COUNCIL OF THE CITY OF PHILADELPHIA

COMMITTEE ON PUBLIC PROPERTY AND PUBLIC WORKS

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Room 400, City Hall
Philadelphia, Pennsylvania
Monday, April 3, 2006, 10:30 a.m.

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PRESENT:

COUNCILMAN DARRELL CLARKE
COUNCILMAN JACK KELLY
COUNCILMAN JAMES KENNEY
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN JUAN RAMOS
COUNCILMAN FRANK RIZZO
COUNCILWOMAN MARIAN TASCO

Bill Nos. 060012, 060056, 060058,
060113, 060144

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COUNCILMAN CLARKE: Good morning. We'll come to order. This is the Committee on Public Property and Public Works. We have established a quorum. We have Councilwoman Tasco, Councilwoman Miller, Councilman Rizzo, Councilman Kelly, and myself.

Will the clerk please read the title of the first bill.

THE CLERK: Bill No. 060012, an ordinance authorizing the Commissioner of Public Property on behalf of the City of Philadelphia to acquire fee simple title to and all other real property interests in approximately 2.75 acres of real estate known as 3000 and 3030 East Castor Avenue, under certain terms and conditions.

COUNCILMAN CLARKE: Before we accept testimony, I would like to make an announcement that Bill 060113 is being held at the request of the sponsor. So if there's anyone interested in that particular bill, we will not be hearing

Public Property & Public Works testimony on that bill today. Thank you.

Please proceed.

MS. PARRISH: Good morning, Mr. Chairman, members of the committee. My name is Janet Parrish. I'm the Executive Director of the Philadelphia Gas Commission and I'm here today presenting testimony in support of this bill on behalf of the Gas Commission. We have submitted written testimony which, of course, I will not read to you at this time, but I would note that attached to that testimony as an appendix is a copy of the Gas Commission order and resolution from our December 13, 2005, meeting at which the Commission unanimously adopted recommendations to Council which are embodied in this bill and also the Commission approved the underlying real estate transaction itself.

I think it's worth noting for the record that the spending authority associated with this transaction has been

Public Property & Public Works approved by Council in Bill No. 060011, which was passed on March 16 and signed by the Mayor on March 30. So with that, we're certainly prepared to answer any questions and provide more details, but we would urge you to report the bill out of committee with a favorable recommendation and a suspension of the rules so that first reading can occur at the next Council session. Thank you very much.

COUNCILMAN CLARKE: Thank you, Ms. Parrish.

Let the record reflect Councilman Kenney has also joined the committee.

Ms. Parrish, this particular property at least in my estimation, early on there was some controversy, maybe not well founded, about the connection or possible connection to the LNG plant. Can you talk to me about the specifics of this parcel as it relates to your facility and the relationship or

Public Property & Public Works nonrelationship to the LNG plant proposal?

MS. PARRISH: Sure, I'd be happy to do that. And you're right, there was a considerable amount of question about this. This property if I could ask you to picture a rectangle, that is the four boundaries of the area where PGW's Richmond LNG facilities are located. And if you pictured that divided into like a tic-tac-toe board in thirds and thirds again, the center top row if we were on Hollywood Squares, that center top position is basically the hole in the perimeter of the entire facility that's represented by this parcel of land that is to be acquired. It's the only piece of land around the facility that is not under the control of Philadelphia Gas Works. As a result, back in 2002, it was recommended by a security consultant that this property really ought to be acquired in order to enhance the security at the plant facilities.

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The Gas Commission reviewed that recommendation and accordingly found that this was the most cost-effective approach to addressing the security risks attendant to the lack of control over this particular piece of property. Now, because it involves the LNG facility and because simultaneously recently PGW as you know was in negotiations with Hess LNG regarding possible development of an import terminal at the Tioga marine pier, I think the question arose, well, is there a connection here. I can assure you that the Gas Commission in approving the acquisition of this property by the City -- I mean, it's important to note, of course, it's by the City. It's not by PGW -- did this primarily and perhaps exclusively for security reasons. So as you know, the negotiations between PGW and Hess LNG have terminated at this point, and so to a degree it really is a moot point at the present time. If the question was in the total absence of an

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LNG terminal does PGW need this land, the answer is yes.

