

1
2 COUNCIL OF THE CITY OF PHILADELPHIA
3 PUBLIC HEARING
4 BEFORE THE COUNCIL COMMITTEE ON FINANCE

5 - - -
6 Room 400, City Hall
7 Philadelphia, Pennsylvania
8 Tuesday, May 2, 2000
9 10:09 a.m.
10 - - -

11
12 BILL 000028 - An ordinance amending Title 19 of
13 the Philadelphia Code, entitled "Finance Taxes,
14 and Collections," by amending Chapter 19-2500,
15 entitled "Real Estate Non-Utilization Tax," by
16 changing the definition of "vacant and abandoned
property" for the purpose of taxation under this
section, changing the rate of assessment of the
tax and modifying the means of collections, all
under certain terms and conditions

17
18 PRESENT: COUNCILWOMAN JANNIE L. BLACKWELL, Chair
19 COUNCILWOMAN MARIAN B. TASCIO, Vice Chair
20 COUNCILMAN DARRELL L. CLARKE
21 COUNCILMAN FRANK DICICCO
22 COUNCILMAN JAMES F. KENNEY
23 COUNCILMAN MICHAEL A. NUTTER
24 COUNCIL PRESIDENT ANNA C. VERNA
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1 /00 FINANCE

2 I N D E X

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4 Page

5 Sharif Street. 4
6 Chief Legislative Advisor to State Senator Kitchen

7 Beverly Stokes, Private Citizen. 9

8 Russell Meddin 19
9 Logan Square Neighborhood Association

10 Humberto Perez, Committee Person 37th Ward . . 27
11 State Committee Member, 2nd Senatorial District

12 Willie Henderson, 37th Ward Activist 33

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1 /00 FINANCE

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

3 COUNCILWOMAN BLACKWELL: Good morning.

4 This is the Council Committee on Finance. We have
5 a quorum present. To my left is President Anna
6 Verna, to her left is Councilman Jim Kenney, and
7 to my right is Councilman Michael Nutter and also
8 Councilman Darrell Clarke. Thank you very much.

9 We have called this hearing for the
10 purpose of getting testimony in regard to Bill No.
11 000028, and the clerk now read the title of the
12 bill. Thank you.

13 THE CLERK: An ordinance amending Title
14 19 of the Philadelphia Code, entitled "Finance
15 Taxes, and Collections," by amending Chapter
16 19-2500, entitled "Real Estate Non-Utilization
17 Tax," by changing the definition of "vacant and
18 abandoned property" for the purpose of taxation
19 under this section, changing the rate of
20 assessment of the tax and modifying the means of
21 collections, all under certain terms and
22 conditions.

23 Thank you.

24 COUNCILWOMAN BLACKWELL: Thank you very
25 much. The Chair notes that Councilman Frank

1 /00 FINANCE

2 DiCicco is also here.

3 And now we would like to call forward
4 members of the community and all others who are
5 here who would like to testify. I believe there
6 is a witness list.

7 Councilman Clarke, do you have a list
8 of those you would like to call?

9 COUNCILMAN CLARKE: My legislative
10 assistant is running around with it.

11 COUNCILWOMAN BLACKWELL: Yes, he told
12 me he has a list as well.

13 (Witnesses come forward.)

14 COUNCILWOMAN BLACKWELL: Thank you very
15 much. We are glad to have you to testify on Bill
16 28 today. Please make yourself comfortable and
17 identify yourself for the record and begin your
18 testimony.

19 MR. STREET: My name is Sharif Street,
20 and I'm the Chief Legislative Advisor to State
21 Senator Kitchen, and we overlap a significant part
22 of Councilman Clarke's district. And I have with
23 me Miss Beverly Stokes, one of our joint
24 constituents.

25 COUNCILWOMAN BLACKWELL: Thank you very

1 /00 FINANCE

2 much, Mr. Street and Miss Stokes.

3 MR. STREET: Okay. Hello,
4 Councilpeople, Council President, and
5 Councilmembers. I have a letter that was written
6 to the Senator, and which she cc'd Councilman
7 Clarke and the Department of Licenses and
8 Inspections, and I would like to read Miss Stokes'
9 letter into the record and then have a couple
10 comments on it. It's dated August 24, 1999, to
11 the Honorable Shirley Kitchen, State Senator.

12 "Dear Senator Kitchen: I am bringing
13 to your attention a notice of cancellation of
14 homeowner's insurance due to the abandoned
15 property next door to my home. I currently reside
16 at 1207 West Sedgely Avenue, Philadelphia, PA,
17 19133. And the abandoned property next door is a
18 garage store front, which address, I believe, is
19 1201 through 1203 West Sedgely Avenue.

20 "I have pleaded with the owners of the
21 property to have something done with the building
22 on numerous occasions, and they have promised me
23 that they would hold a family meeting to decide
24 what would be done with the building. However,
25 the property remains abandoned.

