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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING AND PUBLIC MEETING
BEFORE THE COMMITTEE OF THE WHOLE

- - -
Room 400, City Hall
Philadelphia, Pennsylvania
Weds., 5/30/01, 5:52 p.m.
- - -

BILL 010331 - To acquire by amicable negotiations or
by condemnation fee simple title to certain parcel
of real estate with improvements situated therein.

BILL 010332 - Placing on City Plan No. 44-S of three
certain contiguous rights-of-way for drainage,
water, utility purposes, extending from intersection
of Pattison Avenue and 11th Street

BILL 010333 - To execute and deliver a non-
disturbance agreement with the Phillies which may
accept leasehold mortgages granted by the Phillies
upon its leasehold interest in certain parcels of
land owned by the City.

BILL 010334 - To enter into ground lease agreement
with PAID providing for leasing by the City to PAID
of certain parcels of land owned by the City.

PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILWOMAN JANNIE BLACKWELL, Vice Chair
COUNCILMAN DAVID COHEN
COUNCILMAN FRANK J. DICICCO
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILMAN RICHARD T. MARIANO
COUNCILMAN DONNA REED MILLER
COUNCILMAN MICHAEL A. NUTTER
COUNCILMAN BRIAN O'NEILL
COUNCILMAN ANGEL L. ORTIZ
COUNCILMAN FRANK RIZZO
COUNCILWOMAN MARIAN B. TASCO

- - -
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2 P R O C E E D I N G S

3 COUNCIL PRESIDENT VERNA: Good evening,
4 everyone. I really want to apologize to our
5 witnesses. I never realized that the previous
6 hearing would be so long.

7 I would ask Mr. McPherson, is there any
8 reason why we cannot consider all of the bills at
9 one time? I could have Mr. McPherson read them
10 all. Thank you.

11 Mr. McPherson, would you please read the
12 titles of the bills before us.

13 MR. MCPHERSON: Yes.

14 Bill No. 010331, an ordinance
15 authorizing the Commissioner of Public Property, on
16 behalf of the City of Philadelphia, to acquire by
17 amicable negotiations or by condemnation fee simple
18 title to a certain parcel of real estate with the
19 improvements situated therein.

20 Bill No. 010332, an ordinance
21 authorizing the placing on City Plan No. 44-S of
22 three certain contiguous rights-of-way for drainage
23 purposes, water purposes, and utility purposes
24 collectively extending from the intersection of
25 Pattison Avenue and 11th Street and in an easterly

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2 and southeasterly direction and intersection with
3 Tenth Street between Pattison Avenue and Packer
4 Avenue, under certain terms and conditions.

5 Bill No. 010333, an ordinance
6 authorizing the Director of Commerce and the
7 Commissioner of Public Property, on behalf of the
8 City of Philadelphia, to execute and deliver a
9 non-disturbance agreement with the Phillies, a
10 Pennsylvania limited partnership, and other parties
11 which may accept leasehold mortgages granted by the
12 Phillies upon its leasehold interest in certain
13 parcels of land owned by the City.

14 Bill No. 010334, an ordinance
15 authorizing the Commissioner of Public Property and
16 the Director of Commerce, on behalf of the City of
17 Philadelphia, to enter into a ground lease agreement
18 with the Philadelphia Authority for Industrial
19 Development, providing for the leasing by the City
20 to PAID of certain parcels of land owned by the City
21 and further providing for the subleasing of said
22 lands from PAID to the Phillies.

23 COUNCIL PRESIDENT Verna: Mr.
24 Longstreth, you're going to testify first?

25 Oh, Councilwoman Miller? I'm sorry.

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2 You want to be recognized?

3 COUNCILWOMAN MILLER: Yes. Thank you,
4 Madam President.

5 Madam President, I'd like to be excused
6 to attend to Council business and would like to be
7 recorded as voting aye on these bills and the
8 amendments.

9 COUNCIL PRESIDENT Verna: Thank you.

10 COUNCILWOMAN MILLER: You're welcome.

11 COUNCIL PRESIDENT Verna: Mr.
12 Longstreth?

13 MR. LONGSTRETH: Good afternoon,
14 President Verna and members of City Council. My
15 name is Peter S. Longstreth, and I'm honored and
16 pleased to appear before you today in my new
17 capacity as President of the Philadelphia Industrial
18 Development Corporation. I've been at PIDC for
19 approximately three months now and I'm energized by
20 the role which PIDC has played, and will continue to
21 play, in improving the City's business environment
22 and fiscal health. I hope and expect that this will
23 be the beginning of a long and productive
24 relationship with City Council as regards our common
25 interest in economic development.

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2 On a personal note, I am especially
3 honored to participate in a forum which has defined
4 my father's long and satisfying career in public
5 service and, frankly, I'm sorry he's not here to
6 hear that, but I'm here today, of course, to testify
7 in support of City Council Bills No. 010331, 010332,
8 010333, and 010334, which are related to the stadium
9 development project. As you know, my predecessor at
10 PIDC, William P. Hankowsky, represented the City's
11 interests in the stadium approval process until his
12 resignation in January 2001. And since then,
13 William F. Martin, who is seated on my right, has
14 assumed those responsibilities and has effectively
15 negotiated the contents of the several bills before
16 you today.

17 These four bills relate to certain
18 technical aspects of the football stadium and
19 baseball park development project and are completely
20 consistent with the financial and business terms of
21 the agreements which were approved by this body in
22 December and January. As these bills are necessary
23 preconditions to commencing construction and
24 financing the project, I would respectfully request
25 your favorable recommendation and final approval of

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2 all four bills prior to summer recess.

3 Following, I will briefly describe each
4 bill and Mr. Martin and I will then respond to any
5 questions which you may have.

6 Bill No. 010331 is required to authorize
7 acquisition of a portion of the former Acme
8 warehouse parcel. In December, City Council
9 approved the condemnation or amicable acquisition of
10 five parcels of land to expand the existing sports
11 stadium district. The package of bills included
12 Bill No. 000730, which authorized acquisition of the
13 former Acme warehouse parcel. The survey
14 information available at that time, however, did not
15 include a strip of land at the southern boundary of
16 the property that is approximately 1200 feet in
17 length and varies in width between approximately 10
18 and 20 feet. The land will be acquired at no
19 additional cost to the City and will ensure that the
20 City holds good title to the entire parcel.

21 Bill No. 010332 is required to relocate
22 certain utilities related to construction of the
23 baseball park. Earlier this spring, Council
24 approved Bill No. 010180 to strike Tenth Street
25 between Pattison Avenue and Hartranft Street in

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2 order to make way for the Phillies baseball park.
3 The bill authorizes changes to the City Plan
4 necessary to relocate existing utilities in the
5 closed portion of Tenth Street to rights-of-way that
6 are now in the southeast corner of the Veterans
7 Stadium parking lot, and which will follow the
8 western edge of the new ballpark. The work will be
9 performed at the Phillies' direction and is included
10 in their budget presented to City Council this past
11 winter.

