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COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON PUBLIC PROPERTY AND

4

PUBLIC WORKS

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, May 11, 2006
1:20 p.m.

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PRESENT:

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COUNCILMAN DARRELL L. CLARKE, CHAIR

12

COUNCILMAN JACK KELLY

13

COUNCILWOMAN JOAN L. KRAJEWSKI

14

COUNCILMAN FRANK RIZZO

15

COUNCILWOMAN MARIAN B. TASCIO

16

17

BILLS 060203, 060206, 060207, 060204 and
060143

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COUNCILMAN CLARKE: Good

3

afternoon. This is a public hearing on

4

the Committee of Public Property and

5

Public Works. To my left, we have

6

Councilman Rizzo, Councilman Kelly and

7

Councilwoman Krajewski.

8

Will the Clerk please read the

9

title of the first bill.

10

THE CLERK: Bill No. 060203, an

11

ordinance authorizing the Commissioner of

12

Public Property, on behalf of the City of

13

Philadelphia, to acquire fee simple title

14

to some or all of certain real estate

15

parcels in Tinicum Township, Delaware

16

County and to acquire a lesser interest,

17

in the form of avigation easements, in

18

some or all such parcels; under certain

19

terms and conditions.

20

COUNCILMAN CLARKE: Thank you.

21

Anyone to testify on this bill?

22

MR. ISDELL: Yes. Good

23

afternoon, Mr. Chairman. My name is

24

Charlie Isdell. I'm the Director of

25

Aviation, and I have testimony that's

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 been previously submitted. If you'd
3 like, I can read it.

4 COUNCILMAN CLARKE: Can you
5 summarize?

6 MR. ISDELL: Yes. This bill
7 will authorize the Commissioner of Public
8 Property, on behalf of the City of
9 Philadelphia, to acquire avigation
10 easements in certain properties located
11 adjacent to Philadelphia International
12 Airport in Tinicum Township, Delaware
13 County and in some cases permit
14 acquisition of those properties. Let me
15 begin by giving some background.

16 In 1998, the City of
17 Philadelphia voluntarily initiated what
18 is known as a Part 150 Noise
19 Compatibility Study. Part 150 is a
20 section of the Federal Aviation
21 Regulations that sets forth rules and
22 guidelines for noise studies. The
23 purpose of the study is to develop a
24 balanced and cost-effective plan for
25 reducing current and anticipated noise

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 impacts in neighboring communities.

3 In May of 2003, the Division of
4 Aviation completed the study. In
5 response to the results, we developed a
6 plan to mitigate noise and improve the
7 sound insulation of certain houses in the
8 villages of Lester and Essington, which
9 are in Tinicum Township. The FAA has
10 approved this plan. In addition, the FAA
11 agreed to fund 80 percent of the
12 residential sound insulation program.
13 The City's Aviation Fund will fund the
14 remaining 20 percent. There will be no
15 impact on the General Fund.

16 The program will be free to the
17 eligible homeowners. All of the houses
18 that are eligible for the sound
19 insulation program either fall within the
20 65 decibel or higher noise contour, or
21 are immediately adjacent to it. We've
22 provided a map which shows the affected
23 area. There are approximately 600 homes
24 within that area. There have been
25 multiple community meetings and

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 individual meetings with homeowners to
3 review the residential sound insulation
4 program.

5 To initiate the program, we've
6 selected 28 houses to participate in a
7 voluntary pilot project. The pilot
8 project houses were selected to represent
9 all types of housing that exist within
10 the affected area. An individual
11 treatment for each house has been
12 developed to mitigate noise. Generally,
13 the sound insulation will include
14 windows, doors and heating and cooling
15 systems.

16 After completion of the
17 installations, the houses will be
18 retested to determine the effectiveness
19 of the sound insulation program, and the
20 City will use its experience in the pilot
21 project to determine how best to treat
22 the remaining homes in the area.

23 As a condition of participating
24 in this program, the homeowners are
25 required to grant the City an avigation

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 easement and to sign a homeowner
3 agreement. An aviation easement is an
4 acknowledgment by the homeowner of the
5 current noise level and a covenant that
6 the homeowner and the successor
7 homeowners will not sue the City for
8 aircraft-related noise.

9 The homeowner agreement will
10 detail the work to be completed, access
11 and the duties and responsibilities of
12 the homeowner and the contractor. All of
13 the homeowners in the pilot project have
14 signed aviation easements and homeowner
15 agreements. The City's Law Department
16 has determined that an aviation easement
17 is an interest in real property and,
18 therefore, requires approval by City
19 Council. Depending upon the cost of
20 insulating certain homes, their
21 condition, value and proximity to the
22 Airport, it may be in the City's best
23 financial interest to acquire a
24 particular property in lieu of acquiring
25 the easement, and the bill also provides

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 for this possibility.

3 I greatly appreciate the
4 opportunity to speak to you today in
5 support of the bill, and I'll be happy to
6 answer any questions that you may have.

7 COUNCILMAN CLARKE: Thank you.

8 Mr. Isdell, this sound
9 buffering/insulation program, has this
10 been used in any other properties around
11 the perimeter of the Airport?

