

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 040095)

RESOLUTION

Amending the Fiscal Year 2004 Program Statement and Budget for the expenditure of the Neighborhood Transformation Initiative (NTI) bond proceeds.

WHEREAS, On June 5, 2003, Council adopted Resolution No. 030306, approving the Fiscal Year 2004 Program Statement and Budget for the expenditure of the Neighborhood Transformation Initiative (NTI) bond proceeds; and

WHEREAS, In order to continue to eliminate public safety hazards on a regular and consistent basis, it is necessary to augment the NTI demolition budget for Fiscal Year 2004 by \$25 million; and

WHEREAS, This change will enable the City to proceed with the targeted demolition of dangerous vacant properties and provide sufficient funds for emergency demolitions that will become necessary as a result of severe weather conditions during the winter of 2003-2004; and

WHEREAS, The FY04 NTI Program Statement and Budget allocates \$12,300,000 to the Basic Systems Repair Program – Tier II (BSRP) and \$2,500,000 to the Adaptive Modifications Program; and

WHEREAS, These two programs are also funded using CDBG and State funds; and

WHEREAS, Moving \$1,150,000 in NTI funds from the BSRP to the Adaptive Modifications would bring the NTI funding for Adaptive Modifications to \$3,650,000 and reduce NTI funding for BSRP to \$11,150,000; and

WHEREAS, This change would not affect the overall funding for either program, but would reduce the amount of CDBG funding needed for Adaptive Modifications, so that the lead hazard abatement requirements of Title X will not be triggered; and

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WHEREAS, Pursuant to Bill No. 010694, as amended by Bill No. 020036, Council must approve, by resolution, any amendments to the annual Program Statement and Budget for the expenditure of proceeds of Neighborhood Transformation Initiative bonds; and

WHEREAS, Council wishes to approve the proposed amendments to the annual NTI Program Statement and Budget for Fiscal Year 2004; now therefore

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA THAT:

Section 1. The amendments to the annual Program Statement and Budget for the expenditure of the Neighborhood Transformation Initiative (NTI) Bond Proceeds for Fiscal Year 2004 attached hereto as Exhibits "A" through "F" are hereby approved.

Section 2. The Chief Clerk of Council shall keep on file and make available to the public for inspection during regular office hours the exhibits referenced in this Resolution.

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Exhibit A: Proposed Amendment to page 7

Deletions are in Strikethrough. Additions are in Bold.

Table 1: Five Year Estimated NTI Program Budget

NTI Activity	FY03 Original	FY03 Projected	FY04	FY05	FY06	FY07	Total (FY03-FY07)
Blight Elimination							
Residential Demolition	\$35,140,627	\$20,000,000	\$53,000,000 \$28,000,000	\$32,000,000 \$28,000,000	\$12,000,000 \$28,000,000	\$0 \$13,000,000	\$117,000,000
Large Vacant Bldg Demo.	\$3,000,000	\$3,000,000	\$4,250,000	\$4,250,000	\$4,250,000	\$4,250,000	\$20,000,000
Land Assembly							
Land Acquisitions-1	\$8,000,000	\$8,500,000	\$60,000,000	NA	NA	NA	\$68,500,000
Land Assembly for Development Projects	\$3,000,000	\$3,000,000	NA	NA	NA	NA	\$3,000,000
Acquisition of Stabilized Properties	\$2,500,000	\$2,500,000	NA	NA	NA	NA	\$2,500,000
Housing and Neighborhood Preservation							
Vacant Property Stabilization	\$3,500,000	\$1,400,000	\$3,000,000	\$3,200,000	\$3,200,000	\$3,200,000	\$14,000,000
Housing Rehab & Preservation Programs	\$8,000,000	\$5,500,000	\$7,050,000	\$6,000,000	\$6,000,000	\$5,450,000	\$30,000,000
Basic Systems Repair Program -- Tier II	-	-	\$11,150,000 \$12,300,000	-	-	-	\$11,150,000 \$12,300,000
Adaptive Modification Program	-	-	\$3,650,000 \$2,500,000	-	-	-	\$3,650,000 \$2,500,000
SHARP Home Repair Program	-	-	\$200,000				\$200,000
Management Information							
Vacant Property MIS	\$2,100,000	\$175,000	\$1,925,000	\$0	\$0	\$0	\$2,100,000
Additional MIS	\$2,900,000	\$888,550	\$2,011,450	\$0	\$0	\$0	\$2,900,000
Total	\$68,140,627	\$44,963,550	\$146,236,450 \$121,263,450	\$45,450,000 \$41,450,000	\$25,450,000 \$41,450,000	\$12,900,000 \$25,900,000	\$275,000,000

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Exhibit B

Proposed Amendment to page 9

Deletions are in ~~Strikethrough~~. Additions are in **Bold**.

