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## COUNCIL OF THE CITY OF PHILADELPHIA

3

## PUBLIC HEARING

4

## COMMITTEE ON PUBLIC PROPERTY and PUBLIC WORKS

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Room 400, City Hall

7

Philadelphia, Pennsylvania

8

Wednesday, June 14, 2006, 1:10 p.m.

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060113 - An Ordinance authorizing the Commissioner of Public Property to execute and deliver to the Philadelphia Authority for Industrial Development, for nominal consideration, a deed conveying fee simple title to a certain tract of City-owned land with buildings and improvements thereon, situate 5928-30 Germantown Avenue in the City of Philadelphia, for further conveyance at fair market value.

16

17 PRESENT:

18

COUNCILMAN DARRELL L. CLARKE, Chair

19

COUNCILMAN JACK KELLY

COUNCILWOMAN DONNA REED-MILLER

20

COUNCILMAN JUAN F. RAMOS

COUNCILMAN FRANK RIZZO

21

COUNCILWOMAN MARIAN B. TASCO

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3 P R O C E E D I N G S

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5 COUNCILMAN CLARKE (Chair): Good  
6 afternoon.

7 This is the Committee on Public  
8 Property and Public Works.

9 Will the Clerk please read the title  
10 of the Bill.

11 THE CLERK: Bill Number 060113, an  
12 Ordinance authorizing the Commissioner of  
13 Public Property to execute and deliver to  
14 the Philadelphia Authority for Industrial  
15 Development, for nominal consideration, a  
16 deed conveying fee simple title to a  
17 certain tract of City-owned land with  
18 buildings and improvements thereon, situate  
19 5928-30 Germantown Avenue in the City of  
20 Philadelphia, for further conveyance at  
21 fair market value.

22 COUNCILMAN CLARKE: For the record,  
23 we have a quorum. Councilwoman Tasco,  
24 Councilman Rizzo, Councilman Ramos,  
25 Councilwoman Miller and Councilman Kelly

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2 are present.

3 The Chair recognizes Councilwoman  
4 Donna Reed-Miller.

5 COUNCILWOMAN REED-MILLER: Thank  
6 you. Thank you, Mr. Chair.

7 It's good to be here today to  
8 finally talk about and discuss this public  
9 property in Germantown which we all know as  
10 Town Hall.

11 And certainly as a child, I actually  
12 snuck into the Town Hall because they used  
13 to have a PAL Center, and they didn't allow  
14 girls in. And when my cousins went, I had  
15 to sneak in with them.

16 But anyway, this building has been  
17 vacant for, I believe, at least 15 --  
18 somewhere between 13 and 15 years.

19 And we finally have a developer  
20 that's interested enough to have done a  
21 good job of due diligence and move forward.

22 So, I know that the Commissioner has  
23 to leave at 1:30, so I'm going to end my  
24 remarks so she can testify.

25 Thank you.

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2 COUNCILMAN CLARKE: Thank you,  
3 Councilwoman.

4 Commissioner, please state your name  
5 for the record.

6 MS. SCHLOTTERBECK: Good afternoon,  
7 Councilman Clarke, and members of the  
8 Committee on Public Property and Public  
9 Works.

10 My name is John Schlotterbeck. I'm  
11 the Commissioner of Public Property.

12 I am here today to testify in  
13 support of Bill Number 060113, an Ordinance  
14 authorizing me as Commissioner to execute  
15 and deliver to PAID a deed for nominal  
16 consideration conveying fee simple title to  
17 a certain tract of City-owned land, with  
18 the buildings and improvements thereon,  
19 situated at 5928-30 Germantown Ave. in the  
20 City of Philadelphia, for further  
21 conveyance at fair market value.

22 This Bill will enable the City to  
23 convey this property to PAID for sale to a  
24 developer at fair market value, with the  
25 proceeds being deposited into the General

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2 Fund.

3 The property was formally used as a  
4 municipal building, housing various City  
5 agencies. The building is currently not in  
6 use.

7 The department supports this  
8 measure. And accordingly, I respectfully  
9 ask that City Council approve 060113.

10 I also ask that the rules be  
11 suspended so that the Ordinance may be  
12 passed upon the second reading of Council.

13 Thank you. I'm happy to answer any  
14 questions.

15 With me today is Deputy Commissioner  
16 Jeff Cardwell. In case I have to run, he  
17 can take over for me. And also, we have  
18 the developer here, who has interest in the  
19 property.

