

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON FINANCE

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, October 10, 2017
3:10 p.m.

PRESENT:

COUNCILWOMAN JANNIE L. BLACKWELL, CHAIR
COUNCILWOMAN CINDY BASS
COUNCILMAN ALLAN DOMB
COUNCILMAN WILLIAM K. GREENLEE
COUNCILMAN BOBBY HENON
COUNCILWOMAN CHERELLE L. PARKER
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN MARK SQUILLA

BILL 170792 - An ordinance amending Chapter
19-3200 of The Philadelphia Code, entitled
"Keystone Opportunity Zone, Economic
Development District, and Strategic
Development Area," to provide for additional
extensions of certain benefits, under certain
terms and conditions.

- - -

1 10/10/17 - FINANCE - BILL 170792

2 COUNCILWOMAN BLACKWELL: We
3 will now call the Finance Committee
4 meeting into order. We want to thank all
5 who are here. We note we do have a
6 quorum. To my left, Councilman William
7 Greenlee. To his left, Councilwoman
8 Blondell Reynolds Brown. To her left is
9 Councilwoman Cindy -- Cherelle Parker.

10 I know why it's so -- I'm
11 reading Streets and Services. That's a
12 shame. Very, very, very sad.

13 To my right, Vice Chair
14 Councilman Bobby Henon. To his right,
15 Councilwoman Cindy Bass. And to her
16 right, Councilman Allan Domb.

17 We note that when Mark Squilla
18 comes in, we want to say happy birthday.
19 We just found out it's his birthday. So
20 if he comes in, we'll give him a song.

21 Having said that, we're going
22 to ask the Clerk to read the title of
23 Bill No. 170792, the KOZ bill. Thank
24 you.

25 THE CLERK: An ordinance

1 10/10/17 - FINANCE - BILL 170792
2 amending Chapter 19-3200 of The
3 Philadelphia Code, entitled "Keystone
4 Opportunity Zone, Economic Development
5 District, and Strategic Development
6 Area," to provide for additional
7 extensions of certain benefits, under
8 certain terms and conditions.

9 COUNCILWOMAN BLACKWELL: Thank
10 you very much.

11 We will now call on Duane Bumb,
12 Senior Deputy Director, Department of
13 Commerce, for testimony.

14 (Witnesses approached witness
15 table.)

16 COUNCILWOMAN BLACKWELL: Thank
17 you, one and all, for being here. And we
18 believe this Committee hearing should not
19 take a long time. Thank you.

20 MR. BUMB: Good afternoon,
21 Chairwoman Blackwell and members of the
22 Committee on Finance. My name is Duane
23 Bumb and I am Senior Deputy Director of
24 Commerce for the City of Philadelphia. I
25 am joined here at the table today by

1 10/10/17 - FINANCE - BILL 170792

2 Sylvie Gallier-Howard, the Chief of Staff
3 for the Commerce Department.

4 We are here today on behalf of
5 the Administration to testify in support
6 of Bill 170792, a bill authorizing the
7 City of Philadelphia to apply to the
8 Commonwealth of Pennsylvania to extend
9 the Keystone Opportunity Zone, or KOZ,
10 designation and its related benefits for
11 an additional ten years for 11
12 properties. The bill further authorizes
13 the City to apply to the Commonwealth of
14 Pennsylvania to designate new Keystone
15 Opportunity Zones consisting of seven
16 vacant or underutilized properties for a
17 ten-year period pursuant to an
18 anticipated state-enabling legislation.

19 The Keystone Opportunity Zone
20 program was created in 1999 to stimulate
21 private investment on vacant or
22 underutilized properties. This
23 coordinated program allows for both state
24 and local business taxes to be waived on
25 targeted sites approved for participation

10/10/17 - FINANCE - BILL 170792

by both levels of government. The K0Z program has been modified several times over the last 19 years, with many new properties added and the benefit term for other properties extended. Since the implementation of the K0Z program, the results in Philadelphia have included over 1.7 billion in new private investment and approximately 12,000 jobs created or retained.

Under current state legislation governing the K0Z program, the City of Philadelphia may apply to the Pennsylvania Department of Community and Economic Development for the extension of term for properties currently receiving K0Z benefits provided the property owner has not previously utilized K0Z benefits and the property continues to remain vacant or underutilized. The City is seeking the ability to apply for extension of K0Z benefits for 11 currently designated properties located in University City that can position us

1 10/10/17 - FINANCE - BILL 170792

2 to respond quickly to a major business
3 attraction opportunity that represents
4 over \$1 billion in new investment and
5 thousands of new jobs.

6 To further enhance the
7 incentives available to meet the
8 requirements of this unprecedented
9 opportunity, we are also requesting
10 authorization to add seven properties
11 located in University City to the KOZ
12 program, subject again to state-enabling
13 legislation. Bill No. 160708, which was
14 enacted last September, had authorized
15 the City to apply for KOZ benefits for
16 several vacant properties throughout the
17 City, including the seven properties in
18 University City. We are seeking your
19 approval to resubmit those seven
20 properties for KOZ consideration as
21 quickly as the state provides new
22 enabling legislation.

23 As has been the case in
24 previous rounds of KOZ extensions and
25 designations, the City will be requiring

1 10/10/17 - FINANCE - BILL 170792
2 all property owners to enter into a
3 Payment in Lieu of Taxes, or PILOT,
4 agreement for annual payments
5 corresponding to 110 percent of the
6 previous year's real estate taxes as
7 allowed by KOZ law. A PILOT will be
8 required as part of all KOZ extension
9 applications and expansion applications
10 regardless of the tax status of the
11 ownership entity. Nearly all the
12 properties included in this legislation
13 are owned by tax-exempt entities, which
14 currently are not required to pay real
15 estate taxes on vacant property. All
16 properties seeking new or extended KOZ
17 benefits will be required to enter into a
18 PILOT agreement regardless of tax status,
19 and all PILOTs will be in place for the
20 life of the KOZ designation.