Table 3: FY04 Program Budget

NTI Activity	FY04 NTI Bond Proceeds
Demolition	
Residential Demolition	\$28,000,000 \$53,000,000
Large Vacant Buildings Demolition	\$4,250,000
Land Assembly	
Land Acquisitions	\$60,000,000
Housing and Neighborhood Preservation	
Vacant Property Stabilization	\$3,000,000
Homeownership Rehabilitation Program	\$1,000,000
Retaining Wall Reconstruction	\$1,000,000
Employer Assisted Housing	\$750,000
Targeted Basic Systems Repair Program	\$3,000,000
Teacher and Student Retention Program	\$500,000
Settlement Grant Assistance	\$550,000
Preservation Development Initiative	\$250,000
Basic Systems Repairs Program - Tier II	\$12,300,000 \$11,150,000
Adaptive Modification Program	\$2,500,000 \$3,650,000
SHARP Home Repair Program	\$200,000
Management Information Systems	
Vacant Property Management Information System	\$1,925,000
Additional Management Information Systems	\$2,011,450
	121,236,450 \$146,236,450
Total	

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Exhibit C:

Proposed Amendment to page 16
Deletions are in ~~Strikethrough~~. Additions are in Bold.

Blight Elimination

Residential Demolition

Objective

While there are approximately 26,000 vacant residential properties throughout the City, at any given time more than 7,000 are structurally dangerous. The goal of the residential demolition program is to protect the health, safety and general welfare of Philadelphia residents by drastically reducing the city's inventory of vacant and dangerous houses.

Program Description

In FY04, the City expects to demolish between 1,400-1,600 dangerous residential properties throughout the ten Councilmanic Districts. This figure includes approximately ~~200~~ **500** emergency curbside demolitions. The projected cost of the residential demolitions and associated activities for this period will be ~~\$28~~ **\$53** million. The City's demolition strategy will prioritize public safety, economies of scale, and potential redevelopment opportunities. The type of data that the City will evaluate when making demolition decisions includes, but is not limited to, the following:

- Condition of structure
- Level of vacancy
- Social, cultural and economic anchors
- Ownership characteristics
- Parcel characteristics
- Proximity to elementary schools
- Home sales
- Household change
- Proximity to industrial land uses
- Market quality

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Proposed Amendment to Resolution No. 040095

1. Replace "Exhibit D" with the following:

Exhibit D: Proposed Amendment to page 19

1. Delete chart under the heading "Direct Residential Demolition Work – NTI Bonds," and replace with the following:

FY04 Program Statement and Budget as Approved June 2003						
Council District	Total Number of Vacant Buildings (Unsafe & Dangerous) (01/2000)	Total Number of Dangerous Buildings (09/2001)	Estimated Number of Demolitions for FY2004	Average Per Property Demolition Costs	Est. Demolition Costs For FY 2004	
1	4150	911	150 - 175	\$14,000	\$2,450,000	
2	3474	921	75 - 100	\$14,000	\$1,400,000	
3	4215	1118	175 - 200	\$14,000	\$2,800,000	
4	2242	449	175 - 200	\$14,000	\$2,800,000	
5	7102	2188	200 - 225	\$14,000	\$3,150,000	
6	721	83	0	\$14,000	\$0	
7	3203	912	175 - 200	\$14,000	\$2,800,000	
8	2795	902	175 - 200	\$14,000	\$2,800,000	
9	996	207	75 - 100	\$14,000	\$1,400,000	
10	167	22	0	\$14,000	\$0	
Subtotal	29065	7713	1200 - 1400		\$19,600,000	
Curbside Demolitions					\$3,200,000	
Wrap-Up insurance					\$2,500,000	
Project Mangement					\$2,700,000	
Total:					\$28,000,000	

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Approved FY04 Demolition Budget per Resolution No. 040095					
FY04 Targeted Demolition Packages by Council District	Estimated Number of Demolitions	Change in Estimated FY04 Demolitions - <i>Using the low number in each range</i>	Estimated Demolition Cost for FY 2004	Change in Estimated Demolition Costs included in Resolution No. 040095	Council District
BP12 - Jefferson Square	72		\$1,871,242	-	1
BP20 - Kensington ^A	169		\$1,434,377	-	
BP39 - Lower Kensington	14		\$308,000	-	
Total	255	105	\$3,613,619	\$1,163,619	
BP18 - Grays Ferry ^B	250	175	\$2,335,417	\$935,417	2
AACC1 - District 3	5		\$138,190	-	3
BP5/6 - W. Phila Small Bid Packages	75		\$2,216,231	-	
BP16a - Belmont	71		\$1,391,000	-	
BP38 - W. Philadelphia Scattered Sites	51		\$1,122,000	-	
BP39 - Small Bid Package W. Phila	16		\$352,000	-	
BP16b - Belmont	70		\$330,000	-	
	288	113	\$5,549,421	\$2,749,421	
BP13 - Haddington ^C	195	20	\$3,362,696	\$562,696	4
BP8/9 - Cecil B Moore Demolition	203		\$4,582,974	-	5
BP15 - Strawberry Mansion Bid	85		\$2,378,470	-	
BP21 - APM West Bid	110		\$2,927,045	-	
AACC 1 - Dist 5	14		\$399,014	-	
BP28 - Ludlow	81		\$1,764,872	-	
AACC 3 - Dist 5	21		\$462,000	-	
	514	314	\$12,514,375	\$9,364,375	

