

1

2

COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING

4

COMMITTEE ON RULES

5

- - - -

6

Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, April 15, 2004
2:15 p.m.

8

- - - -

9

BILL 040008 - An Ordinance establishing a
neighborhood improvement district in an area
that generally includes both sides of
Germantown Avenue from 7640 to 8705, both
sides of Betjlehem Pike from 10 to 104 and
certain blocks of streets that intersect
that portion of Germantown Avenue, to be
known as the Chestnut Hill Business
Improvement District...

14

15

PRESENT:

16

COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN DARRELL CLARKE
COUNCILMAN DAVID COHEN
COUNCILMAN JACK KELLY
COUNCILMAN RICHARD MARIANO
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN BRIAN O'NEILL

21

- - - -

22

23

V A R A L L O Incorporated
Litigation Support Services
Eleven Penn Center
1835 Market Street, Suite 600
Philadelphia, Pennsylvania 19103
215.561.2220 215.567.2670

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

BILL 040008	PAGE
SUZANNE BIEMILLER, Chestnut Hill Business District.....	4
ARTHUR BUGAY.....	6
JOHN TOWEY.....	12
JEAN WEDGEWOOD.....	16
BONNIE GREENBERG.....	18
JEANINE DWYER.....	23
BILL SHEPHERD.....	30

1 04/14/04 - RULES - BILL 040008

2 COUNCIL PRESIDENT Verna: Good
3 afternoon, everyone. This is a public hearing
4 of the Committee on Rules regarding Bill No.
5 040008. I would ask Mr. McPherson to please
6 read the title of the bill.

7 MR. MCPHERSON: Bill No. 040008, an
8 Ordinance establishing a neighborhood
9 improvement district in an area that generally
10 includes both sides of Germantown Avenue from
11 7640 to 8705, both sides of Bethlehem Pike
12 from 10 to 104 and certain blocks of streets
13 that intersect that portion of Germantown
14 Avenue, to be known as the Chestnut Hill
15 Business Improvement District.

16 COUNCIL PRESIDENT Verna: Thank you.

17 The record will reflect that a full
18 hearing on this bill was held on March 25,
19 2004. At the hearing, an issue arose as to
20 whether residential properties in the district
21 would be charged with an assessment fee. It
22 was determined that they would not be
23 assessed, and the bill was amended to make
24 this clear.

25 Because the Pennsylvania Community

1 04/14/04 - RULES - BILL 040008

2 and Economic Improvement Act pursuant to which
3 districts are created requires that notice of
4 an additional hearing be provided in the event
5 of a district plan amendment, therefore, today
6 we are having a hearing simply scheduled to
7 comply with the Act.

8 Do we have any witnesses at this
9 time that would like to testify?

10 Please approach the witness table.
11 Kindly identify yourself for the record.

12 MS. BIEMILLER: My name is Suzanne
13 Biemiller, and I'm the Executive Director of
14 the Chestnut Hill Business Association. Good
15 afternoon, and thank you for holding this
16 hearing on the final plan for the proposed
17 Chestnut Hill Business Improvement District.

18 As I said, I'm the Executive
19 Director of the CHBA and I'm also a resident
20 of Chestnut Hill. I'm here again this
21 afternoon to speak in favor of the BID.

22 There are many benefits to having a
23 BID in Chestnut Hill in the plan that we set
24 out and that the Councilmembers have a copy of
25 which envisions a lively shopping community, a

1 04/14/04 - RULES - BILL 040008

2 safe and well-lit business district, a
3 beautiful commercial corridor that we can all
4 be proud of. The BID will enable us to clean
5 the sidewalks and parking lots of the business
6 district as well as pave the parking lots and
7 light them where the need is present. It also
8 enables us to increase our current advertising
9 budget so that we can promote Chestnut Hill
10 more effectively as other business districts
11 and shopping malls do.

12 Is the plan perfect? No. But it is
13 not set in stone, rather a road map for the
14 organization going forward. As we have done
15 throughout this nearly year-long process, we
16 invite people to bring to us their questions,
17 their concerns, and their ideas. By working
18 together and supporting each other we can
19 accomplish a great deal in Chestnut Hill.

20 As you were told in March, the BID
21 has been endorsed by the CHBA, the Chestnut
22 Hill Community Association, the Chestnut Hill
23 Parking Foundation, the Chestnut Historical
24 Society, as well as many business owners who
25 have worked in Chestnut Hill for years and

1 04/14/04 - RULES - BILL 040008

2 even decades. Names like Ann McNally, Bruce
3 Robertson, Frank and Hank O'Donnell, Terry
4 Merrick, Barbara Russell, Paul Roller, Richard
5 Malunium all support this BID.