20 COUNCILMAN CLARKE: Thank you.

21 So, the developer is already  
22 selected for the property.

23 MS. SCHLOTTERBECK: That's correct.

24 COUNCILMAN CLARKE: And there was a  
25 negotiated settlement agreement --

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2 MS. SCHLOTTERBECK: It was --

3 COUNCILMAN CLARKE: -- or tentative?

4 Or is that pending or...

5 MS. SCHLOTTERBECK: Actually --

6 COUNCILMAN CLARKE: I mean, what's  
7 the process?

8 MS. SCHLOTTERBECK: Well, actually  
9 in this particular case, each one of these  
10 assets tends to have its own story.

11 But this happens to be this  
12 gentleman came to us, extremely interested  
13 in the property.

14 We explained that we have a surplus  
15 list, that the deal is that every asset  
16 gets two appraisals, and the cost of the  
17 property is the average between the two.

18 He agreed to continue. He came in  
19 with a business plan. And basically,  
20 that's the end of the story.

21 Councilwoman -- As always, it goes  
22 to the Councilmanic District. Councilwoman  
23 is in support of it. The community is in  
24 support of it.

25 The asking price is acceptable to

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2 the City of Philadelphia. So, I'm here  
3 today to hopefully pass this through  
4 Committee.

5 COUNCILMAN CLARKE: All right.

6 Does this disposition come before  
7 this body again? Once we dispose of it and  
8 PAID enters into an agreement with the  
9 developer, does it come back here for a  
10 final disposition?

11 MS. SCHLOTTERBECK: Well, it will  
12 have to come back for final disposition in  
13 the fall, yes.

14 COUNCILMAN CLARKE: Okay. Thank  
15 you.

16 MS. SCHLOTTERBECK: So there's  
17 nothing new -- This is just the beginning  
18 of the process.

19 COUNCILMAN CLARKE: Okay.

20 So before it's actually sold to the  
21 developer, it must, by Ordinance or  
22 resolution, come before this body.

23 MS. SCHLOTTERBECK: That's correct.

24 COUNCILMAN CLARKE: All right.

25 Thank you.

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2 COUNCILMAN RIZZO: Mr. Chairman.

3 COUNCILMAN CLARKE: Councilman  
4 Rizzo.

5 COUNCILMAN RIZZO: Commissioner, I  
6 know that property fairly well.

7 And I think that there's a very  
8 small street, or I'll call it an alley,  
9 that takes you back to the 14th District's  
10 parking area.

11 Is there going to continue to be an  
12 easement for that access?

13 MS. SCHLOTTERBECK: Actually, that's  
14 part of the negotiations right now. It's  
15 not settled. We have to accommodate the  
16 police, and we also want to accommodate the  
17 development and have parking for that use.

18 So, that's another piece of the  
19 Ordinance of this process that has to be  
20 settled. We want to make sure the police  
21 have enough parking places and also the new  
22 development.

23 COUNCILMAN RIZZO: Thank you.

24 What about the easement? Is that  
25 part of your negotiation also?

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2 MS. SCHLOTTERBECK: Yes. And this  
3 is an additional approximately \$50,000  
4 we're talking about. That hasn't been  
5 ironed out yet.

6 And I need to make sure that the  
7 police are comfortable with what we're  
8 proposing, and I haven't done that yet. I  
9 do owe them that. And they are completely  
10 aware of this whole situation.

11 COUNCILMAN RIZZO: I don't think  
12 that that would totally -- And I'm trying  
13 to just take a snapshot in my brain about  
14 that. I think they still could get access  
15 to that lot in the back without that  
16 street, but I see a lot of the police  
17 vehicles do use that little street north of  
18 Haney.

19 MS. SCHLOTTERBECK: I think it's  
20 because it's convenient --

21 COUNCILMAN RIZZO: Yes, it is.

22 MS. SCHLOTTERBECK: -- and because  
23 the building is vacant.

24 COUNCILMAN RIZZO: Right. Exactly.

25 COUNCILWOMAN REED-MILLER: Well,

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2 actually...

3 COUNCILMAN CLARKE: Councilwoman  
4 Miller.

5 COUNCILWOMAN REED-MILLER: Actually,  
6 you can call it a driveway, might be a  
7 better term. And that driveway has always  
8 been used by the 14th District, the  
9 occupants of Town Hall, and when the  
10 farmers' market next to the Town Hall site  
11 was open, that was actually a way you  
12 entered into the farmers' market lot and  
13 exited.

14 MS. SCHLOTTERBECK: Okay.

15 COUNCILWOMAN REED-MILLER: And  
16 there's always been... We're not sure who  
17 owns it. When there's been big craters,  
18 then the City has come out and filled it.