COUNCILMAN CLARKE: And you've cleared this with the district councilperson?

MS. PARRISH: Yes, yes. In fact, Councilwoman Tasco, who is chairwoman of the Gas Commission, also has spoken directly with Councilwoman Krajewski. I have also been in contact with her staff. And it's our understanding that they were perfectly amenable to the acquisition of this property. Again, it's by the City for the use of PGW. And as I understand it, it would remain the City's call as to how the property actually got used. And I don't know if Councilwoman Tasco would add anything to that.

COUNCILWOMAN TASCO: I think you've done a very good job of explaining. The Commission thoroughly reviewed this matter and we are in agreement with them on it.

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COUNCILMAN CLARKE: Thank you.

Councilman Kenney?

COUNCILMAN KENNEY: Thank you. It's safe to say then the security issues surrounding the current LNG operations are critical to acquiring this land to cordon off I guess the plant itself regardless of discussions on the LNG off-loading facility?

MS. PARRISH: That is correct.

COUNCILMAN KENNEY: So there's still safety and security issues that exist today as a result of the operation of the plant?

MS. PARRISH: It would always be most secure to be able to have the whole perimeter within your control and not have another party in control of that property, that would be correct.

COUNCILWOMAN TASCO: Certainly, an economic issue, God forbid someone should buy it and we need it later and you have to spend all this money to recapture it, so it's a wise move to have

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us have site control, the City.

COUNCILMAN CLARKE: Thank you, Councilwoman.

Any other questions by members of the committee of this person?

(No response.)

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

Anyone else to testify on this bill?

MS. PARRISH: No, but I do note that Mr. White is here from Philadelphia Gas Works, but he did also submit written testimony which I believe would touch on many of the same points I've touched on today.

COUNCILMAN CLARKE: It will be in the record.

MS. PARRISH: Thank you.

COUNCILMAN CLARKE: Thank you.

Would the clerk please read the title of the next bill.

THE CLERK: Bill No. 060056, an ordinance authorizing the Commissioner of

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Public Property to execute and deliver to the Philadelphia Authority for Industrial Development a deed for nominal consideration conveying fee simple title to three adjacent parcels situate 105 through 109 Reed Street in the City of Philadelphia with the buildings and improvements thereon, for further conveyance at fair market value.

MS. SCHLOTTERBECK: Good morning, members of the committee. May I ask that we go back to Bill No. 060012 before we jump ahead?

COUNCILMAN CLARKE: I'm sorry. Say this again.

MS. SCHLOTTERBECK: I'd like to go back to 060012.

COUNCILMAN CLARKE: Sure.

MS. SCHLOTTERBECK: I'm here on behalf of the City of Philadelphia as Public Property Commissioner to support the passing of this bill, but I'd like Tom Dolfo to testify.

MR. DOLFO: Good morning,

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Mr. Chairman and members of the committee. My name is Thomas Dolfo and I represent the Philadelphia Industrial Development Corporation and Philadelphia Authority for Industrial Development. I'm here also in support of 060012. The bill would authorize the City to purchase two parcels containing approximately 2 and three-quarter acres of land along Castor Avenue that was described in the earlier testimony for use by the Philadelphia Gas Works as part of its Richmond facility. The site -- PGW's existing site borders the property on three sides and it is an essential part of PGW's security operation for its existing facility to acquire this property as well. At present PAID has an ownership interest in the properties and we will convey that to PGW to take title to the properties. So the transaction would come through the Philadelphia Authority for Industrial Development. The net proceeds from the sale of the

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land will go to address various liens on the property that the prior owner has not paid at this point. I would ask that the committee consider the bill favorably and rules be suspended to permit first reading at the next scheduled meeting of Council. Thank you for the opportunity to testify. I'd be happy to answer any questions you may have regarding the ordinance.