6 I know it's hard to change after
7 years of doing things certain ways. I
8 understand that. But Chestnut Hill is a
9 different community than it was even five or
10 ten years, and we can't nor will we go back to
11 the way things were. If we are to remain a
12 vibrant commercial corridor, we must adapt
13 with the times and find new ways to get things
14 done. The BID is one tool that will help us
15 move forward, just as it has helped thousands
16 of other communities throughout the country
17 and here in Philadelphia.

18 Thank you.

19 COUNCIL PRESIDENT Verna: Thank you.

20 Do we have anyone else to testify on
21 this bill?

22 Please approach the witness table.

23 Kindly identify yourself for the
24 record and proceed with your testimony.

25 MR. BUGAY: Good afternoon,

1 04/14/04 - RULES - BILL 040008

2 Councilmembers, Ms. Verna. My name is Arthur
3 Bugay. I am the son of Margaret and Milton
4 Bugay who own Bugay's Jewelers, 8638
5 Germantown Avenue.

6 My family has been at that location
7 for 75 years as a jewelry store. It was
8 started by my grandfather. My grandfather
9 came to America and worked at his first job as
10 a watchmaker for J.D. Caldwell in Center City
11 Philadelphia, downtown Philadelphia. And they
12 moved at the time of the depression to the
13 location where they are currently. My family
14 has been there and has been a staple at that
15 location for that long period of time and
16 people have come to rely on the fact that they
17 are still there. My family has a succeeding
18 generation in the business, my brother Samuel
19 and my sister Rosalyn. My sister Rosalyn is a
20 CPA with a master's in taxation. But she
21 works there now in addition to that because of
22 my mother had a health issue last year and she
23 has helped out. My father is a professional
24 musician. My father went to the Wharton
25 School and was from the Germantown High. He

1 04/14/04 - RULES - BILL 040008

2 was a contemporary of Judge Lord who was his
3 classmate. I am an attorney in Philadelphia.
4 And my parents have asked me to come on their
5 behalf to tell you why they are opposed to the
6 BID plan.

7 Specifically, I will look at the
8 statute. The purpose of the statute is to
9 focus on the reality, the economic reality
10 that existing tax rates in many municipalities
11 are at or near their statutory cap, and I
12 quote from the Section 832, Paragraph 1. In
13 other words, they're at their highest limits.
14 In Philadelphia, in particular, tax rates for
15 property owners are at their highest limits;
16 they are, in fact, at their breaking rates.
17 We have to look at who is going to be paying
18 these taxes. The property owners directly,
19 pursuant to the plan, but in specific there
20 are going to be some who can maybe pass it on
21 and there are going to be others who cannot.
22 And what I mean from that is the fact that
23 economic reality is that for businesses such
24 as those, for instance, in the jewelry
25 business, they have no ability to pass that on

1 04/14/04 - RULES - BILL 040008

2 to their customers because their customers
3 will shop elsewhere. So rather than being an
4 economic boon, it's going to be an economic
5 burden for people like my family who have had
6 the store for an extensive period of time.
7 They are not newcomers to Chestnut Hill. They
8 have seen anchors come and go. For instance,
9 they saw J.D. Caldwell open up on Evergreen
10 Avenue and Germantown Avenue where the drug
11 store used to be and, in fact, they left.
12 Several of the anchors have left, and I don't
13 believe that this is going to attract new
14 anchors that are going to be the silver bullet
15 for this or the magic bullet for this. It's
16 just an additional tax to be borne by the
17 business shopkeepers.

18 The identity of Chestnut Hill has
19 indeed changed. The identity of Chestnut
20 Hill used to be one of merchants, small
21 businesses. Now it has become more of an
22 outside strip mall. And I think the charm of
23 Chestnut Hill is the fact of the personalities
24 that are up there, the individuals who run the
25 businesses, the individuals merchants, the

1 04/14/04 - RULES - BILL 040008

2 personalities like my mother and my sister and
3 my family who run this business. They run it
4 on a daily basis, and people love to see them,
5 they love to talk to them, and they love to
6 transact business with them. They're not
7 concerned about competition. They're fine
8 with the way it is. They do not have
9 sidewalks that need cleaning because they
10 clean them themselves.

11 The fact of the matter is, the last
12 problem that they had with regard to the
13 sidewalks or any of the access/egress for
14 their business occurred this past Christmas
15 when the City opened up the sidewalk right at
16 Christmas season, their busiest time of year.
17 They do not need the City to interfere with
18 their business any further. They don't need
19 the City to assess them any further or add
20 another layer of bureaucracy for the locale.