21 In summary, the City is seeking
22 the flexibility to include key
23 development sites that have KOZ benefits
24 as part of our proposal to attract a
25 major business headquarters operation. A

1 10/10/17 - FINANCE - BILL 170792

2 request for proposals has been issued by
3 this rapidly expanding business, and we
4 expect to be competing with many other
5 cities across the country, each vying to
6 be the new home for this unique
7 opportunity. We believe Philadelphia's
8 location and access to a highly skilled
9 workforce can position us to be
10 successful in this national and possibly
11 international competition. The
12 additional incentives provided by the KOZ
13 program as authorized by this proposed
14 legislation can help to make the City's
15 proposal even more compelling.

16 This concludes my prepared
17 testimony. I respectfully request the
18 Committee's support for Bill 170792 and
19 request that you vote this bill out of
20 Committee with a favorable
21 recommendation. I further request that
22 the legislation be amended to make
23 technical corrections and that the rules
24 of Council be suspended to allow for the
25 bill, as amended, to receive a first

1 10/10/17 - FINANCE - BILL 170792
2 reading at City Council's next scheduled
3 meeting.

4 Thank you for your
5 consideration. I'd be happy to answer
6 any questions you may have. And I'd
7 also, if it's helpful, be happy to walk
8 through that amendment, which is
9 technical but in fact a little bit
10 confusing, if you'd like.

11 COUNCILWOMAN BLACKWELL:
12 Questions?

13 Councilman Henon.

14 COUNCILMAN HENON: Thank you,
15 Deputy Commerce Director. I appreciate
16 your testimony, and I really do want to
17 applaud the Commerce Department and the
18 City of Philadelphia for resubmitting
19 some of the properties and making it kind
20 of attractable, as we're supposed to do,
21 in the business-friendly way for the
22 creation of jobs and being mindful of
23 time and here today publicly opening
24 yourself up to any kind of questions that
25 we may have, especially when it comes to

1 10/10/17 - FINANCE - BILL 170792
2 a technical amendment. So I fully
3 support the amendment and the KOZ
4 submitting today as a package. So I
5 appreciate your support. You have my
6 commitment.

7 MR. BUMB: Thank you.

8 COUNCILWOMAN BLACKWELL: Thank
9 you very much.

10 Councilman Domb.

11 COUNCILMAN DOMB: Thank you,
12 Madam Chairwoman.

13 And good afternoon, Senior
14 Deputy Director. I'm in favor of the
15 KOZs, number one, just for the record. I
16 just have a question on the process.
17 Does the Governor have to approve this?
18 Because we were told in the past -- we
19 had a bunch of KOZs about a year ago that
20 we were told he did not approve.

21 MR. BUMB: So there are two
22 different classes of property here and
23 one of those classes of property will
24 require additional state legislation and
25 approval by the Governor's office. But

10/10/17 - FINANCE - BILL 170792

the bulk of these properties, the 11 I
talked about that currently have K02
benefits already for varying terms, what
we're seeking to do is to reset the clock
for all of those properties when there's
development ready to happen on those
properties so that that development gets
a full ten years of benefits.

With City Council

authorization, we would submit that
application at the appropriate time. It
is reviewed and approved administratively
by the Department of Community and
Economic Development. So it's not -- it
doesn't require any -- it is a very
routine sort of process. We've done this
for several other properties for
extension. That's not an issue. Getting
properties newly designated for Keystone
Opportunity Zone status, which is what we
attempted to do last fall unsuccessfully
and would want to do again for those
seven properties that are listed here for
new designation, that will require

1 10/10/17 - FINANCE - BILL 170792

2 legislation that is signed by the
3 Governor.

4 COUNCILMAN DOMB: So if there's
5 anything we can do to assist you with the
6 Governor in any way, you should let us
7 know so we can support you in that.

8 MR. BUMB: Thank you.

9 COUNCILMAN DOMB: The other
10 question I had was on the PILOTs. Do we
11 actually have written agreements on these
12 PILOT arrangements, or how does that
13 work?

14 MR. BUMB: We have agreements
15 on many properties, PILOT agreements for
16 many properties that are participating in
17 the KOZ program, but the requirement that
18 was placed on these properties to require
19 PILOTs was relatively late in the
20 process. Only a couple years ago did we
21 start requiring these. So the properties
22 in front of you today, which had been
23 designated for some period of time, they
24 would not currently be paying PILOTs.
25 They would be required to pay PILOTs

1 10/10/17 - FINANCE - BILL 170792
2 should we extend and reset the clock.
3 And the same would be true for those
4 sites that are not in the program
5 currently but would be entered into the
6 program. Any new properties in the
7 program or any properties that extend in
8 the program across the board we seek a
9 PILOT agreement for that 110 percent.

10 COUNCILMAN DOMB: Okay. Thank
11 you very much.

12 Thank you.

13 COUNCILWOMAN BLACKWELL: Do we
14 have additional questions for Duane Bumb?

15 MR. BUMB: I have --

16 COUNCILWOMAN BLACKWELL: Yes.
17 We'll recognize Councilman Squilla, but
18 first we want to say happy birthday to
19 you.

20 (Everyone singing Happy
21 Birthday to Councilman Squilla.)

22 COUNCILMAN SQUILLA: Thank you.
23 Thank you. Is that on the record?

24 My question is that I know this
25 happened last time and then didn't seem

1 10/10/17 - FINANCE - BILL 170792

2 to go anywhere. Is there more of an
3 inclination now that this will have a
4 better chance this time through? Is the
5 Governor now considering these?

