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COUNCIL OF THE CITY OF PHILADELPHIA  
COMMITTEE ON HOUSING, NEIGHBORHOOD DEVELOPMENT  
AND THE HOMELESS

- - -

Room 400, City Hall  
Philadelphia, Pennsylvania  
Monday, June 7, 2010, 10:20 a.m.

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BILL 100159 - Amending Chapter 21-1100 of the Philadelphia Code, entitled "Community Development," by amending Section 21-1108, entitled "Economic Development," to increase the percentage of funds that must be allocated to economic development.

BILL 100160 - Held at request of sponsor.

RES. 100379 - To examine the roles of the RDA and the Department of Public Property in improving housing in the City of Philadelphia.

COMMITTEE MEMBERS PRESENT:  
Jannie L. Blackwell, Chair  
William K. Greenlee, Vice Chair  
Darrell L. Clarke  
Curtis Jones, Jr.  
Brian J. O'Neill  
Maria D. Quiñones-Sanchez

Also Present: Blondell Reynolds-Brown

- - -

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2                   COUNCILWOMAN BLACKWELL: Good  
3 morning. We thank you all for being  
4 present, and we're calling to order the  
5 City Council Committee on Housing,  
6 Neighborhood Development, and the  
7 Homeless.

8                   We're going to begin this  
9 morning with regard to Resolution No.  
10 100379, which was introduced by myself to  
11 examine the roles of the Redevelopment  
12 Authority and Public Property in  
13 improving housing in the City of  
14 Philadelphia.

15                   We would like to inform you  
16 that at the request of the sponsor, Bill  
17 No. 100160 will be held.

18                   We will also consider Bill No.  
19 100159, dealing with mixed-use  
20 development today.

21                   We're going to begin our  
22 hearing, and we ask all those  
23 Councilmembers who are in the building to  
24 come to chambers with regard to our  
25 beginning our hearing, but we're going to

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2 get started, and we will wait for a  
3 quorum, of course, before we do any  
4 voting.

5 Having said that, we're going  
6 to ask the clerk to read the entire  
7 resolution with regard to Resolution No.  
8 100379.

9 THE CLERK: A resolution  
10 calling for public hearings before the  
11 City Council Committee on Housing,  
12 Neighborhood Development and the Homeless  
13 to examine the roles of the Redevelopment  
14 Authority and the Department of Public  
15 Property in improving housing in the City  
16 of Philadelphia.

17 Whereas, the Redevelopment  
18 Authority and the Department of Public  
19 Property have the responsibility to work  
20 with the District Councilperson and  
21 Councilpersons-at-large to improve the  
22 City of Philadelphia; and

23 Whereas, it is vitally  
24 important to have a clear, transparent  
25 process to accomplish these ends; and

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2                         Whereas, the Redevelopment  
3           Authority and the Department of Public  
4           Property are involved in the acquisition  
5           and disposition of properties in our  
6           city; and

7                         Whereas, the Redevelopment  
8           Authority has the responsibility for  
9           condemnation and aid of redeveloping  
10          blighted neighborhoods in our City; and

11                        Whereas, there is much  
12          confusion with regard to the role of the  
13          Redevelopment Authority and the  
14          Department of Public Property to publish  
15          these goals...

16                        Now, therefore, be it resolved  
17          by the Council of the City of  
18          Philadelphia that the Committee on  
19          Housing, Neighborhood Development and the  
20          Homeless will hold public hearings to  
21          examine the roles of the Redevelopment  
22          Authority and the Department of Public  
23          Property in improving housing in the City  
24          of Philadelphia.

25                        COUNCILWOMAN BLACKWELL: Thank

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2 you very much.

3           Since there are just a few  
4 people, and we promised Pastor Jones --  
5 Reverend Jones is pastor of Bibleway  
6 Baptist Church -- that he could come  
7 forward, since we have just a few people,  
8 we realize that this is pretty much a  
9 discussion for us. So, as they say on  
10 the inside, those of us who work for City  
11 Council and who are Councilpeople and  
12 those of us who represent housing  
13 agencies, we're going to allow him to  
14 come forward, invite him to come forward  
15 to begin his testimony, introduce himself  
16 to the record.

17           And we will call forward anyone  
18 else. I'm not sure if we have anyone  
19 else who wants to testify on this bill.  
20 I'm not sure about -- I'm not sure about  
21 this Belfield property, if this is the  
22 bill you want to testify for, or if you  
23 want to testify for the housing one.

24           This is the -- all right.

25           MS. ALI: (Inaudible; off-mic.)

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2                   COUNCILWOMAN BLACKWELL: Thank  
3           you. All right. Then we will certainly  
4           call on Sister Habiba Ali next.

5                   (Pastor Jones comes forward.)

6                   COUNCILWOMAN BLACKWELL: Pastor  
7           Jones, please identify yourself for our  
8           record.

9                   PASTOR JONES: My name is Rev.  
10          Dr. B. Jones, Sr.

11                   COUNCILWOMAN BLACKWELL: Thank  
12          you. Feel free to begin your testimony.

13                   PASTOR JONES: Good morning,  
14          and thank you for allowing me this  
15          opportunity to testify this morning.  
16          Councilwoman, thank you for convening  
17          these hearings.

18                   I serve as a senior pastor of  
19          the Bibleway Baptist Church, located at  
20          1323 North 52nd Street, in the Third  
21          Councilmatic District in the City of  
22          Philadelphia.

23                   I am here today to express my  
24          concerns and, consequentially, my extreme  
25          displeasure and frustration as it relates

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2 to a series of corresponding vacant lots  
3 located at 1326, 1328, 30, 32, 34, and 36  
4 North 52nd Street. These vacant  
5 properties are located just across the  
6 street, on 52nd Street, from the Bibleway  
7 Baptist Church building.

8 I came to the Bibleway Church  
9 as senior pastor in January of 1994; and  
10 not long after that, in 1997, we began a  
11 vigorous pursuit of these properties for  
12 development. At the time, these  
13 properties were occupied by dilapidated,  
14 uninhabitable buildings.

15 And when the buildings were  
16 demolished, our church voluntarily, and  
17 at our own expense, fenced off the  
18 property to prevent the lots from being a  
19 further eyesore to our community. We've  
20 also utilized our own manpower and  
21 resources to keep the grass cut on the  
22 lot.

23 We have maintained these  
24 properties at our own expense for at  
25 least 16 years now. And over the years,

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2           we have dreamed of a number of projects  
3           for that property that would both serve  
4           our community and enhance the beauty of  
5           the neighborhood.

6                         So as of this moment, we have a  
7           commitment from Keystone Mercy Health  
8           Plan to build a full playground on the  
9           site for the children of our community.  
10          The bill for the project will be covered  
11          in its entirety by Keystone Mercy. And  
12          so, it goes without saying that our  
13          community could use a safe, off-street,  
14          modernized play center for our children.

15                        Our church has also paid \$850  
16          in January of 2010 to the Redevelopment  
17          Authority, the owners of these  
18          properties, with the exception of one.  
19          We waited patiently for a response, and  
20          it was not until we contacted our City  
21          Councilperson, Councilwoman Blackwell,  
22          that we were given a written response on  
23          June 3, 2010, via fax to her office,  
24          dated March 30, 2010, but never forwarded  
25          to our church.

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2                       I have difficulty understanding  
3           the significant time gap between our  
4           inquiry, payment, and response. And we  
5           followed the procedures and the process  
6           set forth by the Redevelopment Authority  
7           to the letter, which leaves the question  
8           that I would like an answer to, if  
9           possible:

10                      How do we, as citizens, abide  
11           by a process that almost seems  
12           nonexistent? And why does it take so  
13           long for responses to appraisals,  
14           particularly after they have received  
15           payment of requested fees?

16                      I've asked Mayors Rendell,  
17           Street, and now Mayor Nutter, for their  
18           assistance in securing these properties.  
19           I've been asking the Redevelopment  
20           Authority for at least the last 13 years.  
21           And I've also approached then-Councilman  
22           Nutter, when our church was in the 4th  
23           Councilmatic District, and now, of  
24           course, Councilwoman Blackwell of the 3rd  
25           Councilmatic District, since our church

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2 was affected by redistricting.

3 Again, this is an opportunity  
4 to vacant lots and transform them into a  
5 beautiful and safe place for our children  
6 to play. This projects benefits not only  
7 the church but more so, and most  
8 importantly, the residents of Carol and  
9 Cathedral Parks, in West Philadelphia.

10 And so, in closing, I'd like to  
11 add that the Redevelopment Authority has  
12 set the appraisal value of these  
13 properties: 1326 North 52nd Street, at  
14 \$20,013.30, to 36 North 52nd Street at  
15 95,000, for a total of \$115,000.

16 And this is for properties that  
17 have sat as an eyesore to our community,  
18 with absolutely no attention from the  
19 City, nor the Redevelopment Authority in  
20 at least 13 years.

21 So I respectfully request that  
22 the cost for properties, including 1328  
23 North 52nd Street, currently owned by  
24 PHDC, be given nominal consideration  
25 inasmuch as a reputable and an

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2 accomplished developer has already  
3 committed to create a beautiful, safe  
4 place for our children to play.

5 And I would like to know, why  
6 would responsible adults in positions of  
7 such great responsibility sit idly by and  
8 allow such an opportunity to evade us.

9 And, again Councilwoman, I  
10 thank you for this time to testify.

11 COUNCILWOMAN BLACKWELL: Thank  
12 you very much, Pastor Jones.

13 And I realize that the  
14 executive director of the Redevelopment  
15 Authority, Terry Gillen, has not yet made  
16 her testimony, but I would certainly like  
17 to request that she come forward and  
18 respond to this.

19 (Terry Gillen comes forward.)

20 COUNCILWOMAN BLACKWELL:  
21 Reverend Jones said he's been dealing  
22 with this 16 years, and it's time that we  
23 get some kind of response with regard to  
24 this.

25 I've spoken to the Mayor about

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2 it. I've -- we've been doing all we can.  
3 Everybody knows about it within the  
4 system, but certainly nothing seems to  
5 move.

6 And the church has gotten  
7 someone to agree to build a playground,  
8 to donate it, to build a playground  
9 there. And if they had the money to, you  
10 know, do it -- with money, everything is  
11 easy. But certainly, the church has  
12 someone ready to donate a playground  
13 right across the street from the church,  
14 if they can get this land.

15 So we're asking you to respond  
16 and let us know what you can do in this  
17 regard.

18 MS. GILLEN: Sure. Good  
19 morning, Councilwoman. My name is Terry  
20 Gillen, and I'm the executive director of  
21 the Redevelopment Authority.

22 And I do agree that 13 years is  
23 a long time. I'll have to go back and  
24 figure out why it's been in the system  
25 for 13 years 'cause that really is a

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2 signal that the system's really not  
3 working well, because 13 years is a  
4 really long time to be sort of in and out  
5 of -- I mean, it sounds like it's the  
6 third administration that this project's  
7 in.