21 I speak against this tax and I speak
22 against the BID, not as an adversary of
23 Chestnut Hill. I have grown up in Chestnut
24 Hill, not myself, but living outside of
25 Chestnut Hill but been there living through

1 04/14/04 - RULES - BILL 040008

2 Chestnut Hill and love Chestnut Hill. It's a
3 childhood memory of mine. It's a childhood
4 memory of my father's. My father used to
5 rollerskate down Germantown Avenue until the
6 wheels fell off and the sparks came out. My
7 father has lived there and loved there in
8 Chestnut Hill all of his life.

9 This is an adversarial tax to my
10 family. It is one that threatens their
11 livelihood. It is one that is unfair to them.
12 It is a burden. And it should not be passed.

13 Thank you.

14 COUNCIL PRESIDENT Verna: Thank you.

15 Are there any questions or comments
16 from Members of the Committee for this
17 witness?

18 (No response.)

19 COUNCIL PRESIDENT Verna: Seeing
20 none, at this time I would like to establish a
21 quorum. To my far left is Councilman Cohen,
22 Councilman Clarke, Councilman O'Neill,
23 Councilman Kelly is here. To my extreme left
24 is Councilwoman Brown and Councilwoman Miller.
25 Thank you.

1 04/14/04 - RULES - BILL 040008

2 Do we have anyone else to testify on
3 this bill?

4 Please approach the witness table,
5 sir.

6 Good afternoon. Kindly identify
7 yourself for the record.

8 MR. TOWEY: Good afternoon,
9 Councilpeople. My name is John Towe from
10 Towe's Tavern in Chestnut Hill. We're
11 located at 7829 Germantown Avenue. We're at
12 the lower part of Chestnut Hill.

13 My main contention is that the money
14 being used is not being properly allocated to
15 all the businesses and all the property owners
16 in Chestnut Hill. What they're doing is
17 concentrating on the parking lots, for
18 example, which we don't get at the bottom half
19 of Chestnut Hill. And I think the property
20 owners in Chestnut Hill should be responsible
21 for keeping up their own properties. And if
22 the community wants to raise money, they
23 should go around individually to the
24 businesses to talk to them to find out if
25 they're willing to contribute the old way it

1 04/14/04 - RULES - BILL 040008

2 used to be done. What they're doing is
3 they're running out of funds and they're
4 coming to the City and they're asking for the
5 City to enforce laws and regulations on
6 business people and taxing them to the point
7 where it's going to become unbearable for
8 businesses to survive in the City. They
9 already put a liquor tax on the bar business
10 where they're collecting 10 percent of our
11 gross profits right off the top, and that's
12 almost unbearable. That puts another mortgage
13 on the bar business. To put another tax on
14 top of that when the people do not want it,
15 the majority of the people do not want it, and
16 this is unfair business community of Chestnut
17 Hill.

18 I'm opposed to it -- not opposed to
19 improvement, what I'm opposed to is the
20 levying of a tax by the City on all the
21 businesses which is going to be enforced by
22 the City. There's enough taxes in the City
23 right now, in my opinion.

24 And what's happening is that the
25 moneys being raised by the Business

1 04/14/04 - RULES - BILL 040008

2 Association can be raised if they ask for
3 cooperation from all the merchants in the area
4 and they do not have to go to the City for
5 help. That's my contention. Thank you.

6 COUNCIL PRESIDENT VERNA: Thank you
7 very much.

8 Are there any questions or comments
9 from Members of the Committee?

10 The Chair recognizes Councilwoman
11 Miller.

12 COUNCILWOMAN MILLER: Thank you, Mr.
13 Towey, for coming in and testifying. Your
14 concern was raised before. I know that the
15 plan is that all, from the bottom of the
16 district to the top of the district, will be
17 served.

18 I understand your concern. I've
19 heard it before, but it's my understanding
20 that the entire district -- when you opened up
21 your comments, you stated that you didn't think
22 your half of the district, your bottom half,
23 would get the same types of services as the
24 upper half. And my only comment is, it's my
25 understanding the plan does include the entire

1 04/14/04 - RULES - BILL 040008

2 strip of the district.

3 MR. TOWEY: But right now we're
4 getting no parking lots. And all we're
5 getting is lights at Christmastime. I put my
6 own lights up. I don't find it necessary to
7 pay an extra additional real estate tax or
8 whatever they're calling this tax to support
9 putting more lights on. I don't want that.
10 If they're going to put parking lots up at the
11 bottom half of Chestnut Hill, if they're going
12 to improve the district, that would be great.
13 I'm all for improving the district, but I want
14 -- like you said, I want the lower half of
15 Chestnut Hill receiving as much benefit as the
16 upper upper part of Chestnut Hill.

17 COUNCILWOMAN MILLER: Well, I
18 understand there is a parking plan that we'll
19 be looking at from the bottom to the top.

