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COUNCIL OF THE CITY OF PHILADELPHIA

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COMMITTEE ON LICENSES AND INSPECTIONS

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, March 29, 2007
9:25 a.m.

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PRESENT:

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COUNCILMAN DANIEL SAVAGE, CHAIR

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COUNCILWOMAN JOAN L. KRAJEWSKI

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COUNCILMAN DARRELL CLARKE

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COUNCILMAN JUAN RAMOS

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COUNCILWOMAN BLONDELL REYNOLDS BROWN

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COUNCILMAN FRANK RIZZO

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BILL 070149 - An ordinance amending Title 4 of
The Philadelphia Code, entitled "The
Philadelphia Building Construction and
Occupancy Code," by amending Subcode "PM" (The
Philadelphia Property Maintenance Code), by
requiring that any advertisement or
correspondence pertaining to the rental of
residential property shall include the housing
inspection license number for such property...

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V A R A L L O Incorporated

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Litigation Support Services

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Eleven Penn Center

1835 Market Street, Suite 600
Philadelphia, Pennsylvania 19103
215.561.2220 215.567.2670

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COUNCILMAN SAVAGE: Good

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morning. The Committee on Licenses and

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Inspections is now in session.

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Will the Clerk please read the

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bill to be heard.

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THE CLERK: An ordinance

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amending Title 4 of The Philadelphia

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Code, entitled "The Philadelphia Building

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Construction and Occupancy Code," by

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amending Subcode "PM" (The Philadelphia

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Property Maintenance Code), by requiring

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that any advertisement or correspondence

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pertaining to the rental of residential

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property shall include the housing

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inspection license number for such

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property, providing for penalties, and

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making certain technical changes, all

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under certain terms and conditions.

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COUNCILMAN SAVAGE: I'd like to

21

recognize that a quorum is present.

22

Members of the Committee joining us today

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are Councilwoman Krajewski, Councilman

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Frank Rizzo, Councilman Darrell Clarke

25

and Councilman Juan Ramos.

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2 We will now hear testimony on
3 Bill No. 070149. Is there anyone here
4 from the Administration to testify?

5 Good morning.

6 MR. HAIGLER: Good morning.
7 Good day, Councilman Savage and members
8 of the Committee. I am Otis Haigler,
9 Jr., Director of Legislative Affairs for
10 the Department of Licenses and
11 Inspections. Today I'm here to provide
12 testimony on Bill No. 070149, which if
13 enacted will amend the Property
14 Maintenance Code to require that owners
15 of residential rental properties include
16 the rental license number on all
17 advertisement and/or correspondence --

18 COUNCILMAN SAVAGE: Excuse me.

19 Can we please keep it down,
20 please. Thank you. I appreciate that.

21 Can you conclude? Thank you,
22 Otis.

23 MR. HAIGLER: Today I'm here to
24 provide testimony on Bill 070149, which
25 if enacted will amend the Property

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2 Maintenance Code to require that the
3 owners of residential rental properties
4 include the rental license number on all
5 advertisement and/or correspondence
6 related to the rental property.

7 The provision to provide
8 license information on correspondence or
9 advertisement for certain professions is
10 not unique in that this provision is
11 already applicable to a host of trades or
12 occupations that are regulated by the
13 Department either by other provisions of
14 The Philadelphia Code or by Department
15 regulations. As an example, we currently
16 require the occupational license number
17 to be included on advertisement or
18 correspondence related to tow truck
19 operations and work performed by various
20 trade contractors in the City of
21 Philadelphia. In addition, we also
22 require that such license be displayed on
23 vehicles and trailers related to the
24 business operation and within the
25 business itself.

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2 The Department, therefore,
3 offers no objections to the passage of
4 Bill 070149 and is prepared to enforce
5 its provisions should it pass in Council
6 and is signed into law by the Mayor.

7 Thank you for the opportunity
8 to provide the Department's testimony.
9 I'd be happy to answer any questions at
10 this time.

11 COUNCILMAN SAVAGE: Thank you,
12 Mr. Haigler, for your testimony.

13 Are there any questions from
14 members of the Committee?

15 (No response.)

16 COUNCILMAN SAVAGE: Since there
17 are no questions from members of the
18 Committee, is there anybody else here to
19 testify on behalf of Bill No. 070149?

20 Good morning. Please state
21 your name and proceed with your
22 testimony.

23 MS. GERTZ: Good morning,
24 Councilman Savage. My name is Christine
25 Young Gertz. I'm the Government Affairs

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2 Director for the Apartment Association of
3 Greater Philadelphia. Thank you so much
4 for this time to testify about this bill.