19 But it's always been bare because  
20 all three of those institutions: Town  
21 Hall, the Police Department, and Town Hall,  
22 and the farmers' market needed to use that.  
23 It's like a driveway. And that's what  
24 Councilman Rizzo is talking about.

25 MS. SCHLOTTERBECK: Yes.

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2 COUNCILWOMAN REED-MILLER: And I'm  
3 sure that the developer -- I haven't talked  
4 to him about this, but there would be no  
5 purpose to close it.

6 MS. SCHLOTTERBECK: Right.

7 COUNCILWOMAN REED-MILLER: So it  
8 would, you know, serve everybody's purpose  
9 to keep that.

10 MS. SCHLOTTERBECK: To keep it open.

11 COUNCILWOMAN REED-MILLER: Right.

12 MS. SCHLOTTERBECK: And keep it.

13 Okay.

14 COUNCILMAN CLARKE: Thank you,  
15 Councilwoman.

16 Any other questions by members of  
17 the Committee of this witness?

18 (No response.)

19 COUNCILMAN CLARKE: There being  
20 none, thank you very much for your  
21 testimony.

22 COUNCILWOMAN REED-MILLER: One other  
23 question I just want to put on the record.

24 COUNCILMAN CLARKE: I'm sorry.  
25 Councilwoman Miller.

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2 COUNCILWOMAN REED-MILLER: And I  
3 know you haven't been the Commissioner that  
4 long, but is there anything in the records  
5 that talks about any other developers that  
6 have... I know, as a Council member,  
7 people have called me over ten years, to  
8 talk about an interest, showing somewhat of  
9 an interest, but none really followed  
10 through.

11 Do you have any indication of any  
12 other developers that have been seriously  
13 interested in pursuing the acquiring, the  
14 acquisition of Town Hall?

15 MS. SCHLOTTERBECK: Well, actually,  
16 I could review the files, because I do know  
17 in my long tenure with Public Property and  
18 as a facilities director, I was always  
19 responsible to maintain that building.

20 COUNCILWOMAN REED-MILLER: Okay.

21 MS. SCHLOTTERBECK: And because it  
22 was vacant, it would always pose a great  
23 deal of problems.

24 So, yeah, there have been a number  
25 of people expressing an interest, but a lot

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2 of times they wanted for nominal, and they  
3 weren't willing to deal with the historical  
4 aspects. So, I can look through the file  
5 and get that back to the Committee.

6 COUNCILWOMAN REED-MILLER: Thank  
7 you.

8 MS. SCHLOTTERBECK: You're welcome.

9 COUNCILMAN CLARKE: Thank you,  
10 Councilwoman.

11 Councilman Rizzo.

12 COUNCILMAN RIZZO: I assume,  
13 Commissioner, that this building will  
14 qualify for tax abatements, the ten-year  
15 tax abatement.

16 How are you going to negotiate, if  
17 that is the case, the value of the land?  
18 Because that's what you pay for. That does  
19 not go away, the assessed value of the  
20 land.

21 So, is it fair to say -- And I'll  
22 ask -- If you don't know, I'll ask the  
23 developer if this would qualify, if there  
24 is a conversion done there, to be tax  
25 abated.

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2 MR. HOUSTON: Correct.

3 MS. SCHLOTTERBECK: Would you like  
4 to come up?

5 MR. HOUSTON: Sure.

6 COUNCILMAN RIZZO: Has that been  
7 worked out yet?

8 MS. SCHLOTTERBECK: To be honest,  
9 the details of the deal, John Hersens has  
10 been work working on them, and he's  
11 actually out sick today.

12 COUNCILMAN RIZZO: Okay. Got it.

13 COUNCILMAN CLARKE: State your name  
14 for the record, sir.

15 MR. HOUSTON: My name is Gordon  
16 Houston.

17 To answer your question, the  
18 ten-year tax abatement would be an avenue  
19 that we would pursue, but without this  
20 process being completed or without having  
21 an agreement of sale, we would not be able  
22 to effectuate any of those type of plans.

23 COUNCILMAN RIZZO: But that really  
24 is something that you need to know because  
25 that is a significant...

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2 MR. HOUSTON: Well, it is a  
3 significant --

4 COUNCILMAN RIZZO: ...significant  
5 issue.

6 But I would assume... And, you  
7 know, assume only gets us in trouble, that  
8 if you purchased this and you do what you  
9 say you're going to do, that you'd be  
10 eligible for the tax abatement. So, let's  
11 hope that you are because that's going to  
12 be a significant help to you to develop  
13 this building.

