



Mixed Income Housing Programs Report



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2406 Frankford Ave,
300-10 W Norris MIN Building,
6128-44 Germantown Ave,
2400 Mascher

Addressing Philadelphia's Housing Need

Philadelphia faces a housing crisis, with 4,000 people experiencing homelessness, 40% of households cost burdened, and 22% living in poverty in 2022 (Office of Homeless Services, American Community Survey, 2018-2022).

Safe and affordable housing is the foundation of a vibrant and resilient city and supports the health and well-being of all its residents, and Philadelphia needs more of it. This is the stated mission of Philadelphia's Housing Action Plan (2018), which sets a target to build 7,000 affordable and 17,000 market-rate rental units by 2028. The Department is currently on track to achieving this goal. Visit the [Housing Action Plan Dashboard](#) to see Philadelphia's progress.

Mixed Income Housing programs are a significant contributor to this success, incentivizing construction of new affordable and market-rate housing units.



401 East Walnut Lane

About the Programs

Two Mixed Income Housing programs leverage private sector investment in the city to produce more affordable housing:

■ **Mixed Income Housing Bonus (MIHB):** This optional program was created in 2012 and expanded in 2018. Developers who opt into MIHB are eligible for a “zoning bonus,” which allows them to build a larger or denser project than what is otherwise allowed by the Zoning Code. To access this increased density and the resulting increase in revenue it might bring, participating developers agree to set aside 10% of a project's housing units for affordable housing or contribute a set amount of funds to the City, called a payment-in-lieu. For more information, see [Section § 14-702\(7\)](#) of the Philadelphia Code.

■ **Mixed Income Neighborhoods Overlay (MIN):** This program requires developers in certain areas of the City to sell or rent 20% of newly constructed housing units at affordable rates. The requirement applies to developments with 10 or more total residential units. The MIN became effective for projects that submitted a Zoning Permit after July 18, 2022. On June 21, 2023, the MIN Overlay was expanded to include an additional portion of the 19139 zip code. For more information, see [Section § 14-533](#) of the Philadelphia Code.

Since 2019:

31

total affordable
units completed

171

total affordable
units under
construction

\$34.9 M

in contributions to
the City



4701 Wayne Avenue

Affordable Housing Construction

Housing is typically considered affordable when housing costs (including utilities) are 30% or less of a household's total income. The less money a household earns, the more difficult it can be to secure affordable housing. For this reason, affordable housing programs target different spectrums of earners. Affordable units constructed pursuant to a Mixed Income Housing program can be rented to households earning up to 40%, 50% or 60% of Philadelphia's Area Median Income (AMI), depending on the project.

Gross Monthly Rent Limits in 2023

Unit Size (Household Size)	40% AMI MIN Overlay	50% AMI MIHB Low Income	60% AMI MIHB Moderate
Efficiency/ Studio (1)	\$801	\$1,001	\$1,201
1 Bedroom (1.5)	\$858	\$1,072	\$1,287
2 Bedroom (3)	\$1,030	\$1,287	\$1,545
3 Bedroom (4.5)	\$1,190	\$1,487	\$1,785



7611 Germantown Avenue

Income Limits at Initial Occupancy for Affordable Rental Units in 2023

Household Size	40% AMI MIN Overlay	50% AMI MIHB Low Income	60% AMI MIHB Moderate Income
1	\$32,040	\$40,050	\$48,060
2	\$36,600	\$45,750	\$54,900
3	\$41,200	\$51,500	\$61,800
4	\$45,760	\$57,200	\$68,640