1 /00 FINANCE

2 "The building has not been occupied
3 since 1984, when the owner operated a refrigerator
4 business and also operated the storefront. Since
5 then, the condition of the building has been on
6 the decline and became hazardous. There are open
7 windows in both of the garage doors, large enough
8 for stray animals and rodents to dwell. And when
9 it rains, the stench from the abandoned property
10 seeps through the walls of my home and the water
11 dampens my walls adjacent to the garage due to
12 roof leakage from the abandoned property. I am
13 now afraid that the lack of concern for this water
14 damage will cause my wall to collapse that's
15 addressed to this property.

16 "I am in the process of renovating my
17 home into a full-service hair and nail salon, and
18 these hazardous conditions on the abandoned
19 property have prevented me from lawfully obtaining
20 homeowner's insurance because I am considered a
21 high risk. I have enclosed a copy of the notice
22 of cancellation of homeowner's insurance, along
23 with photos of the abandoned garage and my
24 property.

25 "I'm appealing to you to please

1 /00 FINANCE

2 investigate this matter immediately so that I will
3 not suffer a great loss of my property or it being
4 destroyed due to the neglect of this abandoned
5 property. I feel as if I have exhausted all of my
6 options, and I am beginning to feel discouraged.
7 I am humbling seeking the necessary action, but
8 there has not been any action to resolve this
9 matter.

10 "I greatly appreciate your attention to
11 this matter."

12 And then she gives out numbers and cc's
13 the Licenses and Inspections L&I Commissioner and
14 Councilman Clarke.

15 Councilman Clarke's office has been
16 working to abate some of the nuisances -- has been
17 working with the Department of Department of
18 Licenses and Inspections to abate some of the
19 nuisances described. But as it pertains to the
20 matter of just all of the problems which arise
21 from abandoned properties and the fact that the
22 property -- as long as the property remains
23 abandoned, she's in a high risk category for
24 homeowner's insurance, that really does require
25 something more, perhaps a legislative change.

1 /00 FINANCE

2 I am here with Miss Stokes, who is a
3 representative of the numerous constituents that
4 we have that have this problem and also on behalf
5 of Senator Kitchen who is the Democratic Chair of
6 the Housing and Urban Development Committee for
7 the State Senate to hear what's being done locally
8 so that we might complement those efforts at the
9 state legislative level.

10 COUNCILWOMAN BLACKWELL: Thank you, Mr.
11 Street.

12 So you're saying the purpose basically
13 for this legislation is to help the neighborhoods,
14 especially where there's abandonment and there's
15 controversy over what an abandoned property is so
16 that some resolve can be -- so that something can
17 happen.

18 MR. STREET: Right. I think the
19 purpose of the legislation is to deal with -- I
20 believe we're talking about the purpose of the
21 legislation is to deal with -- one, look at what
22 abandoned properties are; and then, two, to try
23 and reduce the number of vacancies we have in this
24 city, particularly in the North Philadelphia
25 sections that we jointly represent.

1 /00 FINANCE

2 COUNCILWOMAN BLACKWELL: And you also
3 mentioned the issue of homeowners insurance.

4 MR. STREET: Right, because the
5 homeowners and property owners generally -- not
6 just homeowners -- find that they are put into a
7 -- automatically put into a high-risk category at
8 times in which their insurance is -- they own a
9 property that has an abandoned property next to
10 it. I think Miss Stokes has a letter from her
11 insurer that she'd like to read.

12 COUNCILWOMAN BLACKWELL: Thank you.
13 Miss Stokes?

14 MS. STOKES: This letter is from Sidney
15 Rosenfeld Insurance Company, where I had
16 homeowner's insurance for a short period of time,
17 until they saw the building adjacent to mine. And
18 this is what they wrote:

19 "Dear Miss Stokes: Please be advised
20 that the recent routine insurance inspection of
21 your property has revealed a vacant home right
22 next door to your. This vacancy prevents any
23 company from writing a homeowner's policy and,
24 therefore, you are receiving a termination notice
25 from your company."

1 /00 FINANCE

2 And, you know, I've had this problem
3 with getting homeowner's insurance -- not just
4 then, I can't even get a home remodeling loan to
5 do any remodeling to my home. I've always had to
6 use my own monies to see remodel my home because
7 this is a high-risk building next door, and when
8 you get loans, they want you to have homeowner's
9 insurance. They've all rejected me, so I can't
10 even fix my property up -- while I have fixed it
11 up, but it's been a long process because I've had
12 to use my own money, I couldn't get a loan to do
13 this. And, you know, I'm always at nighttime in
14 fear that a fire might break out next door to me
15 in the building because they're trying to, you
16 know, get into the building, I guess, to do
17 illegal activities. And I'm afraid that I'm going
18 to wake up and a fire's going to destroy not just
19 that building but take my building with it, and I
20 guess I'd be up in a shelter after that.

