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2 COUNCIL OF THE CITY OF PHILADELPHIA

3 COMMITTEE ON RULES

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5 Room 400, City Hall
6 Philadelphia, Pennsylvania
Monday, March 13, 2006, 10:25 a.m.

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10 PRESENT:

11 COUNCIL PRESIDENT ANNA C. VERNA
12 COUNCILMAN DARRELL CLARKE
13 COUNCILMAN JAMES KENNEY
14 COUNCILWOMAN DONNA REED MILLER
15 COUNCILMAN BRIAN O'NEILL
16 COUNCILWOMAN BLONDELL REYNOLDS-BROWN

17 Bills 060043, 060044, 060054, 060055, 060107, 060116 and 060117

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COUNCIL PRESIDENT Verna: Good morning, everyone. This is a public hearing of the Committee on Rules. And I would ask Mr. McPherson to please read the title of Bill No. 060054.

THE CLERK: Bill No. 060054: An ordinance amending Section 14-1624 of The Philadelphia Code entitled "North Delaware Avenue Special District Controls," by changing the district boundaries to the area generally bounded by the south street line of Spring Garden Street on the south, the west bank of the Delaware River on the east, the north street side of Lehigh Avenue on the north, and the east street line of 5th Street on the west.

COUNCIL PRESIDENT Verna: Mr. Kramer, before I recognize you, I would ask if there are copies of the testimony. Do we have copies of your testimony, Mr. Kramer?

MR. KRAMER: Yes.

COUNCIL PRESIDENT Verna: Very

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2 well. Please identify yourself for the

3 record and proceed with your testimony.

4 MR. KRAMER: Good morning,

5 Madam President and members of the Rules

6 Committee. My name is William Kramer. I

7 am the senior zoning planner for the

8 development planning division of the City

9 Planning Commission. I am here to

10 testify on Bill 060054. Bill 060054 was

11 introduced by Councilmember DiCicco

12 February 2 of 2006. This bill amends

13 Section 14-1624 of the zoning code by

14 amending the boundaries of the North

15 Delaware Special District Controls.

16 Under the provisions of the bill,

17 controls would cover an area bounded by

18 the north street line of Spring Garden

19 Street on the south, the west bank of the

20 Delaware River on the east, the south

21 street line of Lehigh Avenue on the

22 north, and the east street line of 5th

23 Street on the west. This is being done

24 in order to remove an overlap of zoning

25 overlays created with the passage of Bill

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2 051200, which extended the area of the
3 Old City Residential Special District
4 Controls. Bill 060054 changes the
5 boundary of the North Delaware Special
6 Control District by moving the southerly
7 boundary northward from Vine Street to
8 Spring Garden Street and extended the
9 westerly boundary from Frankford Avenue
10 to 5th Street.

11 The Planning Commission at its
12 meeting of February 16, 2006, considered
13 this bill and recommended that Bill
14 060054 be amended to reflect no extension
15 of the already existing North Delaware
16 Special District Controls. The Planning
17 Commission believed that the area between
18 5th Street, Girard Avenue, Frankford
19 Avenue, and Lehigh Avenue would be
20 economically harmed if these controls
21 were to be extended into this area. An
22 amendment indicating this change has been
23 drafted and I submit it to Council for
24 your approval. The amendment would
25 change the boundaries to be as follows:

3 the south, the west bank of the Delaware
4 River on the east, the south street line
5 of Lehigh Avenue on the north, and the
6 east street line of Frankford Avenue, the
7 north street line of Girard Avenue, and
8 east street line of 5th Street on the
9 west. With this amendment, the Planning
10 Commission recommended that Bill 060054
11 be approved. I would be happy to answer
12 any questions of the committee.

13 COUNCIL PRESIDENT VERNA: Thank
14 you, Mr. Kramer. You stated that if the
15 proposed boundaries were expanded to
16 include the area between 5th Street,
17 Girard Avenue, Frankford Avenue, and
18 Lehigh Avenue, economic harm would occur
19 because of the controls imposed by being
20 included within the district. Would you
21 please explain for the record what this
22 harm would be and who and how many
23 properties or individuals might be
24 harmed?

25 MR. KRAMER: I can't answer the

6

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2 second part of that. I don't have enough
3 information to tell you an exact number.

4 Testimony at the Planning Commission
5 meeting essentially came from the
6 commerce department as well as other
7 members of the Commission wherein the
8 concern was by placing the controls,
9 which these controls limit takeout
10 restaurants, restaurants, nightclubs, and
11 make a lot of those type of uses go to
12 the Zoning Board of Adjustment, it was
13 concerned that what would happen is a lot
14 of these uses would then simply move out
15 of the area of the overlay. And they did
16 not feel that there was enough
17 economic -- enough of an economic engine
18 to sustain that. And that was coming
19 from Commission members.

20 COUNCIL PRESIDENT VERNA: Thank
21 you. Are there any questions from
22 members of the committee?

23 COUNCILMAN KENNEY: Yeah, I do.

24 COUNCIL PRESIDENT VERNA: The
25 Chair recognizes Councilman Kenney.

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2 COUNCILMAN KENNEY: Thank you.

3 Would this only affect
4 businesses going forward or existing

5 businesses?

6 MR. KRAMER: It would affect
7 businesses going forward, but the portion
8 of the bill that also prohibits
9 extensions and expansions.

10 COUNCILMAN KENNEY: So there
11 was a concern that businesses would move
12 out even though they weren't affected?

13 MR. KRAMER: There was some
14 concern. It was not necessarily our
15 staff concern, but it was a concern of
16 members of the Commission.

17 COUNCILMAN KENNEY: Thank you.

18 COUNCIL PRESIDENT VERNA: Thank
19 you.

20 Any other questions or comments
21 from members of the committee?

22 (No response.)

23 COUNCIL PRESIDENT VERNA: Do we
24 have anyone else to testify on this bill?

25 (No response.)

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2 COUNCIL PRESIDENT VERNA:
3 Seeing none, before we read the next
4 bill, I would like the record to reflect
5 that we do, in fact, have a quorum. To

6 my extreme left is Councilwoman Miller.
7 Next to Councilwoman Miller is Councilman
8 Clarke. To my extreme left is
9 Councilwoman Brown and Councilman Kenney.

10 I would ask Mr. McPherson to
11 please read the title of Bill No. 060055.

12 THE CLERK: Bill NO. 060055:
13 An ordinance amending Bill No. 040369,
14 which became law June 21, 2004, as
15 amended entitled An ordinance amending
16 Chapter 14-1600 of The Philadelphia Code
17 entitled 'Miscellaneous,' by adding a new
18 section prohibiting the demolition of
19 buildings or other structures located
20 within an area.

21 MR. KRAMER: Good morning,
22 Madam President, members of the Rules
23 Committee. I am senior zoning planner in
24 the development planning division of the
25 City Planning Commission. I am here to

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2 testify on Bill 060055, which was
3 introduced by Councilmember DiCicco
4 February 2 of 2006. This bill is
5 amending Bill 040369 so that the
6 provisions prohibiting the demolition of

7 buildings or other structures located in
8 an area bounded by Locust Street, 5th
9 Street, Washington Avenue, and the
10 Delaware River would not expire until
11 June 30, 2006. The purpose of this bill
12 is to allow representatives of the Queen
13 Village neighborhood and the Planning
14 Commission to complete the provisions of
15 a neighborhood conservation district for
16 this area. Proposals and discussions
17 have been ongoing and a culmination of
18 the process in an ordinance creating a
19 neighborhood conservation district is
20 expected in the foreseeable future. The
21 Planning Commission staff believes it is
22 appropriate to continue the demolition
23 prohibition to allow for the creation of
24 this zoning district. I would be happy
25 to answer any questions of the committee.

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2 COUNCIL PRESIDENT Verna: Thank
3 you. Mr. Kramer, will anyone be
4 adversely affected by this prohibition?
5 And, if so, who and to what extent?

6 MR. KRAMER: I don't have -- I
7 don't believe that there's anyone

8 currently I'm aware of that would be
9 negatively impacted. I believe the
10 prohibition does not apply if it's
11 imminently dangerous, so subsequently it
12 would not provide an instant problem for
13 anyone or shouldn't.

14 COUNCIL PRESIDENT VERNA: And
15 this would extend to June 30?

16 MR. KRAMER: June 30, yes,
17 ma'am.

18 COUNCIL PRESIDENT VERNA: Of
19 this year?

20 MR. KRAMER: Yes, ma'am.

21 COUNCIL PRESIDENT VERNA: Any
22 questions from members of the committee?

23 (No response.)

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

11

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2 (No response.)

3 COUNCILMAN DiCICCO: Madam
4 Chair, if I may, I would ask for a
5 suspension on both bills. And thank you
6 for hearing those bills first.