12 Bill No. 010333 authorizes the City to
13 deliver non-disturbance agreements with the teams
14 and their lenders in connection with the new
15 facilities. A non-disturbance agreement confirms
16 the teams' right to occupy their facilities under
17 the sublease and development agreements. Such
18 agreements are standard prerequisite of lending
19 institutions and are, therefore, necessary for the
20 team to obtain their private financing. This bill
21 ratifies the non-disturbance agreements previously
22 approved by City Council in the December stadium
23 legislation package and authorizes a new
24 non-disturbance agreement with respect to the City's
25 interest in Veterans Stadium and the surrounding

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2 parking lot referred to as the "North Lot."

3 And, finally, Bill No. 010334 authorizes
4 the City to ground lease the land under Veterans
5 Stadium and the surrounding parking lot to the
6 Philadelphia Authority for Industrial Development,
7 or PAID, which, in turn, will incorporate this land
8 into its sublease and development agreement with the
9 Phillies. This bill enables the Phillies to
10 redevelop and operate these parcels for parking,
11 including the Veterans Stadium and after demolition,
12 consistent with the agreements approved by the City
13 Council this past December and January.

14 Due to several technical changes in
15 Exhibits A and B of this bill, I have amended
16 versions here on the table for distribution to
17 Councilmembers.

18 In closing, I would like to reiterate my
19 statement that these bills are fully consistent with
20 the financial and business terms of the stadium and
21 ballpark agreements which this body approved in
22 December and January. Therefore, I respectfully
23 request your favorable consideration of City Council
24 Bills No. 010331, 010332, 010333 and 010334, with
25 final approval prior to Council's summer recess, and

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2 towards that end, request suspension of the rules to
3 allow for first reading at Council's session
4 tomorrow.

5 COUNCILWOMAN VERNA: Thank you.
6 Did I understand you to say that you had
7 amendments?

8 MR. LONGSTRETH: Yes. There are
9 amendments are right here.

10 This concludes my formal testimony. I'd
11 be happy to answer any questions that Councilmembers
12 may have for me or Mr. Martin.

13 COUNCIL PRESIDENT VERNA: Thank you.

14 I would like you or Mr. Martin to
15 confirm that the agreements that the four bills
16 before us today are really technical in nature and
17 fully consistent with the financial and business
18 terms of the stadium and ballpark agreements as
19 approved by Council.

20 MR. LONGSTRETH: Yeah, and I would very
21 much certain.

22 COUNCIL PRESIDENT VERNA: Thank you.

23 MR. LONGSTRETH: Although you may have
24 something to add to that.

25 MR. MARTIN: Mrs. Verna, I believe your

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2 characterization is correct. They're technical and
3 it's -- we need this body's approval to proceed in
4 the fashion laid out that's consistent with
5 everything that was presented in December and
6 January.

7 COUNCIL PRESIDENT VERNA: Thank you.

8 Bill No. 010334 would authorize the City
9 to ground lease certain land to PAID for sublease to
10 the Phillies. As part of Bill No. 722, the City has
11 already approved a ground lease between the City and
12 PAID for sublease to the Phillies. How does that
13 ground lease differ from the ground lease approved
14 as part of Bill 722 and why was this matter not
15 handled as part of Bill No. 722?

16 MR. LONGSTRETH: Bill, I think I'll let
17 you handle this.

18 MR. MARTIN: The bill you refer to,
19 010334, sets in place the same structure as
20 contemplated by 722. The reason it was not included
21 as part of 722 is that, at that time in December and
22 January, there was some uncertainty as to this
23 particular land as a legal matter, whether it would
24 go from the City to PAID and then to the Phillies or
25 how it would be handled in the context of amending

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2 and restructuring the parking agreements at the
3 sports stadium complex with SALP.

4 So the reason it was not included in
5 December and January was because of the uncertainty
6 that existed at that time regarding the final legal
7 structures, but it is in all -- in essentially all
8 respects putting in place as to this land the same
9 structure that had already been approved as to
10 certain other land at the sports complex.

11 COUNCIL PRESIDENT VERNA: Thank you.

12 Immediately after this hearing, there
13 will be a briefing on a proposal for an additional
14 ordinance to revise various aspects of the parking
15 arrangements at the sports complex. As I understand
16 it, that proposal would, among other things,
17 redirect to the Phillies certain parking revenues
18 that, under certain contractual agreements, would
19 become City revenues beginning in year 2027.

20 Is Bill No. 010334 in any way related to
21 that proposal, and specifically, would Bill No.
22 010334 in any way affect revenues that, under
23 current contracts, are City revenues, or would the
24 bill in any other way decrease potential City
25 revenues or increase potential City liabilities?

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2 MR. LONGSTRETH: My only comment is that
3 the briefing is intended to clarify all of those
4 points, but Bill, you may want to make the
5 relationship.

6 COUNCIL PRESIDENT VERNA: But my
7 question is, is Bill No. 010334 in any way related
8 to that proposal?

9 MR. MARTIN: It is a necessary part of
10 the overall structure. There is nothing about
11 010334 that addresses the issues you alluded to in
12 your question regarding parking revenue and the
13 extent to which parking revenue would be made
14 available to the teams as opposed to perhaps coming
15 back to the City at some point in the distant
16 future. Those issues are addressed in the
17 amendments to a variety of documents which are
18 exhibits to the other legislation that you
19 referenced.

20 So there is nothing about this that
21 arguably takes any money away from the City that
22 otherwise would be going to the City.

23 COUNCIL PRESIDENT VERNA: The Chair
24 recognizes Councilman Nutter.

25 COUNCILMAN NUTTER: Thank you, Madam

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2 Chair.

3 Just a point of clarification. I heard
4 your question and I thought the first part of the
5 answer was that the bill you were asking about,
6 010334, I thought that Mr. Martin said that that was
7 a necessary element or necessary component; I don't
8 remember the exact words that he used. And then
9 subsequently, he continued on to say that 010334 had
10 nothing to do with the issues you had raised
11 relative to either revenues coming to the City or
12 going to other places or increased City liability.

13 So I'm not clear, quite honestly, about
14 the answer as it relates to the question and the
15 start of the answer versus the conclusion.

16 MR. MARTIN: Okay, let me try again. I
17 apologize if I wasn't clear.

18 This ordinance will provide for the
19 ground lease of certain land down there at the
20 sports complex from the City to PAID, and it is
21 anticipated then from PAID to the Phillies.

22 The issue which the Council President
23 alluded to regarding how the parking revenues will
24 flow is part and parcel of the other ordinance that
25 we hope to have introduced tomorrow and that we hope

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2 to brief Council on after this session.

3 So without this ordinance, the whole
4 structure in essence has a technical hole, but there
5 is nothing about this ordinance that requires any
6 particular flow of parking revenue. I would
7 describe it as a necessary, but not sufficient,
8 component.

9 COUNCILMAN NUTTER: All right. So to
10 allow for the benefit whatever the new piece of
11 legislation that may be introduced to be effective,
12 you're saying that Bill 010334 has to be in place or
13 has to be a part of a larger strategy to allow for
14 the particulars of this other legislation to go
15 forward.

16 MR. MARTIN: Yes.

17 COUNCILMAN NUTTER: Is that what you're
18 saying?

19 MR. MARTIN: Yes.

20 COUNCILMAN NUTTER: Thank you, Madam
21 President.

22 COUNCIL PRESIDENT VERNA: You're
23 welcome.

24 The Chair recognizes Councilman Cohen.

25 COUNCILMAN COHEN: Thank you, Madam

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2 President.