12 MR. ISDELL: Not in
13 Philadelphia, Councilman. It's been used
14 at major airports around the country,
15 most notably Chicago, Atlanta, Boston in
16 recent years. And in order to get the
17 federal funding support, you must submit
18 to the Part 150 study, which we did
19 starting in 2000. It took us until 2003
20 to get the study approved. This will be
21 Philadelphia's first entry into this type
22 of project, and that's why we wanted to
23 do the pilot program and make sure that
24 we know what we're doing before we do all
25 the other houses.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COUNCILMAN CLARKE: The need
3 for the easements essentially enhance the
4 operation of the Airport, I'm assuming?

5 MR. ISDELL: Yes.

6 COUNCILMAN CLARKE: The
7 enhancement, will it increase our ability
8 to get more revenue at the Airport;
9 therefore, the costs associated with the
10 insulation will be outweighed by the
11 costs of enhancement of the Airport, the
12 revenue generated as a result of the
13 enhancement of the Airport?

14 MR. ISDELL: I think that
15 certainly in the long run, that is true.
16 In other words, by enabling the Airport
17 to continue to grow and add both flights
18 and passengers as we have been, that does
19 produce additional revenue for us on an
20 annual basis. But there isn't a direct
21 connection between the easements -- there
22 isn't a payment involved from the
23 homeowners in return for the easement.

24 In effect, the way the Law
25 Department has explained it to me is that

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 in return for the City expending the
3 money to soundproof the house, the
4 homeowner, in effect, is giving the City
5 a benefit by signing the easement by
6 saying, in perpetuity, whoever owns this
7 home will never sue the City for aircraft
8 noise or pollution or any other things
9 that could be created by the Airport, and
10 that's considered to be in the best
11 interest of the City of Philadelphia.

12 COUNCILMAN CLARKE: Okay.

13 Thank you.

14 Councilman Rizzo.

15 COUNCILMAN RIZZO: I read that
16 all of this property is in Delaware
17 County.

18 MR. ISDELL: That's correct,
19 Councilman.

20 COUNCILMAN RIZZO: Going back
21 to an issue from a few weeks ago, the
22 gardeners, the farmers.

23 MR. ISDELL: Yes.

24 COUNCILMAN RIZZO: Is that
25 action being taken by Public Property for

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 an Airport issue?

3 MR. ISDELL: No, it is not. If
4 I can clarify, there are actually two
5 different -- the Airport does own
6 property that has Victory Gardens on it
7 at Bartram and Island Avenue, but that's
8 a different set of gardens than the ones
9 that you're referring to, I think.

10 COUNCILMAN RIZZO: Yes. I
11 believe you might be trying to help to
12 accommodate some of those folks that are
13 being displaced to that location. But
14 the location of the controversy where
15 those gardeners are, is their eviction or
16 their relocation as a result of something
17 that you're doing at the Airport?

18 MR. ISDELL: No, it is not,
19 Councilman.

20 COUNCILMAN RIZZO: Okay.

21 COMMISSIONER SCHLOTTERBECK: Do
22 you have any questions for me,
23 Councilman?

24 COUNCILMAN RIZZO: No, unless
25 you have any update.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COMMISSIONER SCHLOTTERBECK:

3 No.

4 COUNCILMAN RIZZO: I just
5 wanted to make sure that that wasn't part
6 of this, and I realize that because it is
7 specific to Delaware County.

8 MR. ISDELL: Right.

9 COUNCILMAN RIZZO: Thanks.

10 COUNCILMAN CLARKE: Thank you.

11 Any other questions of this
12 witness by members of the Committee?

13 (No response.)

14 COUNCILMAN CLARKE: There being
15 none, thank you so much.

16 MR. ISDELL: Thank you.

17 COUNCILMAN CLARKE: Anyone else
18 to testify on this bill?

19 Yes, sir.

20 MR. POLONCARZ: Thank you,
21 Mr. Chairman. My name is Norbert
22 Poloncarz. I'm the Township Manager for
23 Tinicum Township. Accompanying me is the
24 President of the Board of Commissioners,
25 Mr. Bill Wasch.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COUNCILMAN CLARKE: Good
3 afternoon.

4 MR. POLONCARZ: As you know, 60
5 percent of the Airport is in Tinicum
6 Township, and I'm going to reiterate what
7 Charlie said. He said in 1998, we
8 entered into an agreement with the
9 Philadelphia Airport to pursue this
10 insulation program. Presently 28 homes
11 are identified for insulation. The sound
12 insulation program has been on a drawing
13 board since 1998. Two point four million
14 dollars have been appropriated and not
15 one single home has been insulated in
16 Tinicum Township.

17 We've been talking to the
18 residents of Tinicum Township about this
19 for years, and we're starting to lose our
20 credibility.

21 COUNCILMAN CLARKE: I
22 understand, trust me.

23 MR. POLONCARZ: We're here to
24 voice our -- one concern that we have
25 about this bill is, the Commissioners met

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 last night and they requested that this
3 be presented before the Board, that we be
4 assured that this bill is not intended
5 for the purpose of acquisition of
6 property by the City of Philadelphia
7 within Tinicum Township to be acquired as
8 property for Airport extension. That's
9 our only concern.