7 COUNCIL PRESIDENT VERNA: We'll
8 certainly consider it. Thank you.

9 COUNCILMAN DiCICCO: Thank you.

10 COUNCIL PRESIDENT VERNA: I

11 would ask Mr. McPherson to please read

12 the title of Bill No. 060043.

13 THE CLERK: Bill No. 060043:

14 An ordinance approving the fourth

15 amendment of the redevelopment proposal

16 for the 45th and Sansom Urban Renewal

17 Area.

18 COUNCIL PRESIDENT VERNA: Good

19 morning. Please identify yourself for

20 the record and proceed with your

21 testimony.

22 MR. WETZEL: Good morning. My

23 name is Herbert Wetzel. I'm executive

24 director of the Redevelopment Authority

25 of the City of Philadelphia. Madam

12

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2 Chairperson and members of the committee,

3 I'm here to speak in support of Bill No.

4 060043, which is the fourth amendment to

5 the redevelopment proposal and urban

6 renewal plan for the 45th and Sansom

7 Redevelopment Area and the 45th and

8 Sansom Urban Renewal Area. This bill

9 would authorize the Redevelopment

10 Authority to acquire two vacant
11 structures for future development as part
12 of the neighborhood transportation
13 initiatives. No families or individuals
14 will be displaced or relocated as part of
15 this development plan. Madam Chairperson
16 and members of the committee, I
17 respectfully request favorable
18 consideration of Bill No. 060043 and
19 would ask for the suspension of Council
20 rules to allow a first reading on March
21 16, 2006.

22 COUNCIL PRESIDENT VERA: Thank
23 you.

24 (Inaudible.)

25 COUNCIL PRESIDENT VERA: I'm

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2 sorry. I didn't realize --

3 MR. WETZEL: Are you asking for
4 the budget?

5 COUNCIL PRESIDENT VERA: What
6 amount?

7 MR. WETZEL: The budget for
8 this is \$161,400.

9 COUNCIL PRESIDENT VERA: I'm
10 sorry. 164?

11 MR. WETZEL: 161,400.

12 COUNCIL PRESIDENT Verna: Is
13 there a developer for these properties?
14 If so, what is the projected cost for the
15 development?

16 MR. WETZEL: Madam Chairperson,
17 Partnership CDC, we've been working with
18 them for a number of years and they are
19 the intended developer but not -- we're
20 not obligated to convey to anyone as a
21 result of this, but we've been working
22 with Partnership CDC. We've acquired
23 additional properties around here. The
24 one property on Sansom Street is a
25 stand-alone and it's an area where

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2 there's been some significant subsidence
3 and the City has had to demolish in that
4 area. So we're just assembling parcels.
5 They have not finalized their entire
6 project plan at this point in time.

7 COUNCIL PRESIDENT Verna: Is
8 the development of these two properties
9 part of a more widespread development
10 project? If so, would you please
11 elaborate?

12 MR. WETZEL: I'd like to ask a
13 member of Partnership CDC to come forward
14 who can give you more details on what
15 their plans are for this particular area.

16 COUNCIL PRESIDENT VERNA: That
17 would be fine. Thank you.

18 Good morning. Please identify
19 yourself for the record and proceed with
20 your testimony.

21 MR. JOHNS: My name is Rob
22 Johns. I'm the housing director for the
23 Partnership CDC. I have some prepared
24 testimony which may answer some of your
25 questions.

15

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2 COUNCIL PRESIDENT VERNA: All
3 right. I think that was just given to
4 us. I don't know whether you have to
5 read it. We'll give a copy of it to the
6 stenographer. It will be transcribed in
7 full. And may I suggest you simply
8 abbreviate, please. Thank you.

9 MR. JOHNS: Sure. I think the
10 question that brought me up here was is
11 this part of a larger project, and it
12 certainly is. In September of 2004, we

13 acquired 19 properties for redevelopment
14 on the 4500 block of Sansom Street and
15 have been working with the RDA to
16 assemble a phase 2 package that would
17 total 18 properties. These are the final
18 two pieces of that 18-property package.
19 Everything else has either been acquired
20 by the RDA or has been approved by
21 Council and is in the process of
22 acquisition.

23 You were concerned about a
24 budget. At this point we are waiting for
25 appraisals to come back which will tell

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2 us what the cost of the project is going
3 to be, at which point we can turn around
4 and produce a budget. So we don't have
5 really even a meaningful budget because
6 the appraisal is such an important part
7 of the cost. But this is a market rate
8 project and we have paid for the
9 properties at market rate. Depending on
10 the value of the property, I think in
11 total for phase 1 we paid \$374,000 for
12 the 19 properties and would expect to pay
13 something related.

14 (Inaudible.)
15 MR. JOHNS: No. It's being
16 done by using NTI funds but conveying to
17 the Partnership CDC at fair market value
18 and then those funds go back into the NTI
19 pot.
20 COUNCIL PRESIDENT VERNA: Any
21 questions or comments from members of the
22 committee?
23 (No response.)
24 COUNCIL PRESIDENT VERNA:
25 Seeing none, I thank you, Mr. Johns.

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2 MR. JOHNS: You're welcome.
3 COUNCIL PRESIDENT VERNA: Good
4 morning. Please identify yourself for
5 the record and proceed with your
6 testimony.
7 MR. BOWSER: Yes, good morning.
8 My name is Ortellin Bowser. I'm here on
9 behalf of the Samaritans, Incorporated.
10 We are the owners of the property, one of
11 the properties they're speaking of, the
12 only existing standing structure. The
13 only other property that's existing is a
14 vacant land, a vacant lot that I guess

15 someone else has possession of. We have
16 been going through this with the
17 Partnership CDC going on now almost two
18 years. We are the outright owners of the
19 property. We bought the property
20 actually and acquired the property at
21 sheriff sale, you know, through all
22 ordinary processes. And our company, our
23 organization is we are a development
24 corporation ourselves. What we do is we
25 provide housing for women that are coming

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2 out of shelters and, you know, domestic
3 abuse situations. In 2005, we had plans
4 to shore the property as well as to
5 develop the property ourselves for
6 affordable housing, but because of the
7 legal battle that we incurred with the
8 Partnership CDC, all of our funds were
9 exhausted for rehabbing the property.
10 I have a letter here from our
11 legal counsel that was copied as well to
12 Blaine Stoddard and Mr. Johns where their
13 legal representation made us an offer for
14 our property and wanted to negotiate with
15 us to basically, you know -- for us to

16 sell the property. They tried to -- once
17 that didn't work, then they tried to take
18 us through license and inspection. Then
19 they tried to basically say that the
20 property was imminently dangerous through
21 the board of standards. We hired a
22 structural engineer to prove and verify
23 that the property wasn't imminently
24 dangerous. Like I said, we have been
25 fighting this battle to retain our

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2 property and develop our property
3 ourselves, not for them to acquire it,
4 you know, at a very low market value for
5 them to turn around and develop it
6 themselves.

7 COUNCIL PRESIDENT Verna: Do
8 you mind reading your attorney's letter
9 for the record, please?

10 MR. Bowser: Yes.

11 COUNCIL PRESIDENT Verna: And
12 to whom is it addressed and when?

13 MR. Bowser: Okay. Here it is.
14 Regarding the Partnership CDC versus
15 Ortellin Bowser/Samaritans, Incorporated,
16 Philly CCP, January Term 2005, Docket

17 3442, Dear Attorney Lipsky, pursuant to
18 our conversation today, I am enclosing
19 the praecipe to settle, discontinue, and
20 withdraw the above-captioned litigation.
21 Principals of my client would like to
22 discuss with representatives of your
23 client a possible business accommodation
24 regarding the parties' respective
25 properties on the block of Sansom Street,

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2 including the possible purchase. In
3 light not just of their common proximity
4 but because of the subsidence geologic
5 issues all these parties face in common,
6 I and they would appreciate if your
7 principals of your client would either
8 call Blaine Stoddard or Robert Johns at
9 215-662-1612 to discuss this and other
10 matters relating to the Sansom Street
11 properties. Thank you for your efforts
12 in arranging for such discussions. Very
13 truly yours, ReedSmith LLP, Ira S.
14 Lefton, Attorney Ira S. Lefton.

15 COUNCIL PRESIDENT VERNA: You
16 indicated that you acquired this property
17 at sheriff's sale. When did you acquire

18 it?

19 MR. BOWSER: We acquired the
20 property I believe it's in '04, ma'am,
21 sometime in '04. I don't have the exact
22 date in front of me, but it was in early
23 '04, 2004. Actually, I'm sorry. The
24 property, ma'am, was acquired in '03. My
25 apologies. September of '03.

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2 COUNCIL PRESIDENT VERNA: Mr.
3 Wetzel, did you indicate how many
4 properties you're trying to acquire on
5 this block?