3 Does -- you described these four bills
4 as being fully consistent with the bills that were
5 passed back in December and January and that they
6 change nothing basically. Will you be able to say
7 the same of the other two bills on which we are
8 going to be briefed, or is that the difference
9 between the two sets of bills?

10 MR. MARTIN: No, I will make the same
11 representations and assertions as to the other two
12 bills. The other two bills, which are -- I don't
13 think it's our purpose to get into debating them at
14 this point, but the other two bills are in the same
15 way consistent with what was presented to this
16 Council in December and January.

17 COUNCILMAN COHEN: Consistent? You mean
18 the other two bills will not in any way change the
19 flow of revenue away from the from the City to the
20 teams?

21 MR. MARTIN: The other two bills will
22 provide for the flow of revenues consistent with the
23 testimony that was provided to this Council in
24 December and January.

25 COUNCILMAN COHEN: My understanding of

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2 that testimony -- my memory was that the City would
3 not contribute any additional funding. Is my
4 understanding consistent with the purpose of those
5 two other bills?

6 MR. MARTIN: Yes.

7 COUNCILMAN COHEN: So the other two
8 bills are not going to require, even in 2027, any
9 diversion of funds away from the City?

10 MR. MARTIN: The other two bills provide
11 -- one of the two other bills that we're talking
12 about provides for the parking revenues at the
13 sports complex to run to the benefit of the teams.
14 It was clearly testified before this Council that
15 the teams would receive the parking revenues at the
16 sports complex under the new transaction.

17 COUNCILMAN COHEN: Well, we'll wait for
18 the next two bills on that; my understanding is to
19 the contrary. And my understanding was that there
20 was an absolute commitment by the speakers for the
21 Administration that what we dealt with back in
22 December and January constituted a final statement
23 as to the responsibilities of the City and that they
24 would not be increased, and that that meant that
25 there would be no diversion in the future of any

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2 monies away from the purposes stated in that
3 legislation back in December and January. And I
4 don't recollect anything in that legislation that
5 authorized the diversion of parking fees.

6 We'll see what happens with the two
7 bills.

8 MR. MARTIN: It may just be an
9 inappropriate time to have this discussion, but I'm
10 sure we'll an opportunity in the near future.

11 COUNCILMAN COHEN: Let me ask you about
12 the additional land that you referred to with the
13 bill that ends with a 1. Did we know at that time
14 that it was going to be necessary to do something
15 about this piece of land that you described as being
16 1200 feet long and of varying width?

17 MR. LONGSTRETH: Which, incidentally,
18 represents about a quarter of an acre just to put it
19 in a --

20 COUNCILMAN COHEN: Okay. Did we know
21 about that problem at that time?

22 MR. MARTIN: No, Councilman.

23 COUNCILMAN COHEN: I don't recollect any
24 indication that there was going to be any need for
25 any further demarcation of the land.

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2 MR. LONGSTRETH: I think this was just a
3 discrepancy between materials in the deed and
4 materials in the survey that was available at that
5 time, and obviously, the significant point here is
6 that there is no additional cost.

7 COUNCILMAN COHEN: Well, I like that and
8 I like the statement that Mr. Martin made -- and
9 welcome, Mr. Longstreth.

10 MR. LONGSTRETH: Thank you.

11 COUNCILMAN COHEN: I am clearly an
12 example of a proud father and I'm delighted that
13 Councilman Longstreth is part of the club and
14 Councilman DiCicco, even though we were battling
15 very hard just a few moments ago.

16 But I thought the clear difference
17 between the two sets of bill related to what was
18 happening to the revenue, but you say that's not the
19 case and we'll have to wait for the further briefing
20 and the further evidence.

21 Tell me, what's this -- I must have
22 missed it when we were having the hearing, this
23 special kind of a non-disturbance agreement.

24 MR. LONGSTRETH: That I'll leave to the
25 lawyer 'cause that's really just a legal stature

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2 that --

3 COUNCILMAN COHEN: Well, what's the
4 disturbance? Who's disturbed by what?

5 MR. LONGSTRETH: It enables the teams to
6 operate in the facility without being disturbed,
7 but, Bill, why don't you expand on it?

8 MR. MARTIN: It's a document necessary
9 for the teams and their private financing sources so
10 that in the event there is -- because the underlying
11 fee continues to be owned by the City subject to the
12 lease to PAID, this document will ensure that if
13 there is a technical break in the leasehold between
14 the City and PAID, so long as there's not a break in
15 the leasehold between the PAID and the teams that
16 the teams and their lenders continue to enjoy the
17 benefits of the buildings, so long as they are
18 performing under their subleases.

19 COUNCILMAN COHEN: You mean if at some
20 point in time, the City and PAID, even though all of
21 PAID appointees serve at the will of the Mayor, that
22 somehow or other they clash in some way?

23 MR. MARTIN: If PAID were to technically
24 breach its lease with the City, while at the same
25 time the teams were fully complying with their

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2 sublease to PAID, the City could not rely upon that
3 to essentially kick out the teams.

4 COUNCILMAN COHEN: How could such a
5 thing arise?

6 MR. MARTIN: It is a requirement that
7 we're anticipating that this technicality will
8 attempt to be addressed by the teams' lenders. So
9 we are confirming through this ordinance that the
10 delivery of the non-disturbance is permitted by the
11 City. We're seeking this body's authority for the
12 City's delivery of the non-disturbance at such time
13 it is requested, and we anticipate it will be
14 requested by the teams' private lenders.

15 COUNCILMAN COHEN: I have great
16 difficulty with that concept. Am I right that the
17 members of PAID are mayoral appointees?

18 MR. LONGSTRETH: Yes.

19 COUNCILMAN COHEN: And that they are
20 subject to dismissal at the will of the Mayor, that
21 they do not serve any fixed periods of
22 appointments?

23 MR. MARTIN: Perhaps, for example, a
24 lender would want to be protected against some kind
25 of shenanigans between the City and PAID in an

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2 attempt to work to the disservice of the teams and
3 their lenders.

4 COUNCILMAN COHEN: Was this, to your
5 memory, discussed at all at the December and January
6 hearings?

7 MR. MARTIN: I believe the delivery of
8 non-disturbances is anticipated by the forms of
9 subleases that were approved by the body.

10 COUNCILMAN COHEN: You mean that there
11 may have been language to that effect?

12 MR. MARTIN: Yes, yes.

13 COUNCILMAN COHEN: But I was asking
14 whether there had been any oral discussion.

15 MR. MARTIN: I don't recall any specific
16 testimony on this point.

17 COUNCILMAN COHEN: Are you saying that
18 with respect to the parcel of land -- I'm just going
19 to call them Bill 1, 2, 3, and 4 'cause they end
20 conveniently with those numbers. And Bill 1 does
21 not involve an additional land acquisition; it's
22 part of correcting deeds?

23 MR. MARTIN: We had always talked about
24 acquiring the Acme parcel. When the bill that this
25 body approved in December that authorized that

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2 acquisition had a property description that at that
3 time we thought was the accurate one. After Council
4 acted, but before closing, we saw that this gap
5 existed between what we had the authority to acquire
6 and what, in fact, we wanted to acquire. So we
7 acquired what we had authority to do, we took a deed
8 from the seller and kept it in escrow, pending
9 receipt by the City of formal authority to acquire
10 the real estate.

