

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT

Remote location using Microsoft® Teams
Tuesday, November 21, 2023
1:00 p.m.

PRESENT:

COUNCILMAN MARK SQUILLA, CHAIR
COUNCILMAN CURTIS JONES, JR., VICE-CHAIR
COUNCILWOMAN KATHERINE GILMORE RICHARDSON
COUNCILMAN KENYATTA JOHNSON

BILL: 230109

1 THE CLERK: Councilwoman

2 Brooks.

3 (No response.)

4 THE CLERK: Councilwoman

5 Gauthier.

6 (No response.)

7 THE CLERK: Councilwoman

8 Gilmore Richardson.

9 COUNCILWOMAN GILMORE

10 RICHARDSON: Good morning, Mr. Chair.

11 Good morning, colleagues. I am

12 present. Actually good afternoon.

13 THE CLERK: Councilman

14 Johnson.

15 (No response.)

16 THE CLERK: Councilman Jones.

17 COUNCILMAN JONES: Good

18 afternoon, Mr. Chairman, colleagues.

19 I am present.

20 THE CLERK: Councilman

21 Squilla.

22 COUNCILMAN SQUILLA: Good

23 afternoon, colleagues. Present.

24 COUNCILMAN JOHNSON: Present.

25 COUNCILMAN SQUILLA: And

1 Councilman Johnson.

2 COUNCILMAN JOHNSON: Present.

3 I had technical difficulties, but I'm
4 here.

5 COUNCILMAN SQUILLA: Thank
6 you, Mr. Councilman.

7 A quorum of the Committee is
8 present and the hearing is now called
9 to order. This is the public hearing
10 on the Committee of Commerce and
11 Economic Development regarding Bill
12 No. 230109.

13 Mr. McMonagle, can you please
14 read the title of the bill.

15 THE CLERK: Bill No. 230109,
16 adopting an amendment to Section V of
17 the Articles of Incorporation of the
18 Philadelphia Authority for Industrial
19 Development by increasing the
20 Authority's term of existence to a
21 date 50 years from the date of
22 approval of Articles of Amendment by
23 the Secretary of the Commonwealth,
24 under certain terms and conditions.

25 COUNCILMAN SQUILLA: Thank

1 you. Before we begin hearing
2 testimony from the witnesses we have
3 for today, everyone who has been
4 invited to the meeting to testify
5 should be aware that this public
6 hearing is being recorded. Because
7 the hearing is public, participants
8 and viewers have no reasonable
9 expectation of privacy.

10 By continuing to be in the
11 meeting, you are consenting to being
12 recorded. Additionally, prior to
13 recognizing Members for the questions
14 or comments they have for witnesses,
15 I will note for the record at this
16 time that we will use the chat
17 feature available in Microsoft Teams
18 to allow Members to signify that they
19 wish to be recognized. In order to
20 comply with the Sunshine Act, the
21 chat feature must only be used for
22 this purpose.

23 Mr. McMonagle, would you
24 please call the panel we have to
25 testify this afternoon on Bill No.

1 230109.

2 THE CLERK: Can we please have
3 Sam Rhoads from PIDC.

4 COUNCILMAN SQUILLA: Sam, just
5 state your name for the record, thank
6 you, and proceed with your testimony.

7 MR. RHOADS: Thank you very
8 much. Good afternoon, Chair Squilla
9 and Vice-Chair Jones and members of
10 the Committee. My name is Sam Rhoads
11 and I am Executive Vice-president for
12 PIDC, the City's public-private
13 economic development corporation. I
14 am here today to provide testimony in
15 support of Bill 230109. This bill
16 would amend the Articles of
17 Incorporation of the Philadelphia
18 Authority for Industrial Development
19 by increasing its term of existence
20 to a date 50 years from the date of
21 approval.

22 By way of background, PAID is
23 a public authority incorporated by
24 the City of Philadelphia and
25 organized under the Commonwealth's

1 Economic Development Finance Act to
2 undertake primarily three activities:
3 First, PAID is a vehicle through
4 which PIDC manages properties and
5 industrial sites on behalf of the
6 City, including property acquisition
7 improvements, environmental
8 remediation and/or sale.