8 So I'll be happy to look into  
9 it and get back to you quickly about it.

10 COUNCILWOMAN BLACKWELL:

11 Certainly. And for all of those who are  
12 here and those who are listening in their  
13 offices, we only do this publicly when we  
14 can't resolve it privately.

15 All of us, as District Council  
16 members and Councilpeople-at-large, have  
17 issues in our respective districts that  
18 beg a response. And certainly --  
19 certainly, if in 13 years we haven't  
20 heard from this, it's just  
21 unconscionable.

22 And that is one of the reasons  
23 we're having this hearing, because we  
24 couldn't get this and many other issues  
25 resolved in short order.

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2                       Are there any other questions  
3           from members of the committee?

4                       (No questions.)

5                       COUNCILWOMAN BLACKWELL: As we  
6           said, this is a 13-year-old project; the  
7           church has been working on it for 16  
8           years. They have people who are willing  
9           to donate and build a playground on the  
10          spot right across the street from their  
11          church; all they need is the land. And  
12          it's still hanging in abeyance. And,  
13          certainly, we need a response.

14                      And this is just an example of  
15          why we are having this hearing today.

16                      MS. GILLEN: Right.

17                      COUNCILWOMAN BLACKWELL: You  
18          know, we have to be able to -- we feel  
19          that housing, our development agenda in  
20          this city is stuck, it's stymied, it's  
21          not moving.

22                      And we need things to move  
23          forward. We're elected to make sure that  
24          projects move in our city. We have  
25          people who come to us. Those who want to

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2 buy property haven't been able to buy it.

3 People who need side yards haven't been  
4 able to get them. And people like this,  
5 churches like this, who have someone  
6 willing to build a project for free, and  
7 we don't know why -- we don't even know  
8 why appraisals take so long.

9 And we believe these appraisals  
10 are high; that's one of the questions we  
11 want to ask Miss Gillen.

12 But we want to know just how we  
13 move from here and when we can expect a  
14 response to this issue.

15 MS. GILLEN: Well,  
16 Councilwoman, I hear the last point you  
17 made, which is about appraisals, and I  
18 share some of your concerns about the  
19 appraisal system.

20 Sometimes -- I mean, we know  
21 for a fact that appraisals are sometimes  
22 inaccurate; and sometimes they come in  
23 high and sometimes they come in low.  
24 It's very -- it's one of the issues that  
25 we've been grappling with a lot.

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2                        So I will be more than happy to  
3           take a look at the appraisals here and to  
4           find out whether there's something off  
5           about the appraisals. I hear you and --

6                        COUNCILWOMAN BLACKWELL: And  
7           Dr. Jones said one was for -- what were  
8           the two amounts?

9                        PASTOR JONES: Let me see.

10                      COUNCILWOMAN BLACKWELL: One  
11           was for, like, 15. And one, like, 95?

12                      PASTOR JONES: Well, 1326 was  
13           for \$20,000. And 1330 to 36 is 95,000,  
14           for a total of \$115,000.

15                      COUNCILWOMAN BLACKWELL: And as  
16           I said, they have someone ready to donate  
17           a playground and build it for them.

18                      But it's just unconscionable  
19           that you have to wait we don't know how  
20           long or why, and we'd like an answer to  
21           that, why appraisals take so long; then  
22           after you get them, you can't depend on  
23           them being fair and honest and that they  
24           are compared to projects in that area.

25                      We've seen appraisals where

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2           we're told they're compared to projects  
3           in an area so far away that it's an  
4           exorbitant amount. It's not compared to  
5           like-minded properties on the block.

6                         So we would like a -- we're  
7           asking you to respond to that as well.

8                         MS. GILLEN: Okay. And can I  
9           -- can I ask, Councilwoman, do you have a  
10          sense of what you think the appraisals  
11          should be? I can talk to your staff  
12          about this afterwards, if you want.

13                        COUNCILWOMAN BLACKWELL: I'm --  
14          we believe that they should be given a  
15          nominal consideration because they're  
16          getting 'em built for free.

17                        MS. GILLEN: Okay.

18                        COUNCILWOMAN BLACKWELL: And  
19          the company is donating all of the labor,  
20          donating the playground equipment;  
21          they're going to do all of it, if they  
22          can get then land.

23                        So we're asking for nominal  
24          consideration.

25                        MS. GILLEN: Okay, I

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2 understand.

3 COUNCILWOMAN BLACKWELL: Yes.

4 Thank you, Pastor Jones.

5 PASTOR JONES: Thank you,

6 Councilwoman.

7 COUNCILWOMAN BLACKWELL: And

8 thank you, those who have come from your

9 church. Thank you very much.

10 Any other questions?

11 COUNCILWOMAN SANCHEZ: I think

12 this is a good opportunity, and I've been

13 participating with Ms. Gillen on the

14 Vacant Property Task Force for the City,

15 and I know that the problems that we see

16 as it relates to RDA and this disposition

17 of property and Public Property is not

18 new.

19 But, Terry, for the record, I

20 think if you could provide a summary

21 update of where we are and some of the

22 issues that I think are of concern for us

23 at Council that we're attempting to

24 address as it relates to that discussion.

25 MS. GILLEN: The vacant

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2 property discussion?

3 COUNCILWOMAN SANCHEZ: Mm-hmm.

4 MS. GILLEN: Yeah, sure.

5 COUNCILWOMAN SANCHEZ: And the  
6 whole disposition, 'cause I think part of  
7 the frustration is, you know, everybody's  
8 known about the housing alphabet soup  
9 that we have, and we are all waiting for  
10 an articulation from the Administration  
11 about what we're going to do around  
12 property in a comprehensive, cohesive way  
13 to ensure that we are leveraging our  
14 property and property as a resource  
15 around community development.

16 And I think the Vacant Task  
17 Force, while it addresses some of the  
18 issues, it doesn't address the bigger  
19 issue, but at least where you think we've  
20 made some progress, that should go on the  
21 record.

22 MS. GILLEN: Sure. Thank you.

23 Yeah. I've certainly been  
24 working with the Redevelopment staff  
25 since I came into the Redevelopment

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2 Authority two years ago to try to figure  
3 out how we can reform the City's vacant  
4 property system, which is clearly broken.

5 I mean, it's -- you know, the  
6 example that was just here is a symbol of  
7 how broken the system is. And there have  
8 been many studies documenting that the  
9 system doesn't work, that vacant land is  
10 sitting out there 10, 20, 30 years.

11 And there have been various  
12 attempts to try to fix the system; I  
13 would say none of them have really been  
14 able to get at some of the fundamental  
15 problems.

16 So early last year, in early  
17 '09, we became a part of a national  
18 vacant land coalition because this is, as  
19 you can imagine, a problem that many  
20 cities are seeing. And there are a  
21 number of cities that have really tackled  
22 this issue in a way that I think is worth  
23 looking at.

24 And so, as part of a Ford  
25 Foundation-funded effort, our staff got

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2 trained a little bit in some systems that  
3 have been developed in the Midwest, most  
4 notably in Genesee County, Michigan,  
5 which is where Flint, Michigan is, which  
6 completely overhauled their system I  
7 would say about six years ago in a way  
8 that -- what Flint essentially does is,  
9 it's brought the land management part of  
10 the government together with the tax  
11 foreclosure part of the government.

12 And they've determined that one  
13 of the main reasons for vacant land  
14 sitting out there is because the  
15 sheriff's sale process essentially was  
16 broken in Flint. And so, what they've  
17 done is, they've revamped the sheriff's  
18 sale process so that properties now go  
19 through the tax foreclosure process in no  
20 more than three years.

21 And as a result, vacant land  
22 doesn't sit out there for longer than  
23 three years. So they've completely  
24 revamped the sheriff's sale part of the  
25 process.

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2                       As a result, they then take all  
3           of that land into a publicly-controlled  
4           land-bank system that does a couple of  
5           things. The first thing is that it sets  
6           up clear and transparent rules about how  
7           you sell land and how you give it away so  
8           everybody understand the rules.

9                       So that if they've all  
10           determined that certain uses need to be  
11           get nominal consideration, the way we do  
12           in Philadelphia, we've decided that we'll  
13           give a property away if it's for  
14           affordable housing.

15                      They list all of that. Or  
16           they'll say, for certain types of uses,  
17           it will be less than fair market but it  
18           won't be zero. So everyone, you know,  
19           the city council and all of the land  
20           management agencies have gotten together  
21           and have determined what the rules of the  
22           game are so that developers understand.

23                      What that enables them to do is  
24           get to scale because, rather than in  
25           Philly, where every transaction is being

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2 done one at a time -- and we never get to  
3 scale. We've got 30, 40,000 vacant  
4 properties out there, and we're not going  
5 to fix this problem if we keep doing it  
6 in onesies and twosies.

7 The appealing thing about their  
8 system is that it enables them to get to  
9 scale, and the land bank agency, which is  
10 self-funded because of the foreclosure  
11 situation, then has the resources to do  
12 the development and to get the properties  
13 out. So they feel that it's been a  
14 success.

15 So in Philadelphia, what we've  
16 done is, we've started to take a look at  
17 that system and to think about would what  
18 that sort of system look like in  
19 Philadelphia. Not saying we're going to  
20 import it to Philly but to take some of  
21 the elements of that system and think  
22 about what that would look like in  
23 Philadelphia.

24 And one of the things,  
25 Councilwoman, that you've been helpful in

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2           helping us think about is that,  
3           obviously, different neighborhoods in  
4           Philadelphia have different needs.

5                         And so, it may be that in  
6           certain neighborhoods where we have a  
7           really healthy market, we want to sell  
8           the property for fair market value. But  
9           in other neighborhoods, where the  
10          market's not so strong, we need to give  
11          it away or to do a nominal or a  
12          less-than-fair-market consideration.

13                        So I think the ability to rank  
14          the neighborhoods and to really make the  
15          disposition sort of dependent on the  
16          neighborhood considerations is one of the  
17          ideas that we're exploring, 'cause up  
18          until now, we've had this one-size-fits-  
19          all policy.

20                        And what we've learned, I  
21          think, and what other cities have learned  
22          too -- I mean, we're just sort of piggy-  
23          backing on it -- is that one size just  
24          doesn't fit all, and we've got to have a  
25          more nuanced, sort of market-based

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2 disposition system that really is going  
3 to be more responsive, I think, to the  
4 needs especially of the District  
5 Councilmembers.

6 I also just want to make one  
7 more point, which is that we are working  
8 with other cities in the Commonwealth of  
9 Pennsylvania. They're, you know, not  
10 only Pittsburgh, and Allegheny County but  
11 many cities in Pennsylvania, and we've  
12 been working with the Housing Alliance of  
13 Pennsylvania because there is -- there  
14 are different people in the state looking  
15 at how to reform this system on a  
16 statewide basis, and we're -- you know,  
17 we're working with that group as well.

