

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON HOUSING, NEIGHBORHOOD
DEVELOPMENT AND THE HOMELESS

Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, March 31, 2011
1:15 p.m.

PRESENT:

COUNCILWOMAN JANNIE BLACKWELL, CHAIR
COUNCILMAN DARRELL CLARKE
COUNCILMAN WILLIAM K. GREENLEE
COUNCILMAN CURTIS JONES, JR.
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN BRIAN J. O'NEILL
COUNCILWOMAN MARIA D. QUINONES-SANCHEZ

BILL 100615 - An Ordinance amending Title 21
of The Philadelphia Code, entitled
"Miscellaneous," by adding a new Chapter,
entitled "Neighborhood Blight Reclamation and
Revitalization"...

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1
2 COUNCILWOMAN BLACKWELL: Good
3 afternoon. Let me thank everyone for
4 coming to our Committee meeting. This is
5 the Committee on Housing, Neighborhood
6 Development and the Homeless.

7 We have a quorum present, and
8 we're glad for that. To my left is
9 Councilman Darrell Clarke. Councilman
10 and Vice Chair Bill Greenlee is in the
11 room. To his left, Councilwoman Maria
12 Quinones-Sanchez. To her left,
13 Councilman O'Neill. To my right is
14 Councilman Jones.

15 And we will first ask the Clerk
16 to read the title of the bill, which is
17 Bill No. 100615, and we're very glad to
18 call this hearing into being.

19 Will the Clerk read the title
20 of the bill.

21 THE CLERK: Amending Title 21
22 of The Philadelphia Code, entitled
23 "Miscellaneous," by adding a new Chapter,
24 entitled "Neighborhood Blight Reclamation
25 and Revitalization," providing remedies

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2 for the remediation of neighborhood
3 blight as authorized by the General
4 Assembly of Pennsylvania; all under
5 certain terms and conditions.

6 COUNCILWOMAN BLACKWELL: Thank
7 you very much.

8 We will now ask the primary
9 sponsor of the bill, Councilman Darrell
10 Clarke, to make comments.

11 COUNCILMAN CLARKE: Thank you,
12 Madam Chair.

13 Good afternoon. Madam Chair, I
14 just want to say that -- first, I want to
15 thank you for holding this hearing for a
16 very important issue, particularly for
17 the members who have some challenging
18 neighborhoods. I want to thank the
19 General Assembly for their work in terms
20 of expanding the opportunities and the
21 capability for cities taking care of
22 themselves. I only wish they would do
23 the same thing with guns, but we'll take
24 what we can get for now.

25 The proposal on the table is

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2 essentially an opportunity for us to
3 expand our ability to essentially police
4 our own communities as related to
5 blighted conditions. Too often in all of
6 our districts, we have experienced
7 situations where somebody has a property
8 next door, be it commercial or a rental
9 property, that's been allowed to
10 deteriorate to the point where it's now
11 causing a problem for either that
12 next-door neighbor or causing a problem
13 for that particular block or for that
14 particular neighborhood.

15 Throughout other parts of our
16 city, particularly parts that some of us
17 represent, in former industrial locations
18 where 30 years ago was a burgeoning
19 community as it relates to industrial
20 properties, those jobs and those
21 businesses have left, but now they leave
22 these large buildings, industrial
23 buildings, in our communities, do not
24 maintain them and then the old broken
25 window effect takes place. One window

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2 gets broken, and before you know it, all
3 the windows are broke. People are in the
4 industrial old vacant buildings, causing
5 fires and doing who knows what else. It
6 is now a problem for that entire
7 community.

8 Similarly, people have vacant
9 lots that they simply, frankly speaking,
10 just don't feel the need to adequately
11 maintain. It then becomes a dumping
12 ground, short dumping. The reality is is
13 that the City simply does not have the
14 necessary resources to, one, enforce and,
15 two, abate those nuisances.

16 We heard in the hearing
17 yesterday in 2001 we had 110 people
18 working on the staff that clean vacant
19 lots. We're down now to 43. If
20 anything, the number of vacant lots has
21 increased, but yet the staff to deal with
22 that has reduced dramatically.

23 So we think that this gives us
24 the ability to be more aggressive in
25 terms of imposing code violations and

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2 enforcing those code violations on these
3 absentee property owners that allow these
4 conditions to continue in our city.

5 So I would like to thank you
6 all for your support, thank members who
7 attended the hearing that actually caused
8 this bill to be introduced late last year
9 at Temple University, and we're looking
10 forward to your full input and full
11 support.

12 I do understand that there are
13 some concerns by some of the property
14 owners, and we're engaged and fully
15 prepared to listen to those conditions,
16 and hopefully we can come to a consensus
17 on what direction we need to go.

18 So with that, thank you very
19 much, Madam Chair.

20 COUNCILWOMAN BLACKWELL: Thank
21 you very much.

22 Would anyone else like to make
23 a comment?

24 (No response.)

25 COUNCILWOMAN BLACKWELL: Seeing

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2 none, we will ask Bridget
3 Collins-Greenwald, Managing Director's
4 Office, to come forward to give her
5 testimony.

6 Please identify yourself for
7 the record and begin your testimony.

8 (Witness approached witness
9 table.)

10 MS. COLLINS-GREENWALD: Hi.
11 Bridget Collins-Greenwald, Deputy
12 Managing Director from the Managing
13 Director's Office.

14 Thank you, Councilwoman and
15 members of the Committee. My name is
16 Bridget Collins-Greenwald and I'm happy
17 to provide testimony on Bill 100615,
18 which was introduced by Councilman
19 Clarke.

20 As you are aware, the Nutter
21 Administration is developing a number of
22 land management policies to tackle
23 Philadelphia's vacant property and blight
24 problems. While these policies will not
25 be a panacea for all these issues, we

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2 hope that the stronger coordination and
3 clear expectations will hold property
4 owners accountable, allow for an easier
5 way to obtain City-owned property and
6 encourage developers and individuals to
7 turn vacant land into a more productive
8 use.

9 Bill No. 100615 supplements the
10 Administration's efforts, and as so much
11 as the bill provides the Administration
12 additional tools to fight blight, we
13 support its passage and thank Councilman
14 Clarke for his ongoing interest.

15 The legislation, as amended,
16 will reinforce the City's ability to take
17 strong action against owners of blighted
18 property. The City may file suit in
19 Equity Court against specific
20 individuals. Following a ruling against
21 that individual, liens may be attached to
22 the person's assets, and should that
23 person live outside the Commonwealth,
24 that person may be extradited into the
25 City. Further, the City may deny the

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2 issuance of permits for other properties
3 owned by the same individual should
4 outstanding violations exist on a vacant
5 property.

6 Each of these tools may act as
7 an incentive and hold property owners
8 accountable.

9 Thank you again for the
10 opportunity to appear before you today,
11 and I'm happy to answer any questions.

12 COUNCILWOMAN BLACKWELL: Thank
13 you very much.

14 Questions? Councilman Clarke.

15 COUNCILMAN CLARKE: Thank you
16 very much for your testimony. I look
17 forward to your support.

18 MS. COLLINS-GREENWALD: Great.
19 Thank you, Councilman.

20 COUNCILWOMAN BLACKWELL:
21 Councilman Jones.

22 COUNCILMAN JONES: Yes. Thank
23 you, Madam Chair, and thank you,
24 Councilman Clarke, for introducing this
25 bill.

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2 What I guess I want to know is,
3 how does this further empower you and
4 respective departments to take to task
5 people who, for whatever reasons, whether
6 it's speculation, whether it's just
7 benign neglect, how does this help and
8 how does it compare to the broken window
9 law and how does it complement it?

10 MS. COLLINS-GREENWALD:

11 Actually, with the windows and doors
12 ordinance, as we call it, this actual
13 legislation is going to go hand in hand
14 with that. Our office is working with
15 the Department of Licenses and
16 Inspections and Commissioner Burns on a
17 strategic plan for the maintenance of
18 this bill, along with the windows and
19 doors ordinance. And what L&I plans to
20 do is come in from the outer fringes of
21 the City and actually do some enforcement
22 on those areas of the City where we do
23 think the windows and doors ordinance
24 will take effect. And that, for anyone
25 unfamiliar with it, is if you live on a

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2 block that's 80 percent or more occupied
3 and you have no windows and doors in your
4 property, we go after you in a different
5 way through Council ordinance than we
6 would on a block that does not have that
7 population.

8 So what we are doing is sending
9 dedicated inspectors into certain areas
10 of the City and we're going to write up
11 those ordinances. With that, we're --
12 well, we're hoping for compliance,
13 obviously. That's what we actually all
14 strive for. Bearing that we don't get
15 compliance, we're going to forward those
16 cases to Equity Court, where we actually
17 have a judge that has dedicated one day a
18 month where he's going to hear these
19 cases, to start with one day a month, and
20 then we're thinking with him of the
21 knowledge that he'll grasp from us keep
22 sending these types of cases to him, the
23 experience he'll have, he'll hold these
24 property owners more accountable, and
25 whatever fines and liens are placed upon

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2 them, then working with the City's Law
3 Department, we hope to bring those owners
4 into the City and attach their assets,
5 extras, whatever we need to do, to show
6 them that we're really serious about
7 enforcing these types of maintenance
8 issues.

9 COUNCILMAN JONES: I had an
10 opportunity to attend Councilman Clarke's
11 workshop at Temple University. I think
12 it might have been a year ago or maybe a
13 little more. And one of the issues --
14 and I hope this addresses that -- is that
15 you had block captains that could not
16 find owners and that the process took so
17 long. I remember one property at, I want
18 to say, 56th and right off of Lancaster,
19 right next to the mall, one of my block
20 captains, the entire alley was blocked
21 and they had built a false structure that
22 was illegal and then just left the
23 property, and so all kinds of crime and
24 things like that happen there.

25 The question I have is, in your

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2 estimation, how much -- if it takes on
3 average a year, two years, what will this
4 allow us to shrink the time -- the
5 reasonable timeframe down to some type of
6 disposition?

7 MS. COLLINS-GREENWALD: I
8 can -- the plan is to actually for the
9 maintenance strategy, which is the L&I
10 enforcement strategy, when the initial
11 violation is written against a property
12 or a property owner, L&I usually gives 30
13 days for someone to comply. You have to
14 give them the due process period where
15 they will comply. After that 30 days,
16 L&I goes back out and does another
17 reinspection. Upon that, if there's no
18 compliance, L&I goes out one final time,
19 does a reinspection, and then that case
20 is forwarded to court.

21 Now, where we've had some
22 problems in the past is finding the
23 property owners, as you said. What
24 Commissioner Burns has done is, she's
25 hired a dedicated staff of temporary

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2 workers that have come into the
3 department and they're actually utilizing
4 other tools other than maybe just BRT
5 information or Records information.
6 They're using like LexisNexis, things
7 over the Internet, and they've had to
8 date -- they've only started a few months
9 ago, but to date, they've been very
10 successful at finding property owners
11 that in the past we haven't been able to.
12 So we're thinking grouping with that
13 effort, along with the effort of a really
14 concentrated enforcement timeline where
15 it's the original inspection, the two
16 reinspections and court, we think we're
17 going to be very successful in this
18 endeavor. And we are shrinking that
19 timeline from down, as you said, in the
20 past a year or two years or something
21 like that for any type of enforcement
22 action to take place.