6 MR. BUMB: So, again, the
7 question of extending those sites that
8 already have KOZ benefits, that is an
9 administrative function. We think that
10 that is a straightforward process without
11 a problem. Adding new properties to the
12 program for the first time, which we were
13 unsuccessful last fall in doing, we can't
14 do that until we see new state
15 legislation, and that new state
16 legislation would have to be signed by
17 the Governor, at which point which would
18 indicate his support. So we're not there
19 yet. These are conditional approvals on
20 your -- authorizations on your part for
21 us to apply should we be allowed to by
22 the state.

23 MS. GALLIER-HOWARD: I think
24 the one thing that I would add is that
25 because of this big opportunity that we

1 10/10/17 - FINANCE - BILL 170792

2 have and because a lot of these parcels
3 are in the University City area, that is
4 why we're adding these back in again,
5 because they fill the hole in the
6 doughnut of the ones that don't have the
7 K0Z, so that hopefully this opportunity
8 incentivizes them to move on this. We'll
9 see.

10 COUNCILMAN SQUILLA: Thank you
11 very much.

12 MR. BUMB: And I have -- it was
13 just handed to me. We had submitted some
14 changes in an amendment for -- we have 18
15 properties, and there is a 19th property
16 which we overlooked. And so we would
17 like to add 3400 to 3414 Market Street,
18 which is all right in the middle of this
19 whole site. It currently does have K0Z
20 benefits, and so we would want to extend
21 those with these other sites for the same
22 development.

23 COUNCILWOMAN BLACKWELL: That's
24 an address we do not have?

25 MR. BUMB: It's an address you

1 10/10/17 - FINANCE - BILL 170792

2 do not have. We erroneously forgot to
3 include that in the bill, so we would
4 like to modify the amendment to add that
5 one property.

6 COUNCILWOMAN BLACKWELL: I
7 mean, we just got these changes today.
8 Now we're still not finished with
9 changes. It's fine, but we would like to
10 be prepared when we do our legislation,
11 because people ask questions and we're
12 supposed to kind of know.

13 MS. GALLIER-HOWARD: We
14 apologize for the oversight. We've been
15 moving at a very quick pace.

16 COUNCILWOMAN BLACKWELL: You
17 also got to have the hearing, got to have
18 the hearing. We weren't pushed. You all
19 were.

20 What's that address again?

21 MR. BUMB: The address is
22 3400-14 Market Street.

23 COUNCILWOMAN BLACKWELL: That's
24 quite a bit, my goodness, but we would
25 like to receive our information and we'd

1 10/10/17 - FINANCE - BILL 170792
2 like to know what we're doing out there.
3 We've been giving everybody a hard time,
4 from Brandywine to Penn to USP. You name
5 it, everybody out there. So we expect
6 the City to keep us together when it
7 comes to this.

8 Any other questions?

9 Please, Councilman Domb.

10 COUNCILMAN DOMB: Thank you,
11 Madam Chair.

12 Just a quick question. I just
13 want to be clear. Having a business
14 located in a KOZ, can you just give us
15 the overview of the tax benefits of that
16 business versus not being in a KOZ, which
17 taxes it affects.

18 MR. BUMB: Right. So a
19 business that is located and approved for
20 KOZ benefits -- and there's a difference
21 there -- receives during the life of the
22 KOZ program, again approximately ten
23 years, receives abatement at the local
24 level from real estate taxes, use and
25 occupancy tax, the sales and use tax, and

1 10/10/17 - FINANCE - BILL 170792
2 the business income and receipts tax. At
3 the state level, it receives abatement
4 from the state portion of the sales and
5 use tax, the 6 percent, as well as
6 abatement from corporate income tax and
7 stock tax.

8 COUNCILMAN DOMB: So the
9 difference from a City perspective, a
10 non-profit or an institution right now
11 doesn't pay U&O, real estate or BIRT. So
12 they get the same benefit basically in a
13 KOZ?

14 MR. BUMB: So a tax-exempt
15 entity is not generating tax obligation.
16 It doesn't receive any benefit on either
17 state or local from the program.

18 COUNCILMAN DOMB: But are you
19 saying in a KOZ the only real tax they're
20 going to pay is wage taxes?

21 MR. BUMB: They'll pay wage
22 tax, that's right. They'll pay wage tax
23 and then they'll pay the PILOT, which is
24 basically the additional real estate tax
25 for unimproved property.

1 10/10/17 - FINANCE - BILL 170792

2 COUNCILMAN DOMB: Okay. Thank
3 you very much.

4 Thank you.

5 COUNCILWOMAN BLACKWELL:
6 Councilwoman Blondell Reynolds Brown.

7 COUNCILWOMAN BROWN: Good
8 afternoon.

9 MR. BUMB: Good afternoon.

10 COUNCILWOMAN BROWN: While we
11 on this side of the table understand
12 fairly well the value of KOZs and when
13 you the professionals live and breathe it
14 every day, the viewers and communities
15 that continue to get misplaced and
16 displaced because of opportunities like
17 this that we give others. So if you
18 could just share for the record -- while
19 we may know, viewers may not -- the
20 impact on the local community from a
21 business standpoint, the impact on the
22 local community in terms of displacement
23 of citizens or not, and any other valued
24 information you believe viewers should
25 know when it comes to why KOZs make

1 10/10/17 - FINANCE - BILL 170792

2 sense.

3 MR. BUMB: So I'm not sure I
4 understand all of the question, but let
5 me sort of at least give it a try.

6 The sites to be eligible for to
7 participate in the Keystone Opportunity
8 Zone program, by definition they must be
9 vacant sites. So there is nobody being
10 displaced here. We specifically are
11 focused on commercial and industrial
12 activity. So our focus is always on job
13 creation. We don't -- we try to avoid
14 providing KOZ benefits for residential
15 development because it changes the
16 dynamic.

17 So for sites that are currently
18 paying very little because they're vacant
19 sites and they're paying some real estate
20 tax on vacant property, unless they're
21 held by institutions that don't pay tax
22 even on that, the program obviously -- we
23 would say it provides job opportunities.
24 And these sites are all sitting in all
25 parts of the City, so that they provide

1 10/10/17 - FINANCE - BILL 170792

2 job opportunities for Philadelphians.