5 Just briefly, I want to tell
6 you who we are. AAGP is a non-profit
7 trade organization whose members are
8 multi-family rental owners, managers and
9 developers. Our members' properties are
10 typically larger apartment communities
11 throughout the City. We represent
12 roughly 140,000 rental homes in the
13 five-county area. About 50,000 or so of
14 those homes are homes to Philadelphians.

15 Let me say at the outset we're
16 opposing the language of this bill, but
17 just if we could tweak it a little bit.
18 We have always actively promoted
19 responsible property management. Our
20 members regularly avail themselves of
21 numerous education programs that we
22 routinely offer. We offer certification
23 programs in property maintenance and fair
24 housing and our CAM programs are put
25 together by our national apartment

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2 association, and they are the most highly
3 regarded in the industry. We take these
4 issues very seriously.

5 We've been discussing this bill
6 with Councilwoman Krajewski's staff and I
7 want to say I very much appreciate their
8 time in helping us work through our
9 concerns on this.

10 Now, at the outset, I must
11 emphasize we both want the same thing.
12 We want to find real solutions to the
13 problems that irresponsible landlords are
14 creating in communities throughout our
15 city. Councilwoman Krajewski, I
16 understand, has received several hundred
17 complaints from constituents about
18 deteriorating quality of life in her
19 district, in her neighborhoods. Our
20 members' properties are in many of those
21 same neighborhoods and we take that
22 situation very seriously. We want to
23 make sure these communities remain strong
24 and desirable as places to live.

25 But we have to be clear. I

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2 want to be very clear on one thing:

3 There is a big difference between the
4 kind of landlord causing the trouble and
5 AAGP members. For example, irresponsible
6 rental owners are often absentee
7 landlords who neglect their properties.
8 Or I know you've had a great deal of
9 problems with owners who are illegally
10 converting single-family duplexes into as
11 many as three rental units, all the time
12 ignoring every health and safety code on
13 the books and allowing their properties
14 to fall into dangerous disrepair.

15 In contrast, my members of AAGP
16 know full well the only way to operate a
17 successful rental property is to deliver
18 a quality product. Our members maintain
19 their properties. They play by the
20 rules, and they do so at considerable
21 expense and risk and investment in the
22 City.

23 And I want to say I know we all
24 appreciate and I know all members of this
25 Committee appreciate the fact that

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2 Philadelphia depends on steady growth of
3 the business community. We all need jobs
4 and decent places to live. We have to
5 address the problems we face, however,
6 without jeopardizing that continued
7 economic growth. And to that end,
8 businesses, the rental housing community
9 included, have to be allowed to operate
10 as much as possible without overly
11 burdensome and unworkable regulations.
12 So if we could finely tune this to fit
13 the particular problem that it's
14 addressing without doing more harm than
15 good, that's why I'm speaking about the
16 language today.

17 That said, at first glance, it
18 might appear that -- again, my AAGP
19 members are responsible property owners.
20 At first glance, you would think this
21 particular bill requiring license numbers
22 on advertising and correspondence
23 wouldn't pose problems for us because we
24 have our license numbers. We keep up
25 with that sort of thing. But, again, the

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2 devil is in the details.

3 Specifically, many of our
4 apartment communities have numbers of
5 buildings. If you could think of, say,
6 the typical garden apartment kind of
7 set-up, perhaps a number of buildings on
8 one site. In many cases, they all have
9 separate license numbers. And typically
10 one rental housing company, one member of
11 ours, when they advertise, they do so
12 generically, if I might say. They do so
13 generally. They put ads in, say, for
14 example, the Philadelphia Sunday Inquirer
15 for a general "life at X company
16 community is offering" what the rent
17 would include and the amenities and such.
18 They don't advertise specific apartment
19 units.

20 So what I'm getting at is,
21 typically my members are dealing with
22 dozens, maybe hundreds of license numbers
23 for other properties throughout the City
24 for various reasons. And what we're
25 saying is, the advertising alone, to have

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2 to list all those numbers on any one
3 advertisement, it's a logistic nightmare,
4 much less cost prohibitive.

5 I think someone else is going
6 to be testifying about the problem with
7 the language in requiring that same kind
8 of thing on correspondence, again,
9 correspondence relating to the rental of
10 properties and the logistic nightmare of
11 listing hundreds of license numbers on
12 one piece of correspondence.

