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COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON RULES

- - -

Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, November 1, 2006
10:20 a.m.

- - -

PRESENT:

COUNCIL PRESIDENT ANNA C. VERNA, CHAIR
COUNCILWOMAN JANNIE BLACKWELL
COUNCILMAN DARRELL L. CLARKE
COUNCILMAN JACK KELLY
COUNCILMAN BRIAN O'NEILL

BILL 060731 - An ordinance to amend the
Philadelphia Zoning Maps by changing the
zoning designations of certain areas of land
located within an area bounded by Canal
Street, Laurel Street, Delaware Avenue and
Lewellen Street.

- - -

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COUNCIL PRESIDENT VERNA: Good morning, everyone. This is a public hearing of the Rules Committee regarding Bill No. 060731.

I would like the record to reflect that we do have a quorum. To my immediate left is Councilman Kelly. To my immediate right is Councilman Clarke, and I am appointing Councilwoman Blackwell to serve on the Committee today.

Is Mr. McPherson here?

MR. MCPHERSON: Yes.

COUNCIL PRESIDENT VERNA: I would ask you to please read the title of Bill No. 060731.

MR. MCPHERSON: An ordinance to amend the Philadelphia Zoning Maps by changing the zoning designations of certain areas of land located within an area bounded by Canal Street, Laurel Street, Delaware Avenue and Lewellen Street.

COUNCIL PRESIDENT VERNA: Good

1 11/1/06 - RULES - BILL 060731

2 morning. Kindly identify yourself for
3 the record and proceed with your
4 testimony.

5 MR. KRAMER: Good morning,
6 Madam President and members of the Rules
7 Committee. My name is William Kramer. I
8 am the Senior Zoning Planner in the
9 Development Planning Division of the City
10 Planning Commission. I am here today to
11 testify on Bill 060731, which was
12 introduced by Councilmember DiCicco on
13 September 28, 2006.

14 This bill rezones a 1.2-acre
15 parcel of land located in an area bounded
16 by Canal Street, Laurel Street, Delaware
17 Avenue and Lewellen Street from a zoning
18 designation of G-2 General Industrial to
19 a zoning designation of C-5 Commercial.

20 This is the second of two
21 rezoning bills introduced to facilitate a
22 development known as Bridgeman's View
23 Tower. The design submitted to the
24 Planning Commission as part of the
25 consideration of this zoning request is a

1 11/1/06 - RULES - BILL 060731
2 revision to the entire proposal. The
3 land that will be dedicated to providing
4 the necessary parking for this
5 development is included in the bill under
6 consideration today.

7 The first parcel was rezoned to
8 C-5 Commercial as the subject of Bill No.
9 060290, approved by Council late last
10 spring. At that time, the developer
11 proposed a mixed-use development of
12 approximately 1.4 million square feet,
13 including two floors of retail commercial
14 containing 36,000 square feet, three
15 floors of office space producing 66,000
16 square feet, a ten-story hotel providing
17 170 units, and 55 stories of condominium
18 space providing 352 units. Additionally,
19 a parking garage was proposed that would
20 have provided 1,100 parking spaces.

21 This parcel, adjoining the
22 original 0.8-acre parcel, would expand
23 the proposed development site an
24 additional 1.2 acres. The proposed
25 zoning change from G-2 Industrial to C-5

1 11/1/06 - RULES - BILL 060731

2 Commercial would increase the development

3 potential of this parcel by at least 140

4 percent from an FAR of 5 to a base FAR of

5 12 with no bonus FAR.

6 Under the 1963 comprehensive
7 plan and subsequent updates, the C-5
8 zoning classification was developed for
9 areas in the commercial core of downtown
10 and represents the highest commercial
11 classification and highest permitted FAR
12 of any zoning classification defined in
13 the Zoning Code. The C-5 Commercial
14 classification is found almost
15 exclusively in the Center City business
16 core, because Center City is the only
17 location with multi-modal transportation,
18 including SEPTA and PATCO subway systems,
19 regional rail, surface buses and trolleys
20 and an established street grid.

21 Since the initial presentation
22 of the proposal and the approval of the
23 first request for rezoning, we have
24 received new information on the proposed
25 design. The developer has indicated that

1 11/1/06 - RULES - BILL 060731

2 the tower will be 970 feet tall and may
3 contain anywhere from 550 to 795
4 residential units, depending on the size
5 of the units provided. While the initial
6 parking plan indicated a parking garage
7 of 1,100 spaces, the current plan
8 suggests the developer will construct
9 over 1,700 spaces, a minimum of 920
10 spaces above the required number of
11 spaces under the existing Zoning Code.
12 The parking will be located in a 15-story
13 stand-alone structure.

14 The Planning Commission staff
15 has several concerns. First, the scale
16 of this proposal approaches the height of
17 the tallest downtown towers and is
18 significantly taller than any previous
19 building approved near the waterfront.
20 At 970 feet tall, the tower will be
21 second in height only to the Comcast
22 Tower currently under construction.

23 Second, no traffic study has
24 been done for this project. Under the
25 C-5 classification, a study will be

1 11/1/06 - RULES - BILL 060731

2 required. However, it would be difficult
3 to use the results of a traffic study
4 alone to disapprove the project should
5 this zoning bill be approved.

6 Finally, from a technical
7 standpoint, introducing 1,700 parking
8 spaces at this site with the potential
9 need for adding two to three times that
10 number for future casino sites will have
11 significant impact on the surrounding
12 streets. As currently designed, the
13 garage for this project will have only
14 one entrance and one exit on Delaware
15 Avenue, with a right turn in and right
16 turn out only. There is no proposal at
17 this time to create a cut in the median
18 of Delaware Avenue to allow for left
19 turns for traffic coming from Center City
20 to and from the garage.

21 The City Planning Commission,
22 at its meeting of October 17, 2006,
23 considered Bill No. 060731 and
24 recommended its approval pending staff
25 review. However, the Commission staff

Therefore, we recommend that Bill 060731 be approved provided the developer of this regional attraction join the Planning Commission staff in coordinating this development with an emerging plan for the nearby waterfront areas, and that further, the developer agrees to adjust the plans, including the height, density and arrangement of the uses on this site, to reflect the scale of the surrounding area, the capacity of the surrounding streets and its relation

1 11/1/06 - RULES - BILL 060731

2 to public infrastructure.

3 Please be advised that if this
4 rezoning is enacted and should the
5 developer decide not to proceed with this
6 project, the rezoning of this parcel will
7 be retained with the land and the right
8 to develop transferred to future owners.
9 Rezoning the land now will increase the
10 value of the parcel, a benefit that will
11 be exceedingly difficult to rescind,
12 should future analysis indicate that the
13 density is too great for the City and
14 public infrastructure to bear.

15 Please note also that the
16 Planning Commission, in approving this
17 bill subject to staff approval,
18 recognizes that Philadelphia welcomes
19 development and supports developers who
20 share the vision of this City as a
21 world-class destination. In asking the
22 staff to review and recommend, the
23 Commission staff understands, but cannot
24 control the fact that this bill furthers
25 an incremental approach to zoning changes

1 11/1/06 - RULES - BILL 060731
2 without the benefit of an overall plan to
3 serve as a guide for such revisions.
4 While the City works to develop an
5 overall plan for the waterfront in the
6 near future, the possibility exists to
7 develop design guidelines for this site
8 and an overall plan for the area
9 concurrently.

10 I would be happy to answer any
11 questions of the Committee. Thank you.

12 COUNCIL PRESIDENT VERNA:
13 Mr. Kramer, how long do you think it
14 would take to do an impact study?

15 MR. KRAMER: It would take a
16 minimum of three months, I would imagine.

17 COUNCIL PRESIDENT VERNA: And
18 would you be kind enough to explain what
19 the acronym FAR stands for and what it
20 means to increase the development
21 potential of this parcel by at least 140
22 percent from a FAR of 5 to a base FAR of
23 12 with no bonus FAR? I don't understand
24 that.

25 MR. KRAMER: Yes, ma'am, I'll

1 11/1/06 - RULES - BILL 060731

2 explain it. An FAR is actually an
3 initial acronym of floor area ratio.

4 COUNCIL PRESIDENT VERNA: I'm
5 sorry. What is it?

6 MR. KRAMER: Floor area ratio.
7 It has to do with the gross floor area of
8 a building. So that an FAR of 5, if you
9 were to build from property line to
10 property line on all four sides, you
11 could put a five-story building with 100
12 percent coverage, and that would give you
13 an FAR of 5, a floor area ratio of a
14 ratio of the gross floor area of the
15 building to a ratio of the area of the
16 lot. That's what that floor area ratio
17 refers to.