3 That's really what our driving sort of

4 reason for wanting to support this is.

5 And even, as was noted before, even

6 during the life of the program when

7 they're not paying certain business

8 taxes, they are generating significant

9 wage tax to the City. And so the

10 economic impact of that for the City is

11 tremendous.

12 COUNCILWOMAN BROWN: Great

13 value.

14 Thank you very much.

15 MR. BUMB: Sure.

16 COUNCILWOMAN BLACKWELL: Thank

17 you.

18 Councilman Henon.

19 COUNCILMAN HENON: Thank you,

20 Madam Chair.

21 And for the record, I was just

22 going to actually kind of clarify that

23 the wage tax, which is a significant --

24 has a significant impact to our city

25 budget, over a billion dollars, is

1 10/10/17 - FINANCE - BILL 170792

2 welcomed. So anything that we can do,
3 just as I think you are here today being
4 proactive in seeing a possible
5 opportunity to generate more wage tax
6 while using the resource or the tool of a
7 PILOT for our schools, which need it, I
8 think is welcomed.

9 So for those who are listening
10 and that are out there, the PILOT part of
11 the real estate taxes, that part will be
12 forgiven and PILOT goes, the other part
13 for the School District and nets us to
14 110 percent, goes directly to the
15 schools. So we're going to fund our
16 schools and we're going to gain wage tax
17 revenue, which is really the driver of
18 helping provide our core services and
19 making our city awesome.

20 So thank you for being
21 proactive.

22 MR. BUMB: Thank you.

23 MS. GALLIER-HOWARD: And I
24 think just so that you all are aware, the
25 reason we've kind of accelerated this

1 10/10/17 - FINANCE - BILL 170792

2 whole process, as you know, this is for a
3 major opportunity. And to give you a
4 sense, the current office space is
5 approximately 45 million square feet in
6 Philadelphia. This would be eight
7 million. So basically it constitutes
8 about 20 percent of what we have today.
9 So we believe this is a game-changer.
10 And while right now that wage tax, we
11 really need that money, it will probably
12 provide us at some point with an
13 opportunity to kind of hopefully make
14 some positive changes to make the
15 environment more business friendly in the
16 long run for everyone and a lot of jobs.

17 COUNCILWOMAN BLACKWELL:

18 Councilwoman Reynolds Brown.

19 COUNCILWOMAN BROWN: No. I'm

20 done. Thank you.

21 COUNCILWOMAN BLACKWELL:

22 Councilwoman Parker.

23 COUNCILWOMAN PARKER: Thank

24 you, Councilwoman Blackwell.

25 As I just went through the

1 10/10/17 - FINANCE - BILL 170792

2 ordinance, Councilwoman, I just wanted to
3 say a special thank you to you as the
4 District Councilperson for this region,
5 along with the Administration for moving
6 forward with what many would perceive as
7 a sort of very technical and analytical
8 piece of legislation, but actually it
9 serves as a very strong signal of the
10 commitment of this legislation, along
11 with this legislative body, that we are
12 serious about being a very strong
13 competitor to leverage and acquire
14 business that we feel is appropriately
15 placed here in the City of Philadelphia
16 and we think they could grow here.

17 So I want to thank you,
18 Councilwoman Blackwell, as the District
19 Councilperson, along with the
20 Administration for working together in a
21 united front to signal Philadelphia is
22 open for business and our legislative
23 process is working as swiftly as possible
24 to ensure that we can accommodate the
25 needs, and that's not often recognized

1 10/10/17 - FINANCE - BILL 170792
2 when you're talking about government. We
3 move as slow as snails, but in this
4 process you've been working as rapidly as
5 possible, and I just wanted to commend
6 you for the record.

7 MS. GALLIER-HOWARD: I can just
8 take the opportunity to thank you all. I
9 do want to say the resolution that you
10 passed a couple weeks ago was sent
11 directly and was very well received. So
12 thank you.

13 COUNCILWOMAN BLACKWELL: Let me
14 say thank you as well, Councilwoman
15 Parker.

16 Any other questions or
17 comments?

18 (No response.)

19 COUNCILWOMAN BLACKWELL: Seeing
20 none, that will end our public hearing
21 part of this meeting and we will enter
22 into our public meeting.

23 The Chair recognizes
24 Councilmember Henon for a motion on the
25 amendment to Bill No. 170792.

1 10/10/17 - FINANCE - BILL 170792

2 COUNCILMAN HENON: Thank you,
3 Madam Chair. I offer an amendment to
4 Bill No. 170792. A copy of the amendment
5 has been circulated to all members of the
6 Committee, and I move for the adoption of
7 the amendment.

8 (Duly seconded.)

9 COUNCILWOMAN BLACKWELL: It has
10 been moved and properly seconded that the
11 amendment to Bill No. 170792 has been
12 approved.

13 All those in favor of the
14 motion will signify by saying aye.

15 (Aye.)

16 COUNCILWOMAN BLACKWELL: Those
17 opposed, nay.

18 (No response.)

19 COUNCILWOMAN BLACKWELL: The
20 motion carries, and Bill No. 170792 has
21 been amended.

22 The Chair again recognizes
23 Councilmember Henon for a motion with
24 regard to Bill No. 170792, as amended.

25 COUNCILMAN HENON: Thank you,

1 10/10/17 - FINANCE - BILL 170792

2 Madam Chair. I move that Bill No.
3 170792, as amended, be reported from this
4 Committee with a favorable recommendation
5 and further move that the rules of
6 Council be suspended as to permit first
7 reading of this bill at our next session
8 of Council.

9 (Duly seconded.)

10 COUNCILWOMAN BLACKWELL: It has
11 been moved and properly seconded that
12 Bill No. 170792, as amended, be reported
13 from this Committee with a favorable
14 recommendation and further moved that the
15 rules of Council be suspended so as to
16 permit first reading of this bill at the
17 next session of Council.

