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2 COUNCIL OF THE CITY OF PHILADELPHIA
3 COMMITTEE ON LICENSES AND INSPECTIONS

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5 Room 400, City Hall
6 Philadelphia, Pennsylvania
7 Tuesday, December 5, 2006, 9:31 a.m.

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Bill 060636 - Amending Section 9-605 of the
9 Philadelphia Code entitled "Towing," Chapter
12-2400 of the Philadelphia Code entitled
10 "Towing and Immobilizing of Parked or
Abandoned Vehicles"...

11

Bill 060850 - Amending Title 4 of the
12 Philadelphia Code entitled "The Philadelphia
Building Construction and Occupancy Code" by
13 adopting the 2006 Pennsylvania Uniformed
Construction Code...

14

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COUNCILMEMBERS PRESENT:

16

Daniel J. Savage, Chair
17 Jack Kelly
Joan Krajewski
18 Juan Ramos
Blondell Reynolds-Brown
19 Frank Rizzo

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21

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25

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director Of Consumer Affairs

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1 12/5/06 - Licenses and Inspections

2 COUNCILMAN SAVAGE: I would
3 like to recognize that a quorum is
4 present. Members of the Committee
5 joining us today are Councilman Rizzo,
6 Councilwoman Krajewski, Councilwoman
7 Blondell Reynolds-Brown.

8 The Committee on Licenses and
9 Inspections is now in session. Will the
10 clerk please read the bills to be heard
11 today.

12 THE CLERK: Bill No. 060636, an
13 ordinance amending Section 9-605 of the
14 Philadelphia Code entitled "Towing,"
15 Chapter 12-2400 of the Philadelphia Code
16 entitled "Towing and Immobilizing of
17 Parked or Abandoned Vehicles" and
18 Chapter 12-2500 of the Philadelphia Code
19 entitled "Snow Emergencies" to provide
20 that owners of the vehicles which have
21 been stolen or which have been illegally
22 without the owner's permission shall not
23 be required to pay the towing, storage,
24 and recovery charges after their vehicle
25 has been towed, all under certain terms

1 12/5/06 L&I Public Hearing, Bill 060850
2 and conditions.

3 Bill No. 060850, an ordinance
4 amending Title 4 of the Philadelphia
5 Code entitled "The Philadelphia Building
6 Construction and Occupancy Code" by
7 adopting the 2006 Pennsylvania Uniformed
8 Construction Code through adoption of
9 the 2006 edition of certain
10 international codes as published by the
11 International Code Council with
12 amendments thereto, all under certain
13 terms and conditions.

14 COUNCILMAN SAVAGE: We will
15 have testimony first on Bill No. 060850.
16 Is there anyone from the Administration
17 to testify?

18 (Witness comes forward.)

19 COUNCILMAN SAVAGE: Good
20 morning.

21 MR. HAIGLER: Good morning.

22 COUNCILMAN SAVAGE: Could you
23 please identify yourself for the record.

24 MR. HAIGLER: Good day,
25 Councilman Savage and members of the

1 12/5/06 L&I Public Hearing, Bill 060850
2 Committee. I am Otis Haigler, Jr.,
3 Director of Legislative Affairs with the
4 Department of Licenses and Inspections.

5 Today I am here to provide
6 testimony on Bill No. 060850, which, if
7 enacted, will amend Title 4 of the
8 Philadelphia Code for the purposes of
9 adopting the 2006 edition of the
10 Pennsylvania Uniform Construction Code,
11 which incorporates the 2006 editions of
12 model codes as published by the
13 International Code Council.

14 Pursuant to Act 45 of 1999,
15 also known as the Pennsylvania Uniform
16 Construction Code Act, all
17 municipalities that have opted to
18 enforce the Pennsylvania Uniform
19 Construction Code locally must enact
20 legislation adopting the Pennsylvania
21 Uniform Construction Code and model
22 codes adopted thereto by a certain date.

23 In December of 2003, the City
24 of Philadelphia enacted such legislation
25 carrying forward local safety amendments

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2 that exceeded the requirements of the
3 Pennsylvania Uniform Construction Code
4 or the International Code incorporated
5 within the Pennsylvania Uniform
6 Construction Code.

7 The carrying forward of these
8 local amendments is permitted under the
9 Act for Cities of the First Class
10 provided the amendments were in place
11 prior to July 1, 1999.

12 Another requirement of the act
13 provides that on a tri-annual basis,
14 those municipalities that have opted to
15 enforce the Pennsylvania Uniform
16 Construction Code must enact subsequent
17 legislation to adopt successor editions
18 of the Code by December 31st of the year
19 of publication.

20 Hence, purpose of this
21 legislation under consideration today is
22 to fulfill the requirements of state law
23 and adopt the 2006 edition of the
24 Pennsylvania Uniform Construction Code
25 and model codes adopted thereto with the

1 12/5/06 L&I Public Hearing, Bill 060850
2 same local amendments that were carried
3 forward in the 2003 adoption.

4 In order to ensure that all
5 amendments were being carried forward
6 and to incorporate amendments that have
7 been made at the state level to Act 45
8 since its enactment, it was necessary to
9 use the formatting of bold text and
10 strike-through as shown in this bill to
11 denote renumbering, inclusion, and the
12 carrying-forward of state and local
13 requirements since the model codes that
14 are being adopted thereto may contain
15 language different from the state
16 requirements or local amendments.

17 The format used in this bill
18 follows the recommendation of the Law
19 Department, which reviews and approves
20 the ordinance for format and legality
21 prior to submission to Council for
22 consideration.

