



City of Philadelphia

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

**BILL NO. 190553
(As Amended, 12/4/19)**

Introduced June 13, 2019

**Councilmember Johnson
for
Council President Clarke**

**Re-Referred to the
Committee on Rules**

AN ORDINANCE

Establishing a new Chapter 17-2300 of The Philadelphia Code, entitled “Community Benefits Agreements,” and requiring Community Benefits Agreements for certain High Impact Projects or Development Projects that receive City Support or Financial Assistance; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 17 of The Philadelphia Code, entitled “Contracts and Procurement,” is hereby amended by adding a new Chapter 17-2300, entitled “Community Benefits Agreements.”

TITLE 17. CONTRACTS AND PROCUREMENT.

* * *

CHAPTER 17-2300. COMMUNITY BENEFITS AGREEMENTS

§ 17-2301. Purpose

(a) This Chapter shall be known as the “Philadelphia Community Benefits Ordinance.”

(b) It shall be the policy of the City of Philadelphia to require, wherever feasible, proportional community benefits with respect to High Impact Development Projects as defined in § 17-2302(g).

City of Philadelphia

BILL NO. 190553, as amended continued

(c) This Chapter shall not limit or prohibit the ability of a Registered Community Organization or any other community group from negotiating a Community Benefits Agreement with respect to a development project within the area served by the Registered Community Organization or any other community group.

§ 17-2302. Definitions

(a) "Community Benefits" means the amenities, benefits, commitments, or promises described in § 17-2303.

(b) "Community Benefits Agreement" means the legally enforceable contract between the Coordinating Registered Community Organization, on behalf of the Host Community, and the Developer. The Host Community Board shall negotiate the Community Benefits Agreement on behalf of the Host Community. The City of Philadelphia shall not be a party to any Community Benefits Agreement.

(c) "Developer" means any person, firm, partnership, limited liability company, corporation, joint venture, proprietorship, or other entity that proposes to develop a High Impact Development Project, as defined hereinafter.

(d) "City Support or Financial Assistance" means any transfer of City land to the developer for less than fair market value, rezoning, grant, loan, tax increment financing, bond financing, or other form of assistance that is realized by or provided to a developer through the authority or approval of the City, including, but not limited to, use of the power of eminent domain, Community Development Block Grant (CDBG) aid or HUD 108 loans.

(i) "Rezoning" means any change to the zoning designation of a property or group of properties requiring action by City Council and does not mean an action taken by the Zoning Board of Adjustment;

(ii) "Other form of assistance" shall not include permits to which an applicant is entitled as-of-right or an award of development incentives from the Commonwealth of Pennsylvania.

(e) "Earth Disturbance" means any construction or other activity that disturbs the surface of land including but not limited to excavations, embankments, land development, subdivision development, and the moving, depositing, or storing of soil, rock, or earth.

City of Philadelphia

BILL NO. 190553, as amended continued

(f) "High Impact Development Project" means any development project that, because of the nature of the development and/or the Host Community, is reasonably expected to produce disproportionately high and adverse human health or environmental impacts, including social, esthetic, economic, physical, chemical, or biological impacts, in the Host Community. In order to qualify as a High Impact Development Project, the following conditions must be met:

- 1) The development, including all planned phases, would result in at least 100,000 square feet of earth disturbance; or*
- 2) The development, including all planned phases, would result in at least 250,000 square feet of gross floor area.*

(g) "Host Community" means the community within the census tract(s) where the development project is physically located and may also include communities within adjacent census tracts that may be adversely affected by the activities of the development project.

(h) "Host Community Board" means a five-member board responsible for negotiating a Community Benefits Agreement on behalf of a Host Community. A Host Community Board shall be established with: one member appointed by the district councilmember where the project is located; one member appointed by the Registered Community Organizations where the project is located; one member appointed by the Director of Planning and Development; and two members appointed by a majority vote of the other three members. In order to qualify as a Host Community Board, the following conditions shall be met:

- 1) The Host Community Board shall be established and functioning, within the time frame of Civic Design Review under § 14- 303(12);*
- 2) At least one member of the Host Community Board shall be an individual or entity, residing and/or operating in the host community for a substantial period of years; and*
- 3) At least one member of the Host Community Board shall be an individual residing or entity located within 250 feet of the High Impact Development Project.*

City of Philadelphia

BILL NO. 190553, as amended continued

§ 17-2303. Community Benefits Agreements

(a) The following is a list of examples of Community Benefits that may be considered on a voluntary basis for inclusion in a Community Benefits Agreement between the Developer and the Host Community:

- (1) Support of educational programs, such as those in the City's high schools, community colleges, and other educational institutions;*
- (2) Actively supporting educational activities that provide employment opportunities for residents of the Host Community;*
- (3) Providing Contractors in the Host Community with technical assistance or other relevant training opportunities;*
- (4) Hosting Contractor information and networking sessions about upcoming contracting opportunities;*
- (5) Providing employment and career mentoring opportunities for youths who reside in the Host Community;*
- (6) Actively promoting opportunities for investment in the Development Project;*
- (7) Providing recreational activities, parks, and affordable housing in the Host Community;*
- (8) Supporting neighborhood improvements in the Host Community, including blight removal, etc.;*
- (9) Unbundling of construction work into bid sizes that allow small businesses in the Host Community to compete;*
- (10) Providing access to bonding, financing, insurance and other types of capacity building assistance; and*
- (11) Commitments to meet periodically for Host Community stakeholders to provide input and comment on the development project.*

City of Philadelphia

BILL NO. 190553, as amended continued

§ 17-2304. Exemptions and Departmental Regulations

(a) *The developer may request from the Director of the Department of Planning and Development, an exemption from the requirement of entering a Community Benefits Agreement by:*

- 1) *Demonstrating exigencies that make entering a Community Benefits Agreement infeasible; and*
- 2) *Documenting how it will otherwise seek to achieve the purpose of this Chapter to provide Community Benefits.*

(b) *The following projects shall be exempt from the requirements of this Chapter:*

- 1) *Projects developed by governmental or quasi-governmental agencies and residential projects where more than 50% of the units are devoted to affordable housing;*
- 2) *Projects by a state-regulated utility to establish new service and/or improve system or service reliability;*
- 3) *Projects developed with the expressed intent of being open and accessible to the community, or by their inherent nature benefit the community including, but not limited to:*
 - a. *Hospitals;*
 - b. *Libraries;*
 - c. *Public Schools; and*
 - d. *Parks that are open to the public.*

(c) *The Department of Planning and Development shall promulgate regulations and procedures for the implementation of this Chapter.*

§ 17-2305. Penalties for Noncompliance

(a) *Material failure to comply with the provisions of this Chapter may result in denial or termination of City Support or Financial Assistance.*

City of Philadelphia

BILL NO. 190553, as amended continued

SECTION 2. This Ordinance shall take effect immediately.

Explanation:

Italics indicate new matter added.