10 COUNCILMAN CLARKE: Excuse me,
11 sir. Earlier there was some reference by
12 Mr. Isdell about possibly acquiring
13 property in his testimony. I just want
14 to make sure it's not a part of what your
15 concerns are. Mr. Isdell had indicated
16 earlier that if the properties could not
17 be soundproofed adequately, that there
18 may be the need to acquire. Correct me
19 if I'm wrong.

20 MR. ISDELL: I think there are
21 two possible scenarios where the Airport
22 might and the bill was written in such a
23 way to enable us to acquire individual
24 properties. First of all, I want to
25 emphasize we do not have any desire to

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 acquire any of these homes for the
3 Airport. In certain cases --

4 COUNCILMAN CLARKE: I just want
5 to reference that. So the issue that was
6 raised about acquiring properties for
7 Airport use; i.e., runways, was the
8 concern that was raised. You're saying,
9 Mr. Isdell, that that's not the issue?

10 MR. ISDELL: It's not the
11 intent, no.

12 COUNCILMAN CLARKE: I just want
13 to clarify that. Thank you.

14 MR. POLONCARZ: We understand
15 that portion. When a property cannot be
16 insulated and it's going to cost more to
17 insulate it, we understand that, but we
18 will want -- well, the agreement with the
19 FAA and the Airport says that it would
20 have to be resold as a residential use,
21 it would not be knocked down, would not
22 be boarded down.

23 That's my statement there. The
24 President will give you the Board of
25 Commissioners' position on it. There's

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 another issue here, Mr. Chairman. This
3 sound insulation program, all the people
4 that are eligible have been notified
5 that -- I'll just read you one paragraph.
6 "All pre-work items must be completed by
7 November 1, 2005. Otherwise, the
8 Division of Aviation may have to alter
9 the treatment recommendations of your
10 house."

11 What they're telling homeowners
12 here to do is take out your air
13 conditioner and take down your blinds so
14 they can replace the windows. Well,
15 these people did all this by November 1,
16 2005. They sold their air conditioners,
17 and we still don't have the program.

18 So we would like to see this
19 program accelerated so we don't have to
20 put up with these comments every week.

21 COUNCILMAN CLARKE: I
22 understand.

23 MR. POLONCARZ: I'd like to
24 turn the microphone over to Mr. Wasch,
25 President of the Board of Commissioners,

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 and he'll give you Tinicum Township's
3 position on the ordinance.

4 COUNCILMAN CLARKE: Thank you.

5 MR. WASCH: Hi. My name is
6 William R. Wasch. I'm President of
7 Tinicum Township Commissioners, and I'd
8 like to begin by saying we had an
9 agreement with the Airport and I think it
10 was condoned by the Council here in
11 Philadelphia, and part of the agreement
12 was the sound insulation program, which
13 was agreed to in this particular
14 agreement, and we felt as though this
15 program would be honored and would be
16 completed, would be beneficial because of
17 the excessive noise and the intrusion on
18 the lives of the people in Tinicum
19 Township through the over flights of all
20 the airplanes that go over there.

21 Now, it's my understanding of
22 this bill that is before you today, we
23 still would like to have this program
24 continue, because the Airport is growing,
25 it's getting bigger, they're having more

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 and more flights, even going through
3 different programs for more runways over
4 there, for different flight patterns, and
5 our interest is, of course, to help
6 protect the lives and the welfare of all
7 the people that live in Tinicum Township.

8 Doing this program with the
9 sound abatement program that has been
10 instituted and I guess started, they
11 haven't really done any insulation of
12 homes yet, but at least they have a pilot
13 program. They have 26 homes. They've
14 notified the people. And I think as the
15 Manager has mentioned before, they've
16 done things that need to be addressed,
17 that need to be corrected up to some
18 point where you have a person take, let's
19 say, the air conditioner out in November
20 and here it is May. You'd like to have
21 it back in again. You don't want to be
22 taking them in and out. So there can be
23 improvements made to the program to make
24 it more workable.

25 Now, when we get to the point

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 of -- my understanding is that if the
3 cost of the sound abatement to a house is
4 an excessive amount, then they would like
5 to make an offer and buy the house. It
6 would have to be bought for whatever the
7 going price would be for the home. And
8 then we're concerned what would happen to
9 that home and that piece of ground
10 afterwards. It probably wouldn't even
11 make sense because you're not going to
12 get every home in a big direction to have
13 a big plot open for the expansion of the
14 Airport. So I think most people are
15 concerned about expansion and taking
16 their homes and making it an Airport
17 facility, which we're not against the
18 Airport, but people in Tinicum, and I
19 would imagine all the rest of us, like to
20 live in our homes and they don't want to
21 move if they don't have to.

22 Now, as long as the agreement
23 means that the individual in the home
24 could make that decision, if you come up
25 with an amount that it would cost to

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 remedy the sound in that home and you
3 feel that the home isn't worth it and you
4 want to buy that home and resell it as a
5 home, as a residential area, we wouldn't
6 be against that.

7 And I'd like to say again we
8 appreciate the agreement. It took a long
9 time getting there. This just started,
10 and our people are waiting to have
11 soundproofing done to their homes.

12 So I thank you very much for
13 the opportunity to speak.

14 COUNCILMAN CLARKE: Thank you.

15 Councilwoman Tasco and then
16 Councilman Kelly.

17 COUNCILWOMAN TASCO: My
18 question is, what is the hold-up on the
19 installation of the soundproofing of
20 these homes?