18 All those in favor of the
19 motion will signify by saying aye.

20 (Aye.)

21 COUNCILWOMAN BLACKWELL:

22 Opposed, nay.

23 (No response.)

24 COUNCILWOMAN BLACKWELL: The
25 ayes have it, the motion carries, and

10/10/17 - FINANCE - BILL 170792

Bill No. 170792, as amended, will be reported from this Committee with a favorable recommendation and a request that the rules of Council be suspended so as to permit first reading at our next session of Council.

So let me thank everyone for being here. That concludes our business. This hearing is adjourned.

Thank you all, and enjoy your birthday.

(Committee on Finance concluded at 3:35 p.m.)

- - -

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

CERTIFICATE

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

MICHELE L. MURPHY
RPR-Notary Public

(The foregoing certification of this
transcript does not apply to any reproduction
of the same by any means, unless under the
direct control and/or supervision of the
certifying reporter.)

Committee on Finance
October 10, 2017

Page 1

A	8:22,25 26:21,24 27:3,12 28:2	assist 12:5 attempted 11:22 attract 7:24 attractable 9:20 attraction 6:3 authorization 6:10 11:11 authorizati... 14:20 authorized 6:14 8:13 authorizes 4:12 authorizing 4:6 available 6:7 avoid 20:13 aware 22:24 awesome 22:19 aye 26:14,15 27:19,20 ayes 27:25	8:19,25 9:1 10:1 11:1 12:1 13:1 14:1 15:1 16:1,3 17:1 18:1 19:1 20:1 21:1 22:1 23:1 24:1 25:1 25:25 26:1 26:4,11,20 26:24 27:1 27:2,7,12 27:16 28:1 28:2 billion 5:9 6:4 21:25 BIRT 18:11 birthday 2:18 2:19 13:18 13:21 28:12 bit 9:9 16:24 Blackwell 1:10 2:2 3:9 3:16,21 9:11 10:8 13:13,16 15:23 16:6 16:16,23 19:5 21:16 23:17,21,24 24:18 25:13 25:19 26:9 26:16,19 27:10,21,24 Blondell 1:13 2:8 19:6 board 13:8 Bobby 1:12 2:14 body 24:11 Brandywine 17:4 breathe 19:13 Brown 1:13 2:8 19:6,7 19:10 21:12 23:18,19 budget 21:25 bulk 11:2 Bumb 3:11 3:20,23 10:7,21	12:8,14 13:14,15 14:6 15:12 15:25 16:21 17:18 18:14 18:21 19:9 20:3 21:15 22:22 bunch 10:19 business 4:24 6:2 7:25 8:3 17:13,16,19 18:2 19:21 21:7 23:15 24:14,22 28:9 business-fri... 9:21	circulated 26:5 cities 8:5 citizens 19:23 city 1:2,6 3:24 4:7,13 5:13,21,25 6:11,15,17 6:18,25 7:21 9:2,18 11:10 15:3 17:6 18:9 20:25 21:9 21:10,24 22:19 24:15 City's 8:14 clarify 21:22 classes 10:22 10:23 clear 17:13 Clerk 2:22,25 clock 11:5 13:2 Code 1:16 3:3 comes 2:18 2:20 9:25 17:7 19:25 commend 25:5 comments 25:17 Commerce 3:13,24 4:3 9:15,17 commercial 20:11 commitment 10:6 24:10 Committee 1:3 2:3 3:18 3:22 8:20 26:6 27:4 27:13 28:3 28:13 Committee's 8:18 Commonwe... 4:8,13 communities 19:14 community 5:15 11:14 19:20,22	compelling 8:15 competing 8:4 competition 8:11 competitor 24:13 concluded 28:13 concludes 8:16 28:9 conditional 14:19 conditions 1:19 3:8 confusing 9:10 consideration 6:20 9:5 considering 14:5 consisting 4:15 constitutes 23:7 contained 29:5 continue 19:15 continues 5:20 control 29:23 coordinated 4:23 copy 26:4 core 22:18 corporate 18:6 correct 29:8 corrections 8:23 correspondi... 7:5 Council 1:2 8:24 11:10 27:6,8,15 27:17 28:5 28:7 Council's 9:2 Councilman 1:11,11,12 1:13 2:6,14	2:16 9:13 9:14 10:10 10:11 12:4 12:9 13:10 13:17,21,22 15:10 17:9 17:10 18:8 18:18 19:2 21:18,19 26:2,25 Councilme... 25:24 26:23 Councilper... 24:4,19 Councilwo... 1:10,10,12 1:13 2:2,7,9 2:15 3:9,16 9:11 10:8 13:13,16 15:23 16:6 16:16,23 19:5,6,7,10 21:12,16 23:17,18,19 23:21,22,23 23:24 24:2 24:18 25:13 25:14,19 26:9,16,19 27:10,21,24 country 8:5 couple 12:20 25:10 created 4:20 5:11 creation 9:22 20:13 current 5:12 23:4 currently 5:17,24 7:14 11:3 12:24 13:5 15:19 20:17
		B		C			D
		back 15:4 basically 18:12,24 23:7 Bass 1:10 2:15 behalf 4:4 believe 3:18 8:7 19:24 23:9 benefit 5:5 18:12,16 benefits 1:18 3:7 4:10 5:18,19,23 6:15 7:17 7:23 11:4,9 14:8 15:20 17:15,20 20:14 better 14:4 big 14:25 bill 1:16 2:1 2:23,23 3:1 4:1,6,6,12 5:1 6:1,13 7:1 8:1,18		call 2:3 3:11 carries 26:20 27:25 case 6:23 certain 1:18 1:18 3:7,8 21:7 CERTIFIC... 29:2 certification 29:20 CERTIFY 29:3 certifying 29:24 Chair 1:10 2:13 17:11 21:20 25:23 26:3,22 27:2 Chairwoman 3:21 10:12 chance 14:4 changes 15:14 16:7 16:9 20:15 23:14 Chapter 1:16 3:2 Cherelle 1:12 2:9 Chief 4:2 Cindy 1:10 2:9,15			day 19:14 definition 20:8 Department 3:12 4:3 5:15 9:17 11:14