23 The Department, however,
24 recognizes that reading this document as
25 printed may be confusing for our

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2 stakeholders that have made plans to
3 have the codes under the Building
4 Construction Occupancy Code published as
5 one merged document incorporating local
6 amendments, state requirements, and the
7 adopted model codes into normal text
8 without the formatting once this
9 legislation has been enacted in order to
10 make it easier for citizens and members
11 of Council to have access to the
12 requirement.

13 We are planning to provide a
14 link on the City's website for general
15 access to the merged code, and we will
16 have hard copies of the reference codes
17 printed and distributed to certain city
18 locations for public use.

19 Thank you for the opportunity
20 to provide the Department's testimony on
21 Bill No. 060850. I respectfully request
22 that the rules of Council be suspended
23 to permit first reading at the next
24 session of Council, and I will be happy
25 to answer any questions at this time.

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2 Also, I would like to introduce
3 to my left David Perry from the
4 Department of Licenses and Inspections,
5 Chief Code Official; and to my right,
6 Richard Bailey, Battalion Chief for the
7 City of Philadelphia Fire Department.

8 Thank you.

9 COUNCILMAN SAVAGE: Thank you.

10 I would like the record to
11 state that Councilman Kelly has joined
12 us.

13 Otis, you mentioned in your
14 testimony that the information about the
15 compliances will be available on line on
16 the L&I website. When do you anticipate
17 this link will be available?

18 MR. PERRY: Good morning,
19 Mr. Chairman and members of the
20 Committee. We're working with the
21 International Codes Council to have the
22 blended code published, and we're hoping
23 as early as late January we can have the
24 fire code available as an online
25 read-only document available to the

1 12/5/06 L&I Public Hearing, Bill 060850
2 public at no charge.

3 COUNCILMAN SAVAGE: Thank you.

4 Are there any other questions
5 from members of the Committee?

6 COUNCILMAN RIZZO: Yes.

7 Mr. Chairman?

8 COUNCILMAN SAVAGE: Yes,
9 Councilman Rizzo.

10 COUNCILMAN RIZZO: Thank you.

11 To whoever on the panel: Will
12 we see anything different adopting this
13 code? Will we be doing anything
14 different in enforcement or different
15 requirements? Will the public see any
16 significant changes as a result of the
17 adoption of this Pennsylvania national
18 code?

19 What will we see and what do we
20 have to get ready for here?

21 MR. PERRY: This adoption of
22 the 2006 code is -- includes no
23 substantial changes on the 2003 code, so
24 they will really be invisible to the
25 public. There's no new programs or

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2 major changes in our enforcement effort
3 anticipated as a result of the adoption
4 of this new code.

5 COUNCILMAN RIZZO: Thank you,
6 sir.

7 Thank you, Mr. Chairman.

8 COUNCILMAN SAVAGE: Thank you.

9 Are there any other questions
10 from members of the Committee?

11 (No further questions.)

12 COUNCILMAN SAVAGE: Thank you,
13 Otis.

14 MR. HAIGLER: Thank you.

15 COUNCILMAN SAVAGE: Is there
16 anyone else here to testify on this
17 bill?

18 (No response.)

19 COUNCILMAN SAVAGE: Okay. Bill
20 No. 060636 is being held at the request
21 of the sponsor.

22 If there are no other people
23 here to testify, this concludes our
24 public hearing on the committee of
25 Licenses and Inspections.

1 12/5/06 L&I Public Meeting

2 We will now move into our
3 public meeting.

4 The Chair recognizes
5 Councilwoman Krajewski for a motion on
6 the Bill, number 060850.

7 COUNCILWOMAN KRAJEWSKI:

8 Mr. Chairman, I move that Bill 060850 be
9 reported out of this committee with a
10 favorable recommendation and that the
11 rules of Council be suspended so as to
12 permit first reading at the next session
13 of Council.

14 (Motion seconded.)

15 COUNCILMAN SAVAGE: All in
16 favor say aye.

17 Aye.

18 The Chair now -- excuse me.

19 This concludes our public
20 meeting and ends our committee meeting
21 on Licenses and Inspections. Thank you
22 for coming.

23 This...

24 Please strike that from the
25 record.

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2 The sponsor of 060636 would
3 like to strike from the record that it
4 is being held.

5 Is there anyone here from the
6 Administration to testify on behalf of
7 Bill No. 060636?

8 (Witness comes forward.)

9 COUNCILMAN CLARKE: Thank you,
10 Mr. Chairman.

11 COUNCILMAN SAVAGE: For the
12 record, we're going to go back into the
13 public hearing for Licenses and
14 Inspections.

15 Would you please identify
16 yourself.

17 LT. HEALY: Sure. My name is
18 Lieutenant Francis Healy, and I'm
19 special advisor to Police Commissioner
20 Johnson.

21 COUNCILMAN CLARKE: Excuse me.
22 Mr. Chairman, thank you.

23 Before we hear from the
24 witness, I'd like to say a couple of
25 words about the intent of the bill.

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2 It has come to our attention,
3 as a number of members I remember last
4 year Councilman Rizzo was involved in an
5 issue where, as individuals whose
6 vehicles have been stolen were required
7 to pay a fee both to accommodate the
8 salvers, the individuals that tow the
9 vehicles on behalf of the City, and
10 there was also an administrative fee
11 attached to that particular recovery.

12 We didn't think that it was
13 appropriate that we, the city,
14 essentially benefitted financially on
15 someone's hardship. When an
16 individual's vehicle gets stolen, it's
17 clearly a problem. More often than not,
18 the vehicle has been vandalized, and
19 while they had that burden, we didn't
20 think it was appropriate for us to
21 charge them to recover their vehicle to
22 add to that particular burden.

