

## MIHB Fact Sheet 2026

The Mixed Income Housing Bonus (MIHB) is for developers who choose to add affordable dwellings to their projects or pay into a fund that supports affordable housing in return for additional floor area, height, and/or dwellings.

Developers can choose from two options:

- Make a payment to the city following a formula described below in the section “Payment Option.” There are two different bonus levels under this option, the more expensive of the two (“low-income”) offering a larger zoning bonus.
- Set aside 10% of the development’s residential units for affordable housing. The two bonus levels, “low-income” and “moderate-income” require different degrees of affordability, with the low-income level offering a larger zoning bonus.

### Applicability

Lots zoned RM-2, RM-3, RM-4, RMX-1, RMX-2, RMX-3, IRMX, CMX-3, CMX-4 or CMX-5 can earn more gross floor area. The bonus floor area ranges from 25% to 400% of the lot size.

In Central Delaware (/CDO) or the East Callowhill (/ECO) overlays, lots can earn 48 ft. to 60 ft. of building height.

Lots zoned RM-1, CMX-1, or CMX-2, or CMX-2.5 can earn 25% to 50% more dwellings and possibly 7 ft. of building height.

See the section “Development Bonuses” in this document for more details.

### How to Apply

To apply, you must submit a completed **Acknowledgement Form** with your zoning permit application. In the form, you will designate the bonus level (low- or moderate-income) and option (affordable units or payment) the development will utilize. DPD must certify the form before your zoning permit can be issued.

To get building permits, you will need to enter into a **legal agreement** with the City:

- For the affordable units option, you must record a **deed restriction** with a DPD-approved **affordable building plan package**. DPD will later need to **certify tenants/buyers** at lease up / point of sale.
- For the payment option, you will need to complete a **payment agreement** and upload **proof of payment**.

There is no cost for the review of the acknowledgment form, legal agreements, or the affordable building plan. If you choose to make a payment, the fee changes based on the zoning district and the bonus level. See the section “How much do I Pay?” in this document for details.

### Development Bonuses

Floor Area Bonus (Additional Gross Floor Area as a Percentage of the Lot Area)											
	RM-2	RM-3	RM-4	RMX-1	RMX-2	RMX-3	IRMX	CMX-3	CMX-3 in /TOD	CMX-4	CMX-5
<b>Moderate Income</b>	25%	50%	100%	50%	75%	150%	150%	150%	200%	150%	300%
<b>Low Income</b>	50%	75%	175%	75%	125%	250%	250%	250%	300%	250%	400%



Height Bonus (Additional Building Height)					
	RM-1*	CMX-1**	CMX-2*	/ECO Overlay †	/CDO Overlay †
<b>Moderate Income</b>	7 ft.	7 ft.	7 ft.	Up to 48 ft.	Up to 48 ft.
<b>Low Income</b>	7 ft.	7 ft.	7 ft.	Up to 60 Ft.	Up to 60 ft.

\* To qualify, you must build 3 or more dwelling units and build the affordable units. You cannot make a payment instead.  
 # To qualify, your lot must have a height limit of 38 ft. or less before applying the bonus.  
 † To qualify, your lot must be in a zoning district with a maximum floor area ratio. You cannot use the bonus for both more floor area and more height.

Dwelling Unit Density Bonus	
	<b>RM-1, CMX-1, CMX-2, CMX-2.5</b>
<b>Moderate Income</b>	25% increase in units allowed*
<b>Low Income</b>	50% increase in units allowed*

\* Units allowed does not include any dwelling units earned under other zoning bonuses.

## Payment Option

If you build 10 or more units, or less than 50% of your lot's gross floor area is in residential use, you can make a payment instead of building affordable units. You cannot use the payment option if you want to earn a height bonus in RM-1, CMX-1, or CMX-2.

If you make a payment, the fee changes based on the zoning district and the bonus level. Payments are based on the total gross floor area or dwelling units allowed and not how much gross floor area you use or dwelling units you build.

Zoning District	Bonus Level	Payment Formula
RM-2, RM-3, RM-4, RMX-1, RMX-2, RMX-3, IRMX, CMX-3, CMX-4, CMX-5	Moderate Income	\$11.30 x Total Gross Floor Area Allowed*
	Low Income	\$14.60 x Total Gross Floor Area Allowed*
RM-1, CMX-1, CMX-2, CMX-2.5	Moderate Income	\$13,600 x Total Dwelling Units Allowed#
	Low Income	\$17,700 x Total Dwelling Units Allowed#

\* 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 total gross floor area used or allowed. Different standards apply for the Optional Special Standards the /CDO overlay.  
 # Calculation does not include dwelling units earned from other zoning bonuses.

## Affordability Standards

If you build affordable units, 10% of all units must be affordable and must stay affordable for 50 years. They must be spread throughout the development and of similar quality in size, design, appearance, and energy efficiency as the market-rate units in the development.

Affordable income, rent, and sales prices are based on the AMI. This is reported by the U.S. Department of Housing and Urban Development for the Philadelphia Metropolitan Statistical Area. Occupancy income requirements are based on the actual household size, while rents and sales prices are based on a set household size. The set household size is 1

person for efficiencies and studios and 1.5 people per bedroom for all other unit types. The actual household size does not need to match the set household size.

