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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC MEETING
BEFORE THE COMMITTEE ON RULES

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Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, December 2, 1997
11:10 a.m.

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BILL 970139 - An Ordinance amending Section 14-312
of the Philadelphia Code entitled, "Commercial
District Rules and Exceptions shall apply to all
Commercial Districts except the C4 and C5
Commercial Districts."

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BILL 970651 - An Ordinance to amend an Ordinance
which approved the redevelopment proposal, the
urban renewal plan and the relocation plan of the
Redevelopment Authority of the City of
Philadelphia.

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BILL 970609 - Authorizing the Commissioner of Public
Property to deliver to PAID, without
consideration, city-owned land situate on the
westerly side of 34th Street, southwardly from
Spruce Street, and authorizing PAID to sell these
properties to the Children's Hospital of
Pennsylvania.

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BILL 970690 - Amending the Philadelphia Zoning Maps
by changing the zoning designations of certain
areas of land located in the 38th Ward.

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18 PRESENT:

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COUNCILMAN JAMES F. KENNEY, Vice-Chair

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COUNCILWOMAN AUGUSTA A. CLARK
COUNCILMAN W. THACHER LONGSTRETH
COUNCILWOMAN ANNA C. VERNA
COUNCILWOMAN DONNA REED MILLER
COUNCILWOMAN JANNIE BLACKWELL
COUNCILMAN MICHAEL A. NUTTER

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I N D E X

BILL 970609	PAGE
G. Craig Schelter, Executive Vice-President, PIDC-----	4
BILL 970651 Noel Eisenstat, Executive Director, Redevelopment Authority, City of Philadelphia-----	8
BILL 970690 Andrew Toy, Representative, Commerce Department--	11
Richard Lombardo, Chief Project Planner, Planning Commission, City of Philadelphia-----	15
BILL 970139 (Held)-----	16
- - -	
Public Meeting-----	17
- - -	

1 BILL 970609

2 CHAIRMAN KENNEY: Good morning,
3 ladies and gentlemen. The Council Committee on
4 Rules is now in session.

5 We apologize to those individuals
6 waiting for our 10 o'clock hearing. But due to the
7 fact that our last session of Council is December
8 11, we have a rush of legislation. And we do
9 appreciate your patience.

10 Councilmember Longstreth is in the
11 room. Councilwoman Clark was here, but had to leave
12 for a moment. She was here for purposes of a
13 quorum. And Councilwoman Verna, who is also in the
14 room, is here for purposes of quorum.

15 We will begin the hearing, in the
16 interest of time, and we will vote it out when the
17 members return.

18 The first bill is Bill No. 970609,
19 which is an Ordinance authorizing the Commissioner
20 of Public Property to execute and deliver to the
21 Philadelphia Authority for Industrial Development
22 without consideration a deed conveying fee simple
23 title to two certain tracts of city-owned land, with
24 the buildings and improvements thereon, situate on
25 the westerly side of 34th Street, southwardly from

1 BILL 970609

2 Spruce Street, and further authorizing PAID to sell
3 these properties to the Children's Hospital of
4 Philadelphia for a consideration of \$1,237,500, all
5 subject to the terms and conditions of the
6 Philadelphia Industrial and Commercial Development
7 agreement between the City, PAID, and the
8 Philadelphia Industrial Development Corporation.

9 Please identify yourself for the
10 record and proceed.

11 MR. G. CRAIG SCHELTER: Thank you,
12 Mr. Chairman. My name, for the record, is Craig
13 Schelter. I am Executive Vice-President of the
14 Philadelphia Industrial Development Corporation.
15 And I am here to testify in support of Bill No.
16 970609.

17 This bill authorizes the city to
18 convey a four and a half acre parcel of land at 34th
19 and Spruce Street to the Philadelphia Authority for
20 Industrial Development.

21 The bill further authorizes PAID to
22 sell this property to Children's Hospital of
23 Philadelphia for a consideration of \$1,237,500.

24 This property is the current site of
25 the existing Children's Hospital, which was

1 BILL 970609

2 constructed on land leased in the 1960s from the
3 city for a term of 99 years.

4 CHOP constructed the facility and has
5 operated here for the last 30 years, paying a yearly
6 rental to the city of \$27,960. They now have asked
7 the city to sell them fee simple title to the
8 property.

9 We believe this sale to be a good
10 deal for the city. The purchase price is higher
11 than the discounted value of the \$28,000 annual
12 rental payments, which the city would continue to
13 receive for the next 70 years were the lease to
14 continue in its present form.