23 COUNCILMAN JONES: So the
24 amount of time from citation to some type
25 of action can be?

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2 MS. COLLINS-GREENWALD: It

3 should be, if no compliance, it should be
4 you get the property maintenance
5 complaint, so the 30 day, 30 day, 30 day.
6 Ninety days would be ideal and then it
7 would go to court. And then once it goes
8 into the court system, then we're at the
9 court system's scheduling, people to see
10 what goes on there, but after that, our
11 Law Department has agreed they're going
12 to aggressively go after these -- not
13 that they don't now, but really
14 aggressively go after these types of
15 violations, and, as I said, we have a
16 dedicated judge one day a month that's
17 going to start hearing these cases. So
18 we're thinking he'll build up his
19 expertise and whatnot and then hopefully
20 some things will be done.

21 COUNCILMAN JONES: Finally, at

22 the state level, does their companion
23 legislation address the right of
24 redemption period and disposition period,
25 making it easier in what ways?

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2 MS. COLLINS-GREENWALD: That I
3 am actually not sure about to answer that
4 one. Sorry.

5 COUNCILMAN JONES: That's fair.
6 That's a fair answer.

7 Thank you, Madam Chair.

8 COUNCILWOMAN BLACKWELL: Thank
9 you.

10 We have a Housing Committee
11 that meets regularly and we're trying to
12 upgrade and update the code, and this is
13 one of those areas that would have been
14 good to be considered in our committee.

15 We're concerned. Will this
16 process take care of the backlog now? I
17 mean, there's so many properties out
18 here. Those that are bad have been bad
19 for many, many years. We have a
20 gentleman who is an officer who has some
21 land in Mantua that's been vacant, and
22 we've put him in Equity Court maybe ten
23 years at least.

24 So, I mean, how will you be
25 able to shorten the time if you have the

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2 same staff? Will this process allow you
3 to protect those who are trying to do
4 something with their properties and go
5 after the, quote/unquote, deadbeats who
6 just leave lots alone? How will you do
7 that with your same workforce?

8 MS. COLLINS-GREENWALD: Well,
9 with the same workforce, we're just going
10 to actually -- I'm actually not in L&I
11 anymore, so I shouldn't keep saying "we,"
12 but what Commissioner Burns plans to do
13 is deploying the staff a little bit
14 differently, having dedicated inspectors
15 that are going and handling these types
16 of cases. But what we're actually
17 working with now, Councilwoman, is the
18 Law Department to see how we can bring
19 public nuisance liens into the
20 foreclosure process. Right now currently
21 you can't do that. It's a tax problem,
22 and then you could get it into sheriff's
23 sale and get some kind of disposition in
24 the City.

25 We are working with Law to see

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2 about nuisance liens, which we're told
3 through this bill will actually allow us
4 to do that. So it's just a matter of
5 working out a process with the Law
6 Department to see how we can actually go
7 about doing that.

8 COUNCILWOMAN BLACKWELL: Okay.

9 Councilwoman Sanchez.

10 COUNCILWOMAN SANCHEZ: Thank

11 you, Madam Chair.

12 I also want to thank Councilman
13 Clarke for his leadership in this, and
14 like Councilman Jones, I had an
15 opportunity to attend that conference and
16 listen to the frustration of many of the
17 good block captains and others who work
18 aggressively at this.

19 One of the questions that I
20 have, and it's a discussion I've had with
21 the Councilman, is around -- and
22 Councilwoman Blackwell alluded to it,
23 owner-occupied homes of people who are
24 poor or maybe not have conditions to be
25 able to fix their properties. What's the

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2 intent of L&I as it relates to those?

3 MS. COLLINS-GREENWALD: With
4 this strategy, L&I is strictly focusing
5 on vacant properties. So owner-occupied
6 shouldn't factor into it at all, because
7 this is just a vacant property strategy.
8 And L&I is using different factors to
9 determine what a vacant property is, but
10 it's the standard no water...

11 COUNCILWOMAN SANCHEZ: Right.
12 It would be important. We recently,
13 through the Committee of Licenses and
14 Inspection, did the owner registration
15 for people who don't live in the City and
16 own property in the City in terms of
17 having the realtor, whatever. It would
18 be important for us, for L&I to put all
19 of these new regs in some sort of format
20 that people can kind of refer to, sort of
21 tools for block captains, because we have
22 updated from the fee part to what are the
23 actions that we take. We need to make
24 sure that people are correctly informed
25 about what those kind of options are,

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2 because I'm thinking we did the fees
3 piece. As it relates to this one and the
4 nuisance bills, is there going to be a
5 fee structure that's different than the
6 ones that we currently have?

7 MS. COLLINS-GREENWALD: I don't
8 believe so. I can't definitely say that,
9 but I don't believe we anticipate doing
10 any different type of fee structure.

11 COUNCILWOMAN SANCHEZ: All
12 right. I'll wait for the rest of the
13 testimony. Thank you very much.

14 Is there -- no. I wanted to
15 ask this. Is there anything that's not
16 in this legislation that we should be
17 considering in addition to this?

18 MS. COLLINS-GREENWALD: We felt
19 the legislation was very strong and have
20 actually touched on anything that we
21 would need on the City's end on the
22 enforcement end. So we were in full
23 support of it and thought it included
24 everything we needed. But if it didn't,
25 we'll come back to you guys.

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2 COUNCILWOMAN SANCHEZ: Thank
3 you. Thank you.

4 COUNCILWOMAN BLACKWELL:
5 Councilwoman Miller.

6 COUNCILWOMAN MILLER: Hi. How
7 are you?

8 MS. COLLINS-GREENWALD: Hi.
9 How are you?

10 COUNCILWOMAN MILLER: Good
11 afternoon. You may not be able to answer
12 this, but my question is -- actually
13 really it's for the courts. What happens
14 once it gets to court? What's going to
15 change?

16 MS. COLLINS-GREENWALD: We feel
17 with this dedicated court date that we
18 have coming up, that, like I said, the
19 familiarity of the judge with these cases
20 and actually seeing them and seeing the
21 effect they have on the neighborhoods and
22 the blighting effect that occurs to
23 people that are still in the
24 neighborhoods, that the judges are going
25 to impose fines to the maximum, we're

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2 hoping. And then what would happen at
3 that point is, those liens can then go --
4 after the judgment is passed, then we as
5 the City and the City, working with the
6 Law Department, could actually bring
7 these owners into the City and attach the
8 assets and things like that, which we
9 don't currently do now. Now we just put
10 a lien against the property itself and --

11 COUNCILWOMAN MILLER: Which
12 really doesn't mean much, right.

13 MS. COLLINS-GREENWALD: Yeah.
14 So we're thinking if you're going after
15 people's assets, that's a whole different
16 ball game.

17 COUNCILWOMAN MILLER: We have a
18 hearing coming up. There's a hearing
19 coming up in court, and I'm actually
20 bringing the junior block captain down to
21 testify about how that vacant property
22 next to her impacts her life, and I was
23 hoping that what you just said, I was
24 hoping that once the judge hears how this
25 impacts this young lady's life. And so

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2 that court date, I can't remember off the
3 top of my head, but it's in April, and
4 I'm really hoping that it will change
5 something for her, because this property
6 is just vacant, abandoned. The owner
7 comes every now and then and fixes a
8 little bit of this and a little bit of
9 that, but raccoons are in there and other
10 things are living in this house and it's
11 really impacting her ability to get rest
12 to go to school the next day.

13 MS. COLLINS-GREENWALD: Oh, I'm
14 sure. That's where our hope is, that
15 with these dedicated hearings and the
16 dedicated judge, that he'll have a real
17 understanding of the issues and actually
18 will impose the maximum type fines and
19 things like that.

20 COUNCILWOMAN MILLER: Okay.
21 Thank you.

22 MS. COLLINS-GREENWALD: You're
23 welcome.

24 COUNCILWOMAN BLACKWELL: And
25 let me note that this more recent

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2 practice of not necessarily boarding up
3 the rear where you got to ask L&I to go
4 out twice and not doing upper floors is
5 really an aesthetic nightmare. Not
6 boarding up upper floors is a problem,
7 too.

8 MS. COLLINS-GREENWALD: I
9 thought L&I boarded up the rears. That
10 was always the practice when I was there.
11 The second floors, I know a lot of times
12 we won't send L&I employees up to those
13 second floors because it's just not safe
14 for them to go up there.

15 COUNCILWOMAN BLACKWELL: They
16 do first floor and leave. It was a
17 monetary issue. But if the second floor
18 or third floors are open, it really adds
19 to the problem.

20 More questions?

21 (No response.)

22 COUNCILWOMAN BLACKWELL: Thank
23 you very much.

24 MS. COLLINS-GREENWALD: Thank
25 you.

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2 COUNCILWOMAN BLACKWELL: BIA,
3 David Perlman, Building Industry
4 Association.

5 (No response.)

6 COUNCILWOMAN BLACKWELL:
7 Honorable Peter J. Wirs.

8 (No response.)

9 COUNCILWOMAN BLACKWELL:
10 Mr. James White. I see you. I know you
11 are here. Philadelphia Association of
12 CDCs. Thank you.

13 I don't see Kira Strong. Are
14 you here?

15 (No response.)

16 COUNCILWOMAN BLACKWELL: I
17 don't see Kira.

18 I don't see Claudia Sherrod or
19 do I? No.

20 (Witness approached witness
21 table.)

22 MR. WHITE: No, ma'am. I think
23 a lot of them will submit their testimony
24 in writing later to the Chair.

25 COUNCILWOMAN BLACKWELL: Thank

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2 you.

3 MR. WHITE: Thank you, Madam
4 Chair, for the opportunity to speak to
5 you and your esteemed colleagues this
6 afternoon. My name is James White and I
7 am the Policy Coordinator of the
8 Philadelphia Association of Community
9 Development Corporations. PACDC is a
10 citywide association of 85 community
11 development corporations and other
12 organizations that have extensive
13 experience designing and implementing
14 strategies to address abandoned and
15 blighted properties in their
16 neighborhoods.

17 As you know, blighted and
18 vacant properties have a negative impact
19 on adjacent properties that are being
20 maintained by their owners, as well as
21 neighborhoods and the City. To sum it
22 up, a large amount of blighted properties
23 equals lost household wealth, high
24 maintenance costs for the City and
25 delinquent taxes. A recent study

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2 commissioned by PACDC and the City's
3 Redevelopment Authority estimated that
4 Philadelphia's 40,000-plus vacant
5 properties cost the City and its
6 residents in a number of ways.

7 One, 3.6 billion in lost
8 household wealth. Vacant parcels have a
9 blighting effect on nearby properties,
10 reducing values by 6.5 percent citywide
11 and by up to 20 percent in some
12 neighborhoods. This results in an
13 estimated 3.6 billion reduction in
14 property values, an average of 8,000 for
15 each household in the City.

