

City of Philadelphia



(Bill No. 220186)

AN ORDINANCE

Amending Chapter 21-1100 of The Philadelphia Code, entitled “Community Development,” by adding new provisions related to workforce housing programs, amending the applicability period, and making other technical changes, all under certain terms and conditions.

WHEREAS, across the nation, due to ever increasing housing costs, local governments are struggling to provide workforce housing in their jurisdictions for their employees and other necessary workers that is affordable; and

WHEREAS, workforce housing targets middle-income workers which include professions such as municipal employees, teachers, health care workers, retail clerks, and the like; and

WHEREAS, the rapidly rising cost of housing in Philadelphia is making affordable housing out of reach for households earning between 60% and 120% of Area Median Income (AMI); and

WHEREAS, the vast majority of City of Philadelphia employees must reside within the City; and

WHEREAS, the City of Philadelphia has established workforce housing programs such as workforce homeownership projects and down payment and closing cost assistance; and

WHEREAS, providing a preference for income qualified municipal employees is fair and equitable as these employees must reside in the City of Philadelphia; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 21-1100 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 21-1100. COMMUNITY DEVELOPMENT.

§ 21-1101. Scope.

(1) The goals, policies, requirements, and procedures prescribed by this Chapter shall apply to funds which the City receives under the Housing and Community Development Act of 1974, as amended, and all other federal funds received by the City covered by the annual Consolidated Plan pursuant to 24 C.F.R. § 91.2(a), and funds from other sources to the extent required by federal law *and local Ordinance*.

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(2) The [Office of Housing and Community Development] *Department of Planning and Development – Division of Housing and Community Development* or any other successor entity (hereafter referred to as ["OHCD"] "*DHCD*"), acting on behalf of the City, shall be responsible for preparing and submitting to City Council, for review and approval, an annual Consolidated Plan covering all funds, activities and programs as provided in subsection 21-1101(1).

§ 21-1102. Annual Consolidated Plan.

(1) The annual Consolidated Plan shall be prepared by [OHCD] *DHCD* for the City of Philadelphia, shall be consistent with 24 C.F.R. Part 91, as amended, and shall include the following elements:

* * *

§ 21-1104. Citizen Participation.

(1) All City residents shall have the right to participate in and express views and comments at any and all hearings. All public hearings required by this Section (pursuant to 24 C.F.R., Part 91) and Section 21-1105 (City Council Plan Approval and Amendment Procedure) shall be held at times and locations convenient to very low, low and moderate income persons. [OHCD] *DHCD* shall insure adequate citizens' participation in the development of the Annual Consolidated Plan consistent with 24 C.F.R., Part 91, as amended, and shall incorporate the Citizen Participation Plan, required by 24 C.F.R., Part 91, as an appendix in the Preliminary, Proposed, and Final Plans.

§ 21-1105. Council Plan Approval and Amendment Procedure.

(1) Upon completion of the public hearings required by Section 21-1104 (Citizen Participation) and before submitting to the U.S. Department of Housing and Urban Development ("HUD") its statements of community development objectives or similar required documents, [OHCD] *DHCD* shall prepare and submit a Proposed Consolidated Plan to Council, along with a proposed Ordinance authorizing the Plan, including application for funding contemplated by the Plan. Council may amend the Proposed Plan and proposed Ordinance as it deems necessary.

* * *

(3) Subject to the provisions of subsection (4), [OHCD] *DHCD* may propose and adopt amendments to the Final Consolidated Plan. [OHCD] *DHCD* shall establish policies and procedures pertaining to such amendment(s) that are in compliance with federal, state and local laws and regulations and shall publish said policies and procedures in the Preliminary, Proposed and Final Consolidated Plan. In addition, with respect to each proposed amendment, [OHCD] *DHCD* shall, in the same form and at the same time as published pursuant to 24 C.F.R., Part 91, report all Final Consolidated Plan amendments to the President of City Council and the members of the Committee on Housing, Neighborhood Development and the Homeless.

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(4) Council authorization shall be obtained before [OHCD] *DHCD* makes any change or changes in any Final Consolidated Plan's budget which alone or in combination with previous changes, amount to ten percent (10%) or more in cumulative effect on the allocation in such Final Consolidated Plan when [OHCD] *DHCD* proposes to use the funds to undertake one or more new activities, or proposes to alter the stated purpose, location or class of beneficiaries of previously authorized activities.

(5) If, at any time, (a) [OHCD] *DHCD* determines that revenues will fall short of or exceed those projected in any Final Consolidated Plan, or that new revenue sources have become available; or whenever amendments are proposed pursuant to subsection 21-1105(3); 30 and (b) such shortfall, excess, new revenue, or amendment will change any revenue line item by at least ten percent (10%) and at least five hundred thousand dollars (\$500,000), [OHCD] *DHCD* shall prepare and submit to Council a proposed amendment to the Final Consolidated Plan, a proposed ordinance approving such amendment, and such other information as may be requested by Council. No amendment subject to this subsection (5) 31 shall be submitted to HUD unless approved by ordinance.