4701 Wayne Avenue

Program Requirements

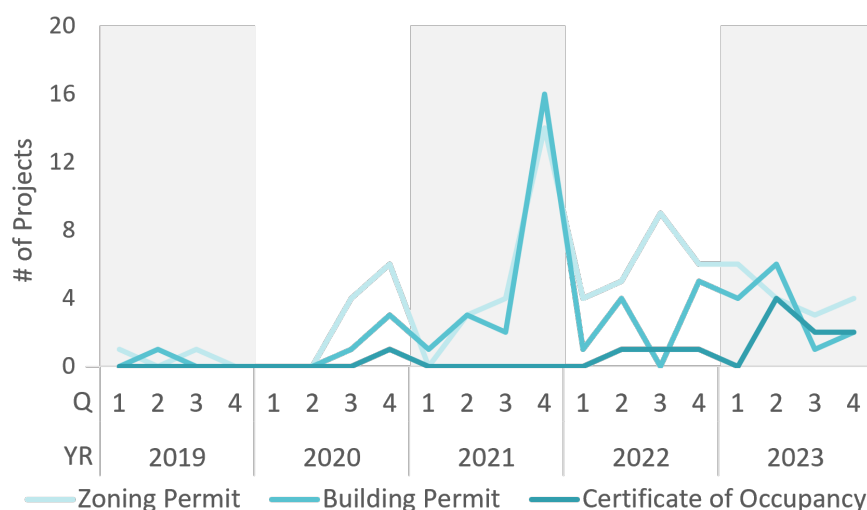
Developers opting to build affordable units under the MIHB must set aside 10% of residential units for households earning either 50% or 60% AML, depending on the size of the zoning bonus being sought. For projects subject to the MIN Overlay, 20% of residential units must be affordable at 40% AML. Affordable housing units produced under either program must be affordable for 50 years, of quality comparable to market-rate housing, and dispersed throughout the development.

Process Overview

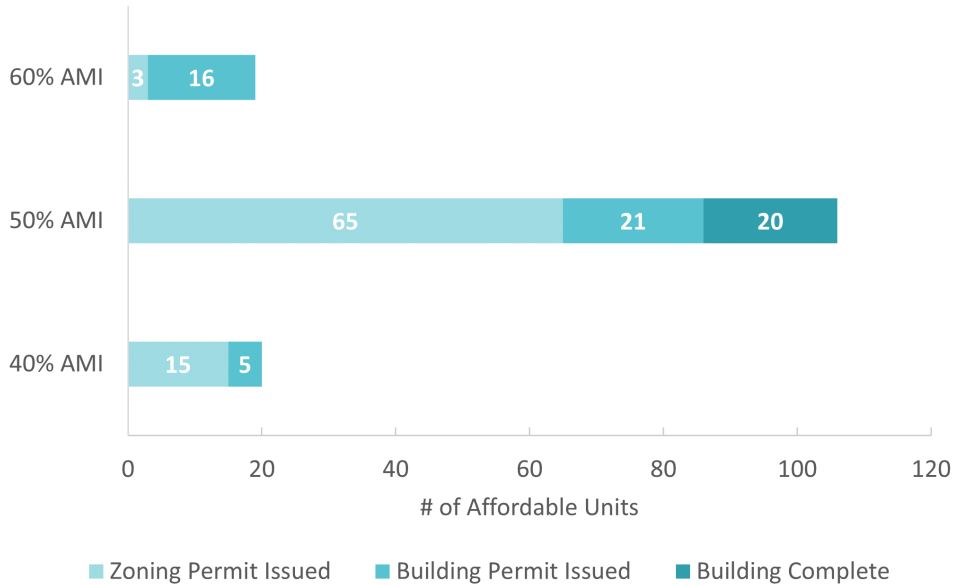
Several milestones mark progress through the Mixed Income Housing process.