15 The current lease provides for no
16 readjustment in this rental. As I am sure that the
17 committee realizes, the fair market rental for this
18 land in 1965, when the lease was signed, is far less
19 than the fair market rental would be today and 70
20 years from now.

21 The use of the property will not
22 change. CHOP plans to continue operating their
23 facility at this location.

24 CHOP and other institutions in the
25 area have made a significant financial commitment to

1 BILL 970609

2 the West Philadelphia area through the development
3 of the former Philadelphia General Hospital site,
4 including over \$250,000,000 in capital
5 improvements.

6 The purchase by CHOP of the land
7 underneath their existing building is a further
8 commitment by this outstanding institution to the
9 City of Philadelphia and the West Philadelphia
10 area.

11 Representatives of the hospital are
12 here today to testify and to answer any questions
13 you may have.

14 Because the city, PAID, and COP wish
15 to close the sale by the end of the year, I would
16 ask that the committee report favorably on this
17 bill, with a recommendation that the Rules of
18 Council be suspended to permit first reading at the
19 December 4 meeting of City Council.

20 Thank you for this opportunity to
21 testify here before you today.

22 COUNCILMAN KENNEY: Thank you very
23 much for your testimony.

24 Do any members of the committee have
25 any questions?

1 BILL 970609

2 Councilwoman Blackwell, who sponsored
3 the bill, would you like to be recognized?

4 COUNCILWOMAN BLACKWELL: Thank you
5 very much.

6 Certainly, Mr. Ed Nodibard is here
7 and another representative from Children's
8 Hospital. And all that has been stated is
9 absolutely true.

10 We totally support them. They have
11 been doing a great job for us out there, as we all
12 know. World renowned, in fact, in what they do for
13 children.

14 We totally support it. We have met
15 with them on this matter, and we totally support
16 them in this venture.

17 And we certainly hope that the
18 committee will consider that and will consider the
19 suspension.

20 COUNCILMAN KENNEY: Thank you very
21 much, Councilmember.

22 Any other questions?

23 Anyone else to testify on this bill?

24 Seeing none. Thank you very much for
25 your attendance.

1 BILL 970651

2 Second bill is Bill No. 970651. It
3 is an Ordinance to amend an Ordinance approved
4 December 15, 1969, as amended, which approved the
5 redevelopment proposal, the urban renewal plan, and
6 the relocation plan of the Redevelopment Authority
7 of the City of Philadelphia, for the redevelopment
8 of the Model Cities Urban Renewal Area by approving
9 the 19th amendment of the redevelopment proposal,
10 the 11th amendment to the urban renewal plan, and
11 the 12th amendment to the relocation plan, which
12 provide inter alia for certain additional land
13 acquisitions and provision of certain relocation
14 services as required by law for the individuals,
15 families, and business concerns which will be
16 displaced.

17 Please identify yourself for the
18 record and proceed.

19 MR. NOEL EISENSTAT: Good morning,
20 Mr. Chairman. My name is Noel Eisenstat. I am the
21 Executive Director of the Redevelopment Authority of
22 the City of Philadelphia.

23 COUNCILMAN KENNEY: Please proceed.

24 MR. EISENSTAT: I have provided you
25 written testimony concerning Bill 970651, which is

1 BILL 970651

2 the 11th amendment to the urban renewal plan, as you
3 have previously described.

4 Briefly, I would summarize my
5 comments. That we're here asking for the approval,
6 the acquisition for a total of 84 properties.

7 Of these properties, 83 are within an
8 area otherwise known where APM has done much of
9 their work. I believe there is a map.

10 COUNCILMAN KENNEY: Yes, sir.

11 MR. EISENSTAT: The bulk of the --
12 you have a color map. We have gone from black and
13 white to color, although we are still using crayon.

14 COUNCILMAN KENNEY: It is very nice,
15 too. Actually, you color better than my daughter
16 does. You are in the lines.

17 MR. EISENSTAT: Thank you. The
18 Redevelopment Authority staff thanks you.

19 This is an area by which a number of
20 other public investments have been made in the last
21 few years, a series of housing developments taken by
22 APM, the supermarket that actually we closed on last
23 week with the Fanny Mae's Ventures Fund, and the
24 ball park which is now completed. And we are
25 completing that real estate transfer, as well.

1 BILL 970651

2 There is one additional property,
3 which, as all those in model cities, I would note
4 that is actually on the other side of Broad Street,
5 in the 1900 block of Turner. And that is actually a
6 small street between Oxford and Cecil B. Moore
7 Avenue, to be utilized as part of the Empowerment
8 Homeownership Zone activities that we received
9 special award for.