16 Two, more than 20 million in
17 City maintenance costs each year. Though
18 the City controls only one-quarter of the
19 vacant parcels within the City, it has to
20 bear significant costs to maintain all of
21 them - waste cleanup, demolitions, police
22 and fire - totalling over 20 million per
23 year.

24 Third, at least 2 million in
25 uncollected property taxes each year.

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2 Seventeen thousand vacant parcels are tax
3 delinquent, most by over a decade, owing
4 a total of 70 million to the City and
5 School District in back property taxes.
6 This number increases by at least 2
7 million each year.

8 PACDC supported passage of Act
9 90 by the Pennsylvania General Assembly
10 last year, which this bill is modeled on.
11 Thus, we strongly support City Council's
12 efforts to address problems caused by
13 blighted and abandoned properties in our
14 neighborhoods, which also dovetails well
15 with the property maintenance component
16 of the City's initiative to reform its
17 vacant property management system.

18 Given the significant changes
19 made to Act 90 before it was passed at
20 the General Assembly, we support proposed
21 amendments to this bill to make it
22 conform to the final version of Act 90.
23 In addition, we recognize the need for a
24 process for hardship agreements for
25 lower-income homeowners to pay off fines

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2 and remediate code violations such as in
3 situations where they inherited a home
4 with violations. In addition, given the
5 effort currently underway by the
6 Pennsylvania Bar Association to develop a
7 model implementation ordinance for Act 90
8 for municipalities across the
9 Commonwealth, we encourage City Council
10 to be open to modifying this bill in the
11 future to incorporate further appropriate
12 changes.

13 In accordance with Pennsylvania
14 Act 90, the passage of Bill No. 100615
15 with needed amendments would provide
16 important new powers to Philadelphia that
17 would help hold property owners
18 accountable for maintenance of their
19 properties. Here are just a few ways
20 this ordinance would strengthen
21 Philadelphia's code enforcement efforts.

22 Private asset attachment:

23 Allows the City to take actions against
24 owners of buildings, housing or land that
25 is in serious violation of municipal

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2 codes or regarded as a public nuisance by
3 placing a lien against the owner's
4 assets, not just against the building.

5 Extradition of out-of-state
6 owners: Provides for out-of-state owners
7 of deteriorated property to be extradited
8 to the City for prosecution.

9 Permit denial: Allows the City
10 to deny applications for certain
11 municipal permits and approvals if the
12 applicant is delinquent on taxes or
13 municipal charges or if the applicant
14 owns property that is in serious
15 violation of codes and has taken no
16 substantial action to bring property into
17 code compliance.

18 A strategic and comprehensive
19 effort to deal with urban blight should
20 also involve schemes especially designed
21 to discourage abandonment in the first
22 place, as well as appropriate reuse of
23 blighted and abandoned properties. In
24 Philadelphia, strategic neighborhood
25 revitalization efforts have been underway

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2 for a number of years. CDCs are working
3 with local residents, the City and other
4 partners to transform these public
5 eyesores into community assets and pave
6 the way for new investments that will
7 strengthen our neighborhoods. For
8 instance, the transformation of Southwest
9 Center City was started by community
10 development organizations such as
11 Universal Companies, the Office of
12 Community Development of the Archdiocese
13 of Philadelphia and Habitat for Humanity,
14 working with the City to deal with
15 blighted and vacant properties.

16 According to a study by the
17 University of Pennsylvania Fels Institute
18 of Government, "Vacant Property
19 Reclamation and Neighborhood Change in
20 Southwest Center City," a 1998 survey by
21 the City identified 553 vacant homes and
22 194 tax delinquent homes owing more than
23 3.3 million in back taxes. Ten years
24 later, a similar survey revealed that 307
25 of these vacant homes had been renovated

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2 and only 14 homes remained tax
3 delinquent. Seven out of every ten homes
4 that were vacant had been renovated or
5 are in the process of being renovated.
6 However, replicating such success is
7 challenging, especially in neighborhoods
8 with weaker markets. To ensure equitable
9 development, any systematic attempt to
10 address the problems of abandonment and
11 blight should be aligned with
12 neighborhood strategic plans created with
13 meaningful community input to promote
14 renewal of neighborhoods.

15 Finally, the historical
16 challenges of the City's broken property
17 acquisition and disposition system have
18 been a major barrier to revitalization of
19 neighborhoods. One out of every four
20 vacant properties in Philadelphia is
21 owned by various public agencies,
22 including the City's Department of Public
23 Property, the RDA, the Philadelphia
24 Housing Development Corporation and the
25 Philadelphia Housing Authority. Without

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2 major system reform, including
3 consolidation of ownership of these
4 vacant properties at a single entity and
5 additional strategic acquisition to
6 create development sites, progress in
7 reversing the blighting influence of
8 these properties will be limited. Such
9 reform would help return vacant
10 properties to the tax rolls, increase the
11 value of adjacent properties and boost
12 revenues to the City at a time when every
13 dollar counts.

14 We look forward to the
15 opportunity to continue working with City
16 Council and the Administration to develop
17 an equitable neighborhood revitalization
18 strategy to strengthen the City's
19 neighborhoods and address residents'
20 needs.

21 Thank you. Questions?

22 COUNCILWOMAN BLACKWELL: Thank
23 you.

24 Questions for Mr. White?

25 Councilman Jones.

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2 COUNCILMAN JONES: Are you for
3 this bill?

4 MR. WHITE: I said we strongly
5 support.

6 COUNCILMAN JONES: Okay. You
7 went through with so many caveats, I got
8 confused. I just wanted to hear that for
9 the record again.

10 MR. WHITE: We have supported
11 this bill. We have supported this
12 initiation of this effort for over a
13 year. We have worked with Council; in
14 particular, Councilman Clarke, in his
15 efforts to do the workshop that we were
16 very proud to co-sponsor with him back in
17 2010. We have never waned from
18 supporting this bill. We faced a deluge
19 on Monday of concerns from across the
20 state from our allies and friends in
21 Harrisburg and as far away as Pittsburgh,
22 who had some concerns about what we are
23 doing and if we were doing it with
24 everything that we needed to do with all
25 the energy and speed.

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2 I commend Councilman Clarke and
3 his staff for getting the bill into
4 alignment in accordance with Act 90 on
5 short notice. But we've always supported
6 this bill, and we will continue to
7 support the efforts of this Council as we
8 move forward to revitalize our
9 neighborhoods, sir.

10 COUNCILMAN JONES: I just
11 wanted it plain speak. So I got it. I
12 got it now. All right.

13 MR. WHITE: Or should I have
14 just said yes?

15 COUNCILMAN JONES: Yes.

16 COUNCILWOMAN BLACKWELL: Thank
17 you very much, Mr. White. Thank you for
18 all you do.

19 MR. WHITE: You're welcome.

20 COUNCILWOMAN BLACKWELL:
21 Carolina B. Harris, Reverend Harris.

22 (No response.)

23 COUNCILWOMAN BLACKWELL:
24 Mr. Darrell Zaslow.

25 Is Melvin Sharpe here? Okay.

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2 What about Lynn Haskin? Okay.

3 Thank you.

4 (Witnesses approached witness
5 table.)

6 COUNCILWOMAN BLACKWELL: The
7 Chair also welcomes Tom Conway. He does
8 so much great work for our city. We're
9 glad you're here and appreciate all that
10 you do for us.

11 Good afternoon. Please
12 identify yourself.

13 MR. ZASLOW: Yes. Thank you,
14 Madam Chairwoman. My name is Darrell
15 Zaslow. I am legal counsel to HAPCO, the
16 Homeowners Association of Philadelphia.
17 HAPCO, as you may know, is the largest
18 property owners group in the City,
19 representing many thousands of members
20 and many tens of thousands or more of
21 housing units in our city. Sitting with
22 me at the table is Victor Pinckney, Sr.
23 Victor is the President of HAPCO.

24 Madam Chairwoman, I apologize
25 for not presenting written testimony to

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2 the Committee. I had actually prepared
3 some rather extensive concerns about the
4 bill, and as of yesterday afternoon,
5 Councilman Clarke's office was kind
6 enough to send us the amendments, and I'm
7 pleased to report that the amendments
8 which Councilman Clarke has presented to
9 the Committee have a full compliance with
10 the state law as it has been enacted.

11 We had the opportunity on the
12 state level to participate in rather
13 massive changes to the state law, which
14 became Act 90 back when it was Senate
15 Bill 900, and many of the lines which are
16 all lined out on your version of this
17 bill this afternoon are a result of the
18 concerns which the State Legislature took
19 under consideration and advisement and
20 made the substantial corrections which
21 are now before us. As a result of that,
22 we are here to applaud Councilman
23 Clarke's efforts to address the issue of
24 the severely blighted properties in our
25 neighborhoods.

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2 Blight affects all of us. If
3 you are a property owner or an investor,
4 you want your property to be well
5 maintained and you want your next-door
6 neighbor and the people on your street to
7 maintain their properties and their lots
8 so that the value of your property and
9 the enjoyment of the tenants that you may
10 have in a property are not adversely
11 affected.

12 So our basic position is, as to
13 the general bill as it is proposed, is
14 our favorable appreciation for the
15 Councilman's efforts in accomplishing
16 something for the severely blighted
17 properties.

18 We will be advising our members
19 that if you are a property owner who
20 cannot comply with the serious and
21 imminent violations, which are a danger
22 to public health and safety, which
23 Councilman Clarke's bill is geared to
24 addressing, then you really have no
25 business being an owner of property. If

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2 you have a property that is owned which
3 is emergency in nature to cause harm to
4 people, then, by all means, this bill
5 should bring the full force of the law
6 down upon them in order to attempt to
7 correct the problems and to protect our
8 citizens.

9 We do hope that this bill
10 translates somehow into an actual
11 improvement. Our sense with these
12 matters generally is is that when you are
13 targeting the worst of the worst, which
14 is what this bill does, that somehow they
15 don't seem to care anyway about what you
16 do and the properties which are so
17 severely blighted as to fall within the
18 statute and the ordinance which is here
19 going to be enacted may not exist, may
20 not be interested in being found, you may
21 not be able to find them, which I know
22 complicates your problems.

23 We do use this opportunity to
24 request of the Committee and the
25 Councilpeople present to not only focus

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2 on these rather punitive measures -- and,
3 as I say, this punitive measure is well
4 deserved -- but to be careful not to
5 overwhelm hard-working property owners
6 who wish to improve their properties and
7 find that the current economic climate
8 renders that difficult or impossible.

9 I think, Madam Chair, you
10 yourself were right on target as saying
11 earlier in the proceeding today that you
12 want to be sure that we're not
13 endangering owners who may be struggling
14 and in good faith trying to correct a
15 problem. If it's some absentee owner who
16 is ignoring the City, hammer them. If
17 it's some person, whether it's a rental
18 property or owner-occupied who in all
19 good faith is trying with limited
20 resources to correct the problem, we hope
21 that there won't be punitive measures of
22 such a level that they just lose the
23 house, because then all we have is one
24 more vacant property, one more property
25 off the tax rolls, one more street which

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2 is going to be harmed.