- 1. Zoning Permit:** Developers planning a project with 10 or more residential units in the Mixed Income Neighborhoods Overlay, or any developer interested in receiving a Mixed Income Housing Bonus, must submit a form for Planning Commission review. Once Planning Commission staff confirms that the number of proposed affordable units meets code requirements, the project can receive a Zoning Permit.
- 2. Building Plan:** After receiving a Zoning Permit, applicants submit an Affordable Building Plan that includes floor plans of all market-rate and affordable units. Planning Commission staff reviews the Plan to ensure that the quality of the proposed affordable units is consistent with the quality of units in the project as a whole.
- 3. Building Permit:** Once the Affordable Building Plan is deemed compliant, the developer records a deed restriction limiting rents on the affordable units for 50 years. After all other standard permitting requirements are met, the project is issued a Building Permit and construction can begin.
- 4. Certificate of Occupancy:** The project is issued a Certificate of Occupancy when construction is complete and inspectors from the Department of Licenses and Inspections have determined that the building is ready to be occupied.

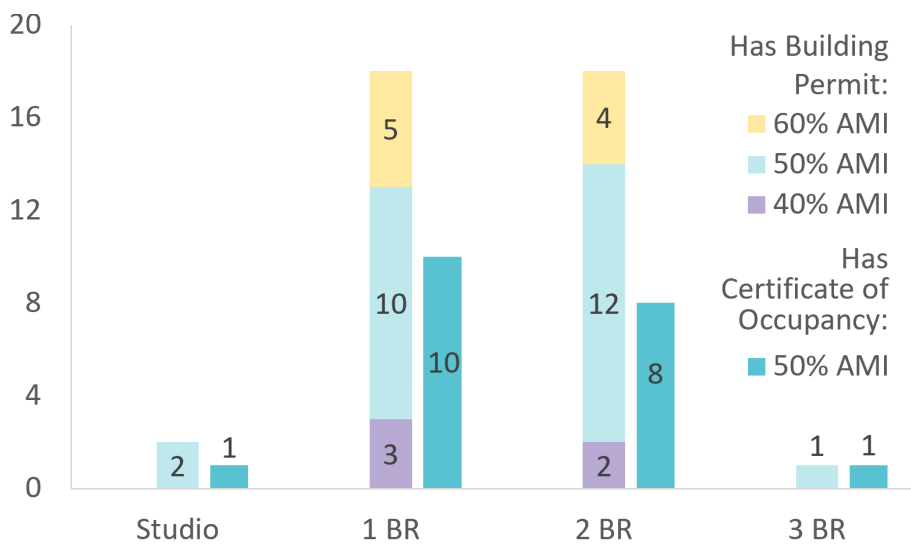
Affordable Mixed Income Projects by Permit Issue Date



Affordable Units by Level of Affordability for 2023 Projects



Affordable Unit Size of 2023 Projects with a Building Permit or Certificate of Occupancy



713 S. Mildred Street



1205 S. 15th Street

2023 Mixed Income Housing Programs Report

Affordable unit production in projects with a 2023 Zoning Permit (ZP), Building Permit (BP), or Certificate of Occupancy (CO).

MIN Projects (40% AMI)

1. 1611-13 Foulkrod St (ZP) – 3 Units
2. 1931-33 N 2nd St (ZP) – 5 Units
3. 300-10 W Norris St (ZP) – 7 Units
4. 1615 Foulkrod St (BP) – 5 Units

MIHB Low-Income Projects (50% AMI)