18 It may be that in the next term  
19 of the General Assembly, we'll be able to  
20 work with members of the General Assembly  
21 to try to get some of the tools that I  
22 think we don't have in Philadelphia to  
23 bring around vacant land reform.

24 COUNCILWOMAN SANCHEZ: Yeah. I  
25 think one of the frustrations -- 'cause I

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2 think everybody knows that our systems  
3 are broken and we have to fix it. I  
4 think until we get to that, to whether we  
5 decide, whether it's land banking,  
6 virtual land banking, or whatever, I  
7 think what my Council colleagues and I  
8 would like to see is, can we at least  
9 agree on a process in the interim, where  
10 good projects, like the one being spoken  
11 about this morning, do not get held up in  
12 our deciding where we're going to go for  
13 the future.

14 MS. GILLEN: Yes.

15 COUNCILWOMAN SANCHEZ: And I  
16 think it's incumbent of us -- I mean,  
17 many of us are frustrated as it relates  
18 to NTI, October tax-credit deals, the  
19 timeline is set that while we wait out  
20 this reform process, and we know it's  
21 going to take quite a bit time, there are  
22 things that are being stalled.

23 And I think it's important to  
24 note that a lot of these projects, or  
25 potential projects, are things that

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2           people have been working on for a very  
3           long time.

4                         So I guess, is the  
5           Administration at this point willing to  
6           say, you know, let's move this bottleneck  
7           and let's get through what we have in the  
8           pipeline or in the stuff that's  
9           bottlenecked, and then let's engage in a  
10          dialogue around some shared  
11          responsibilities in this. And I think  
12          that's where we're at.

13                        I was a little disappointed  
14          that in the meeting hosted by  
15          Councilwoman Blackwell that you were not  
16          present, because I think that rather than  
17          get to a hearing stage -- although we  
18          should have hearings 'cause I think it's  
19          important for people to hear the  
20          complications and the frustrations of all  
21          of this --

22                        MS. GILLEN: Right.

23                        COUNCILWOMAN SANCHEZ: -- I  
24          think that we could be at a better place  
25          now. And it's very difficult for us to

1           6/7/10 - HOUSING COMMITTEE - RES. 100379  
2           potentially lose NTI money and tax credit  
3           deals because we want to get it right and  
4           perfect, and we're not going to get it  
5           right and perfect.

6                         Do you think that we are going  
7           to be able to work through the summer on  
8           some of this so we can move these  
9           projects?

10                        MS. GILLEN:  Yeah,  
11           Councilwoman.  Absolutely, Councilwoman,  
12           absolutely.

13                        And I think that's a good way  
14           to put it because I do think you're  
15           right.  I think we've got to work on an  
16           interim basis at least to try to get  
17           these projects moving now, while we try  
18           to do long-term reform.

19                        I think it's sort of like  
20           changing the tires on the car while  
21           you're driving the car.  I think we've  
22           got to do both of them.

23                        And I'm not the expert on VPRC.  
24           I'll just say for the record that even  
25           though VPRC projects get disposed of

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2           through the Redevelopment Authority, we  
3           do not staff the vacant property system,  
4           so I'll let the Public Property  
5           Commissioner and the Director of the  
6           Housing Office talk about that in more  
7           detail.

8                         But, as you know, we have been  
9           trying to move the VPRC backlog.  When we  
10          came in, there was a huge backlog in the  
11          VPR system.  And my staff, working with  
12          those staff, have tried to figure out,  
13          are there any of these projects are  
14          pretty -- that we can all agree need to  
15          move immediately, where we can all agree  
16          that these fit certain criteria that make  
17          sense to move.

18                         And, you know, we've -- and  
19          your staff has been incredibly helpful  
20          with that process and unbelievably  
21          knowledgeable and really helpful in  
22          helping to move that forward.  So I think  
23          we're committed to that.

24                         I understand the frustration on  
25          NTI.  I think a lot of these projects

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2           would benefit from NTI dollars. It's not  
3           my fault that the NTI faucet was turned  
4           off; it's not anybody's here's fault that  
5           the NTI faucet was turned off.

6                         Happily, it's been turned back  
7           on, so I think now, any land acquisitions  
8           that need NTI dollars can move forward,  
9           you know, and we're prepared to certainly  
10          move those this summer.

11                        COUNCILWOMAN SANCHEZ: So will  
12          RDA be leading that process of NTI? And  
13          when can we begin to sit down to talk  
14          what's our NTI pipeline?

15                        MS. GILLEN: We do -- we will  
16          not lead it. We will -- our staff will  
17          certainly do all of the acquisitions.  
18          But the way the -- it's going to be  
19          similar to the way it works before the  
20          faucet was turned off so that you all, I  
21          think, had meetings Deb McCulloch, the  
22          Housing Director. She's got those lists  
23          from last fall; I think she's in the  
24          process of updating them with you guys.  
25          And when those lists are -- and for some

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2 of you, we know that the list is ready to  
3 go now.

4 And so, we have this internal  
5 committee that used to be called IRAT,  
6 the Inner Agency Review-something or  
7 other, that we have that exists now. And  
8 the internal committee is the Office of  
9 Housing, staff from the Redevelopment  
10 Authority, staff from the Mayor's Office,  
11 staff from Commerce, and staff from  
12 Planning that get together and review all  
13 of those projects, make a recommendation  
14 to the Chief of Staff.

15 Because, as you may remember,  
16 as a result of the Controller's audit,  
17 now the final responsibility, which  
18 wasn't in place before, now rests with  
19 the Chief of Staff's office. So anything  
20 that needs Chief of Staff sign-off we'll  
21 send over there. But in most cases, it  
22 will be pretty standard to just move the  
23 land acquisitions along. And all of that  
24 is in place now.

25 So I would say, you know, we're

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2           prepared to move all of this summer. And  
3           we're mindful of the bond deadline, so we  
4           understand that it's going to be a lot to  
5           crank out this year.

6                        COUNCILWOMAN SANCHEZ: And also  
7           tax credits at the state.

8                        MS. GILLEN: Correct.

9                        COUNCILWOMAN SANCHEZ: I mean,  
10          we've gotten very comfortable with having  
11          Governor Rendell and Brian Hudson and  
12          those folks. But, you know, if we don't  
13          take advantage of this next round --

14                       MS. GILLEN: Exactly.

15                       COUNCILWOMAN SANCHEZ: -- we  
16          don't know what's going to happen next  
17          year.

18                       MS. GILLEN: Exactly, exactly.  
19          And we are, you know -- and, fortunately,  
20          we believe we have not lost any tax  
21          credit opportunities as a result of NTI.  
22          The City got its full share of tax credit  
23          funding in the last round. But the Mayor  
24          has instructed us to make sure that we  
25          get our full share going forward. So we

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2           will work with any tax-credit deals to  
3           make sure that that process moves  
4           quickly.

5                        COUNCILWOMAN SANCHEZ: Thank  
6           you. I don't want to manipulate it. I  
7           don't know if anybody else --

8                        COUNCILWOMAN BLACKWELL: Thank  
9           you. This --

10                      COUNCILWOMAN MILLER: Madam  
11           Chair, are we going to have the other  
12           witnesses, or should we just proceed with  
13           Terry?

14                      MS. GILLEN: I hope so.

15                      COUNCILWOMAN BLACKWELL: We  
16           have Sister Habiba Ali. I don't believe  
17           that... And I believe that -- I don't  
18           see Steve Williams from the Partnership  
19           CDC or Michael Mattioni.

20                      COUNCILWOMAN SANCHEZ: Yes,  
21           he's here.

22                      UNIDENTIFIED SPEAKER: He's in  
23           the back.

24                      COUNCILWOMAN BLACKWELL: Oh,  
25           Steve's back there. Yeah, so we will

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2 have them, so we will...

3 COUNCILWOMAN SANCHEZ: How do  
4 you want us to proceed?

5 COUNCILWOMAN BLACKWELL: We  
6 will allow our guests to testify; there's  
7 only a handful. That's why did it in  
8 reverse. Then we will come back to ask.

9 And during the interim, we ask  
10 the executive director of RDA, we really  
11 want specific times. Working on it over  
12 the summer and then we come back in  
13 mid-September is not tight enough for me.  
14 You know, a person who's been waiting 13  
15 years should be able to know certainly in  
16 about a week where we are.

17 And certainly with regard to  
18 NTI and these issues, we want specific  
19 answers because that's why we're here,  
20 'cause we can't get it done any other  
21 way. So that is why we're here to deal  
22 with this.

23 So you can consider that while  
24 we call up other people to testify. And  
25 then we'll take questions.

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2 Meanwhile -- excuse me,

3 Ms. Gillen.

4 (Addressing Councilwoman

5 Miller.) You wanted to ask on this

6 issue.

7 And before the Councilman

8 speaks, let me note that we do have our

9 quorum. Councilman Bill Greenlee is vice

10 chair; he's sitting next to me.

11 Councilman Clarke, Councilwoman Miller,

12 Sanchez, Councilman Jones are here, and

13 this committee does have a quorum.

14 And we do thank Councilwoman

15 Reynolds-Brown who's also here and

16 concerned and thank you very much.

17 COUNCILMAN O'NEILL:

18 Ms. Gillen, I'm going back to the

19 discussion about the church and the

20 playground and the appraisals. And so,

21 it's for Councilwoman Blackwell's --

22 hopefully to try to help her.

23 COUNCILWOMAN BLACKWELL: Thank

24 you.

25 COUNCILMAN O'NEILL: It would

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2 seem to me that the logical way for the  
3 City to approach this would be to see if  
4 the City could lease the ground from RDA,  
5 sublease it through the Department of  
6 Recreation and Public Property to the  
7 church, the church taking responsibility  
8 for, first of all, constructing the  
9 playground; and secondly, for maintaining  
10 it and keeping it up. So the City  
11 doesn't have any operating costs to speak  
12 of.

13 And that seems like the  
14 solution that makes more sense than  
15 arguing over whether 115,000 or 50,000 or  
16 nominal is the right number, because you  
17 don't have the appraisal issue at that  
18 point, and you have the public good, with  
19 the City not being able to afford to this  
20 service either on the construction side  
21 or the maintenance/operation side. And  
22 it's a win/win from a public policy  
23 standpoint.

24 And I would just ask you to  
25 consider doing that and ask Councilwoman

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2           Blackwell to -- that's something we can  
3           actually move on fairly quickly, if we  
4           can do it.

5                       MS. GILLEN:  Sure.  No,  
6           Councilman, that makes great sense.  I  
7           don't know whether anybody thought of  
8           that before; I certainly didn't.

9                       COUNCILMAN O'NEILL:  Okay.

10                      MS. GILLEN:  You know, 13 years  
11           is a long time, and I don't know what  
12           people have sort of been doing for 13  
13           years.

14                      COUNCILMAN O'NEILL:  Yeah.

15                      MS. GILLEN:  But I will  
16           absolutely consider that because I think  
17           that may be one way to break the impasse.