20 I shop in that bottom part sometimes
21 more than I do the top because I go to Staples
22 all the time.

23 But in any event, thank you for
24 coming in. Your comments are well taken.

25 MR. TOWEY: Thank you.

1 04/14/04 - RULES - BILL 040008

2 currently have a proposal in to buy a
3 commercial business in Chestnut Hill in one of
4 these properties affected. And it does make
5 me think twice because we pay the highest tax
6 base in the City. The streets are clean.
7 Comparatively, we are safe. I think this --
8 while it's a valant effort, I think it's too
9 much too soon. If it could be 6 percent and
10 let's see how that works and then take it from
11 there. But a 12 percent increase immediately
12 is dissuasive to me and I think will be
13 disasterous for a lot of the little businesses
14 that make Chestnut Hill a unique communit. If
15 it could be implemented over time due to
16 proportionately how it works, then I don't
17 think anyone would have a problem. But it's a
18 lot all at once, especially in these economic
19 times. Thank you for your consideration.

20 COUNCIL PRESIDENT VERA: Thank you.

21 Any questions or comments of this
22 witness?

23 (No response.)

24 COUNCIL PRESIDENT VERA: Do we have
25 anyone else to testify on this bill?

1 04/14/04 - RULES - BILL 040008

2 Please approach the witness table.

3 Good afternoon. Please identify yourself nor
4 the record.

5 MS. GREENBERG: My name is Bonnie
6 Greenberg.

7 COUNCIL PRESIDENT VERNA: Please
8 proceed.

9 MS. GREENBERG: I have lived in
10 Chestnut Hill for the past 28 years. I owned
11 a business fr 11 of those years, and my
12 husband and I have owned property for 12
13 years. I have been witness to all kinds of
14 change on the Hill, and I acknowlege that our
15 business community faces challenges that need
16 to be addressed. Perhaps a BID is the most
17 efficient means to address these problems,
18 however, the flawed nature of this BID causes
19 me to conclude that I cannot support it
20 because I believe that this is taxation
21 without representation.

22 According to its bylaws as printed
23 in the bill that we received, if the BID is
24 approved, I as an assessed property owner will
25 be a member to the BID corporation entitled to

1 04/14/04 - RULES - BILL 040008

2 one vote. One would assume I would then be
3 entitled to vote for the members of the Board
4 of Directors of the BID corporation. This, of
5 course, is what a shareholder of a corporation
6 or a member of an association like the
7 Chestnut Hill Community Association gets to
8 do. However, I do not have that right in the
9 Chestnut Hill BID Corporation nor do I ever
10 get that right.

11 This Board is initially appointed by
12 the incorporators and then elected by the
13 Board itself at the first annual meeting and
14 every annual meeting thereafter. The general
15 membership has no say. Removal of a board
16 member can be accomplished only by the Board
17 itself. The general membership has no say.
18 Vacancies occurring on the Board are filled
19 by, you guessed it, the Board itself. The
20 general membership has no say. Yet it's that
21 general membership that funds the BID
22 corporation. We can all recognize taxation
23 without representation when we see it.

24 Not only is the Board entrenched for
25 the life of the BID, but the very composition

1 04/14/04 - RULES - BILL 040008
2 of Board is rife with conflict of interest
3 from the moment it was formed. Three of the
4 nine voting members of this Board are
5 appointed by other Chestnut Hill organizations
6 that stand to reap financial benefits from the
7 BID. As five members of the Board constitute
8 a quorum for board meetings, it is possible
9 that the three board members having this
10 conflict could control major decisions
11 concerning the use of funds for purposes that
12 would otherwise be paid from their own
13 organization's coffers. Furthermore, a person
14 qualifies as a board member even if he is
15 delinquent in his City real estate taxes just
16 as long as he pays his BID assessment. And no
17 corporation member vote is available to serve
18 as a check and balance to these potential
19 conflicts of interest.

20 I have finally discovered the areas
21 where I can vote as a member. I am allowed to
22 vote yea or nay on a proposed budget each year
23 to spend the money which I as a member must
24 contribute to the BID corporation.
25 Unfortunately, however, nowhere is it stated

1 04/14/04 - RULES - BILL 040008

2 that the budget must be adhered to by the
3 Board. Nor does it say that the Board cannot
4 alter the budget. Should I disagree with the
5 Board to alter an approved budget, I have no
6 recourse because, of cours, removal of the
7 Board is left to the Board and I have no
8 opportunity to elect a new Board. Absurdly, I
9 can also vote for executive offers who must be
10 in on the very board I was never allowed to
11 vote for to begin with. Does anyone have the
12 feeling that this is a stacked deck?

13 You might argue that my ultimate
14 voting right is to vote the BID down, yet this
15 too is on stacked deck because a non-vote is a
16 yea vote. Only votes against the BID count.
17 Land owners who are not or cannot be located
18 are presumed to be in favor of the BID.
19 Wouldn't every incumbent in political office
20 love to run for re-election under these
21 conditions?