23 So what we're attempting to do
24 today is to alleviate that particular
25 portion of the -- that particular

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2 portion of the fee and essentially
3 eliminate the City's administrative fee.

4 That particular fee, based on
5 the numbers, is approximately \$400,000 a
6 year. While it may sound like a
7 substantial number, I think that
8 that amount compared to the City's
9 \$3 billion budget versus an individual
10 who just had their vehicle stolen should
11 be something that we can accommodate.

12 There appears to be some
13 questions about the language on portions
14 of the amendment. What I would like to
15 do today is, at a minimum, get that
16 information out on the table so that we
17 can get some clarity as to what
18 direction we should take while still
19 being able to deal with this particular
20 problems for the individuals that find
21 themselves, unfortunately, in the
22 position of having their vehicle stolen.

23 COUNCILMAN RIZZO: Mr. Chairman.

24 COUNCILMAN SAVAGE: Thank you,
25 Councilman Clarke.

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2 Councilman Rizzo?

3 COUNCILMAN RIZZO: May I direct
4 a question to Councilman Clarke, please?

5 COUNCILMAN SAVAGE: Yes.

6 COUNCILMAN RIZZO: Is there any
7 consideration of people that may be
8 covered by insurance that could pay that
9 administrative fee?

10 'Cause I remember the issue
11 that we had, the person did not have --
12 they had liability coverage, but they
13 didn't have the coverages that would
14 reimburse the City for the service
15 provided.

16 COUNCILMAN CLARKE: Yes, that's
17 one of the issues that was pointed out
18 as we discussed this particular bill.

19 Individuals, who, it is my
20 understanding, have full-tort insurance
21 does have a reimbursable for this type
22 of activity, and Mr. Haver from the
23 Consumers Office is going to speak on
24 that.

25 One of the issues is being able

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2 to craft an amendment that will not be
3 illegal, therefore creating a separate
4 class of individuals but encompassing
5 the goal that we're trying to reach, and
6 that's one of the things that we're
7 trying to wrestle with, about how that
8 amendment should be laid out. I think
9 Mr. Haver actually has some
10 recommendations on how we should do
11 that.

12 But we don't think that if the
13 individual can get reimbursed from the
14 insurance company that, in fact, the
15 citizen should pay (indiscernible) tax
16 dollars, and I agree with you on that
17 one, Councilman.

18 COUNCILMAN RIZZO: Thank you,
19 Councilman.

20 COUNCILMAN CLARKE: You're
21 welcome.

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

24 COUNCILMAN SAVAGE: We will now
25 here testimony on Bill No. 060636.

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2 Please identify yourself.

3 LT. HEALY: Sure. Again, it's
4 Lieutenant Francis Healy, and I'm
5 special advisor to the police
6 commissioner.

7 First of all, I don't have
8 written testimony because as of late of
9 last night, I was working with the
10 Councilman and his staff on some of
11 these amendments, so I apologize.

12 As a background, let me just
13 explain what happens with the Police
14 Department.

15 Currently, we have what's
16 called "The Stolen Recovered Auto
17 Program," and it was borne out of
18 necessity probably in the early '90s.
19 Back then, when we would recover -- when
20 a police officer would recover a stolen
21 car, we really had no place to take it.
22 We don't have the capacity or the
23 resources to transfer all of the stolen
24 cars that are recovered by the Police
25 Department.

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2 So back then, what we would do
3 is, we would routinely disable the car
4 on location, notify the owner where the
5 car was at; and more times than not, the
6 owner would arrive on location, the car
7 would be gone, the car would be
8 additionally vandalized. More damage
9 would be done to the car after it was
10 recovered than probably most times
11 before.

12 As a result of that, the Stolen
13 Auto Program came into existence. The
14 purpose of the Stolen Auto Program is to
15 use private salvers to collect recovered
16 stolen autos. It works like this:

17 An officer recovers a stolen
18 car, they go on police radio, and within
19 20 minutes, one of the salvers that are
20 in our list of acceptable individuals
21 arrives within 20 minutes. Within 20
22 minutes, that car must be transferred --
23 I mean, once they're on location, they
24 must transfer the car to a secure lot.
25 So these cars aren't being re-vandalized

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2 restolen off the street.

3 That was the purpose and the
4 heart and soul behind the Recovered
5 Stolen Auto Program, and it's been
6 working since the early 90s.

7 Now, to fund the program, the
8 salvers would charge the towing and
9 storage fees. However, the City would
10 bill for every time a salver was called
11 by police radion -- I think it's up to
12 \$65 today, and that's where the \$400,000
13 comes from.

14 As of last night, there was
15 negotiation about waiving -- originally,
16 it was, Let's just waive all of the fees
17 for these individuals to avoid
18 re-victimization, and I wholly support
19 the Councilman's efforts and intent in
20 that regard.

21 However, unbeknownst to the
22 Councilman at that time was the fact
23 that that money funded the private
24 salvers getting to the lots and taking
25 these cars. We don't have the

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2 resources.

3 So I wholeheartedly agree, and
4 once he understood the problems the City
5 faced, he was more than willing to
6 mediate, and a part of the mediation
7 process was to waive the \$400,000, and I
8 said that's not my call; that would be
9 the city politicians' call. I said, but
10 from my perspective, Police Department-
11 wise, I would have no objections at all.

12 I received a bill this morning
13 with certain amendments trying to
14 accomplish what we talked about, but
15 regrettably, there are some changes that
16 still need to be done in there.

17 Namely, there's some wording --
18 it calls for that the police must tow to
19 an official towing station; that's a
20 special word of art in the code and it's
21 referring to our impound lot by proxy to
22 the Parking Authority's lot. That's
23 really not what we want to do here.