18 In C-5, you are allowed to go
19 as a minimum of 12. So that that same
20 lot-to-lot line configuration, you could
21 go 12 stories. Now, most people don't
22 build lot line to lot line, so the
23 stories go significantly higher, but the
24 ratio stays the same, gross floor area to
25 area of the lot. And that's what it

1 11/1/06 - RULES - BILL 060731

2 refers to.

3 When I said in the testimony
4 that it's base FAR, the Zoning Code under
5 C-5 would allow you bonuses based on
6 certain incentives within the Code. So
7 you could in fact go up to as high as 20
8 under the current C-5 classification of
9 the Code.

10 COUNCIL PRESIDENT VERNA:

11 Mr. Kramer, would you please summarize
12 what the project would most likely
13 consist of?

14 MR. KRAMER: It's basically a
15 two-part development. You have on one of
16 the parcels, which was previously zoned
17 C-5, is a significant tower. As I
18 understand it, the developer has been in
19 negotiations with the community and
20 continues to be such. So the exact
21 height of that tower is in flux, and as a
22 matter of fact, the composition of that
23 building is currently in flux, whether
24 it's going to be just commercial office
25 space, a hotel and condominiums or some

1 11/1/06 - RULES - BILL 060731

2 combination thereof. We're not
3 absolutely certain, as the developer is
4 not absolutely certain.

5 Additionally, the largest part
6 of this proposal would be for the
7 development of a parking garage. The
8 parking garage, as I understand it,
9 currently is under negotiation with the
10 neighborhood, and they are indicating a
11 200-foot height limit or 199 feet.

12 You're talking half of the parking garage
13 would be automated parking, which would
14 be for the residents of the tower that
15 would provide a certain number of parking
16 spaces there, and that would be
17 approximately 10 to 11 levels of parking
18 that were automated. There would be an
19 additional seven levels of self-parking
20 that would essentially be used to provide
21 parking for the commercial establishments
22 and office space located on the site.
23 And all would be entering and exiting off
24 of Delaware Avenue.

25 COUNCIL PRESIDENT VERNA: We

1 11/1/06 - RULES - BILL 060731

2 noticed on the chart that there is only
3 one entrance and one exit, and that is on
4 Delaware Avenue; is it not?

5 MR. KRAMER: That is correct.

6 COUNCIL PRESIDENT VERNA: Where
7 would it be situated in relationship to a
8 proposed riverfront casino location
9 currently under consideration?

10 MR. KRAMER: There are several
11 casino sites under consideration. Two of
12 them would be within walking distance of
13 this location.

14 COUNCILMAN CLARKE: Like what?

15 MR. KRAMER: One would be
16 almost just to the south and the other
17 would be somewhat to the north of this
18 site.

19 COUNCIL PRESIDENT VERNA: Is it
20 a block, three blocks?

21 MR. KRAMER: I don't have that
22 information right in front of me, but I
23 would -- Mr. DiCicco?

24 COUNCILMAN DiCICCO: Two
25 blocks.

1 11/1/06 - RULES - BILL 060731

2 COUNCIL PRESIDENT VERNA: Two
3 blocks away?

4 And can you tell me where the
5 closest residential area is to this
6 proposal?

7 MR. KRAMER: It's approximately
8 2,000 or so feet away. It's just on the
9 other side of I-95. Immediately adjacent
10 to this site is a site that was
11 previously zoned C-4 that will have as
12 its components some townhouse
13 development. The current plans call for,
14 I believe it's, eight to ten units along
15 Canal Street -- no; Front Street, a block
16 to the south of this, just one block to
17 the south of this. So residential -- and
18 I have seen several residential proposals
19 come into the Zoning Board of Adjustment
20 that are within two blocks of this site
21 that would also be residential as well.

22 COUNCIL PRESIDENT VERNA: All
23 right. Mr. Kramer, from your testimony,
24 I think it's quite clear that the
25 Commission staff feels that the

1 11/1/06 - RULES - BILL 060731

2 consideration of this bill is premature
3 since no impact studies have been
4 conducted and that no binding obligation
5 can be placed upon the developer, no
6 matter what he may say his intentions
7 are.

8 Is there any way that you think
9 that we would allow conditional approval?
10 And I think we should have somebody from
11 the Law Department to also be involved in
12 that response.

13 MR. KRAMER: That would
14 probably be very wise, but I will also
15 allow that the developer has made us
16 aware that there is a deed restriction
17 that he has voluntarily entered into that
18 would in fact tie this project to this
19 zoning classification for this site such
20 that -- and I have not read it, nor have
21 I seen a version from the Law Department
22 to determine whether or not it is
23 binding. It's saying that it would
24 revert -- if this project were not to be
25 done, the zoning would revert back to the

1 11/1/06 - RULES - BILL 060731
2 G-2 Industrial, but I don't know that
3 that deed restriction -- I'm not an
4 attorney, so I can't answer whether that
5 would actually hold or not.

6 I think Mrs. Woodcock would
7 like to make comment.

8 MS. WOODCOCK: Good morning.
9 My name is Janice Woodcock. I'm the
10 Executive Director of the Planning
11 Commission. I wanted to answer your
12 question more directly.

13 Certainly there is a
14 possibility of working together, but
15 should this happen, it would be
16 unprecedented in that we would be
17 developing something in concert with a
18 developer based on a trust and shared
19 vision for the waterfront.

20 The schedule for the waterfront
21 planning process includes a civic
22 engagement component that would invite an
23 input from many different sectors of
24 society, in that not only are we asking
25 the public to talk about the future of

1 11/1/06 - RULES - BILL 060731

2 the waterfront as a whole, we are
3 engaging government and we are engaging
4 non-profit organizations in a way that we
5 feel is a "see change" from the kind of
6 incremental work that the City has been
7 asked to do.

8 A developer that came to the
9 table and worked with us and adjusted
10 their plans to a vision that would then
11 coordinate their design with possible
12 other things that will come into light
13 over the next three to four months would
14 be a truly exciting opportunity.

15 COUNCIL PRESIDENT VERNA: Thank
16 you.

17 Is it feasible for an overall
18 plan to be developed in stages?

19 MS. WOODCOCK: Yes. I mean,
20 all plans start by having the general
21 parameters of what you're trying to
22 accomplish established and then an
23 implementation part, which is more
24 detailed.

25 COUNCIL PRESIDENT VERNA: Thank

1 11/1/06 - RULES - BILL 060731

2 you.

3 The Chair recognizes Councilman
4 Clarke.

5 COUNCILMAN CLARKE: Thank you,
6 Madam Chair.

7 Good morning.

8 MR. KRAMER: Good morning.

9 COUNCILMAN CLARKE: I'd like to
10 follow up on one of the questions that
11 the Council President raised and it's
12 actually in your testimony with respect
13 to rezoning the site, and I've actually
14 asked this question on a couple of other
15 issues in my district about us rezoning a
16 site and all rights as it related to that
17 new classification would essentially
18 transfer to any subsequent property
19 owner.

20 MR. KRAMER: That's correct.

21 COUNCILMAN CLARKE: And you
22 indicated that there was an offer of a
23 deed restriction, and I don't know if
24 you're suggesting or if we need to get a
25 ruling that that deed restriction would

1 11/1/06 - RULES - BILL 060731

2 supersede the zoning classification
3 process.

4 MR. KRAMER: That's a court
5 issue, that's an attorney issue in this
6 particular instance, and it's actually
7 out of the norm. It's not something that
8 we normally see, but it is a mechanism
9 that they are attempting to use to
10 address the concerns that are consistent
11 with a rezoning such that if I sell you a
12 product and say this is what my proposal
13 is going to be and we rezone it to a
14 certain classification, the City's point
15 of view is, if you rezone a parcel to a
16 classification in the Code, the zoning
17 stays with the land. It is not tied to a
18 project, it is not tied to a developer.

19 COUNCILMAN CLARKE: Right.

20 MR. KRAMER: This particular
21 mechanism was tying that via a deed
22 restriction to this particular proposal.

23 I have not had a ruling, nor
24 have I seen it. I just yesterday
25 received a copy of the agreements and

1 11/1/06 - RULES - BILL 060731

2 have not had a chance to review them in
3 detail to see what exactly they would do
4 and how it would transform back.

