City of Philadelphia

City Council
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402 City Hall
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Legislation Details (With Text)

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File created:	4/3/2014			**In control:**	Committee on Housing, Neighborhood Development and The Homeless
On agenda:				**Final action:**	6/19/2014

Title: Amending Chapter 21-1600 of The Philadelphia Code, entitled "Housing Trust Fund," to provide annual operating support for affordable rental units that are developed using the 4% federal Low Income Housing Tax Credit; all under certain terms and conditions.

Sponsors: Council President Clarke, Councilmember Blackwell

Indexes: HOUSING TRUST FUND

Code sections:

Attachments: 1. CertifiedCopy14027401.pdf

Date	Ver.	Action By	Action	Result	Tally
8/5/2014	1	MAYOR	SIGNED		
6/19/2014	0	CITY COUNCIL	PASSED	Pass	16:0
6/12/2014	1	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL		
6/12/2014	1	CITY COUNCIL	ORDERED PLACED ON THIS DAY`S FIRST READING CALENDAR		
6/12/2014	1	CITY COUNCIL	ORDERED PLACED ON NEXT WEEK`S SECOND READING CALENDAR		
6/9/2014	0	Committee on Housing, Neighborhood Development and The Homeless	HEARING NOTICES SENT		
6/9/2014	0	Committee on Housing, Neighborhood Development and The Homeless	HEARING HELD		
6/9/2014	0	Committee on Housing, Neighborhood Development and The Homeless	AMENDED		
6/9/2014	1	Committee on Housing, Neighborhood Development and The Homeless	REPORTED FAVORABLY, RULE SUSPENSION REQUESTED		
6/2/2014	0	Committee on Housing, Neighborhood Development and The Homeless	HEARING NOTICES SENT		
6/2/2014	0	Committee on Housing, Neighborhood Development and The Homeless	RECESSED		
4/3/2014	0	CITY COUNCIL	Introduced and Referred	Pass	

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THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Legislative Findings.

WHEREAS, The Federal Department of Housing and Urban Development (HUD) has established a benchmark to determine housing affordability which states that a household should spend no more than 30% of household income for housing costs; and

WHEREAS, HUD defines households that spend more than 30%, but less than 50% of household income for housing costs to be moderately burdened and households that spend more than 50% as severely burdened; and

WHEREAS, The Office of Housing and Community Development in its report on the impediments to fair housing choice documents the fact that over 116,000 Philadelphia renter households are moderately burdened and over 70,000 Philadelphia renter households are severely burdened; and

WHEREAS, The Philadelphia Housing Authority (PHA) has closed its waiting list for affordable public housing units as the list exceeds 110,000 applicants giving evidence of the severe shortage of affordable rental housing; and

WHEREAS, Tens of millions of dollars of federal 4% Low Income Housing Tax Credits go unutilized in the Commonwealth of Pennsylvania; and

WHEREAS, The Philadelphia Housing Authority has instituted a program under it's Moving To Work status to make available 6,000 Local Unit-Based Operating Subsidies which require the development of rental units; and

WHEREAS, The City of Philadelphia, the Philadelphia Housing Authority, the Philadelphia Redevelopment Authority and the Philadelphia Housing Development Corporation have over 11,000 surplus buildable parcels upon which affordable rental housing can be built without expenditure of funds to acquire real estate; and

WHEREAS, Combining the 4% Low Income Housing Tax Credit, PHA's Local Unit-Based Operating Subsidies and surplus public property with annual operating support from the Housing Trust Fund makes it possible to develop 1,000 units of affordable rental housing; now, therefore

SECTION 2. Chapter 21-1600 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 21-1600. HOUSING TRUST FUND.

* * *

§21-1603. Creation, Distribution and Use of the Trust Fund's Assets.

(1) In addition to funds otherwise deposited in the Trust Fund, recording fees collected pursuant to the authorization of this Ordinance shall be deposited in the Housing Trust Fund.

(2) Funds appropriated from the Housing Trust Fund shall be used to fund programs and projects for the benefit of households whose annual income, adjusted for size, is less than 115% of the median income of the Metropolitan Statistical Area, as defined by The United States Department of Housing and Urban Development, that:

(a) Increase production of affordable housing for sale or rental;

(b) Increase the accessibility of new and existing affordable housing to physically disabled occupants and increase the supply of visitable housing;

(c) Preserve affordable housing, including but not limited to grants for basic systems repair or improvement of owner-occupied homes, adaptive modification, or for the targeted improvement of facades; and

(d) Prevent or reduce homelessness, including but not limited to emergency assistance to prevent and/or end homelessness or near homelessness by maintaining households in their own residences when eviction is imminent through rent and mortgage arrearage assistance, or for security deposits, utility assistance, and long-term hotel, motel, or boarding home rental assistance.

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(3) As much as 15% of such funds may be used to pay for the City's administrative costs associated with funding and administering such programs and projects.

(4) On a yearly basis up to five (5) million dollars of such funds may be segregated into an account to provide annual operating support for affordable rental housing units that are developed using the 4% federal Low Income Housing Tax Credit wherein the provision of such funds is necessary to make the development feasible.

[(4)]*(5)* On a yearly basis, 50% of such funds that are used for purposes other than to pay for administrative costs *and amounts required to be segregated pursuant to subsection (4) above* shall be used to fund programs and projects that benefit households with incomes, adjusted for size, equal to or less than 30% of the median income of the Metropolitan Statistical Area, as defined by the United States Department Of Housing And Urban Development and 50% shall be used to benefit households with incomes between 30% and 115% of the median income of the Metropolitan Statistical Area.

[(5)]*(6)* On a yearly basis, at least 50% of such funds that are used for purposes other than to pay for administrative costs shall be used to fund programs and projects that increase production of affordable housing for sale or rental.

[(6)]*(7)* In each project subsidized by such funds, a minimum of 10% of the total number of new construction units shall be accessible to individuals with mobility impairments and a minimum of 2% shall be accessible to individuals with sensory impairments. All such new construction units must be made visitable or, alternatively, an amount equal to $3,000 multiplied by the total number of new construction units built in the project shall be required to be spent to make as many of such units as possible visitable, which amount shall be adjusted for inflation on an annual basis. Visitability and/or accessibility requirements may be waived or reduced for a project if such requirement(s) renders such project financially infeasible, or if site conditions are unsuitable, but this provision shall not exempt any project from any other applicable requirements regarding visitability and/or accessibility.

[(7)]*(8)* It is the intent of this Ordinance that such funds will provide net new resources for affordable housing activities in Philadelphia, but such funds may be used to supplement funding levels for housing production, accessibility, preservation and homelessness prevention in the event current funding or sources of funding are reduced or eliminated.

SECTION 3. Effective Date. This Ordinance shall become effective upon enactment.

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Explanation:

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

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