21 MR. POLONCARZ: What is the
22 purpose?

23 COUNCILWOMAN TASCO: No.
24 What's holding it up?

25 MR. POLONCARZ: Oh, what is the

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 hold-up? We have nothing to do with this
3 program. It's strictly Philadelphia
4 Airport and the FAA. We just notify the
5 people that they've been selected. They
6 do all the selections, and we call
7 meetings for these people. They bring
8 their experts over and they get them to
9 sign avigation easements.

10 What's holding it up, I think
11 that has to be answered by the Airport.
12 We don't have no plans.

13 COUNCILMAN CLARKE: Mr. Isdell,
14 why don't you stay at the table in the
15 event there are questions relating to
16 this.

17 MR. ISDELL: Councilwoman
18 Tasco, the hold-up really is related to
19 the fact that when we started the process
20 for identifying the pilot homes and
21 getting the program off the ground, we
22 did not realize the fact that the
23 easements, which were one piece of paper
24 in this massive program, actually
25 required an ordinance to be enacted. So

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 we reached a point around the time
3 November, December time frame that
4 Mr. Poloncarz is describing where if we
5 were going to proceed and actually do
6 work in any of these houses, we were
7 advised by the City Solicitor that the
8 easement ordinance needed to be approved
9 before we could proceed.

10 The program is ready to go. We
11 had City of Philadelphia Procurement
12 Department public works bids for the work
13 on these 28 homes have already been --
14 the bids have been awarded. The
15 contractor is ready to go, but it was in
16 the best judgment of the Law Department
17 we shouldn't actually start the work
18 until we got the approval to basically
19 have the easements entered into the
20 Records Department of the City of
21 Philadelphia, which requires a Council
22 ordinance. And we feel bad that we had
23 delayed the program to that extent, but
24 this is the right way to do it and that's
25 what we're trying to rectify.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 MR. POLONCARZ: Another point,
3 Mr. Chairman, all 28 of these people have
4 signed the avigation easement. They're
5 ready to go.

6 COUNCILMAN CLARKE: Okay.

7 Councilwoman?

8 COUNCILWOMAN TASC0: Yes.

9 Thank you.

10 COUNCILMAN CLARKE: Councilman
11 Kelly.

12 COUNCILMAN KELLY: Gentlemen, I
13 don't know which one could answer this.
14 How is this being funded, this program,
15 the insulation program?

16 MR. ISDELL: The Federal
17 Aviation Administration will provide 80
18 percent of the funding and the Airport
19 will provide the remaining 20 percent.
20 We will use aviation funds. We will not
21 use any of the City's General Fund money
22 for that remaining 20 percent.

23 COUNCILMAN KELLY: And it is
24 funded and you currently have funds for
25 this program to start?

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 MR. ISDELL: Yes. When the
3 program was described initially, it was
4 perceived as, I believe, a five-year
5 program in order to get all the homes
6 done in annual phases, and the FAA has
7 committed already, I think we've gotten
8 three years of their funding commitment,
9 and they have committed to us that the
10 federal funds will be available for the
11 remainder of the project so that they
12 would hold up their end. They're 80
13 percent.

14 COUNCILMAN KELLY: Mr. Isdell,
15 I would just like to know, is there a
16 start-up time? Is there any time that
17 you could give these gentlemen that this
18 program is going to start?

19 MR. ISDELL: I think as soon as
20 the ordinance is approved with your
21 approval, Councilman --

22 COUNCILMAN KELLY: Upon our
23 approval, that this program can be --

24 MR. ISDELL: The contractors
25 are ready to go, yes.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COUNCILMAN KELLY: Because I
3 think they've been very, very patient so
4 far over the years. So I think that now
5 is the time we should act and get this
6 program started --

7 MR. ISDELL: Certainly.

8 COUNCILMAN KELLY: -- to give
9 them some relief.

10 MR. ISDELL: The one thing I
11 would say is that as we approached the
12 winter when we were getting ready --

13 COUNCILMAN KELLY: How long
14 will this program take, incidentally, to
15 do all of the homes?

16 MR. ISDELL: To do all 600
17 homes, we estimated five years. Once we
18 do the pilot project, we will have some
19 working knowledge of all the different
20 architectural types in Tinicum Township.
21 It should make the remaining phases -- we
22 can do larger numbers of homes each year
23 after this.

24 But the one thing I wanted to
25 mention about the timing also, as we were

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 getting toward the winter last December,
3 it would be our preference to do the work
4 starting around now, because there is a
5 period in each home where the home is
6 kind of open to the elements and it would
7 be better not to do that in the winter.
8 So even though it was an unexpected
9 delay, it may be better to be starting
10 right now in the spring for this type of
11 work for the homeowners.

12 COUNCILMAN KELLY: Well,
13 certainly before the summer, because many
14 of these air conditioners are down, I
15 believe.

16 MR. ISDELL: Right. And that
17 was our fault.

18 COUNCILMAN KELLY: Okay. Thank
19 you.

20 Thank you, Mr. Chairman.

21 COUNCILMAN CLARKE: Thank you.
22 Councilman Rizzo.

23 COUNCILMAN RIZZO: Thank you.

24 I'm going to take advantage of the
25 representatives of Tinicum Township being

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 here today.

