

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.

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*CHAPTER 17-2300. COMMUNITY BENEFITS AGREEMENTS*

**§ 17-2301. Purpose**

(a) It shall be the policy of the City of Philadelphia to require, wherever feasible, proportional community benefits as a condition of City Support or Financial Assistance as defined in § 17-2302.

(b) This Chapter shall be known as the "Philadelphia Community Benefits Ordinance."

**§ 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 Host Community and the developer.

(c) "*Contractor*" means any person, firm, partnership, limited liability company, corporation, joint venture, proprietorship, or other entity that enters into a contract for performance of construction work on the development project within the Host Community, including subcontractors of any tier.

(d) "*Development Agreement*" means the agreements between the City and the developer pursuant to which the City provides or commits City Support or Financial

Assistance for a development project or High Impact Development Project.

(e) "*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.

(f) "*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.

(g) "*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.

### **§ 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.

**§ 17-2304. Exemptions**

(a) The developer may request from the Department of Commerce, 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.

**§ 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.

SECTION 2. This Ordinance shall take effect immediately.