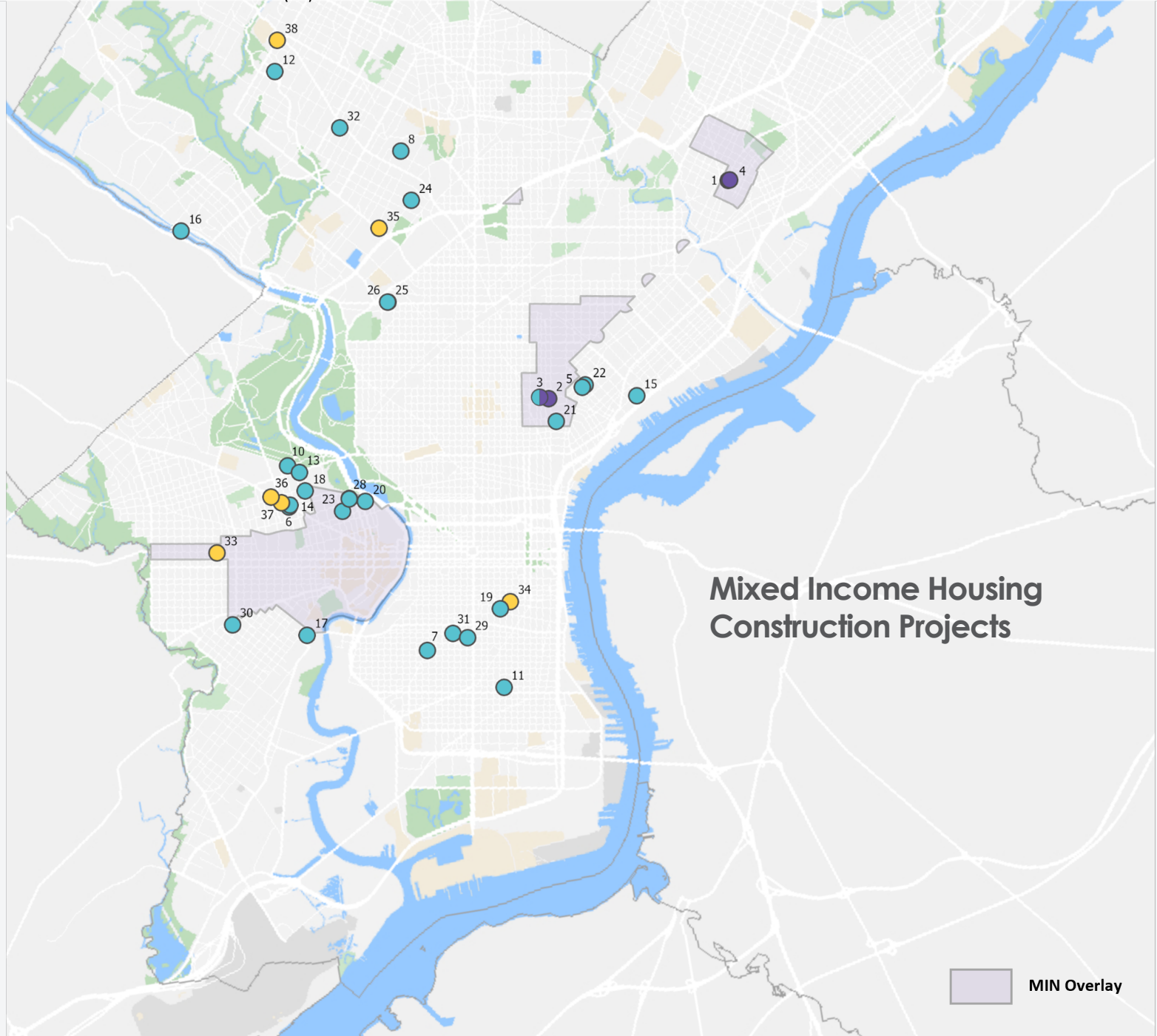
5. 2134 E Arizona St (ZP) – 1 Unit
6. 4234 Lancaster Ave (ZP) – 1 Unit
7. 1407-11 Point Breeze Ave (ZP) – 2 Units
8. 231 E Bringham St (ZP) – 2 Units
9. 300-10 W Norris St (ZP) – 3 Units
10. 4124-28 Parkside Ave (ZP) – 3 Units
11. 900-8 McKean St (ZP) – 3 Units
12. 309 W Mount Pleasant Ave (ZP) – 4 Units

