

# City of Philadelphia



(Bill No. 050059)

## AN ORDINANCE

Adding Chapter 21-1600 of The Philadelphia Code, entitled “Housing Trust Fund,” to create the Philadelphia Housing Trust Fund and establish the purposes for which monies in the Fund may be used; creating ongoing funding for the Fund by amending Section 10-1001 of The Philadelphia Code, entitled “Fees of Commissioner of Records,” by increasing certain fees for the recording of deeds and mortgages and related documents; and calling for the Creation of the Housing Trust Fund Oversight Board; all under certain terms and conditions.

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

### **SECTION 1. Legislative Findings.**

Council finds that:

- (1) There is a critical shortage of affordable and accessible housing in the City of Philadelphia.
- (2) Many of Philadelphia’s communities need assistance in order to begin or continue the process of neighborhood revitalization.
- (3) Much of the City’s housing stock is in need of repair.
- (4) City programs that assist homeowners to repair their homes have a proven effect of reducing housing abandonment and homelessness. Programs that target home repairs to a specific area, or reinforce other investment, can be particularly effective.
- (5) Approximately half of the housing units in Philadelphia were built prior to 1956, and are inaccessible to people with disabilities who use wheelchairs.
- (6) Additional housing production and preservation resources will support and strengthen the Neighborhood Transformation Initiative.
- (7) There are more than 275 other cities, counties and states around the country that have created Housing Trust Funds to promote affordable housing.
- (8) Therefore, creating a Philadelphia Housing Trust Fund is sound public policy that will provide needed resources to support affordable housing development, housing preservation, and neighborhood revitalization and strengthen the Neighborhood

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Transformation Initiative.

**SECTION 2. Creation of the Fund.** Title 21 of The Philadelphia Code is amended by adding a new Chapter 21-1600 as follows:

## TITLE 21. MISCELLANEOUS.

\* \* \*

### CHAPTER 21-1600. HOUSING TRUST FUND.

#### §21-1601. Definitions.

(1) *“Affordable housing” means housing, either sales or rental, for which the household spends no more than 30% of its gross income on housing related expenses, provided, however, that any housing program or project that receives federal or state funds and complies with regulations applicable to such funding source regarding the percentage of household income to be spent on housing shall be considered affordable for purposes of this definition.*

(2) *“Visitable” means the following amenities in a dwelling unit:*

(a) *One zero step entrance to the dwelling unit that will permit a visitor using a wheelchair to enter the main level floor of the dwelling through a doorway entrance that has a minimum 32 inch opening;*

(b) *A usable path of travel throughout the interior main level floor that is no narrower than 36 inches at any point except for interior doorway openings with a minimum 32 inch opening; and*

(c) *A powder room in the main level floor that has a doorway entrance with a minimum 32 inch doorway opening providing sufficient space to close the door while inside the powder room, a minimum 30 inch by 48 inch floor space clearance, and reinforced walls that permit installation of grab bars to provide access to the toilet if necessary.*

#### §21-1602. Establishment of the Philadelphia Housing Trust Fund.

(1) *The Philadelphia Housing Trust Fund (“Trust Fund”) shall be created by the Finance Director as a separate Fund held by the City of Philadelphia into which shall be deposited revenue collected pursuant to Section 10-1001 of The Philadelphia Code for the purpose of funding the Trust Fund.*

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(2) *It is the intention of the City Council that the Trust Fund be used for the purposes of this Ordinance. Therefore, any assets remaining in the Trust Fund at the end of any fiscal year shall be carried into the next fiscal year, including all interest and income earned, as well as any repayments or forfeitures of loans and/or grants.*

§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.*

(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, 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 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.*

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(5) *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) *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) *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. Fee Authorization.** Title 10 of The Philadelphia Code, entitled “Regulation of Individual Conduct and Activity,” is hereby amended as follows:

## TITLE 10. REGULATION OF INDIVIDUAL CONDUCT AND ACTIVITY.

\* \* \*

### CHAPTER 10-1000. FEES.

\* \* \*

#### §10-1001. Fees of Commissioner of Records.

(1) Unless otherwise specified by law, the fees to be charged and collected by the Commissioner of Records shall be as follows:

(a) for recording deeds, \$144.00: \$72.00 to be placed in the General Fund; and \$72.00 to be placed in the Housing Trust Fund to be used for the purposes specified in Chapter 21-1600 of this Code;

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(b) for recording mortgages, \$114.00: \$57.00 to be placed in the General Fund; and \$57.00 to be placed in the Housing Trust Fund to be used for the purposes specified in Chapter 21-1600 of this Code;

(c) for recording mortgage satisfaction pieces[,] and the release and assignment of mortgages, \$112.00: \$56.00 to be placed in the General Fund; and \$56.00 to be placed in the Housing Trust Fund, to be used for the purposes specified in Chapter 21-1600 of this Code;

(d) for notary public commissions, City, county, or special police officer commissions, powers of attorney, and any other instrument of writing, including filings under the Uniform Commercial Code, \$56.00.

[(d)] (e) \* \* \*

## **SECTION 4. Philadelphia Housing Trust Fund Oversight Board.**

(1) Council calls upon the Mayor to establish a Housing Trust Fund Oversight Board to make recommendations to the Office of Housing and Community Development regarding the types of projects and programs to be funded with Trust Fund monies, income levels of the targeted beneficiaries of such projects and programs and the proportionate share of funds allocated for the various purposes for which Trust Fund money may be used. The Oversight Board shall further recommend additional criteria for eligible projects and the evaluation of project proposals as it sees fit.

(2) The Oversight Board will have the duty to annually review Trust Fund grant awards to see whether Trust Fund moneys are expended in a manner that conforms with this Ordinance.

(3) By December 31 of each year, the Oversight Board shall issue an Annual Report on the use of the Trust Fund in the previous fiscal year. This report shall:

- (a) Provide total numbers of housing units produced, homes preserved, and households prevented from becoming homeless with Trust Fund support.
- (b) List projects funded through the Trust Fund.
- (c) Report on funds expended and dollars leveraged by Trust Fund funds.

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- (d) Report in aggregate form the number of households benefiting from the Trust Fund by income level, geographic distribution, family size, and other criteria as selected by the Oversight Board.
  - (e) Report in aggregate form rents and sale prices of units produced, the number of accessible units built, the number of such units occupied by disabled individuals, and other criteria as selected by the Oversight Board.
- (4) The Oversight Board shall seek out contributions from non-City sources to supplement existing funding of the Trust Fund.
- (5) The Oversight Board shall study and make recommendations regarding funding levels for the Philadelphia Housing Trust Fund and the existence and potential utilization of additional funding sources. No later than December 31, 2005, the Oversight Board shall submit to the Mayor and to the President of City Council a final report of its findings and recommendations in these areas.

**SECTION 5. Effective Date.** This Ordinance shall become effective upon enactment of authorizing legislation of the General Assembly.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 9, 2005. The Bill was Signed by the Mayor on July 8, 2005.



Patricia Rafferty  
Chief Clerk of the City Council