21 COUNCILWOMAN BLACKWELL: I understand.

22 Councilman Kenney has a question.

23 MS. STOKES: Yes.

24 COUNCILMAN KENNEY: Good morning, Miss
25 Stokes, Mr. Street.

1 /00 FINANCE

2 MS. STOKES: Good morning.

3 COUNCILMAN KENNEY: I know this bill is
4 dealing with the problem that we're facing with
5 blight as it relates to a citywide issue, but
6 specifically, your situation, has Licenses and
7 Inspections reviewed or examined the property next
8 door to you to determine whether or not it is able
9 to be demolished?

10 MS. STOKES: I don't know, I don't
11 know.

12 COUNCILMAN KENNEY: Councilman Clarke,
13 do you know whether or not Licenses and
14 Inspections has been out there to take a look to
15 see?

16 So the property is able to be
17 demolished without creating structural damage for
18 your property?

19 MS. STOKES: I don't know that. What I
20 understand is that the people that own the
21 building are still paying the taxes on the
22 building, then that might be a problem, but I do
23 know that the roof -- I have pictures of the
24 building. And the roof on the building, water has
25 come through over the years, maybe at least 15

1 /00 FINANCE

2 years, that roof has been bad, and water has
3 deteriorated the level, the upper level, and come
4 through the floor of the building, and the floor
5 has deteriorated --

6 COUNCILMAN KENNEY: How long has it
7 been since the property's been unoccupied?

8 MS. STOKES: Over 15 years that
9 building has not been occupied.

10 COUNCILMAN KENNEY: And the windows are
11 out and the doors are open? I mean, is it
12 sealed? What's the condition?

13 MS. STOKES: I have pictures of the
14 building if you'd like to see them.

15 COUNCILMAN KENNEY: Please.

16 MR. STREET: I've been informed by the
17 Councilman's office, 'cause we've been working
18 jointly on this, that the owner is currently
19 maintaining taxes on the property and doing some
20 of the other things that make it difficult for L&I
21 to legally demolish the property.

22 I think one thing -- and that being the
23 case, I think one thing that this would do is make
24 the local -- make the property owner more
25 accurately -- well, it raises the assessment on

1 /00 FINANCE

2 the property when the property becomes vacant, and
3 I think that makes the property owner have to more
4 accurately reflect the additional costs.

5 COUNCILMAN KENNEY: I think it --

6 MR. STREET: It makes the property
7 owner have to pay some of the additional costs
8 associated with having a vacant property. There's
9 more nuisance to abate.

10 COUNCILMAN KENNEY: No doubt. I think
11 in general terms, this is something that the City
12 should be looking at as far as getting vacant and
13 property owners off their duff to either pay more
14 money to keep these properties in good condition
15 or to do something about it.

16 But I guess the practical question that
17 I have on the Stokes situation is, this building
18 is imminently dangerous. Even if we had deemed it
19 or had Licenses and Inspections deem it imminently
20 dangerous, the owners would then be responsible to
21 deal with this property on a different level, not
22 just simply as an unused vacant structure, which
23 would even create a situation where the owners
24 would have to be pulled into court and explain why
25 this imminently dangerous building has not been

1 /00 FINANCE

2 rectified. And if not, a judge could then order
3 it to be torn down, which I think the City would
4 be happy to do as long as it was going to --

5 I look at this property and I look at
6 Mrs. Stokes' property, and I commend you for
7 keeping your property in the condition that it's
8 in --

9 MS. STOKES: Thank you.

10 COUNCILMAN KENNEY: -- from these
11 pictures, based on what mess is next door to you.
12 But I see no reason why this property couldn't be
13 deemed "ID" and brought into Equity Court and torn
14 down. As long as -- now, some properties, as we
15 know, if you tear down, they can cause structural
16 damage to the vibrant occupied properties next
17 door. And if that's the case, that's something
18 different, but if this building could come down
19 easily and without structural damage to your
20 property, I don't know why it's not down.

21 MS. STOKES: Well, it's causing
22 structural damage as it is because the water is
23 seeping through my walls.

24 COUNCILMAN KENNEY: I would be
25 interested through the District Councilperson in

1 /00 FINANCE

2 trying to determine whether or not this building
3 could be deemed ID, at least accelerating to the
4 process to get these idiots into court and have
5 then have a judge issue an order to tear the damn
6 thing down.

7 MS. STOKES: It's really a shame
8 because for years before this building became in
9 this condition, I have tried to talk with the
10 owners, and I have a youth organization -- Focus
11 on Youth -- and I've asked them, you know, let's
12 try to get it as a community building to do things
13 for the community and the children, and I have
14 never, ever been able to, you know, get them to
15 agree.