13 We've been working with
14 Councilwoman Krajewski's office on
15 amending the language of this ordinance.
16 We want to preserve its purpose without
17 putting unworkable obstacles in front of
18 responsible landlords who must advertise
19 their companies' offerings.

20 We had a very productive
21 meeting the other day, and I really
22 appreciate their time. At this point,
23 we're jointly exploring options for
24 effective wording. For example, a notice
25 in ads stating something generic such as

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2 "required housing inspection license
3 numbers for particular locations will be
4 made available upon request or at time of
5 application." Wording to that effect I
6 think would be a very helpful addition to
7 any advertisement and help get to the
8 problem that this ordinance is trying to
9 solve. And, again, I appreciate the
10 chance to work out that language.

11 I also had a discussion with
12 Councilwoman Tasco's office yesterday. I
13 know she's not on the Committee, but I
14 hope to continue this dialogue with
15 Council.

16 Now, we can't assume this
17 ordinance, even when amended to tweak the
18 language, it's not going to solve all the
19 problems of irresponsible landlords, and
20 much work by all the stakeholders,
21 including AAGP, I think is needed. I
22 think that we can find lasting solutions
23 to keeping our neighborhoods strong if we
24 all work together.

25 I understand, Councilwoman

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2 Krajewski, that other legislation might
3 be introduced in the future, and I would
4 just like to say that the expertise of my
5 members would be invaluable to Council in
6 crafting effective language and we would
7 gladly participate. We're experienced,
8 responsible property managers, and I
9 think our input would be very helpful.
10 And as an example, earlier I mentioned
11 our education courses. The NAA offers
12 specifically a course for rental owners,
13 small rental owners, that goes over
14 property maintenance and fair housing, et
15 cetera. Teaching bad landlords how to be
16 good landlords is probably a very good
17 part of the solution.

18 In closing, I'd like to mention
19 that the Apartment Association wants to
20 be viewed as a useful and reliable source
21 of information for Council. We don't
22 want to just show up at hearings to
23 bellyache about the latest ordinance. We
24 really think that we can be helpful.

25 My landlords get it. We get

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2 the problem and we know how to be
3 responsible landlords, and to that end, I
4 thank you for the time in listening to
5 our concerns and I hope we can work
6 together.

7 COUNCILWOMAN KRAJEWSKI: Thank
8 you very much. I don't believe any
9 member of this Council is out to hurt any
10 responsible landlord, but something has
11 to be done on these houses that are being
12 rented within the neighborhoods. I ride
13 through and I see rental signs on
14 properties. Try to get in touch with the
15 landlord. It's impossible. I have a few
16 right in my own neighborhood within
17 walking distance. We have to do
18 something to clear up this problem that's
19 killing the neighborhoods.

20 MS. GERTZ: Absolutely, and
21 AAGP wants to keep the neighborhoods
22 strong, too, and we'd very much like to
23 help you keep them strong. Our
24 properties' values depend on it.

25 COUNCILWOMAN KRAJEWSKI: Well,

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2 we'll be very happy to work with you on
3 this, but in the meantime -- we will work
4 with you, but in the meantime, I'm asking
5 that this bill be voted out today. In
6 the meantime, we'll work with you in the
7 meantime.

8 MS. GERTZ: I do appreciate
9 that and I hope that we can find
10 something that we can all live with,
11 because I certainly do not want to stand
12 in the way of any effort to keep
13 Northeast Philadelphia neighborhoods
14 strong and desirable or our entire city.

15 COUNCILWOMAN KRAJEWSKI: Fine,
16 but it's not going to be watered down
17 that much, I guarantee you that.
18 Something has to be done. It's something
19 that's an eyesore. It's bringing down
20 the values within the neighborhood. The
21 landlords ignore you. The tenant ignores
22 you. So something has to be done.

23 MS. GERTZ: Yes, and I'm not
24 asking you to water it down. I'm asking
25 for specific language that absolutely

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2 gets to what the ordinance is trying to
3 do --

4 COUNCILWOMAN KRAJEWSKI: Right.

5 MS. GERTZ: -- in a very
6 workable fashion, without putting the
7 responsible landlords into a position to
8 do something they really can't do.

9 COUNCILWOMAN KRAJEWSKI:
10 Because you remember the landlord still
11 owns that property and they still are
12 responsible for that property.

13 MS. GERTZ: Yes.

14 COUNCILWOMAN KRAJEWSKI: All
15 right. Thank you.

16 MS. GERTZ: Thank you very
17 much.

18 COUNCILMAN SAVAGE: Thank you
19 for your testimony.

20 Are there any questions from
21 members of the Committee?

22 (No response.)