6 MR. WETZEL: Two. One on this
7 block. We've previously acquired others.

8 COUNCIL PRESIDENT VERNA: So is
9 it this property and a lot or are there
10 two standing properties?

11 MR. WETZEL: There's one
12 standing property my understanding facing
13 Sansom Street.

14 MR. JOHNS: It's actually
15 facing 45th.

16 MR. WETZEL: Okay. I'm wrong.

17 COUNCIL PRESIDENT VERNA: And
18 the other is a lot?

19 MR. WETZEL: No. The other one
20 is a vacant structure as well.

21 COUNCIL PRESIDENT VERNA: But
22 the property this gentleman's referring
23 to is occupied, is it not?

24 Is your property occupied, sir?

25 MR. BOWSER: At this present

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2 time, ma'am, we actually had someone that
3 was living in there. Actually, that was
4 a person that was squatting in the
5 property. And we, you know, allowed the
6 person to inhabit the property through
7 the winter months as we were actually
8 planning to rehab the property.

9 COUNCIL PRESIDENT VERNA: So
10 you haven't done any rehab at all on the
11 property?

12 MR. BOWSER: Yes, we have,
13 ma'am. Yes, we have. We have receipts
14 and everything. We had to basically
15 shore the property. We structurally made
16 the property secure. We secured the
17 property as well as gated the property
18 off and boarded the property up.
19 Basically, like I said, our entire budget

20 was exhausted fighting the legal battle
21 for this. So, yes, we did make --

22 COUNCIL PRESIDENT VERNA: What
23 were the legal fees that you paid?

24 MR. BOWSER: We incurred legal
25 fees upwards over \$20,000, you know, to

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2 just fight the battle.

3 COUNCIL PRESIDENT VERNA: Over
4 what period?

5 MR. BOWSER: It was over a year
6 and a half.

7 COUNCIL PRESIDENT VERNA: The
8 Chair recognizes Councilman Clarke.

9 COUNCILMAN CLARKE: Thank you,
10 Madam Chair.

11 You say you have an individual
12 living in the property?

13 MR. BOWSER: Well, again, we
14 weren't aware. Like I said, we were
15 basically slighting the property. We
16 sealed the property up. And in the
17 process of getting the property prepared
18 to, you know, rehab the property, someone
19 else basically was able to -- they were
20 already living in the property before.

21 COUNCILMAN CLARKE: Squatting?

22 MR. BOWSER: Yes, they were
23 squatting in the property. So once they
24 got out of the property, basically that
25 person just said, listen, I've been here

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2 whatever the case may be, you know, for a
3 little while, you know, could I just stay
4 here through the winter months. And
5 basically we agreed.

6 COUNCILMAN CLARKE: So is the
7 building up to code? Is the property up
8 to code?

9 MR. BOWSER: Yes, the building
10 is up to code. We have no L and I
11 violations or anything.

12 COUNCILMAN CLARKE: So you have
13 a certificate of occupancy?

14 MR. BOWSER: Again, there's no
15 one living in the building at the present
16 time.

17 COUNCILMAN CLARKE: When the
18 Council President asked you the question
19 was it occupied, you said yes. You gave
20 us the impression -- there's a difference
21 in condemnation for an occupied property

22 versus a vacant property because we take
23 very seriously having to relocate
24 individuals from a property. But if it's
25 a vacant property, there's a different

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2 level of standard as it relates to the
3 decision-making process. So the property
4 is vacant?

5 MR. BOWSER: Again, that's what
6 I'm saying. The property was vacant in
7 respect to, you know, in our possession,
8 but, again, there was someone that was
9 able to gain access into the property
10 and, you know, they were squatting there.
11 We were aware of that. As to this point
12 in time as to whether or not someone's
13 there right now today, again, that's
14 anyone's guess.

15 COUNCILMAN CLARKE: Okay.
16 Thank you, Madam Chair.

17 COUNCIL PRESIDENT Verna: I
18 would like the record to reflect that
19 Councilman O'Neill has joined the
20 committee.

21 Councilwoman Blackwell, did you
22 want to add anything to this testimony?

23 COUNCILWOMAN BLACKWELL: We've
24 been supporting the Partnership CDC in
25 this regard. We've been working with the

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2 Redevelopment Authority. I just heard
3 Friday that somebody would come up with
4 some other agenda, but we've been working
5 with Herb Wetzel. As all of you know,
6 Lisa Sneed is now director of the
7 Partnership and we met Friday and this
8 issue came up. So I have no idea,
9 frankly. I don't know this gentleman. I
10 have no idea what he's talking about. I
11 know we've been working with RDA for some
12 time with regard to these two properties
13 and we would like to move ahead as
14 scheduled to get this project -- this is
15 part of an urban renewal area. I mean,
16 I'm always happy to meet with the
17 gentleman. I have no idea who he is, but
18 we would certainly ask that the committee
19 move ahead with the 45th and Sansom
20 Street Redevelopment Area and the urban
21 renewal issue.

22 MR. BOWSER: Councilwoman
23 Blackwell, I've been to your office on a

24 few occasions. I've called your office
25 on several occasions, spoken to your

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2 assistants. I don't know what more I
3 could have done to make it clear to you
4 that we were interested in working in
5 conjunction with the Redevelopment
6 Authority as well as, you know, the NTI,
7 the Partnership CDC, and anything we
8 could do to actually work in conjunction,
9 you know, because our interest was in
10 doing the exact same thing that they're
11 interested in doing, which is developing
12 the property for affordable housing. So,
13 you know, again, like I said, I have
14 letters from their office stating that
15 they were looking and willing to work
16 with us, you know, once they realized
17 that all the means that they tried to use
18 to take the property, you know, weren't
19 going to work. And everyone else that
20 they got out of the properties, they
21 actually told the residents in this
22 community that this neighborhood was
23 sinking. Okay? They told these
24 residents -- they don't care about the

25 residents. They don't care about the

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2 people here. They only care about their
3 initiative that they're claiming is an
4 affordable housing initiative when
5 there's properties in the 4400 block
6 selling for \$400,000. I've seen their
7 plan. I've seen their layout. I've been
8 in the Partnership's office. I've seen
9 what they're intending to do. They're
10 claiming this to be an affordable housing
11 project and it's nothing of the sort.

12 MR. JOHNS: I'd like to object
13 to that characterization. We're not
14 claiming this to be anything but what it
15 is, which is a market rate development.

16 COUNCIL PRESIDENT VERNA: I'm
17 sorry, sir. I don't know that the
18 stenographer knows who's talking.

19 MR. JOHNS: My name is Rob
20 Johns again from the Partnership CDC.
21 I'm sorry. And I feel that was a
22 mischaracterization of our project. It
23 is not represented as an affordable
24 housing initiative. It is a market rate
25 housing initiative under NTI. We have

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2 some affordable components to the
3 project, but we have never misrepresented
4 it as an affordability housing project,
5 pure and simple. Furthermore, we have
6 not simply tried to take the property
7 from the gentleman next to me. We've
8 made every effort to make a good faith
9 offer to purchase the property at fair
10 market value as the letter that he read
11 indicates, which was a letter from our
12 attorney to him trying to make an offer.
13 So I just feel we need to set the record
14 straight.

15 COUNCIL PRESIDENT Verna: Thank
16 you.

17 COUNCILWOMAN Blackwell: Madam
18 President.

19 COUNCIL PRESIDENT Verna: Yes,
20 the Chair recognizes Councilwoman
21 Blackwell.

22 COUNCILWOMAN Blackwell: Thank
23 you. This is a case where I'm reminded
24 and you may remember we had an individual
25 who came in here and complained about

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2 really all the problems she had had with

3 the City and finally we prevailed upon

4 the Partnership to kind of -- we argued

5 with them and got them to agree to try to

6 in advance -- because she just couldn't

7 sustain it, to pay her. I think that the

8 Partnership at that time gave her

9 somewhere in the neighborhood of \$30,000

10 because I insisted that they continue to

11 not abuse this poor woman who couldn't

12 handle it. Then you have someone in the

13 middle who wants to come in and said,

14 look, they're developing this block and

15 wants to come in and say, hey, maybe if I

16 can get it and charge, get a hundred

17 thousand or something like that. It's

18 that kind of situation where blocks are

19 being developed. You get someone wants

20 to come in the middle and make a big

21 profit on the development project.

22 That's the issue. That's what's at the

23 heart of the issue and that's why we

24 really want to continue on with the

25 initial plan. It's been years. There

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2 was a woman who owned this property. She
3 came here. She pled with this Council
4 such to the extent I said you better in
5 advance, Blaine Stoddard, give her this
6 money because she can't handle it. And
7 then somebody in the middle manages to
8 kind of weasel in and try to come in and
9 make a big profit in a development area.
10 So, you know, we're happy to work with
11 him in some other area in some other
12 project but not this area and this
13 project so far as I'm concerned, Madam
14 President. We hope the committee will
15 consider it.