5 In any case, a transformation
6 of the zoning of any particular property,
7 regardless of deed restrictions, would
8 require an ordinance of City Council. So
9 that in the event that this would go
10 and --

11 COUNCILMAN CLARKE: Say that
12 again.

13 MR. KRAMER: In other words, a
14 deed restriction will not change the
15 zoning of a particular property. The
16 zoning of any property in the City of
17 Philadelphia requires an ordinance of
18 this Council.

19 COUNCILMAN CLARKE: Right.

20 MR. KRAMER: So the deed
21 restriction may limit the amount of
22 development, what type of development you
23 could put on there, but it would not
24 necessarily supersede the zoning.

25 COUNCILMAN CLARKE: Exactly.

1 11/1/06 - RULES - BILL 060731

2 MR. KRAMER: It may put
3 limitations on it.

4 COUNCILMAN CLARKE: Right. So
5 it doesn't matter if there's a deed
6 restriction. The bottom line is, when we
7 zone the site, we're zoning the site, not
8 the developer.

9 MR. KRAMER: That is correct.

10 COUNCILMAN CLARKE: So that
11 zoning of that site continues regardless
12 as to who the developer is.

13 MR. KRAMER: That is correct.

14 COUNCILMAN CLARKE: But the
15 deed restriction is a private issue with
16 respect to the property owner and any
17 subsequent purchaser, it has nothing to
18 do with the zoning.

19 MR. KRAMER: And enforceable as
20 a result of someone else bringing action
21 to court, not necessarily the City. It
22 may be that it requires --

23 COUNCILMAN CLARKE: So it's
24 extremely speculative that we would be
25 able to have that supersede the zoning

1 11/1/06 - RULES - BILL 060731

2 classification.

3 MR. KRAMER: Right.

4 COUNCILMAN CLARKE: All right.

5 You said that an impact study could
6 potentially take three months to get a
7 reasonable analysis on the, I'm assuming,
8 traffic, shadow studies, all the other
9 things relating to such a large
10 development.

11 MS. WOODCOCK: I'm sorry, but I
12 can also clarify that. That would be for
13 this project. We know that at least one
14 casino will be going on the waterfront,
15 and this impact study, should we do it on
16 this site, wouldn't necessarily be able
17 to address the overall impact of all of
18 these developments, including the casino
19 development.

20 COUNCILMAN CLARKE: I was going
21 to get to that. Because what I want to
22 know, given the uncertainty of what could
23 potentially happen on Columbus Boulevard,
24 we can't really do a reasonable analysis.
25 Maybe by then, in three months, near the

1 11/1/06 - RULES - BILL 060731

2 tail end of that, there will be a site
3 selected in that location, and then you
4 would have to go back and do another
5 analysis based on a casino being put in
6 that particular location. So that time
7 frame could actually be a lot longer than
8 that to get a reasonable analysis of the
9 impact, given the uncertainty of the
10 potential circumstances down the line.

11 MR. KRAMER: Conceivably, yes,
12 but if you were also doing it, you would
13 anticipate those types of development and
14 have your analysis if this had this, if
15 this had that --

16 COUNCILMAN CLARKE: Various
17 scenarios.

18 MR. KRAMER: You could have
19 scenarios put into that.

20 COUNCILMAN CLARKE: And you
21 would be able to do that within the
22 three-month period possibly? Because I'm
23 hearing a little difference.

24 MR. KRAMER: It's not
25 difference. We're essentially saying the

1 11/1/06 - RULES - BILL 060731
2 same things. As I understand, a lot of
3 these casino sites have already done
4 traffic studies. So a lot of information
5 and data has already been compiled. Now,
6 that's not necessarily on file in our
7 office, but any traffic engineer could
8 certainly access that as a private
9 contractor working.

10 I mean, if you're smart about
11 it, the guy that did the casino traffic
12 study you would hire to do the traffic
13 study for this one and half the work is
14 already done. Traffic counts have been
15 made, traffic studies, and you're
16 absolutely right --

17 COUNCILMAN CLARKE: With all
18 due respect, I've seen studies and I've
19 seen consultants, and they can be kind of
20 guided to come up with a certain
21 conclusion.

22 MR. KRAMER: Absolutely.

23 COUNCILMAN CLARKE: So I would
24 be more comfortable with an independent
25 analysis as opposed to simply the

1 11/1/06 - RULES - BILL 060731

2 developer or the casino operator.

3 Okay. The Council President
4 has asked me to clarify the one entrance
5 and one exit on Delaware Avenue, and
6 you're talking potentially 1,700
7 vehicles.

8 MR. KRAMER: That certainly
9 raised concerns from our staff as well.
10 There's actually one large driveway. I
11 believe it's 24 feet. It will have two
12 ramps going in and two coming out. One
13 of the ramps going in will go downstairs
14 that will take the cars for the automated
15 parking to their assigned spaces. The
16 other will go up to go into the
17 self-park.

18 There are approximately ten
19 cuing spaces on each of these lines so
20 that ten cars could be in line to get
21 into the parking facility for both the
22 self-park and the automated parking.

23 Exit is essentially the same
24 way. Everybody is going to come out, two
25 lanes of traffic coming out, two lanes of

1 11/1/06 - RULES - BILL 060731
2 traffic going in. One will be coming
3 from downstairs, one coming from upstairs
4 and going in, one going down and one
5 going up, depending on whether you're
6 going to the automated parking or you're
7 going to the self-park on the middle
8 floors of the building. That's how it's
9 designed at this time.

10 It's my understanding that the
11 reason it's one curb cut on Delaware
12 Avenue is to preserve Canal Street as a
13 more pedestrian-friendly street. It's a
14 cobblestone street, a small street just
15 to the west of the site, on the western
16 side of the site, and they are trying to
17 preserve that as much as possible for a
18 residential component -- or a pedestrian
19 component actually to use it that way and
20 wanted to avoid putting traffic on it.

21 However, if you're going right
22 only coming out of this facility or right
23 in, my take on it is, a lot of traffic is
24 going to be going through the
25 neighborhoods to loop around to come back

1 11/1/06 - RULES - BILL 060731

2 in or go back north the other way. So
3 you're either going to make a U-turn on
4 Delaware Avenue or you're going to be
5 making a right and going through the
6 neighborhood to turn around.

7 COUNCILMAN CLARKE: Either way,
8 yeah.

9 Okay. One last question in
10 this round. With respect to the recent
11 announcement of the riverfront plan, a
12 process -- and I guess Councilman DiCicco
13 may have to respond to some degree,
14 because I'm wondering about the community
15 response/input into giving -- I don't
16 know if it was tentative approval or
17 tepid approval.

18 Was that done prior to the
19 announcement of the plan? And I guess
20 the question is, if the community was
21 aware that we were going to finally
22 embark on this very aggressive
23 comprehensive analysis and strategy and
24 plan for the Columbus Boulevard, would
25 that community have taken a different

1 11/1/06 - RULES - BILL 060731

2 position with respect to its tentative
3 sign-off on this project?

4 COUNCILMAN DiCICCO: I believe
5 that they may have taken a different
6 position on this. This project has been
7 going through that community process for,
8 I guess, the better part of a year, maybe
9 even longer, for that matter, and I will
10 say that the developer has really done
11 his best to address the concerns of the
12 community, Northern Liberties
13 Neighborhood Association.

14 I did meet with them the other
15 night to introduce them to Mr. Steinberg,
16 who is the Executive of the PennPraxis
17 group, as a way of introduction to talk
18 about future of the PennPraxis plan going
19 forward in that process.

20 The community -- and I believe
21 the developer or someone from the
22 developer's staff will speak about their
23 involvement with the neighborhood
24 association.

25 There's a developer's agreement

1 11/1/06 - RULES - BILL 060731
2 that has not yet been finalized. The
3 community believes that they will have it
4 completed within the next week to ten
5 days.

6 I am not aware of all the
7 context of that. I kind of walk away
8 from these things once I do the
9 introduction. Unless they need me, I
10 kind of let these community groups --
11 allow them to work with the developer on
12 their own.

13 So I think if this was a new
14 project coming today in front of us,
15 without hesitation, I believe that the
16 community would say, We're not ready to
17 move on this. There's a serious concern,
18 if you will, on behalf of the community,
19 even myself included. All parties have
20 actually been working in good faith for a
21 long time, and that's the sad part about
22 it, that we were not able to get this
23 master plan process in place sooner.