3 We do have one narrow concern
4 about the bill, and perhaps the Chair or
5 the sponsor or someone can give us some
6 guidance on this. The bill as it's
7 written on the state level and, of
8 course, mirrored here in the City allows
9 for this permit denial upon a tax
10 delinquency, and the state law and the
11 mirror ordinance here in the City simply
12 provides that tax delinquent is as
13 defined in two very complicated
14 Commonwealth of Pennsylvania statutes,
15 the real estate tax law and the municipal
16 claims and tax lien law. And, frankly, I
17 do not know what those laws mean in terms
18 of a tax delinquency. I don't know if
19 that means if you get a bill for your
20 taxes and you're one day late, that now
21 you are not going to be able to get any
22 City permits or if there's some higher
23 level of delinquency, because both of
24 those laws deal with municipal claims and
25 liens and sheriff sales as to at what

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2 point the City will ascertain that there
3 in fact is a delinquency which will bring
4 this bill into operation. And I don't
5 know what the answer is, and we asked on
6 the state level and they sort of just
7 said, Well, it's in that law. I brought
8 the law with me today and have tried to
9 ascertain for my own benefit what it
10 says. I'm sure there may be people who
11 deal with it even more regularly than I
12 do who may have an easy answer, Oh, tax
13 delinquency means the following. But we
14 would hope that you would examine that
15 since someone who is not like a day late
16 with their tax bills are already being
17 hammered.

18 So having said all that, Madam
19 Chain, we again thank Councilman Clarke
20 for his effort in spearheading this
21 through the City and the Chair, members
22 for holding this hearing.

23 Mr. Pinckney, do you have
24 something you'd like to offer as well?

25 Madam Chairman, if he may.

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2 MR. PINCKNEY: I have a little
3 bit to say, Darrell, since you covered
4 mostly pretty much everything pretty
5 well.

6 Madam Chairwoman and Committee,
7 I'd like to thank you for the members of
8 HAPCO for hearing our testimony and
9 personally thank Councilman Clarke for
10 taking the bull by the horn concerning
11 blighted property in the City.

12 As we all know, blight affects
13 everyone, the people who live in the
14 community and those who invest in it as
15 well.

16 As Darrell has -- all of us --
17 as Darrell has pointed out, to withhold
18 permits for being late paying fees or
19 taxes, we all know this has been a
20 hard -- economically the times have been
21 hard on all of us. Unlike the City, we
22 can't sell bonds or raise taxes. A lot
23 of us can't raise rents on our tenants,
24 because a lot of our tenants are paying
25 over 50 percent of their income towards

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2 rent and utilities. So I would hope we
3 can get some clarification on the matter
4 which Darrell Clarke -- excuse me;
5 Darrell Zaslow, our attorney, was talking
6 about.

7 And thank you once again for
8 hearing our testimony.

9 COUNCILWOMAN BLACKWELL: Thank
10 you. We're going to ask Councilman
11 Clarke to respond to that with those
12 issues when he is free. He's on the side
13 of the Council. And we'll ask him about
14 his intent and what he views, if a person
15 has a property and they just missed their
16 deadline for filing --

17 MR. ZASLOW: I don't want to
18 put Councilman Clarke on the spot,
19 because, as I say, this is a complicated
20 issue and I don't want to put him that he
21 needs to know the answer, because in
22 Harrisburg they didn't exactly seem to
23 have an answer either. But if he has
24 some sense of it, we'd appreciate hearing
25 it.

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2 COUNCILWOMAN BLACKWELL: Thank
3 you very much. And we believe that when
4 we pass legislation, that we should be
5 mindful of our intent and mindful of the
6 economy and we should try to do the right
7 thing and be surefooted about what it is
8 we want to do.

9 MR. ZASLOW: Thank you very
10 much, Councilwoman.

11 COUNCILWOMAN BLACKWELL: Thank
12 you, gentlemen. Thank you.

13 Melvin Sharpe, Lynn Haskin,
14 Kelly J. Gastley, Law Works Project.

15 (Witness approached witness
16 table.)

17 COUNCILWOMAN BLACKWELL: Thank
18 you very much. Welcome. Please identify
19 yourself for the record and begin your
20 testimony.

21 MR. SHARPE: Yes. Thank you,
22 Madam Chairwoman. My name is Melvin T.
23 Sharpe, Jr. I am an attorney in
24 Philadelphia and also a resident in the
25 28th Ward, which is in the 5th Council

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2 District of Councilman Clarke.

3 COUNCILWOMAN BLACKWELL: Thank
4 you.

5 MR. SHARPE: I am here
6 principally as a representative of the
7 dispossessed, of the poor and low-income
8 people in my community. Those are the
9 people that I am speaking for. Those are
10 the folks that are my primary concern,
11 and those are the folks that are not here
12 and often are not here in the halls of
13 justice that don't get a chance to speak,
14 so folks like me speak for them.

15 I prepared comments, but before
16 I address the prepared comments, I would
17 just like to say that I feel that there
18 are two ways of looking at this
19 particular bill as I have examined it.
20 One is on a micro level, if you look at
21 it unit by unit. And there's been
22 testimony and research that there's
23 approximately 40,000 such vacant units
24 throughout the City. The other is on a
25 macro level, and that's how I look at it,

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2 because I feel that if you identify each
3 particular parcel and you deal with what
4 its impact may be, you can imagine
5 communities where you have significant
6 numbers of parcels and the impact on the
7 entire community. And that's my concern.

8 So if I can just address one or
9 two of the comments that I heard here
10 today in regards to Act 90.

11 One of four of the 40,000
12 vacant properties are in the City's
13 inventory. That means either
14 Redevelopment Authority, PHDC, any other
15 number of City agencies. That's a very
16 significant concern, because I think that
17 the City should first start with itself
18 before it begins to legislate what's
19 happening with its citizens. I think
20 it's a very important obligation and
21 responsibility for the City to start with
22 itself.

23 Also, there was discussion
24 about an equitable neighborhood
25 revitalization strategy. If there is

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2 going to be such an equitable
3 neighborhood revitalization strategy, it
4 certainly should include the people in
5 that community and not to privatize this
6 process so that then folks that live
7 outside the community come in, buy up
8 significant amounts of property and then
9 we see a change, a wholesale change, in
10 the community of the residents in that
11 community. And that's what we face in
12 Strawberry Mansion, North Philadelphia,
13 the community I serve.

14 We know that blight is a
15 problem for everyone, but the problem was
16 not created today. It was created over
17 generations. It's been created over
18 decades. And the problems will not be
19 solved by one fell swoop of legislation
20 that addresses or attacks a symptom of
21 the problem as opposed to the entire
22 problem itself.

23 So let me get to my specific
24 comments.

25 My concern also as a lawyer is

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2 with process. There are issues in this
3 legislation that concern legal processes,
4 and the City has in place existing
5 processes that address many of the needs
6 of this legislation. The lack of
7 enforcement by the City up to this time
8 is a very significant issue. I think
9 that has a lot to do with the changing
10 dynamics in the City and the changing
11 realities politically that we face as
12 residents of this great city.

13 So the problems I think are
14 more varied than can be addressed within
15 this forum, and they reach far outside of
16 this forum. And we know that
17 historically something like drug abuse
18 has contributed to blight. Any number of
19 other problems have contributed to
20 blight. So it's not just that houses are
21 falling down, people have moved away. In
22 many instances, economically people have
23 been forced out of communities because
24 they can't afford to pay what has
25 happened in the developing and changing

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2 tax base in the City of Philadelphia.

3 So I'm going to read my
4 comments and then I'll ask for any
5 questions.

6 I'm a Strawberry Mansion, North
7 Philadelphia lawyer representing the
8 people of my neighborhood in the 5th
9 Council District, and I oppose this bill
10 for three fundamental reasons. I believe
11 that it is unconstitutional as it is
12 proposed, that it is overreaching as it
13 is proposed and that it is overbroad as
14 it is proposed. Those are legal concepts
15 that I can explain upon questioning.

16 It is unconstitutional because
17 it creates a summary or more expeditious
18 illegal disposition of existing buildings
19 and land than is currently allowed, and
20 it combines three separate, distinct
21 processes of law into one - condemnation,
22 acquisition and post judgment execution.

23 Now, within our legal system,
24 there are already systems set up that
25 address condemnation by themselves. Then

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2 you move to the next process, which is
3 acquisition. There are systems in our
4 legal system that address that by itself.
5 Then you move to the next process, which
6 is post judgment execution. I feel that
7 this legislation deals with all three
8 separate, distinct processes in one, and
9 that is unconstitutional.

10 It accelerates the executive,
11 legislative and judicial governmental
12 actions into one decision by a
13 legislative body, usurping the other
14 branches' functions in violation of U.S.
15 constitutional, Pennsylvania
16 constitutional and the Philadelphia Home
17 Rule Charter.

18 Simple enforcement of existing
19 laws by each branch of government will
20 achieve the legislative intent, and there
21 is no clear, legitimate governmental
22 purpose for using one bill to accomplish
23 what three branches can do under existing
24 law. Moreover, this bill trumps the
25 rights of property owners protected under

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2 the Constitution by placing liens not
3 just on buildings but on owners' assets,
4 employing extra judicial criminal
5 extraditions in a civil proceeding.

6 So at the same time that we are
7 looking at this as a civil action, we
8 talk of extradition, and that is a
9 criminal remedy. You can't use criminal
10 remedies in civil actions.

11 This causes a chilling effect
12 on the basic exercise of rights and it
13 erodes the constitutional protections
14 afforded property owners under the law,
15 and it denies a property owner the right
16 to fix their property and comply with the
17 law by denying permits, a new punitive
18 remedy if an owner is delinquent on taxes
19 or other municipal fees.

20 This bill creates more legal
21 problems than it purports to solve, and
22 it leaves the law behind in its
23 discriminatory effect and its preemption
24 of federal law governing constitutional
25 rights and private property.

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2 It eliminates a need for L&I
3 enforcement, nuisance legal actions,
4 foreclosure, quiet title actions and
5 execution proceedings on affected
6 properties. Governmental reclamation or
7 land banking, not neighborhood
8 revitalization, is the logical result if
9 the bill becomes law, and it will destroy
10 the poor or low-income communities like
11 mine that will be most affected by this
12 legislation.

13 This is the long-anticipated
14 wholesale takeover of poor urban
15 communities. This is what the people in
16 our community have talked about. They're
17 fearful that this is a piece of
18 legislation that will result in them
19 being moved out in groups wholesale out
20 of their communities.

21 The PA Abandoned and Blighted
22 Property Conservatorship Act of 2009 now
23 in effect allows non-profits to apply as
24 conservators of abandoned land, but this
25 legislation appears to allow the City and

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2 state to act as receiverships for
3 for-profit developers, investors and
4 speculators, which are improper
5 governmental objectives.