24 We want to continue to go to
25 the private salver lot; that way, they

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2 will be able to be maintained and
3 secured, which is very important.

4 Some of the other things
5 involved in here is originally, the
6 objective was to waive all fees so there
7 would be no distinction between
8 individuals with insurance and
9 individuals without.

10 Now, I'm not counsel for the
11 Council or for the City Law Department;
12 I work for the police commissioner. But
13 there seems to be an inherent problem
14 that needs to be worked out here when
15 you start creating classes of citizens
16 being treated differently.

17 I understand where the City's
18 coming from, but I think we should
19 really sit down with the Law Department
20 to discuss how to better address that
21 issue. Creating separate classes of
22 citizens and treating them differently,
23 it could create different legal
24 problems.

25 Those are my major concerns.

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2 I'm more than happy to work with the
3 Councilman to help draft anything with
4 the Law Department. I appreciate his
5 intent, I understand where he came from
6 and why this was created, but in its
7 current form, the Police Department
8 would have to object, but do I agree.

9 The Councilman has already
10 reached out to me and we're going to
11 work to help mediate or resolve the
12 problems so everything works and the
13 intent of the Councilman's bill does go
14 through.

15 I'd be happy to answer any
16 questions.

17 COUNCILMAN SAVAGE: Councilman
18 Kelly?

19 COUNCILMAN KELLY: Yes. Thank
20 you.

21 Lieutenant Healy, I just want
22 to know the rates that these salvers
23 charge the City. Are they the same as
24 anyone else?

25 LT. HEALY: I believe they're

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2 set by statute. I think they're a
3 maximum of --

4 COUNCILMAN KELLY: Well, is
5 there anyone from the City that's
6 negotiating for, say, a better deal?
7 For instance, for a high volume, I would
8 think that salvers who are on that list
9 would be able to negotiate with the City
10 as far as giving them a break.

11 A lot of these people -- well,
12 there are a few of these people that
13 probably have their cars stolen that are
14 not even around; they may be away for
15 seven days, ten days or whatever. And,
16 therefore, the bill that they're going
17 to receive is going to be quite
18 substantial.

19 And I was just wondering if
20 perhaps with salvers, the City can
21 negotiate with them, that maybe the
22 first few days or the first five days or
23 whatever, you know, they would just have
24 to bear that cost themselves. And then
25 after that, they would be charging the

1 12/5/06 L&I Public Hearing, Bill 060636
2 individual.

3 LT. HEALY: Well, the rates
4 they use now or the statutory rates set
5 by Council. They don't negotiate any
6 rates higher or lower. They actually
7 eat their cost on these jobs based on
8 whatever the State-mandated fees are, so
9 we don't make them --

10 COUNCILMAN KELLY: Is that the
11 State-mandated fees or are they City?

12 LT. HEALY: City.

13 COUNCILMAN KELLY: So,
14 therefore, the City could have the right
15 to negotiate a lower cost.

16 LT. HEALY: Well, one of the
17 ideas that I have put forward would be
18 to set a separate -- to carve out a
19 special exemption for recovering stolen
20 autos and reducing the tow rate and
21 storage fees for those autos
22 specifically.

23 COUNCILMAN KELLY: Right.

24 LT. HEALY: I mean, that would
25 be one way to handle it, but that would

1 12/5/06 L&I Public Hearing, Bill 060636
2 handle all of them.

3 COUNCILMAN KELLY: Yes, that's
4 right.

5 LT. HEALY: I understand the
6 Councilman wants to make a distinction
7 between those with insurance and those
8 without.

9 Other alternatives -- I believe
10 some of the problems that came here was,
11 when your car is recovered, regardless
12 of where it is, it goes into this
13 system.

14 Apparently, in one instance, a
15 car was recovered around the corner from
16 where it was actually stolen. Rather
17 than the police calling the owner, who
18 lived right around the corner and could
19 come pick it up, it went into the
20 safety -- or the security of the Stolen
21 Auto Program.

22 I've been in discussions with
23 Chief Feeney (sp?), one of my radio
24 people, to see whether or not we could
25 somehow put another step in there where

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2 if the dispatcher could notify the
3 owners and if the owners could come
4 within a short reasonable period of time
5 within the 20 minutes, it's something
6 that might be feasible that would do
7 away with the whole problem.

8 But the fee issue is something
9 that, Councilman, is a legitimate
10 concern.

11 COUNCILMAN KELLY: Okay. Thank
12 you.

13 COUNCILMAN SAVAGE: The Chair
14 recognizes Councilman Rizzo.

15 COUNCILMAN RIZZO: Lieutenant,
16 how are those fees managed? to follow up
17 on Councilman Kelly.

18 I know recently, there was a
19 situation where tow truck operators
20 increased the fee that was set by
21 statute.

22 LT. HEALY: Right.

23 COUNCILMAN RIZZO: Private
24 parking lots. Tow trucks would show up,
25 tow a car that was apparently not

1 12/5/06 L&I Public Hearing, Bill 060636
2 legally parked in a private parking lot.
3 I believe the fee was originally 50, 75?

4 LT. HEALY: Right.

5 COUNCILMAN RIZZO: And they
6 just arbitrarily changed it.

7 LT. HEALY: Right.

8 COUNCILMAN RIZZO: And started
9 to charge people \$100; let's say that is
10 the number.

11 How do the salvers -- how do we
12 know that they're not overcharging?

13 LT. HEALY: Well, the good
14 thing with the program that we have is,
15 it's monitored by the Police Department.
16 All of the salvers that are selected and
17 chosen are background-checked by the
18 Police Department and the Neighbor
19 Services Unit overseen by Chris Bee.