16 COUNCIL PRESIDENT Verna: Thank
17 you.

18 The Chair recognizes Councilman
19 Clarke.

20 COUNCILMAN CLARKE: Thank you,
21 Madam Chair.

22 Just a couple quick questions.
23 You purchased the property at sheriff's
24 sale?

25 MR. BOWSER: Yes, through

2 sheriff's sale. So I don't know what
3 she's talking about.

4 COUNCILMAN CLARKE: What was
5 the cost?

6 MR. BOWSER: The cost of the
7 property was actually \$22,800.

8 COUNCILMAN CLARKE: 22,000 at
9 sheriff's sale?

10 MR. BOWSER: Yes, at sheriff's
11 sale.

12 COUNCILMAN CLARKE: Mr. Wetzel,
13 has an offer been made or an appraisal
14 been done?

15 MR. WETZEL: No, we're not at
16 that stage.

17 COUNCILMAN CLARKE: What were
18 the numbers on the appraisals on the
19 other properties that were acquired?

20 MR. WETZEL: Previously to
21 this?

22 COUNCILMAN CLARKE: Yeah. I
23 understand it was a multiphase
24 acquisition.

25 MR. WETZEL: I do not have

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2 those numbers with me, but I can deliver

3 them.

4 COUNCILMAN CLARKE: Anyone from
5 the Partnership know?

6 MR. JOHNS: The properties that
7 we acquired to be rehabbed generally
8 appraised around \$24,000. We have not
9 acquired properties in this exact
10 circumstance so there isn't a comparable
11 appraisal that I could give you that
12 would sort of enlighten you.

13 MR. BOWSER: Just to give you,
14 Mr. Councilman, the idea, a lot that's
15 next door adjacent to the property that I
16 own was selling for \$130,000.

17 COUNCILMAN CLARKE: For a
18 vacant lot?

19 MR. BOWSER: Yes, a vacant lot.
20 There's properties up the street right
21 now selling for \$400,000. Everyone knows
22 this area. It's 44th, 45th and Sansom
23 Street. It's the Penn catchment area,
24 Drexel University, Penn University. And
25 again, I don't understand why

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2 Councilwoman Blackwell is making this as
3 something I'm doing. It's no different

4 than the thousands of other people that
5 go to sheriff's sale every month and
6 acquire properties. I think it's very
7 unfair for even that type of accusation
8 to be made when this is just a situation
9 where myself and a corporation -- it's
10 not just a person here. This is a
11 corporation, okay, that acquired a
12 property for the interest of what we
13 already do. We have a proven record. We
14 work with 1260 housing. We work with
15 several programs. This is a multi-unit
16 property as well. So we have an
17 intention of putting three families in
18 this house. It's already zoned as a
19 multifamily house. Again, they're making
20 this like something that it's really not
21 when in actuality it's just the mere case
22 that I acquired a property. They had
23 intentions -- because the City obviously
24 doesn't communicate properly, the
25 property should have never went up to

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2 sheriff's sale. That's not my fault.
3 COUNCILMAN CLARKE: Yeah, it
4 seems to be a lack of coordination with

5 the judicial sales division not knowing
6 that the City was interested in acquiring
7 it on behalf of the CDC, which is
8 unfortunate.

9 MR. BOWSER: Unfortunate but...

10 COUNCILMAN CLARKE: So,
11 Mr. Wetzel, is it my assumption assuming
12 that the gentleman's indication that the
13 appraisals are upwards of 130 for a
14 vacant lot, 400 for an existing occupied
15 structure, that the comps that will be
16 done by the Redevelopment Authority will
17 reflect those numbers?

18 MR. WETZEL: If those are
19 sales.

20 COUNCILMAN CLARKE: If they're
21 sales?

22 MR. WETZEL: They have to be
23 sold. They can't be on the market asking
24 that. They actually have to be real
25 transactions that become comparables.

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2 COUNCILMAN CLARKE: Is there an
3 approved budget for acquisition dollar
4 amount?

5 MR. WETZEL: There's a budget

6 of 161,000 right now, but as with every
7 budget if the appraisals come in higher,
8 we would go back asking the City in this
9 case, the office of housing and
10 neighborhood preservation, do you want to
11 continue and --

12 COUNCILMAN CLARKE: I'm sorry.
13 161?

14 MR. WETZEL: For the two
15 properties.

16 COUNCILMAN CLARKE: For the two
17 properties?

18 MR. WETZEL: Right.

19 COUNCILMAN CLARKE: What's the
20 breakdown on that?

21 MR. WETZEL: I don't have the
22 individual breakdown between the two
23 properties.

24 COUNCILMAN CLARKE: What are we
25 basing that budget on?

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2 MR. WETZEL: On a base estimate
3 of the properties plus advertising costs
4 and other contingencies.

5 COUNCILMAN CLARKE: That's an
6 internal appraisal?

7 MR. WETZEL: That's correct.

8 COUNCILMAN CLARKE: How much of

9 the 161 is for administrative fees

10 and advertisement and how much is for

11 compensation?

12 MR. WETZEL: I don't have that

13 number, but I can get it for you.

14 Councilman, also, unless there's some

15 other indicators that this property is

16 not subject to it, the reason that the

17 majority of the properties were

18 demolished on this block was a subsidence

19 issue. I'm trying to remember the name

20 of the creek.

21 MR. JOHNS: Isn't it Mill

22 Creek?

23 MR. WETZEL: It might be Mill

24 Creek that runs under this area.

25 MR. BOWSER: But yet they're

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2 still going to build on top of it.

3 MR. JOHNS: Well, and speaking

4 of that, we commissioned a geotechnical

5 survey which confirmed the problems and

6 also provided remedies for new

7 construction. Our obvious concern is we

8 don't want to build property next to a
9 building that's falling down and incur
10 further liability as a result of
11 something like that or put people in
12 danger. There's also the issue of the
13 continuity of the project. This is the
14 only building standing on what is now a
15 vacant block. And for us to build new
16 construction, certainly it makes more
17 sense to us to build that project so that
18 the new housing is uniform and attractive
19 in appearance.

20 COUNCILMAN CLARKE: Sir, I'm
21 sorry. Your name?

22 MR. BOWSER: Ortellin Bowser.

23 COUNCILMAN CLARKE: Mr. Bowser,
24 if you've exhausted all your funds for
25 legal fees, what's the likelihood --

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2 MR. BOWSER: Actually, we just
3 acquired financing through a business
4 loan actually of \$200,000 to rehabilitate
5 the property.

6 COUNCILMAN CLARKE: Okay.
7 Thank you.

8 Thank you, Madam President.

9 COUNCIL PRESIDENT VERNA: The
10 Chair recognizes Councilman Kenney.

11 COUNCILMAN KENNEY: Mr. Wetzel,
12 I'm a little confused as to how we get to
13 this point asking for legislation for
14 acquisition of property when you haven't
15 done any appraisals and you've done
16 guestimates I guess or -- wouldn't you
17 have to do the appraisals first so when
18 we give you approval to take the property
19 you'll have a real budget to work with?

20 MR. WETZEL: No. We do
21 estimated appraisals. And again for many
22 years that wasn't an issue. In some
23 areas where there's a dynamic market, we
24 could have done an appraisal four months
25 ago that wouldn't be accurate today. The

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2 fact is that if you point out that things
3 are on the market for that price, that
4 doesn't mean anything. They've actually
5 had to sell. You know, a lot on a block
6 where there's a subsidence issue may be
7 on the market for \$100,000, but buyers
8 wouldn't know there's a subsidence issue.

9 COUNCILMAN KENNEY: But have

10 you looked at comparables in that
11 neighborhood?

12 MR. WETZEL: Yes, we do when we
13 do these initial budgets.

14 COUNCILMAN KENNEY: What were
15 the comparable sales?

16 MR. WETZEL: That's how we
17 based the budget.

18 COUNCILMAN KENNEY: How many
19 sales were done in the neighborhood in
20 the last year?

21 MR. WETZEL: Don't know.

22 COUNCILMAN KENNEY: How would
23 you not know if you were doing
24 comparables?

25 MR. WETZEL: Because you only

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2 look at ones that are close by.