9 Secondly, PAID also issues
10 taxable and tax exempt bonds on
11 behalf of nonprofit organizations,
12 qualified manufacturers and other
13 exempt organizations and the City of
14 Philadelphia pursuant to IRS and
15 Commonwealth regulations. And last,
16 PAID serves as a conduit for City and
17 other governmental contract and grant
18 program funding for economic
19 development projects throughout the
20 City.

21 In accordance with the
22 Commonwealth's economic development
23 finance law, economic development
24 authorities can only exist for up to
25 50 years and they are not permitted

1 to enter into agreements with initial
2 terms that extend beyond that. In
3 order to accommodate requests for
4 longer term agreements, it is
5 critical to our operations that
6 PAID's existence be extended to the
7 full 50 years.

8 PAID was initially
9 incorporated by the City Council in
10 1967. And thus, its original term is
11 authorized in 1967 would have expired
12 in 2017. We've previously come
13 before the City Council twice over
14 the last few decades to extend our
15 term of existence. Our current term
16 expires on September 19, 2061,
17 providing less than 38 years of
18 remaining terms which would be
19 problematic for any transactions
20 extending beyond this time.

21 The proposed bill I'm here to
22 testify in support of simply extends
23 PAID's existence. This has
24 previously been done with similar
25 legislation most recently in 2011 and

1 1991 before that. In closing,
2 extending PAID is important to
3 Philadelphia's continued economic
4 growth and we thank you for your
5 consideration of the legislation that
6 does that. Thanks again for inviting
7 us to provide testimony. We're happy
8 to answer any questions.

9 COUNCILMAN SQUILLA: Thank
10 you, Sam, for your testimony. How
11 many years were left on the last
12 agreement?

13 MR. RHOADS: We currently are
14 at 38 years remaining.

15 COUNCILMAN SQUILLA: All
16 right. So this would extend it up to
17 50, correct?

18 MR. RHOADS: Exactly, which is
19 the most we're able to do under the
20 state law.

21 COUNCILMAN SQUILLA: Okay.
22 Councilmember Jones.

23 COUNCILMAN JONES: Thank you,
24 Mr. Chairman.

25 I just want to briefly for the

1 record acknowledge PIDC's role in the
2 City of Philadelphia's economic
3 development community. And as an
4 economic development practitioner in
5 another life, PCDC, Philadelphia
6 Commercial Development Corporation, I
7 had opportunities to work with this
8 institution on a number of projects
9 in Center City and in neighborhoods.

10 And I wanted to state for the
11 record that PIDC isn't our
12 grandfather's institution. During
13 the pandemic they stepped up to the
14 plate in a big way and helped
15 nontraditional Black and Brown
16 businesses get their piece of the pie
17 through PAID and other financial
18 mechanisms to make sure that they
19 were stakeholders in Philadelphia and
20 I am thankful to being a part of that
21 process. So this is a worthwhile
22 piece of enabling legislation.

23 MR. RHOADS: Councilman, thank
24 you very much for your support. We
25 really appreciate it. You know we're

1 proud to work with on the various
2 initiatives on that end. So thank
3 you.

4 COUNCILMAN SQUILLA: Thank
5 you, Mr. Councilmember.

6 Are there any questions from
7 anybody else on the Committee?

8 (No response.)

9 COUNCILMAN SQUILLA: Hearing
10 no further questions from Members for
11 the panel, is there anyone else here
12 to testify?

13 (No response.)

14 COUNCILMAN SQUILLA: Hearing
15 nobody else to testify, Sean, is
16 there any public comment today?

17 THE CLERK: We don't have
18 anyone signed up to testify.

19 COUNCILMAN SQUILLA: Thank
20 you. Since there's nobody else to
21 testify, we'll take a brief break to
22 connect members -- since there is
23 nobody else to testify this afternoon
24 on Bill No. 230109 and no other
25 further questions, we'll conclude the

1 hearing and go into a public meeting.

2 There being no further
3 questions from members of the
4 Committee and no other witnesses, I
5 will ask if there's anyone else
6 present in the hearing whose name we
7 have failed to call and wish to offer
8 testimony on the bill being
9 considered today?