3 The Airport has numerous leases
4 with you, correct?

5 MR. POLONCARZ: Yes, we do have
6 numerous issues, correct.

7 COUNCILMAN RIZZO: Leases.

8 MR. POLONCARZ: Oh, leases?

9 COUNCILMAN RIZZO: Lease of
10 property.

11 MR. WASCH: One lease.

12 COUNCILMAN RIZZO: Just one?

13 MR. WASCH: That's the only one
14 I know of.

15 COUNCILMAN RIZZO: Well, the
16 reason I'm asking this question, I
17 recollect that when the FAA required the
18 Airport to expand the runway for the
19 run-off to make it a longer, safer --

20 MR. WASCH: That's the lease we
21 have.

22 MR. POLONCARZ: That's a lease
23 agreement.

24 MR. WASCH: So our belief is
25 the same as Mr. Isdell's and yours, that

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 we're concerned about the safety of the
3 people in the airplanes, and we did
4 everything we could accommodate to the
5 Airport to make sure that that runway
6 safety zone was completed.

7 COUNCILMAN RIZZO: My question
8 is, would you consider selling us that
9 land?

10 MR. WASCH: I don't think we
11 can at the moment. I think we have an
12 agreement for five years with the lease.

13 COUNCILMAN RIZZO: Would
14 eventually you entertain the sale of that
15 property?

16 MR. WASCH: I can't make that
17 decision. I'm only one member of the
18 Board of Commissioners. It would have to
19 come before them and --

20 COUNCILMAN RIZZO: My question
21 is because it's something that's never --
22 I doubt very much we're ever going to
23 give it back, or I don't know at the end
24 of the five years what the legal
25 responsibilities are, but I've always

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 wondered why lease versus purchase,
3 purchase versus lease. So if we're
4 around here in five years, we'll maybe
5 renegotiate.

6 MR. WASCH: Well, I guess you
7 could renegotiate when the lease is up.
8 I think it's five years.

9 MR. POLONCARZ: No. It's for
10 the duration -- as long as the runway is
11 there, that lease is binding. The safety
12 zone will never go away as long as that
13 runway is there. That's the way the
14 agreement is written.

15 COUNCILMAN RIZZO: Could that
16 lease ever turn into a purchase?

17 MR. POLONCARZ: Pardon?

18 COUNCILMAN RIZZO: Could we
19 ever own that property?

20 MR. POLONCARZ: Could you ever?
21 Well, we own the property now. It would
22 have to be before the Board of
23 Commissioners.

24 COUNCILMAN RIZZO: Okay. Thank
25 you.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 MR. POLONCARZ: We discussed
3 that, but to expedite the program and
4 sometimes there's opposition by people
5 that live near the Airport and all, we
6 decided, hey, you need a safety zone, we
7 don't want the responsibility, FAA said
8 you could lease them the property as long
9 as the runway is there. That's the way
10 the lease is written.

11 COUNCILMAN RIZZO: Thank you.

12 COUNCILMAN CLARKE: Thank you,
13 Councilman.

14 Any other questions?

15 (No response.)

16 COUNCILMAN CLARKE: Thank you
17 very much, gentlemen.

18 MR. WASCH: Thank you.

19 MR. POLONCARZ: Thank you.

20 COUNCILMAN CLARKE: Will the
21 Clerk please read the title of the next
22 bill.

23 THE CLERK: Bill No. --

24 COUNCILMAN CLARKE: Hold on,
25 please. We have one more witness.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 Commissioner.

3 COMMISSIONER SCHLOTTERBECK:

4 Good afternoon, Councilman Clarke and
5 members of the Committee. My name is
6 Joan Schlotterbeck, Public Property
7 Commissioner, and I would like to be on
8 record in support of this measure and,
9 accordingly, respectfully ask that
10 Council approve Bill No. 060203. I also
11 ask that the rules be suspended so that
12 the ordinance may be passed upon the
13 second reading at Council.

14 COUNCILMAN CLARKE: Thank you,
15 Commissioner.

16 COMMISSIONER SCHLOTTERBECK:

17 Thank you.

18 COUNCILMAN CLARKE: Any
19 questions?

20 (No response.)

21 COUNCILMAN CLARKE: There being
22 none, thank you so much.

23 Will the Clerk please read the
24 title of the next bill.

25 THE CLERK: Bill No. 060206, an

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.
2 ordinance authorizing the Commissioner of
3 Public Property to execute and deliver to
4 the Philadelphia Authority for Industrial
5 Development, for nominal consideration, a
6 deed conveying fee simple title to a
7 certain tract of City-owned land with
8 buildings and improvements thereon,
9 situate 140 through 54 North Christopher
10 Columbus Boulevard in the City of
11 Philadelphia, for further conveyance at
12 fair market value.

13 COMMISSIONER SCHLOTTERBECK:

14 Good afternoon. My name is Joan
15 Schlotterbeck, Public Property
16 Commissioner. With me today is Deputy
17 Commissioner John Herzins.

18 I am here to testify in support
19 of Bill No. 060206, an ordinance
20 authorizing me as Commissioner to execute
21 and deliver to the Philadelphia Authority
22 for Industrial Development, for nominal
23 consideration, a deed conveying fee
24 simple title to a certain tract of
25 City-owned land with the buildings and

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 improvements thereon, situated at 140 to
3 154 North Christopher Columbus Boulevard
4 in the City of Philadelphia, for further
5 conveyance at fair market value.