13. 4020 W Girard Ave (ZP) – 4 Units
14. 4237 Lancaster Ave (ZP) – 4 Units
15. 2640-48 E Lehigh Ave (ZP) – 19 Units
16. 4400R Main St (ZP) – 19 Units
17. 1452 Grays Ferry Ave (BP) – 1 Unit
18. 871 Preston St (BP) – 1 Unit
19. 769-75 S 10th St (BP) – 2 Units
20. 646 N 32nd St (BP) – 2 Units
21. 2400-06 Mascher St (BP) – 3 Units
22. 2406 Frankford Ave (BP) – 3 Units
23. 3618 Wallace St (BP) – 4 Units
24. 4701 Wayne Ave (BP) – 9 Units
25. 2741 W Allegheny Ave (CO) – 1 Unit
26. 2743 W Allegheny Ave (CO) – 1 Unit

27. 719 N 35th St (CO) – 1 Unit
28. 723-27 N 35th St (CO) – 2 Units
29. 1205-07 S 15th St (CO) – 2 Units
30. 5300 Whitby Ave (CO) – 4 Units
31. 1701 Federal St (CO) – 4 Units
32. 6128-44 Germantown Ave (CO) – 5 Units

MIHB Mod-Income Projects (60% AMI)

33. 5426 Market St (ZP) – 1 Unit
34. 713-15 S Mildred St (BP) – 1 Unit
35. 5037-41 Wissahickon Ave (ZP) – 2 Units
36. 4512 Lancaster Ave (BP) – 2 Units
37. 4328-44 Lancaster Ave (BP) – 5 Units
38. 20-30 W Allens Ln (BP) – 8 Units



**Mixed Income Housing
Construction Projects**

MIN Overlay



Wade Flats, 5300 Whitby

2023 Trends

Having become effective in July 2022, the MIN Overlay is beginning to yield some pipeline projects. Four MIN projects in total received Zoning Permits, and one of those four has reached the Building Permit stage. If these projects pan out as planned, they will produce 20 affordable units for households earning up to 40% AMI.

For MIHB construction projects, the number of new Zoning and Building Permits declined compared to the previous two years. This decline is commensurate with an overall decline in permitting activity in 2023, experienced most acutely in the second half of the year alongside rising interest rates. For a full breakdown of 2023 affordable housing construction projects, see Tables 1 & 2 in the Appendix.

Other key takeaways for Mixed Income Housing Construction Projects in 2023:

- Projects of all sizes, ranging from 3 to 189 total residential units, took advantage of the Mixed Income Housing Bonus.
- Nearly 90% of MIHB developers selected the low-income level bonus, which requires projects to provide affordable units for those earning 50% AMI or less.
- One of the four MIN projects voluntarily opted into the low-income level of MIHB.
- Projects with 2023 Building Permits or Certificates of Occupancy were primarily comprised of 1- or 2-bedroom units. The first affordable 3-bedroom unit came online this year.
- All MIHB affordable housing production to date has been rentals, despite the program applying to both for-sale and rental units.

Payments-in-lieu of Affordable Housing

Program Requirements

Payment amounts are determined by property size, zoning, and whether the project is MIN, MIHB Low-Income Level, or MIHB Moderate-Income Level.

A developer who opts into MIHB may freely choose to provide a payment to the City instead of creating affordable housing as part of their project. This is not the case for MIN projects. Once the owner of a Residential Housing Project decides to build in a MIN overlay, they are required by the Philadelphia Code to set aside 20% of the project's units for affordable housing. If the project is unable to fulfill the entirety of the affordable housing requirement onsite, the developer may be eligible to offset 5% of the requirement with either 1) a payment to the City or 2) production of offsite affordable housing located within a half-mile of the project site. No MIN projects have pursued either of these two alternatives to date.