11 And the City can't buy real estate
12 without this body acting. We only had the authority
13 to acquire that 98 percent. This is the other
14 2 percent. But we've anticipated the next step by
15 receiving the deed from the seller, having it in the
16 lawyer's office in escrow. Once we receive
17 authority to take the acquisition, we'll put it in
18 the record and complete the acquisition. There's no
19 additional money involved.

20 COUNCILMAN COHEN: Well, for all
21 practical purposes, has that acquisition been
22 completed?

23 MR. MARTIN: Yes.

24 COUNCILMAN COHEN: Has it been completed
25 by agreement or by condemnation?

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2 MR. MARTIN: By agreement.

3 COUNCILMAN COHEN: By agreement. And it
4 is now completed subject to this very last parcel?

5 MR. MARTIN: Yes.

6 MR. LONGSTRETH: Yes.

7 COUNCILMAN COHEN: With respect to the
8 overall status, the land has been -- has all the
9 land necessary for the stadium project been
10 acquired? I understood, I think, originally there
11 were going to be five major parcels. Have they all
12 been acquired?

13 MR. MARTIN: No, sir. Let me affirm the
14 status for you. Two of them have been acquired.

15 COUNCILMAN COHEN: Both by agreement?

16 MR. MARTIN: All of this is by
17 agreement. Two have been acquired. A third is
18 under agreement with closing to follow. A fourth is
19 very close to agreement, and I would say the
20 agreement will be signed within the next week or
21 so. All the business terms have been confirmed, and
22 we're in the process of finalizing the
23 documentation.

24 The fifth has not been acquired. The
25 owner of the real estate is in bankruptcy, and we

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2 are waiting for the bankruptcy to shake out so it's
3 clear who the proper party in interest is that we
4 need to deal with.

5 So two are done, one's under contract,
6 another is close to being under contract, and there
7 is a fifth which we still have some work to do on.

8 COUNCILMAN COHEN: There have been some
9 newspaper reports about a ground-breaking ceremony.
10 Can that occur prior to the final acquisition of all
11 five sites, or is it contingent upon the settling of
12 all five?

13 MR. MARTIN: There is a ground-breaking
14 scheduled by the Eagles. The Eagles site has been
15 acquired and they're doing work there pursuant to an
16 access agreement, and they intend to schedule their
17 ground-breaking -- or have scheduled their
18 ground-breaking for June 7th.

19 COUNCILMAN COHEN: So the non-completed
20 part relates to the Phillies agreement, not the
21 Eagles agreement.

22 MR. LONGSTRETH: Yeah, that's right.

23 MR. MARTIN: The non-completed part is a
24 portion of the parking; it's not a part of the
25 Phillies ballpark but it's a portion of the parking

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2 site.

3 COUNCILMAN COHEN: Does PAID, under the
4 current December-January agreement, does PAID get
5 any of this parking revenue currently? Will they
6 get it or were they just going to get it beginning
7 with 2027?

8 MR. LONGSTRETH: Once again, I mean,
9 we're dealing with this in detail in the briefing
10 and would be happy to respond in detail, are
11 prepared to respond in detail with a lot of
12 materials and visuals in the -- I guess it's the
13 Mayor's caucus room.

14 COUNCILMAN COHEN: Well, let me ask
15 this: Assume for the moment that the next two bills
16 run into trouble here and don't get through Council,
17 would these four bills be necessary, or are these
18 four bills tied in with the two so that the --

19 MR. LONGSTRETH: My understanding is any
20 one of these bills could be fatal to this project.

21 COUNCILMAN COHEN: Any one of the six.

22 All right, thank you, Madam President.

23 COUNCIL PRESIDENT VERNA: I see that
24 Councilman Goode's light. Is on is he in the room?

25 (Councilman Goode not present.)

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2 COUNCIL PRESIDENT VERNA: Thank you.

3 Councilman Kenney.

4 COUNCILMAN KENNEY: Thank you, Madam
5 President.

6 Mr. Martin, a couple issues relative to
7 the property acquisition. Of the four properties
8 that have either been agreed to and have been
9 acquired or an agreement to acquire or those that
10 are poised on agreement, I assume you cannot discuss
11 the purchase price of any of those properties at
12 this point?

13 MR. MARTIN: I'd rather not, Councilman.

14 COUNCILMAN KENNEY: No, I understand
15 that.

16 As part of the agreement and the
17 purchase price, is there still an option for any or
18 all of these owners to appeal to the Board of View
19 for additional monies? I mean, is there an
20 agreement to get it done and then an opening for
21 them to go to the Board of View and seek additional
22 dollars?

23 MR. MARTIN: As to the property that was
24 acquired from Tower Investments, Tower Investments
25 has retained its rights under the agreement to

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2 appeal valuation to the Board of View.

3 COUNCILMAN KENNEY: Do any of the other
4 three completed or potential agreements include a
5 similar provision?

6 MR. MARTIN: No, sir.

7 COUNCILMAN KENNEY: I assume we expect
8 -- since he's reserved the right, we expect
9 Mr. Blatstein (ph.) will be moving forward to appeal
10 that, I would suspect. I mean, there's no sense in
11 retaining your rights unless you're going to use
12 'em.

13 MR. MARTIN: We have no notice of
14 appeal, but you could draw your own conclusions.

15 COUNCILMAN KENNEY: Okay. I know we're
16 going to be briefed, I assume, today on the
17 additional SALP agreement. The only thing that I
18 would caution, or at least mildly caution, the
19 Administration and you guys on is that there seems
20 to be developing a method -- a position that
21 somehow, this was always going to be the case, that
22 the parking revenues, which were part of an
23 agreement between, I guess, Ed Snyder and then First
24 Union and then whoever the succession of owners of
25 that building are, and the rearrangement of those

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2 revenues and the redirection of those revenues back
3 to the Phillies, and the loss of those revenues
4 potentially at 2025 or 2027 out was always
5 understood to be the case.

6 And the only thing I would ask is if
7 that was always understood to be the case, why is
8 there a special piece of legislation coming back
9 here at the eleventh hour to get it done, and why
10 was none of this discussed in any way until the
11 potentiality of Comcast being involved in the deal
12 came to the fore? If this was something that was
13 understood from the beginning, why wasn't it a part
14 of the agreement that we approved back in December
15 in the first place?

16 'Cause I don't mind considering doing
17 it and I don't mind making the effort to get it done
18 to get the deal done, but it's somehow insulting to
19 us to say, Well, you know, this was always going to
20 happen any way, you guys should have known this.
21 And if that were the case, it would have been part
22 of what we voted on in December of 2000.

23 So do you have a comment or opinion on
24 it?

25 MR. MARTIN: The reason it was not

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2 included as part of what was voted on in December
3 and January is that what we needed to vote -- what
4 we needed to ask Council's approval of was a
5 completed document which restructured the respective
6 rights and responsibilities of the Comcast
7 Spectacore and the teams and the public.

8 In December and January, with what else
9 was going on, there was in essence a germ of an idea
10 at that point, but there was not a structure and
11 arrangement to come to Council and ask for approval.