20 These salvers are basically at
21 our whim. I mean, whatever we decide
22 them to do, they will do because they're
23 a part of our program, and they can be
24 kicked out.

25 COUNCILMAN RIZZO: And has that

1 12/5/06 L&I Public Hearing, Bill 060636
2 other issue that I just described been
3 fixed? Is that back where it needs to
4 be?

5 LT. HEALY: I believe, speaking
6 with people from L&I on other issues,
7 that issue has been resolved. They've
8 gone out -- letters having out, I
9 believe, from L&I, and you will notice
10 that some of the signs have been painted
11 back to the right numbers.

12 COUNCILMAN RIZZO: Thank you,
13 Lieutenant.

14 Thank you, Mr. Chairman.

15 COUNCILMAN SAVAGE: Thank you.

16 I'd like the record to reflect
17 that Councilman Juan Ramos has joined
18 us.

19 Are there any other questions
20 from the members of the committee?

21 COUNCILMAN CLARKE: Yes.

22 COUNCILMAN SAVAGE: The Chair
23 recognizes Councilman Clarke.

24 COUNCILMAN CLARKE: Thank you,
25 Mr. Chairman.

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2 Good morning, Mr. Healy.

3 LT. HEALY: Good morning.

4 COUNCILMAN CLARKE: I just want
5 to clarify your concerns.

6 One was with respects to the
7 language talking about the location
8 where the salvers would take the
9 vehicle, and that's just a simple
10 amendment to carve that particular
11 language out of the bill.

12 On the second issue, or the
13 next issue with respects to
14 administratively implementing a program,
15 your concern is the fee that is paid by
16 the individuals whose vehicle is stolen
17 it's one set fee; am I correct?

18 LT. HEALY: The fee is paid to
19 the salver himself. So if my car was
20 stolen, I would actually be dealing with
21 the salver. I would pay him the money.

22 And what the City would do is,
23 the City would then bill him, I believe,
24 on a monthly basis. The City bills each
25 individual salver in the program the

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2 number of times they've picked up tows.

3 COUNCILMAN CLARKE: They bill
4 the salver or the --

5 LT. HEALY: They bill the
6 salver. And so the salver remits \$65
7 per car back to the City, to the Police
8 Finance Unit, and we then deposit it to
9 the General Revenue.

10 COUNCILMAN CLARKE: So if an
11 individual -- the question is: At this
12 point, the way it's currently
13 structured, the individual would have to
14 have that administrative function happen
15 at the salver's office; is that correct?

16 LT. HEALY: Correct. They're
17 the ones that collect the money from the
18 individual. That's how the salver makes
19 his money to survive doing the program.

20 And then we bill the salver
21 after the fact for the \$65 per towing.

22 COUNCILMAN CLARKE: So where
23 does the person get the stolen vehicle
24 report? If your vehicle is stolen,
25 somehow you find out; I don't know how

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2 you find out. Do the police call you?

3 LT. HEALY: You're notified by
4 the salver. You're notified by the
5 salver that your car is in the program.

6 COUNCILMAN CLARKE: That they
7 found your car?

8 LT. HEALY: Yeah. They have to
9 do a telephone as well as, I believe, a
10 written notification of where your car
11 is and when it's been placed in custody
12 and all that type of stuff. So they get
13 notice from the salver.

14 And we monitor that through the
15 Neighborhood Services Unit to make sure
16 they're not notifying them ten days
17 later than they should so they bill the
18 storage time. That's constantly
19 monitored by the Police Department.

20 And we have in cases rejected
21 or turned people out of the program
22 because we didn't like their business
23 practice.

24 COUNCILMAN CLARKE: So let me
25 understand this. Does the salver know

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2 that the vehicle is stolen?

3 LT. HEALY: Oh, yeah. They're
4 a part of the program; they're the only
5 people we call during a rotational wheel
6 at police radio.

7 And as a result, what happens,
8 there's only, I believe, maybe 20
9 selected for the entire city. And
10 they're very well aware that this is --

11 COUNCILMAN CLARKE: So the only
12 vehicles that they take are stolen
13 vehicles.

14 LT. HEALY: Well, they may do
15 other business, but when we call them,
16 they know that it's for a stolen
17 recovered vehicle. Yes, they know that.

18 COUNCILMAN CLARKE: So we've
19 already determined that these vehicles
20 are stolen. The only question left is
21 whether or not that person has insurance
22 that's reimbursable.

23 LT. HEALY: Well, not from the
24 Police Department's perspective. From
25 our perspective, it's just -- we need to

1 12/5/06 L&I Public Hearing, Bill 060636
2 ensure that that car gets to secure lots
3 and is not re-vandalized and not
4 restolen.

5 COUNCILMAN CLARKE: I
6 understand, but I'm saying: After
7 that's done, after the vehicle is
8 salvaged and taken to the lot, we know
9 this vehicle is stolen.

10 LT. HEALY: Right.

11 COUNCILMAN CLARKE: Then the
12 question is whether or not this
13 individual who's coming to recover their
14 car has the insurance that allows them
15 to get reimbursed for the car associated
16 with --

17 LT. HEALY: Either you pay or
18 you go through your insurance, correct.

19 COUNCILMAN CLARKE: So, your
20 concern is that administratively, we
21 would not be able to determine --

22 LT. HEALY: Well,
23 administratively, if you want to
24 differentiate between those people that
25 have insurance and those that didn't,

1 12/5/06 L&I Public Hearing, Bill 060636
2 from the Police Department's
3 perspective, I send a bill out every
4 month.

5 Let's say "ABC Towing" had 15
6 tows that month. I send a bill out for
7 15 times 65; that's what you owe me for
8 the month.