6 This bill will enable the City
7 to convey this property to PAID for sale
8 to a developer at fair market value, with
9 net proceeds being deposited into the
10 General Fund. The property is a Water
11 Department site purchased in 1901 and
12 used as a plumbing station. The site is
13 not used at the present time.

14 The Department supports this
15 measure and, accordingly, respectfully
16 asks that Council pass Bill No. 060206.
17 I also ask that the rules be suspended so
18 that the ordinance may be passed upon the
19 second reading at Council.

20 Thank you.

21 COUNCILMAN CLARKE: Thank you.

22 Any questions of this witness
23 by members of the Committee?

24 (No response.)

25 COUNCILMAN CLARKE: Anyone else

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 to testify?

3 (No response.)

4 COUNCILMAN CLARKE: There being
5 none, thank you all very much.

6 Will the Clerk please read the
7 title of the next bill.

8 THE CLERK: Bill No. 060207, an
9 ordinance authorizing the Commissioner of
10 Public Property, on behalf of the City of
11 Philadelphia, to extend the term of a
12 lease agreement between the Southeastern
13 Pennsylvania Transportation Authority as
14 landlord and the City of Philadelphia as
15 tenant for the office space located at
16 1234 Market Street, under certain terms
17 and conditions.

18 COUNCILMAN CLARKE: Please
19 proceed.

20 COMMISSIONER SCHLOTTERBECK:
21 Good afternoon. My name is Joan
22 Schlotterbeck, Public Property
23 Commissioner. With me today is Deputy
24 Commissioner John Herzins.

25 I am here to testify as

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 Commissioner of Public Property in
3 support of Bill No. 060207. It's to
4 extend the term of a lease agreement
5 between Southeastern Pennsylvania
6 Transportation Authority, SEPTA, as
7 landlord and the City of Philadelphia as
8 tenant for office space at 1234 Market
9 Street, under certain terms and
10 conditions.

11 This bill will permit the City
12 to extend the lease for the Mayor's
13 Office of Information Systems, MOIS. The
14 Department supports this measure, and I
15 respectfully ask that the rules of
16 committee be suspended so that the
17 ordinance can be passed at the second
18 reading of Council.

19 COUNCILMAN CLARKE: What's the
20 term of the extension?

21 DEPUTY COMMISSIONER HERZINS:
22 Mr. Chairman, the term goes from January
23 12, 2006 to June 30, 2014.

24 COUNCILMAN CLARKE: It's the
25 same rate?

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 DEPUTY COMMISSIONER HERZINS:

3 It's a higher rate than the initial
4 ten-year deal.

5 COUNCILMAN CLARKE: Much
6 higher?

7 COMMISSIONER SCHLOTTERBECK:

8 No. It's \$15 --

9 DEPUTY COMMISSIONER HERZINS:

10 And 50 cents a square foot, with an
11 increase of 50 cents each July 1st.

12 COUNCILMAN CLARKE: Thank you.
13 Councilman Rizzo.

14 COUNCILMAN RIZZO:

15 Commissioner, are we maxed out on all
16 City-owned space? Is MSB fully occupied?
17 Is City Hall fully occupied, other
18 City-owned office space? What is the
19 situation with City-owned available
20 space?

21 COMMISSIONER SCHLOTTERBECK:

22 Well, I would say that if you would ask
23 other Commissioners, they would say that
24 the buildings are full. We're in the
25 process of evaluating where we are in

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 terms of space, because as the City
3 across the board, we've reduced our
4 staffing. So we have reason to believe
5 that there is some available spaces in
6 some of our existing assets, yes, but we
7 do not know to what extent and how much
8 at this time.

9 COUNCILMAN RIZZO: So the lease
10 for MOIS, how many square feet do they
11 occupy?

12 COMMISSIONER SCHLOTTERBECK:
13 John, do you have that?

14 DEPUTY COMMISSIONER HERZINS:
15 Yes.

16 That's 33,000 square feet on
17 the 15th floor of 1234 Market and an
18 additional 8,000 on the 18th floor and
19 another 700 square feet for the generator
20 space. So roughly 41,000, 42,000.

21 COUNCILMAN RIZZO: When do you
22 anticipate knowing what space would be
23 available to start releasing leases and
24 use City-occupied space? When do you
25 think you'll have a feel for that?

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COMMISSIONER SCHLOTTERBECK:

3 Well, we're currently in the process of
4 that. We're trying to get together a
5 strategic plan, recommendations for
6 backfilling, terminating. Most of the
7 leases we have right now have a little
8 bit more time on their term.

9 COUNCILMAN RIZZO: That lease
10 that you just discussed, what's the term
11 for that? How many years?

12 DEPUTY COMMISSIONER HERZINS:
13 Until 2014.

14 COUNCILMAN RIZZO: So isn't
15 that a long time to extend a lease if you
16 don't know how much space you have
17 available?

18 COMMISSIONER SCHLOTTERBECK:
19 Yes. And that's a fair question, but
20 we're talking about MOIS, and at the
21 time, it is what it is based on what the
22 use is. The tenant is unique for us and
23 we couldn't arbitrarily just come up with
24 a plan to move that operation in a short
25 period of time without incurring an

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 amazing amount of monies, and we just
3 didn't have it to get done in that time
4 frame.