18                      COUNCILMAN O'NEILL:  Okay.

19                      MS. GILLEN:  I think that's a  
20           great suggestion.  Thank you for it.

21                      COUNCILMAN O'NEILL:  Okay,  
22           thank you.

23                      COUNCILWOMAN BLACKWELL:  Thank  
24           you.

25                      And, Dr. Jones, you can think

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2           about that as well, as one of the options  
3           on the table. Thank you.

4                     Steve Williams, Executive  
5           Director, Partnership CDC.

6                     Is Mattioni Limited here?

7                     MR. MATTIONI: Yes.

8                     COUNCILWOMAN BLACKWELL: Thank  
9           you.

10                    (Witness comes forward.)

11                    COUNCILWOMAN BLACKWELL: Please  
12           identify yourself for the record, and  
13           thank you for coming.

14                    MR. WILLIAMS: Good morning.  
15           My name is Steve Williams. I'm the  
16           executive director for the Partnership  
17           CDC. We are located at 4020 Market  
18           Street, in the Third Councilmatic  
19           District. I would like to thank you for  
20           giving me the opportunity to testify this  
21           morning.

22                    The Partnership CDC is coming  
23           before the Council to speak about a  
24           development that was a partnership  
25           between the Partnership CDC and Charles

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2 Lomax Company for the 4500 block of  
3 Sansom Street. We were a part of this  
4 development that started back in, I  
5 believe, 2004. And it was --  
6 approximately 16 units were completed by  
7 2007 on the 4500 block of Sansom Street  
8 and on South 46th Street in West  
9 Philadelphia. Of those 16 units that  
10 were developed, two of those units were  
11 affordable, and 14 were market rate.

12 The development strategy for  
13 this project was to develop the market-  
14 rate units and cross-subsidize the  
15 affordable units. As I said, this  
16 development happened between 2005 and  
17 2007.

18 The Partnership CDC entered  
19 into a redevelopment agreement for two  
20 parcels, 4530 and 4534 Sansom Street, in  
21 March of 2004. As the development of the  
22 block progressed, the market-rate units  
23 began -- we began doing predevelopment  
24 work for these two parcels and submitted  
25 the first proposal to develop these

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2 parcels in 2006.

3 As we moved along, the  
4 development partners realized that these  
5 units being developed as two standalone  
6 were not feasible to stand forward, as  
7 the market-rate units started slowing  
8 down, which we were using for a  
9 cross-subsidization. And during the next  
10 couple of years, the financing for these  
11 two parcels became very difficult to move  
12 forward.

13 I became the executive director  
14 in June of 2008. And I was -- I received  
15 a letter from the RDA in August of 2008  
16 saying that we needed to move the project  
17 forward or we would be in default. I was  
18 given a 180-day period.

19 I scheduled a meeting, and I  
20 met with RDA and OHCD to discuss the  
21 matter. We did have a \$80,000 subsidy  
22 from the Housing Trust Fund for the  
23 project at that time.

24 When I met with them, it became  
25 apparent that to try to develop these as

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2 two standalone projects using the subsidy  
3 would not work, that we had to change the  
4 mix up.

5 So what I came up with -- I met  
6 with Charles Lomax, who was the original  
7 partner in the development, and we came  
8 up with a development scheme where we  
9 would do a duplex that would allow a  
10 moderate-rate and affordable unit to be  
11 created. So four units will be created  
12 on those two parcels.

13 Along with that, we secured  
14 financing from a PNC affiliate. At this  
15 point, we have financing and the plans  
16 that were developed for the site.

17 I reached out to -- I reached  
18 out to Councilwoman Blackwell to assist  
19 with talking to the RDA and in expressing  
20 that we did have the financing and were  
21 able to move forward.

22 Unfortunately, in 2009,  
23 October, I received a letter stating that  
24 my extension would not be granted based  
25 on securing financing and having a

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2 development partner.

3 I acknowledge the delay in  
4 developing the parcels, but at this  
5 particular point, we've demonstrated that  
6 we have a commitment to completing the  
7 Sansom project. The CDC has pulled  
8 together the financing and the  
9 development partner and can move forward  
10 immediately.

11 And this would generate four  
12 units in the Penn Alexander are catchment  
13 area that would allow affordable families  
14 to take advantage of a great public  
15 school district, which is a great amenity  
16 for this.

17 If the -- if we are forced to  
18 buy this at market rate, it will  
19 eliminate the possibility of doing  
20 affordable units in this particular  
21 catchment area.

22 Thank you.

23 COUNCILWOMAN BLACKWELL: Thank  
24 you.

25 We're going to ask Ms. Gillen

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2 to come and respond. This is an area we  
3 worked on for many, many, many years. It  
4 was a terrible block. And certainly,  
5 with Lomax involved -- and we've had --  
6 this was one of the -- that the corner of  
7 this block was where the Mayor announced  
8 his NTI agenda and the NTI bond that he  
9 would float, right at the corner of 45th  
10 and Sansom.

11 And so, it's a historic place,  
12 and it is one that we've come a long way.  
13 And to get funding and be told that  
14 projects are snatched back are -- is a  
15 big issue. So we want to ask Ms. Gillen  
16 to respond.

17 MS. GILLEN: Sure. Let me just  
18 make sure I understand.

19 So you want to move ahead with  
20 this project as an affordable housing  
21 project not market-rate; is that correct?

22 MR. WILLIAMS: Yes.

23 COUNCILWOMAN BLACKWELL: Yes.

24 MS. GILLEN: Okay. Again, I'll  
25 -- I'll have to just double-check on

1           6/7/10 - HOUSING COMMITTEE - RES. 100379  
2           exactly where it is. But if it's got  
3           financing ready to go, we will grant an  
4           extension and move it along.

5                         So I -- all I can think is that  
6           in general, we're being -- you know, if  
7           we look at a project and it's really  
8           ready to go and there's plans and  
9           financing in place, we're generally  
10          granting extensions and letting those  
11          things go.

12                        So is that the status of this  
13          right now?

14                        MR. WILLIAMS: Yes.

15                        MS. GILLEN: Okay.

16                        COUNCILWOMAN BLACKWELL: Thank  
17          you. Thank you very much. And thank you  
18          both.

19                        So we have our answer. We're  
20          ready to go. So you will then -- we  
21          appreciate getting that issue resolved.

22                        And this will raise why -- can  
23          Ivan Tancredi and Mattioni come forward.

24                        This is a big issue. As you  
25          know, Ms. Gillen, we'll talk a little bit

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2 later, after they testify, with regard to  
3 the Sign Center -- I know that's in  
4 court -- and other major issues, that  
5 Morman Church, issues that are in court,  
6 when people who have means are in the  
7 process of developing things just don't  
8 make sense to us, but we'll talk about  
9 that a little bit.

10 Thank you both very much for  
11 coming.

12 (Witness comes forward.)

13 COUNCILWOMAN BLACKWELL: Please  
14 identify yourself for the record and  
15 begin your testimony.

16 MR. MATTIONI: Council  
17 President, John Mattioni for Michael,  
18 who's otherwise engaged.

19 COUNCILWOMAN BLACKWELL: Yes.

20 MR. TANCREDI: Ivan Tancredi.

21 COUNCILWOMAN BLACKWELL: Good  
22 morning.

23 MR. TANCREDI: I'm the owner  
24 and operator of Ivan Supply.

25 COUNCILWOMAN BLACKWELL: Thank

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2 you. Thank you for coming.

3 Mr. Tancredi, thank you for  
4 what you've done to support projects in  
5 the neighborhood over the years.

6 MR. TANCREDI: Thank you.

7 COUNCILWOMAN BLACKWELL: Please  
8 begin.

9 MR. MATTIONI: Madam  
10 Chairwoman, Mr. Tancredi has been  
11 involved in the business of roofing  
12 supply and related products for many  
13 years.

14 COUNCILWOMAN BLACKWELL: Yes.

15 MR. MATTIONI: He's been in the  
16 community for 15 years and completed a  
17 significant expansion three years ago  
18 with the addition of a 12,000-square-foot  
19 warehouse and has made, as you recognize,  
20 a substantial commitment to the  
21 community.

22 COUNCILWOMAN BLACKWELL: Yes,  
23 he has.

24 MR. MATTIONI: But at this  
25 point, what he would, like, to do is

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2 start planning for the future. He's  
3 attempting to assemble and acquire a  
4 number of properties adjacent to his  
5 parent location, has widespread community  
6 support.

7 And of course, with the present  
8 economic situation, doesn't have the  
9 ability to immediately undertake the full  
10 expansion. But he has, for the past  
11 three years, been attempting, through  
12 RDA, to prepare for acquiring properties.

13 At that point, if -- and this  
14 will all be through private funding. All  
15 of his previous acquisitions and  
16 expansion have been privately funded.

17 And he has a facility in South  
18 Philadelphia. This is his West  
19 Philadelphia commitment, and it's a  
20 tremendous commitment to the City.

21 The problem we've been having  
22 is that it's -- I've been listening to  
23 the problems of 13 years and 16 years.  
24 And we're almost like babies in the sense  
25 that we're only talking about a three-

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2 year process. On the other hand, that  
3 process seems to have ground to a halt.

4 And while we have great  
5 assistance from your office and have been  
6 working diligently to try to assemble the  
7 package and move the project along, we've  
8 kind of reached the point of impasse.  
9 And so, basically, that's where we are.

10 The facility itself, as you  
11 know, is in the 4600 block of Lancaster  
12 Avenue. The properties are on Lancaster  
13 Avenue and on Merion. And the  
14 difficulty, as we said, is the garnering  
15 full support from RDA in getting the  
16 package together so we could move  
17 forward.

18 Our present plan is to acquire  
19 the properties for future expansion and,  
20 as the circumstances permit, to do that  
21 future expansion with -- it's, again,  
22 fully privately funded.

23 COUNCILWOMAN BLACKWELL: Thank  
24 you very much. We're going to ask  
25 Ms. Gillen to respond to that.

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2                   And keep in mind that  
3           Mr. Tancredi and Mattioni Limited have  
4           not only tried to expand their business,  
5           but they have helped other small  
6           businesses. They have contributed in the  
7           area and they have hired ten to twelve  
8           people from the community to work there.

9                   So they have done all the  
10           things that we ask businesses to do, and  
11           we're asking you to find a way to work  
12           with them.

13                   Thank you. Ms. Gillen is going  
14           to come back.

15                   MR. MATTIONI: Mr. Tancredi  
16           would like to add one thing.

17                   COUNCILWOMAN BLACKWELL: Yes.

18                   MR. TANCREDI: I started the  
19           business in 1981. We have four locations  
20           in this city. All of my businesses --  
21           most of our business is done in  
22           Philadelphia. All four locations are in  
23           Philadelphia; one in South Philadelphia,  
24           one west, and two north.

25                   Thank you.

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2                   MS. GILLEN:  And, Councilwoman,  
3           I'm just not familiar with the project,  
4           so I will look into it and get back to  
5           you within a couple of days and let you  
6           know --

7                   COUNCILWOMAN BLACKWELL:  That  
8           will be fine, because they have been  
9           wonderful in our community.  Thank you.