14 MR. HOUSTON: Yes.

15 COUNCILMAN RIZZO: Because I assume  
16 your tenants would benefit by it, along  
17 with you.

18 MR. HOUSTON: Of course.

19 COUNCILMAN RIZZO: Thank you.

20 MS. SCHLOTTERBECK: He will do it.  
21 He is a man of his word. He will do what  
22 he said when he takes the building over.

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

25 COUNCILMAN CLARKE: Thank you,

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2 Councilman.

3 Any other questions of this witness  
4 by this Committee?

5 (No response.)

6 COUNCILMAN CLARKE: There being  
7 none, thank you, Commissioner.

8 MS. SCHLOTTERBECK: Thank you.

9 COUNCILMAN CLARKE: Since you're up  
10 there, sir, you might as well... Do you  
11 have any testimony you want to put into the  
12 record?

13 MR. HOUSTON: I wish to purchase the  
14 property and renovate it.

15 COUNCILMAN CLARKE: Say your name  
16 again for the record. I'm sorry.

17 MR. HOUSTON: My name is Gordon  
18 Houston.

19 And I intend to renovate Town Hall  
20 into a commercial building. I believe that  
21 it's in the best interests of Germantown,  
22 the residents, as well as the business  
23 owners there, that this building be  
24 energized, and be brought back to the rolls  
25 of the City.

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2 So, that's my testimony at this  
3 point.

4 COUNCILMAN CLARKE: Do you have a  
5 sense of any prospective tenants or...

6 MR. HOUSTON: I've spoken to several  
7 people who seem very interested in the  
8 property.

9 It's my intent to make sure that the  
10 best tenant is in the building. Ideally, I  
11 would like to have one, maybe two tenants  
12 for the building. And there seems to be a  
13 good enough amount of interest to make that  
14 happen.

15 COUNCILMAN CLARKE: And the  
16 assumption is that you are in close contact  
17 with the elected officials, particularly  
18 the Council person from that particular  
19 area, as it relates to the ultimate tenant  
20 in the facility, something that is  
21 conducive --

22 MR. HOUSTON: I would definitely  
23 work --

24 COUNCILMAN CLARKE: -- to the use on  
25 that particular commercial --

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2 MR. HOUSTON: Yes, I would be  
3 working with the Councilwoman, as well as  
4 state rep John Myers, keep him abreast of  
5 everything that's happening as we move  
6 along in the process.

7 COUNCILMAN CLARKE: Okay. Thank  
8 you.

9 Any questions of this witness by the  
10 members of the Committee?

11 (No response.)

12 COUNCILMAN CLARKE: There being  
13 none, thank you very much for your  
14 testimony, sir.

15 MR. HOUSTON: Thank you.

16 COUNCILMAN CLARKE: Anyone else to  
17 testify on this Bill?

18 MR. GALLERY: I've passed copies of  
19 my testimony.

20 COUNCILMAN CLARKE: Please state  
21 your name for the record.

22 MR. GALLERY: My name is John  
23 Gallery. I'm the Executive Director of the  
24 Preservation Alliance. I appreciate the  
25 property to testify here today.

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2 The Preservation Alliance recognizes  
3 that the City does have no continuing use  
4 for the Germantown Town Hall and doesn't  
5 have funds to rehabilitate it itself. So,  
6 it does seem appropriate to look for other  
7 ways in which the property might be  
8 restored and preserved.

9 So, we have no real objection to the  
10 idea of a transfer to PAID to facilitate  
11 this property.

12 However, we feel this property is  
13 more historically significant than any  
14 other property that the City has  
15 transferred to PAID.

16 And because of that, the sale needs  
17 to proceed cautiously and with a very clear  
18 public process.

19 Germantown Town Hall, as I think you  
20 all know, is a very significant property.  
21 It was built in 1923.

22 The sale of the property includes  
23 both the building and the parking lot,  
24 being used by the Police Department  
25 presently.

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2 We really feel that the procedures  
3 that should be followed are the following:

4 The property should be publicly  
5 advertised by PAID, as PAID is doing for  
6 other properties that have been transferred  
7 by the City.

8 The reason for this is that the  
9 building has been vacant since 1995. There  
10 never has been any public indication that  
11 the City was willing to sell it, nor has  
12 there been any public indication of what  
13 price the City would be willing to sell it  
14 for.

15 We feel this property is so  
16 significant that there needs to be a public  
17 process to determine who is the best  
18 developer to do it.