COUNCILMAN CLARKE: The acquisition price for the parcel is what?

MR. DOLFO: It will be based upon I guess a negotiation of settlement of liens on the property. I don't have -- there is no final number that we have yet on our end. We will pass it along at our cost to PGW.

COUNCILMAN CLARKE: So is this another one of these arrangements where we authorize the conveyance or the acquisition to PAID without coming back to Council for final disposition?

MR. DOLFO: No. This would be

Public Property & Public Works authorizing the acquisition from PAID to the City. We need to complete the financial conversion of our financial ownership interest and the fee interest to convey to the City. So you would be authorizing by this legislation conveyance from PAID to the City for PGW.

COUNCILMAN CLARKE: I'm saying, what was the initial acquisition price?

MR. DOLFO: We provided financing on the property previously, and the prior owner went bankrupt and we are in a lien position on that property. So PAID has to satisfy those liens and then we would be in ownership interest of the property at that point in time and we'd convey that to the City. So it's still being resolved.

COUNCILMAN CLARKE: So we don't know?

MR. DOLFO: No, we don't have a number at this point in terms of our acquisition.

COUNCILMAN CLARKE: What was

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the amount of the lien?

MR. DOLFO: I don't have the exact figure off the top of my head and I don't want to speculate. There were a couple different loans on the property. Some have been written off in terms of the funding sources that made them. There were some private loans made on the property and I think have expired at this point as well. So I don't have an answer for you and I don't want to speculate and give you a wrong number.

COUNCILMAN CLARKE: Does any additional action have to come back to Council for the disposition from Public Property to PGW?

MR. DOLFO: I don't believe so, but somebody else would have to answer that.

COUNCILMAN CLARKE: Ms. Parrish?

MS. PARRISH: I can't really speak entirely to the PAID or PIDC portion. I can tell you as far as PGW

Public Property & Public Works goes and the bill already approved by Council, 060011, and in accordance with the Commission's action, there is a not-to-exceed amount of $900,000 for PGW or the City on PGW's behalf to acquire the property. And I can tell you without getting into aspects of our record that we did hold in confidence because of the security and other sensitive issues attached to this transaction that we do expect that the property will be acquired for a sum considerably, considerably less than that, less than six figures.

COUNCILMAN CLARKE: And this is based on an appraisal, independent appraisal, or just a number that was authorized?

MS. PARRISH: That's the number that's authorized. We did review as is detailed in my testimony, reviewed title reports, reviewed appraisals. We looked at a whole variety of information, including the fact that as you see in the ordinance itself or the bill itself this

Public Property & Public Works property is the site of environmental cleanup. It's a remediated property, so there are some issues with the value of the property to parties other than Philadelphia Gas Works and the City. I guess I say that to say that the appraisals are a little bit dated and I think you have to take into account the quality or the nature of the property itself, which is a vacant, environmentally remediated site. I think we were concerned that PGW as well, of course, then secondarily the City be protected from acquiring the property at any kind of excessive price. And I think in our review we felt pretty comfortable from the PGW perspective that the arrangement looked very favorable to the rate payers, and that really was our goal.

COUNCILMAN CLARKE: Can you between Public Property, PAID, and PGW get us the ultimate acquisition cost of the site or the lien satisfaction? Let

me tell you my problem. When we deal with PAID -- and it's nothing to do with PIDC, nothing personal, so please don't take it personal, folks -- we authorize these transactions and we don't have a number in terms of the dollar amount, and the deal gets done and it never comes back to Council. And I just don't like that process. And we seem to again be in the midst of that type of process where we're authorizing our public property and we ultimately don't know at this point what the number will be. And we have no idea what the number will ultimately be and that's always troublesome to me.