Committee on Finance
October 10, 2017

Page 2

Deputy 3:12 3:23 9:15 10:14 designate 4:14 designated 5:24 11:20 12:23 designation 4:10 7:20 11:25 designations 6:25 development 1:17,18 3:4 3:5 5:16 7:23 11:7,8 11:15 15:22 20:15 difference 17:20 18:9 different 10:22 direct 29:23 directly 22:14 25:11 Director 3:12 3:23 9:15 10:14 displaced 19:16 20:10 displacement 19:22 District 1:17 3:5 22:13 24:4,18 doing 14:13 17:2 dollars 21:25 Domb 1:11 2:16 10:10 10:11 12:4 12:9 13:10 17:9,10 18:8,18 19:2 doughnut 15:6 driver 22:17 driving 21:3 Duane 3:11 3:22 13:14 Duly 26:8	27:9 dynamic 20:16 E economic 1:17 3:4 5:16 11:15 21:10 eight 23:6 either 18:16 eligible 20:6 enabling 6:22 enacted 6:14 enhance 6:6 enjoy 28:11 ensure 24:24 enter 7:2,17 25:21 entered 13:5 entities 7:13 entitled 1:16 3:3 entity 7:11 18:15 environment 23:15 erroneously 16:2 especially 9:25 estate 7:6,15 17:24 18:11 18:24 20:19 22:11 everybody 17:3,5 evidence 29:4 expanding 8:3 expansion 7:9 expect 8:4 17:5 extend 4:8 13:2,7 15:20 extended 5:6 7:16 extending 14:7 extension 5:16,23 7:8 11:19 extensions	1:18 3:7 6:24 F fact 9:9 fairly 19:12 fall 11:22 14:13 favor 10:14 26:13 27:18 favorable 8:20 27:4 27:13 28:4 feel 24:14 feet 23:5 fill 15:5 Finance 1:3 2:1,3 3:1,22 4:1 5:1 6:1 7:1 8:1 9:1 10:1 11:1 12:1 13:1 14:1 15:1 16:1 17:1 18:1 19:1 20:1 21:1 22:1 23:1 24:1 25:1 26:1 27:1 28:1,13 fine 16:9 finished 16:8 first 8:25 13:18 14:12 27:6,16 28:6 flexibility 7:22 focus 20:12 focused 20:11 foregoing 29:7,20 forgiven 22:12 forgot 16:2 forward 24:6 found 2:19 friendly 23:15 front 12:22 24:21 full 11:9 fully 10:2 29:5	function 14:9 fund 22:15 further 4:12 6:6 8:21 27:5,14 G gain 22:16 Gallier-Ho... 4:2 14:23 16:13 22:23 25:7 game-chan... 23:9 generate 22:5 generating 18:15 21:8 Getting 11:19 give 2:20 17:14 19:17 20:5 23:3 giving 17:3 go 14:2 goes 22:12,14 going 2:21 18:20 21:22 22:15,16 good 3:20 10:13 19:7 19:9 goodness 16:24 governing 5:13 government 5:2 25:2 Governor 10:17 12:3 12:6 14:5 14:17 Governor's 10:25 Great 21:12 Greenlee 1:11 2:7 grow 24:16 H Hall 1:6 handed 15:13 happen 11:7 happened 13:25 happy 2:18	9:5,7 13:18 13:20 hard 17:3 headquarters 7:25 hearing 3:18 16:17,18 25:20 28:10 held 20:21 help 8:14 helpful 9:7 helping 22:18 Henon 1:12 2:14 9:13 9:14 21:18 21:19 25:24 26:2,23,25 highly 8:8 hole 15:5 home 8:6 hopefully 15:7 23:13 I impact 19:20 19:21 21:10 21:24 implementa... 5:7 incentives 6:7 8:12 incentivizes 15:8 inclination 14:3 include 7:22 16:3 included 5:8 7:12 including 6:17 income 18:2,6 indicate 14:18 industrial 20:11 information 16:25 19:24 institution 18:10 institutions 20:21 international 8:11	investment 4:21 5:10 6:4 issue 11:19 issued 8:2 J JANNIE 1:10 job 20:12,23 21:2 jobs 5:10 6:5 9:22 23:16 joined 3:25 K K 1:11 keep 17:6 key 7:22 Keystone 1:17 3:3 4:9 4:14,19 11:20 20:7 kind 9:19,24 16:12 21:22 22:25 23:13 know 2:10 12:7 13:24 16:12 17:2 19:19,25 23:2 KOZ 2:23 4:9 5:2,7,13,18 5:19,23 6:11,15,20 6:24 7:7,8 7:16,20,23 8:12 10:3 11:3 12:17 14:8 15:7 15:19 17:14 17:16,20,22 18:13,19 20:14 KOZs 10:15 10:19 19:12 19:25 L L 1:10,12 29:14 late 12:19 law 7:7 left 2:6,7,8 legislation	4:18 5:12 6:13,22 7:12 8:14 8:22 10:24 12:2 14:15 14:16 16:10 24:8,10 legislative 24:11,22 level 17:24 18:3 levels 5:2 leverage 24:13 Lieu 7:3 life 7:20 17:21 21:6 listed 11:24 listening 22:9 little 9:9 20:18 live 19:13 local 4:24 17:23 18:17 19:20,22 located 5:24 6:11 17:14 17:19 location 8:8 long 3:19 23:16 lot 15:2 23:16 M Madam 10:12 17:11 21:20 26:3 27:2 major 6:2 7:25 23:3 making 9:19 22:19 Mark 1:13 2:17 Market 15:17 16:22 matter 29:7 mean 16:7 means 29:22 meet 6:7 meeting 2:4 9:3 25:21 25:22 members	3:21 26:5 MICHELE 29:14 middle 15:18 million 23:5,7 mindful 9:22 misplaced 19:15 modified 5:3 modify 16:4 money 23:11 motion 25:24 26:14,20,23 27:19,25 move 15:8 25:3 26:6 27:2,5 moved 26:10 27:11,14 moving 16:15 24:5 MURPHY 29:14 N name 3:22 17:4 national 8:10 nay 26:17 27:22 Nearly 7:11 need 22:7 23:11 needs 24:25 nets 22:13 new 4:14 5:4 5:9 6:4,5,21 7:16 8:6 11:25 13:6 14:11,14,15 newly 11:20 non-profit 18:10 note 2:5,17 noted 21:5 notes 29:6 number 10:15 O objections 29:4 obligation 18:15
---	--	--	---	--	---	--	---