9 Now, I will not, from the
10 Police Department's perspective, be able
11 to determine of those 15 jobs, which
12 ones were reimbursable by insurance and
13 which ones weren't. So I would be
14 hard-pressed to prove which tow I should
15 be billing for and which one I wouldn't
16 be.

17 So it's a administrative
18 nightmare from the Police Department's
19 perspective.

20 COUNCILMAN CLARKE: Okay. I
21 think Mr. Haver is going to give
22 language to that. I'll let him testify
23 to that issue.

24 All right. Thanks,
25 Mr. Chairman.

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2 COUNCILMAN SAVAGE: Thank you,
3 Councilman Clarke.

4 The Chair recognizes Councilman
5 Kelly.

6 COUNCILMAN KELLY: Thank you,
7 Mr. Chairman.

8 I just want to get this
9 straight. The City then receives \$65
10 from the salver for administrative
11 costs.

12 LT. HEALY: Correct.

13 COUNCILMAN KELLY: Is that what
14 that's for?

15 LT. HEALY: Correct.

16 COUNCILMAN KELLY: Does that
17 cover the administrative costs?

18 LT. HEALY: It -- it probably
19 does. I can't say for sure that it
20 covers any more -- I mean, we probably
21 have the opportunity to (indiscernible)
22 over the last year.

23 COUNCILMAN KELLY: And what
24 does the administrative cost really --
25 what is the administrative cost? What's

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2 the --

3 LT. HEALY: Pretty much it's
4 the oversight and billing by the Police
5 Department. The oversight is, the
6 Neighborhood Services Unit does a full
7 background investigation not only on the
8 company but all the operators that work
9 within the company or subcontractors it
10 uses.

11 COUNCILMAN KELLY: I just have
12 a problem on this because of -- I
13 thought that the whole issue of police
14 trying to find stolen cars is part of
15 their operation -- I mean, a part of
16 their responsibility. And I just don't
17 know why we're charging people \$65 to,
18 you know, have the police find their
19 car.

20 That's what it seems like to
21 me.

22 LT. HEALY: Well, that's the
23 administrative end, and that's where we
24 are with Councilman Clarke. If the City
25 decides to waive that portion of the

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2 fees, the Police Department would have
3 no objections.

4 If you're going to do it, the
5 City -- or the Police Department -- or I
6 believe personally that it should be
7 done across the board. If you want to
8 carve out a special exemption -- what's
9 important is that you don't waive the
10 fees altogether 'cause that would do
11 away with the whole Stolen Auto Program
12 altogether.

13 COUNCILMAN KELLY: I certainly
14 would look into that, if that \$65 could
15 be waived, because I don't see the
16 justification of the City getting \$65
17 for something they should be doing
18 anyway, but that's my ---

19 LT. HEALY: Well, the Police
20 Department has no objection. Our only
21 concern is that the program stay intact,
22 that the private salvers make enough
23 money on their own that they will be
24 willing to participate in this program;
25 otherwise, the Police Department will be

1 12/5/06 L&I Public Hearing, Bill 060636
2 stuck with a bunch of stolen cars in the
3 street, and we would have no resources
4 to take them anywhere.

5 And that's our biggest concern.
6 We don't want these cars to be
7 re-vandalized or redamaged, which
8 actually hurts the insurance rates.

9 COUNCILMAN KELLY: But I just
10 put myself into the shoes of a person
11 who's just had their car stolen and
12 then, of course, is hit with not only
13 with a \$65 fee from the City, but there
14 are going to be additional costs from
15 the salver, and that's really putting
16 salt in the wound, as far as I'm
17 concerned.

18 But I think there should be
19 something done about waving that \$65 fee
20 anyway that the City charges.

21 LT. HEALY: Well, across the
22 board, if you just make minor amendments
23 to the fees and charges carving out a
24 specific exemption for recovered is a
25 very real possibility. And, I mean,

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2 that would waive all fees, and I believe
3 the Councilman wants to recoup those to
4 have insurance to pay, which I
5 understand, but a viable option would be
6 to waive them all. That would be across
7 the board.

8 COUNCILMAN KELLY: Thank you,
9 Mr. Chairman.

10 COUNCILMAN SAVAGE: The Chair
11 recognizes Councilman Rizzo.

12 COUNCILMAN RIZZO: Lieutenant,
13 I want to follow up on an idea.

14 Could you provide to the Chair
15 how many stolen cars a year are actually
16 recovered, and the operator, the person
17 that stole the car is arrested at the
18 time.

19 Now, I like your idea. If the
20 police stop a teenager that stole a car,
21 why do we need the salver? If possible,
22 a phone call made to the registered
23 owner or even the sector car going to --
24 if it's a City resident, going to the
25 location of the person that owns the car

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2 and let them know that their car was
3 just recovered.

4 In the courts, when a person's
5 arrested and go through the process,
6 isn't there some restitution? Could the
7 judges be made aware that there were
8 fees associated with the recovery of
9 that stolen vehicle and that be part of
10 the judicial process, restitution?

11 LT. HEALY: It could very well
12 be. I can't speak on behalf of the
13 District Attorney's Office, but at
14 sentencing, the D.A. would probably be
15 able to call for restitution or
16 whatever. I'm not a district attorney,
17 so I don't want to speak on her behalf.

18 But that's certainly a viable
19 option, yes, to try to recoup fees from
20 --

21 COUNCILMAN RIZZO: If you're on
22 patrol and you stop a car and it's a
23 young boy who's out for a joy ride and
24 he's got a person's new Buick, wouldn't
25 it be a lot easier to try to get the

1 12/5/06 L&I Public Hearing, Bill 060636
2 person that owns the car to come like
3 you just described?