6 To attach the assets, credit
7 and ownership of vacant land holders
8 without giving them an opportunity to
9 address the concerns in a lawful manner
10 is unconstitutional. To take people's
11 property away by use of summary extra
12 judicial legislation which imposes a
13 financial burden on them forever
14 punitively is not a rational governmental
15 exercise of power, and the PA and federal
16 courts would certainly have to come in
17 and address many of the issues caused by
18 this legislation.

19 Since it would affect the tax
20 base, PICA and possibly the voters in a
21 ballot question really need to be
22 considered in the drafting of this
23 legislation. It's not a simple
24 cut-and-paste job as it's been presented.
25 Thus, this bill should not get out of

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2 Committee and further consideration
3 should be given to its effect.

4 There are no quick legislative
5 solutions to the problem of blight, which
6 was created in part by past local and
7 state governmental administrations and
8 the lack of implementation of urban
9 initiatives like the North Philadelphia
10 Plan of 1986 in my community, which
11 followed the Model Cities Urban Renewal
12 Plans and most recently the Neighborhood
13 Transformation Initiative, which we know
14 as NTI, of the Street Administration,
15 which has cleared and demolished
16 thousands of properties, particularly in
17 my community, but has failed to replace
18 or revitalize the housing stock in
19 communities where NTI concentrated its
20 efforts.

21 What is the plan for property
22 development in the affected communities
23 if this bill were to be passed? Because
24 there needs to be a plan for development
25 on the other side as opposed to just

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2 looking at ameliorating or eliminating
3 blight. What's the plan for development?
4 Because we got 40,000 properties, 10,000
5 of them owned by the City. Where's the
6 plan?

7 So to me, this adds to greater
8 problems over time, because you're just
9 creating more stock that is vacant. Of
10 course, maybe in a position to be cleared
11 and developed. Great. But at the same
12 time, we need a plan that addresses
13 what's going happen with these
14 communities when these properties are
15 cleared.

16 Now, I would like to know if
17 Council and the Mayor's Office are
18 prepared to offer a plan for these
19 properties or is it more the same lack of
20 planning or failed planning which has
21 created many of these blighted realities
22 in our low-income communities,
23 particularly in the black and Hispanic
24 community.

25 So we would potentially be

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2 creating a new and displaced class of
3 indebted property owners, trumping their
4 legal rights, and that will not build the
5 tax base of this city. This city needs
6 economic development and infusions of
7 capital from banks that are still
8 redlining many of these urban
9 neighborhoods. A lot of this blight is
10 created because people in my community
11 can't go to the bank and get a loan to
12 fix up the property beside them.

13 Redlining, we all know, is a reality in
14 this world. So what are we going to do
15 with the banks? Is somebody going to
16 take a position on making sure that the
17 banks are offering better opportunities
18 to the people that live in these
19 communities as they exist now or are we
20 going to just create more vacant and
21 abandoned houses, and people that live
22 next door are going to be forced out
23 because they can't pay the taxes and they
24 can't go to the bank and get a loan.

25 We all want the City to

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2 continue on an upward growth cycle. We
3 need legislation that gives property
4 owners a chance to compete and gives them
5 a chance to complete renovations of these
6 properties if they don't have the
7 resources to do that. And we all know
8 that we're in a down economy, so that's
9 not going to be an easy thing to do.

10 Now, the City's Vacant Property
11 Review Committee program under the late
12 Vernon Marks was a great example of what
13 we can do to change around our
14 communities. I don't know where that
15 program is. I would like to see it, and
16 if it's still in existence, it should be
17 ameliorating some of these vacant
18 properties over time. But it worked
19 before. I've seen it work. And we need
20 to give interested new buyers a chance to
21 secure some of this property.

22 We have young people who are
23 leaving our communities in Philadelphia
24 because they can't find a house to live
25 in. How are we going to provide for

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2 those who are graduating from our
3 colleges here and want to stay in the
4 City but can't find a decent job and
5 can't find a house to live in? These are
6 real issues, and they're not going to be
7 resolved over night, and I don't think
8 this legislation gets us any closer to
9 resolving those issues.

10 I think this bill creates a
11 privatized process and it gives lip
12 service to reclamation and
13 revitalization, but in fact underlining
14 that is gentrification. That's my
15 concern. Because I don't want to see my
16 people in North Philadelphia pushed out
17 into communities where they cannot --
18 where they live now, where somebody may
19 have left them a property, but they can't
20 afford to fix that property up. It's
21 very basic. I don't think it's rocket
22 science. I think this Council is very
23 intelligent and has the ability to draft
24 the legislation that's needed to get us
25 where we need to go. I don't think that

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2 this is the legislation. And I certainly
3 don't think that we should be following
4 the state in what they say in terms of
5 Act 90 or any other act, because their
6 realities are not the realities that we
7 face in the First Class Home Rule City of
8 Philadelphia.

9 So we should not be submitting
10 to what the State of Pennsylvania says.
11 We should be doing in our communities.
12 We should be strong enough and smart
13 enough to stand up and design our own
14 solutions to our own problems.

15 So I believe the
16 constitutionality of this bill is subject
17 and is not a be-all, do-all, and at best,
18 I believe elements of it would be
19 unenforceable in the courts and
20 unconscionable at worst.

21 For all the above reasons, as a
22 community servant, I oppose the proposed
23 bill.

24 Thank you. With all due
25 respect, I have not seen any amendments,

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2 so I can't speak to that. Maybe some of
3 the matters that I raised in my principal
4 comments were addressed in amendments,
5 but the law as I see it does not address
6 what we need to do in the City of
7 Philadelphia.

8 Thank you.

9 COUNCILWOMAN BLACKWELL: Thank
10 you, Mr. Sharpe.

11 Are there questions?

12 (No response.)

13 COUNCILWOMAN BLACKWELL: Thank
14 you very much.

15 MR. SHARPE: Thank you.

16 COUNCILWOMAN BLACKWELL: Kelly
17 Gastley. After Ms. Gastley, is there
18 anyone else here who would like to
19 testify?

20 (Some witnesses raising their
21 hands.)

22 (Witness approached witness
23 table.)

24 COUNCILWOMAN BLACKWELL: Thank
25 you.

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2 MS. GASTLEY: Good afternoon,
3 Chairwoman Blackwell and members of the
4 Committee on Housing. My name is Kelly
5 Gastley and I'm a Supervising Attorney at
6 Philadelphia VIP. VIP is a non-profit
7 legal services agency here in
8 Philadelphia. We serve low-income
9 Philadelphians by matching them with
10 volunteer attorneys in the private sector
11 who wish to handle their cases on a pro
12 bono basis.

13 My work at VIP over the last
14 five and a half years has focused on
15 assisting clients who have tangled title
16 issues. These are clients who have a
17 legal interest in the home they're living
18 in, but do not have legal title. They've
19 inherited the home from a deceased
20 relative, they've entered into a
21 rent-to-own agreement to purchase the
22 property or they're the victim of a
23 fraudulent conveyance. I know you've all
24 seen those issues come into your office,
25 and unfortunately we see them quite a bit

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2 at VIP.

3 I'd like to thank the Council
4 for continuing to support VIP through
5 OHCD funding of our Tangled Title Program
6 and of the Tangled Title Fund, which pays
7 for the costs that these clients need to
8 pay to resolve their title issues.

9 I am here today because, as you
10 can imagine, most of these tangled title
11 clients have delinquent real estate taxes
12 and L&I violations on their properties.
13 These issues usually accrue while the
14 title is being tangled, after the person
15 passes -- the record owner passes away
16 and before a client is able to obtain
17 title.

18 Our clients are becoming
19 homeowners generally for the first time.
20 They have not been used to paying taxes
21 in the past. They do not understand the
22 responsibilities of becoming homeowners.
23 It's certainly something that we work to
24 educate our clients on once they become
25 homeowners to ensure that they pay those

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2 real estate taxes going forward, to make
3 sure that they don't have any further L&I
4 violations placed on their property.

5 But unfortunately this does not
6 resolve the problem of the delinquent
7 real estate taxes that they inherit when
8 they take over that property. It does
9 not solve those L&I violations that
10 already exist on the property when they
11 take them over.

12 And unfortunately for our
13 clients, their income is so low that the
14 only way they can resolve these issues is
15 to enter into payment plans.

16 We certainly do not oppose the
17 effort of this bill to address the
18 extensive blight that exists in
19 Philadelphia. It's a problem that hurts
20 everyone. It certainly hurts our clients
21 who live in the areas where there are so
22 many blighted and vacant properties, and
23 we want to see all of their home values
24 rise by having these blighted properties
25 taken care of. What our concerns are are

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2 how this bill is going to address some
3 low-income homeowners. Particularly
4 we're concerned about seeking in personam
5 judgments against owner-occupants. Many
6 homeowners are low income and they would
7 be significantly penalized if in personam
8 judgments were sought against them and
9 their credit would be affected. These
10 are clients who already have a lot of
11 trouble working on their credit. This is
12 why they find themselves entering into
13 rent-to-own agreements in the first
14 place, because they don't have the credit
15 to take out a traditional mortgage to
16 purchase the property. If in personam
17 judgments were placed against them, their
18 credit would be hurt even further. That
19 means they're going to have problems
20 taking out those home repair loans to fix
21 the leaking roof, take care of the pipes
22 that are broken. They're going to have
23 problems seeking rental housing if they
24 lose their property to a tax sale in the
25 future. They're going to have a lot of

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2 problems because of this lower credit
3 score because of in personam judgments.

4 We were also previously
5 concerned about the definition of an
6 owner, including heirs, in the prior
7 bill, but we're glad to hear that the
8 newly revised bill goes ahead and
9 provides additional protection for those
10 heirs of owners to allow them to enter
11 into remediation agreements or payment
12 plans. So we're very happy to see that
13 added into the bill.

14 In response to these concerns
15 about in personam judgments, we
16 understand that Councilwoman Sanchez's
17 office has put forth some amendments that
18 do significantly address all of these
19 concerns. Foremost, she suggests that
20 there be no in personam actions pursued
21 against owner-occupants of properties.
22 This is so important for our low-income
23 homeowners who cannot afford to pay off
24 L&I violations in whole, who do not have
25 the funds to pay off the delinquent tax

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2 bill that has accrued over the years.

3 We also understand that
4 Councilwoman Sanchez has proposed
5 amendments that would offer affordable
6 remediation agreements and payment plans
7 before an in personam action was pursued
8 in court, which we strongly support.

9 It would also allow --
10 Councilwoman Sanchez's amendments would
11 also allow owners to transfer title to
12 the City before an in personam action was
13 sought in case if they simply do not have
14 the funds to remediate the issue, and
15 that will keep property in productive
16 use, which is something that we're all
17 interested in doing.

18 Overall, the amendments that
19 Councilwoman Sanchez has put forth for
20 this bill would avoid penalizing
21 low-income homeowners any further, who
22 simply don't have the financial means to
23 remediate their property immediately or
24 to pay off their taxes in full.