19 If Mr. Houston is the best  
20 developer, it will be a safer process for  
21 him and the City and PAID, if that's  
22 confirmed by an open process in which  
23 others have the opportunity to express  
24 interest. This is a typical procedure  
25 that's followed. We're not asking for

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2 anything different than what's normal.

3 Secondly, the ownership of the  
4 property should not be transferred to any  
5 private owner unless that owner is able to  
6 indicate that there are actual tenants and  
7 financing, to be able to rehabilitate the  
8 property.

9 Again, this is too important an  
10 historic property for the City to lose  
11 control if there isn't a real project with  
12 real financing, not just for the  
13 acquisition, but for the full historic  
14 rehabilitation of the property. These are  
15 also conditions that are typically followed  
16 by PAID or by agencies like the  
17 Redevelopment Authority.

18 We recognize that a potential  
19 developer, like Mr. Houston, might need to  
20 have what's normally referred to as site  
21 control, to secure tenants or other  
22 financing, but that can be accomplished  
23 without having an actual transfer of  
24 ownership.

25 This condition of financial...

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2 complete financing for the project should  
3 be an absolute requirement of any sale of  
4 the Germantown Town Hall.

5 Secondly -- Thirdly -- excuse me --  
6 There are some specific historic objects in  
7 the building which need to be protected and  
8 spelled out by themselves.

9 This includes the Isaiah Lukens  
10 clock, the John Wilbank bell, and the World  
11 War I memorial tablets. There needs to be  
12 a way in which those are identified, that  
13 they are historically protected and linked  
14 with the building.

15 In our opinion, it would be better  
16 if all of these provisions were included in  
17 the City Council Bill, but they might also  
18 be included in a separate agreement between  
19 Public Property and PAID.

20 I'd also like to point out that  
21 there is \$10,000 available that has already  
22 been appropriated to be used for a  
23 feasibility study of the Germantown Town  
24 Hall. This could examine the architectural  
25 needs for renovation, as well as the

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2 potential market conditions for use of the  
3 property.

4 I informed Councilwoman Miller's  
5 office of this about a few weeks ago. The  
6 consultants who have been hired to do the  
7 larger study of which this is a part are  
8 ready to begin immediately.

9 I don't understand why it would not  
10 be in the interests of the City or PAID or  
11 even of a future developer to help someone  
12 else do that exploratory work.

13 So, we're asking you to proceed more  
14 cautiously that's being proposed, and to  
15 really ask PAID to use a public process, to  
16 see if there are in fact other interests or  
17 confirm that there's only one interest, and  
18 to use that process to determine whether  
19 there is financing to do this project.

20 It was mentioned by Commissioner  
21 Schlotterbeck that the community is in  
22 support. I think that's not the case. I  
23 have an e-mail here, copies of which I also  
24 have, which was sent to Councilwoman Miller  
25 by the Germantown Historical Society, the

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2 most significant of the community interest  
3 relative to this property.

4 I won't read the entire letter.

5 I'll just read an e-mail. I mean I'll read  
6 a paragraph. I would like to encourage you  
7 to include in the Bill provisions that  
8 would guarantee the preservation of Town  
9 Hall and the important historical objects  
10 contained therein.

11 Any buyer must be required to  
12 demonstrate an ability to finance the  
13 rehabilitation of Town Hall and to present  
14 a proposal for adapted reuse that preserves  
15 the historical architecture of the  
16 building. That's the community view at the  
17 moment.

18 Again, we're not opposed to the idea  
19 of the transfer to PAID, but we believe  
20 this property is simply too historic not to  
21 be treated in a more careful way, to ensure  
22 that we have the best way to preserve and  
23 restore it.

24 Thank you.

25 COUNCILMAN CLARKE: Thank you for

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2 your testimony.

3 Again, real briefly, I believe that  
4 PAID has and will continue to do due  
5 diligence, as it relates to any conveyance  
6 in any deal, particularly that they're  
7 given a charge to ensure that any publicly  
8 owned property that has been designated as  
9 surplus is sold for its highest value, if  
10 at all possible. So, the assumption is  
11 that they're going to do that.

12 With respect to that property, I  
13 believe that it is not only of state  
14 historical significance. It may actually  
15 be Federal historical significance?

16 MR. GALLERY: It certainly is a  
17 building that would be eligible to be on  
18 the National Register, if it isn't already;  
19 you're correct.

20 COUNCILMAN CLARKE: So I think that  
21 there is a requirement, in terms of the  
22 restoration of the building, to ensure that  
23 it maintain some of the historical  
24 significance, particularly as it relates to  
25 the facade of the building.