5 COUNCILMAN RIZZO: Thank you
6 for that. I think that's a fair
7 response. Plus, I want to acknowledge, I
8 heard that your Public Property staff did
9 an outstanding job recently in moving a
10 major department within just a few days.

11 COMMISSIONER SCHLOTTERBECK: I
12 appreciate it. Thank you.

13 COUNCILMAN RIZZO: What
14 department was that?

15 COMMISSIONER SCHLOTTERBECK:
16 OESS.

17 COUNCILMAN RIZZO: Apparently
18 it went very smoothly and it only took a
19 few days to get it accomplished.

20 COMMISSIONER SCHLOTTERBECK:
21 Accomplished it in two days, because
22 there was a gun at my head.

23 COUNCILMAN RIZZO:
24 Congratulations. They said it was
25 impossible.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 Thanks.

3 COUNCILMAN CLARKE: Thank you,
4 Councilman.

5 Any other questions of these
6 witnesses by members of the Committee?

7 (No response.)

8 COUNCILMAN CLARKE: There being
9 none, anyone else to testify on this
10 bill?

11 (No response.)

12 COUNCILMAN CLARKE: There being
13 none, will the Clerk please read the
14 title of the next bill.

15 THE CLERK: Bill No. 060204, an
16 ordinance authorizing the Commissioner of
17 Public Property to execute and deliver to
18 the Philadelphia Authority for Industrial
19 Development, for nominal consideration, a
20 deed conveying fee simple title to a
21 certain tract of City-owned land with the
22 buildings and improvements thereon,
23 situate at 8011 Frankford Avenue in the
24 City of Philadelphia, for further
25 conveyance at fair market value.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COUNCILMAN CLARKE: Please
3 proceed.

4 COMMISSIONER SCHLOTTERBECK:

5 Yes. Good afternoon. Joan
6 Schlotterbeck, Public Property
7 Commissioner. With me today is Deputy
8 Commissioner John Herzins.

9 I am here to testify in support
10 of Bill No. 060204. This ordinance will
11 authorize me to execute and deliver to
12 PAID a deed conveying fee simple title to
13 a certain tract of City-owned land with
14 the buildings and improvements thereon,
15 situated at 8011 Frankford Avenue in the
16 City of Philadelphia, for further
17 conveyance at fair market value.

18 This bill will enable the City
19 to convey this property to PAID for sale
20 to a developer at fair market value, with
21 net proceeds being deposited to the
22 General Fund. The property was purchased
23 in 1959 and used as a parking lot. This
24 site is not being used at this time.

25 The Department supports this

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 measure and, accordingly, I respectfully
3 request that Council approve this bill.

4 I also ask that the rules be suspended so
5 that the ordinance may be passed upon the
6 second reading at Council.

7 There is one other thing I'd
8 like to put on the record regarding this
9 bill. I will not be in a position to
10 clear this or to even recommend that it
11 be passed without being held, because we
12 have some issues with parking that we
13 have to settle. And I've spoken to the
14 Councilwoman about that, and we're asking
15 that it be recommended out of this
16 Committee, placed on hold until I can
17 meet those needs and demands of the
18 community organization.

19 COUNCILMAN CLARKE: You want us
20 to have --

21 COUNCILWOMAN KRAJEWSKI:
22 Commissioner, I appreciate that, and we
23 will meet the community, as well as the
24 developer to see if we can come up with
25 an agreement for the property adjoining

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 it.

3 COMMISSIONER SCHLOTTERBECK:

4 Okay.

5 COUNCILWOMAN KRAJEWSKI: Thank
6 you very much, Commissioner.

7 COMMISSIONER SCHLOTTERBECK:

8 You're welcome.

9 COUNCILWOMAN KRAJEWSKI: And we
10 will hold the bill until they meet.

11 COUNCILMAN CLARKE: Absolutely.
12 Thank you.

13 COMMISSIONER SCHLOTTERBECK:

14 Thank you.

15 COUNCILMAN CLARKE: Anyone else
16 to testify on this bill?

17 (No response.)

18 COUNCILMAN CLARKE: Any
19 questions of these witnesses by members
20 of the Committee?

21 (No response.)

22 COUNCILMAN CLARKE: There being
23 none, will the Clerk please read the
24 title of the next and last bill.

25 THE CLERK: Bill No. 060143, an

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 ordinance authorizing the Commissioner of
3 Public Property, on behalf of the City,
4 to enter into a further amendment to a
5 lease between the City and the Far
6 Northeast Senior Citizens, Incorporated
7 for the use of certain property located
8 on the northeast corner of
9 Byberry-Southampton Road and Townsend
10 Road, to provide for an extension of the
11 City's responsibility for the payment of
12 charges and fees for public utilities,
13 sewer rents, water rents, water charges
14 and heating charges, under certain terms
15 and conditions.

16 COMMISSIONER SCHLOTTERBECK:

17 Good afternoon. Joan Schlotterbeck,
18 Public Property Commissioner. With me
19 today is John Herzins, Deputy
20 Commissioner.