If a property contains 4 or more affordable units, its sale may be subject to Right to Refusal rules (§ 7-200) consistent with the Philadelphia Code and city-issued regulations and code bulletins.

**Rental Units:**

Affordable rents must be affordable to households earning up to 50% AMI under the low-income bonus or up to 60% AMI under the moderate-income bonus. Rent limits are set at 30% of monthly household income at the required AMI based on the set household size. The gross rent limit includes estimated utility costs. Estimated utility costs by unit type (the “Utility Allowance”) must be provided by the owner or property manager with annual compliance documentation. The utility allowance is subtracted from the gross rent limit to determine the maximum monthly rent that can be charged per unit.

To calculate the utility allowance, DPD recommends the utility schedule developed by the Philadelphia Housing Authority (PHA) for the Housing Choice Voucher program. You can find the current PHA utility schedule here: [www.pha.phila.gov/housing/housing-choice-voucher/monthly-utility-allowance-and-payments/](http://www.pha.phila.gov/housing/housing-choice-voucher/monthly-utility-allowance-and-payments/). HUD also has a utility calculator at [www.huduser.gov/portal/resources/utilallowance.html](http://www.huduser.gov/portal/resources/utilallowance.html). You must provide a justification for all calculations. The utility allowance is subject to DPD approval.

A household can continue to occupy the unit until they earn more than 100% AMI for low-income units or 120% AMI for moderate income units. A rental unit is only in compliance until the first expiration of a lease occurring after the tenant's income exceeded this limit. After the lease expires, the owner or property manager may raise rent on the existing household's unit at their discretion (taking into account any applicable laws, rules, or policies regarding rent increases) provided that the next available unit of comparable size is made available to a new income-qualified household.

<b>Gross Monthly Rent Limits (2026)</b>						
<b>Unit Size</b> (Set Household Size)	<b>Efficiency/ Studio</b> (1)	<b>1 Bedroom</b> (1.5)	<b>2 Bedroom</b> (3)	<b>3 Bedroom</b> (4.5)	<b>4 Bedroom</b> (6)	<b>5 Bedroom</b> (7.5)
<b>Low Income</b> (50% AMI)	\$1,073	\$1,150	\$1,380	\$1,595	\$1,778	\$1,963
<b>Moderate Income</b> (60% AMI)	\$1,288	\$1,380	\$1,656	\$1,914	\$2,134	\$2,355

\*If an affordable rental unit is rented to a household with a Section 8 Housing Choice Voucher, the contract rent may, for such period that the Tenant Voucher is in effect, exceed the maximum rent otherwise permitted by this Section.

<b>Rental Unit Income Limits at Household's Initial Occupancy (2026)</b>					
<b>Household Size</b>	<b>1 Person</b>	<b>2 Person</b>	<b>3 Person</b>	<b>4 Person</b>	<b>5 Person</b>
<b>Low Income</b> (50% AMI)	\$42,950	\$49,100	\$55,200	\$61,350	\$66,250
<b>Moderate Income</b> (60% AMI)	\$51,540	\$58,920	\$66,240	\$73,620	\$79,500



Rental Unit Income Limit after Household's Initial Occupancy (2026)					
Household Size	1 Person	2 Person	3 Person	4 Person	5 Person
<b>Low Income</b> (100% AMI)	\$85,900	\$98,200	\$110,400	\$122,700	\$132,500
<b>Moderate Income</b> (120% AMI)	\$103,080	\$117,840	\$132,480	\$147,240	\$159,000

**Owner-Occupied Units:**

Owner-occupied units must be affordable to households earning up to 70% AMI under the low-income bonus or up to 80% of AMI under the moderate-income bonus. Affordable owner-occupied units must be sold/resold to one or more members of a household with household earnings up to 70% AMI for low-income units or 80% AMI for moderate income units for 50 years.

The sale and resale price for owner-occupied units are set based on a down payment that is no more than 5% of the purchase price; a fixed-rate 30-year mortgage, with a rate equal to the average monthly rate published by Freddie Mac; and household costs that do not exceed 30% of income at required AMI based on set household size. Household costs include mortgage principal and interest, property taxes, property insurance, and condominium or homeowner association fees.

Owner-Occupied Unit Income Limits at Sale (2025)					
Household Size	1 Person	2 Person	3 Person	4 Person	5 Person
<b>Low Income</b> (70% AMI)	\$60,130	\$68,740	\$77,350	\$85,890	\$92,820
<b>Moderate Income</b> (80% AMI)	\$68,720	\$78,560	\$88,320	\$98,160	\$106,000

**For Questions**

You can contact us at [MIH@PHILA.GOV](mailto:MIH@PHILA.GOV).

**Disclaimer**

Affordable housing must be provided and payments in lieu must be made in a manner consistent with the Philadelphia Code and City-issued regulations and code bulletins. If this document conflicts with any adopted regulation, ordinance, or code, the adopted regulation, ordinance, or code will govern.