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2 MR. GALLERY: Yes.

3 COUNCILMAN CLARKE: So, I'm assuming  
4 that, you know, given your position, that  
5 you and the people that you interact with  
6 will make sure that it is adhered to.

7 MR. GALLERY: May I ask you just a  
8 question on your first point?

9 COUNCILMAN CLARKE: Well, let me  
10 finish.

11 MR. GALLERY: Oh. I'm sorry.

12 COUNCILMAN CLARKE: And with  
13 respects to the vacancy of the building,  
14 you've indicated in your testimony that the  
15 building was vacant since 1995.

16 But there was no market -- apparent  
17 marketing of the building. I don't live up  
18 there, but I know that that building was  
19 always a building that had municipal uses  
20 in it.

21 So, if anybody is interested in real  
22 estate whatsoever, I'm sure if they had an  
23 interest in it, that they would have  
24 inquired over the period of some 13, 14,  
25 15, 16 years.

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2 So, you know, the assumption is  
3 that, you know, that building sat vacant  
4 for a long time. And this particular  
5 developer has stepped forward.

6 And, you know, I don't know the  
7 gentleman. I do not represent the area,  
8 but I'm happy to see that someone's willing  
9 to step to the plate and look at developing  
10 a building that's been vacant for a long,  
11 long time.

12 MR. GALLERY: Okay. If I could just  
13 comment on a couple of those things.

14 COUNCILMAN CLARKE: Sure.

15 MR. GALLERY: It has been vacant  
16 since 1995. That's 11 years. But it is a  
17 public building.

18 And while some people have come  
19 forward and expressed interest in it, up  
20 until this recent discussion, it's never  
21 been clear that the City was really willing  
22 to sell it, as opposed to retain ownership  
23 in the public sector and lease it.

24 That piece of information is not  
25 known, has not been known to any parties

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2 that might have an interest in it. So I  
3 think there is a different circumstance  
4 here.

5 COUNCILMAN CLARKE: Well, Mr.  
6 Gallery, we in Council have been talking  
7 about it.

8 I don't want to belabor the point.  
9 We've been talking about selling surplus  
10 real estate for the last couple of years,  
11 as a result of our budget shortfall.

12 So, if anybody who's seriously  
13 interested in real estate doesn't know  
14 that, then they probably shouldn't be in  
15 that business. I mean, you know, this is  
16 not something --

17 MR. GALLERY: I'm aware of that.

18 COUNCILMAN CLARKE: -- that's not  
19 been extremely public.

20 MR. GALLERY: I'm just saying, this  
21 particular building has not been identified  
22 individually in those discussions.

23 COUNCILMAN CLARKE: Okay.

24 MR. GALLERY: The second thing I'd  
25 like to ask you is, you said that PAID

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2 would perform due diligence to determine  
3 that they could sell it at the highest  
4 price possible.

5 The only way to do that is to  
6 publicly advertise the property. There may  
7 be someone out there willing to pay higher  
8 than the commitment that Mr. Gordon has  
9 already made.

10 Will PAID take due diligence to  
11 determine if that's the case?

12 COUNCILMAN CLARKE: My assumption is  
13 that they will.

14 MR. GALLERY: The assumption is that  
15 they will.

16 COUNCILMAN CLARKE: Right. That's  
17 their charge.

18 And if you know of anyone who's  
19 interested in the building, then maybe you  
20 want to send them to PAID.

21 MR. GALLERY: That would be great.  
22 I'll be happy to work with PAID in terms of  
23 that.

24 COUNCILWOMAN REED-MILLER: Let me  
25 just add something.

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2 COUNCILMAN KELLY: I have one  
3 question.

4 COUNCILMAN CLARKE: Councilman  
5 Kelly.

6 COUNCILMAN KELLY: Yes.

7 Thank you, Mr. Chairman.

8 I just want to follow up what the  
9 Chairman was saying.

10 I'd like to know how Mr. Houston was  
11 aware of this building being available.  
12 That's the question that I have for the  
13 developer, more so.

14 COUNCILMAN CLARKE: Mr. Houston, do  
15 you want to come forward?

16 COUNCILMAN KELLY: Because I think  
17 that somehow he found out about it. And I  
18 don't know why anyone else in that  
19 profession, whether they be a developer or  
20 interested in real estate or whatever, they  
21 would -- if they have some -- if they had  
22 at least some opportunity or at least a  
23 thought that would be a great opportunity  
24 to develop, I'm sure they would have  
25 contacted someone from the City.