10                  MS. GILLEN:  Okay, okay.

11                  COUNCILWOMAN BLACKWELL:  As I  
12           said, they've hired ten to twelve people,  
13           they have other small businesses, they  
14           help community groups across the board.

15                  And this is an example where  
16           the it seems -- we understand that the  
17           RDA has been taking properties where  
18           there is not a specific plan.  But if RDA  
19           works with them, they will -- given the  
20           economy, they will -- and to acquire the  
21           properties, they'll be ready to go.  By  
22           the time all is done, they should be  
23           ready to move.

24                  And, hopefully, our economy  
25           will change.  I don't believe that we

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2 should penalize our businesses for the  
3 downturn in the economy because it means  
4 they get punished twice -- punished by  
5 the very nature of the economy and then  
6 punished again because we won't work with  
7 them do be in place to get things done,  
8 especially when the Councilpeople agree  
9 with them, understand them, and support  
10 their projects.

11 So we look forward to hearing  
12 from you in a few days about this. Thank  
13 you.

14 MS. GILLEN: Okay.

15 COUNCILWOMAN BLACKWELL: Thank  
16 you, both gentlemen. And this is an  
17 example --

18 MR. TANCREDI: Thank you.

19 MR. MATTIONI: Thank you.

20 COUNCILWOMAN BLACKWELL: As I  
21 said, we'll talk a little later about the  
22 Sign Center and this Morman church  
23 because these are issues where land was  
24 taken back, or threatened to be taken  
25 back, because of a lack of an initial

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2 program with developers that have means.

3 So it's hard enough for small  
4 businesses, but for those who have means  
5 and we take 'em back. When this Council  
6 has to support by resolution for someone  
7 else to get 'em, it doesn't make sense.  
8 If we support 'em, why can't we work it  
9 out.

10 Sister Habiba Ali, thank you  
11 very much. Rays of Hope, come forward  
12 and make your testimony.

13 And we believe that is it for  
14 community people. If you are here and  
15 you would like to testify at this time  
16 before we go back to the Administration  
17 with regard to this resolution, please  
18 let us know. Come to the side,  
19 Mr. Christmas will take your any name and  
20 we will let you testify.

21 And then it will be our  
22 discussion with regard to Redevelopment  
23 Authority, OHCD, Office of Housing and  
24 Community Development, and VPRC and  
25 Public Property. Thank you.

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2                           (Witness comes forward.)

3                           MS. ALI: Good morning,  
4           Chairwoman Blackwell. Good morning,  
5           Councilmembers. And good morning to  
6           Council President Verna in the event  
7           she's hearing from her chambers.

8                           My name is Habiba Ali. I am  
9           the founder and executive director of  
10          Rays of Hope, Incorporated, which was  
11          incorporated in 1993.

12                          As most of you know, 'cause  
13          I've grown up in front of a lot of you,  
14          that I am a formerly homeless woman of  
15          four children, who was homeless in  
16          Philadelphia in the shelter system in the  
17          late '80s.

18                          I'm here today regarding a  
19          project that is called the Belfield  
20          Avenue Development. I notice Miss Millen  
21          or Gillen, or whatever her name is, has  
22          left, and I would like to hold my  
23          comments or statements because she needs  
24          to be able to respond.

25                          And if she has to take a

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2 ladies' room or a cigarette break, if she  
3 could be made to return to the room,  
4 whatever the case is. Perhaps some of  
5 staff know where she's gone.

6 Because I've asked several  
7 times to meet with this woman, and I have  
8 never been given the opportunity to meet  
9 and/or speak with her. And she is the  
10 first person running the Redevelopment  
11 Authority in the twenty-some years that  
12 I've been dealing in housing for the  
13 homeless and low-income that I have not  
14 been granted a meeting or as much as the  
15 respect of a phone conversation.

16 This is the first time I've  
17 laid eyes on her. At least I know who  
18 she is when I see her again. I don't  
19 appreciate her leaving. If she has to go  
20 to the bathroom, I understand, but I want  
21 the same respect that she gave everyone  
22 else.

23 COUNCILWOMAN BLACKWELL: She's  
24 here. She'll be here for our hearings.

25 MS. ALI: Yes, ma'am. But it's

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2 imperative that she hears what I have to  
3 say.

4 COUNCILWOMAN BLACKWELL: Okay.

5 MS. ALI: And if you want me to  
6 hold my statement, I will.

7 COUNCILWOMAN BLACKWELL: You  
8 can hold your statement. And when she  
9 comes back, we'll have you -- she will be  
10 right back.

11 Is this there anyone else who  
12 wants to testify before we begin our  
13 Council discussion?

14 Okay. Then we'll wait a  
15 moment.

16 MS. ALI: Thank you.

17 COUNCILWOMAN BLACKWELL: Thank  
18 you, Sister.

19 MS. ALI: Thank you very much,  
20 Councilwoman Blackwell.

21 COUNCILWOMAN BLACKWELL: And as  
22 we said and we will repeat when she comes  
23 back, we made a copy of our concerns  
24 available to her, and we want to go  
25 through each one while we're here today,

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2           to hear her response with regard to those  
3           issues.

4                       MS. ALI: I would just like to  
5           ask, Councilwoman, does the members of  
6           the committee have the folder that was  
7           supplied from Rays of Hope this morning?

8                       COUNCILWOMAN BLACKWELL: The  
9           folder you gave me?

10                      MS. ALI: Yes, ma'am.

11                      COUNCILWOMAN BLACKWELL: I'll  
12           make sure that they -- yes, everyone has  
13           their folders. Thank you for making that  
14           available because we didn't duplicate it;  
15           Sister Ali did.

16                      MS. ALI: Yes, ma'am.

17                      COUNCILWOMAN BLACKWELL: Okay.  
18           So we'll just pause a moment as we wait  
19           for her.

20                      And, again, I realize where we  
21           are in Council at this point on our  
22           calendar year. But, certainly, it is  
23           important that we deal with these issues,  
24           that we have a timeline, and that we  
25           understand what will happen so that we

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2           may clear the air and have a process for  
3           moving forward.

4                         We can't wait a whole term.  
5           Next year, we run for reelection. We  
6           can't wait a whole term and then say  
7           what's going to happen; it's just too  
8           long. And we don't have the -- funds  
9           have deadlines, and so do people who live  
10          in neighborhoods that need attention. So  
11          we're looking forward to full dialogue on  
12          these issues.

13                        While Ms. Gillen is out of the  
14          room... Thank you. So, Sister Ali we'll  
15          call you back?

16                        MS. ALI: Yes, ma'am.

17                        COUNCILWOMAN BLACKWELL: And  
18          meanwhile, Sister Judith Robinson, would  
19          you come forward.

20                        (Witness comes forward.)

21                        COUNCILWOMAN BLACKWELL: Thank  
22          you. Good morning.

23                        MS. ROBINSON: Thank you. Good  
24          morning.

25                        COUNCILWOMAN BLACKWELL: Please

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2 identify yourself for the record and make  
3 your testimony. Welcome.

4 MS. ROBINSON: Yes. Good  
5 morning. I understand a couple bills  
6 were held?

7 COUNCILWOMAN BLACKWELL: Just  
8 one.

9 MS. ROBINSON: Just one? Okay.

10 COUNCILWOMAN BLACKWELL: Bill  
11 No. 100160 is being held.

12 MS. ROBINSON: Can I just ask  
13 why?

14 COUNCILWOMAN BLACKWELL: Let me  
15 ask the sponsor of the bill if he would  
16 like to comment on why the bill is being  
17 held, 100160.

18 COUNCILMAN JONES: Short  
19 answer, a short story made shorter.

20 We have worked with the  
21 Administration to figure out how to  
22 address a more specific need, and it will  
23 be addressed in the bill that addresses  
24 mixed-use development and dedicating 5  
25 percent of the mixed-use funds going

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2           towards commercial downstairs and  
3           residential upstairs properties. And  
4           that will be discussed in that particular  
5           portion of the bill.

6                         Satisfaction on that bill has  
7           led us to at least hold that bill until  
8           further notice.

9                         MS. ROBINSON: Okay. And  
10          100159 will be discussed today?

11                        COUNCILWOMAN BLACKWELL: Yes.

12                        MS. ROBINSON: I just want to  
13          make sure I'm not out of order.

14                        COUNCILWOMAN BLACKWELL: And  
15          we're in the middle of 100379.

16                        MS. ROBINSON: Right. Okay,  
17          thank you very much. And I have clarity  
18          right now.

19                        I'm Judith Robinson, here to  
20          testify on Bill No. 100379. And I am  
21          very interested in the Redevelopment  
22          Authority and their whole process as well  
23          as the Department of Public Property.

24                        For many years now, I've  
25          attended Redevelopment Authority board

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2 meetings, and they are very, very much  
3 instrumental in how our communities  
4 develop.

5 That being said, the things I  
6 have been concerned about over the years  
7 is when -- and I'm going back to  
8 Neighborhood Transformation Initiative.  
9 When that program was implemented, I know  
10 for a fact that people were not getting  
11 fair market value for their homes when  
12 they were taken through eminent domain.

13 I found out recently that  
14 there's a licensed real estate broker on  
15 the board of -- not on the board, I'm  
16 sorry, that's part of the Redevelopment  
17 Authority's process. And now, they're  
18 able to use the multiple listing service,  
19 the same one we as professionals use.

20 So it's hard for me to  
21 understand from using that process that  
22 they would have come up with such low  
23 market value. If we're all using the  
24 same information, why would a market  
25 value so low for people who are losing

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2 their homes through eminent domain, they  
3 did not get fair market value, some as  
4 low as 3500.

5 And upon protest, I think a few  
6 thousands were added to these folks'  
7 value at the time that they went to  
8 settlement on their property that was  
9 taken through eminent domain. I was very  
10 concerned about that.

11 Now, I notice that has quieted  
12 down a bit; we don't have as much eminent  
13 domain. But I'm just saying let's get  
14 some clarity here, let's have some real  
15 transparency here, because on one hand,  
16 you give low market value; when you're  
17 taking someone's property through eminent  
18 domain, that's the only property they  
19 have, they've lived in it for many years,  
20 and here you come, government, and you  
21 want to take the property. At least give  
22 the people fair market value so they'll  
23 be able to live the rest of their lives  
24 and feel like they haven't been ripped  
25 off by the government. So that's one

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2 area of concern.

3 Consistency in value. When you  
4 take property, give fair market value.

5 Then let's talk about  
6 disposition. When you dispose of a  
7 property, it's a very much inconsistency  
8 here. When I found out that there was a  
9 professional real estate broker on -- in  
10 the process, in the Redevelopment  
11 Authority's process, I found that out  
12 because they had put a property on the  
13 market, using the multiple listing. I  
14 said, How did you do that? Oh, well, we  
15 have a broker on staff.