10 This development will include, the
11 substance which is in the map, those 83 properties.
12 There will be eight families that will need to be
13 relocated there, 57 vacant lots, and 19 vacant
14 structures.

15 The objective here is, as part of the
16 CDBG plan that was approved last year, this current
17 year through City Council, will be acquiring this
18 land, and then by RFP selecting a developer to
19 develop this into rental housing utilizing CDBG and
20 tax credit subsidies.

21 Any questions?

22 COUNCILMAN KENNEY: Any questions
23 from members of the committee?

24 There are none. Thank you very much.

25 MR. EISENSTAT: I would just ask,

1 BILL 970690

2 since it is the end of the session, that the
3 necessary Rules be waived.

4 COUNCILMAN KENNEY: At this point in
5 time, with our schedule, it is an automatic
6 request.

7 MR. EISENSTAT: Thank you.

8 CHAIRMAN KENNEY: Thank you very
9 much.

10 Is there anyone else to testify on
11 this bill?

12 Seeing none, we will move to Bill
13 970690, which is an Ordinance to amend the
14 Philadelphia Zoning Maps by changing the zoning
15 designations of certain areas of land located in the
16 38th Ward and within an area bounded by North 35th
17 Street, West Westmoreland Street, North 34th Street,
18 and West Allegheny Avenue from Class R-9A
19 residential to partly Class R-9A residential and
20 partly Class L-4 limited industrial.

21 Good morning. Please identify
22 yourself for the record and proceed.

23 MR. ANDREW TOY: Good morning. My
24 name is Andrew Toy, and I am here representing the
25 city's Commerce Department.

1 BILL 970690

2 I am here in support of the proposed
3 zoning change for the area bounded by Allegheny
4 Avenue, 34th Street, Westmoreland Street, and 35th
5 Street.

6 The zoning change will help us to
7 complete the redevelopment of this block and allow
8 the reuse of the long-vacant industrial building at
9 3451 West Allegheny Avenue.

10 The Commerce Department, the Mayor's
11 Business Action Team have been working with the
12 company Allegheny Distribution, in concert with
13 Councilman Nutter's office and the city Planning
14 Commission, in order to encourage the opening of a
15 new warehouse and distribution center at this
16 location.

17 Allegheny Distribution is the
18 warehousing and distribution arm of a regional
19 furniture retailer, Somnia.

20 Allegheny could have chosen to
21 warehouse anywhere in the region, but chose to
22 acquire 3451 West Allegheny Avenue at sheriff's
23 sale, and has begun major repairs of up to \$500,000
24 to this former manufacturing building.

25 The opening of this facility will

1 BILL 970690

2 result in the retention of ten employees and the
3 addition of up to ten new employees.

4 Councilman Nutter has been
5 instrumental in setting up a good working
6 relationship between Allegheny Distribution and its
7 new neighbors.

8 All parties have met, and Allegheny
9 has promised to address any of the neighbors' needs
10 or concerns as they arise.

11 Again, the Commerce Department
12 supports the passage of this bill, and we appreciate
13 your consideration on this matter.

14 COUNCILMAN KENNEY: Thank you very
15 much.

16 Do any members of the committee have
17 any questions?

18 The Chair recognizes Councilman
19 Nutter.

20 COUNCILMAN NUTTER: Thank you,
21 Mr. Chairman.

22 Just for the record, Mr. Toy is
23 correct, there have been a number of meetings
24 between Mr. Gavertz and the Ridge, Allegheny,
25 Hunting Park, RAH, Civic Association, as well as the

1 BILL 970690

2 residential neighbor next door to this particular
3 building.

4 Mr. Gavertz and Somnia Corporation
5 have already made a tremendous amount of
6 improvements I am sure internally, but also the
7 neighbors can see externally to the facade of this
8 building.

9 And I believe that this thing will
10 also help him, it is my understanding, be able to
11 use the front of the building on the Allegheny
12 Avenue side, where I believe he will then have his
13 trucks, as opposed to on what's generally called the
14 back side of the building, on the Westmoreland
15 Street, which is where there were some problems
16 being caused for the neighbors.

17 So this zoning change will
18 tremendously help not only the building, but also
19 the long-term improvement of the Allegheny Avenue
20 Corridor.