\$2,440,452
Average MIHB Payment
in 2023

Payment Calculation by Zoning District and Program

Zoning District	MIN	MIHB Low-Income Level	MIHB Moderate-Income Level
RM-2, RM-3, RM-4, RMX-1, RMX-2, RMX-3, IRMX, CMX-3, CMX-4, CMX-5*	\$9 x Total Gross Floor Area Allowed	\$14.60 x Total Gross Floor Area Allowed	\$11.30 x Total Gross Floor Area Allowed
RM-1, CMX-1, CMX-2, CMX-2.5#	\$10,900 x Total Dwelling Units Allowed	\$17,700 x Total Dwelling Units Allowed	\$13,600 x Total Dwelling Units Allowed
Other#	\$10,900 x Total Dwelling Units Allowed + Total Sleeping Units ÷ 2	N/A	N/A

* Calculation does not include gross floor area earned from other zoning bonuses. In the Special Flood Hazard Area, height bonus payments are calculated on the lesser of the total gross floor area used or allowed. Different standards apply for the Optional Special Standards of the /CDO overlay.

Calculation does not include dwelling units earned from other zoning bonuses.

Process Overview

- For MIN projects, the applicant must obtain a waiver to utilize the payment option as part of their project. The process for obtaining a waiver can be found in [Section 9.12](#) of the Philadelphia Planning Commission Regulations.
- For MIHB projects, the applicant applies for a Zoning Permit indicating that they would like to pursue the bonus by making a payment to the City. Once approved, the owner completes a payment agreement and then submits payment, concluding the process and enabling the applicant to receive their zoning bonus and Building Permit.

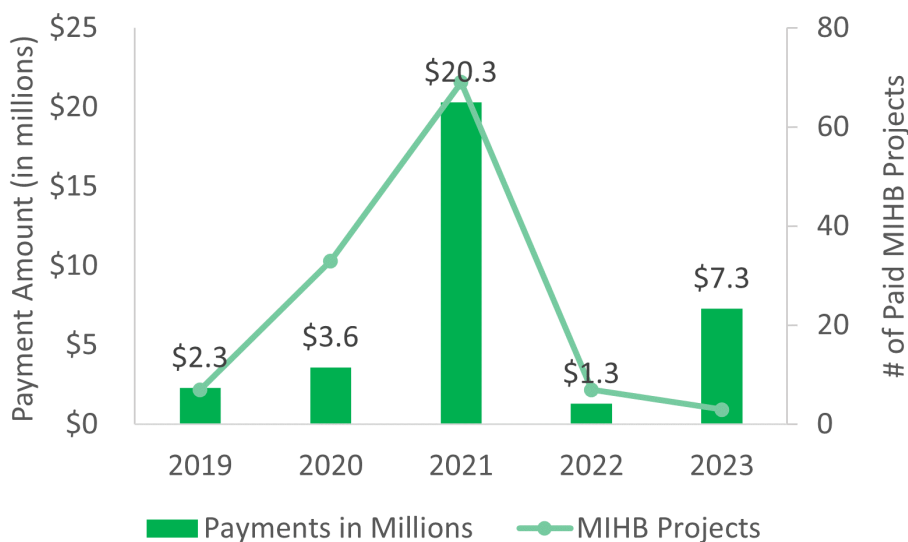
2023 Trends

In 2023, three MIHB projects contributed a total of \$7.3 million in payments-in-lieu. Fewer MIHB projects took advantage of the payment option than in any other year, likely due to the relative increase in the size of the projects choosing the payment option in 2023 and the increased cost of payment under a new payment formula that was instituted in October 2021 (Bill No. 210474-AA). Despite this change, there was a substantial increase in the total payment amount since the year prior, due to the relative increase in the size of the projects choosing the payment option in 2023. For a full breakdown of 2023 MIHB payments, see Appendix Table 3.