3 COUNCILMAN KENNEY: Well, how
4 many houses have sold or properties have
5 sold close --

6 MR. WETZEL: Nothing on those
7 blocks because --

8 COUNCILMAN KENNEY: Then how do
9 you do a comparable? His issue aside,
10 I'm more concerned about the process.

11 How do you do comparables when you don't
12 have any sales?

13 MR. WETZEL: You go and you
14 start on that block and you reach
15 outward.

16 COUNCILMAN KENNEY: Now, you
17 reached outward to properties that
18 haven't been sold?

19 MR. WETZEL: No; to properties
20 that have been sold.

21 COUNCILMAN KENNEY: And where
22 was the closest property sold?

23 MR. WETZEL: I don't have the
24 appraisal here, but I can get that
25 answer.

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2 COUNCILMAN KENNEY: Why do you
3 come here then when you can't tell us
4 answers to the questions of the process?
5 This gentleman, whatever he did, he went
6 into sheriff's sale, he bought a
7 property, he has it, he's got ownership
8 of it and you're trying to take it.
9 That's fine. I understand all that. But
10 you come here and tell me about
11 comparables and preliminary budgets and

12 there's no comparables that you're aware
13 of. How do you pull this number out of
14 the air?

15 MR. WETZEL: No. We look at
16 sales in that particular area but they're
17 not formal appraisals.

18 COUNCILMAN KENNEY: Let's stop.
19 You look at sales in the area. How many
20 sales in the area in the last year?

21 MR. WETZEL: I don't have the
22 answer.

23 COUNCILMAN KENNEY: You have an
24 answer, you just don't have the answer.

25 MR. WETZEL: With me.

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2 COUNCILMAN KENNEY: So there
3 are comparable sales in the neighborhood.
4 Since these are mostly vacant lots and
5 dilapidated buildings, how far do you
6 have to go out for a comparable sale?

7 MR. WETZEL: I don't have that
8 answer, but I can get that answer for
9 you. This is not --

10 COUNCILMAN KENNEY: I know it's
11 not scientific, but it should be more
12 than this.

13 MR. WETZEL: It is at this
14 stage a rough estimate because we have no
15 authority to spend money under NTI until
16 an ordinance is passed. So we have no
17 authority to order an official appraisal
18 until that.

19 COUNCILMAN KENNEY: I have no
20 authority to buy a property unless the
21 bank approves my loan, but I still go out
22 and check out the comparables sales. I
23 check out what sold recently, what I
24 expect to have to buy it for. You can do
25 the research without the approval. You

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2 have the ability -- you have the
3 inability to do appraisals without us
4 approving this?

5 MR. WETZEL: We cannot spend
6 money on appraisals without an NTI
7 ordinance approving the acquisition.

8 COUNCILMAN KENNEY: So we have
9 to approve it first before you go
10 appraise it? That's a little ass
11 backwards, isn't it?

12 MR. WETZEL: That's how the
13 ordinance was structured, though.

14 COUNCILMAN KENNEY: Well, I
15 voted no for the ordinance.

16 MR. WETZEL: The ordinance says
17 we can't spend NTI bond proceeds without
18 either a resolution of Council or an
19 ordinance of Council to acquire property.

20 COUNCILMAN KENNEY: That should
21 be changed because I don't know how you
22 can come here with no equipment and have
23 a discussion and ask us to approve
24 something.

25 MR. WETZEL: I think it would

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2 be beneficial to change that, but as of
3 now the ordinance does not authorize us
4 to spend any money on a property until
5 it's been approved by Council.

6 COUNCILMAN KENNEY: All right.

7 MR. BOWSER: Madam President,
8 I'd like to just also add I have here a
9 regular mail -- not even certified, mail
10 that this organization just sent to me on
11 this past Thursday for this hearing
12 today. My attorney wasn't advised. I
13 wasn't advised. I got this on Saturday
14 and I'm here today only because I

15 received this on Saturday. Had I not
16 gotten this on Saturday, I wouldn't even
17 be here today to represent myself. This
18 is the type of business that these people
19 who are acting as though they're acting
20 in the best interests of our community,
21 these are the type of tactics that
22 they're doing, not even certified mail,
23 regular mail sent out on Thursday,
24 March 9 for a hearing today. I ask that
25 this ordinance be striked and just

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2 removed from the record.

3 COUNCILMAN CLARKE: What's the
4 normal time line, Mr. Wetzel, on
5 notification? I know we had this big
6 issue a couple years ago about
7 notification.

8 MR. WETZEL: There is no legal
9 time line for notifications on these.
10 It's not part of the statute.

11 COUNCILMAN CLARKE: Do we treat
12 it differently if it's an occupied
13 property versus a vacant property in
14 terms of notification?

15 MR. WETZEL: What we do is do

16 the research to look for both --
17 especially if it's a vacant property, we
18 look for research for off-site addresses
19 because we know they're delivered to
20 vacant properties, it's unlikely the
21 person will be noticed. In this case,
22 two letters went out, one to the property
23 itself and then one to the off-site
24 address in Jenkintown, which is I believe
25 probably where you received the letter.

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2 MR. BOWSER: Yes. That's my
3 business address.

4 COUNCIL PRESIDENT VERNA: Sir,
5 you indicated that you went out for a
6 \$200,000 loan?

7 MR. BOWSER: Yes, ma'am.

8 COUNCIL PRESIDENT VERNA: Have
9 you signed for that loan?

10 MR. BOWSER: We are actually
11 right now approved for the loan and we
12 are in the process right now for signing
13 for that loan, yes, ma'am. That will be
14 done before the end of this month.

15 COUNCIL PRESIDENT VERNA: Thank
16 you.

17 Any other questions or comments
18 from members of the committee?

19 (No response.)

20 COUNCIL PRESIDENT VERNA: Thank
21 you.

22 MR. BOWSER: Thank you very
23 much.

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

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2 (No response.)

3 COUNCIL PRESIDENT VERNA:

4 Seeing no one, I would ask Mr. McPherson
5 to please read the title of Bill No.
6 060117.

7 THE CLERK: Bill No. 060117:
8 An ordinance to amend the Philadelphia
9 Zoning Maps by changing the zoning
10 designation of certain areas of land
11 located within an area bounded by
12 Bustleton Avenue, Fulmer Street, a
13 railroad right-of-way, and Grant Avenue.

14 COUNCIL PRESIDENT VERNA:

15 Please identify yourself and proceed with
16 your testimony.

17 MR. KRAMER: Good morning,

18 Madam President, members of the Rules
19 Committee. My name is William Kramer. I
20 am the senior zoning planner in the
21 development planning division of the City
22 Planning Commission. I am here to
23 testify on Bill 060117. This bill was
24 introduced by Councilmember O'Neill
25 February 16 of 2006. This bill is a

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2 zoning and mapping bill for the Bustleton
3 area of the city. It covers
4 approximately 33 acres of land bounded by
5 Bustleton Avenue, Fulmer Street, a
6 railroad right-of-way, and Grant Avenue.
7 The area is primarily zoned R-4 for
8 residential with certain properties
9 maintaining a commercial designation
10 along the major streets in the area. The
11 commercial designations will remain the
12 same under the provisions of this
13 ordinance. This bill will rezone a
14 majority of the residential properties to
15 a designation of either R-1 or R-2 in
16 order to restrict their ability to be
17 subdivided as a matter of right. This
18 bill is scheduled to be considered at the

19 Planning Commission's next meeting of
20 March 16, 2006. I would be happy to
21 answer any questions of the committee.

22 COUNCIL PRESIDENT VERNA: Are
23 there any proposals for development under
24 the existing zoning?

25 MR. KRAMER: No, ma'am, at

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2 least none that I'm aware of.

3 COUNCIL PRESIDENT VERNA: Is
4 there any developer who wishes to build
5 here based on the proposal zoning
6 changes? If so, who and for what
7 purpose?

8 MR. KRAMER: I have no seen no
9 plans for any development. There may be
10 there outstanding, but they have not come
11 to my office as yet.

12 COUNCIL PRESIDENT VERNA: Does
13 anyone have any questions of Mr. Kramer?

14 The Chair recognizes Councilman
15 O'Neill.

16 COUNCILMAN O'NEILL: No
17 questions. This is a small area of
18 Bustleton. We just did a very large area
19 of Bustleton recently and there's one

20 large area left. And this is actually a
21 bill to upgrade the zoning to dissuade
22 developers from coming in here and
23 tearing down houses and sort of ruining
24 the neighborhood. It's been going on in
25 Bustleton and Somerton for a while now.

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2 There's only about 20, 22 homes in this
3 little area and they have been just
4 bombarded with developers banging on
5 their door trying to put parcels
6 together. And Mrs. Ortiz, who's here to
7 testify, really has done a yeoman's job
8 of keeping in touch with my office,
9 letting us know what developers are doing
10 and trying to hurry us along with the
11 process, but she also instead of having a
12 massive meeting of the civic association
13 that would have delayed us more just went
14 right to the people. There's only 22
15 houses. They all signed the petition
16 that Ms. Ortiz circulated and everyone's
17 in total approval of this remapping. But
18 I'll let her state that for the record.