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2 Mr. Houston, how were you made aware  
3 of this building being available?

4 MR. HOUSTON: I've lived and  
5 worshipped at church services in Mt. Airy  
6 and Chestnut Hill, which are adjoining  
7 neighborhoods, over the last 30 years.

8 And I was always aware of the  
9 property and always felt that it should be  
10 re-energized for the people of the  
11 community. And so, I made the necessary  
12 contacts to go about to try to do that.

13 COUNCILMAN KELLY: Okay.

14 MR. HOUSTON: And that's how I knew  
15 about the property, just from my own  
16 community knowledge.

17 COUNCILMAN KELLY: Well, that's  
18 good.

19 Well, it just seems that I question  
20 that since this building has been vacant  
21 for 11 years, I would think that someone in  
22 that community or throughout the City would  
23 be aware of it, that it was vacant. And  
24 any vacant building in this City would...  
25 I'm sure if a developer is interested or

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2 person who wants to invest in real estate  
3 would contact someone from the City,  
4 knowing full well it was a City building at  
5 one time.

6 I just want to thank you for being  
7 interested in it. And I'm hoping that it  
8 is going to be developed and put some --  
9 put to a more useful purpose than just a  
10 blank vacant building.

11 Thank you, Mr. Chairman.

12 COUNCILMAN CLARKE: Thank you,  
13 Councilman.

14 Councilwoman Miller.

15 COUNCILWOMAN REED-MILLER: Okay.  
16 You know, I used to work right down the  
17 street from Town Hall. And I've been here  
18 in City Council since '95.

19 The building's actually been shut  
20 down prior to 1995. I worked with  
21 Representative Richardson, and I remember  
22 we were helpful in helping some of the  
23 Mock's office find alternative space.

24 There have been people that have  
25 been interested in Town Hall. I think -- I

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2 believe Mr. Gallery also said that -- No.  
3 Public Property testified to that effect.

4 But once they found out that there  
5 was not lots of public money to help them  
6 renovate, then they lost interest.

7 And since I've been a Council  
8 member, people have called me continuously  
9 about Town Hall, but most do not have the  
10 capacity.

11 Gordon is the first person to go in  
12 and actually do due diligence. I think it  
13 was about 90 days or 120 days.

14 MR. HOUSTON: Well, we're not under  
15 a contract as of yet, but we've done  
16 preliminary investigations, as to what is  
17 there and what would need to be done, as  
18 far as bringing the building back to life.

19 COUNCILWOMAN REED-MILLER: Okay.

20 And so, we get plenty of complaints,  
21 you know, all year, particularly in the  
22 summer when the trees and bushes are just  
23 growing and overgrown and all on the  
24 sidewalk, for Public Property to come out  
25 and repair.

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2 I think it's a good move. Last  
3 Friday I had Gordon meet with another group  
4 of community people.

5 And we are, Mr. Gallery, proceeding  
6 very cautiously, because we treasure Town  
7 Hall in the Germantown community, just like  
8 anybody else does of these Federal  
9 preservation registry or state registry.  
10 We also cherish Town Hall.

11 So... Hopefully, though, I'm hoping  
12 that this building does get developed. We  
13 have the summer to work on additional  
14 issues, and then we'll move forward.

15 MR. HOUSTON: And one more thing, if  
16 I may add. We did meet with the members of  
17 the Germantown Historical Society.

18 COUNCILWOMAN REED-MILLER: Right.

19 MR. HOUSTON: And their Executive  
20 Director. And they voiced their support  
21 for the renovation of Town Hall for the  
22 proposed uses.

23 COUNCILWOMAN REED-MILLER: And I'm  
24 glad you said that.

25 Actually, I did not get a copy of

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2 this e-mail and because it was actually  
3 sent to an e-mail account in my office  
4 that's been shut down, because this person  
5 no longer works there.

6 I did talk to Mr. Ritchie and the  
7 President of Germantown Historical Society.  
8 In fact, I had a discussion last night with  
9 Alex Humes, who's the President, about  
10 another matter. But no one raised this.

11 I was at Germantown Historical  
12 Society, I guess, about a month ago, to  
13 look at one of the exhibits. We again  
14 talked about Town Hall.

15 So, this is of interest to us. We  
16 live -- I go past Town Hall every morning.  
17 So, I am probably more interested than  
18 anybody, because my decision is something  
19 that I have to live with because I'm going  
20 to see it every day. I go past Town Hall  
21 every morning coming to work.