MIHB Payments Made in 2023

Address	Program Level	Payment
3615-35 Chestnut St	Low Income	\$6,934,956
4050 Ludlow St	Moderate Income	\$356,400
2053 W Oxford St	Low Income	\$30,000
Total		\$7,321,356

MIHB Completed Payments Per Year



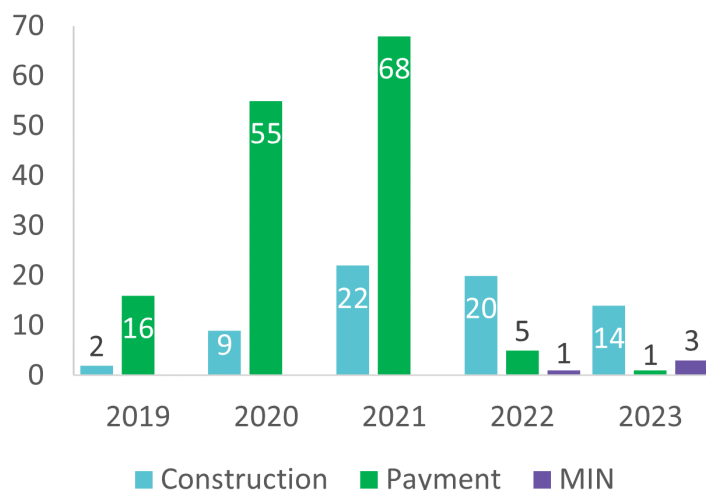
Overall Takeaways from 2023

While the number of 2023 Mixed Income Housing projects continued its downward trend from 2022, the impact has grown substantially as the program has matured.

- Many projects that entered the pipeline in 2021 or earlier are now nearing completion. A total of 8 projects received their Certificates of Occupancy in 2023, bringing 20 affordable units online for households earning 50% AMI or less.
- More projects opted to produce affordable housing than to make a payment-in-lieu, continuing a trend which began last year after the cost of payment increased.
- Despite fewer projects making payments-in-lieu, the amount collected increased substantially due to the size of the participating projects.

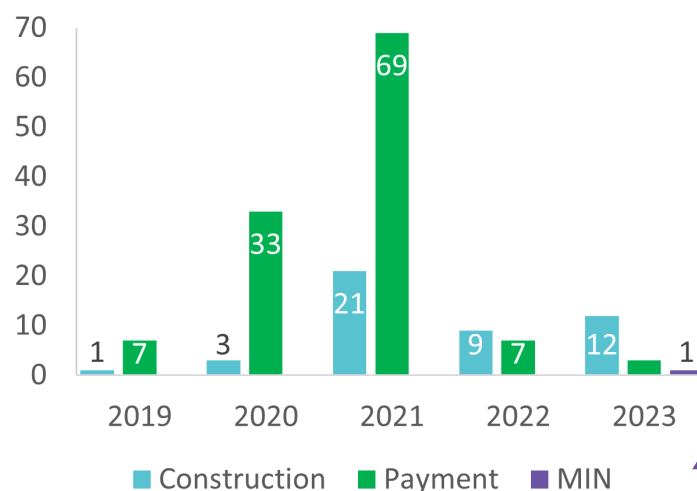
Since kicking into full gear in 2019, Mixed Income Housing programs have contributed \$34.9 million to the City and produced 31 new affordable units. With many projects nearing the end of construction, and many more in the pipeline, Mixed Income Housing programs are having a direct and growing impact in addressing Philadelphia's affordable housing need.