19 COUNCIL PRESIDENT VERNA: Thank
20 you.

21 Good morning, Ms. Ortiz.

22 Please identify yourself.

23 MS. ORTIZ: Good morning,
24 Honorable Councilmembers. My name is
25 Isabel Ortiz. I currently reside at 9636

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2 Banes Street, Philadelphia, PA 19115. I
3 am here to testify in favor of Bill
4 060117. My property's currently zoned
5 R-5 and I understand with the remapping
6 it will either be R-1 or R-2. I strongly
7 believe that when this process takes
8 place it will prevent the onslaught of
9 developers who have knocked at my door
10 with no exaggeration at least every other
11 Saturday or Sunday encouraging me to sell
12 my property. My property is a corner
13 property. It currently is 170 by 46 and
14 a half with 30 feet of city street that I
15 have occupied for the past 21 years, so
16 basically it's 170 by 80. And they have
17 encouraged me to sell to them my
18 Victorian house I have worked so hard to
19 restore back to its original decor. It
20 is dated back to 1854. They have,
21 quote/unquote, told me that if the

22 remapping goes through, my property will
23 become devalued. I have corrected them.
24 I think it's a poor choice of words. I
25 strongly believe my property will always

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2 be worth what the market will bear. For
3 individuals who work for the City of
4 Philadelphia, policemen, firemen, Gas
5 Company, et cetera, that have to live
6 within the city and enjoy living in the
7 city and all the amenities that the city
8 has to offer, it's a wonderful place to
9 live. Parking's never an issue. If you
10 enjoy wildlife, if you enjoy the fact
11 that there is space around you. To
12 encourage me to sell my property so that
13 they can knock it down and subdivide it
14 and put as many properties that would be
15 allowable under the R-4, I think there
16 needs to be a stop to it. All my
17 residents -- all the neighbors within my
18 small community, which is from Banes to
19 Pearson, Bustleton, and to the railroad
20 tracks wholeheartedly believe a stop
21 needs to be put to this. So again I'm
22 here to testify for myself and the rest

23 of the community that we've in favor of
24 the this remapping in the bill.

25 COUNCIL PRESIDENT VERNA: Thank

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2 you very much.

3 Are there questions or comments
4 from members of the committee?

5 COUNCILMAN O'NEILL: I may have
6 forgotten to thank Ms. Ortiz publicly,
7 but she really did a whole lot of work on
8 this. Thank you.

9 COUNCIL PRESIDENT VERNA: Thank
10 you for coming in. Thank you.

11 Mr. Kramer, I did not hear you
12 or the sponsor ask for a suspension.

13 COUNCILMAN O'NEILL: I will ask
14 for a suspension of the rules.

15 COUNCIL PRESIDENT VERNA: I
16 would ask Mr. McPherson to please read
17 the title of Bill No. 060044.

18 THE CLERK: Bill No. 060044:
19 An ordinance to amend the Philadelphia
20 Zoning Maps by changing the zoning
21 designation of certain areas of land
22 located within an area bounded by I-95
23 Expressway, Island Avenue, and the County

24 Line, also known as the Philadelphia
25 International Airport.

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2 MR. KRAMER: Good morning,
3 Madam President, members of the Rules
4 Committee. My name is William Kramer. I
5 am the senior zoning planner in the
6 development planning division of the City
7 Planning Commission. I am here today to
8 testify on Bill 060044. This bill was
9 introduced by Councilmember Blackwell for
10 February 2 of 2006. This bill would
11 change the zoning from its current zoning
12 to partly L-5 to partly G-2 general
13 industrial and partly C-2 commercial.
14 This zoning consolidation will allow for
15 the extension of runway 17-35, which is
16 required for the economic well-being and
17 continued economic growth of the airport.

18 The Planning Commission at its
19 meeting of February 16, 2006, considered
20 this bill and recommended that Bill No.
21 060044 be approved. I would be happy to
22 answer any questions.

23 COUNCIL PRESIDENT VERNA: Thank
24 you. I would ask that you remain at the

25 witness table. And if Mr. Isdell is

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2 here, I'd like him to approach the
3 witness table, please.

4 Good morning, welcome. Please
5 identify yourself for the record and
6 proceed with your testimony.

7 MR. ISDELL: Good morning,
8 Madam Chair and members of the committee.
9 I am Charles Isdell, director of aviation
10 for the City of Philadelphia. City
11 Council previously passed Bill No.
12 051140, which permitted the closure of
13 State Route 291 as part of the runway
14 17-35 extension project at Philadelphia
15 International Airport, which will require
16 the relocation of the runway safety area
17 connecting taxiways, navigational aids,
18 lights, and parking facilities as well as
19 associated utilities. Bill No. 060044
20 will change the zoning designation for
21 the area of intended construction to
22 least restricted. This will achieve a
23 substantial saving of time and city
24 resources by eliminating the necessity of
25 filing several zoning variance requests

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2 to accomplish the intended result. In
3 order to maintain the tight construction
4 schedule for the runway extension, I urge
5 the committee to approve the change in
6 zoning designation to least restricted.
7 And I'll be happy to answer any questions
8 you may have.

9 COUNCIL PRESIDENT Verna: Thank
10 you very much. Mr. Isdell, is all of the
11 land that is to be rezoned under the
12 control of the airport?

13 MR. ISDELL: Yes, it is.

14 COUNCIL PRESIDENT Verna: It
15 is? If the land is not controlled by the
16 City, but you say it is, my question was
17 going to be, will the proposed changes
18 affect any private development at the
19 airport? But it will not?

20 MR. ISDELL: No.

21 COUNCIL PRESIDENT Verna: When
22 is the runway extension project supposed
23 to be completed?

24 MR. ISDELL: By December 31,
25 2007.

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2 COUNCIL PRESIDENT Verna: What
3 is the projected cost of the project?

4 MR. Isdell: The total project
5 cost is estimated at \$50 million.

6 COUNCIL PRESIDENT Verna: And
7 what are the sources of the funding for
8 the project?

9 MR. Isdell: Seventy-five
10 percent of the funding will come from the
11 Federal Airport Improvement Program and
12 the remainder will come from passenger
13 facility charges directed by the airport.

14 COUNCIL PRESIDENT Verna: Very
15 good. Thank you.

16 Are there any questions from
17 members of the committee on this bill?

18 (No response.)

19 COUNCIL PRESIDENT Verna: Do we
20 have anyone else to testify?

21 (No response.)

22 COUNCIL PRESIDENT Verna:
23 Seeing no one, thank you for coming in.

24 MR. Isdell: Thank you very
25 much.

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2 COUNCIL PRESIDENT Verna: And
3 is there any need -- Mr. Isdell, is there
4 any need for a suspension of the rules on
5 this?

6 MR. ISDELL: Yes, we would
7 request a suspension of the rules. Thank
8 you.

9 COUNCIL PRESIDENT Verna:
10 You're welcome.

11 Mr. McPherson, I would
12 appreciate it if you would please read
13 the title of Bill 060107.

14 THE CLERK: Bill No. 060107:
15 An ordinance approving the first
16 amendment of the redevelopment proposal
17 for the West Fairhill/East Tioga/Hunting
18 Park Urban Renewal Area being the area
19 generally bounded by Wingohocking Street,
20 Roosevelt Boulevard on the north, North
21 5th Street, North 6th Street on the east,
22 Lehigh Avenue on the south, and Broad
23 Street and Venango Street on the west,
24 including the first amendment to the
25 urban renewal and the first amendment to

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2 the relocation plan, which provides,
3 inter alia, for the additional land
4 acquisition of approximately 44
5 properties for residential and related
6 uses, the additional land acquisition of
7 approximately six properties for
8 commercial and related uses, the
9 provision of certain relocation services
10 as required by law, and declaring that
11 condemnation is not imminent with respect
12 to the project.

13 COUNCIL PRESIDENT VERNA: Mr.
14 Wetzel?

15 MR. WETZEL: Madam Chairperson,
16 my name is Herbert Wetzel. I'm executive
17 director of the Redevelopment Authority
18 of the City of Philadelphia. Madam
19 Chairperson and members of the committee,
20 I'm here to speak in support of Bill No.
21 060107, which is the first amendment to
22 the redevelopment proposal and urban
23 renewal plan for the West Fairhill/East
24 Tioga/Hunting Park redevelopment area and
25 the West Fairhill/East Tioga/Hunting Park

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2 urban renewal area. This bill would
3 authorize the Redevelopment Authority to
4 acquire a total of five vacant structures
5 and 45 vacant lots for future development
6 under the Neighborhood Transformation
7 Initiative. No families or individuals
8 will be displaced or relocated as part of
9 this development plan. Madam Chairperson
10 and members of the committee, I
11 respectfully request favorable
12 consideration of Bill 060107 and would
13 ask the suspension of council rules to
14 allow first reading on March 16, 2006.