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FY04 Targeted Demolition Packages by Council District	Estimated Number of Demolitions	Change in Estimated FY04 Demolitions - <i>Using the low number in each range</i>	Estimated Demolition Cost for FY 2004	Change in Estimated Demolition Costs included in Resolution No. 040095	Council District
BP39 - Small Bid Package Lower NE	10	10	\$210,000	\$210,000	6
BP11 - St. Hugh's Area Demo Bid	49		\$1,233,913	-	
AACC2 - Dist 7	2		\$55,276	-	
APM East Bid	110		\$2,898,011	-	
BP39 - Small Bid Package Dearborn	10		\$256,509	-	
BP39 - Small Bid Package 49th & Saybrook*	4	-	\$88,000	-	
	175	-	\$4,531,709	\$1,731,709	
BP24 - West Tioga	31		\$1,150,215	-	8
BP25 - Broad & Lehigh	8		\$322,585	-	
BP23 - East Germantown	16		\$447,302	-	
AACC1 - District 8	3		\$82,914	-	
AACC2 - District 8	5		\$142,505	-	
BP17 - Allegheny West ^D	139		\$1,505,010	-	
	202	27	\$3,650,531	\$850,531	
BP14 – Logan	125	50	\$3,999,996	\$2,599,996	9
	-	-	-	-	10
	2,014	Subtotal	\$39,767,765	\$20,167,765	
		Curbside Demolitions	\$7,782,235	\$4,582,235	
		Asbestos Monitoring	\$250,000	\$250,000	
		Wrap-Up insurance	\$2,500,000	\$0	
		Project Management	\$2,700,000	\$0	
		Total:	\$53,000,000	\$25,000,000	

* All bid packages highlighted in **Blue** and **Yellow** are included in the \$25,000,000 amendment. District Councilmembers have signed off on all bid packages. (With the exception of BP 39 - Small Bid Package Lower North East. The Administration will work with Councilwoman Krajewski's Office to determine which properties to include.)

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^A The total number of dangerous houses in the Kensington target area that are candidates for demolition is 169, for a total cost of \$4,618,181. The Administration anticipates contracting for the demolition of apx. 56 houses during FY04. Bid packages for the remaining houses will be issued in FY05.

^B The total number of dangerous houses in the Grays Ferry target area that are candidates for demolition is 250, for a total cost of \$7,784,724. The Administration anticipates contracting for the demolition of apx. 75 houses during FY04. Bid packages for the remaining houses will be issued in FY05.

^C The total number of dangerous houses in the Haddington target area that are candidates for demolition is 195, for a total cost of \$6,557,258. The Administration anticipates contracting for the demolition of apx. 100 houses during FY04. Bid packages for the remaining houses will be issued in FY05.

^D The total number of dangerous houses in the Allegheny West target area that are candidates for demolition is 139, for a total cost of \$4,547,748. The Administration anticipates contracting for the demolition of apx. 46 houses during FY04. Bid packages for the remaining houses will be issues in FY05.

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Exhibit E:

Proposed Amendment to page 42

Deletions are in ~~Strikethrough~~. Additions are in **Bold**.

Housing and Neighborhood Preservation

Basic Systems Repair Program – Tier II

Objective

The Basic Systems Repair Program helps maintain stable neighborhoods by providing homeowners with needed repairs and improvements.

Program Description

The City will direct NTI resources to Tier II of the Basic Systems Repair Program. In the Tier II category of BSRP, an eligible homeowner may receive up to \$12,500 of rehabilitation assistance through BSRP. Typical Tier II repairs include heating system replacement, plumbing and drainage system replacement, wiring, roof replacement and structural systems repairs (floors, ceilings, walls, etc.) Eligible homeowners receiving Tier II services may also receive up to \$2,000 per property in weatherization assistance. Currently, the average cost for Tier II services is \$4,435 per unit.

FY04 Budget

In FY04, the City will allocate ~~\$12,300,000~~ **\$11,150,000** to Tier II of the Basic Systems Repair Program.

Exhibit F:

Proposed Amendment to page 43

Deletions are in ~~Strikethrough~~. Deletions are in **Bold**

Housing and Neighborhood Preservation

Adaptive Modification Program

Objective

The Adaptive Modification Program provides increased mobility within and access to their homes to low-income Philadelphia residents with permanent physical disabilities.

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Program Description

The Adaptive Modification Program is available for homeowner-occupied and renter-occupied houses which need to be made accessible for people with disabilities. Adaptive modifications must meet one or more of the following objectives:

- Improve the consumer's ability to enter and exit the home;
- Increase the consumer's ability to perform activities of daily living; and/or,
- Enable the consumer to remain in the home and/or prevent institutionalization.

FY04 Budget

In FY04, the City will allocate ~~\$2,500,000~~ **\$3,650,000** to support the Adaptive Modification Program.

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CERTIFICATION: This is a true and correct copy of the original Resolution,
Adopted by the Council of the City of Philadelphia on the first of April, 2004.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Blackwell

Sponsored by: Councilmember Blackwell