25 We very much at VIP appreciate

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2 the efforts of the City Council to
3 address these problems with blighted
4 properties, and we support Councilwoman
5 Sanchez's amendments to balance the
6 effort to reduce blight with protecting
7 our most vulnerable homeowners and
8 preventing any further homelessness in
9 the City.

10 Thank you very much for my time
11 to speak to you all today, and I'd be
12 happy to take any questions.

13 COUNCILWOMAN BLACKWELL: Thank
14 you.

15 Are there questions?

16 COUNCILMAN CLARKE: Yes.

17 Thank you so much for your
18 testimony.

19 COUNCILWOMAN BLACKWELL:
20 Councilman Clarke.

21 COUNCILMAN CLARKE: Thank you,
22 Madam Chair.

23 I just want to real quick, with
24 respect to the conveyance of properties
25 to the City, you just heard testimony by

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2 one of the individuals here that the City
3 currently owns up to 25 percent -- I'm
4 not sure if that number is correct, but
5 up to 25 percent of the vacant
6 properties. It kind of implies that the
7 City probably already has enough vacant
8 properties. So I'm not sure the City
9 would or could or should be interested in
10 picking up additional vacant inventory.

11 Is that my understanding of
12 your proposal, that that would be the end
13 use?

14 MS. GASTLEY: That really would
15 be what I would propose to be a
16 last-ditch effort. I think that
17 remediation agreements, payment plans,
18 basically having some structure set up so
19 that people --

20 COUNCILMAN CLARKE: Let's stay
21 on that issue, because I think that --
22 I'm giving you an opportunity, because I
23 understand that there's actually maybe a
24 potential -- first of all, I don't think
25 the City is going to be interested in

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2 taking any more vacant inventory unless
3 there's an end use, be it a development
4 or proposed development. And I talked to
5 my colleague, and she indicated that
6 there was some potential of a proposal
7 that would allow in the event that a CDC
8 or a developer was interested in having
9 that property as a part of the end use;
10 i.e., end use, that the City may
11 potentially be involved in having a
12 donor/taker type solution. But to
13 suggest that we take more vacant
14 inventory with no end use, I mean, I
15 would not support that, because I'm
16 having enough trouble --

17 MS. GASTLEY: No. I would
18 agree. I think I probably
19 mischaracterized it a bit, and I thank
20 you for that clarification. We would
21 support a donor/taker like program and
22 continuing that, which I know has kind of
23 fallen in abeyance in recent years, but
24 we would absolutely support instead of
25 the City taking ownership -- certainly

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2 the City doesn't need any more vacant
3 properties on its hands. So we would
4 certainly support instead a donor/take
5 where CDCs were taking over ownership of
6 those properties and turning them --

7 COUNCILMAN CLARKE: With the
8 understanding that we wouldn't just be
9 conveying one blighted property to
10 another owner who is going continue to
11 allow that property to be blighted in
12 that community, that there is the
13 wherewithal within a reasonable timeframe
14 for that property to be put in productive
15 use. Because I don't think that it's
16 fair to allow a person to get away
17 with -- have a lien or judgment wiped
18 clear, they give it to another person and
19 they hold it for a while, they don't
20 abate the nuisance, and then when the
21 City comes down and says you got to do
22 something because you have this blighted
23 property and then, Okay, I'll give it to
24 somebody else. I mean, that's a shell
25 game.

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2 MS. GASTLEY: Absolutely. I
3 think there absolutely have to be those
4 restrictions that I know the City has
5 already proposed to make sure that those
6 folks who do take over, who are the taker
7 in that situation, actually remediate the
8 property under a plan and they actually
9 do -- and they're held to what they say
10 they're going to do within a small period
11 of time. Absolutely, we support that.

12 COUNCILMAN CLARKE: And would
13 that be restricted to owner-occupied
14 properties or are you suggesting that
15 some corporation out in Gladwyne that has
16 an old factory site where they used to be
17 be allowed to dump the property?

18 MS. GASTLEY: You know, I think
19 it would make sense certainly --

20 COUNCILMAN CLARKE: Because I
21 think that defeats the purpose of the
22 bill, to be honest with you.

23 MS. GASTLEY: Right. I think
24 for owner-occupant properties it would
25 make sense. I'm not sure if it needs to

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2 be applied widespread to every single
3 property that would fall into that
4 situation.

5 COUNCILMAN CLARKE: Okay. All
6 right. Thank you.

7 MS. GASTLEY: Thank you.

8 COUNCILMAN CLARKE: Thank you,
9 Madam Chair.

10 COUNCILWOMAN BLACKWELL: Thank
11 you.

12 Further questions?

13 COUNCILMAN JONES: Yes.

14 COUNCILWOMAN BLACKWELL:
15 Councilwoman.

16 COUNCILWOMAN SANCHEZ: I just
17 wanted to, one, thank Councilman Clarke
18 for allowing us to provide some input
19 based on the feedback from some of the
20 work that we're doing in the community
21 and reiterate what he was saying. We do
22 want to make sure that this is about
23 protecting poor individuals and not
24 corporations and all those other things,
25 and to also clarify that this is about

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2 trying to keep people in their homes and
3 it's not for corporations and other
4 people to skirt it, and also work with
5 our community development corporations
6 who are sometimes working in
7 neighborhoods where that one house or the
8 two houses on their -- holds them back
9 from being able to complete neighborhood
10 renovations.

11 So I want to thank my colleague
12 for allowing us and thanking you for
13 reviewing some of this stuff and giving
14 us some of this feedback. That is
15 important, and him for being open to the
16 discussion. So thank you.

17 COUNCILWOMAN BLACKWELL: Thank
18 you.

19 Councilman Jones.

20 COUNCILMAN JONES: Thank you,
21 Madam Chair, and, again, thank you,
22 Councilman Clarke, for bringing this
23 issue up forward. And sometimes in order
24 to do a good thing, you have to go
25 through a process, and that's a part of

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2 this. And thank you, Madam Chair, for
3 quickly bringing this to your committee.

4 I want to thank Mr. Melvin
5 Sharpe, who I had a couple of decades of
6 knowing. He has gotten to be really a
7 sharper attorney than when he first came
8 out of law school, and put forth a lot of
9 good points that need to be considered in
10 this legislation, because I know and can
11 vouch for the intent of the people that
12 introduced it, but it's the unintended
13 consequences sometimes that we have to be
14 very careful about.

15 I'm particularly intrigued by
16 your line of business, because I have run
17 into this issue of tangled titles more
18 and more in impacted communities where
19 grandma recently bought the property,
20 then allowed her daughter to stay and
21 raise her family, now grandma for
22 whatever reason, whether it's
23 incapacitation or just natural death, is
24 no longer there and there was no
25 successor survivor plan in that. And so,

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2 yeah, we all know that's your house, but
3 you can't prove it based on title, and it
4 prohibits often the owner or the occupant
5 from seeking money to renovate the house,
6 from seeking loans, to even participate
7 in some of the City's grants program.

8 So it's an important service
9 that you do. And I know adverse
10 possession and other things like that
11 come into be, but it is important,
12 particularly now third generation, fourth
13 generation of people in neighborhoods and
14 in houses, that we untangle some of those
15 titles.

16 Let me just say a couple of
17 things that I heard both in a combination
18 of testimonies and issues that needed to
19 be addressed.

20 I also remember -- and I'm old
21 enough to remember -- the Vacant Property
22 Review Committee and Vernon Marks and how
23 much it meant to the development of inner
24 city neighborhoods, how he
25 single-handedly almost was able to steer

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2 the course in an ethical way but to
3 community corporations. So I applaud
4 that part of it and know that it is an
5 essential part of what we need to
6 consider.

7 But I do want to say that we
8 have a tendency always to cast with
9 dispersion the role of a developer, and
10 we should not do that. We should not
11 stereotype that every developer is from
12 New York and has a mustache and is coming
13 in to come and disenfranchise the widows
14 and orphans. It's not always that case,
15 and sometimes they have a very important
16 function of something old, something new,
17 something borrowed, something blue,
18 meaning taking an old neighborhood,
19 adding some new resources and capital and
20 being able to create a marriage, if you
21 would, of existing residents with new
22 dollars to create a new future for a
23 neighborhood. So we should in this body
24 be careful to try to encourage
25 development.

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2 And another stereotype is, I
3 know some guys I grew up with that now
4 are developers. They're from the
5 neighborhood. They're second generation,
6 third generation, that neighborhood, and
7 one project at a time had begun to amass
8 properties and then put their own
9 hard-earned capital in. So they
10 shouldn't be stereotyped.

11 So what we want to do is kind
12 of get this right, and I know -- I grew
13 up in a neighborhood at 60th and Market
14 Street, which is probably very similar to
15 Strawberry Mansion, Councilman Clarke, in
16 the sense that the neighborhood is -- and
17 you'll hear from some of them, that is
18 besieged with what we thought was good
19 development and the NTI is here to save
20 us, but what it left for them was vacant
21 properties, abandoned houses and things
22 that had no future plan.

23 So I take a note from Attorney
24 Sharpe's comments that the one shoe is
25 how you acquire blighted properties,

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2 because I hear from way too many block
3 captains that say, If we could just fix
4 this one on an otherwise good block, we'd
5 be all right. The other shoe that has to
6 fall -- and it is a difficult time
7 economically -- is to get -- we possibly
8 are facing a 60 percent cut in CDBG
9 dollars, Community Development Block
10 Grant dollars. So a part of this is
11 figuring out how to acquire properties,
12 because we do have to have site control
13 and we don't want to gentrify and we
14 don't want to displace people, but in
15 order to develop new properties, you have
16 to have site control. But we have to
17 create this balance within this
18 legislation, and I just wanted -- I feel
19 better now having said that. And so
20 thank you, Madam Chair.

21 COUNCILWOMAN BLACKWELL: Thank
22 you very much.

23 Councilman Clarke.

24 COUNCILMAN CLARKE: Thank you,
25 Madam Chair.

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2 Real quick, I just wanted to
3 reference Strawberry Mansion, because it
4 was where I was born and raised,
5 particularly as it relates to NTI. I
6 just want to for the record say that
7 Strawberry Mansion was the first pilot
8 area -- I know Councilwoman Blackwell
9 will talk to me about that later -- was
10 the first --

11 COUNCILWOMAN BLACKWELL: They
12 take it all from me, you know. West
13 Philly does exist.

14 COUNCILMAN CLARKE: It was the
15 first pilot program for the initiation of
16 the NTI demolition program, and it was an
17 aggressive approach to demolishing
18 long-term vacant and blighted properties.
19 There was this concern raised early on.
20 We actually had several hearings here. A
21 good friend of mine, Judith Robinson, who
22 is an advocate and continues to be an
23 advocate, raised several concerns during
24 the course of the hearing, and they were
25 understandable, because if we simply had

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2 taken the approach we were going to
3 demolish buildings and walk away, that
4 those challenges and those issues would
5 be legitimate.