15 If I could refer you to the map
16 if you've received the map, the bulk of
17 the properties are between 11th and
18 Germantown and Cambria and Somerset and
19 are being acquired in cooperation with
20 the Philadelphia Housing Authority that's
21 looking to design 80 units of affordable
22 rental housing in that particular area.
23 The other properties up on the area
24 between Hutchinson and 9th, Indiana, and
25 Clearfield are for the women's community

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2 revitalization project. We previously

3 have Council ordinances to acquire a
4 significant amount of the properties in
5 that area. And I think it's 69
6 properties that were previously approved
7 by this Council. They're intending to do
8 a low income housing tax credit project
9 with 60 units of rental housing for very
10 low income women and their families. So
11 those are the two projects that this is
12 intended for. And the estimated budget
13 for the acquisition of these properties,
14 including all accessory costs and any
15 contingencies, is \$730,425.

16 COUNCIL PRESIDENT Verna: Mr.
17 Wetzel, can you please explain the
18 discrepancy between what properties are
19 to be acquired pursuant to the bill and
20 what is to be acquired according to your
21 testimony?

22 MR. WETZEL: My testimony is
23 five vacant structures and 45 vacant
24 lots. Is the bill different from that?

25 COUNCIL PRESIDENT Verna: I

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2 believe. I'm told it is. According to
3 the -- do you have a copy of the bill

4 before you?

5 MR. WETZEL: No, I do not.

6 COUNCIL PRESIDENT Verna: We'll

7 be happy to give you a copy. It says 44

8 properties for residential and related

9 uses, an additional land acquisition of

10 approximately six properties for

11 commercial and related uses.

12 MR. WETZEL: I think I

13 understand, but let me just have my staff

14 person brief me on this.

15 I've been corrected here, Madam

16 Chairperson. If you look at the map for

17 11th to --

18 COUNCIL PRESIDENT Verna: I'm

19 looking at the bill.

20 MR. WETZEL: Right. I'm going

21 to correct that. The correct number of

22 properties in this is 50, 45 vacant lots

23 and five structures. The reuse, 44 of

24 the properties are to be reused for

25 residential purposes. And my staff just

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2 corrected me. The PHA project along

3 Germantown Avenue is going to be

4 commercial, a commercial project. So

5 PHA, that's zoned commercially and
6 currently has some small businesses on
7 it. So it's PHA's plan to continue for
8 that to be commercial. So the reuse will
9 be six of the properties that are located
10 on Germantown Avenue will have a
11 commercial reuse. The rest of the
12 properties along with what PHA owns will
13 be residential.

14 COUNCIL PRESIDENT VERNA: Mr.
15 Wetzel, in the title of this bill, it
16 says 44 properties for residential and
17 six properties for commercial. There's a
18 discrepancy between your testimony and
19 what is in the title of the bill. I'm
20 assuming that you agree with the
21 discrepancy. And, if so, my question is,
22 does another bill have to be prepared,
23 corrected?

24 MR. WETZEL: No, madam. The
25 addresses are correct. And I corrected

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1 Committee on Rules - 3/13/06
2 my testimony to indicate that the PHA
3 project has two components. I only
4 mentioned the residential component. The
5 PHA project calls for commercial along

6 Germantown Avenue.

7 COUNCIL PRESIDENT Verna: You

8 know how to confuse us. Okay. So to

9 make the record absolutely clear, it's 44

10 properties for residential and six

11 properties for commercial?

12 MR. WETZEL: That is correct,

13 for a total of 50 properties to be

14 acquired.

15 COUNCIL PRESIDENT Verna: Are

16 NTI funds to be used for these

17 acquisitions?

18 MR. WETZEL: Yes.

19 COUNCIL PRESIDENT Verna: If

20 so, in what amount?

21 MR. WETZEL: \$730,425.

22 COUNCIL PRESIDENT Verna: You

23 state that these acquisitions are for

24 future development?

25 MR. WETZEL: That is correct.

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2 COUNCIL PRESIDENT Verna: Who

3 is the developer and what is the

4 development that is being proposed?

5 MR. WETZEL: On the properties

6 on the map that I gave you that are

7 bounded by 10th and Clearfield, Indiana
8 and 9th, that is a project sponsored
9 which the women's community
10 revitalization project. It's going to be
11 a low income housing tax credit rental
12 project with approximately 60 units.
13 It's going to be new construction and
14 it's going to be townhouses and
15 apartments for very low income women and
16 their children. That's on that piece.

17 On the Warnock Street, on the
18 project bounded by Cambria, 11th,
19 Germantown, and Somerset, that is a
20 project being sponsored by the
21 Philadelphia Housing Authority that
22 combines somewhere between -- let me just
23 look at the numbers from PHA here --
24 about 80 units of affordable rental they
25 want to build there with off-street

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1 Committee on Rules - 3/13/06
2 parking and, in addition, 16,000 feet of
3 commercial space along Germantown Avenue
4 PHA wants to develop.

5 COUNCIL PRESIDENT VERNA: Okay.
6 To whom will these properties be deeded
7 once they're disposed of?

8 MR. WETZEL: The properties for
9 WCRP, they will -- if awarded low income
10 housing tax credits, they will set up a
11 Pennsylvania limited partnership and the
12 properties will be conveyed to that
13 partnership. And the Philadelphia
14 Housing Authority, if they also receive
15 low income housing tax credits for
16 theirs, those parcels will be conveyed to
17 that partnership, which is required by
18 law to be established when you use low
19 income housing tax credits. And the
20 commercial properties would probably be
21 conveyed directly to PHA unless they
22 create another entity to engage in the
23 commercial activity.

24 COUNCIL PRESIDENT Verna: Are
25 there any questions or comments from

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1 Committee on Rules - 3/13/06
2 members of the committee?

3 The Chair recognizes Councilman
4 Kenney.

5 COUNCILMAN KENNEY: Thank you,
6 Madam President.

7 Regarding the Housing
8 Authority's projects, both residential

9 and commercial, why do NTI funds have to
10 be used for them? Don't they do projects
11 like this all the time where they for
12 their own capacity acquire property and
13 rehabilitate it for low income use?

14 MR. WETZEL: No, they have not.
15 All the projects you see that are
16 off-site -- they have done that on-site
17 for the properties they own. For
18 example, when they demolished Mill Creek,
19 they built back on the land they owned.

20 COUNCILMAN KENNEY: How about
21 their scattered site?

22 MR. WETZEL: But we used NTI
23 funds to acquire the balance of the
24 off-site development for Mill Creek. We
25 used CDBG funds to acquire the off-site

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1 Committee on Rules - 3/13/06
2 properties for the Martin Luther King
3 projects.

4 COUNCILMAN KENNEY: What monies
5 did PHA use over its history to acquired
6 scattered site housing that they manage
7 and --

8 MR. WETZEL: You mean PHA
9 scattered sites? It's my understanding

10 those were acquired in the '60s by PHA.

11 COUNCILMAN KENNEY: You're
12 telling me PHA does not have the capacity
13 to acquire property and rehabilitate it
14 and rent it?

15 MR. WETZEL: They have so
16 indicated they do not.

17 COUNCIL PRESIDENT VERNA: Any
18 questions or comments from members of the
19 committee?

20 (No response.)

21 COUNCIL PRESIDENT VERNA: Do we
22 have anyone else to testify on this bill?

23 (No response.)

24 COUNCIL PRESIDENT VERNA: Mr.
25 McPherson, please read the title of the

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1 Committee on Rules - 3/13/06
2 last bill, 060116.

3 THE CLERK: An ordinance
4 amending Section 14-1610 of the
5 Philadelphia Code entitled "Old City
6 Residential Area Special District
7 Controls," extending the boundaries of
8 the district to include the area
9 generally bounded by Wood Street, 6th
10 Street, Vine Street, and 5th Street, all

11 under certain terms and conditions.

12 COUNCIL PRESIDENT Verna: Thank
13 you.

14 Mr. Kramer?

15 MR. KRAMER: Good morning,
16 Madam President and members of the rules
17 committee. My name is William Kramer.
18 I'm the senior zoning planner in the
19 development planning division of the City
20 Planning Commission. I am here today to
21 testify on Bill 060116. This bill was
22 introduced by Councilmember DiCicco
23 February 16 of 2006. This bill is an
24 amendment to Section 14-1610 of the
25 zoning code that expands the area of the

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1 Committee on Rules - 3/13/06
2 Old City Special District Controls. This
3 further expands the controls as recently
4 extended under the provisions of Bill
5 051200. The controls would be extended
6 to include an area bounded by Wood
7 Street, 6th Street, Vine Street, and 5th
8 Street, and would prohibit many uses,
9 including cabarets, dance halls,
10 entertainment of guests and patrons as a
11 main use, restaurants and takeout

12 restaurants. Further, it provides for a
13 65-foot height limit on buildings and a
14 70-foot limit on the frontage of any new
15 buildings. This bill is scheduled to be
16 considered at the Planning Commission's
17 next meeting of March 16, 2006. I would
18 be happy to answer any questions of the
19 committee.