MS. PARRISH: Mr. Chairman, again, if I may, I haven't looked at the details in a little while, but I can tell you that the liens, the mortgage, unpaid mortgage amounts and then there were unpaid water and sewer bills, et cetera, they were in the multimillions of dollars. I can tell you that. And we can go back and check. We do have that

Public Property & Public Works information in our records because we required all that be disclosed to us as we reviewed the transaction.

COUNCILMAN CLARKE: Well, it would be helpful if Public Property would have a little more specificity to this transaction given the fact they're going to ultimately be in the chain of title.

MS. PARRISH: I will defer to them.

MS. SCHLOTTERBECK: I will get back to you. I have a note here you're interested in knowing what the final structure of the deal is in addition to what the value, what it's going to cost.

COUNCILMAN CLARKE: Thank you, Commissioner.

Any questions by members of the committee of these witnesses?

(No response.)

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

COUNCILWOMAN TASCO: I'd just like to comment that certainly I think

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Ms. Parrish is available to discuss with any members of the committee some of the details that probably they dealt with in camera on this issue.

MS. PARRISH: Absolutely.

COUNCILWOMAN TASCO: And the transaction is between the City and PGW, which is a City-owned asset, so it's a City transaction from one City entity to another City entity. It's not going to a private developer.

COUNCILMAN CLARKE: I'm aware of that, but at some point this was a privately owned parcel and I'm trying to find out the information on that particular transaction. Thank you. Thank you, Councilwoman.

MS. SCHLOTTERBECK: I'm assuming you want to move on to 060056.

COUNCILMAN CLARKE: Will the clerk read the title of the next bill again, please.

THE CLERK: Bill No. 060056, an ordinance authorizing the Commissioner of

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Public Property to execute and deliver to the Philadelphia Authority for Industrial Development a deed for nominal consideration conveying fee simple title to three adjacent parcels situate 105 through 09 Reed Street in the City of Philadelphia with the buildings and improvements thereon, for further conveyance at fair market value.

COUNCILMAN CLARKE: Let the record reflect that Councilman Ramos has also joined the committee.

Please proceed.

MS. SCHLOTTERBECK: Good morning, Chairman Clarke and members of the Committee on Public Works and Public Property. My name is Joan Schlotterbeck. I am the Commissioner of Public Property. I am here to testify in support of 060056, an ordinance authorizing me to execute and deliver to PAID three adjacent parcels of land situate 105 to 109 Reed Street in the City of Philadelphia with the buildings and

Public Property & Public Works improvements thereon, for further conveyance at fair market value. This bill will enable the City to convey this property to PAID for sale to a developer at fair market value with the proceeds being deposited into the general fund. The property was purchased in 1962 and was used as a parking lot. The site is not used at the present time. Public Property supports this measure and accordingly I respectfully ask Council to approve 060056. I also ask that the rules be suspended so that the ordinance may be passed upon the second reading of Council. Thank you. I'd be happy to answer any questions you may have.

COUNCILMAN CLARKE: Thank you.

Any questions of this witness on this particular bill by members of the committee?

(No response.)

COUNCILMAN CLARKE: Is there anyone else to testify on this bill?

(No response.)

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COUNCILMAN CLARKE: Thank you very much.

Would the clerk please read the title of the next bill.

THE CLERK: Bill No. 060058, an ordinance amending Bill No. 990728, approved December 6, 1999, entitled An ordinance authorizing the Commissioner of Public Property to convey to the Redevelopment Authority of Philadelphia certain premises located at 1823 through 35 Callowhill Street, and authorizing the Commissioner of Public Property to enter into or execute such other instruments as may be necessary or desirable to effectuate the provisions of this ordinance, all under certain terms and conditions, by extending the time for compliance with the conditions until December 31, 2006.

COUNCILMAN CLARKE: Please proceed.