§ 21-1106. Information to be Provided to Council.

(1) [OHCD] *DHCD* shall prepare and submit to City Council quarterly performance reports within sixty (60) days of the end of each calendar quarter. These reports shall contain beneficiary data for activities outlined in the annual Consolidated Plan that are made fundable and eligible for very low, low and moderate income households in accordance with HUD regulations, such other information as may be requested by the Council President or his/her designee, and the following:

* * *

(2) [OHCD] *DHCD* shall prepare and submit to City Council within sixty (60) days of the end of each calendar quarter, quarterly financial reports consisting of the financial information produced and maintained by [OHCD] *DHCD* in the normal course of its operations, presented in the form utilized by [OHCD] *DHCD*.

(3) [OHCD] *DHCD* shall prepare and submit to City Council within sixty (60) days of the end of each calendar quarter a report on affirmative action and equal opportunity on programs and activities funded in whole or in part from any Final Consolidated Plan. The report shall contain the following information and such other information as may be requested by the Council President or his/her designee:

* * *

(4) All documents and reports, including the Preliminary, Proposed and Final Consolidated Plan, shall be provided to Council by [OHCD] *DHCD* in hard copy and searchable electronic form.

§ 21-1107. Information Available to the Public.

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(1) Information from the files of the [OHCD] *DHCD* shall be provided to the public consistent with the Pennsylvania Right to Know Act, the Federal Freedom of Information Act, and any provision of 24 C.F.R., Part 91, as amended.

(2) [OHCD] *DHCD* shall make a reasonable number of copies available free of charge of the Preliminary Consolidated Plan, the Proposed Consolidated Plan, the Final Consolidated Plan, the Consolidated Annual Performance Evaluation Report (CAPER) (required pursuant to 24 C.F.R., Part 91), and all reports required under this Chapter, and shall post all such documents on its official website.

§ 21-1108. Economic Development.

(1) It shall be the policy of the City of Philadelphia to require the recipients of funds included in any Final Consolidated Plan used for economic development, including Commercial and Industrial development, to directly create or retain jobs for persons who are of very low, low or moderate income. Emphasis shall be given to spend these funds in very low, low and moderate income areas.

* * *

(3) To insure compliance with the policy set forth above, [OHCD] *DHCD* shall require all recipients of funds included in any Final Consolidated Plan used for economic development to submit annual reports for two years following the disbursement of program funds. The recipients' reports shall indicate the name, address or principal residence, and income of each person employed.

(4) [OHCD] *DHCD* is authorized to verify the accuracy of the recipient's annual reports at any time by inspection of the recipient's records or any other reasonable method necessary for verification.

(5) To insure the privacy of employees hired through the use of funds included in any Final Consolidated Plan, all recipient records required by this Section shall be confidential. Names of individual employees shall be made available to [OHCD] *DHCD* personnel only for the purpose of verification and inspection of recipient records. Any record containing identification of employees by name and/or Social Security number is expressly exempt from the public information requirements of Section 21-1107.

§ 21-1109. Workforce Housing.

(1) Definitions - The following definitions apply to this Section:

“Workforce Housing.” – Affordable housing for households earning up to 120 percent of area median income (AMI).

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(2) *Workforce housing programs undertaken with funds governed by Chapter 21-1100, including, but not limited to homeownership, rental, and purchase assistance, shall provide for a preference for qualified City of Philadelphia employees. The Department may establish other legal preferences that further the goals of workforce housing programs.*

(3) *The Department is authorized to promulgate regulations governing the manner in which municipal employees and other preferences shall be applied within its workforce housing programs.*

§ [21-1109.] *21-1110. Administrative Costs.*

(1) Subject to subsection (2), no more than fifteen percent (15%) of any year's Federal Community Development Block Grant allocation may be spent on administrative costs of [OHCD] *DHCD* and/or its Major Delegate Agencies. For purposes of this Section, "Major Delegate Agencies" shall refer to the Redevelopment Authority of the City of Philadelphia, Philadelphia Housing Development Corporation, and the Philadelphia Industrial Development Corporation.

* * *

§ [21-1110.] *21-1111. Rules and Regulations.*

[OHCD] *DHCD* is authorized to establish and enforce reasonable rules and regulations necessary to promote compliance with the provisions of this Chapter.

§ [21-1111.] *21-1112. Applicability Period.*

The provisions of this Chapter shall remain in force and effect until June 30, [2020] *2040*.

SECTION 2. This Ordinance shall be effective 60 days after enactment.

Explanation:

[Brackets] indicate matter deleted.
Italics indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on May 12, 2022. The Bill was Signed by the Mayor on May 24, 2022.



Michael A. Decker
Chief Clerk of the City Council