4 LT. HEALY: Well, what happens
5 was, in the past -- the reason the
6 Stolen Auto Program came into existence
7 was, that's very much what we always
8 tried to do. Our purpose was to get the
9 car back to the owner as soon as
10 possible.

11 But what happened was, you'd be
12 calling people at 2 o'clock in the
13 morning --

14 COUNCILMAN RIZZO: Delay.

15 LT. HEALY: No one would answer
16 the phone. And if they did answer the
17 phone, they wouldn't show up until
18 6 o'clock in the morning.

19 So what we would have is, we'd
20 have a police officer sitting on a
21 stolen car for four hours. And then
22 when they would show up, they'd show up
23 with salves from outside the city Or
24 whatever the case, and then they would
25 complain to the Police Department about

1 12/5/06 L&I Public Hearing, Bill 060636

2 the fees they were forced to pay.

3 Now, the Stolen Auto Program
4 sets the fees so there's no surprise and
5 everyone knows what the fee is, but a
6 lot of times when cars are recovered
7 from outside the City like Darby -- a
8 lot of the cars get dumped into
9 Philadelphia that are not stolen here
10 but are dumped here, they bring in
11 salvers from outside the City who don't
12 even know about our rates.

13 So oftentimes, those people are
14 paying much higher rates to get their
15 cars recovered back then.

16 The way it stands now, we take
17 control of all the cars.

18 COUNCILMAN RIZZIO: Okay.

19 LT. HEALY: And we control the
20 costs, and we secure the car, which is
21 the most important thing to us.

22 Now, I do understand that it
23 does make a lot of sense if you could
24 pick up a phone call and have a owner
25 come from around the corner. And that's

1 12/5/06 L&I Public Hearing, Bill 060636
2 something I am working with Chief Feeney
3 on to see whether or not he can change
4 his operating procedures.

5 COUNCILMAN RIZZO: Could you
6 come up with a number of cars that are
7 recovered that actually there's an
8 arrest?

9 LT. HEALY: With a body? I'd
10 have to do a research on that. See, I'm
11 not sure if we track it that way, but
12 I'll try.

13 COUNCILMAN RIZZO: Well, I
14 would hope we could because there's a
15 difference if a car, you know, is parked
16 in the parking lot of a business versus
17 one where police actually apprehend the
18 thief.

19 LT. HEALY: Quite frankly, most
20 stolen auto pinches will be with the
21 car; otherwise, I mean, we're doing them
22 with warrants.

23 COUNCILMAN RIZZO: Right.

24 LT. HEALY: Most of our stolen
25 auto pinches are most likely done with

1 12/5/06 L&I Public Hearing, Bill 060636
2 the people in the car, and they jump out
3 of the car.

4 COUNCILMAN RIZZO: Right.
5 Okay. Thank you.

6 Thank you, Mr. Chairman.

7 COUNCILMAN SAVAGE: Thank you.
8 Are there any other questions
9 from members of the Committee?

10 (No further questions.)

11 COUNCILMAN SAVAGE: Thank you
12 for your testimony.

13 LT. HEALY: Thank you.

14 COUNCILMAN SAVAGE: Is there
15 anyone else here to testify on this
16 bill?

17 (Witness comes forward.)

18 COUNCILMAN SAVAGE: Good
19 morning. Please identify yourself.

20 MR. HAVER: My name is Lance
21 Haver. I'm Director of Consumer Affairs
22 for the City of Philadelphia.

23 I have formal testimony, which
24 I'd like to enter into the record, but
25 most of the issues have already been

1 12/5/06 L&I Public Hearing, Bill 060636
2 talked about and brought about so I
3 don't want to waste Council's time.

4 I want to thank Councilman
5 Clarke and his staff for bringing this
6 issue before Council.

7 As Councilman Kelly was saying
8 this, is really one of those outrageous
9 things the City does. This is really a
10 sales tax that we charge when your car
11 is stolen.

12 So if you buy something, we
13 charge you a 7 percent sales tax. If
14 your car is stolen, we charge you a
15 35 percent sales tax and the cost of
16 towing and storage. It's something to
17 be done away with. It certainly doesn't
18 make any sense to victimize the victim
19 by having an incredible charge on top of
20 what they already have to pay.

21 I know that some of the
22 Councilpeople were curious about what
23 happens with your towing insurance. I
24 have attached to the testimony a
25 document from the Insurance Department

1 12/5/06 L&I Public Hearing, Bill 060636
2 that talks about the mandatory
3 insurance.

4 To be licensed in Pennsylvania
5 to drive a car you have to have
6 insurance, but you do not have to have
7 comprehensive or towing insurance. I
8 tried to get figure from the State
9 Department. Their estimates are that
10 it's close to 40 percent of us in
11 Philadelphia who do not have
12 comprehensive towing insurance, so the
13 number is relatively large.

14 The issue of whether someone --
15 we could pass the bill as it stands now.
16 I understand the question about
17 language, but I would like to offer the
18 following concepts:

19 One is, it should be that no
20 one has to pay it. And whether it's
21 waived by the City or collected by the
22 insurance company, people are treated
23 the same. Nobody has to pay a surcharge
24 after their car is stolen.

25 Second, for the actual cost of

1 12/5/06 L&I Public Hearing, Bill 060636
2 running it, I would strongly recommend
3 that Council have a discussion with the
4 District Attorney, who has a fund that
5 she raises by confiscating stolen goods
6 and confiscating other things. This
7 becomes a victim's compensation fund and
8 would allow for people to pay for the
9 entire cost, not just the \$65 surcharge
10 that the City puts on it, but the entire
11 cost of the towing.