MS. SCHLOTTERBECK: Good morning, Chairman Clarke and members of

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the Committee on Public Property and Public Works. My name is Joan Schlotterbeck. I'm the Public Property Commissioner. I'm here today to testify in support of Bill No. 060058, an ordinance amending Bill No. 990728 approved December 6, 1999, entitled An ordinance authorizing the Commissioner of Public Property to convey to RDA certain premises located at 1823 to 35 Callowhill Street, and authorizing the Commissioner to enter into and execute such other instruments as may be necessary or desirable to effectuate the provisions of this ordinance, all under certain terms and conditions, by extending the time for compliance with this condition until December 31, 2006.

This bill will permit an extension of time for the City to transfer certain property located at 1825 to 35 Callowhill to RDA of the City of Philadelphia. Children's Crisis Treatment Center has been the sole tenant

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in this building since November 30, 1978. The property consists of a three-story masonry building with 12,166 feet of space. The Department of Public Property acquired this property in 1947. The Department of Public Property supports this measure and accordingly I respectfully ask Council approve Bill No. 060058. I also ask that the rules be suspended so the ordinance may be passed upon the second reading of Council. Thank you. I'm available to answer any questions.

COUNCILMAN CLARKE: Thank you, Commissioner. Commissioner, this is probably the, what, fourth, fifth, sixth extension that's been requested on this arrangement?

MS. SCHLOTTERBECK: It's the third one I've done as commissioner. And I would venture to say six or seven, yeah.

COUNCILMAN CLARKE: Is this the last one --

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MS. SCHLOTTERBECK: Yes.

COUNCILMAN CLARKE: -- that we're going to authorize?

MS. SCHLOTTERBECK: I think so. I've been talking with --

COUNCILMAN CLARKE: Can you explain this particular operation or proposed operation, crisis treatment center, and why we keep continuing to have extensions?

MS. SCHLOTTERBECK: Well, actually I met with those folks out there so I completely understand. And anyone else that wants to jump in here, please do so. It's under the jurisdiction of the Department of Human Services and it's a program that deals with children that are in crisis. And these are children that are unique in their level of stress they're under or conditions in which they got to this program, so they're little people with special needs and special requirements. It's been a program that's been in that building, like we've said,

Public Property & Public Works since 1978.

COUNCILWOMAN TASCO: But what are we doing here today?

MS. SCHLOTTERBECK: We're extending it for another year.

COUNCILMAN CLARKE: Extending what?

MS. SCHLOTTERBECK: Extending their right of entry. It's a right of entry for them to operate there for this use.

COUNCILMAN KENNEY: They've been there since 1972?

MS. SCHLOTTERBECK: 8.

COUNCILMAN KENNEY: And they've gotten one-year extensions or more --

MS. SCHLOTTERBECK: Correct, one-year extensions.

COUNCILMAN KENNEY: -- since 1978?

MS. SCHLOTTERBECK: That is correct.

COUNCILMAN KENNEY: Why don't we just convey the building to them?

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MS. SCHLOTTERBECK: I can't answer that to be perfectly frank.

COUNCILMAN KENNEY: Can or can't?

MS. SCHLOTTERBECK: I cannot answer. Yes, we could do that, but I have talked to the DHS commissioner, Cheryl Ransom-Garner, and we talked about options if we were to relocate the program, could we relocate it, do they have to be at that location in that building and the answer was no because there may be a better use for the property.

COUNCILMAN CLARKE: Is there a functioning operation in the building currently?

MS. SCHLOTTERBECK: Yes. Oh, yes.

COUNCILMAN CLARKE: Total use of the building?

MS. SCHLOTTERBECK: Well, when I walked through, I would say, yes, they were using a great deal of the building,

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yeah.

COUNCILWOMAN TASCO: Who owns the building?

MS. SCHLOTTERBECK: Public Property.

COUNCILWOMAN TASCO: So it's our building.

MS. SCHLOTTERBECK: Yes.

COUNCILWOMAN TASCO: DHS uses it?

MS. SCHLOTTERBECK: It's an agency that's funded by Department of Human Services.

COUNCILMAN CLARKE: Councilman Kenney.