22 Ironically, I agree with many of the
23 reasons to supporting formation of the BID.
24 With no personal hardship, I can pay this
25 increased tax or, as my leases allow, pass it

1 04/14/04 - RULES - BILL 040008

2 through to my already tax burdened tenants. I
3 know and respect a number of the proposed BID
4 board members. I believe their motives have
5 been pure, but somewhere in their desire to do
6 what they to be in the best interest of
7 Chestnut Hill, they have trampled on the
8 rights of too many who are not only not being
9 heard, but who do not even realize that they
10 are being affected. There are many small
11 business owners and elderly residents of
12 apartment buildings, non-property owners who
13 will be adversely affected by this tax
14 increase. Yet nobody is proactively engaging
15 them in the process and representing their
16 interests. Why? The more they are permitted
17 to express their views and thereby impact the
18 process, the greater for potential for a no
19 vote. Remember, silence is deemed to be
20 acquiesce.

21 The BID organizers have created a
22 system of entrenched power that, despite
23 altruistic motives, threatens democratic
24 principles. You as our elected
25 representatives should not allow this to

1 04/14/04 - RULES - BILL 040008

2 occur. I implore you to return this proposal
3 back to the community for further
4 consideration and revision. At minimum, the
5 playing field should be leveled by requiring a
6 majority of owners to affirmatively approve
7 the BID and by requiring the Board to be
8 directly elected by the general membership.
9 Thank you.

10 COUNCIL PRESIDENT VERNA: Thank you
11 very much.

12 Are there any questions or comments
13 of this witness from members of the Committee?

14 (No response.)

15 COUNCIL PRESIDENT VERNA: Do we have
16 anyone else to testify?

17 Kindly approach the witness table.
18 Good afternoon. Please identify yourself for
19 the record

20 MS. DWYER: Good afternoon, Madam
21 President. My name is Jeanine Dwyer. First
22 of all, I apologize for being late. A couple
23 of us had the wrong time.

24 Madam President and Councilmembers,
25 thank you for hearing our side. I have been

1 04/14/04 - RULES - BILL 040008

2 dubbed the hostess of the BID Alternative
3 Committee, and I would like to explain how
4 this happened. After the first hearing, Bill
5 Shepherd and I walked to the car and drove
6 home together, one hour total or so. After
7 discussing the event, the question was, what
8 do we do? The outcome was to write a letter
9 to the Chestnut Hill Local asking people to
10 attend this meeting who thought they might be
11 likely to vote no on the BID to determine if
12 there was opposition. The reason in my mind
13 was this: Although I know I had made valid
14 points at the first meeting, I felt as if I
15 sounded like I was whining. Also, if a second
16 presentation was made in opposition, it needed
17 to be coordinated and reflect the opinions of
18 a group, not just individual opinions making
19 up a group in order to be recognized by
20 Council and to ensure a democratic outcome.
21 The time between the first and second hearing
22 was the time afforded for this purpose.

23 On Monday, March 15th, I called
24 Councilperson Donna Reed Miller's office
25 regarding the BID and received a return call

1 04/14/04 - RULES - BILL 040008

2 from Mr. Steve Vaughn. I informed him of our
3 meeting and I also took a copy of the letter
4 to the Chestnut Hill Business Association
5 office. Fourteen people attended our meeting
6 on March 29th, representing 11 or 12
7 properties. I'm just not sure, but it's 11 or
8 12. Six people called to say they could not
9 attend. Others in attendance were myself --
10 they were also property owners, those six.
11 Others in attendance were myself, a Hill House
12 tenant, Shoshanna Bricklin and Steve Vaughn.
13 And that's all right here. We did not allow
14 the press or people who had spoken at City
15 Hall in favor of the BID to remain in order
16 to, just once, have an opportunity to vent
17 openly.

18 On Wednesday, April 7th, we mailed a
19 cover letter with the next meeting date to the
20 mailing list provided by Councilperson Donna
21 Reed Miller's office, along with the minutes
22 of the March 29th meeting and a rejection
23 proxy. Themes were obvious from the two
24 meetings and are also included on many of the
25 proxies that we have thus far received. I

1 04/14/04 - RULES - BILL 040008

2 would just like to outline as best I can
3 through my ears the themes of the group and
4 reasons for rejecting this BID.

5 One, general lack of belief that
6 this will improve dramatically. Cost versus
7 benefit is of real concern.

8 Two, cannot accept budget numbers on
9 faith when tax number is concrete.

10 Three, 1 out of \$3 is spent on
11 administration.

12 Four, Philadelphia already has the
13 label "tax the businessman."

14 Five, counterproductive in enticing
15 tenants and may cause some to leave in our
16 current economy.

17 Six, vacancies do increase security
18 problems and help create the issue of foot
19 traffic, that a large majority of stores are
20 filled.