12 COUNCILMAN KENNEY: That's not what I'm
13 talking about. What I'm talking about is the people
14 that I have talked to relative to this deal
15 privately have indicated to me that, Well, you know,
16 in fact, that was always the case, didn't you know
17 that? And I guess I didn't know it, number one.
18 Number two, if it was always the case and we all
19 knew it, why wasn't it part and parcel of what we
20 approved?

21 MR. LONGSTRETH: I mean, I can obviously
22 get off the hook here by saying I wasn't there and
23 I'll only say it a few times. But, I mean,
24 obviously, there was a \$53 million gap in December
25 and January and --

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2 COUNCILMAN KENNEY: It was well

3 discussed.

4 MR. LONGSTRETH: And it was well

5 discussed.

6 COUNCILMAN KENNEY: And we were told

7 that no one was coming back.

8 MR. LONGSTRETH: I think the assumption

9 was that certain sources of revenue would be

10 identified to support the capital necessary to fill

11 that gap, but it wasn't defined at the time.

12 COUNCILMAN KENNEY: Non-City revenue.

13 MR. LONGSTRETH: Pardon?

14 COUNCILMAN KENNEY: Non-City revenue.

15 MR. LONGSTRETH: Correct, yeah.

16 COUNCILMAN KENNEY: That was made

17 extremely clear to all of us and it was said

18 innumerable times prior to our final vote that we

19 would not be back here again.

20 MR. MARTIN: Councilman, it was also

21 said clearly that the teams were to receive parking

22 revenue.

23 COUNCILMAN KENNEY: Correct.

24 MR. MARTIN: All the parking revenue.

25 COUNCILMAN KENNEY: Well, not all the

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2 parking revenue in 2027 that we were supposed to get
3 back as a result of the expiration of the agreement
4 that we made with Ed Snyder, First Union, Comcast
5 back when Spectrum II was being constructed.

6 MR. MARTIN: We laid out in significant
7 detail the benefits that were to accrue to the City
8 as a result of these transactions. We certainly
9 didn't suggest in any respect that any portion of
10 the parking revenues, as distinct from the parking
11 taxes, were to come to the City either now or in
12 2025.

13 And there were -- in one case during
14 testimony, Councilman DiCicco asked Bill Hankowsky,
15 have we considered parking surcharge as a way to
16 generate revenue for the City contribution? And
17 Hankowsky's specific comment was that the deal was
18 structured to allow for the teams to retain the
19 revenue sources, including parking because the teams
20 were taking on the risk of development, the risk of
21 cost overruns, and that that was part and parcel of
22 the basis of the bargain.

23 And perhaps we could have been more
24 explicit at that time, but I think a fair reading of
25 the record that existed back then is that it was

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2 clear that the teams were to receive parking
3 revenue, and perhaps we -- to be honest, this issue,
4 the 2025 money, I don't think was contemplated one
5 way or the other, but I think what is being
6 suggested as to that money is consistent with the
7 testimony of December and January.

8 COUNCILMAN KENNEY: I just -- no matter
9 how I vote on this in the end, I don't want it to
10 characterize that somehow -- you guys knew this,
11 this was clear. I'll tell you what, back in
12 December 2000, there wasn't much that was clear, I
13 can assure you, and this was not clear to me, and I
14 just want to make that statement for the record
15 right now.

16 Secondly, have the teams signed the
17 leases yet?

18 MR. MARTIN: No, sir.

19 COUNCILMAN KENNEY: Any particular
20 reason why?

21 MR. MARTIN: It will be necessary in
22 connection with the execution of the leases to
23 finish identifying all of the additional
24 contributions.

25 COUNCILMAN KENNEY: But we're buying

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2 land, we're committing City resources, and wouldn't
3 it be a sign of good faith for the teams to at least
4 sign the lease? I mean, they're beginning -- the
5 Eagles are actually in the ground to a degree --

6 MR. MARTIN: Yes.

7 COUNCILMAN KENNEY: -- without a signed
8 lease. I mean, we're acquiring Acme, we're
9 acquiring T, we're acquiring all of these parcels at
10 our cost, and they haven't even given us the
11 courtesy of signing a lease yet.

12 MR. MARTIN: I think it's clear that
13 both of the teams have went significantly
14 out-of-pocket at this point in anticipation of the
15 transaction going forward. Both the Phillies and
16 the Eagles have spent millions of dollars,
17 especially the Eagles in terms of the money going
18 into the demolition of the T Warehouse and also the
19 work that is going on in anticipation.

20 We are meeting with representatives of
21 the teams essentially on a daily basis at this point
22 and we're very confident that everything will
23 proceed.

24 COUNCILMAN KENNEY: When do you expect
25 that they're going to sign?

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2 MR. MARTIN: The last half of June.

3 COUNCILMAN KENNEY: Do we have a date
4 for them?

5 MR. MARTIN: Not a specific date, no.

6 COUNCILMAN KENNEY: Okay. Let me ask
7 you one final question on the SALP issue. In the
8 event everything is approved as requested, is there
9 still a gap?

10 MR. MARTIN: Yes.

11 COUNCILMAN KENNEY: How much?

12 MR. MARTIN: \$9 million.

13 COUNCILMAN KENNEY: Where is that coming
14 from? Since you're not coming back here again,
15 where is that coming from?

16 MR. MARTIN: The City is continuing to
17 work to identify sources and hopes to complete that
18 process within the next several weeks and would
19 certainly be sharing that information with Council
20 as soon as it's in hand.

21 COUNCILMAN KENNEY: Okay, thank you.

22 Thank you, Madam Chair.

23 MR. MARTIN: And if I could add one
24 thing. The Mayor has been very clear to us that
25 that money is not to come from the City.

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2 MR. LONGSTRETH: Very clear.

3 COUNCILMAN KENNEY: I'm sorry you added
4 that last comment 'cause it was made very clear to
5 us back in December that none of the 53 million was
6 coming in any way from the public -- 54, sorry, from
7 the public.

8 See, I consider taxpayers' money and
9 people who are in the public going into their pocket
10 and paying, that's also public money, they're public
11 contributions. Whether you're paying a \$12 parking
12 fee or whether you're taking the money out of the
13 City treasury, I still think it's public money.

14 And what we're basically being asked to
15 do on the SALP issue is to allow that cap to come
16 off and for the open-ended charge of parking rates
17 that could amount to at least \$12 a car by the time
18 Phillies open and perhaps, you know, the sky's the
19 limit from there on end. I understand it's what the
20 market will bear, but sometimes people's markets
21 vary as to whether they want to park in a parking
22 lot for \$15 or park on somebody's street for free.

23 And I recognize Council President Verna
24 has worked very closely with the neighborhood groups
25 and the Administration to ensure that this level of

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2 service, including towing, is part and parcel of the
3 special services district, the higher you move up
4 those parking rates, the more likely it is that
5 people ingeniously try to find a way to park
6 somewhere else other than in a paid parking lot, and
7 those are serious concerns.