Committee on Finance
October 10, 2017

Page 3

obviously 20:22 occupancy 17:25 October 1:7 offer 26:3 office 10:25 23:4 Okay 13:10 19:2 ones 15:6 open 24:22 opening 9:23 operation 7:25 opportunities 19:16 20:23 21:2 opportunity 1:17 3:4 4:9 4:15,19 6:3 6:9 8:7 11:21 14:25 15:7 20:7 22:5 23:3 23:13 25:8 opposed 26:17 27:22 order 2:4 ordinance 1:16 2:25 24:2 overlooked 15:16 oversight 16:14 overview 17:15 owned 7:13 owner 5:18 owners 7:2 ownership 7:11	22:11,12 25:21 participate 20:7 participating 12:16 participation 4:25 parts 20:25 passed 25:10 pay 7:14 12:25 18:11 18:20,21,22 18:23 20:21 paying 12:24 20:18,19 21:7 Payment 7:3 payments 7:4 Penn 17:4 Pennsylvania 1:6 4:8,14 5:15 people 16:11 perceive 24:6 percent 7:5 13:9 18:5 22:14 23:8 period 4:17 12:23 permit 27:6 27:16 28:6 perspective 18:9 Philadelphia 1:2,6,16 3:3 3:24 4:7 5:8 5:14 9:18 23:6 24:15 24:21 Philadelphi... 8:7 Philadelphi... 21:2 piece 24:8 PILOT 7:3,7 7:18 12:12 12:15 13:9 18:23 22:7 22:10,12 PILOTs 7:19 12:10,19,24 12:25	place 7:19 placed 12:18 24:15 Please 17:9 point 14:17 23:12 portion 18:4 position 5:25 8:9 positive 23:14 possible 22:4 24:23 25:5 possibly 8:10 prepared 8:16 16:10 PRESENT 1:9 previous 6:24 7:6 previously 5:19 private 4:21 5:9 proactive 22:4,21 probably 23:11 problem 14:11 proceedings 29:4 process 10:16 11:17 12:20 14:10 23:2 24:23 25:4 professionals 19:13 program 4:20 4:23 5:3,7 5:13 6:12 8:13 12:17 13:4,6,7,8 14:12 17:22 18:17 20:8 20:22 21:6 properly 26:10 27:11 properties 4:12,16,22 5:5,6,17,24 6:10,16,17 6:20 7:12 7:16 9:19	11:2,6,8,18 11:20,24 12:15,16,18 12:21 13:6 13:7 14:11 15:15 property 5:18 5:20 7:2,15 10:22,23 15:15 16:5 18:25 20:20 proposal 7:24 8:15 proposals 8:2 proposed 8:13 provide 1:18 3:6 20:25 22:18 23:12 provided 5:18 8:12 provides 6:21 20:23 providing 20:14 public 25:20 25:22 29:15 publicly 9:23 pursuant 4:17 pushed 16:18	Q question 10:16 12:10 13:24 14:7 17:12 20:4 questions 9:6 9:12,24 13:14 16:11 17:8 25:16 quick 16:15 17:12 quickly 6:2 6:21 quite 16:24 quorum 2:6	R rapidly 8:3 25:4 read 2:22 reading 2:11 9:2 27:7,16	28:6 ready 11:7 real 7:6,14 17:24 18:11 18:19,24 20:19 22:11 really 9:16 21:3 22:17 23:11 reason 21:4 22:25 receipts 18:2 receive 8:25 16:25 18:16 received 25:11 receives 17:21,23 18:3 receiving 5:17 recognize 13:17 recognized 24:25 recognizes 25:23 26:22 recommend... 8:21 27:4 27:14 28:4 record 10:15 13:23 19:18 21:21 25:6 regard 26:24 regardless 7:10,18 region 24:4 related 4:10 relatively 12:19 remain 5:20 reported 27:3 27:12 28:3 reporter 29:24 represents 6:3 reproduction 29:21 request 8:2 8:17,19,21 28:4 requesting	6:9 require 10:24 11:16,25 12:18 required 7:8 7:14,17 12:25 requirement 12:17 requirements 6:8 requiring 6:25 12:21 reset 11:5 13:2 residential 20:14 resolution 25:9 resource 22:6 respectfully 8:17 respond 6:2 response 25:18 26:18 27:23 resubmit 6:19 resubmitting 9:18 results 5:8 retained 5:11 revenue 22:17 reviewed 11:13 Reynolds 1:13 2:8 19:6 23:18 right 2:13,14 2:16 15:18 17:18 18:10 18:22 23:10 Room 1:6 rounds 6:24 routine 11:17 RPR-Notary 29:15 rules 8:23 27:5,15 28:5 run 23:16	sad 2:12 sales 17:25 18:4 saying 18:19 26:14 27:19 scheduled 9:2 School 22:13 schools 22:7 22:15,16 seconded 26:8,10 27:9,11 see 14:14 15:9 seeing 22:4 25:19 seek 13:8 seeking 5:22 6:18 7:16 7:21 11:5 Senior 3:12 3:23 10:13 sense 20:2 23:4 sent 25:10 September 6:14 serious 24:12 serves 24:9 services 2:11 22:18 session 27:7 27:17 28:7 seven 4:15 6:10,17,19 11:24 shame 2:12 share 19:18 side 19:11 signal 24:9,21 signed 12:2 14:16 significant 21:8,23,24 signify 26:14 27:19 singing 13:20 site 15:19 sites 4:25 7:23 13:4 14:7 15:21 20:6,9,17 20:19,24	sitting 20:24 skilled 8:8 slow 25:3 snails 25:3 song 2:20 sort 11:17 20:5 21:3 24:7 space 23:4 special 24:3 specifically 20:10 square 23:5 Squilla 1:13 2:17 13:17 13:21,22 15:10 Staff 4:2 standpoint 19:21 start 12:21 state 4:23 5:12 6:21 10:24 14:14 14:15,22 18:3,4,17 state-enabli... 4:18 6:12 status 7:10,18 11:21 stenographic 29:6 stimulate 4:20 stock 18:7 straightfor... 14:10 Strategic 1:17 3:5 Street 15:17 16:22 Streets 2:11 strong 24:9 24:12 subject 6:12 submit 11:11 submitted 15:13 submitting 10:4 successful 8:10 summary
P p.m 1:7 28:14 pace 16:15 package 10:4 parcels 15:2 Parker 1:12 2:9 23:22 23:23 25:15 part 7:8,24 14:20 22:10				S					

