into any such payment in-lieu agreement. For any development where less than fifty percent (50%) of gross floor area will be in residential use, these bonuses may be earned, as applicable, if the owner of the property enters into a payment-in-lieu agreement that meets the standards set forth in subsection (.6), below. The bonuses provided for in this subsection (7) ("Mixed Income Housing") are not available to any development that does not meet all applicable standards of this Zoning Code that require the inclusion of one or more non-residential uses on the lot.

* * *

(.6) The applicable bonus shall be available to a property if the owner enters into a binding agreement with the Department of Planning and Development pursuant to which the owner has tendered to the City, prior to the issuance of a building permit, a payment in lieu of providing affordable housing; and the Department of Planning and Development has [agreed,] *agreed*: (.a) for any development where at least fifty percent (50%) of the gross floor area will be in residential use, to use [such] *an equal amount of money* for the purposes set forth in Section 21-1605 ["Trust Fund Assets Held in the Non-Recording Fee Sub-Fund"], and,] ("*Trust Fund Assets Held in the Non-Recording Fee Sub-Fund*"); (.b) for any development where less than fifty percent (50%) of the gross floor area will be in residential use, *to use an equal amount of money* for the purposes set forth in Section 21-1603 ("Creation, Distribution and Use of the Trust Fund's Assets"); *for either type of development, to use best efforts to use such equal amount of money within five years of the owner tendering payment to the City for a project or projects within the same Council District as the development.* The payment shall be calculated as follows:

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SECTION 2. Chapter 14-500 of The Philadelphia Code is hereby amended as follows:

CHAPTER 14-500. OVERLAY ZONING DISTRICTS

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City of Philadelphia

BILL NO. 240058, as amended continued

§ 14-533. /MIN, Mixed Income Neighborhoods Overlay District.

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(3) Use Regulations.

The following standards shall apply in addition to those of the applicable base zoning district:

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(b) Including dwelling units provided pursuant to subsection (a), above, a minimum of twenty percent (20%) of all dwelling units and twenty percent (20%) of all sleeping units (rounded up, if fractional) shall be provided and maintained as affordable on the same site as all other dwelling units, except as follows:

(.1) The applicant may request that the Department of Planning and Development grant a waiver, such that, in lieu of meeting the conditions of subsection (b), above, the applicant may instead meet at least one of the following conditions, in addition to the requirement of subsection (a):

* * *

(.b) An owner has entered into a binding agreement with the City, prior to the issuance of a building permit, pursuant to which the owner has tendered to the City a payment in lieu of providing affordable housing and the Department of Planning and Development has agreed to use such money for the purposes set forth in Section 21-1605 (Trust Fund Assets Held in the Non-Recording Fee Sub-Fund) or Section 21-1603 (Creation, Distribution and Use of the Trust Fund's Assets), *and to use best efforts to use an amount equal to such payment within five years of the owner tendering payment for a project or projects within the same Council District as the development*, including to defray any additional administrative costs associated with the review and enforcement of affordable housing units required by this Mixed Income Neighborhoods Overlay. The payment shall be calculated as follows:

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