24 However, at my suggestion
25 through a consultant for the developer, I

1 11/1/06 - RULES - BILL 060731

2 suggest -- and I think they've already
3 met with the PennPraxis folks. I think
4 that they need to start sitting down
5 together to talk about this, the plan of
6 this site, and see if any adjustments can
7 be made and how that may fit in to what
8 the mission of the PennPraxis process is
9 all about, and Mr. Steinberg will speak
10 to that. He's one of the folks who will
11 be testifying this morning.

12 Long answer to your question.
13 I apologize, but --

14 COUNCILMAN CLARKE: It's okay.

15 COUNCILMAN DiCICCO: -- the
16 difficulty in this, and I spoke with the
17 community representatives the other
18 night, is, no one wants to look as though
19 they're backing down or backing away from
20 the initial good-faith effort that
21 everyone has placed in each other's
22 jurisdiction.

23 So it is difficult and it's
24 difficult for me as the Councilman who
25 represents the district to say go forward

1 11/1/06 - RULES - BILL 060731

2 that answer.

3 Northern Liberties, I don't
4 know if they would lose sleep if this
5 didn't move forward, but they do have
6 agreements and they don't want to be --
7 for their reputation as a neighborhood
8 association who has worked hard and has
9 been above board in all their
10 negotiations, they don't want to be
11 looked at as an entity that moved away
12 from something that they've already
13 negotiated in good faith on.

14 COUNCILMAN CLARKE: Thank you.

15 Thank you, Madam Chair.

16 COUNCIL PRESIDENT VERNA: Thank
17 you.

18 I would like the record to
19 reflect that Councilman Brian O'Neill has
20 joined the Committee.

21 Can you tell us, are there any
22 permanent jobs that will be created from
23 this project?

24 MR. KRAMER: I'm sure that
25 there will be, but I do not have a number

1 11/1/06 - RULES - BILL 060731
2 of those. I do not know how many. The
3 developers are here and may have a better
4 answer for that.

5 COUNCIL PRESIDENT VERNA: I
6 think the testimony that has been
7 presented to us from City Planning is
8 somewhat contradictory. Either you're
9 for this to move forward or you're
10 opposing it. I don't know what it is
11 that you're really asking us to do, if
12 you're asking us to do anything at all.

13 MS. WOODCOCK: We are against
14 having a rezone occur prior to proper
15 review of a project. So if you need us
16 to be clear --

17 COUNCIL PRESIDENT VERNA: I
18 think for the record you should be
19 extremely clear.

20 MS. WOODCOCK: Okay. When the
21 Commission asks the staff to review the
22 proposal, we are doing so as professional
23 planners, looking at the potential impact
24 on the public good and health and welfare
25 of the City of Philadelphia, and in doing

1 11/1/06 - RULES - BILL 060731

2 that and in looking at this density, we
3 do not feel at this time that the staff
4 can endorse a project that has not had
5 that thorough review.

6 And I will note, though, that
7 the Commission wanted to send a clear
8 message that we are not as a City opposed
9 to development. They are very clear and
10 they were very clear to us in the
11 Commission meeting.

12 So, yes, it does sound like
13 it's a yes and no, but I think if you
14 listen to what I'm saying, it's very
15 clear as to where the yes's are and why
16 the concerns exist with the staff.

17 COUNCIL PRESIDENT VERNA: So in
18 fact you will be asking for a
19 continuance?

20 MS. WOODCOCK: We would like to
21 continue the -- well, I think we should
22 hear the rest of the testimony, and then
23 could you please ask that question at the
24 end? I think we've been clear that if
25 the developer was insisting to have the

1 11/1/06 - RULES - BILL 060731

2 rezone occur prior to the review, that we
3 would ask you not to allow that, but the
4 developer may have something else to say
5 at this hearing.

6 COUNCIL PRESIDENT VERNA: Well,
7 you're going to remain here; are you not?

8 MS. WOODCOCK: Absolutely.

9 COUNCIL PRESIDENT VERNA: Very
10 well.

11 Any questions from members of
12 the Committee?

13 (No response.)

14 COUNCIL PRESIDENT VERNA:
15 Seeing none, thank you, and I would ask
16 you to remain, please.

17 MS. WOODCOCK: Thank you.

18 COUNCIL PRESIDENT VERNA: Do we
19 have anyone else to testify on this bill?

20 Please approach the witness
21 table. Kindly identify yourself for the
22 record and proceed with your testimony.

23 MR. STEINBERG: Sure. Good
24 morning, Madam President and members of
25 the Rules Committee. I am Harris

1 11/1/06 - RULES - BILL 060731

2 Steinberg. I am the Executive Director
3 of PennPraxis, the clinical arm of the
4 School of Design at the University of
5 Pennsylvania, and I'm also a member of
6 the faculty of the Department of
7 Architecture at Penn.

8 If you'll allow me, I'll
9 deviate from my written testimony and
10 just kind of talk to some of the
11 issues --

12 COUNCIL PRESIDENT VERNA: That
13 will be fine.

14 MR. STEIN: -- in the interest
15 of time.

16 I think both the members of the
17 Planning Commission as well as Councilman
18 DiCicco have adequately laid out the
19 issues, at least as I'm kind of being
20 parachuted into it. Three weeks ago
21 tomorrow, Mayor Street, as I'm sure you
22 know, signed an Executive Order asking my
23 office to help lead a planning process
24 for the Central Delaware, as Councilman
25 Clarke has been mentioning, and, in fact,

1 11/1/06 - RULES - BILL 060731

2 Councilman Clarke was at that auspicious
3 occasion when the announcement was made.

4 We're trying to kind of get our
5 heads around it, and so things are
6 happening very quickly and this project
7 has come on to the radar screen in a way
8 that is giving us an opportunity to say,
9 Let's wait a minute, let's look at this
10 project within the context of the greater
11 seven miles of the Delaware. Let's
12 applaud the good-faith efforts that both
13 the community and the developer have made
14 to this point and not hold anything, per
15 se, in terms of stopping development, but
16 hold the passage of this bill so that
17 these developers can work with us and the
18 City Council to understand the
19 ramifications of a project of this scale
20 at this site.

21 The City is embarking on a
22 truly ambitious plan to kind of create a
23 plan for the Central Delaware, and this
24 is a signature and important site that
25 we'd like to fold into the process.

1 11/1/06 - RULES - BILL 060731

2 We've been in close contact
3 with the Councilman's office, as well as
4 with City Planning, coming to some kind
5 of understanding on how we can do this.
6 I've already spoken with the developer at
7 the top of this meeting, who is anxious
8 to meet with us, and so we're just asking
9 for some time. We've barely gotten
10 going. We're organizing an advisory
11 group, which meets on Monday. We're
12 taking walks with citizens. We're
13 meeting community groups. We're out
14 there, and we'd like just some time to
15 help absorb this into the process.

16 COUNCIL PRESIDENT VERNA: Thank
17 you very much.

18 Are there any questions or
19 comments from members of the Committee?

20 The Chair recognizes Councilman
21 DiCicco.

22 COUNCILMAN DiCICCO: Thank you,
23 Madam President.

24 As I mentioned to you earlier,
25 I think that at some point in time you

1 11/1/06 - RULES - BILL 060731
2 may want to gather our colleagues in the
3 Caucus Room or some other room to talk
4 with Mr. Steinberg about what
5 PennPraxis's mission is and what the role
6 is. Although the seven-mile stretch is
7 within my Councilmanic District, it is
8 something that will impact the entire
9 City, if not in fact the entire region.
10 So I think it's important that all
11 members of Council get an update on what
12 this is really all about.

13 MR. STEINBERG: Would you like
14 me to do that now?

15 COUNCILMAN DiCICCO: Well, I
16 think if you want for this Committee, but
17 there's actually a much larger group --

18 MR. STEINBERG: Oh, for Council
19 as a whole.

20 COUNCILMAN DiCICCO: We will
21 have 17 sometime in November, actually.

22 COUNCIL PRESIDENT VERNA:
23 That's a very good idea.

24 Mr. Steinberg, I would like you
25 to see Mr. McPherson, who is sitting

1 11/1/06 - RULES - BILL 060731

2 here, so that you can give him your card
3 and we can have a mutually convenient
4 time to set up this meeting.

5 MR. STEINBERG: Sure. Are
6 there any questions I can answer about
7 the process now?

8 COUNCIL PRESIDENT VERNA: Are
9 there any questions from members of the
10 Committee?

11 (No response.)

12 COUNCIL PRESIDENT VERNA:
13 Seeing none, I thank you for coming in to
14 testify.

15 Do we have anyone else that
16 would like to testify?

17 MR. STEIN: Good morning.

18 COUNCIL PRESIDENT VERNA: Good
19 morning. Please identify yourself for
20 the record.

21 MR. STEIN: Mark Stein, one of
22 the development team. We met back in
23 May. And with me is Anthony
24 Argiropoulos, one of our attorneys for
25 this process.