16 COUNCILMAN KENNEY: I think what you
17 need is an empty lot with a nice side yard.

18 MS. STOKES: No, I --

19 COUNCILMAN KENNEY: What I'm saying is
20 if there are processes in which you can have that
21 building removed, fenced, and have a nice little
22 garden and a patio and a barbecue.

23 MS. STOKES: It would be beautiful.

24 COUNCILMAN KENNEY: Yeah, I'm sure it
25 would.

1 /00 FINANCE

2 MS. STOKES: I would make this just as
3 beautiful as my house because inside my house,
4 everything I've done, it looks like a brand-new
5 house in there.

6 COUNCILMAN CLARKE: Madam Chair, if I
7 may.

8 COUNCILWOMAN BLACKWELL: Thank you.
9 Councilman Clarke?

10 COUNCILMAN CLARKE: Thank you.

11 Councilman Kenney, this particular case
12 is one that has progressed over a period of time.
13 Early on in the process, the property was not
14 deemed imminently dangerous. As you know, having
15 been here for some time, being able to get L&I
16 inspectors to expeditiously cite these properties
17 -- unfortunately, I have a number of these in my
18 district -- is just simply a matter of sometimes
19 they just don't get around to it.

20 My concern is that Mrs. Stokes, along
21 with other individuals, should not have to suffer
22 based on L&I's inability to adequately deal with
23 that problem and allow it to now be imminently
24 dangerous.

25 Our intent is to, as you say, create an

1 /00 FINANCE

2 additional burden for people to maintain
3 properties in this vacant status. Also, in
4 certain parts of the City of Philadelphia, the
5 real estate taxes are so low based on market
6 value. As you know, there's an \$800 requirement
7 to be certified for sheriff's sale and also for a
8 condemnation, and it can take some time for those
9 properties to achieve that status.

10 So what we are trying to do is
11 accelerate that process so that either that person
12 has run the risk of losing that property at
13 sheriff's sale or having it condemned by the City
14 of Philadelphia's.

15 COUNCILMAN KENNEY: I think the
16 philosophy of the bill is sound, and I would like
17 to see how it fits in with the Mayor's blight
18 initiative, 'cause I do think they affect each
19 other, and this bill may enhance the blight
20 initiative by accelerating the process and
21 compress the time that these owners can allow
22 those properties to go to pot.

23 But I do believe that -- as you know,
24 Commissioner (unintelligible) could probably
25 figure out a way to move this around a little

1 /00 FINANCE

2 quick and maybe get this building down for this
3 poor woman.

4 COUNCILMAN CLARKE: Yeah. I
5 anticipate, particularly after this hearing, that
6 we will get some action quite soon.

7 COUNCILMAN KENNEY: Thank you, Madam
8 Chair.

9 Thank you for coming in, Miss Stokes.

10 MS. STOKES: Thank you.

11 COUNCILWOMAN BLACKWELL: And certainly
12 I might add that anything that helps us to cause
13 residential properties, and any properties for
14 that matter, to be dealt with so that we can get
15 rid of blight is a plus because, as you know,
16 Councilman, unless it's a group of houses, they
17 just sit. The City doesn't have a program for
18 single houses here and there. And so
19 neighborhoods get stuck with them, so maybe this
20 legislation will help us get another mechanism
21 through which we can help dispose of blighted
22 properties.

23 Are there any other questions for these
24 two witnesses?

25 (No further questions.)

1 /00 FINANCE

2 COUNCILWOMAN BLACKWELL: Thank you very
3 much. Thank you, Mr. Street. Thank you, Miss
4 Stokes.

5 Is Mr. Russell Meddin here?

6 MR. MEDDIN: Yes, he is.

7 COUNCILWOMAN BLACKWELL: Thank you.

8 (Witness comes forward.)

9 COUNCILWOMAN BLACKWELL: Please give
10 Senator Kitchen our regards.

11 Mr. Meddin, welcome. Logan Square
12 Neighborhood Association. Would you identify
13 yourself for the record and begin your testimony.

14 MR. MEDDIN: Yes. My name is Russell
15 Meddin, and I'm with the Logan Square Neighborhood
16 Association, and I'd like to speak to you this
17 morning in general and in specific.

18 This Bill No. 28, I view, would be very
19 helpful in stemming the tide of vacancies and
20 abandoned properties in the City. Right now, we
21 have many properties that are totally abandoned
22 and vacant, and nothing's being done, taxes are
23 not being paid, and there is probably time in
24 which the property can be condemned and taken over
25 by the City.

1 /00 FINANCE

2 But there are other properties in the
3 City in which the owners do pay their taxes, but
4 they do not maintain their property, and this is
5 another cause of blight in many of our
6 neighborhoods. We need something to make owners
7 who are not taking care of their property pay a
8 little more attention to them.

9 If your taxes are so low on a property
10 that it's not necessary to do anything to it, why
11 should you? If you were to increase the taxes on
12 properties that are not being maintained, it might
13 make the owner more agreeable to either selling
14 the property or refurbishing the property. So for
15 this reason, I think that it's very important that
16 this committee consider this bill.