21 Seven, security in the form of
22 police is a City responsibility and
23 thankfully, our group acknowledges, we are not
24 a high crime area. Stores and banks which
25 have cameras and guards still get robbed.

1 04/14/04 - RULES - BILL 040008

2 Eight, I already pay to have my
3 property maintained or I maintain my property
4 myself.

5 Nine, apartment landlords object to
6 what they see as a tax that provides more
7 emphasis on retail issues.

8 Ten, no one asked for flower baskets
9 on lampposts needing replacement.

10 Eleven, the budget and plan are too
11 expensive, too broad, and too vague.

12 Twelve, the BID is a second layer of
13 administration created to refinance the
14 existing Chestnut Hill Business Association,
15 an expensive redundancy.

16 Thirteen, most of the vacancies
17 belong to one owner. They affect existing
18 businesses and discourage new ones. It is
19 that owner's policy more than anything which
20 has caused this situation. It is not a joint
21 responsibility to fill them.

22 Fourteen and last, contact and
23 consensus should have been sought and made
24 before beginning the BID process.

25 These are the ideas that have

1 04/14/04 - RULES - BILL 040008

2 presented themselves from the group.

3 Since our mailing on April 7th and
4 in five business day since, I have 48 proxies
5 in hand. I would just like to read the top
6 one because I am hear representing my mother's
7 business. I called her last night and I said,
8 "Boy, Mom, somebody wrote this for you."

9 "Reasons for not supporting the BID.
10 We think that a neighborhood or area of
11 interest is best supported by themselves.
12 Adding costs to our overhead will not put the
13 responsibility of better management or
14 maintenance of property on anyone really other
15 than the owner. We are the sole
16 responsibility and can continue to upgrade our
17 buildings and business without outside
18 encouragement. Let the market place determine
19 the best mix of businesses and storefronts. A
20 help to our area is already available through
21 the established volunteers for beutification
22 and public maintenance. My organization have
23 been involved with donation of funds and
24 manpower to maintain and clean public gardens,
25 for instance. The City has enough services in

1 04/14/04 - RULES - BILL 040008

2 place. And if our trash is improperly placed
3 out or our front walks need to be swept, then
4 we should make that happen without a tax
5 increase."

6 Thank you very much.

7 COUNCIL PRESIDENT VERNA: Thank you.

8 Are there any other witnesses that
9 would like to testify? Anyone else?

10 MS. DWYER: My driver is not yet
11 here, to my knowledge. He did wish to speak.
12 He dropped me off. As I said, we were
13 mistaken in the time.

14 COUNCIL PRESIDENT VERNA: I truly
15 believe that Members of the Committee have a
16 sense of what the opposition is.

17 To the last witness, you probably
18 know what his feelings are and they're
19 probably in concert what you have just given
20 us.

21 (Pause.)

22 COUNCIL PRESIDENT VERNA: Excuse me,
23 sir. I understand that you were having
24 difficulty parking your car. You want to
25 testify? I think you testified before, did

1 04/14/04 - RULES - BILL 040008

2 you not?

3 MR. SHEPHERD: Yes.

4 COUNCIL PRESIDENT Verna: Do you care
5 to testify now?

6 Good afternoon. Kindly identify
7 yourself for the record and proceed with your
8 testimony.

9 MR. SHEPHERD: My name is Bill
10 Shepherd. I live in Chestnut Hill and own
11 commercial property in that neighborhood. I
12 don't want to repeat ground that I went over
13 on the previous session so I'm going to pick
14 up where that left off and let you know that I
15 am actually for the improvements mentioned in
16 the BID proposal. However, I cannot in good
17 conscience support this BID in its present
18 form. The proposal is far too grandiose, too
19 vague, and too unrealistic in its financial
20 numbers.

21 We have been offered the
22 opportunity by BID to examine how the dollars
23 were put together. What was said was, "Come
24 to the office and we will explain it to you."
25 What we want are the details and hard numbers

1 04/14/04 - RULES - BILL 040008

2 that were used as the basis for the BID
3 proposal. They should be self-explanatory.

4 In addition to finding fault with
5 this proposal, we also find fault with the BID
6 process itself. Property owners who wish to
7 object or make changes to the BID can only do
8 so by stopping the entire process. This can
9 only be done by gathering up 51 percent of
10 like-minded owners and getting each one to
11 sign a proxy indicating their rejection. The
12 BID proposers, however, don't have to jump
13 through those hoops. They don't have to do
14 anything. They don't have to poll the owners
15 to find out how many are in favor. They do
16 have hold meetings and distribute literature
17 then listen to those who object and then do
18 nothing. So the onus is on the we objectors.
19 We have a lot of hoops to jump through in
20 order to obey the law as it exists right now;
21 gathering up 51 percent of the owners and
22 having them sign a ballot.