1 11/1/06 - RULES - BILL 060731

2 MR. ARGIROPOULOS: Good

3 morning, Madam President.

4 COUNCIL PRESIDENT VERNA: Good

5 morning.

6 MR. ARGIROPOULOS: Let me just

7 introduce everybody, then we'll get

8 started.

9 I'm Anthony Argiropoulos. I'm

10 the attorney for the developer. I am

11 here, as Mark mentioned, with Mark Stein,

12 who is a member of the developer, and

13 also with James Templeton and Bruce

14 Chamberlain of H2-L2, the architects who

15 have been commissioned to design this

16 garage.

17 I do have with me written

18 testimony that I would like to present to

19 Council.

20 COUNCIL PRESIDENT VERNA: We

21 will give a copy of your testimony to the

22 stenographer. If you can abbreviate your

23 testimony, we'd be most appreciative.

24 MR. ARGIROPOULOS: I will. I

25 will move from those remarks in light of

1 11/1/06 - RULES - BILL 060731

2 the discussion that we've had so far.

3 I think that the first thing
4 that Council needs to consider is the
5 reason why the developer is here today.
6 And the developer is here today to seek
7 approval for the rezoning of the parcel
8 that we're discussing, but I think that
9 we need to consider the history of this
10 process and how it is that we got here.

11 When we were here in the
12 spring, we presented Council with a true
13 master plan for these two sites, a tower,
14 which is 915 feet tall, not 970 -- I want
15 to correct what Mr. Kramer said. It is
16 915 feet tall -- and a garage situated on
17 the adjacent property. There's some
18 history behind how we got to that point,
19 but I'd like to point out that at that
20 time when Council approved the 915-foot
21 tower, it was presented with the garage
22 design as well. The Planning Commission
23 approved it unanimously, and the Northern
24 Liberty Neighborhood Association approved
25 it as well.

1 11/1/06 - RULES - BILL 060731

2 We were going to come back
3 again at this time, after we obtained the
4 neighborhood association's approval for
5 the garage property. We ended up with
6 the garage property because the
7 neighborhood was uncomfortable with the
8 initial design that was presented to
9 them, which was one tower on top of a
10 pedestal that was a garage.

11 We had been working very
12 diligently with the neighborhood,
13 obtaining not only their non-opposition
14 but their support for the project, and in
15 light of their concerns about the massing
16 and the pedestrian views, the developer
17 took an equitable interest in this
18 property specifically to put a garage for
19 the neighborhood with the amenities that
20 the neighborhood wanted at considerable
21 cost, in the millions of dollars. And
22 I'd like to say up front that the delay
23 that will be posed by this impact study
24 will end this project. There are hard
25 dollars in the range of millions that

1 11/1/06 - RULES - BILL 060731
2 have been invested in this project. The
3 developer has worked with the community
4 unlike any developer that I at least have
5 seen in the City, creating a formal
6 liaison relationship with the community,
7 incorporating the community's concerns
8 into the design of the building.

9 The garage that we are
10 presenting today that will be addressed
11 by the architects more specifically is
12 the product of the synergy between the
13 developer and the neighborhood. And I
14 have with me today a letter that was sent
15 by the neighborhood association's
16 President to Councilman DiCicco
17 indicating that the neighborhood
18 association continues to work with us and
19 expects that a development agreement --
20 pardon me; a developer-neighborhood
21 association agreement will be reached in
22 the next week. In fact, last night, we
23 received an e-mail of the recent version
24 of that document, and, frankly, I think
25 it will be done before a week.

1 11/1/06 - RULES - BILL 060731

2 We're getting a bit of a mixed
3 message at this point, because you have
4 to recall that the tower has already been
5 approved. We are here today for purposes
6 of the garage. And when I say
7 "approval," I'm talking about City
8 Council's passage of an ordinance to
9 rezone that to C-5.

10 There's been talk of a deed
11 restriction, and the deed restriction is
12 further evidence of the extent to which
13 this developer has worked, doing things
14 the right way. It's been a completely
15 transparent process, with the
16 neighborhood on board.

17 The deed restriction prevents
18 this developer from doing anything more
19 than has been approved. If this property
20 is sold -- and I can say for the record
21 that there is no intent to flip this
22 property. The developer intends to build
23 the project that's been presented -- the
24 zoning will revert to G-2. That is a
25 deed restriction, a covenant that runs

1 11/1/06 - RULES - BILL 060731

2 with the land, and any subsequent
3 purchaser would be subject to that deed
4 restriction. That's the level of
5 commitment that we have here.

6 I think that the message that
7 we're sending or that, I guess, the
8 Planning Commission, to some extent, is
9 asking to be sent is a bit of a mixed
10 one. This is a developer that, again,
11 has done everything right, that has gone
12 to the neighborhood, has obtained
13 neighborhood approval, obtained the
14 rezoning for the tower and is coming
15 back, just like it promised, with a
16 garage, with other amenities that the
17 neighborhood has specifically approved
18 and asked for.

19 The architects can walk us
20 through the specifics of the garage, and
21 then Mr. Stein and I can answer now or at
22 the end of that presentation any
23 questions that you may have.

24 COUNCIL PRESIDENT VERNA: Fine.

25 MR. CHAMBERLAIN: Good morning.

1 11/1/06 - RULES - BILL 060731

2 My name is Bruce Chamberlain. I'm an
3 architect with H2-L2 Architect Planners,
4 and I'm joined today with James
5 Templeton, who is Project Architect on
6 the job.

7 As was noted earlier, the
8 project that we're presenting today for
9 the revised garage is very much a
10 development of what you saw last spring.
11 What we're talking about is basically a
12 freestanding structure that's located
13 next to the tower that is set back from
14 Columbus Boulevard and then fronted
15 between the garage itself and Columbus
16 Boulevard, with a retail commercial
17 space.

18 So what we've done is really
19 maintained the life of the street,
20 maintained a very lively presence in
21 terms of pedestrian, vehicular movement
22 along Columbus Boulevard, keeping the
23 mass of the garage away.

24 As what was requested last
25 spring was that the developer, our

1 11/1/06 - RULES - BILL 060731

2 client, come back with more information
3 in terms of the specifics of the garage
4 itself, and that is what you'll see
5 today.

6 In front of each of you we have
7 11-by-17 handouts of the presentation
8 materials that are in front of you,
9 including the three renderings that are
10 off to your right, and then the typical
11 floor plans that show the basic
12 configuration of the garage.

13 As was noted earlier, the
14 garage is really two structures stacked
15 one atop each other, which is no
16 different than what was presented in May.
17 The lower structure is a self-park garage
18 that will be used for the retail and
19 commercial users of the tower, and the
20 upper part is for the residences, and
21 that's going to be an automated garage
22 where the entrance is going to be through
23 the basement, and all the entrances to
24 the garage will be off of Delaware Avenue
25 or Columbus Boulevard. And this is in

1 11/1/06 - RULES - BILL 060731

2 response to the neighborhood where they
3 did not want traffic to come off some of
4 the smaller streets surrounding the
5 property.

6 So what we've done is to
7 integrate the entrance into the project
8 so it's not a gaping hole in the building
9 and really, again, maintaining the life
10 of the street.

11 The opportunities we have with
12 the automated garage, it allows us to do
13 smaller floor to floor. So we can reduce
14 the overall height of the building. It
15 also gives us a little more freedom in
16 terms of architectural treatments for the
17 building.

18 So at this point, I'd like to
19 turn this over to James Templeton, who
20 will really walk you through some of the
21 specifics of the project.

22 MR. TEMPLETON: Thank you.

23 As Bruce described, the garage
24 is really two garages wrapped around each
25 other, with a traditional self-park

1 11/1/06 - RULES - BILL 060731

2 garage on the lower floors. All of the
3 garage components are set back from
4 Delaware Avenue, though, behind the
5 commercial retail component, which is a
6 four-story building here on the front.
7 And the architectural treatment of this
8 building is the same of that of the base
9 of the tower. It's going to be a glass
10 curtain wall. So it will look like it's
11 part of the same architecture. It will
12 not look like a garage. And the garage
13 itself is clad in another glass curtain
14 wall.

15 Because of the automated
16 garage -- and I'll describe some details
17 about the automated garage in a second,
18 but the automated garage will be
19 mechanically ventilated. So it's a solid
20 building and will look like a building.
21 It will not look like a garage. It's
22 intended to really be sort of the little
23 brother of the tower.