COUNCILMAN KENNEY: Are there certain requirements for their location as far as transportation or these children are brought by police or social service agencies or --

MS. SCHLOTTERBECK: To be honest, I'm not sure. But, no, from what I've talked to the commissioner, they do not have to be in that location.

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COUNCILMAN KENNEY: Do they have to be in a location where it's accessible to public transportation or do they need a location that's private and secluded?

MS. SCHLOTTERBECK: I think probably more private and secluded. I don't know how they get there. I'm not sure.

COUNCILMAN KENNEY: Is there anyone from DHS here? I'm just curious as to --

MS. SCHLOTTERBECK: I think they're brought in by their parents. It's not a residential day care, in other words, they come in for their services on a daily basis and go home. I would assume they're brought there by their parents.

COUNCILMAN KENNEY: Is it your understanding with this extension there's going to be discussion in the next year of the disposition --

MS. SCHLOTTERBECK: There's two

Public Property & Public Works programs. There's a social service agency -- and for some reason I'm drawing a blank. They have another program in another part of town.

COUNCILMAN KENNEY: In the next year, there's some expectation there's going to be a recommendation for either relocation or something else?

MS. SCHLOTTERBECK: Or something long term, yes.

COUNCILMAN KENNEY: Thank you.

COUNCILMAN CLARKE: Councilwoman Miller.

COUNCILWOMAN MILLER: Thank you.

So this is actually an administrative and a direct service agency that's housed in that building; correct?

MS. SCHLOTTERBECK: Correct.

COUNCILWOMAN MILLER: Can you explain why it's a right of entry rather than a $1 a year payment? I don't understand. Why is it called right of

Public Property & Public Works entry?

MS. SCHLOTTERBECK: Because the idea has always been they would start a campaign, collect capital dollars, and improve the facility and then ultimately purchase the facility outright from us through RDA.

COUNCILWOMAN MILLER: So that's why it's right of entry rather than, for example, some of the other City-owned facilities that people use, they have a lease that says it's a dollar a year?

MS. SCHLOTTERBECK: Right. We never did that. And I can't answer why to be perfectly frank.

COUNCILWOMAN MILLER: Thank you.

COUNCILMAN CLARKE: Is this the deadline of the current right of entry arrangement we have?

MS. SCHLOTTERBECK: The one we're going to pass today?

COUNCILMAN CLARKE: Is the time line terminating now --

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MS. SCHLOTTERBECK: Yes.

COUNCILMAN CLARKE: -- for their existing --

MS. SCHLOTTERBECK: Yes.

COUNCILMAN CLARKE: So we have to do this?

MS. SCHLOTTERBECK: Yes.

COUNCILMAN CLARKE: My preference would be to hold this bill until we can get some clear understanding in terms of the long-term use for either this organization or some other organization because every year --

MS. SCHLOTTERBECK: Actually, we've had this conversation and the first time I was passing it I was completely ignorant of it.

COUNCILMAN CLARKE: Traditionally, if you just give a person a right of entry for a publicly owned building, there's minimal ability for that person to operate a functioning entity in the building because they don't have a contractual relationship. I'm

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wondering how can they actually have a function in the building. I'm assuming there are utilities and other things, insurance related to the building. And them not actually having a contractual relationship with the City, it's unclear to me how they can actually function.

MS. SCHLOTTERBECK: They more or less occupy it with our permission for nominal. There's no real transaction.

COUNCILMAN CLARKE: But is there a lease or just a right of entry?

MS. SCHLOTTERBECK: No, just a right of entry. There is no lease.

COUNCILMAN CLARKE: Do we normally do that?

MS. SCHLOTTERBECK: No, I normally don't. It's not my practice, but it's basically been an inherited thing. And because of what it is and the services they provide, I haven't moved quicker. I just -- it's because of what they do there that I've continued this relationship.

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COUNCILMAN CLARKE: Councilman Kelly.

