



Legislation Text

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Amending Chapter 16-400 ("Vacant and Surplus Properties") to provide for the transfer of certain City-owned real estate for nominal or less than fair market consideration for the purpose of encouraging projects that create affordable housing and/or jobs for low and moderate income residents; all under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Chapter 16-400 of The Philadelphia Code is amended to read as follows:

CHAPTER 16-400. VACANT AND SURPLUS PROPERTIES

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*§ 16-407. Use of Property Transfers for Nominal or Less than Fair Market Consideration to Stimulate Affordable Housing and Job Creation.*

*(1) For purposes of this Section, the following terms have the following meanings:*

*(a) "Qualifying Property." City-owned vacant or surplus property that the City transfers for nominal consideration to a City-related Agency so that the property can be developed as an Affordable Housing Project or Job Creation Project, as those terms are defined herein.*

*(b) "Affordable Housing Project." A project that has qualified for financial incentives through a federal, state, or local program based on the developer's commitment to construct the amount and type of affordable housing units required by the program.*

*(.1) "Affordable Housing." As defined by the program through which the developer has obtained the financial incentives.*

*(c) "Job Creation Project." A project that has qualified for financial incentives through a federal, state, or local program based on the developer's commitment to create or retain jobs, for persons who are of low and moderate income, of the type, number and duration required by the program.*

*(.1) "Person of low and moderate income." As defined by the program through which the developer has obtained the financial incentives.*

*(d) "City-related Agency." All authorities and quasi-public corporations that either: receive appropriations from the City, have entered into continuing contractual or cooperative relationships with the City, or operate under legal authority granted to them in whole or in part by City ordinance. The term shall include, but shall not be limited to, the Philadelphia Redevelopment Authority, the Philadelphia Housing Authority, the Philadelphia Industrial Development Corporation, the Philadelphia Authority for Industrial Development, the Philadelphia Housing Development Corporation, and a Philadelphia land bank.*

*(2) It shall be the policy of the City that, when conveying Qualifying Property to a City-related Agency, such agency shall in turn convey the Qualifying Property to the developer for the following consideration:*

*(a) For Affordable Housing Projects: nominal consideration.*

*(b) For Job Creation Projects: an amount equal to the fair market value of the property, reduced by the product of \$\_\_\_\_\_ times the number of permanent jobs to be created or preserved.*

*(3) Accordingly, every agreement entered into by the City with any City-related Agency shall contain a provision requiring the City-related Agency to convey Qualifying Property to the developer for the consideration specified in subsection (2). Pursuant to Section 8-205 of the Charter, Council shall not approve the transfer of any Qualifying Property to a City-related Agency unless the City and City-related Agency have entered into an agreement containing the provision described herein.*

*(4) Nothing in this Section shall preclude the City or City-related Agency from seeking any and all remedies otherwise available in the event the developer fails to complete the required Affordable Housing Project or Job Creation Project.*

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**Explanation:**

*Italics indicate new matter added.*