23 The very first thing -- we started
24 off down this road to get those 51 percent
25 signed up. And, obviously, the first thing we

1 04/14/04 - RULES - BILL 040008

2 need is a list of property owners. The list
3 we got is kind of painful. It is woefully
4 behind. A lot of owners on that list are
5 deceased. Some have moved. And we have
6 owners living in other countries and in other
7 states, making it exceedingly difficult to
8 find. And these people, by their silence,
9 indicate a yea vote for this BID. That's not
10 quite democratic, in my mind.

11 I think that in our march toward
12 complying with the law and finding the 51
13 percent is painful and it's slow. And I have
14 to tell you that in less than a week we have
15 found 50 concerned owners who have come on
16 board with us. We need to find only another
17 25 or so and we've reached the madatory 51
18 percent, so we're not far away. We're
19 marching along quite smartly.

20 We intend to garner as many of these
21 signatures as we can. When we do and present
22 those signatures to the Clerk in City Hall,
23 then we will have lived up to what the law
24 says we have to do. But in my opinion, what I
25 think should happen is that the parties should

1 04/14/04 - RULES - BILL 040008

2 be at the table with one another with perhaps
3 a body like this as arbitrators. And we
4 should be able to hammer something out that's
5 agreeable to all sides. And we we do come to
6 agreement on the things to be done in Chestnut
7 Hill with this BID and we sensibly dollar-rise
8 those things, then in my mind it's a simple
9 yes or no pull of those property owners that
10 are affected. Preponderance of yes, we do it;
11 preponderance of no, we don't. It seems to me
12 that's kind of the basis on which this country
13 was founded and it's something that I'd like
14 us to strive for.

15 I don't really want to shoot the BID
16 proposal down and have nothing occur in
17 Chestnut Hill. Some things have to happen or
18 it will completely lose its economic vitality.
19 And as a resident and property owner there, I
20 will do my share. But the way this present
21 BID is worded and set up, I can't in honesty
22 support it.

23 Thank you, Madam Chair.

24 COUNCIL PRESIDENT VERNA: Thank you
25 very much.

1 04/14/04 - RULES - BILL 040008

2 Any questions or comments from
3 members of the Committee?

4 The Chair recognizes Councilman
5 Clarke.

6 COUNCILMAN CLARKE: Thank you, Madam
7 President.

8 Sir, I think you make a good point
9 with respect to the parties involved sitting
10 down and discussing this. I don't think we
11 should be the body that necessarily oversees
12 that particular discussion. We from time to
13 time have enough on our hands trying to
14 determine what it is we're going to do here in
15 the Council. But the suggestion that all the
16 parties involved sit down and, hopefully, work
17 something out, I think is a good idea.

18 Based on the testimony, it's clear
19 that everybody is very much interested in
20 Chestnut Hill and the business corridor. And
21 hopefully, during the period of time -- I know
22 that the District Councilperson has a couple
23 of words, but I hope that you all can come to
24 some conclusion prior to the passage of the
25 final bill.

1 04/14/04 - RULES - BILL 040008

2 COUNCIL PRESIDENT Verna: Thank you.

3 The Chair recognizes Councilwoman
4 Miller.

5 COUNCILWOMAN MILLER: Thank you,
6 Madam Chair.

7 What I'd like to do is also
8 encourage the two parties to continue to talk
9 because that's important. And the other thing
10 -- and I know you already know this because
11 Shoshanna Bricklyn and Steven Vaughn of my
12 staff have been meeting with both groups. You
13 know the process. You know that you have 45
14 days to file either an objection to the plan
15 or support for plan to the Chief Clerk's
16 Office here in City Hall. So we want to
17 encourage people to do their filing.

18 And what I'd like to do again is
19 just thank everyone for coming in. You know,
20 what makes a community work is that we all
21 don't agree and sometimes we have a little
22 fight here and there. But we all agree on one
23 thing, and that is that we want to keep your
24 community, the community of Chestnut Hill,
25 viable and vibrant. So I think it's wonderful

1 04/14/04 - RULES - BILL 040008

2 that people come in to testify today. Thank
3 you,

4 MR. SHEPHERD: Can I make one final
5 comment before I leave?

6 I was told by a prominent and large
7 property owner in Chestnut Hill, owning
8 several commercial properties, that he was
9 upset when the BID proposal first surfaced,
10 upset to the point that he really made a lot
11 of noise to the BID people. And as a result
12 of that, the BID people said, "Well, okay. We
13 won't tax you on 8 or 10 of your properties,
14 we'll just tax you on 2. How does that
15 sound?"

