



City of Philadelphia

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

BILL NO. 260423

Introduced April 30, 2026

Councilmember Gauthier

**Referred to the
Committee on Housing, Neighborhood Development and The Homeless**

AN ORDINANCE

Amending Chapter 16-400 of The Philadelphia Code, entitled “Surplus Properties,” by adding methodology for disposition by property exchange, and making other technical changes, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 16-400 of The Philadelphia Code is hereby amended as follows:

TITLE 16. PUBLIC PROPERTY

* * *

CHAPTER 16-400. SURPLUS PROPERTIES

* * *

§ 16-402. Definitions.

(1) In this Chapter the following definitions shall apply:

* * *

(f) *Property Exchange.* The conveyance, sale, transfer or grant of fee title to real property from any Agency to a private, non-Agency or non-governmental party, in exchange for the acquisition by the Agency of real property owned by the private

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party for the purpose of furthering the mission of the Agency or a governmental party. For purposes of this paragraph, the following City-related entities shall be considered governmental parties: the Philadelphia Housing Development Corporation, the Philadelphia Housing Authority, the Philadelphia Authority for Industrial Development, the Philadelphia Industrial Development Corporation, and any of their respective affiliates.

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§ 16-404. Disposition: Inventory, Methods, Terms, and Approvals.

* * *

(2) Methods

* * *

(b) All surplus properties shall be disposed of by an Agency pursuant to either a competitive process, as set forth in subsection 16-404(2)(c), [or] pursuant to the requirements of subsection 16-404(2)(d), *or pursuant to the requirements of subsection 16-404(2)(f).*

(c) Disposition Pursuant to Competitive Process. Except as authorized under subsection 16-404(2)(d) *or subsection 16-404(2)(f)*, an Agency shall dispose of a surplus property pursuant to a process that includes the following:

(f) Property Exchange.

(.1) An Agency shall dispose of surplus properties to a qualified applicant without following the process set forth in subsection 16-404(2)(c), subsection 16-404(2)(d), or subsection 16-404(2)(e) only if the following conditions are met:

(.a) The applicant holds title to properties which the Agency wishes to acquire in order to support the preservation of a community garden, open space, or recreational area, the development of affordable housing, or the development of a community-benefiting use as further defined in the Disposition Policy.

(.b) The Agency affirms that the applicant's properties are a whole or portion of a larger site identified as an opportunity for open space or development, or the properties are contiguous.

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(.c) The value of the surplus properties to be conveyed is substantially similar to the value of the properties to be acquired from the applicant, as determined by an independent third-party appraisal or an in-house opinion of value by a real estate analyst, plus any recent expenses incurred related to property ownership by the applicant that can be documented and provided to the Agency.

(.d) Title to the properties to be acquired by the Agency will be conveyed by the applicant for One and 00/100 U.S. Dollar (\$1.00) free and clear of all liens, as determined by the Agency.

(.e) Exchange must be pre-authorized by a letter signed by the District Councilmember representing the district where the properties are located.

(.2) If the conditions of subsection 16-404(2)(f)(.1) are met, no later than 60 days after the receipt of proof of title and valuation from the applicant, the Agency shall advise the applicant in writing that the Agency will recommend the requested property or properties to the Agency's board for disposition to the selected applicant.

(.3) Upon the acquisition by the Agency of the applicant's properties, the Agency shall provide the selected applicant with a purchase agreement which states the sale price of the surplus properties, the required deadline for the execution of the purchase agreement, the requirements to be met in connection with the transfer of title of the Agency's and the applicant's properties, and such other requirements as deemed appropriate by the Agency.

(.4) A Property Exchange shall not be subject to the provisions of subsection 16-404(3) or subsection 16-404(4).

* * *

(4) Approvals.

(a) An Agency shall not dispose of, or lease for more than one year, a surplus property, without approval of the disposition by resolution of the Board of Directors of the Agency, and approval by a resolution or ordinance of City Council. A summary of the lease or disposition terms shall be provided for inclusion with the Council approval resolution or ordinance. Such approvals may not be given until at least ten (10) days after public notice has been provided as required by subsection (b), and [, regarding dispositions for Land Development located in the 3rd and 4th Council

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Districts,] not unless the selected applicant has held at least one community meeting with notice provided to *the District Councilmember and* those Registered Community Organizations as defined in subsection 14-303(11A) whose registered area of concern contains one or more of the properties included in the application.