Committee on Finance
October 10, 2017

Page 4

7:21 supervision 29:23 support 4:5 8:18 10:3,5 12:7 14:18 21:4 supposed 9:20 16:12 sure 20:3 21:15 suspended 8:24 27:6 27:15 28:5 swiftly 24:23 Sylvie 4:2	3:13 8:17 9:16 thank 2:4,23 3:9,16,19 9:4,14 10:7 10:8,11 12:8 13:10 13:12,22,23 15:10 17:10 19:2,4 21:14,16,19 22:20,22 23:20,23 24:3,17 25:8,12,14 26:2,25 28:8,11 thing 14:24 think 14:9,23 22:3,8,24 24:16 thousands 6:5 time 3:19 9:23 11:12 12:23 13:25 14:4,12 17:3 times 5:3 title 2:22 today 3:25 4:4 9:23 10:4 12:22 16:7 22:3 23:8 told 10:18,20 tool 22:6 transcript 29:8,21 tremendous 21:11 true 13:3 29:7 try 20:5,13 Tuesday 1:7 two 10:21	unimproved 18:25 unique 8:6 united 24:21 University 5:25 6:11 6:18 15:3 unpreceden... 6:8 unsuccessful 14:13 unsuccessfu... 11:22 use 17:24,25 18:5 USP 17:4 utilized 5:19	9:20 11:5 14:18 15:4 16:8,11 17:2 22:15 22:16 we've 11:17 16:14 17:3 22:25 weeks 25:10 welcomed 22:2,8 went 23:25 weren't 16:18 William 1:11 2:6 witness 3:14 Witnesses 3:14 work 12:13 workforce 8:9 working 24:20,23 25:4 written 12:11	19:1 20:1 21:1 22:1 23:1 24:1 25:1 26:1 27:1 28:1 11 4:11 5:23 11:2 110 7:5 13:9 22:14 12,000 5:10 160708 6:13 170792 1:16 2:1,23 3:1 4:1,6 5:1 6:1 7:1 8:1 8:18 9:1 10:1 11:1 12:1 13:1 14:1 15:1 16:1 17:1 18:1 19:1 20:1 21:1 22:1 23:1 24:1 25:1 25:25 26:1 26:4,11,20 26:24 27:1 27:3,12 28:1,2 18 15:14 19 5:4 19-3200 1:16 3:2 1999 4:20 19th 15:15	6 6 18:5		
T table 3:15,25 19:11 take 3:19 25:8 taken 29:6 talked 11:3 talking 25:2 targeted 4:25 tax 7:10,18 17:15,25,25 18:2,5,6,7 18:15,19,22 18:22,24 20:20,21 21:9,23 22:5,16 23:10 tax-exempt 7:13 18:14 taxes 4:24 7:3 7:6,15 17:17,24 18:20 21:8 22:11 technical 8:23 9:9 10:2 24:7 ten 4:11 11:9 17:22 ten-year 4:17 term 5:5,17 terms 1:19 3:8 11:4 19:22 testify 4:5 testimony	U U&O 18:11 understand 19:11 20:4 underutilized 4:16,22 5:21	V vacant 4:16 4:21 5:21 6:16 7:15 20:9,18,20 value 19:12 21:13 valued 19:23 varying 11:4 versus 17:16 Vice 2:13 viewers 19:14 19:19,24 vote 8:19 vying 8:5	Z Zone 1:17 3:4 4:9,19 11:21 20:8 Zones 4:15				
		W wage 18:20 18:21,22 21:9,23 22:5,16 23:10 waived 4:24 walk 9:7 want 2:4,18 9:16 11:23 13:18 15:20 17:13 24:17 25:9 wanted 24:2 25:5 wanting 21:4 way 9:21 12:6 we'll 2:20 13:17 15:8 we're 2:21	0 1 1 6:4 1.7 5:9 10 1:7 10/10/17 2:1 3:1 4:1 5:1 6:1 7:1 8:1 9:1 10:1 11:1 12:1 13:1 14:1 15:1 16:1 17:1 18:1	2 20 23:8 2017 1:7	3 3:10 1:7 3:35 28:14 3400 15:17 3400-14 16:22 3414 15:17	4 400 1:6 45 23:5	5