17 That is the general statement.

18 A specific statement of what these
19 properties do to neighborhoods.

20 (Witness laughs.)

21 MR. MEDDIN: Excuse me, I'm sorry. I
22 was just trying to get someone's attention.

23 For many, many years in my
24 neighborhood, we have been plagued by a 14-story
25 vacant property. It has been vacant for 15 years.

1 /00 FINANCE

2 It is a property that is a nexus of many
3 transportation areas of the City. It is where
4 most visitors who come in through 30th Street
5 Station or the Airport will see Center City for
6 the first time. I have pictures of the building,
7 if you don't mind me showing them.

8 COUNCILWOMAN BLACKWELL: Thank you.

9 MR. MEDDIN: This is 2200 Arch Street.
10 It is really and truly 22nd and JFK Boulevard.
11 When you come into the City either from Amtrak or
12 the Airport, especially if you take a taxi, you
13 pass this building, 2200 Arch or 22nd and JFK
14 Boulevard.

15 The owner has been offered two or three
16 times from people to purchase this building, and
17 he has not accepted them because he's not getting
18 his money. He pays very little taxes. Very
19 honestly, there's a parking lot attached to the
20 building, which pays his real estate taxes, so he
21 has no incentive.

22 And this is a cause of blight. This is
23 in a very viable -- this building is in an
24 extremely viable neighborhood, and it is being
25 drawn down by an owner's inattentiveness to his

1 /00 FINANCE

2 building.

3 With this bill, we maybe can get his
4 attention. Maybe if didn't have to pay \$800 a
5 year in real estate taxes for a 14-story building
6 on an entire Center City block, he might be more
7 interested in doing something about it.

8 The building has been cited by L&I. I
9 know that I started cites of it in 1996. The
10 owner is very good at hiring extremely talented
11 attorneys to slip under the problems that L&I give
12 him. There's nothing to make him move. This bill
13 just might help.

14 This has been a drug haven, a graffiti
15 magnet. The people who live across the street
16 from there live in horror of what they can see
17 through their windows into this building, the
18 things that go on at night.

19 So I'm hoping that you will consider
20 this bill and consider that it might be able to
21 help -- not just this building, but many buildings
22 like it throughout the City, in which the owners
23 do pay their taxes but are getting a free ride.
24 And I think it's up to you to stop their free
25 ride.

1 /00 FINANCE

2 I thank you.

3 COUNCILWOMAN BLACKWELL: Thank you very
4 much. Excellent point. I always pass that
5 building all the time.

6 MR. MEDDIN: Oh, if you could do
7 something very soon, it would great if City
8 Council could do something.

9 COUNCILWOMAN BLACKWELL: Thank you very
10 much.

11 Do you have a question, Councilman
12 Nutter?

13 COUNCILMAN NUTTER: Thank you for your
14 testimony.

15 Just a quick question. By way of the
16 bill, I'm assuming it's covered by Section
17 19-2504. What would be the additional tax on this
18 building?

19 MR. MEDDIN: What I would like to see
20 done -- I don't know exactly what the bill is
21 calling for, but it would be reasonable that if a
22 building has recently had an agreement of sale,
23 whether it's gone through or not, which gives you
24 a value of the building --

25 COUNCILMAN NUTTER: Well, how would we

1 /00 FINANCE

2 know that?

3 MR. MEDDIN: How would you know that?

4 COUNCILMAN NUTTER: How would we know
5 that the building is under agreement of sale,
6 unless it was with us?

7 MR. MEDDIN: I think that is through --
8 I mean, it can be -- when it comes to specific
9 buildings, if a community group is involved, they
10 will know and they will be more than happy to know
11 let the Tax Board know what's going on. Actually,
12 I do believe the Tax Board probably knows more
13 than we think that they know.

14 COUNCILMAN NUTTER: They may know more
15 than we want them to know.

16 MR. MEDDIN: That's true too, heaven
17 forbid.

18 If it's possible to prove that there
19 have been agreements of sale that have fallen
20 through that show a much higher value for the
21 property than it's being listed, then that should
22 be taken into consideration and that information
23 be given to the Board of Revision of Taxes. And,
24 therefore, the assessment should be on what is now
25 the current market value, even though the owner is

1 /00 FINANCE

2 saying no, the market value is as it was when he
3 bought the building.

4 COUNCILMAN NUTTER: All right, thank
5 you.

6 MR. MEDDIN: You're quite welcome.
7 Thank you very much.

8 COUNCILWOMAN BLACKWELL: One moment,
9 please, Mr. Meddin.

10 Councilwoman Tasco?

11 MR. MEDDIN: Yes?

12 COUNCILWOMAN TASCO: I would just like
13 to echo your concern. I have a building in my
14 district that's been boarded up for almost than 30
15 years, and it's in a market where the owner is not
16 going to get the price he wants. It has been
17 offered to purchase it by someone, but he wants
18 this ridiculous price, so the building remains
19 boarded up. And his lot next door is grass,
20 overgrown grass and trash, and it really is a
21 nuisance, it does really make the neighborhood
22 look bad.