21 So I certainly support this bill and
22 ask for its immediate consideration.

23 Thank you, Mr. Chairman.

24 COUNCILMAN KENNEY: Thank you very
25 much, Councilman Nutter.

1 BILL 970690

2 Does the Planning Commission have any
3 testimony?

4 MR. RICHARD LOMBARDO: I know you
5 want to get out of here, so I will be very brief.

6 For the record, Rich Lombardo, Chief
7 Project Planner for the Planning Commission.

8 This bill is a rezoning bill which we
9 scheduled to take to the Planning Commission this
10 coming Thursday. So we don't have official Planning
11 Commission recommendation. The staff is supporting
12 this bill.

13 I just would say that this property
14 was rezoned to its existing R-9A by a
15 community-sponsored remapping just for this reason.
16 So that any future reuse of this building would have
17 to be the subject of a rezoning or a Zoning Board of
18 Adjustment hearing. Clearly, that seems to have
19 achieved that goal.

20 We will be recommending the
21 Commission support the adoption of this bill.

22 Unless you have any questions, that's
23 my testimony.

24 COUNCILMAN KENNEY: Thank you very
25 much.

1 BILL 970139

2 Any questions from members of the
3 committee?

4 Anyone else in the room to testify on
5 this bill?

6 Seeing none.

7 One other issue. Bill No. 970139
8 will be held at the request of the sponsor.

9 That will conclude the business of
10 the Rules Committee Public Hearing.

11 (Public Hearing adjourned.)

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2 COUNCIL OF THE CITY OF PHILADELPHIA
3 PUBLIC MEETING
4 of the
5 COMMITTEE ON RULES
6 - - -
7 Tuesday, December 2, 1997
8 - - -
9 Public Meeting conducted by the Committee
10 on Rules, held in Room 400, City Hall, Philadelphia,
11 Pennsylvania, on the above date, to consider action
12 on the following:
13 BILLS 970609, 970651, 970690, 970139
14 - - -
15 PRESENT:
16 COUNCILMAN JAMES F. KENNEY, Vice-Chair
17 COUNCILMAN W. THACHER LONGSTRETH
18 COUNCILWOMAN ANNA C. VERNA
19 COUNCILMAN MICHAEL A. NUTTER
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1 PUBLIC MEETING

2 CHAIRMAN KENNEY: We will now convene
3 a Public Meeting.

4 The Chair recognizes Councilwoman
5 Verna for a motion to approve Bill No. 970651, with
6 a Rules suspension.

7 COUNCILWOMAN VERNA: Thank you,
8 Mr. Chairman.

9 I move that Bill No. 970651 be
10 reported out of committee with a favorable
11 recommendation, also a recommendation that the Rules
12 of Council be suspended so as to permit first
13 reading at our next session of Council.

14 (Duly seconded.)

15 COUNCILMAN KENNEY: Moved and
16 seconded.

17 All in favor.

18 There are none opposed.

19 Bill No. 970651 will be reported out
20 of this committee with a favorable recommendation,
21 and a request has been made for Rules suspension to
22 allow first reading at our next Council session.

23 The Chair recognizes Councilwoman
24 Verna for a motion on Bill No. 970609, with a Rules
25 suspension.

1 PUBLIC MEETING

2 COUNCILWOMAN VERNA: Thank you, Mr.
3 Chairman.

4 I move that Bill No. 970609 be
5 reported out of committee with a favorable
6 recommendation, also a recommendation that the Rules
7 of Council be suspended so as to permit first
8 reading at our next session of Council.

9 (Duly seconded.)

10 COUNCILMAN KENNEY: Moved and
11 seconded.

12 All in favor.

13 There are none opposed.

14 Bill 970609 will be reported out of
15 this committee with a favorable recommendation and a
16 request will be made for Rules suspension to allow
17 first reading at our next Council session.

18 The Chair recognizes Councilman
19 Longstreth for a motion on Bill No. 970690, with a
20 request for a Rules suspension to allow for first
21 reading at our next Council session.

22 COUNCILMAN LONGSTRETH: I move it.

23 (Duly seconded.)

24 CHAIRMAN KENNEY: Moved and
25 seconded.

1 PUBLIC MEETING

2 All in favor.

3 There are none opposed. Bill No.

4 970690 will be reported out of this committee with a

5 favorable recommendation. A request will be made

6 for a Rules suspension to allow first reading at our

7 next Council session.

8 Bill No. 970139 will be held to the

9 call of the sponsor.

10 That concludes the business of the

11 Rules Committee Public Meeting.

12 Thank you for your attendance.

13 (Public Meeting adjourned at 11:25

14 a.m.)

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C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Tuesday, December 2, 1997, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COMMITTEE ON RULES

DEBRA A. WHITEHEAD, RPR