6 But I do want to say that we've
7 been fortunate, not nearly as quickly as
8 I would like, but there are only so many
9 resources. As a result of that, in a
10 number of areas within the Strawberry
11 Mansion community, we were successful in
12 clearing sites. Then we subsequently
13 followed with an acquisition strategy
14 that allowed, using NTI dollars, allowed
15 us to acquire a number of properties in
16 the Strawberry Mansion community. Two of
17 those sites are currently under
18 construction. 32nd and Cecil B. Moore we
19 are just finalizing 12 units of for-sale
20 housing. There will be a ribbon-cutting
21 ceremony, I guess, in the next two weeks.

22 On 31st Street, there was an
23 area that was near and dear to my heart.
24 I'm sure Mr. Sharpe, us having grown up
25 in the same community, remembers. I was

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2 just telling a younger gentleman, a radio
3 personality who lived at 30th and York,
4 he's like 25 years old, had no idea,
5 explaining to him how 31st Street used to
6 have a movie theatre and a bakery and the
7 egg store and the Ben's Shoes, I mean,
8 all that. He couldn't believe it, right?
9 But it suffered bad times through the
10 course of the riots and some of the other
11 deterioration that's associated with it.
12 But right now as we speak, we have been
13 able, utilizing the demolition strategy
14 and the acquisition strategy, we
15 currently have 30 brand new homes under
16 construction, 60, 70 percent complete,
17 that when people walk on that block and
18 they haven't been around there in a
19 while, they just look at it in amazement.
20 So it is coming back.

21 27th and Susquehanna, across
22 from the stables, we have acquired that
23 entire site and we have a proposal
24 submitted by Michaels Development that
25 will build, hopefully if we get funded --

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2 I know Blackwell is over here,
3 Councilwoman, is saying, Oh, he's getting
4 all that money. Hopefully if we're
5 successful in the final phase of funding,
6 we'll build 62 units of affordable
7 housing.

8 2800 block of Oakdale Street,
9 thanks to the support of Councilwoman
10 Blackwell when she was on the PHA Board,
11 we have acquired that entire block, and
12 there's a proposal to build 40 units of
13 affordable housing.

14 So while the development
15 process is not nearly quick enough,
16 particularly for those in our
17 neighborhoods that care about those
18 areas, we are making some improvements.
19 And I agree with the premise that we
20 can't simply take the approach of one
21 particular bill being the end-all or the
22 panacea, but it has to be a comprehensive
23 approach to a development community.

24 So saying all that to say that
25 all of the information that you all have

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2 put forth today has been very helpful in
3 defining what we're trying to do in a
4 very comprehensive way.

5 Thank you, Madam Chair.

6 COUNCILWOMAN BLACKWELL: Thank
7 you, Councilman Clarke. And in all
8 fairness, we are proud of all the
9 development. We're proud that NTI
10 started in North Philadelphia. I was
11 born in Richard Allen.

12 Am I right, Ms. Simmons?

13 That's my other mother right
14 there.

15 MS. SIMMONS: I raised her.

16 She had no one to do for her. Everybody
17 was planning on me. I said, Come on, you
18 going to be raised up to be a nice young
19 lady.

20 I would take her across the
21 street. She didn't want to stop for the
22 lights. She was jigging and jumping.

23 I've been to her schools. Good
24 for her. Having her everywhere she had
25 to go. And I'm so glad that I lived to

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2 be 83 to see her where she is now.

3 (Applause.)

4 COUNCILWOMAN BLACKWELL: Thank
5 you. Thank you so much. We love you,
6 too. Thank you. Thank you.

7 So we are proud, and you see
8 I'm on my good behavior. Did you see me
9 clean that up? I'm on good behavior. I
10 know better.

11 MS. SIMMONS: (Unintelligible.)

12 COUNCILWOMAN BLACKWELL: Okay.
13 Thank you very much.

14 Is there anyone else who would
15 like to testify?

16 MS. GASTLEY: Thank you.

17 COUNCILWOMAN BLACKWELL: Thank
18 you.

19 Please come forward. Give us
20 your name for the record and begin your
21 testimony.

22 (Witnesses approached witness
23 table.)

24 MR. CONSTANTINE: Good
25 afternoon. My name is Kurt Constantine.

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2 I am the block captain of 100 North
3 Yewdall Street between 54th and 55th
4 between Arch and Race, the West
5 Philadelphia's Haddington section, and I
6 have a concern about today's bill,
7 because my block is like to me in need of
8 help like yesterday and it's not coming.
9 But I believe it will. We have a super
10 Councilperson now, and my belief is he
11 will do his best to do what he can do.

12 But to give you a quick
13 anecdote, I moved to that block from the
14 1800 block of Natrona Street off of 33rd
15 and Cecil B. Moore in '97. That's where
16 I lived in '97. And when I lived there
17 in '97 and I told people I lived on 1800
18 Natrona Street in North Philadelphia,
19 they went, Oh, my God, that's a nightmare
20 down there. When I moved to Yewdall
21 Street where I live at, 100 North
22 Yewdall, in '99, I said to myself, Oh, my
23 God, this is a nightmare and where I just
24 moved from was nothing.

25 The whole block was full of

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2 vacant and/or abandoned houses, for the
3 exception of the few great seniors who
4 have hung on, who are still hanging on
5 hoping that help comes and true
6 development happens.

7 They tell me that the
8 decimation that's in my block and the
9 block before it, the unit block of North
10 Yewdall, has been happening for the last
11 52 years plus, and they told me they
12 watched as the homeowners of previous
13 time died out and left the properties to
14 their children or gave up because they
15 couldn't afford it. And long story
16 short, the point is, it seemed like the
17 decimation was allowed, and to a point it
18 is being allowed now still.

19 What I'm asking for as the
20 block captain of 100 North Yewdall Street
21 today, as I've been asking Mr. Jones --
22 and he's been very, very willing to sit
23 down and talk with myself and my block
24 and trying to make this happen -- is that
25 the new housing that was promised

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2 actually happens without introducing
3 gentrification, because I've actually
4 received phone calls and/or e-mails to
5 myself suggesting to me, What would you
6 think about the idea if we just demolish
7 the rest of your block and giving you
8 equal housing or something of the sort?
9 As all people have told me, a lot of
10 people don't even consider getting
11 involved with that, because as soon as
12 they demolish the rest of your houses,
13 you're not coming back, because it's
14 going to be stupid expensive.

15 So long story short, I'm saying
16 I need help, my block needs help, because
17 the City did not create the total
18 problem, but they helped a lot, because
19 in 2005, the NTI came through my area
20 with a whole bunch of hoopla via the
21 Salvation Army Chapel with the thing of
22 if you help this demolition happen, the
23 empty spaces will be replaced with new
24 houses. I lifted my hand at that
25 particular meeting and I asked the

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2 question, why not renovate what's there?

3 And the response I received at that time

4 at that particular meeting was, It's not

5 worth spending the money on those

6 properties to fix. It's easier to

7 demolish them. And so they were

8 demolished in 2005, and so it was. And

9 we done waited for these -- what did they

10 call them? Prefabs, which they said

11 would be brought in. That was 2005.

12 It's 2011. Nothing has happened.

13 The 11, 12 vacant lots are

14 still sitting there, and a lot of

15 people's houses are actually taking

16 damage from the ground, which was not

17 properly even prepared, because after the

18 demo company took the houses down, a lot

19 of the walls weren't even properly

20 prepared and/or some of the demolition

21 crew even damaged people's houses.

22 We're not getting help, and I'm

23 saying the NTI came through my block,

24 made a promise -- in fact, what I'm

25 saying is, they created a further blight.

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2 They took one blight away, which is
3 vacant and abandoned houses -- and/or
4 abandoned houses and replaced it with
5 vacant lots, and six years later I'm
6 being told maybe something will happen,
7 maybe it won't.

8 Mr. Jones, thank God I can
9 truly say thank you to him. He's been
10 truly supportive. He even took the time
11 to come and walk through our block and
12 take the time to talk to my residents,
13 myself. So that's raised the hope of --
14 raised the hope bar a lot more. So we're
15 saying to ourselves, God willing, it
16 won't be another 52-plus years where
17 we're told something might happen.

18 A lot of people laugh at me
19 when I come. I've been coming here now
20 for 12 years, since I moved on Yewdall
21 Street, and some people have even told
22 me, You're becoming a serious pain in the
23 you-know-what. Because they're like, You
24 just won't go away. But I keep coming
25 back because I'm like, Something has to

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2 happen. Because the biggest thing I'm
3 told, even by some people from City Hall,
4 is, You might as well quit, because it's
5 only a matter of time before bigger
6 dollars come through and make people like
7 you and your people disappear.

8 You have to forgive me, but
9 it's like I'm saying to myself -- I'm
10 glad you guys had this meeting today.
11 I'm going to be short with this, but I'm
12 hoping that the people; i.e., my block,
13 100 North Yewdall Street and blocks like
14 it, actually get help in seeing true
15 renovation, revitalization happen without
16 them being moved. Because I believe you
17 shouldn't have to get moved to the middle
18 of God knows where to live somewhere
19 nice. If you live in a block, say my
20 block, and you have seniors, some of who
21 as old as 85 who have lived in the houses
22 a long time, you shouldn't have to be
23 moved to be somewhere nice.

24 The big thing I keep hearing
25 from so many people, It's only a matter

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2 of time before Penn takes over. It's
3 only a matter of time before blah, blah,
4 blah moves through here. I'm saying
5 today, thank you for the time in
6 listening to me. Poor people, whatever
7 you want to call it -- I despise that
8 word, "poor" people. I think people have
9 problems, but I think poorness or poverty
10 is a state of mind, but that's just me.

11 But people need help. That's
12 what I'm saying. My block -- I'm
13 speaking for my block as a block captain.
14 We need help. And I'm saying as far as
15 the NTI was a good initiative, but at
16 least for my block it did not work and is
17 not working, because when I walk down my
18 block, it looks like somebody just took a
19 hammer, just knocked all the properties
20 down. And you can look from one side of
21 the street to the other side of the
22 street. And I don't blame that on the
23 previous owners, not up front. I blame
24 that in a big part on the City. But on
25 the other part, you're right, if you own

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2 a house, you should take care of it.

3 But one thing I want to say,
4 when a person vacates their house, the
5 house should not be allowed to just sit
6 there. The City knows where to find
7 these people at. They could even find
8 them after the vacant lot happens, but
9 the whole thing is, nobody wants to put
10 in that work. Excuse me. I apologize.
11 It's a hard process, but I'm saying the
12 same way that they're held accountable
13 for their taxes, blah, blah, blah, they
14 should be held accountable for the
15 aftermath. And I'm just asking them --
16 I'm going to stop there, because it's
17 really personal to me, but not only. I'm
18 just asking that if the City is really
19 going to do something, do it and not just
20 keep telling us that, because a lot of
21 people, all they keep saying to me,
22 including my 85-year-old neighbor next
23 door to me, my neighbor up the street who
24 is about almost 90, all they keep saying
25 to me, I'm just either waiting for big

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2 money to come through here or die,
3 whichever one comes first, because I know
4 the City is not going to do anything.
5 And I hope that's not the case. In fact,
6 I've praying to God, I'm saying that's
7 not the case.