16 All right. If you have a  
17 broker on staff, use that broker. You're  
18 using them for one thing; use them to  
19 make sure that people are getting a fair  
20 value when it goes to disposition.  
21 There's some inconsistencies there.

22 And I don't want to be  
23 disrespectful to any of the professionals  
24 who are doing their job. But you give a  
25 weak, low market value when you're taking

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2 people's property, and you're given a  
3 strange inconsistencies of market value  
4 when you go to dispose of a property.

5 It's like wheeling and dealing in real  
6 estate. Yes, you are.

7 And you should be fair about it  
8 and clear and transparent so everybody  
9 can know it is what it is. If you're  
10 going to sell property at fair market  
11 value, then we all get the same fair  
12 market value.

13 I'm concerned that African-  
14 Americans don't get the same type of  
15 disposition that other folks get; I want  
16 to be clear about that. You know, how  
17 many African-American developers are  
18 there? Are they treated with respect, in  
19 the same kind of open-door policy that  
20 other folks are?

21 All of these things should be  
22 brought to the table, because as we wheel  
23 and deal in real estate, I just don't  
24 want the time to pass where we play like  
25 we don't know who can develop and who

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2 can't. I mean, it's not that  
3 complicated.

4 Especially with all these deals  
5 that are in the paper lately -- \$1 for  
6 your (indiscernible) here and some  
7 wheeling and dealing over here with the  
8 children's -- the center, the court  
9 center. I mean, it's a bunch of  
10 nonsense, especially when we don't have a  
11 lot of money, so we say.

12 So some of my questions are:  
13 What is the criteria being used to  
14 determine who's considered a land  
15 developer? You know, what are the open  
16 and transparent process that one would  
17 have to take to get some land from this  
18 land-banking that's been going on for the  
19 past 35, 50 years, okay? Let it be open  
20 and clear.

21 I want to know -- 'cause I  
22 asked this question before -- how much  
23 money is left from the NTI? How much  
24 money is available?

25 Now, two, as our city moves

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2           towards selling some of the public land,  
3           to be honest with you, I'm really happy  
4           about that, but I want to make sure that  
5           that process is open and transparent.

6                         There are some people who have  
7           been waiting to try to get a side yard  
8           next to their home, can't get it, it's  
9           tied up in legalese. You got letters  
10          stating that the property is not  
11          available. Sometimes, if it's an  
12          abandoned house, it sits and rots while  
13          we get this notice saying that it's not  
14          available.

15                        City-owned properties. City of  
16          Philadelphia comes through the Public  
17          Property process. Let's make sure it's  
18          transparent, let's make sure everybody  
19          can partake in the bounty. You never  
20          know who has money, and people are  
21          looking for opportunities.

22                        Let's just hope that we can  
23          make this a transparent process, where we  
24          go through one, two, three, four, five  
25          steps at the maximum to get properties in

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2           the hands of people who can develop them.

3                       I've seen at RDA where you have

4           people who say they're going to develop.

5           They get a chance to stretch their

6           development agreement out, they get all

7           kinds of amendments to it, et cetera.

8           But some people can't even get to first

9           base. How do you do that? Where's the

10          clarity, where's the openness, where is

11          the transparency?

12                       Thank you, Madam Chair, for

13          having this hearing today. Maybe I'll

14          have some other questions, suggestions,

15          or answers after I hear some additional

16          testimony. Thank you very much for your

17          attention.

18                       COUNCILWOMAN BLACKWELL: Thank

19          you, Miss Robinson, thank you.

20                       Miss Ali?

21                       (Witness comes forward.)

22                       COUNCILWOMAN BLACKWELL: And

23          this is our final community person. Then

24          we'll get to our discussions on these

25          issues.

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2                         And as we've said, we've made  
3           our concerns available to the  
4           Administration.  And so, we would like to  
5           deal with them issue-by-issue, and that  
6           is how we intend on dealing with the rest  
7           of this hearing in addition to whatever  
8           issues my colleagues may raise.

9                         Thank you.

10                        Miss Ali?

11                        MS. ALI:  Thank you again,  
12           Chairwoman Blackwell, for allowing me to  
13           speak.

14                        I'm speaking today, again, on  
15           the behalf of Rays of Hope, Incorporated.  
16           As I stated earlier, I am the founder and  
17           the executive director of it.

18                        Rays of Hope deals with  
19           housing, the homeless, and low-income.  
20           I've had firsthand experience with  
21           homelessness.  When my children were  
22           small, we were in the homeless shelter  
23           system in the late '80s.  And I was the  
24           first-tenant council president of Dignity  
25           Housing; I served on their board for many

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2           years as the first-tenant chair of that  
3           organization. It was an \$11 million  
4           program at the time.

5                        I learned quite a bit in those  
6           years, working with Dignity Housing, in  
7           terms of how the mechanisms of housing  
8           works in the City of Philadelphia, with  
9           the RDA and OHCD. It's going back as far  
10          as Mr. Eisenstat and John Kromer.

11                       We have been very successful,  
12          though we're very small. We have done  
13          rehabilitation, and we were blessed under  
14          the first Street Administration to  
15          receive a \$1.2 million fund from HUD and  
16          OHCD to build units in Councilwoman  
17          Miller's, the 8th Councilmatic District,  
18          at 1735, 7, and 9 Belfield Avenue, which  
19          we acquired from VPRC, our nonprofit.

20                       Things were moving along very  
21          well. And there's documentation that  
22          will substantiate everything that I'm  
23          saying to you today in terms of the  
24          funding that we received, the \$200,000  
25          predevelopment money that we received

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2           from OHCD under Mr. Kevin Hannah at the  
3           time and Dainette Mintz as well as Miss  
4           Deborah McCulloch.

5                        Councilwoman Miller, on our  
6           request, met with the authorities at the  
7           Redevelopment Authority and OHCD to find  
8           out why is it that this project is  
9           stalemated. I heard you say a few  
10          moments ago, Councilwoman Miller,  
11          regarding resources; and if you have  
12          money, then you can do things.

13                       Well, the money is here; that's  
14          not the problem. The money has been  
15          allocated. As far as we're concerned, as  
16          the nonprofit, our project left OHCD  
17          prematurely. It left the predevelopment  
18          phase before it was supposed to, to go  
19          onto the Redevelopment Authority.

20                       We have been stalled for a  
21          while because as we signed with an entity  
22          that OHCD recommended, they were  
23          mismanaging this project. Someone in the  
24          office of Diamond & Associates signed a  
25          \$75,000 contract without our permission

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2           and/or authority, so we had to let them  
3           go, and it stalled this project for a  
4           while, until we were able to identify a  
5           new technical consultant, and we have,  
6           which is Thelma Jackson of TJ &  
7           Consultants. Unfortunately,  
8           Miss Jackson's on vacation till tomorrow  
9           and was not able to be here today.

10                         We had a oral commitment from  
11           Miss McCulloch, from OHCD, that the  
12           Office of Housing and Community  
13           Development would support this project,  
14           understanding that there were  
15           environmental issues when did the eco  
16           testing at this site, and there would be  
17           additional revenue required.

18                         OHCD had made a commitment in a  
19           meeting with Councilwoman Miller and with  
20           Herb Weitzel and some of Councilwoman  
21           Miller's staff. I believe in attendance  
22           to that meeting also was Deborah  
23           McCulloch, Miss Mullen, Millen -- if I'm  
24           saying her name incorrectly, please  
25           forgive me, the director of RDA, and

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2           another gentleman from the Redevelopment  
3           Authority.

4                         It was stated that if Rays of  
5           Hope was willing, because we are new at  
6           building from the ground, if we were  
7           willing to take a partnership or  
8           backseat -- I don't want to use the  
9           language that may have been used in that  
10          meeting -- to give our project to  
11          someone, a developer -- this is HUD  
12          money. We can't give this money or  
13          reallocate it to anyone other than the  
14          nonprofit that it was issued to, that we  
15          were willing to join into some type of  
16          partnership with a developer, that they  
17          would support this project.

18                         I'm happy to say that in this  
19          environment of the City and with Mayor  
20          Rendell -- I'm sorry, Nutter, stating  
21          that he wants Philadelphia to be the  
22          first city to go green in the nation, we  
23          are blessed to have entered into an  
24          agreement with Onion Flats, LLC, who is  
25          building in Northern Liberties and are

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2 building multi-million-dollar properties  
3 all over the City and around the country  
4 as well as the world, and we were able to  
5 do this with the help of Councilwoman  
6 Miller and her office.

7 So this nonprofit will be the  
8 first nonprofit in the City that will be  
9 able to build a hundred percent green  
10 housing that's accessible, affordable,  
11 low-income for homeless families that are  
12 stuck in the shelter system.

13 The money is not the problem.  
14 We have gotten -- jointed into -- we have  
15 found a developer that is willing to  
16 build these houses for the money that is  
17 allocated on the table. In the meeting  
18 with Councilwoman Miller and her staff,  
19 there was a oral made from these powers  
20 to be over my left shoulder, stating that  
21 they would put the necessary monies  
22 together if we were willing to join into  
23 a group, to take the backseat, let the  
24 developer develop it, let them be  
25 responsible, because we haven't built

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2 from the ground, though we have many  
3 years in rehabilitation, and then to turn  
4 the project back over to Rays of Hope  
5 when we are ready to put the families in  
6 the units.

7 We had an emergency board  
8 meeting with our consultant. Our board  
9 of directors agreed, let's move forward.  
10 It's going on two months since we made  
11 that decision.

12 It is our understanding and  
13 feeling and position -- and we could be  
14 wrong; we've been wrong before, and so  
15 have these people over my left shoulder.  
16 This money is time-sensitive, it is  
17 HUD-allocated, it is time-sensitive.

18 You don't have to have a  
19 3rd-grade education to know that they're  
20 trying to stall it until you go out on  
21 your summer break. We come back in  
22 September, we have to have this project  
23 done in a certain time frame.

24 Every time I would call the  
25 young lady or meet with the young lady,

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2 Miss Holland, who was assigned this, I'm  
3 constantly given this document. You have  
4 to meet all of these criteria, you have  
5 to meet all of these criteria. And I'm  
6 sure they have a copy of this criteria; I  
7 saw it over there this morning.

8 Well, this is for a  
9 development. We are in predevelopment.  
10 We have begged and written and pleaded  
11 for these powerful people, so they think,  
12 to please put this back in  
13 predevelopment, take it from development  
14 stage because it moved prematurely.

15 I don't know what the problem  
16 is. I'm bringing it to you all before I  
17 take it to HUD and to Washington and to  
18 around this country.

19 If the homeless, handicapped  
20 people in this city is not given the  
21 opportunity to live in beautiful,  
22 subsidized, affordable, green housing due  
23 to OHCD and RDA dragging their feet,  
24 pushing them from pillar to post, playing  
25 ping-pong with us, they will know,

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2 everyone in this country will know, that  
3 the taxpayers' money in the City of  
4 Philadelphia is being played with because  
5 people can't use the -- I can't get on  
6 the phone, or they're traveling, they're  
7 in a meeting, we don't know, blah-blah-  
8 blah. And then they're going to lie to  
9 my Councilwoman.