8 Thank you.

9 COUNCIL PRESIDENT VERNA: Thank you.

10 The Chair recognizes Councilman Nutter.

11 COUNCILMAN NUTTER: Thank you, Madam
12 Chair.

13 Mr. Martin, a while ago, in response to
14 Councilman Cohen, you made reference to some of the
15 items that were a part of the topic of discussion
16 back in the December-January time period related to
17 parking. First, if you covered any of this
18 territory in the questions that Councilman Kenney
19 asked, I apologize and you can just tell me that.

20 But what is your recollection of what we
21 were told about parking revenues or fees back at
22 that time?

23 MR. MARTIN: Can I get a piece of paper
24 from over here? One second.

25 MR. LONGSTRETH: Councilman Nutter, I

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2 mean, once again, we do have a briefing schedule
3 that really has kind of chapter and verse on most of
4 these things in the next room, so. . .

5 COUNCILMAN NUTTER: I understand. Thank
6 you.

7 MR. MARTIN: Councilman, if you have the
8 opportunity, you might want to take a look at the
9 notes of testimony from the hearing of December 5,
10 2000, which was a meeting of the Committee of the
11 Whole. And during that hearing, Councilman DiCicco,
12 and I'll quote, he says: "Why are we not
13 considering a parking surcharge, which is really a
14 user fee, that would hopefully reduce maybe the
15 City's contribution to the stadium project going
16 forward?" Now, that was a part of a longer
17 question.

18 Now, Hankowsky responds, and now I'm on
19 Page 49, Line 10 of the transcript. He says: "To
20 your second question, which is the issue of the
21 inclusion or non-inclusion of a parking surcharge in
22 the transaction, I mean, fundamentally, there are a
23 variety of revenue streams in the transaction, and a
24 parking surcharge to some extent is simply another
25 way to say that we should raise the parking rate.

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2 And where this transaction ended up was requesting
3 the teams to do more than they had been prepared to
4 do in the past. On the Phillies' side, that dealt
5 significantly with increasing their contribution to
6 the building and taking on various
7 responsibilities. On the Eagles' side, it dealt
8 with increasing our commitment to operation and
9 maintenance funds as well as both teams picking up
10 the inflation. And so we could have called it a
11 'parking surcharge,' collected it, used it to pay
12 for a contribution, or we could simply say, 'Teams,
13 you get the parking and you make your contribution
14 go up,' and we did the later."

15 That's what we're doing here.

16 COUNCILMAN NUTTER: Okay. So from that
17 portion of the testimony, and maybe there were other
18 references, you're saying that was the definitive
19 testimony on what was going on with parking fees or
20 revenue?

21 MR. MARTIN: I'm sorry to interrupt.
22 When I went through all of the records based upon
23 the index looking at the word "parking," that was
24 really the -- close to the only but definitely the
25 clearest reference to parking and revenues and where

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2 they went and why they went there.

3 What I just read to you, I think, is
4 consistent with Mr. Hankowsky's understanding back
5 in December and consistent with my understanding
6 back in December and, I believe, consistent with the
7 transaction that we're seeking introduction of
8 tomorrow with these other two ordinances.

9 COUNCILMAN NUTTER: Well, I understand
10 that, but, I mean, you would, as the good attorney
11 that you are, and you know I'm not, so I'm at a
12 disadvantage with you. I mean, you would, I think,
13 at least have to admit that Mr. Hankowsky responding
14 to a question asked by a member about a surcharge --
15 and I don't know whether that was early in the
16 hearing, late in the hearing or after multiple days
17 of hearings. Mr. Hankowsky responding to a question
18 asked by a member about a parking surcharge would
19 not necessarily qualify as a full-blown presentation
20 as a part of his prepared remarks about where
21 revenues are going or who's using what revenues or
22 who's getting credit for what revenues.

23 You would agree that that's not
24 necessarily an affirmative part of a broad
25 presentation as opposed to an offhand response to a

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2 question that may or may not be asked in the course
3 of a public hearing.

4 MR. MARTIN: I would agree, Councilman,
5 but I would also say that if I went and pulled out
6 the materials that were circulated to Council that
7 were intended to demonstrate the public benefit of
8 this transaction, you would see charts that would
9 show all of the --

10 COUNCILMAN NUTTER: I'm not -- just so
11 we're clear, I'm not questioning the public benefit
12 of the transaction. You made a statement in
13 response to a question by Councilman Cohen that we
14 had been told certain things at the time. I tried
15 to pay a fair amount of attention to the transaction
16 back at the time. I didn't have a lot of
17 recollection about extensive conversation, as we had
18 many extensive conversations about many topics back
19 at that time. I didn't recall one that was
20 particularly extensive about parking.

21 Your response to that was -- and you
22 were very prepared and I give you credit for that --
23 to tell me about an exchange between Councilman
24 DiCicco and Mr. Hankowsky for an offhand question
25 that was asked, as opposed to, Here's the testimony,

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2 it was mentioned, it's direct, it's on Page 5 of the
3 testimony or something like that.

4 So, I mean, we will go into all of those
5 other issues either in the briefing or when we get
6 to the bill, but I just kind of wanted to have a
7 sense of what was said back at the time because, I
8 mean, I could have been anywhere at the moment. I
9 don't even remember that particular testimony. I'm
10 sure there are many other parts of the testimony if
11 you read the first three words, I'd know where the
12 rest of it was going, but I didn't remember that
13 particular portion.

14 And your testimony is that that was a
15 kind of definitive moment about what the transaction
16 was going to be as it related to parking.

17 MR. MARTIN: Yes.

18 COUNCILMAN NUTTER: Okay, all right.
19 Thank you.

20 Thank you, Madam Chair.

21 COUNCIL PRESIDENT VERNA: Thank you.

22 The Chair recognizes Councilman Ortiz.

23 COUNCILMAN ORTIZ: Just following up on
24 Councilman Nutter's 'cause I don't recollect it
25 either, but if you knew at the time that the gap

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2 wasn't really \$54 million because this revenue was
3 included, why didn't you say so at that time?

4 MR. MARTIN: Because back --

5 COUNCILMAN ORTIZ: I mean, you knew this
6 was going on, right? And you kept maintaining that
7 the gap was \$54 million. Why weren't you
8 forthcoming at that point and say actually, Look,
9 it's not \$54 million, we're going to get the teams
10 and we're going to get all of this revenue from the
11 parking and they're going to be able to charge
12 whatever they want from the taxpayers, and the gap
13 is going to be close to 9 million.

14 Why wasn't that information given?

15 MR. MARTIN: Because you're suggesting
16 that all of the elements that we talked about
17 involving the filling of the gap, which was an
18 additional contribution from the Commonwealth,
19 DRPA. I mean, none of those pieces were -- this
20 piece was not in place, nor were those other pieces
21 in place at the time.

22 And Comcast Spectacore has certain legal
23 rights as it relates to parking revenues and the
24 parking lots down there. And we anticipated,
25 Councilman, and you would have seen -- I'm sure you

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2 did see in the leases that this body approved that
3 there was a condition to the parties proceeding that
4 there had to be an amendment to the SALP agreement.
5 Okay, that was not something that we tried to hide
6 from you. We put out there that we had to amend the
7 SALP agreement because their rights needed to be
8 rationalized with the rights that we wanted to give
9 to the Phillies and the Eagles.