COUNCILMAN KELLY: Commissioner, I just have a quick question here. What's the assessed value of that property -- of this property? Has anybody done an assessment on it? It seems to me like it's a highly desirable area and I just want to know if it's possible to move this service to another area which wouldn't be as desirable as this for developers and for a lot of other people.

MS. SCHLOTTERBECK: Well, that's really what started me wondering why I was passing the right of entry a year ago. What is it? Why are we there? What are we doing there? And I did pursue it, but it happened with the same gun at my head as this year and I didn't have the time to discuss with either the commissioner or the agency what other options they had. The property is very valuable. It's very valuable and it's in

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a footprint that could be probably very useful for expansion for Barnes or other things that are happening on the Parkway. So that's why we've been so interested in trying to make some kind of better situation in another building for this use, for this purpose.

COUNCILMAN KELLY: Thank you.

Thank you, Mr. Chairman.

MR. HERZINS: Chairman Clarke, I just wanted to make two comments. There originally was a dollar a year lease here beginning in 1978 and the decision to transfer the property occurred in 1999. That's one point I wanted to make. And the other was that this right of entry did expire in December 31, three months ago, so technically there is no legal --

COUNCILMAN CLARKE: So they have no legal authority to be in the building is what you're saying.

MR. HERZINS: Right. The right of entry has expired, so this would be

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renewing it through the end of December.

COUNCILMAN CLARKE: So if they're currently in the building and fully functional with no legal authority, there seems that there wouldn't be a problem for us to allow them to be in there a little longer without legal authority until some long-term solution can be worked out. I mean, we technically could be the only entity that could evict them, am I correct, we the City?

MS. SCHLOTTERBECK: Right.

COUNCILMAN CLARKE: So if you're in conversations with the crisis treatment center, rather than authorizing another right of entry, which I'm still not clear how we can do that and allow them to function in that building the way they are, why don't we just simply come to some solutions as it relates to the use of the building. I mean, do you anticipate it's going to take you another year to enter into --

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MS. SCHLOTTERBECK: Actually, not really. When I talked to Cheryl, we were going to sit down and talk about where they could go, what that meant to them. Obviously, it has a budget impact which would fall back on the Department of Human Services, or do we have a City-owned facility, could they be in another facility. Those are the kinds of conversations I wanted to have.

COUNCILMAN CLARKE: How long do you think it will take you to resolve that?

MS. SCHLOTTERBECK: To come to the table with where we want to go and how long it's going to take and how long it's going to cost? It's probably going to take at least six months.

COUNCILMAN CLARKE: That long? All right.

MS. SCHLOTTERBECK: To get everybody to agree, to get them to look at a site, see if it's going to cost money to get it fitted out, the whole

nine yards.

COUNCILMAN CLARKE: Can you just keep us abreast of the negotiations? I'm going to ask the committee to move the bill today, but I really at some point would like to see some resolution to this issue because every year I'm asked to sponsor an ordinance to extend the right of entry. At some point I think we should make a decision. It appears to be a much needed program, but I'd just like to have some level of permanency to this issue.

MS. SCHLOTTERBECK: Right. And we were out there a couple weeks ago for a couple of hours meeting with the program people to give them a heads-up on where we were coming from.

COUNCILMAN CLARKE: Any questions from members of the committee?

(No response.)

COUNCILMAN CLARKE: Thank you.

Would the clerk please read the title of the next bill.

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THE CLERK: Bill 060114, an ordinance amending the ordinance approved June 28, 1966, Bill No. 1845, as amended, known as the Philadelphia Housing Development Agreement Ordinance, and entitled An Ordinance authorizing the Commissioner of Public Property on behalf of the City to enter into an agreement with the Philadelphia Housing Development Corporation to provide for low cost residential development and redevelopment in the City and to cooperate in certain housing programs, including the transfer of certain parcels of land, under certain terms and conditions, by requiring the express approval of Council by ordinance prior to the transfer of any City-owned property pursuant to that ordinance or the agreement authorized by that ordinance.