8 And thank you for the
9 opportunity. Thank you for having this
10 meeting, and voters like myself and
11 constituents like myself are looking at
12 people like yourselves to do something to
13 help people so that they don't have to
14 feel like gentrification is the only
15 thing to look forward to.

16 Thank you. If you have any
17 questions, I would be glad to answer you.

18 COUNCILWOMAN BLACKWELL: Thank
19 you very much.

20 MR. CONSTANTINE: Thank you,
21 Ms. Blackwell.

22 COUNCILWOMAN BLACKWELL: Thank
23 you. Pleasure to have you.

24 Would you identify yourself for
25 the record.

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2 COUNCILMAN CLARKE: Can I,
3 Madam Chair?

4 COUNCILWOMAN BLACKWELL:
5 Councilman Clarke. Certainly.

6 COUNCILMAN CLARKE: Thank you,
7 Madam Chair.

8 First, I want to -- sir, I just
9 want to concur with you that you do have
10 a good Councilman, a great Councilman.
11 Actually, he was just telling me that
12 three of us were in a presentation
13 yesterday and he was showing me on a
14 PowerPoint presentation the very block
15 that you're referencing that is already a
16 part of a plan that he's putting together
17 for redevelopment. It's quite ironic
18 that you would show up here today to talk
19 about that block. So as they say, help
20 is on the way.

21 I do want to clarify a little
22 bit about this particular bill, because
23 there's been several references to
24 gentrification, and the reality is that
25 this is just the opposite. This bill --

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2 I just want to make it clear. We did
3 this bill based on, one, all my years
4 both as a Councilperson and prior to that
5 as working for the former Councilperson
6 and walking around the streets of North
7 Philadelphia, in particular in my case,
8 where we saw these vacant buildings and
9 more larger factories and commercial
10 properties than anything else that just
11 sat there and sat there and sat there and
12 sat there, and we said, Well, can you do
13 something about it. And the City would
14 come out, maybe put the little orange
15 tag, violation. And nothing would ever
16 happen. Then the orange tag would turn
17 yellow and then it turned brown, and then
18 three years later, we come right back
19 out, write the violation. Nothing
20 happened. And then we realized that the
21 violations, one, were so small in terms
22 of what the City was capable of doing,
23 that the people that own the property
24 said, This is \$150, whatever, I'm not
25 paying it, I'm not doing anything. And

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2 this just went on and on and on.

3 So had that person who owned
4 that property -- because somebody owns
5 that property somewhere. I don't know
6 where they are, but they're somewhere.
7 If we said, Well, you know what, let's
8 increase the fines, which we did. Some
9 people would say too much. Mr. Zaslow in
10 earlier hearings said we're charging
11 people too much for vacant property.
12 Well, we still disagree to a degree. But
13 instead of putting it just on that
14 property that they didn't care about and
15 they didn't have to see every day, what
16 this bill says, You know what, you got a
17 property out here -- and I hate to use
18 the term Gladwyne. I keep picking on
19 Gladwyne, but that's where a lot of these
20 people live. So we're not only going to
21 put it on that building, we're going to
22 put it on that building where you are,
23 where you live. All the sudden, you're
24 going to stop throwing that mail in the
25 trash, because now it affects where you

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2 are.

3 So that's the intent of the
4 bill, to give us the ability to not just
5 leverage fines and liens on this property
6 that's in our neighborhoods creating a
7 blight, but now we can reach out and
8 touch someone, meaning where you live or
9 maybe that car that you have and put a
10 judgment and lien on that. Then all the
11 sudden, this thing that you left in our
12 neighborhood, all the sudden that's going
13 to be a little more important to you and
14 you'll be a little more interested in
15 coming to try to figure out how to clear
16 up that blight.

17 So that's the intent of the
18 bill, period. Not to take anybody's
19 property. We just want people to deal
20 with the situation that they have left
21 behind in our community, period. And if
22 they don't, then we'll have to go through
23 the process, and maybe ultimately they
24 may want to give the property up or it
25 goes to sheriff's sale, but it's targeted

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2 for people who allow blight to remain in
3 our community.

4 Councilwoman Sanchez has raised
5 a very serious concern about the person
6 who lives in the house themselves, that
7 they just don't have the wherewithal to
8 fix something up. We got to figure that
9 out, because that's not the intention of
10 the bill. And we will figure that out.

11 So that's -- so you got a clear
12 understanding, all the other issues,
13 gentrification, all that, that's a
14 separate issue. It's a very important
15 issue, but it's not what this bill is
16 discussing. Okay? I just want a little
17 clarity.

18 Thank you.

19 COUNCILWOMAN BLACKWELL: Thank
20 you.

21 Would you like to testify now.
22 Identify yourself for the record.

23 MS. JOHNSON: Sure. Thank you,
24 Madam Chairwoman. My name is Rebecca
25 Johnson and I am the Executive Director

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2 of the Fairmount Community Development
3 Corporation. I'm here today to offer my
4 very strong support for this bill and to
5 thank City Council and this Committee for
6 your leadership, especially Councilman
7 Clarke with the conference at Temple last
8 year, which was great, and for
9 introducing this bill.

10 Addressing vacant lots and
11 buildings in our communities is a very
12 difficult, complicated problem, and it's
13 really like all hands on deck. And one
14 of the things that we're doing in
15 Fairmount is using Act 135 and the
16 conservatorship to collect really good
17 information and to use the residents to
18 be the people that are collecting that
19 information.

20 And so I'm really here to say,
21 as I'm going through the bill, that it
22 seemed to me that we shouldn't be doing
23 that in isolation from what the Law
24 Department and L&I are doing and that --
25 we had a meeting, we had a training on

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2 Monday night and just talking to the
3 residents and going through the checklist
4 of everything you need, they know this
5 information. And if they don't know how
6 to look to see if there's existing
7 mortgages on a property, we showed them
8 how to do that.

9 And so I think that there
10 should be a mechanism -- and I guess
11 that's what I'm here to do, is encourage
12 this Committee and maybe with the
13 Managing Director's Office as well when
14 they're talking about just collecting the
15 list of vacant property, I said, I have
16 that list and what format do you want it
17 in? You know, because that's obviously
18 an issue for a big citywide database.

19 But I think that there needs to
20 be a mechanism so that those -- we're a
21 small CDC. There's no way that we're
22 going to actually take conservatorship
23 over every single property unless we
24 partner with a very kind of -- a private
25 developer with a lot of capacity and

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2 willingness to do so, but what we can do
3 is use it as a tool. And so I just think
4 that information that is being collected
5 should be also maybe shared directly
6 either to the Law Department or L&I to
7 use when you're at the very beginning of
8 this process proving that the property is
9 in fact blighted under the bill and that
10 they can then go through the process of
11 attaching personal assets.

12 So, again, that's all I had to
13 say. I'm happy to take questions, but
14 thank you very much for your leadership
15 on this.

16 COUNCILWOMAN BLACKWELL: Thank
17 you.

18 Good afternoon. Please
19 identify yourself for the record.

20 MR. SISCO: Hello, Chairwoman
21 Blackwell and members of Council. My
22 name is Steve Sisco. I want to give you
23 a little bit of background about myself
24 regarding how I came to this meeting.

25 Serendipity, yesterday was when

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2 I first heard about the blight -- this
3 whole thing. My wife and I first moved
4 to Philadelphia in 1985 when there were
5 no newspapers. They were on strike. The
6 garbage men were on strike, and the
7 business with Osage Avenue had just
8 happened. In the 20-some years we've
9 been here, a remarkable change has
10 happened to Philadelphia. And I don't
11 want to go into all of those issues.
12 However, when she and I were looking for
13 a house to buy after renting in Drexel
14 Hill for approximately eight years, all
15 we wanted was a three-bedroom ranch
16 somewhere out in the suburbs. We
17 couldn't find anything within our budget.
18 Friends of ours said, Have you looked at
19 that house on Woodbine Avenue?

20 I live in the historic district
21 now of Overbrook Farms, Councilman Jones'
22 district. The house that we looked at
23 was neglected. It bordered on being
24 blighted. There were people living in
25 it. We subsequently purchased the house,

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2 fixed it up. And a couple of doors down
3 was a house that was in incredibly bad
4 shape. The owner was absentee. He lived
5 in Northeast Philadelphia. I went over
6 and boarded up the windows and the doors,
7 and there were not going to be any, let's
8 call them, miscreants in my neighborhood.

9 During this time, I started a
10 business, which is in Councilwoman
11 Miller's district on Germantown Avenue,
12 and next door to my building is a
13 building that would be considered
14 blighted. When I purchased the building
15 in 2004, my partner and I decided, Well,
16 maybe we could buy this blighted building
17 from the City. We missed by two weeks
18 purchasing it from the City. A gentleman
19 who wanted to turn the building into the
20 museum for the John Coltrane Society
21 brought in several architects and
22 planners, and I told him, You're wasting
23 your time, the building should be
24 demolished.

25 So after hearing all the

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2 testimony from various people, nobody
3 lives in this building, nobody has lived
4 in this building. It has now been turned
5 back to the City.

6 I went to the seventh floor
7 this morning to find out how to start the
8 process of purchasing this property, and
9 they have referred me to Councilwoman
10 Miller's office, and I have gotten a
11 contact name, who I was going to see if
12 they're still there when I get out of
13 this meeting, with the intent of tearing
14 down the building.

15 The power to my building, which
16 is single phase and three phase, very
17 heavy power, very dangerous powers
18 attached to this building. I am hoping
19 that the City and I will come to some,
20 and my partner, will come to some sort of
21 agreement that will make it affordable
22 for this problematic building to be torn
23 down. No one lives there. No one can
24 live there. No one could live there.

25 It really may not address

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2 blight in the grand scheme of things, but
3 it's one little part that I'm willing to
4 take on. And I want to thank the members
5 of this Committee for hearing me out.

6 Thank you.

7 COUNCILWOMAN BLACKWELL: Thank
8 you very, very much.

9 Is there anyone else who would
10 like to testify?

11 (No response.)

12 COUNCILWOMAN BLACKWELL: Okay.
13 Give us a moment. Let me say that we did
14 receive testimony from Claudia Sherrod,
15 which will be made part of the record in
16 its entirety.

17 We need a moment. One moment,
18 please.

19 (Pause.)

20 COUNCILWOMAN BLACKWELL: Thank
21 you very much. What we have decided to
22 do with regard to Bill No. 100615 is hold
23 this subject to the call of the Chair.

24 Thank you all very much, and
25 we'll be back to you. We have many

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2 issues we're dealing with in the housing
3 arena. Thank you all.

4 (Committee on Housing,
5 Neighborhood Development and the Homeless
6 concluded at 3:00 p.m.)

7 - - -

1
2 CERTIFICATE

3 I HEREBY CERTIFY that the
4 proceedings, evidence and objections are
5 contained fully and accurately in the
6 stenographic notes taken by me upon the
7 foregoing matter on March 31, 2011, and that
8 this is a true and correct transcript of same.

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13 -----
14 MICHELE L. MURPHY
15 RPR-Notary Public
16
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