10 So, you know, it was not a matter of not
11 disclosing something that we were aware of at that
12 point because it would have been inappropriate to
13 talk about money coming through the cooperation of
14 Comcast at that time because there had not been a
15 dialogue with Comcast.

16 COUNCILMAN ORTIZ: It's very funny, the
17 lack of information that we had at the time that we
18 approved the thing and the lack of information that
19 currently keeps on cropping up.

20 Thank you, Madam Chair.

21 COUNCIL PRESIDENT VERNA: You're
22 welcome.

23 The Chair recognizes Councilman Cohen.

24 COUNCILMAN COHEN: Back in the dim, dark
25 days of December and January, when most of us felt

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2 we were in the dark, and still sort of feel that we
3 were in the dark at that time, we were told that no
4 part of the funding gap was going to come from the
5 City. Then you just referred to the DRPA loan.
6 Isn't there talk now that that loan is going to be
7 repaid by the City, I guess by PAID from the rental
8 funds? And would that money otherwise be coming to
9 the City's General Fund if it weren't being used for
10 that?

11 MR. MARTIN: No, sir, it wouldn't.

12 COUNCILMAN COHEN: Well, where would it
13 go?

14 MR. MARTIN: It is an asset of PAID's.

15 COUNCILMAN COHEN: But PAID is a part of
16 the City. You know, sometimes PAID becomes in
17 integral part of the City, sometimes you have it
18 hanging out there to dry as a separate organization,
19 but if PAID is an asset of the City, the money would
20 have been to PAID, and the City, including PAID,
21 would be -- is the DRPA loan worth 9 or 10 million?

22 MR. LONGSTRETH: It's a \$10 million loan
23 and a \$4 million grant.

24 COUNCILMAN COHEN: All right, a \$10
25 loan. Isn't the City, including PAID as part of the

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2 City, going to be \$10 million less rich than it
3 would be if we didn't pay back the loans with the
4 rental proceeds?

5 MR. MARTIN: Councilman, I can't accept
6 your premise that PAID is a part of the City. I
7 mean, I just -- that question isn't one that makes
8 sense to answer to me because I know PAID is a State
9 authority separate and apart from the City.

10 COUNCILMAN COHEN: Oh, you mean the
11 Governor controls PAID, not the Mayor?

12 MR. MARTIN: It's a State authority.

13 COUNCILMAN COHEN: What does that mean,
14 "a State authority"?

15 MR. MARTIN: In terms of how it was
16 established.

17 COUNCILMAN COHEN: Well, other than the
18 fact that it's established under State law, tell me
19 how it works for the State.

20 MR. MARTIN: Councilman --

21 COUNCILMAN COHEN: I'm tired of that
22 kind of legal nonsense because I think that's all it
23 is. All an authority is is a City instrument
24 incorporated under the State law for the purpose of
25 whatever purposes there are, avoiding civil service

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2 provision maybe, political patronage maybe, avoiding
3 the debt, the constitutional debt limits to the
4 City, but it's an authority that we create for the
5 purpose of doing City work and it does only City
6 work and has no obligation to the State at all.
7 Isn't that a fact? Other than complying with the
8 filing reports that the State requires of all
9 corporations organized under State law?

10 MR. MARTIN: Councilman, let me go back
11 a couple of steps. The DRPA loan, which was a loan
12 to PAID, is no interest for 30 years. It's only
13 payable out of the rents, which may be paid by the
14 teams upon their renewals of their leases at the
15 buildings.

16 Now, your point is -- I don't want to
17 say what your point is, but your argument is to me
18 that that loan is being paid with City money. I
19 disagree with you. I respect your opinion, but I
20 disagree with you. That DRPA loan as additional
21 contributions is consistent with the representation
22 and the positions that were stated here in the
23 hearings in December and January.

24 COUNCILMAN COHEN: So the authority does
25 City work but is not a City agency. And the City --

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2 and any revenues PAID has don't belong to the City,
3 we have no relationship with it? Is that what
4 you're saying?

5 MR. MARTIN: It's hard for me not to
6 speak as a lawyer, Councilman. As a matter of law,
7 whether the City has legal rights to any particular
8 money is a matter of contract or a matter of
9 agreement as between PAID and the City, and it
10 varies, depending on the circumstances.

11 COUNCILMAN COHEN: But isn't the chief
12 executive officer of the City the top official in
13 real life of both groups? He can change the
14 membership of PAID tomorrow morning if he wants to
15 to negotiate with the City officials that he
16 designates as the negotiators on behalf technically
17 of the City and he names the negotiators who are
18 going to negotiate on behalf of PAID?

19 It's only a legal fantasy for the
20 purpose of avoiding other obligations. Sometimes
21 you use an authority in the executive level to avoid
22 having to deal with City Council, 'cause if you have
23 to finance something through the regular budget, you
24 have to come to City Council, so you try to get an
25 authority to deal with something 'cause you avoid

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2 coming to City Council.

3 I submit to you that when we talk PAID,
4 we're talking the City, and when we're talk PAID
5 money, we're talking City money. And I believe that
6 when PAID money is used to pay off the DRPA loan, if
7 and when that happens, they're using City assets.

8 Thank you, Madam President.

9 COUNCIL PRESIDENT VERNA: You're
10 welcome.

11 Are there any other questions from
12 members of the committee.

13 (No further questions.)

14 COUNCIL PRESIDENT VERNA: Do we have any
15 other witnesses to testify?

16 (Witness comes forward.)

17 COUNCIL PRESIDENT VERNA: Good evening.
18 I also want to thank you for your patience. I know
19 you've been here for quite some time.

20 MR. SYRNICK: Good evening, Madam
21 President and members of Council. My name is Joseph
22 Syrnick. I'm Chief Engineer and Surveyor of the
23 City and I work out Streets Department. The
24 Department would like to offer the following
25 testimony on Bill No. 010332.

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2 This is an administrative ordinance
3 sponsored by the Department of Streets. The purpose
4 of the ordinance is simply to place three contiguous
5 rights-of-way on the City Plan to facilitate utility
6 relocation for the construction of the new Phillies
7 ballpark. This ordinance is supported by the
8 Department of Streets and is recommended to the
9 committee for favorable recommendation.

10 Thank you.

11 COUNCIL PRESIDENT VERNA: Thank you.

12 Do we have anyone else to testify on the
13 bills before us?

14 (No response.)

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

18 We will now go into public meeting.

19 The Chair recognizes Councilwoman
20 Blackwell regarding Bill No. 010331.

21 COUNCILWOMAN BLACKWELL: Madam
22 President, I move that Bill No. 010331 be reported.

23 COUNCIL PRESIDENT VERNA: Excuse me.
24 I'm sorry, Jannie.

25 COUNCILWOMAN BLACKWELL: That's all

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2 right.

3 COUNCIL PRESIDENT VERNA: Mr.

4 Longstreth.

5 MR. LONGSTRETH: Yes.

6 COUNCIL PRESIDENT VERNA: And Mr.

7 Martin, please come back to the table.

8 (Witnesses return to witness table.)

9 MR. LONGSTRETH: Sorry.

10 COUNCIL PRESIDENT VERNA: I know that we
11 just received the copies of the amendments. I think
12 you're going to have to say what the amendments are
13 for the record and offer them, if you will.