23 MR. MEDDIN: He may be claiming
24 suffering by not getting his price, but he is
25 making his neighbors suffer much worse than he is.

1 /00 FINANCE

2 COUNCILWOMAN TASC0: Well, yeah. I
3 mean, he's got to be realistic too. He's not
4 going to get his price if -- actually, his
5 building is in such bad disrepair, he told me he
6 couldn't even rent it, 'cause no one could use
7 it. So I don't know what --

8 MR. MEDDIN: Lower your price.

9 COUNCILWOMAN TASC0: Thank you very
10 much.

11 MR. MEDDIN: Thank you very much.

12 COUNCILWOMAN BLACKWELL: Thank you very
13 much, thank you.

14 Mr. Earnest Cannon, President of
15 Philadelphia Community Civic Association.

16 COUNCILMAN CLARKE: He's not here.

17 COUNCILWOMAN BLACKWELL: Mr. Cannon is
18 not here.

19 Humberto Perez, 37th Ward Committee
20 Person.

21 And next is Willie Henderson, 37th Ward
22 also.

23 (Witnesses come forward.)

24 COUNCILWOMAN BLACKWELL: Thank you very
25 much welcome.

1 /00 FINANCE

2 MR. PEREZ: Good morning,
3 Councilpersons.

4 COUNCILWOMAN BLACKWELL: Good morning.
5 Would you identify yourself again for the record.

6 MR. PEREZ: Yes. My name is Mr.
7 Humberto Perez, and I'm a committee person for the
8 37th Ward, also a State Committee member of the
9 2nd Senatorial District.

10 I just have a few concerns in my
11 neighborhood that I live in, which is mostly
12 minority and low-incomes. One of the things about
13 this bill that might be a little bit good is to
14 bring up the PHA issue. There are some abandoned
15 houses next to some homeowners, and they have a
16 problem also with the insurance because the house
17 probably has been vacant so many years, which is a
18 PHA-owned house, and the homeowners can't get
19 insurance because of that issue.

20 There are also some lots, which are
21 also PHA, abandoned next to some homeowners. Some
22 of these are in 37th Ward area. And the
23 homeowners kind of lose out that nothing get done
24 with the lot or it can be turned into a garden or
25 something, where it can be put to safety and the

1 /00 FINANCE

2 homeowner can get insurance, and the lot could
3 probably be used as a garden or something. So
4 that can be done because it's a PHA lot. And
5 that's a issue.

6 Also, in the 800 block of Cumberland,
7 there's a big empty lot, and the City tore down
8 this old vacant factory, and it left a few
9 homeowners -- it had left a big, wide empty lot,
10 and some of the homeowners next to it are now kind
11 of lost on the insurance because there is --
12 there's no vacancy there or nothing happening.
13 They're doing a garden now, but because of the
14 matter -- some of the residents are not here.
15 They've been trying to get insurance.

16 We can also talk about the squatters
17 that also are in that block. You have some of
18 them where the house has been empty and abandoned
19 for many years. Now a squatter comes in, starts
20 to renovate the house, and the homeowner next to
21 him has a little bit of a problem with the
22 squatter coming in, but this is a squatter that's
23 never owned the house. And you have the squatter
24 in, you have the abandoned lot, and now you have
25 the homeowner still, you know, losing out from

1 /00 FINANCE

2 insurance.

3 And because of those issues happening,
4 which if the squatter never who's owned the
5 facility can own the house, it makes it easier to
6 the resident next door to obtain insurance 'cause
7 the scatter's not the original owner. But the
8 squatter is so low income and doesn't have
9 sufficient funds to obtain a house, that there
10 should be some type of reconciliation that the
11 squatter can get access to the papers to the
12 property.

13 And that's my testimony, Madam Chair.

14 COUNCILWOMAN BLACKWELL: Thank you.

15 Certainly I agree with all that you
16 have said. If this legislation will hopefully
17 help define this area better so that we can
18 dispose of these properties and force those slum
19 landlords or absent folks who don't care about
20 their properties to do something, we have
21 accomplish something certainly, but I agree with
22 you. In many blocks where we have squatters
23 who've come in, they do protect the property. If
24 they struggle, if they try to survive, if they try
25 to improve the property, it's still better, in

1 /00 FINANCE

2 most cases, than an abandoned property that could
3 be taken over by people for all kind of negative
4 activities.

5 So certainly, we appreciate your
6 testimony.

7 COUNCILWOMAN TASCO: I'd just like to
8 say that your Councilman is here. I believe that
9 the PHA issue could be addressed without this
10 legislation. My colleague on Council --
11 certainly, though, PHA is responsible for the
12 maintenance of those homes that they have in their
13 inventory, so you might want to talk to your
14 Councilmember about that.