24 You can see in the second image
25 here that the self-park garage is a

1 11/1/06 - RULES - BILL 060731

2 traditional garage on the lower floors,
3 but on the ground floor, it's all retail.
4 We'll have awnings. We'll have an
5 intimate scale with the potential future
6 residential development that could happen
7 across the street. And then between the
8 two buildings on the far right, there is
9 a galleria, which is really this
10 beautiful glass atrium which separates
11 the two buildings and all of the retail
12 space. It's envisioned that maybe a
13 larger retail, maybe a supermarket, maybe
14 a restaurant will all open up into that,
15 and that really be a main entrance on
16 Delaware Avenue. So that far right image
17 is really a view from Delaware Avenue.

18 Now, regarding the specifics of
19 the garage itself, I can walk you through
20 some of the floor plans here. As we were
21 saying, this is the ground floor right
22 off of Delaware Avenue. There is one
23 main entrance and exit. And once
24 vehicles pass the sidewalk area, then it
25 splits into two entrances and exits. One

1 11/1/06 - RULES - BILL 060731

2 is for the self-park garage for visitors
3 to the commercial and retail, the other
4 is to the residential component. The
5 rest of the ground floor is all filled
6 with retail, divided into different
7 retail.

8 As I was describing, in the
9 back along Canal Street, it is intended
10 that there would be cafes for any sort of
11 future residential development that would
12 happen over here. There is open space,
13 green space here also with sort of
14 cafe-type atmosphere next to the retail
15 there. And then this is the galleria
16 that I described, which is really a link
17 between the two buildings.

18 So as a resident would enter
19 the property, they would come to the
20 entrance and they would go down their
21 ramp to a lower level, which is this
22 middle image here, and this is where they
23 enter into the automated garage. And
24 what an automated garage is is really a
25 robotic garage. And the images on the

17 This is the view of some cars
18 parked. They can park two deep. This is
19 actually the shuffle arm that is the
20 mechanism that actually carries the car.
21 In here you can see how it's lifting the
22 cars.

23 There are many of these around
24 the world. There's several in the United
25 States, and there's already one proposed

1 11/1/06 - RULES - BILL 060731

2 in Philadelphia for another condo
3 project.

4 So that's how the residences
5 will enter their space. The retrieval
6 time and drop-off time for a car is about
7 90 seconds to 100 seconds. So it's
8 actually very quick. It's a very quick
9 retrieval time. Certainly quicker than
10 walking to your garage, your parked
11 space.

12 For the self-park garage, which
13 is then one level above the retail --
14 now, this is a traditional garage. You
15 would come up the ramp and then wrap up
16 around seven levels of traditional
17 parking. Then the highest level is then
18 the automated garage. The automated
19 garage has a lot more density. You can
20 fit 107 cars per level, whereas with the
21 traditional garage, we can fit about 58.

22 So what this all means is, this
23 image here is a section through the
24 entire building. Along Delaware Avenue,
25 we have our four-story retail and

1 11/1/06 - RULES - BILL 060731
2 commercial. We have then retail all
3 along the ground floor from all sides and
4 in the rear.

5 There's a transfer level at the
6 lower level, which is for the residents.
7 That's where they park. And their cars
8 are brought up to the automated garage,
9 which are ten levels, five sedan levels
10 and five SUV levels, and then below that
11 are seven levels of traditional parking.
12 So we have a total of 170 automated
13 spaces and 414 self-park spaces, for a
14 total of 1,484, which is actually less
15 than we had presented to the Planning
16 Commission. Because in the last few
17 weeks, we've heard the Planning
18 Commission's concerns. We know they're
19 concerned about the traffic. We're also
20 trying to balance those issues with the
21 neighborhood's desire to have as much
22 parking as possible. So we eliminated
23 two and a half floors of the garage. So
24 this is where we are right now.

25 Thank you.

1 11/1/06 - RULES - BILL 060731

2 COUNCIL PRESIDENT VERNA: Can
3 you tell us how much this entire project
4 will be costing?

5 MR. STEIN: About \$600 million.
6 It equates to about --

7 COUNCIL PRESIDENT VERNA: It
8 looks beautiful.

9 MR. STEIN: Thank you. Thank
10 you. It equates to, in construction
11 jobs, around 400 to 500 construction jobs
12 for three years, around 150 to 200
13 permanent jobs for the neighborhood. And
14 we think this is a signature building,
15 and we believe we can work really well
16 together with everybody, and I think
17 everybody will get what they really want
18 in the end.

19 COUNCIL PRESIDENT VERNA:
20 That's wonderful. And apparently you
21 have had several meetings with members of
22 the community.

23 MR. STEIN: A lot.

24 COUNCIL PRESIDENT VERNA: And
25 you will continue to?

1 11/1/06 - RULES - BILL 060731

2 MR. STEIN: Yes. We actually
3 made a liaison committee in our deed
4 restriction, that we actually paid for a
5 liaison to sit and crucify us on anything
6 that they don't want.

7 So last year when I was in
8 here, I told you I was 6'2" when this
9 process started. I'm now down to about
10 5'2". I just want you to know that. I
11 might crawl out of here.

12 But we really have done
13 everything transparently, and we're
14 following it and, you know, we
15 appreciate -- real quick history here.
16 The '70s I did the Bourse building. I'm
17 five decades into City building. Bourse
18 building in the '70s, the piers in the
19 '80s, Liberty in the '80s and then the
20 '90s, and then here we are in 2000. We
21 believe that we will create the
22 development. We think that we're a
23 regional attraction that will bring
24 people to design not around square
25 footage but around architecture. We've

1 11/1/06 - RULES - BILL 060731

2 done our homework and we really think
3 that we're on the right path.

4 COUNCIL PRESIDENT VERNA: Thank
5 you.

6 MR. STEIN: And we
7 appreciate --

8 COUNCIL PRESIDENT VERNA: The
9 Chair recognizes Councilman Clarke.

10 COUNCILMAN CLARKE: Thank you,
11 Madam President.

12 Good morning. I just want to
13 clarify this. The height is 915, not
14 970?

15 MR. STEIN: 915.

16 COUNCILMAN CLARKE: And not
17 970, as earlier referenced?

18 MR. STEIN: No. We have a
19 neighborhood agreement, though. It's
20 important to know, the neighborhood
21 approved us to 950, but they gave that to
22 us. We were only 915. That's all we
23 are.

24 COUNCILMAN CLARKE: And the 915
25 is what was earlier approved in the prior

1 11/1/06 - RULES - BILL 060731

2 ordinance?

3 MR. STEIN: Yes.

4 COUNCILMAN CLARKE: The prior
5 proposal had the parking on the lower
6 floors; am I correct?

7 MR. STEIN: No. That was the
8 early part of the process. When we came
9 to you in May, we had already made our
10 option onto the north parcel and pulled
11 the garage out.

12 COUNCILMAN DiCICCO:
13 Originally.

14 COUNCILMAN CLARKE: Originally
15 you had parking on the lower --

16 MR. STEIN: I don't know if we
17 ever presented that to anybody, except
18 the neighborhood. Maybe they saw it and
19 that's where the criticism came back to
20 us. And we believe that, and that's why
21 we took the extra burden of the finances
22 and went north with this thing.

23 MR. ARGIROPOULOS: If I may,
24 Councilman. The project materials that
25 were presented to Council at that time

1 11/1/06 - RULES - BILL 060731

2 showed the parking garage on the separate
3 parcel. I don't remember if it was here
4 last time or it may have been at
5 Planning, someone joked and said, You're
6 not going to come back with Liberty II,
7 are you, on the other parcel, and we
8 said, No, it's purely a parking garage as
9 shown, and that's what we're presenting
10 today.

11 COUNCILMAN CLARKE: Okay. The
12 issues with respect to the traffic flow,
13 particularly related to the entrance and
14 exit, is there reasonably an opportunity
15 or a possibility that you can address
16 that? Because I see that as being a
17 problem, having that one entrance and
18 exit.

19 MR. ARGIROPOULOS: It is being
20 addressed. In fact, what -- and I hate
21 to beat a dead horse on this, but what I
22 really want everyone to understand is
23 that this has really been a cooperative
24 effort between neighborhood and
25 developer. Northern Liberties

1 11/1/06 - RULES - BILL 060731

2 Neighborhood Association has contracted
3 with its own professionals to create not
4 only studies of the waterfront, but
5 traffic studies, et cetera. This
6 developer is contributing to that study.