14 MR. MARTIN: The amendments --

15 COUNCIL PRESIDENT VERNA: This is to
16 Bill 010334.

17 MR. MARTIN: Right, yes. Thank you.

18 And the amendments are changes to the exhibits.

19 Exhibit A is the form of ground lease agreement, and
20 there have been several technical changes in the
21 form of the ground lease agreement, and we've
22 distributed both the proposed amendment and also a
23 black-lined copy showing the changes from the prior
24 draft. And most significantly, it makes it clear
25 that the ground lease is subject to the existing

1 5/30/01 - WHOLE - 010331, 332, 333, 334
2 agreements with Spectrum Area Limited Partnership.
3 Exhibit B changes -- replaces the legal
4 description with a new legal description. And the
5 difference is in looking at it again, we needed to
6 include the area which are the two current Eagles
7 practice fields and the practice bubble, which had
8 not been -- that land had not been included in the
9 prior legal description. It is now included.

10 So those are the two amendments -- the
11 one amendment to the two exhibit changes.

12 COUNCIL PRESIDENT VERNA: Thank you.
13 Thank you.

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1 5/30/01 - WHOLE - PUBLIC MEETING

2 COUNCIL PRESIDENT VERNA: We are now in
3 our public meeting.

4 The Chair recognizes Councilwoman
5 Blackwell again regarding Bill No. 010331.

6 COUNCILWOMAN BLACKWELL: Madam
7 President, I move that Bill No. 010331 be reported
8 out of committee with a favorable recommendation and
9 also a recommendation that the rules of Council be
10 suspended so as to permit consideration at our next
11 session of Council.

12 (Duly seconded.)

13 COUNCIL PRESIDENT VERNA: It has been
14 moved and seconded that Bill No. 010331 be reported
15 out of committee with a favorable recommendation and
16 also a recommendation that the rules of Council be
17 suspended so as to permit first reading at our next
18 Council session.

19 All those in favor will signify by
20 saying aye.

21 Those opposed?

22 COUNCILMAN COHEN: Abstention.

23 COUNCIL PRESIDENT VERNA: The record
24 will indicate that Councilman Cohen has abstained.
25 All other Councilmembers have voted in the

1 5/30/01 - WHOLE - PUBLIC MEETING

2 affirmative. The motion passes.

3 The Chair recognizes Councilwoman
4 Blackwell again regarding Bill No. 010332.

5 COUNCILWOMAN BLACKWELL: Madam
6 President, I move that Bill No. 010332 be reported
7 out of committee with a favorable recommendation and
8 also a recommendation that the rules be suspended so
9 as to permit consideration at our next session of
10 Council.

11 (Duly seconded.)

12 COUNCIL PRESIDENT VERNA: It has been
13 moved and properly seconded that Bill No. 010332 be
14 reported out of committee with a favorable
15 recommendation and also a recommendation that the
16 rules of Council be suspended so as to permit first
17 reading at our next Council session.

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

20 Those opposed?

21 COUNCILMAN COHEN: Abstention.

22 COUNCIL PRESIDENT VERNA: The record
23 will indicate that Councilman Cohen has abstained.

24 COUNCILMAN ORTIZ: I'm abstaining.

25 COUNCIL PRESIDENT VERNA: You're

1 5/30/01 - WHOLE - PUBLIC MEETING

2 abstaining?

3 COUNCILMAN ORTIZ: Yes.

4 COUNCIL PRESIDENT VERNA: Did you
5 abstain on the last bill too?

6 COUNCILMAN ORTIZ: Yes.

7 COUNCILWOMAN VERNA: You didn't say
8 that. The record will indicate -- Councilman Ortiz,
9 please. Are you abstaining on all four bills?

10 COUNCILMAN ORTIZ: On all four bills.

11 COUNCIL PRESIDENT VERNA: The record
12 will now indicate that Councilmembers Cohen and
13 Ortiz are abstaining on Bills 010331 and 010332.
14 All other members have voted in the affirmative.

15 The Chair recognizes Councilwoman
16 Blackwell regarding Bill No. 010333.

17 COUNCILWOMAN BLACKWELL: Madam
18 President, I move that Bill No. 010333 be reported
19 out of committee with a favorable recommendation and
20 also a recommendation that the rules of Council be
21 suspended so as to permit consideration at our next
22 session of Council.

23 COUNCIL PRESIDENT VERNA: Thank you. Is
24 there a second?

25 (Duly seconded.)

1 5/30/01 - WHOLE - PUBLIC MEETING

2 COUNCIL PRESIDENT VERNA: It has been
3 moved and seconded that Bill No. 010333 be reported
4 out of committee with a favorable recommendation and
5 also a recommendation that the rules of Council be
6 suspended so as to permit first reading at our next
7 Council session.

8 All those in favor will signify by
9 saying aye.

10 Those opposed?

11 COUNCILMAN COHEN: Abstention.

12 COUNCIL PRESIDENT VERNA: The record
13 will indicate that Councilmembers Ortiz and Cohen
14 have abstained. All other members have voted in the
15 affirmative.

16 The Chair recognizes Councilwoman
17 Blackwell regarding Bill No. 010334.

18 COUNCILWOMAN BLACKWELL: Madam
19 President, I move that Bill No. 010334 be --

20 COUNCIL PRESIDENT VERNA: I'm sorry,
21 Councilwoman. We have to vote on the amendment
22 first.

23 COUNCILWOMAN BLACKWELL: I move that the
24 amendment to Bill 010334 be approved.

25 (Duly seconded.)

1 5/30/01 - WHOLE - PUBLIC MEETING

2 COUNCIL PRESIDENT VERNA: It has been
3 moved and seconded that the amendment as submitted
4 by Mr. Longstreth be approved.

5 All those in favor will signify by
6 saying aye.

7 Those opposed?

8 The ayes have it and the amendment has
9 been adopted.

10 The Chair recognizes Councilwoman
11 Blackwell.

12 COUNCILWOMAN BLACKWELL: Thank you,
13 Madam President. I move that Bill 010334, as
14 amended, be reported out of committee with a
15 favorable recommendation and also a recommendation
16 that the rules be suspended so as to permit
17 consideration at our next session of Council.

18 (Duly seconded.)

19 COUNCIL PRESIDENT VERNA: It has been
20 moved and second that Bill No. 010334 be reported
21 out of committee, as amended, and also a
22 recommendation that the rules of Council be
23 suspended so as to permit first reading at our next
24 Council session.

25 All those in favor will signify by

1 5/30/01 - WHOLE - PUBLIC MEETING

2 saying aye.

3 Those opposed?

4 COUNCILMAN COHEN: Abstention.

5 COUNCIL PRESIDENT VERNA: The record
6 will indicate that Councilmembers Cohen and Ortiz
7 abstained. All other Councilmembers have voted in
8 the affirmative.

9 This concludes our public meeting.
10 Thank you all for your patience.

11 I urge all members to go directly into
12 the caucus room so that we can all attend the
13 briefing.

14 Thank you.

15 (Adjourned 6:50 p.m.)

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C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Wednesday, May 30, 2001, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COUNCIL COMMITTEE OF THE WHOLE

BILL NO.'S 010331, 010332, 010333, 010334

_____,
JOSEPHINE CARDILLO,
Registered Professional Reporter