Projects by Zoning Permit Year



367 Horter Street

Projects by Building Permit Year



Appendix

Table 1: Pipeline Affordable Housing Units 2023

Address	Issued Permit	Zoning	Council District	Program	Bonus Type	Market Rate Units	Affordable Units				
							Total	Studio	1 BR	2BR	3BR
1611-13 Foulkrod St	Zoning	CMX-2	7	MIN	N/A	8	3	TBD	TBD	TBD	TBD
1931-33 N 2nd St	Zoning	CMX-2.5	7	MIN	N/A	16	5				
300-10 W Norris St	Zoning	RM-1	7	MIN	N/A	23	7				
				Low	Unit		3				
4234 Lancaster Ave	Zoning	CMX-2	3	Low	Unit/Height	6	1				
2134 E Arizona St	Zoning	RM-1	1	Low	Unit/Height	9	1				
1407-11 Point Breeze Ave	Zoning	CMX-2	2	Low	Unit/Height	10	2				
231 E Bringham St	Zoning	RM-1	8	Low	Unit/Height	13	2				
900-8 McKean St	Zoning	CMX-2	1	Low	Unit/Height	21	3				
4124-28 Parkside Ave	Zoning	RM-1	3	Low	Unit/Height	21	3				
4020 W Girard Ave	Zoning	CMX-2	3	Low	Unit/Height	27	4				
309-11 W Mount Pleasant Ave	Zoning	CMX-2	8	Low	Unit/Height	28	4				
4237 Lancaster Ave	Zoning	CMX-2	3	Low	Unit/Height	30	4				
2640-48 E Lehigh Ave	Zoning	CMX-2	1	Low	Unit/Height	17	19				
4400R Main St	Zoning	CMX-2	4	Low	Unit/Height	170	19				
5426 Market St	Zoning	CMX-2	3	Mod	Unit	4	1				
5037-41 Wissahickon Ave	Zoning	CMX-2	8	Mod	Unit/Height	16	2				
1452 Grays Ferry Ave	Building	CMZ-2	3	Low	Unit/Height	4	1		1		
1615 Foulkrod St	Building	RM-1	7	MIN	N/A	18	5		3	2	
871 Preston St	Building	RM-1	3	Low	Unit/Height	8	1		1		
769-75 S 10th St	Building	CMX-2	2	Low	Unit/Height	11	2			2	
646 N 32nd St	Building	RM-1	3	Low	Unit/Height	13	2			1	1
2400-06 Mascher St	Building	RM-1/ RSA-5	7	Low	Unit/Height	25	3		1	2	
2406 Frankford Ave	Building	CMX-2	1	Low	Unit/Height	19	3	1	1	1	
3618 Wallace St	Building	RM-1	3	Low	Unit	28	4	1		3	
4701 Wayne Ave	Building	RM-1	8	Low	Unit/Height	81	9		6	3	
713-15 S Mildred St	Building	RM-1	1	Mod	Unit/Height	9	1			1	
4512 Lancaster Ave	Building	CMX-2	3	Mod	Unit/Height	9	2		1	1	
4328-44 Lancaster Ave	Building	CMX-2	3	Mod	Unit/Height	44	5		4	1	
20-30 W Allens Ln	Building	RM-1	8	Mod	Unit/Height	68	8			1	

Appendix

Table 2: Completed Affordable Housing Units in 2023

Address	Zoning	Council District	Program	Bonus Type	Market Rate Units	Affordable Units				
						Total	Studio	1 BR	2BR	3BR
2741 W Allegheny Ave	CMX-1	4	MIHB Low	Unit	2	1			1	
2743 W Allegheny Ave	CMX-1	4	MIHB Low	Unit	2	1			1	
719 N 35th St	RM-1	3	MIHB Low	Unit	5	1		1		
1205-07 S 15th St	CMX-2	2	MIHB Low	Unit/Height	14	2			1	1
723-27 N 35th St	RM1	3	MIHB Low	Unit/Height	17	2		1	1	
5300 Whitby Ave	CMX-2	3	MIHB Low	Unit/Height	33	4	1	1	2	
1701 Federal St	CMX-2	2	MIHB Low	Unit/Height	26	4		3	1	
6128-44 Germantown Ave	CMX-2	8	MIHB Low	Unit/Height	45	5		4	1	

Table 3: Pending & Completed Payments in 2023

Address	Status	Zoning	Council District	Bonus Level	Bonus Type	Market Rate Units	Payment
3800 Market St	ZP Issued	CMX-4	3	Low	FAR	Non-Residential	\$8,385,072
2053 W Oxford St	Paid	RM-1	5	Low	Unit/Height	3	\$30,000
4050 Ludlow St	Paid	CMX-4	3	Mod	FAR	95	\$356,400
3615-35 Chestnut St	Paid	CMX-4	3	Low	FAR	363	\$6,934,956