7 And in any case, the issues
8 raised by Planning with respect to the
9 ingress and egress are issues that are
10 somewhat premature now. Those are issues
11 that will be addressed as part of
12 permitting. As part of a C-5 zoning
13 designation, before permitting, this
14 developer will have to conduct a traffic
15 study and present it in any case. If a
16 traffic study shows that this method of
17 ingress and egress doesn't work or needs
18 to be changed, it will be changed.

19 This developer has worked with
20 the Planning Commission. It intends to
21 continue to do so. It intends to work
22 with PennPraxis. This has been a
23 cooperative effort, and this is a
24 developer with roots in Philadelphia that
25 wants a building that is not only a

1 11/1/06 - RULES - BILL 060731

2 signature building, but one that works
3 for the City.

4 COUNCILMAN CLARKE: With
5 respect to the permitting process, I
6 wouldn't give as much credit to us as you
7 indicated. I have a similar situation at
8 18th and Sansom where a permit was
9 granted for a high-rise, a tentative
10 permit, and it was subsequently
11 rescinded, and the biggest issue was the
12 closure of Sansom Street, the 1800 of
13 Sansom Street for two years, and there
14 was no traffic analysis done and the
15 community obviously was in an uproar, and
16 we had to actually make the developer go
17 out and get a traffic analysis before we
18 agreed to move ahead on the permit.

19 So you shouldn't assume that
20 once you get zoning, that the permit
21 process wouldn't sail through, assuming
22 we in Council have signed off on it.

23 MR. ARGIROPOULOS: Councilman,
24 I'm always accused of giving too much
25 credit, but in this case, because of the

1 11/1/06 - RULES - BILL 060731

2 expenditures that have been made and
3 because of the promises that have been
4 made in the community, all of which have
5 been kept, all of these issues will be
6 addressed. The problem that this
7 developer has is, I don't think that an
8 impact study if it started today would
9 take three months to complete the way
10 that the Planning Commission has
11 suggested. A delay like that will, as I
12 said, spell the doom for this project and
13 end any possibility for this developer to
14 give the City this world-class building.

15 However, if Council were to
16 approve the rezoning, the concerns of the
17 Planning Commission are concerns that
18 will be addressed with respect to traffic
19 later on, because they have to be as part
20 of the process. The question is, from a
21 hard dollars perspective and from an
22 investment perspective, this project
23 can't proceed with the uncertainty as to
24 whether this parcel will be rezoned. If
25 it's not rezoned, this project doesn't

1 11/1/06 - RULES - BILL 060731

2 work and it's over.

3 COUNCILMAN CLARKE: Right. Let
4 me ask you a question, and I don't know
5 if you can answer this in this forum.

6 I can't count on one hand the
7 times that developers haven't come before
8 us -- and myself personally representing
9 Center City, half of Center City -- that
10 they said, If you don't pass this right
11 away, I'm going to lose financing, and we
12 went beyond the deadline and ultimately
13 ended up getting financing.

14 Is there any way that in some
15 form of confidentiality -- and I
16 understand that you don't want to put all
17 of your financial issues out on the
18 table -- that you can assure members of
19 the Committee that that deadline is a
20 real deadline, so we can feel confident
21 that if we ask all parties involved to
22 expedite the process to get the
23 appropriate review, that we're doing it
24 in the sense that we really have a
25 deadline? Because I think that it's

1 11/1/06 - RULES - BILL 060731
2 clear that most Councilmembers, and
3 probably all, would love to see a project
4 of this magnitude, particularly given the
5 community sign-on, but I don't know if
6 you can share to some degree --

7 MR. ARGIROPOULOS: Councilman
8 and other members, I wouldn't have said
9 that if it weren't the case. This
10 project, you have to remember, originally
11 started as one tower with parking below
12 it. There are separate owners of
13 properties that we've had to deal with.
14 There are transactions and closings that
15 are contingent upon one another. There
16 are millions of hard dollars that have
17 been paid that will not be recovered.

18 The risk of going forward is
19 one that simply can't be borne under
20 these circumstances, and, yes, it will
21 fall apart. There is a real sense of
22 urgency, and in part, this is an urgency
23 that has been created as a result of --
24 from whatever standpoint you may take,
25 and I talk about in my written

1 11/1/06 - RULES - BILL 060731

2 testimony -- this developer's commitment
3 to giving the community what it needs and
4 giving it what it wants and working with
5 them reasonably. And to the community's
6 credit, they have been very reasonable in
7 working with us. We've worked out our
8 issues. But this is now a real -- it's a
9 real watershed moment for us getting this
10 rezoning.

11 COUNCILMAN CLARKE: Okay. This
12 will be my last question. Your earlier
13 statement with respect to G-2 and we need
14 to get -- I'm going to ask the Planning
15 Commission to get some clarity from our
16 Law Department to determine what impact
17 that deed restriction would have and
18 assuming that what you indicated was
19 correct.

20 While it may require subsequent
21 owners to adhere to certain provisions in
22 the G-2 classification, there are other
23 things that I'm assuming the community
24 signed off on relating to aesthetics and
25 certain things that are not necessarily

1 11/1/06 - RULES - BILL 060731

2 spelled out in the classification that
3 would not fall under that deed
4 restriction. Would you be willing to
5 incorporate some other language
6 associated with those things that aren't
7 traditionally in the classification?

8 MR. ARGIROPOULOS: The deed
9 restriction actually contains a number of
10 issues besides simply the design. Mark
11 Stein mentioned the liaison committee
12 that was created. There's a 30 percent
13 open area that's given and a number --

14 MR. STEIN: Total access from
15 the neighborhood.

16 MR. ARGIROPOULOS: And,
17 Councilman, that actually speaks to one
18 of the issues we have with the traffic.
19 Canal Street is architecturally from a
20 design standpoint very interesting. The
21 community did not want to be in a
22 position where it was looking at another
23 gated community that excludes them.
24 Although they're on the other side of 95,
25 they did not want to feel like someone is

1 11/1/06 - RULES - BILL 060731
2 coming in to take over the eastern side
3 of 95 and the waterfront to exclude them.
4 And so that's the reason why we have
5 Canal Street viewed as pedestrian
6 friendly, as a promenade, a metropolitan
7 outdoor seating area.

8 These are all matters that have
9 been discussed, negotiated with the
10 community, in addition to things like the
11 height limitations, the open space
12 maintenance. It's a LEED-certified
13 building.

14 The reason why there are more
15 units, more parking units, on this garage
16 is because the community was concerned
17 about what's going to happen to our
18 off-street parking. We want more spaces
19 in the garage.

20 Now, that came at a cost, a
21 significant cost, but, again, to push
22 this project forward and in light of the
23 urgency, this developer committed to do
24 just that. Would this developer agree to
25 a deed restriction for the north parcel

1 11/1/06 - RULES - BILL 060731
2 as it has for the south? Absolutely.
3 There is a commitment and a drive to put
4 up a true signature building. That's
5 what they want to do. That's their goal.

6 In a softening real estate
7 market, when other projects that may have
8 come before Council have fallen off the
9 mark, are no longer economically viable,
10 people are packing up their bags. The
11 local guys have stuck it out because they
12 believe in the City and they believe in
13 this project, and they will do what it
14 takes to fulfill their promises to the
15 community and the representations made to
16 Council to get this done.

17 COUNCILMAN CLARKE: Okay. Last
18 question, and this is truly the last one.
19 Have you selected your general
20 contractor?

21 MR. STEIN: Yes, we have.
22 Turner Construction.

23 COUNCILMAN CLARKE: Turner
24 Construction. Okay. Is there going to
25 be --

1 11/1/06 - RULES - BILL 060731

2 MR. STEIN: Which is the other
3 problem, too, because as we talk, the
4 construction prices are going up, and
5 we've been wanting to lock in for the
6 last five months and we just can't.
7 We're not allowed to. And as soon as,
8 God willing, something good happens, we
9 can lock in and hold those rates.
10 Because I'm very cognizant of
11 construction costs. And three years from
12 now when this project is ultimately
13 moving people in, then the prices are
14 going to be significantly --

15 COUNCILMAN CLARKE: I hear it
16 every time I talk to a developer and a
17 contractor, and it's a legitimate issue,
18 which brings me to the employment issue,
19 ultimately some of the reasons why some
20 of those numbers go up.

21 In the discussions with your
22 contractor and/or the community, was
23 there any language with respect to
24 participation of Philadelphians,
25 minorities, female-owned businesses,

1 11/1/06 - RULES - BILL 060731

2 contracts?