10 (No response.)

11 COUNCILMAN SQUILLA: Seeing
12 none and hearing none, I want to
13 thank all the panels, especially
14 Mr. Rhoads, witnesses and
15 participants today, we value your
16 opinions. Now, I invite all panels
17 and witnesses to please disconnect
18 from the meeting before we go into a
19 public meeting. We will now pause
20 the proceedings briefly as multiple
21 participants leave the hearing.

22 This concludes the public
23 hearing of the Committee. We will
24 now go into a public meeting to
25 consider the actions to be taken on

1 the bills before this Committee
2 today. We will now convene the
3 public meeting.

4 Mr. McMonagle, can you please
5 call the roll to take attendance.
6 Members in attendance will please
7 indicate that you are present.

8 THE CLERK: Councilwoman
9 Brooks.

10 (No response.)

11 THE CLERK: Councilwoman
12 Gauthier.

13 (No response.)

14 THE CLERK: Councilwoman
15 Gilmore Richardson.

16 (No response.)

17 THE CLERK: Councilman
18 Johnson.

19 COUNCILMAN JOHNSON: Present.

20 THE CLERK: Councilman Jones.

21 COUNCILMAN JONES:

22 Mr. Chairman, I am present.

23 THE CLERK: Councilman
24 Squilla.

25 COUNCILMAN SQUILLA: I am

1 present. And I note for the record
2 Councilmember Gilmore Richardson is
3 also pres --

4 COUNCILWOMAN GILMORE

5 RICHARDSON: Good afternoon,
6 Mr. Chair and colleagues. I am
7 present.

8 COUNCILMAN SQUILLA: Thank
9 you. That will give us a quorum. We
10 will go into our public meeting.

11 The Chair recognizes
12 Councilmember Jones for a motion on
13 Bill No. 230109.

14 COUNCILMAN JONES: Thank you,
15 Mr. Chairman.

16 I move that Bill No. 230109 be
17 reported from this Committee with a
18 favorable recommendation and further
19 move that the rules of Council be
20 suspended to permit first reading of
21 this bill at our next session of
22 Council.

23 COUNCILWOMAN GILMORE

24 RICHARDSON: Second.

25 COUNCILMAN SQUILLA: Thank

1 you. For the record, the Chair notes
2 that Councilmember Gilmore Richardson
3 seconds the motion.

4 It has been moved and properly
5 seconded that Bill No. 230109
6 be reported from this Committee with
7 a favorable recommendation and
8 further move that the rules of
9 Council be suspended as to permit the
10 first reading of this bill at the
11 next session of Council.

12 All those in favor of the
13 motion will signify by saying aye.

14 (Aye.)

15 COUNCILMAN SQUILLA: Any
16 opposed?

17 (No response.)

18 COUNCILMAN SQUILLA: The ayes
19 have it and the motion carries.

20 That will conclude our meeting
21 for today. Thank you for everybody
22 who participated in today's meeting
23 and were able to get on and get this
24 done very quickly. Everybody have a
25 great day.

1 COUNCILMAN JONES: Thank you,
2 Mr. Chairman.

3 COUNCILWOMAN GILMORE

4 RICHARDSON: Thank you, Mr. Chairman.

5 COUNCILMAN SQUILLA: Happy
6 Thanksgiving everyone.

7 COUNCILWOMAN GILMORE

8 RICHARDSON: Happy Thanksgiving.

9 (Hearing concluded at
10 1:19 p.m.)

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1 C E R T I F I C A T I O N

2 I, hereby certify that the proceedings
3 and evidence noted are contained fully and
4 accurately in the stenographic notes taken by
5 me in the foregoing matter, and that this is
6 a correct transcript of the same.
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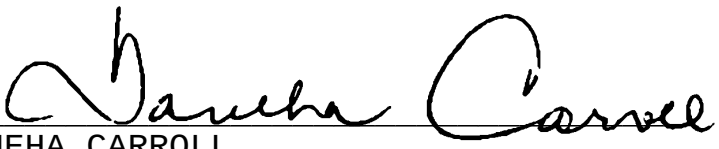
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TANEHA CARROLL
Court Reporter - Notary Public

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