22 So, I'm just glad that we finally  
23 have someone interested enough to move  
24 forward on, you know, helping us to get rid  
25 of that blight there at the corner of

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2 Germantown and Hanes.

3 COUNCILMAN CLARKE: Thank you,  
4 Councilwoman.

5 Any other questions of these  
6 witnesses?

7 MR. GALLERY: I just have one other  
8 comment I want to make. I greatly  
9 appreciate the support that Councilwoman  
10 Miller has given to the preservation of  
11 this project, for this building in the  
12 past. I know she's absolutely committed to  
13 it, and I know City Council is, too. I  
14 don't mean to suggest anything different.

15 Secondly, I have no opinion about  
16 Mr. Houston as a developer. He may be the  
17 exact right person. I'm delighted that  
18 he's come forward with an interest.

19 I'm merely saying, this building is  
20 of far more historic significance than  
21 anything you have turned over to PAID; and  
22 therefore, there needs to be the type of  
23 due diligence, open process that you are  
24 alluding to. That's the only point I'm  
25 trying to make.

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2 COUNCILMAN CLARKE: We've heard you.

3 Thank you.

4 Any other questions?

5 (No response.)

6 COUNCILMAN CLARKE: There being  
7 none, that concludes the public hearing on  
8 the Committee of Public Property and Public  
9 Works.

10 (Public hearing concluded at 1:44  
11 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the proceedings and evidence are contained fully and accurately in the stenographic notes taken by me upon the public hearing of The Philadelphia City Council, taken on June 14, 2006, and that this is a true and correct transcript of same.

---

DAVID A. DEIK, RPR and  
Commissioner of Deeds

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1  
2 COUNCIL OF THE CITY OF PHILADELPHIA  
3 PUBLIC MEETING  
4 COMMITTEE ON PUBLIC PROPERTY and PUBLIC WORKS  
5 - - -  
6 Room 400, City Hall  
7 Philadelphia, Pennsylvania  
8 Wednesday, June 14, 2006, 1:44 p.m.  
9 - - -  
10 060113 - An Ordinance authorizing the Commissioner  
11 of Public Property to execute and deliver  
12 to the Philadelphia Authority for  
13 Industrial Development, for nominal  
14 consideration, a deed conveying fee  
15 simple title to a certain tract of  
16 City-owned land with buildings and  
17 improvements thereon, situate 5928-30  
18 Germantown Avenue in the City of  
19 Philadelphia, for further conveyance at  
20 fair market value.  
21  
22 PRESENT:  
23  
24 COUNCILMAN DARRELL L. CLARKE, Chair  
25 COUNCILMAN JACK KELLY  
COUNCILWOMAN DONNA REED-MILLER  
COUNCILMAN JUAN F. RAMOS  
COUNCILMAN FRANK RIZZO  
COUNCILWOMAN MARIAN B. TASCIO  
- - -  
V A R A L L O Incorporated  
Litigation Support Services  
1835 Market Street, Suite 600  
Philadelphia, Pennsylvania 19103  
215.561.2220 215.567.2670

1 Bill 060113 - 6/8/06

2 - - -

3 P R O C E E D I N G S

4 - - -

5 COUNCILMAN CLARKE: We now move into the  
6 Public Meeting.

7 Councilwoman Miller, I ask for a motion  
8 on Bill Number 060113.

9 COUNCILWOMAN REED-MILLER: Thank you.

10 I move that Bill 060113 be reported out  
11 of this Committee with a favorable  
12 recommendation, and further move that the rules  
13 of Council be suspended so as to permit first  
14 reading at our next session.

15 COUNCILMAN RAMOS: Second.

16 COUNCILMAN CLARKE: It being moved and  
17 seconded, all in favor?

18 (Chorus of "ayes.")

19 COUNCILMAN CLARKE: Any opposed?

20 (No response.)

21 COUNCILMAN CLARKE: The ayes have it.

22 Bill 060113 will be reported out of  
23 Committee with a favorable recommendation, with  
24 a rules suspension, to allow reading at our next  
25 session of Council.

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2 Thank you very much.

3 (Public Meeting concluded at 1:45 p.m.)

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1 CERTIFICATE

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3 I HEREBY CERTIFY that the proceedings and  
4 evidence are contained fully and accurately in the  
5 stenographic notes taken by me upon the public meeting  
6 of The Philadelphia City Council, taken on June 14,  
7 2006, and that this is a true and correct transcript of  
8 same.

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15 DAVID A. DEIK, RPR and  
16 Commissioner of Deeds

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