3 MR. STEIN: Just for the
4 record, I'm a certified disabled person
5 in the City that have actually -- yeah, I
6 fell four floors in '92 and was out of
7 commission for a couple years, and I'm
8 very cognizant of the MBEC role to play.
9 I've been involved in it for years and
10 years and years. I've often said to our
11 team that I really want to hire from our
12 zip code, that I think that that's really
13 positive for Northern Liberties that we
14 get for construction jobs. And it can be
15 done very simply. We have really
16 great -- no. It's all about the owner.

17 COUNCILMAN CLARKE: I don't
18 know about the zip code issue.

19 MR. STEIN: I've been through
20 it. I've been through it.

21 COUNCILMAN CLARKE: I represent
22 half of Northern Liberties. I'm not sure
23 the zip code is going to get you --

24 MR. STEIN: Maybe a zip code
25 next to it or whatever, but the truth of

1 11/1/06 - RULES - BILL 060731

2 the matter is, though, that it's all up
3 to the owner and developer. I mean, the
4 games are played from the owner in
5 between that and the street. Let's put
6 it where it is. And so if I commit and I
7 tell you that that's something that's a
8 goal of mine, yes, it will.

9 COUNCILMAN CLARKE: Can you --
10 and I know there's no way legally that we
11 can require anything, but can you put
12 some language somewhere in your final
13 documents or the legislation that will
14 ultimately come before a final vote, some
15 language with respect to good-faith
16 efforts --

17 MR. STEIN: Absolutely.

18 COUNCILMAN CLARKE: -- to meet
19 certain goals and things to be consistent
20 with the population of the City of
21 Philadelphia?

22 MR. STEIN: Absolutely. I'll
23 even work with MBEC to do a policy.

24 COUNCILMAN CLARKE: That would
25 help. Thank you.

1 11/1/06 - RULES - BILL 060731

2 Thank you, Madam Chair.

3 COUNCIL PRESIDENT VERNA:

4 You're welcome.

5 Are there any other questions
6 or comments?

7 Councilman DiCicco.

8 COUNCILMAN DiCICCO: Thank you,
9 Madam President.

10 I know you said when you
11 started out you were 6' something and
12 you're down to whatever your height is
13 now. Just hypothetically, if the bill
14 were voted out of Committee today, I
15 would as the sponsor of the legislation,
16 I would not be asking for a suspension of
17 rules, only because there's not been a
18 finalization of the developer's
19 agreement. I'm not suggesting that
20 you're not going to come to an agreement,
21 because as I said earlier in my
22 testimony -- I think it's worth
23 repeating -- you have been an extremely
24 cooperative developer in terms of
25 community relations, relationship.

1 11/1/06 - RULES - BILL 060731

2 You've done everything that you could
3 humanly and economically in the deal to
4 make it work for you and the community,
5 and I respect that.

6 MR. STEIN: Thank you.

7 COUNCILMAN DiCICCO: But for
8 the timing of the Executive Order, which
9 it's not your fault that the Executive
10 Order came out establishing this
11 PennPraxis process, you happen to be one
12 of a couple of developers that are
13 getting caught in the switches, if you
14 will, of what we would like to see
15 happen, and your project, as I said
16 earlier, may very well fit the model plan
17 for development.

18 MR. STEIN: We think so.

19 COUNCILMAN DiCICCO: Well, I'm
20 sure you do, and maybe you do, maybe you
21 don't. From talking to the Committee
22 members, they had some concerns based on
23 the testimony from the Planning
24 Commission and their own concerns about
25 moving this bill out. I understand that

1 11/1/06 - RULES - BILL 060731
2 there's financial issues at stake here.
3 Your attorney represented that this deal,
4 if it doesn't get done in a certain
5 amount of time, it's done, it's dead. I
6 don't think any of us want to see that
7 happen. None of us want to see that
8 happen.

9 So if, hypothetically, it were
10 voted out today with a suspension, the
11 earliest you'd get a second reading would
12 be the 16th, which brings it to the
13 middle of the month anyway. Without a
14 suspension, it would bring it to the end
15 of the month.

16 So there's going to be, I
17 believe, a recommendation from the Chair
18 of the Committee that they do not vote
19 the bill out today, I think is what the
20 recommendation is going to be, from my
21 sidebar conversations. I don't want you
22 to have a heart attack and fall dead on
23 the spot. We're going to get you to that
24 November 30th deadline date, if you will.
25 Where it winds up between now and then, I

1 11/1/06 - RULES - BILL 060731

2 don't know, but it's certainly an
3 opportunity, I think, for the Planning
4 Commission, yourself and your team and
5 PennPraxis to literally start working on
6 talking about your project and how to
7 maybe find some common ground so you can
8 have support from the Planning Commission
9 and the PennPraxis, which would help
10 getting the support and gain the support
11 that you need from City Council.

12 I mean, I'm just one voice
13 here. Generally, Councilmembers will
14 yield to the desire or the recommendation
15 of the District Councilperson, but,
16 again, in the scheme of things, with the
17 PennPraxis process that is now in place
18 and has been moving forward -- and I've
19 met with several community groups
20 already, with Harris and Mike, and we're
21 going to continue to meet for the next
22 couple of weeks and engage the public
23 process in what we're doing here -- it
24 may actually be a benefit to everybody.

25 But I don't want you to think

1 11/1/06 - RULES - BILL 060731
2 that the action of this Committee today
3 is in any way an indication that your
4 project will not move forward. It's just
5 an indication that they want to have a
6 little bit more time and hopefully give
7 you guys a little more time to go back
8 and meet with the interested parties.

9 Thank you.

10 Thank you, Madam President.

11 COUNCIL PRESIDENT Verna:

12 You're welcome.

13 Do we have any other questions
14 or comments from members of the
15 Committee?

16 (No response.)

17 COUNCIL PRESIDENT Verna:

18 Anyone else to testify on this bill?

19 (No response.)

20 COUNCIL PRESIDENT Verna: I
21 would ask the City Planning Commission to
22 try to expedite whatever it is that you
23 need, so that when we come back here --
24 it's quite apparent to all of us that
25 this is a magnificent project. At the

1 11/1/06 - RULES - BILL 060731

2 same time, there are a lot of unanswered
3 questions that we definitely have to have
4 answers to.

5 So do I have a commitment from
6 City Planning that they will do
7 everything they can to expedite whatever
8 it is that they feel that they need? And
9 I am asking if you could have it ready by
10 the end of the month?

11 MS. WOODCOCK: Thank you,
12 Council President. I guess the caveat
13 there is that we don't have the funding
14 to conduct an impact study, if that's
15 what your question was. But as far as
16 working in a cooperative way in
17 clarifying as our waterfront planning
18 process emerges and working with the
19 developer, absolutely. That is what our
20 Commission also asked us to do.

21 COUNCILMAN CLARKE: Is that a
22 veiled request for a traffic ordinance?

23 MS. WOODCOCK: Absolutely not.
24 Generally these impact studies are done
25 by the developer, but we don't know if

1 11/1/06 - RULES - BILL 060731

2 that's what they have in mind.

3 COUNCIL PRESIDENT VERNA: Okay.

4 Thank you.

5 COUNCILMAN DiCICCO: Madam

6 President, I think it might be

7 appropriate to have Mr. Steinberg also

8 address that same question, because the

9 team would be the Planning Commission,

10 the developer and PennPraxis working to

11 hopefully answer some of those unanswered

12 questions.

13 COUNCIL PRESIDENT VERNA:

14 That's wonderful.

15 MR. STEINBERG: Yes. We will

16 do everything we can to work with the

17 development team, the City Planning

18 Commission, the Councilman and whomever

19 else we need to to work this out in a

20 timely fashion.

21 COUNCIL PRESIDENT VERNA: Thank

22 you. Very well.

23 I've spoken to members of the

24 Committee and we have all agreed that we

25 will continue this hearing until November

1 11/1/06 - RULES - BILL 060731

2 the 28th at 10:00 a.m., and hopefully by
3 that time, you will be able to provide
4 more information.

5 Thank you very much.

6 MR. ARGIROPOULOS: Thank you.

7 MR. STEIN: Thank you.

8 COUNCIL PRESIDENT VERNA: This
9 concludes our public hearing and public
10 meeting.

11 (Committee on Rules adjourned
12 at 11:35 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence and objections are
contained fully and accurately in the
stenographic notes taken by me upon the
foregoing matter on November 1, 2006, and that
this is a true and correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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