20 COUNCIL PRESIDENT Verna: Any
21 questions or comments from members of the
22 committee?

23 (No response.)

24 COUNCIL PRESIDENT Verna:
25 Seeing none, thank you.

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1 Committee on Rules - 3/13/06

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

4 (No response.)

5 COUNCIL PRESIDENT Verna: Mr.
6 Kramer, is there a need for a suspension?

7 MR. KRAMER: I have not been
8 requested to request one.

9 COUNCIL PRESIDENT Verna: So
10 we'll just leave it. Thank you.

11 This will conclude our public
12 hearing. We will now go into our public

13 meeting.

14 The Chair recognizes Councilman
15 Kenney.

16 COUNCILMAN KENNEY: To tell you
17 the truth, on the RDA stuff, I'm a little
18 bit confused and I find myself feeling
19 confused a lot when I'm voting on this
20 stuff. And part of the problem is it
21 always seems like we don't get all the
22 information or all the information's not
23 made available to us and it's done in a
24 way that always leaves a question in your
25 mind whether you're making the right

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1 Committee on Rules - 3/13/06
2 decision. The other hand is if you don't
3 do it, you're accused of holding stuff up
4 and being an obstructionist. On the
5 other hand, if you do it, you feel like
6 you're at a disadvantage because you're
7 making a decision on something that
8 affects people one way or another and you
9 don't have all the information. I don't
10 mind voting on it, but it's increasingly
11 and has been for a while uncomfortable
12 with this process whether it's
13 notification, whether it's budget,

14 whether it's appraisals, whether it's the
15 right information in the title of the
16 bill or not. I'm not really confident
17 that we have all the information to make
18 the right decision. But having said
19 that, I don't mind voting on it, but I
20 just wish this process would change
21 because it's not a way to do business.
22 Whatever.

23 COUNCIL PRESIDENT VERNA: This
24 concludes our public hearing. We will
25 now move to our public meeting. The

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1 Committee on Rules - 3/13/06
2 Chair recognizes Councilman Clarke
3 regarding Bill No. 060044.

4 COUNCILMAN CLARKE: Thank you,
5 Madam Chair. Madam Chair, I move that
6 Bill 060044 be reported out of committee
7 with a favorable recommendation and
8 request for rules suspension.

9 (Duly seconded.)

10 COUNCIL PRESIDENT VERNA: It
11 has been moved and seconded that Bill NO.
12 060044 be reported out of committee with
13 a favorable recommendation, also a
14 recommendation that the rules of Council

15 be suspended so as to permit first
16 reading at our next session of Council.
17 All in favor will indicate by saying aye.
18 (Chorus of "ayes.")
19 COUNCIL PRESIDENT VERNA: Those
20 opposed?
21 (No response.)
22 COUNCIL PRESIDENT VERNA: The
23 ayes have it and the motion carries.
24 The Chair recognizes Councilman
25 Clarke regarding Bill No. 060054.

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1 Committee on Rules - 3/13/06
2 COUNCILMAN CLARKE: Madam
3 President, I move for the adoption of the
4 amendment to Bill 060054.
5 (Duly seconded.)
6 COUNCIL PRESIDENT VERNA: It
7 has been moved and seconded that the
8 amendment be adopted. All in favor will
9 please say aye.
10 (Chorus of "ayes.")
11 COUNCIL PRESIDENT VERNA: Those
12 opposed?
13 (No response.)
14 COUNCIL PRESIDENT VERNA: The
15 ayes have it and the amendment is

16 adopted.

17 Again, the Chair recognizes
18 Councilman Clarke.

19 COUNCILMAN CLARKE: Madam
20 President, I move that Bill 060054 as
21 amended be reported out of committee with
22 a favorable recommendation and request
23 for rules suspension.

24 (Duly seconded.)

25 COUNCIL PRESIDENT Verna: It

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1 Committee on Rules - 3/13/06
2 has been moved and seconded that Bill No.
3 060054 be reported out of committee with
4 a favorable recommendation as amended,
5 further that the rules of Council be
6 suspended so as to permit first reading
7 at our next session of council. All in
8 favor will say aye.

9 (Chorus of "ayes.")

10 COUNCIL PRESIDENT Verna: Those
11 opposed?

12 (No response.)

13 COUNCIL PRESIDENT Verna: The
14 ayes have it and the motion carries.

15 Councilman Clarke, 060055.

16 COUNCILMAN CLARKE: Madam

17 Chair, I move that Bill No. 060055 be
18 reported out of committee with a
19 favorable recommendation and request for
20 suspension of the rules.

21 (Duly seconded.)

22 COUNCIL PRESIDENT Verna: It
23 has been moved and seconded that Bill No.
24 060055 be reported out of committee with
25 a favorable recommendation, also a

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1 Committee on Rules - 3/13/06
2 recommendation that the rules of Council
3 be suspended so as to permit first
4 reading at our next session of Council.
5 All in favor will please say aye.

6 (Chorus of "ayes.")

7 COUNCIL PRESIDENT Verna: Those
8 opposed?

9 (No response.)

10 COUNCIL PRESIDENT Verna: The
11 ayes have it. The motion carries.

12 The Chair recognizes Councilman
13 Clarke regarding Bill No. 060107.

14 COUNCILMAN CLARKE: Madam
15 Chair, I move that Bill 060107 be
16 reported out of committee with a
17 favorable recommendation and request for

18 suspension of the rules to allow reading
19 at the next session of Council.

20 (Duly seconded.)

21 COUNCIL PRESIDENT VERNA: It
22 has been moved and seconded that Bill No.
23 060107 be reported out of committee with
24 a favorable recommendation, also a
25 recommendation that the rules of Council

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1 Committee on Rules - 3/13/06
2 be suspended so as to permit first
3 reading at our next session of Council.
4 All in favor will say aye.

5 (Chorus of "ayes.")

6 COUNCIL PRESIDENT VERNA: Those
7 opposed?

8 (No response.)

9 COUNCIL PRESIDENT VERNA: The
10 ayes have it and the motion carries.

11 The Chair recognizes Councilman
12 Clarke regarding 060116.

13 COUNCILMAN CLARKE: I move that
14 Bill 060116 be reported out of committee
15 with a favorable recommendation.

16 (Duly seconded.)

17 COUNCIL PRESIDENT VERNA: It
18 has been moved and seconded that Bill No.

19 060116 be reported out of committee with
20 a favorable recommendation. All in favor
21 will say aye.

22 (Chorus of "ayes.")

23 COUNCIL PRESIDENT Verna: Those
24 opposed?

25 (No response.)

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1 Committee on Rules - 3/13/06

2 COUNCIL PRESIDENT Verna: The
3 ayes have it and the motion carries.

4 The Chair again recognizes
5 Councilman Clarke regarding Bill No.
6 060117.

7 COUNCILMAN CLARKE: I move that
8 Bill 060117 be reported out of committee
9 with a favorable recommendation and
10 request for rules suspension as to allow
11 reading at the next session of Council.

12 (Duly seconded.)

13 COUNCIL PRESIDENT Verna: It
14 has been moved and seconded that Bill
15 060117 be reported out of committee with
16 a favorable recommendation, also a
17 recommendation that the rules of Council
18 be suspended so as to permit first
19 reading at our next session of Council.

20 All in favor will please indicate by
21 saying aye.
22 (Chorus of "ayes.")
23 COUNCIL PRESIDENT Verna: Those
24 opposed?
25 (No response.)

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1 Committee on Rules - 3/13/06
2 COUNCIL PRESIDENT Verna: The
3 ayes have it. The motion carries.
4 The Chair recognizes Councilman
5 Clarke regarding Bill No. 060043.
6 COUNCILMAN CLARKE: Madam
7 Chair, I move that Bill 060043 be
8 reported out of committee with a
9 favorable recommendation.
10 (Duly seconded.)
11 COUNCIL PRESIDENT Verna: It
12 has been moved and seconded that Bill No.
13 060043 be reported out of committee with
14 a favorable recommendation. All in favor
15 will please say aye.
16 (Chorus of "ayes.")
17 COUNCIL PRESIDENT Verna: Those
18 opposed?
19 (No response.)
20 COUNCIL PRESIDENT Verna: The

21 ayes have it. The motion carries.

22 This concludes our public
23 meeting of the Committee on Rules. Thank
24 you all very much.

25 - - -

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1

2 CERTIFICATE

3 I HEREBY CERTIFY that the
4 proceedings, evidence, and objections are
5 contained fully and accurately in the
6 stenographic notes taken by me on March
7 13, 2006, and that this is a true and
8 correct transcript of same.

9

10 _____
11 Kimberly A. Otherwise
12 Certified Realtime Reporter
13 Notary Public

13

14

15

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