16 He said, "I'll take it."

17 Now, I've heard that same story from
18 other people. Yesterday, I heard it from the
19 person himself. And I can't help but think
20 that the proponents of the BID proposal just
21 bought themselves a vote. That's another
22 thing that's not quite American, in my mind.
23 I don't think that should be permitted, but it
24 has happened.

25 Also, we find holes in the schedule

1 04/14/04 - RULES - BILL 040008

2 as far as whose properties are being assessed.
3 We have a couple prominent ones on Germantown
4 Avenue who aren't on the list, and no reason
5 for it that I can find. They should be,
6 they're prominent, they're right there and
7 they're on the Avenue and they are commercial.

8 COUNCIL PRESIDENT VERNA: Thank you.
9 Ms. Biemiller, would you like to respond to
10 this issue, please?

11 MS. BIEMILLER: The gentleman that
12 he's referring to has residential apartment
13 buildings that are not on Germantown Avenue,
14 on West Highland Avenue, kind of a few blocks
15 off of Germantown Avenue. And he approached
16 us, as Mr. Shepherd said, last fall when we
17 had completed the business plan. And he said,
18 "I don't think that these properties that are
19 not contiguous to Germantown Avenue should be
20 in it. And we agreed. As we also agreed that
21 Market Square which is a huge commercial
22 property in a separate section of Chestnut
23 Hill, also non-contiguous with the business
24 district, would not be part of this BID. And
25 the reason for that was that in terms of

1 04/14/04 - RULES - BILL 040008

2 trying to provide services to everyone kind of
3 equally, it would have been difficult to then
4 skip and go down certain blocks, so that was
5 why that was done.

6 COUNCIL PRESIDENT VERNA: Thank you.
7 Thank you very much.

8 MS. DWYER: I'm being encouraged to
9 beg the question who makes that decision?
10 What person has been put in place? Obviously,
11 it's part of the BID process to make that
12 determination, but it's a very difficult issue.

13 COUNCIL PRESIDENT VERNA: Ms.
14 Biemiller.

15 MS. BIEMILLER: Basically, it was a
16 steering committee decision, looking at cost
17 versus benefits of, you know, where can we --
18 I think for all of us, we want this to
19 succeed. And we didn't want to bite off more
20 than we could chew. And by having Market
21 Square, for example, in that property, we felt
22 that that -- and also the whole Crittenden
23 Avenue Apartments which is a large complex,
24 again, on the east side of the hill, we looked
25 at that, but the cost versus the benefit and

1 04/14/04 - RULES - BILL 040008
2 the ability of us to do our jobs well and to
3 succeed in this was not worth their being in
4 this BID. They're not contiguous to
5 Germantown Avenue. We'd love to have them in
6 a few years if we're up and running and
7 everything successful, but at the time it was
8 not going all the way over to that other part
9 of Chestnut Hill.

10 COUNCIL PRESIDENT VERNA: Thank you
11 very much.

12 Do we have anyone else who would
13 like to testify?

14 (No response.)

15 COUNCIL PRESIDENT VERNA: Seeing no
16 one, this will conclude the public hearing.

17 - - - -

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COUNCIL OF THE CITY OF PHILADELPHIA

PUBLIC MEETING

COMMITTEE ON RULES

- - - -

Thursday, April 15, 2004

- - - -

Public meeting conducted by the
Committee on Rules, held in Room 400, City
Hall, Philadelphia, Pennsylvania, on the above
date, to consider action on the following:

BILL 040008.

PRESENT:

COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN DARRELL CLARKE
COUNCILMAN DAVID COHEN
COUNCILMAN JACK KELLY
COUNCILMAN RICHARD MARIANO
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN BRIAN O'NEILL

1 04/15/04 - RULES - PUBLIC MEETING

2 COUNCIL PRESIDENT Verna: We will
3 now go into our public meeting.

4 The Chair recognizes Councilman
5 Clarke for a motion.

6 COUNCILMAN CLARKE: Thank you, Madam
7 President. I move that Bill No. 040008, as
8 previously amended, be reported out of
9 committee with a favorable recommendation.

10 (Duly seconded.)

11 COUNCIL PRESIDENT Verna: Moved and
12 seconded that Bill No. 040008 be reported out
13 of Committee, as amended previously, with a
14 favorable recommendation.

15 All in favor will signify by saying
16 aye.

17 (Aye.)

18 COUNCIL PRESIDENT Verna: Anyone
19 opposed?

20 (No response.)

21 COUNCIL PRESIDENT Verna: The ayes
22 have it, the motion carries.

23 And this will conclude our public
24 meeting. Thank you all very much.

25 (Council adjourned at 3:00 p.m.)

1

2

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

3

4

5

6

7

8

9

10

11

12

13

RE: COMMITTEE ON RULES

14

15

16

17

18

Lisa C. Bradley, RPR

19

20

21

22

23

24

25