10 And enough is enough. With  
11 these big salaries that they're getting,  
12 they need to be held accountable, and  
13 they need to be replaced, just like  
14 everybody else can be laid off. Welcome  
15 to the new world. These people need to  
16 be held accountable.

17 This project started in 2004.  
18 They have the invoices that they are  
19 holding from 2008. They have the  
20 invoices, they have the contract, they  
21 have the money. I don't know what the  
22 problem is.

23 I'm a very excitable person, as  
24 you know, Councilwoman, but as you know,  
25 I've always been on the side of the poor,

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2           the downtrodden, and the homeless, 'cause  
3           I've been there. And I prayed to the  
4           creator to help use me to house those  
5           people from where I come. I am sick and  
6           tired of the political games.

7                        I am not getting paid for what  
8           I'm doing, I've never done what I'm doing  
9           for money. I think that these people get  
10          big salaries and forget who it is that  
11          they are working for. They are working  
12          for the citizens of Philadelphia. You  
13          are their bosses. They need to either  
14          piss or get off the pot or be laid off or  
15          removed or replaced.

16                       I'm begging and pleading with  
17          you all for these people to tell us why.  
18          We have crossed every T, dotted every I,  
19          jumped through the circles. When they  
20          set the circles on fire, made me put on  
21          kerosene underwear, I jumped through 'em  
22          backwards and forward. I've done  
23          everything I possibly can.

24                       If they want Sister Habiba to  
25          come with all the masses and the

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2 bullhorns and the people with the  
3 wheelchairs and block traffic and  
4 blah-blah-blah, I'm not above doing that.

5 I'm in my fifties now; I don't  
6 want to do that if I don't have to. But  
7 I am willing to do that. I'm going to  
8 the media, I'm going to HUD, I'm going to  
9 the White House. I'm coming to you first  
10 because it is the right thing to do.

11 I have talked, I have written  
12 letters, we have spent money, I'm blue in  
13 the face. This is my last resort. The  
14 pen is mightier than the sword.

15 They can give you answers  
16 today. We need to know by the end of  
17 this week what is their position, what is  
18 the holdup. Enough is enough. I have  
19 had it.

20 The activists are ready to  
21 roll.

22 COUNCILWOMAN BLACKWELL: Thank  
23 you, Sister Ali.

24 MS. ALI: I'm so sick of tying  
25 up traffic because these people are

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2           acting like they're too busy. Or, you  
3           know, just let Rays of Hope -- oh, oh,  
4           oh, Habiba.

5                         It's not about Habiba; it's  
6           about the homeless people in the  
7           shelters, where I lived and slept on the  
8           floor with my babies that I'm try to  
9           provide housing for.

10                        The money is there. What is  
11           the problem?

12                        COUNCILWOMAN BLACKWELL: Thank  
13           you very much. Thank you, Sister Ali.  
14           We want to thank you for your passionate  
15           testimony.

16                        We are going to call them back  
17           up now. We've heard your request that  
18           you hear by the end of the week.

19                        We've talked with Councilwoman  
20           Miller, who certainly is concerned as you  
21           are and obviously has supported you in  
22           the past. And we'll ask that that be our  
23           first question to them, to respond within  
24           the next few days, as they have on these  
25           other projects, that we should hear

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2 something on them all.

3 MS. ALI: All right.

4 COUNCILWOMAN BLACKWELL: I'll  
5 have them come forward. Thank you.

6 MS. ALI: If Councilwoman  
7 Miller could please speak on this  
8 project, because she has taken the time  
9 out of her schedule during all of the  
10 budget hearings to talk to these people.

11 COUNCILWOMAN BLACKWELL: Thank  
12 you.

13 Councilwoman Miller?

14 Thank you, Sister Ali.

15 MS. ALI: Thank you.

16 COUNCILWOMAN BLACKWELL: And we  
17 thank you for coming.

18 MS. ALI: Yes, ma'am. You are  
19 very welcome.

20 COUNCILWOMAN MILLER: Thank  
21 you, Habiba, for coming in this morning.

22 MS. ALI: Thank you,  
23 Councilwoman.

24 COUNCILWOMAN MILLER: I just  
25 want to add a few words to some of what

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2           you've already said. And that is that,  
3           you know, we've been working with you on  
4           this project since 2004, and things  
5           seemed to be going, you know, pretty  
6           quickly at one point. Then it slowed  
7           down, and then we had to get -- do a land  
8           substitution.

9                         But we did meet what, I guess  
10           about a month ago?

11                        MS. ALI: Our meeting? Yes.

12                        COUNCILWOMAN MILLER: No, the  
13           meeting prior to yours.

14                        MS. ALI: It was one where you  
15           --

16                        COUNCILWOMAN MILLER: I met  
17           with RDA and OHCD around six weeks or so  
18           or whatever ago --

19                        MS. ALI: Yes, ma'am.

20                        COUNCILWOMAN MILLER: -- to  
21           discuss the final stages, or what I was  
22           hoping was the final stages of this  
23           project. And at the end of the meeting,  
24           there were a couple of things that they  
25           asked me to do, which I did, and that was

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2           talk to you. You talked to your board,  
3           and we talked to Onion Flats. And that's  
4           where it stopped. So I am very  
5           frustrated also.

6                         We sent a letter out and sent a  
7           e-mail out last week again regarding the  
8           status of this project to RDA, Terry  
9           Gillen. And I think -- I don't know  
10          whether I sent one to Deborah McCulloch  
11          or not.

12                        But we need to get an answer.  
13          We did what you asked us to do; now we  
14          need to hear back from you, from RDA and  
15          from OHCD.

16                        MS. ALI: Yes, ma'am. Thank  
17          you.

18                        COUNCILWOMAN MILLER: All  
19          right. Thank you.

20                        COUNCILWOMAN BLACKWELL: Thank  
21          you again, Sister Ali.

22                        MS. ALI: I'd like to know if  
23          either of these --

24                        COUNCILWOMAN BLACKWELL: Yeah,  
25          they're coming up now.

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2 MS. ALI: -- professionals have  
3 any questions for me or concerns for Rays  
4 of Hope.

5 COUNCILWOMAN BLACKWELL: Okay.  
6 You'll be here for a minute, and we'll  
7 ask them to respond first and let you  
8 know.

9 MS. ALI: Yes, ma'am.

10 COUNCILWOMAN BLACKWELL: Thank  
11 you very much.

12 MS. ALI: Thank you. Thank  
13 you, Councilwoman.

14 COUNCILWOMAN BLACKWELL: Thank  
15 you.

16 All right. We're prepared for  
17 the Administration to come back.  
18 Ms. Gillen, we're prepared for you to  
19 come back.

20 (Ms. Gillen comes forward.)

21 COUNCILWOMAN BLACKWELL: And we  
22 will begin our testimony. As we have  
23 said, we will deal with the information  
24 that you received from me, some two or  
25 three pages of issues that we were

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2 concerned about.

3 And while you do that, I did  
4 have a request from Councilman Rizzo's  
5 office, and I'll read it verbatim:

6 "Properties disposed of by  
7 public agencies in Philadelphia for  
8 redevelopment often do not come with  
9 clear title because liens for old tax and  
10 water bills have not been extinguished by  
11 the City.

12 "As a result, old tax  
13 liabilities remain with the property and  
14 are passed onto new owners, whether a  
15 CDC, a for-profit developer, or new  
16 homeowner, which can also prevent them  
17 from obtaining a ten-year tax abatement.

18 "What can be done to alleviate  
19 this issue?"

20 And I'm told by my staff that  
21 part of it is the relationship of the  
22 City agencies, one with the other, where  
23 the right hand should know what the left  
24 hand's doing; sometimes they don't. So  
25 I'll ask first for a response to

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2 Councilman Rizzo.

3 MS. GILLEN: Well, without  
4 knowing the specifics, it would be hard  
5 for me to answer.

6 But I think, Councilwoman,  
7 you're correct. The general answer has  
8 to do with the various City agencies  
9 sometimes having to work on the same  
10 parcel of land. And so, you've got  
11 Water, Law, Revenue, whatever the  
12 disposition agency is, whether that's  
13 Redevelopment Authority, Public Property.

14 And so, we spend a lot of staff  
15 time trying to clear title on parcels of  
16 land. And it's one of the reasons that,  
17 as I spoke earlier about, the need for  
18 system reform. We've got to have system  
19 reform because the amount of time and  
20 resources that we use trying to clear  
21 title, parcel by parcel by parcel, is  
22 just not going to solve the problems in  
23 the long term, but that is essentially  
24 the theory behind it.

25 COUNCILWOMAN BLACKWELL: And

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2 before I call on Councilman Jones, will  
3 you resolve -- get back to Councilwoman  
4 Miller and myself with regard to Sister  
5 Ali, Rays of Hope project. We all know  
6 comes here for years and is committed and  
7 passionate about she does. Or you may  
8 want to ask one of your staff members who  
9 are here about this project.

10 Do you want to respond to her  
11 issue?

12 MS. MCCOLLOCH: My name is  
13 Deborah McCulloch. I'm the Director of  
14 Housing.

15 I would just say we continue to  
16 work with Miss Ali, and she's -- the new  
17 developer that's been brought to the  
18 table, Onion Flats. We're working with  
19 them to try to move the project forward.

20 I think there's still a funding  
21 issue that's not resolved yet that we  
22 need to work on resolving.

23 And we have committed to the  
24 project. The project's listed in the  
25 Consolidated Plan that is coming back

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2 before you later this week, and we're  
3 continuing to work through those issues.

4 I don't know what specific  
5 paper Miss Ali was showing about what  
6 documentation is still needed by the  
7 project manager at the Redevelopment  
8 Authority, but we can follow up on that  
9 and get clear answers about what is still  
10 needed to move it forward.

11 But I reiterate, we're still  
12 committed to the project.

13 COUNCILWOMAN MILLER:

14 Councilwoman Blackwell, can I --

15 COUNCILWOMAN BLACKWELL:

16 Councilwoman Miller?

17 COUNCILWOMAN MILLER: Yes.

18 It's my understanding that the federal  
19 funding will no longer be available after  
20 August. Will she lose that funding, that  
21 McKinney money.

22 MS. MCCOLLOCH: August is not  
23 the deadline that I understand for the  
24 McKinney funding, but the McKinney  
25 funding is through the Office of

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2           Supportive Housing, and I can follow up  
3           with my colleagues there to confirm what  
4           the date is.

5                        But I do not believe that it  
6           was an August deadline. So it's not my  
7           understanding from the last time when we  
8           met.

9                        COUNCILWOMAN MILLER: Okay.  
10          Well, someone actually told me that after  
11          August, she will lose that funding. So  
12          for us -- and we will confirm it too.