COUNCILMAN CLARKE: Thank you. There may not be anyone from the administration to testify on this bill and I'll explain briefly to the members

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of the committee and the audience. This was a bill that happened as a result of some conversations with the administration as it related to potential reorganization. One of the proposals as it related to the housing reorganization was to establish a land bank. And one of the primary initiatives was to establish -- possibly establish that land bank in the Philadelphia Housing Development Corporation, which on the surface personally I may not necessarily have a problem with it, but when we did a little analysis of PHDC's authority as it relates to disposition and acquisition, it was found that in a 1966 ordinance that PHDC was authorized to convey and acquire property without resolution or ordinance from City Council. We felt that that was a loophole, being a councilperson that that was not conducive to our ability to adequately deal with properties in our districts. So what we attempted to do was amend that agreement,

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that 1966 agreement, to require that any disposition or acquisition by PHDC be done by ordinance through Council of Philadelphia.

Commissioner, I don't know if you're prepared to speak to that at all. If not, that's fine. It essentially gives the City Council of Philadelphia an opportunity to be involved in any disposition and acquisition of publicly owned properties. There has been some concern raised by members and citizens as it relates to transactions relating to properties in the City of Philadelphia. And that's the purpose of this bill. If there needs to be any other clarity by members of the committee, I'll be more than willing to discuss that at this time.

(No response.)

COUNCILMAN CLARKE: There being none, there being no questions for this witness, that concludes the testimony on that particular bill.

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As I indicated earlier, Bill 060113 has been held at the request of the sponsor.

We will now go into the public meeting after concluding the public hearing. Councilwoman Miller, can you please give me a motion on Bill 060012.

COUNCILWOMAN MILLER: Thank you, Mr. Chair. I move that Bill 060012 be reported out of this committee with a favorable recommendation and further move that the rules of Council be suspended so as to permit first reading at our next session.

COUNCILMAN CLARKE: All in favor?

(Chorus of "ayes.")

COUNCILMAN CLARKE: Opposed?

(No response.)

COUNCILMAN CLARKE: The ayes have it. Bill 060012 is reported out of committee with a favorable recommendation and with rules suspension as to allow reading at the next session of Council.

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Councilwoman Miller.

COUNCILWOMAN MILLER: I move that Bill 060056 be reported out of this committee with a favorable recommendation and further move that the rules of Council be suspended so as to permit first reading at our next session.

COUNCILMAN CLARKE: All approve?

(Chorus of "ayes.")

COUNCILMAN CLARKE: Any oppose?

(No response.)

COUNCILMAN CLARKE: The ayes have it. Bill 060056 will be reported out of committee with a favorable recommendation and with rules suspension so as to allow reading at the next session of Council.

Councilwoman Miller.

COUNCILWOMAN MILLER: I move that Bill 060058 be reported out of this committee with a favorable recommendation and further move that the rules of Council be suspended so as to permit

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first reading.
COUNCILMAN CLARKE: All
support?
(Chorus of "ayes.")
COUNCILMAN CLARKE: Any oppose?
(No response.)
COUNCILMAN CLARKE: The ayes
have it. 060058 is reported out of
committee with a favorable recommendation
and with rules suspension as to allow
reading at the next session of Council.
Councilwoman Miller.
COUNCILWOMAN MILLER: I move
that Bill 060114 be reported out of this
committee with a favorable recommendation
and further move that the rules of
Council be suspended as to permit first
reading at our next session.
COUNCILMAN CLARKE: Approve?
(Chorus of "ayes.")
COUNCILMAN CLARKE: Oppose?
(No response.)
COUNCILMAN CLARKE: The ayes
have it. Bill 060144 will be reported

Public Property & Public Works out of committee with a favorable recommendation, plus rules suspension to allow reading at the next session of Council.

This concludes the public meeting on Public Property and Public Works. Thank you very much.

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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 on April 3, 2006, and that this is a true and correct transcript of same.

_____
Kimberly A. Overwise
Certified Realtime Reporter
Notary Public

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