23 COUNCILMAN SAVAGE: Thank you
24 for your testimony.

25 MS. GERTZ: Thank you.

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2 COUNCILMAN SAVAGE: Is there
3 anybody else here today to testify?

4 Please state your name and
5 proceed with your testimony.

6 MS. WEBB: Good morning. My
7 name is Renee Webb and I'm representing
8 HAPCO, which is the Homeowners
9 Association of Philadelphia. We are
10 small "mom and pop" property owners that
11 are rentals, that we have rentals.

12 HAPCO recognizes the need for
13 all landlords to have a license for each
14 unit, and we do do that. We are
15 responsible landlords. Most of us grew
16 up in the City of Philadelphia. I myself
17 grew up and was born and raised in
18 Philadelphia. I graduated from Northeast
19 High School, and I want to see those
20 neighborhoods come back to the way they
21 were when I grew up.

22 The first facet of the bill was
23 to add the license number to every piece
24 of correspondence is overbroad. As an
25 example, as a landlord checks an

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2 apartment for a leak, he leaves a written
3 note in the apartment to the tenant that
4 he needs to return with a plumber. If
5 that written note does not have that
6 rental license number on it, he is in
7 violation of this law. Any time notes
8 even from an estimate from a vendor such
9 as a painter to come in and paint the
10 apartment and if there is no license
11 number on that estimate, the landlord,
12 again, is non-compliant. Every unit has
13 a different license number and even the
14 small "mom and pops" will not be able to
15 remember all these license numbers.

16 The second facet of the bill
17 requires publishing the license number in
18 the newspaper advertisements. HAPCO
19 members are "mom and pop," as I said, and
20 their home addresses are on these
21 licenses. We need to work through to get
22 that address off of the license somehow.
23 It becomes an unreasonable burden for
24 these landlords, because we will then be
25 doing invasion of privacy because the

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2 number can then trace back to the
3 landlords' home address.

4 HAPCO wants to schedule a
5 meeting to just rework the wording of the
6 bill. This meeting will work to address
7 the City's interests and to protect
8 property owners' interest as well and the
9 tenants and properties.

10 With all due respect, the bill
11 bears no reasonable relationship to the
12 issue the City of Philadelphia wishes to
13 correct.

14 I'm short and sweet.

15 COUNCILMAN SAVAGE: Thank you
16 for your testimony.

17 I'd like to recognize that
18 Councilwoman Blondell Reynolds Brown has
19 joined us.

20 Are there any questions from
21 members of the Committee?

22 (No response.)

23 COUNCILMAN SAVAGE: Thank you.

24 MS. WEBB: May I just say I
25 want the City to be as great as it always

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2 was and will continue.

3 COUNCILWOMAN KRAJEWSKI: Thank
4 you.

5 COUNCILMAN SAVAGE: Thank you.

6 If there are no other people to
7 testify, this concludes our public
8 hearing on the Committee of Licenses and
9 Inspections. We will now move into our
10 public meeting.

11 The Chair recognizes
12 Councilwoman Krajewski for a motion on
13 Bill No. 070149.

14 COUNCILWOMAN KRAJEWSKI: Thank
15 you, Mr. Chairman. I move that Bill
16 070149 be reported out of this Committee
17 with a favorable recommendation.

18 (Duly seconded.)

19 COUNCILMAN SAVAGE: All in
20 favor say aye.

21 (Aye.)

22 COUNCILMAN SAVAGE: Nays?

23 (No response.)

24 COUNCILMAN SAVAGE: This
25 concludes our public meeting and ends

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2 our -- the ayes have it.

3 This concludes our public
4 meeting and ends our Committee on
5 Licenses and Inspections. Thank you.

6 COUNCILWOMAN KRAJEWSKI: Thank
7 you all.

8 COUNCILMAN SAVAGE: For the
9 record, the ayes have it. Bill No.
10 070149 has been voted out of Committee
11 with a favorable recommendation.

12 This concludes our public
13 meeting.

14 (Committee on Licenses and
15 Inspections adjourned at 9:45 a.m.)

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CERTIFICATE

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I HEREBY CERTIFY that the

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proceedings, evidence and objections are

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contained fully and accurately in the

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stenographic notes taken by me upon the

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foregoing matter on March 29, 2007, and that

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this is a true and correct transcript of same.

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MICHELE L. MURPHY

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RPR-Notary Public

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