12 In that way, someone who has
13 their car stolen is going to have to pay
14 at the very least a deductible if they
15 have that type of insurance. They're
16 probably going to have to -- if they
17 don't have it, they're going to have to
18 pay for the broken windows, the broken
19 steering column, the broken gear shift,
20 whatever the damage is to the car; that
21 they're going to have to pay for. And
22 then to force them to pay for towing and
23 storage and the \$65 surcharge seems to
24 me to be too much.

25 So that would be my

1 12/5/06 L&I Public Hearing, Bill 060636
2 recommendation.

3 And, again, I strongly thank
4 you for your interest and Councilman
5 Clarke for bringing the bill before us.

6 When I have seen this and
7 consumers have complained, I have had to
8 tell them that I'm sorry and that this
9 is status of the law, and I recognize
10 that what I'm telling them is wrong,
11 even though that is the current status
12 of the law.

13 COUNCILMAN SAVAGE: Are there
14 any other questions from members of the
15 Committee?

16 COUNCILMAN CLARKE: Thank you,
17 Mr. Chairman.

18 I'd just like to thank you,
19 Mr. Haver, for continuing to do the good
20 work in supporting consumers.

21 And I think that given the
22 minimal problems associated with this
23 particular bill, I think it's probably
24 something that we should move with
25 forward today. If there needs to be

1 12/5/06 L&I Public Hearing, Bill 060636
2 additional amendments, I think that we
3 can work through it with the Police
4 Department.

5 'Cause it simply seems like
6 there's a certain administrative
7 function. The question is: Who does
8 the administrative function; should it
9 be done by the salver, or should it be
10 done by the City of Philadelphia?

11 And I agree with your language.
12 Therefore, dealing with the question
13 with respects to the separate casts of
14 citizens if you waive the fee for
15 everyone and then essentially, as an
16 addendum, require that individuals who
17 have reimbursable insurance, in fact,
18 utilize that particular resource to take
19 care of this issue.

20 The District Attorney, as you
21 know, is an independently elected
22 official. I'm sure that it will take
23 some massaging to get her to agree to
24 providing this as a part of her
25 compensation program.

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2 MR. HAVER: I'd just like to
3 see us ask her publicly to do that.

4 COUNCILMAN CLARKE: Okay.

5 MR. HAVER: The other thing
6 that I neglected to mention is that for
7 those of you that don't follow car
8 insurance, there is a front page called
9 "the declaration page" that everyone who
10 has insurance must have. It's a
11 relatively easy thing to show to whoever
12 we ask them to show it to that will say
13 what kind of insurance they're carrying.

14 It's not a complicated concept
15 to say I have this insurance, here's my
16 declaration page. It's very easy to do.

17 Thank you.

18 COUNCILMAN CLARKE: Thank you.

19 COUNCILMAN SAVAGE: Is there
20 any other questions from members of the
21 Committee?

22 (No further questions.)

23 COUNCILMAN SAVAGE: Thank you
24 for your testimony.

25 MR. HAVER: Thank you very

1 12/5/06 L&I Public Hearing, Bill 060636

2 much.

3 COUNCILMAN SAVAGE: Is there
4 anybody else present that would like to
5 testify on this bill?

6 (Witness comes forward.)

7 COUNCILMAN SAVAGE: Please
8 identify yourself.

9 LT. HEALY: Lieutenant Francis
10 Healy again.

11 I just wanted to clarify so
12 we're clear. It's not a surcharge
13 addition to the -- like say it's \$150;
14 it's not another \$65 tacked on.

15 The actual salvers that
16 participate in this program actually
17 take a \$65 cut from what the average
18 tower would get on the street. So it's
19 not like we tack this on top.

20 The actual -- in establishing
21 this program, part of the program
22 actually makes \$65 less.

23 So if we're going to take that
24 \$65 out, I have no objection to that
25 whatsoever, but it would be done in the

1 12/5/06 L&I Public Hearing, Bill 060636
2 fee schedule so that that salver, at
3 least he can make the same money he's
4 making today to participate in the
5 program.

6 That's the only add-on I have.

7 COUNCILMAN SAVAGE: Thank you.

8 Are there any other questions
9 from members of the Committee?

10 (No further questions.)

11 COUNCILMAN SAVAGE: Thank you
12 for your testimony?

13 Is there anyone else to testify
14 on this bill?

15 (No response.)

16 COUNCILMAN SAVAGE: If there
17 are no other people here to testify,
18 this concludes our public hearing on the
19 Committee of Licenses and Inspections.

20 The Chair now recognizes
21 Councilman Clarke for a motion on
22 060636.

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

25 Mr. Chairman, with the

1 12/5/06 L&I Public Meeting

2 understanding that there will probably
3 be some additional amendments, but at
4 this point, I'd like -- in order to keep
5 this on track so we can deal with this
6 matter appropriately, I make a motion
7 that Bill 060636 be reported out of
8 committee with a favorable
9 recommendation and a request for a rules
10 suspension to allow for reading at the
11 next session of Council.

12 (Motion seconded.)

13 COUNCILMAN SAVAGE: All in
14 favor, say aye.

15 Nays?

16 (No nays.)

17 COUNCILMAN SAVAGE: This
18 concludes our public meeting on Licenses
19 and Inspections. Thank you for your
20 time.

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I HEREBY CERTIFY that the

proceedings of the City of Philadelphia

Council Committee on Licenses and Inspections

are contained fully and accurately in the

stenographic notes taken by me on Tuesday,

December 5, 2006, and that this is a true and

correct statement of same.

JOSEPHINE CARDILLO
Registered Professional Reporter

(The foregoing certification of

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