21 I'm here in my position as
22 Public Property Commissioner to enter
23 into a further amendment to a lease
24 between the City and the Far Northeast
25 Senior Citizens, Incorporated for the use

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 of a certain property located on the
3 northeast corner of Byberry-Southampton
4 Road and Townsend Road, to provide for an
5 extension of the City property for the
6 payment of charges and fees for public
7 utilities, sewer rents, water rents,
8 water charges and heating charges, under
9 certain terms and conditions.

10 This bill will allow the Senior
11 Center to continue to use their funds for
12 activities rather than utilities. The
13 Department supports this measure and,
14 accordingly, I respectfully ask that the
15 Committee consider favorably this Bill
16 No. 060143. I also ask that the rules be
17 suspended so that the ordinance may be
18 passed upon the second reading at
19 Council.

20 Thank you.

21 COUNCILMAN CLARKE: Thank you.

22 Any questions of these
23 witnesses about this bill?

24 (No response.)

25 COUNCILMAN CLARKE: Anyone else

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 to testify on this bill?

3 (No response.)

4 COUNCILMAN CLARKE: There being

5 none, this concludes the public hearing.

6 We will now move into the public meeting.

7 Councilwoman Tasco, can you

8 please give me a motion on Bill 060203.

9 COUNCILWOMAN TASCO:

10 Mr. Chairman, I move that Bill 060203 be

11 reported out of Committee with a

12 favorable recommendation and a request

13 for a suspension of the rules so that

14 this bill can be heard at the next

15 session of Council.

16 (Duly seconded.)

17 COUNCILMAN CLARKE: All

18 approved?

19 (Aye.)

20 COUNCILMAN CLARKE: The ayes

21 have it. Bill 060203 will be reported

22 out of Committee with a favorable

23 recommendation, with a rules suspension

24 as to allow reading at the next session

25 of Council.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 Councilman Kelly, please give
3 me a motion on Bill 060206.

4 COUNCILMAN KELLY:

5 Mr. Chairman, I move that Bill No. 060206
6 be reported out of this Committee with a
7 favorable recommendation and further move
8 for a suspension of the rules in order
9 that this bill may have first reading at
10 the next session of Council.

11 (Duly seconded.)

12 COUNCILMAN CLARKE: Those
13 approved?

14 (Aye.)

15 COUNCILMAN CLARKE: Those
16 opposed?

17 (No response.)

18 COUNCILMAN CLARKE: The ayes
19 have it. Bill 060206 will be reported
20 out of Committee with a favorable
21 recommendation, with a rules suspension
22 as to allow reading at the next session
23 of Council.

24 Councilman Rizzo, please give
25 me a motion on Bill 060207.

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.

2 COUNCILMAN RIZZO: I move that
3 Bill 060207 be reported out of Committee
4 with a favorable recommendation with a
5 suspension of the rules for the next
6 reading at Council.

7 (Duly seconded.)

8 COUNCILMAN CLARKE: Those
9 approved?

10 (Aye.)

11 COUNCILMAN CLARKE: Those
12 opposed?

13 (No response.)

14 COUNCILMAN CLARKE: The ayes
15 have it. Bill 060207 will be reported
16 out of Committee with a favorable
17 recommendation, with a rules suspension
18 as to allow reading at the next session
19 of Council.

20 Councilwoman Krajewski, please
21 give me a motion on Bill 060204.

22 COUNCILWOMAN KRAJEWSKI:
23 Mr. Chairman, I move that Bill 060204 be
24 reported out of this Committee with a
25 favorable recommendation, with a

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.
2 suspension of rules as to permit first
3 reading at the next session of Council.
4 (Duly seconded.)
5 COUNCILMAN CLARKE: Those
6 approved?
7 (Aye.)
8 COUNCILMAN CLARKE: Those
9 opposed?
10 (No response.)
11 COUNCILMAN CLARKE: The ayes
12 have it. Bill 060204 will be reported
13 out of Committee with a favorable
14 recommendation, with a rules suspension
15 as to allow reading at the next session.
16 Councilwoman Krajewski, please
17 give me a motion on Bill 060143.
18 COUNCILWOMAN KRAJEWSKI:
19 Mr. Chairman, I move that Bill 060143 be
20 reported out of this Committee with a
21 favorable recommendation, with a
22 suspension of rules so as to permit first
23 reading at the next session of Council.
24 (Duly seconded.)
25 COUNCILMAN CLARKE: Those

1 5/11/06 - PUBLIC PROPERTY - BILL 060203, ETC.
2 approved?
3 (Aye.)
4 COUNCILMAN CLARKE: Those
5 opposed?
6 (No response.)
7 COUNCILMAN CLARKE: The ayes
8 have it. Bill 060143 will be reported
9 out of Committee with a favorable
10 recommendation, with a rules suspension
11 as to allow reading at the next session
12 of Council.
13 This concludes the public
14 meeting. Thank you very much.
15 (Committee on Public Property
16 and Public Works adjourned at 2:00 p.m.)
17 - - -
18
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2

CERTIFICATE

3

I HEREBY CERTIFY that the

4

proceedings, evidence and objections are

5

contained fully and accurately in the

6

stenographic notes taken by me upon the

7

foregoing matter on May 11, 2006, and that

8

this is a true and correct transcript of same.

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MICHELE L. MURPHY

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RPR-Notary Public

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