15 COUNCILWOMAN BLACKWELL: Well, let me
16 say that this is Councilman Clarke's, but we know
17 that PHA has abandoned properties throughout the
18 City. They're willing and able if somebody has a
19 plan and if somebody wants to develop them, so
20 they're kind of like -- it's kind of like if a
21 property is owned by Public Property or PHDC or
22 the City of Philadelphia or D.A.'s Confiscation
23 Program, they're still all abandoned.

24 And with PHA, they're in the same
25 category in that they're owned by somebody

1 /00 FINANCE

2 affiliated with the City, but there's no real plan
3 for them, and all those departments are very
4 sorry, but they don't have a plan, especially in
5 neighborhoods where there are individual
6 properties. Unless there's a whole plan for that
7 neighborhoods, then it falls through the middle,
8 and they just simply -- we fought year in and year
9 out for plans for individual homes, but there is
10 none. And, therefore, we have to come up with
11 creative means like this to try to hit it in the
12 back door, to force some legislation that would
13 cover housing in this kind of situation.

14 MR. PEREZ: Madam Chair, I have one
15 more question I would like to ask.

16 COUNCILWOMAN BLACKWELL: Certainly.

17 MR. PEREZ: One issue also with the
18 abandoned properties is that if you have a
19 resident next door, maybe there can be some type
20 of a tax credit for them that, when they get their
21 gas bill because it's so high, they have the house
22 abandoned next door, and it's eating up their gas,
23 because the house is just sealed up, no one's
24 living in there, and it makes the house next door
25 harder, especially a low-income person to maintain

1 /00 FINANCE

2 those bills. And sometimes they have to go in and
3 ask for additional help from the gas company
4 because the house next door is abandoned, and
5 there's so much air or whatever in the wintertime,
6 that makes it harder for a low-income person to
7 keep up the bills.

8 So maybe if in the future, there can be
9 some type of tax credit or something that can help
10 those residents, it would be helpful.

11 COUNCILWOMAN BLACKWELL: I think that's
12 an excellent idea 'cause you're almost being
13 victimized twice -- you're victimized by the
14 abandoned home and then you're victimized by
15 having a higher gas bill because you live there
16 and then you're victimized 'cause can't get the
17 insurance.

18 So it's over and over and over again.
19 And maybe if can ever get through this initial
20 problem with the gas company, maybe we can
21 consider something like this, or maybe this is a
22 way we can do that -- gosh, all of a sudden, it
23 slipped my mind -- that energy money that people
24 apply for, maybe we can amend the qualifications
25 to make a person able to apply for it in this kind

1 /00 FINANCE

2 of a situation. Maybe we can at least expand the
3 guidelines to allow people who live next door to
4 abandoned homes to also qualify for this money,
5 you know?

6 COUNCILWOMAN TASC0: For the
7 weatherization program.

8 COUNCILWOMAN BLACKWELL: Yeah, for the
9 weatherization or any other programs that the
10 utility companies have. Maybe we can look at
11 that, okay.

12 Excellent. Thank you very much,
13 Mr. Perez.

14 Mr. Henderson?

15 MR. HENDERSON: Good morning, Miss
16 Blackwell.

17 COUNCILWOMAN BLACKWELL: Good morning.

18 MR. HENDERSON: And members of the
19 Council. My name is Willie Henderson, and I am a
20 community activist within North Philadelphia, and
21 I'm here this morning to testify on different
22 things about abandoned housing.

23 We have -- on my block, we have
24 approximately six abandoned houses, and I feel as
25 though that if these houses was taken by some of

1 /00 FINANCE

2 the members within the block or by somebody within
3 the City, that they could fix them up, and those
4 houses would not be tore down because the houses
5 that they're building today is nowhere near as
6 good as the house that is already built, you know
7 what I mean?

8 And another thing. We have -- this is,
9 like my comrade here said a few minutes ago, we
10 have squatters coming in taking over the houses,
11 but they're not fixing the houses up. All they
12 doing is finding a place for they dope dens, and
13 this is something that we don't want within our
14 neighborhoods and in our communities.

15 What we are asking the City Council to
16 do is to give these houses to these people that
17 will fix them up, give them a certain amount of
18 time to fix these houses up. If they don't, then
19 you come back and you evict them.

20 But on one hand, I have an organization
21 myself, plus I have a property at Fifth and
22 Allegheny Avenue. I've been trying to get the
23 City Councilperson to come up there and take a
24 look at the place, to go in the place with us.
25 That's Councilman Mariano. And every time I see

1 /00 FINANCE

2 this man or talk to this man, he tells me, Well,
3 go to my office. I call his office but I can't
4 make no kind of meetings with him.

5 The only person -- the Councilman that
6 I can get to is Mr. Clarke. He do everything that
7 he can to give us a hand, but this is out of his
8 district. So you can't just step over out of your
9 district into somebody else's district because you
10 have authority, but you'd like to get that person
11 to respect -- to work within his district. You
12 know what I mean?

13 And this is what I haven't had with
14 Councilman Mariano. The man is a very hard man to
15 reach. He's not interested with his own ward, his
16 own division. He's not interested up there.

17 COUNCILWOMAN BLACKWELL: Well, Mr.
18 Henderson, if you give your -- if you could see
19 Councilman Clarke at the end of this meeting, if
20 you give him your number or give us your phone
21 number, we will again let Councilman Mariano, who
22 is not here -- he is not on this committee -- know
23 that you were here and that you are concerned and
24 you asked him to get in touch with you. We'll be
25 glad to do that.

1 /00 FINANCE

2 MR. HENDERSON: I appreciate it very
3 much. Thank you. That's the end of my testimony.

4 COUNCILWOMAN BLACKWELL: Thank you very
5 much.

6 Is there anyone else here who would
7 like to testify on this bill?

8 (No response.)

9 COUNCILWOMAN BLACKWELL: Let me say
10 that this is a very, very, very important issue.
11 There are those of us who have fought. Councilman
12 Clarke is one of them, even before he was elected
13 a Councilperson himself. There are those of us
14 who have fought over the years to try to make
15 legislation better to allow people to acquire
16 individual properties, as well as to try to
17 dispose of them. And we have been waylaid many,
18 many times.

19 But, certainly, I would like the
20 Councilman to know that we support this
21 legislation, and certainly the committee will
22 revisit this entire area with members from the
23 various departments in the City to allow for their
24 input.

25 And are there any questions from the

1 /00 FINANCE

2 members of the committee?

3 COUNCILMAN CLARKE: Madam Chair?

4 COUNCILWOMAN BLACKWELL: Councilman
5 Clarke?

6 COUNCILWOMAN CLARK: Madam Chair, as
7 you know, we will be asking members of the
8 Administration to come in and testify in the near
9 future.

10 I just want to say briefly, the premise
11 of this bill is to essentially shift the focus of
12 responsibility on these various vacant properties
13 and vacant lots. Currently, the average citizen
14 thinks that it is the City's to clean the vacant
15 house and it is the City's responsibility to clean
16 a vacant lot -- when it is not. It is technically
17 the responsibility of that property owner.

18 So the purpose of this bill is to
19 somehow make that property owner feel that maybe
20 it's not profitable to allow the property to sit
21 wide open, that maybe it's not profitable to not
22 have a fence on a lot. As you see in a part of
23 the bill, in the appeals section, in 19-2406, that
24 if an individual property owner who owns a vacant
25 lot, if he fences that lot, that individual will

1 /00 FINANCE

2 not be subject to this tax. So we want to come up
3 with every creative manner to shift that focus
4 back to the responsibility party -- which is the
5 property owner.

6 Thank you.

7 COUNCILWOMAN BLACKWELL: Thank you.

8 Certainly we commend you for your
9 efforts in this area, as we strive so hard as
10 District Councilpeople to come up with plans for
11 our areas and to let the neighbors and residents
12 know that we are committed to our neighborhoods.
13 It's very, very difficult when you feel that you
14 are stymied by the lack even of a definition that
15 would hold up in court. And, apparently, this is
16 what has happened -- unless I'm not correct --
17 that in court, some owners who have no concern for
18 the community have been able to just wiggle out of
19 their commitment because the definition has not
20 been clear.

21 COUNCILMAN CLARKE: Exactly. And
22 interestingly enough, if you recall the history of
23 the original bill, an organization called "The
24 Homeowners Association" litigated this matter in
25 court, and ultimately the City felt that it

1 /00 FINANCE

2 potentially would not be able to win it and it,
3 therefore, did not enforce the existing bill. So
4 as a result, we've made some changes in the bill
5 that will hopefully make it more palatable to that
6 organization and other organizes. We will be
7 offering some amendments based on some of the Law
8 Department's recommendations at the future
9 hearing.

10 So we want to do something that's fair
11 but we also want to do something that is fair
12 ultimately to the citizens that have to endure
13 this problem in their communities.

14 COUNCILWOMAN BLACKWELL: Absolutely.

15 Well, we thank you very much for your
16 leadership in the whole area of housing.

17 And what we will do now is, we will
18 hold this bill subject to the call of the Chair.
19 And let me thank all of the committee members, and
20 Councilman Clarke, who has testified, is also
21 here. And we thank everyone for coming.

22 Thank all of you.

23 COUNCILMAN CLARKE: Thank you.

24 (Adjourned at 10:49 a.m.)

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RE: COUNCIL COMMITTEE ON FINANCE

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JOSEPHINE CARDILLO,

Registered Professional Reporter