13                       MS. McCOLLOCH: Okay. I will  
14          follow up.

15                       COUNCILWOMAN MILLER: We will  
16          confirm it also. So for us, time is very  
17          important.

18                       COUNCILWOMAN BLACKWELL: Will  
19          you get back to us on this --

20                       MS. McCOLLOCH: Yes.

21                       COUNCILWOMAN BLACKWELL: --  
22          within a matter of few days as with as  
23          with the others?

24                       MS. McCOLLOCH: Yes.

25                       COUNCILWOMAN MILLER: Okay.

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2 Thank you.

3 COUNCILWOMAN BLACKWELL: Thank  
4 you.

5 Before I call on you,  
6 Councilman Jones, Councilman O'Neill?

7 COUNCILMAN O'NEILL: Madam  
8 Chair, I have a meeting in my office. I  
9 would just like, in case I don't get  
10 back, to have my vote recorded as aye on  
11 Councilman Jones's amendment and bill, as  
12 amended, which I expect to be the case.

13 COUNCILWOMAN BLACKWELL: Thank  
14 you, Councilman. Certainly leave is  
15 granted, and thank you for your support  
16 on the legislation.

17 (Addressing Ms. Gillen and  
18 Ms. McCulloch.) Oh no, we need you to  
19 stay here. We are at that point in our  
20 hearing.

21 Councilman, now we're back to  
22 the issue that was raised before we  
23 deviated back to make sure Sister Ali was  
24 respected.

25 Councilman Jones?

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2 COUNCILMAN JONES: Yes. I  
3 would like if you and Miss McCulloch  
4 could just, for purposes of general  
5 understanding, a lot of people that  
6 actually during the day tune into these  
7 proceedings and don't have the benefit of  
8 the knowledge base that some of us that  
9 do this for a living have but are  
10 nonetheless impacted by it.

11 In general, a piece of  
12 property -- and I know it varies. But in  
13 general, from the time someone gets a  
14 good idea to do a project to the time  
15 it's conveyed to a developer for purposes  
16 of development, what's the average time?

17 MS. GILLEN: Um --

18 COUNCILMAN JONES: Average.

19 MS. GILLEN: Boy, I don't even  
20 know that -- I wouldn't even know how to  
21 give you an answer, Councilman.

22 I know that at the  
23 Redevelopment Authority, if everyone is  
24 moving, it can move in -- it certainly  
25 moves in less than a year. I can't tell

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2           you for Public Property -- you'd have to  
3           ask them -- 'cause that's a different  
4           system, that's the Vacant Property Review  
5           Committee system.

6                        COUNCILMAN JONES:   And it was  
7           my standing way back in another lifetime  
8           that the Vacant Property Review Committee  
9           was put together for the purposes of  
10          expediting and moving properties, and it  
11          was Council's bill, to have a group of  
12          entities at the same table -- whether it  
13          was Public Property, PIDC, and at some  
14          point, PCDC was there -- in order for  
15          them to see things that came into public  
16          domain, figure out collectively its  
17          highest and best use and then dispose of  
18          them in a way that was beneficial both to  
19          the public and to the City.

20                       And now, we have that entity  
21          and the entity that I just heard you talk  
22          about.

23                       Can you explain the disposition  
24          process, the property disposition process  
25          in the City of Philadelphia for a

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2 layperson in plain speak?

3 COUNCILWOMAN BLACKWELL: And  
4 with that regard, we support the  
5 legislation, obviously, that Council  
6 passed, and we also support -- what's our  
7 bill number, 17500?

8 UNIDENTIFIED SPEAKER: 16400.

9 COUNCILWOMAN BLACKWELL: 16400,  
10 that certainly empowered the Vacant  
11 Property Review Committee to dispose of  
12 properties. It is -- Council created  
13 that legislation because we needed it to  
14 be able to service members in our  
15 community, service the homeowners,  
16 service people in need with side yards,  
17 to be able to come up with a way to give  
18 properties out nominally, to help develop  
19 neighborhoods. And we believe in that.

20 We're having a hard time  
21 getting things moved, and that's in  
22 keeping with -- I'm sure that's part of  
23 the intent of this question as to why it  
24 takes so long, why aren't these moving.

25 Now, we're reasonable people.

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2 All of us have been involved in  
3 development for a lot of years; and even  
4 our new folks. As we all know,  
5 Councilman Jones was head of PCDC.

6 And we all know about  
7 Councilwoman Quiñones's role in her area,  
8 in doing development. She's headed many  
9 groups in education and housing, which is  
10 one of the reasons she's here.

11 And Councilwoman Miller and I  
12 have been dealing with housing in our  
13 area even as Councilpeople for many, many  
14 years.

15 So we understand when there are  
16 legitimate concerns about holding land  
17 transfers, land conveyances, holding  
18 things up. But, honestly, we don't see  
19 why it takes long, why our VPRC can't  
20 work, why people have to wait for  
21 appraisals.

22 I remember years ago -- one  
23 year, I had eight hearings under former  
24 Councilman Street in June. Between May  
25 and June, we had eight hearings to deal

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2 with these kinds of issues. And at that  
3 time, we were told the City was hiring  
4 appraisers, that was the problem.

5 But here we are again with  
6 things stopped and with my colleague  
7 asking for a process to answer the  
8 questions of what happens with  
9 properties.

10 And inherent in that answer  
11 that's (indiscernible) to deal with it, I  
12 know that the Science Center, I know that  
13 the Morman Church, I know that these  
14 projects with people with means, I know  
15 you can't respond technically because  
16 they're with the Sign Center, they're in  
17 litigation.

18 But since we -- and this is a  
19 long question, but you can answer it.  
20 But since we have to introduce, by  
21 resolution, legislation that will inveigh  
22 you to convey it to somebody else, why  
23 fight projects that we support in the  
24 beginning in our areas when you got to  
25 come back to us to reconvey? If you take

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2 it back, we're not going to reconvey it  
3 to somebody we don't believe in.

4 And so, we don't understand  
5 that, nor do we understand why there's  
6 still an issue about properties going to  
7 the board before they come to us, going  
8 to the RDA Board before they come to us  
9 in areas, because we know what  
10 communities will accept and what they  
11 won't.

12 So all of that is the same part  
13 of Councilman Jones's question.

14 MS. GILLEN: Okay.

15 COUNCILWOMAN BLACKWELL: But we  
16 can repeat it all if we need to. If I  
17 gave you too many pieces at once, we can  
18 repeat it all.

19 MS. GILLEN: That's okay.

20 What I will do is, I'll answer  
21 the part of Councilman Jones' question  
22 that relates to the Redevelopment  
23 Authority, and then I'll allow the folks  
24 who run VPRC to answer the part that  
25 relates to Public Property.

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2 So I can tell you that -- your  
3 question was about disposition, right?  
4 That when we -- right now, we have any  
5 number of ways that that we'll dispose of  
6 a property.

7 But, basically, the  
8 Redevelopment Authority disposes of a  
9 property at fair market value unless it's  
10 for an affordable housing project; in  
11 which case, we can dispose of it for  
12 nominal value.

13 The way try to establish fair  
14 market value is either through an  
15 appraisal or through putting it out, say,  
16 up on the market or -- so we can either  
17 -- we now list all of our property on our  
18 website.

19 So if someone called us up and  
20 said, Hey, I want to buy, you know, 1234  
21 Market Street, what would that cost? we  
22 would either ask them to pay for an  
23 appraisal. We'd go and get an appraisal  
24 and then tell them what the property  
25 costs.

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2                   Or the other way we can do it  
3           is, we are starting to think about  
4           putting properties up on the multiple  
5           listing service and then seeing what  
6           people offer us by doing it.

7                   So we just sold a property, for  
8           example, on Hancock Street, an historic  
9           property in Old City, that had been  
10          appraised at a certain number. It wasn't  
11          moving, it sat there for about two years.  
12          And so, what we did was, we put it up on  
13          the Website.

14                   And the number came in a little  
15          bit lower. But we felt like that was the  
16          legitimate fair market value for that  
17          property. And it's now being rehabbed.  
18          And it was for about \$350,000, so we got  
19          a substantial amount of money.

20                   So, that's essentially the way  
21          the Redevelopment Authority disposes of  
22          property.

23                   I want to address Councilwoman  
24          Blackwell's -- sort of two questions I  
25          think were in there.

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2                   One is, I agree with you. I  
3           think that we're in agreement that we  
4           should be sharing this information with  
5           you earlier in the process.

6                   I think, when I came into the  
7           Redevelopment Authority, we were -- we  
8           got lots of complaints from developers,  
9           I'll just say, or from folks out trying  
10          to buy parcels who said that they thought  
11          that sometimes the process of having to  
12          go to Council slowed things down.

13                   So, frankly, we took a look at  
14          that whole process, but I think there are  
15          ways now that we can make sure that it  
16          moves, while still sending it to you guys  
17          earlier in the process.

18                   COUNCILWOMAN BLACKWELL: We're  
19          not the ones who slow it down.

20                   MS. GILLEN: Yes, yes.

21                   COUNCILWOMAN BLACKWELL: We  
22          don't slow it down. Your department  
23          slows it down, not us. We have the  
24          people who ask us.

25                   MS. GILLEN: I understand.

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2 COUNCILWOMAN BLACKWELL: We  
3 have the people that come to us.

4 MS. GILLEN: I understand.

5 COUNCILWOMAN BLACKWELL: Like  
6 I've said, many times, back in 1999, we  
7 had a PowerPoint, we tried to market our  
8 area. We had 30 developers who wanted to  
9 come in to get properties.

10 MS. GILLEN: Mm-hmm.

11 COUNCILWOMAN BLACKWELL: That's  
12 when we could -- VPRC could give  
13 properties nominally. They could go for  
14 tax credits, and it worked.

15 MS. GILLEN: Right.

16 COUNCILWOMAN BLACKWELL: Now,  
17 to try to do it in reverse, I mean, we  
18 don't know what the board may try to  
19 agree to. And then we've got zoning  
20 issues that we have to go to communities  
21 about and all of that. We're clear on  
22 what our neighborhoods want.

23 We do not slow the process  
24 down; it is your department that slows  
25 the process down, not us.

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2 MS. GILLEN: Okay.

3 COUNCILWOMAN BLACKWELL: Or you  
4 who slow the process down. The people  
5 who work for you aren't trying to slow it  
6 down, but you won't free stuff up and let  
7 things go. It is you who slow us down,  
8 not -- your departments.

9 You have people who work for  
10 you, people who work for the City we  
11 worked with for many, many years, 20  
12 years, 30 years, 35 years. We kind of  
13 all know how to work together. We accept  
14 the rules that we need to accept. We're  
15 okay.

16 But you at the helm have to  
17 agree to let things go and let us work  
18 and let us do the things that we need to  
19 do to improve our districts and improve  
20 the quality of life in our city. We can  
21 do it if you let us.

22 MS. GILLEN: Okay.

23 COUNCILWOMAN BLACKWELL: That's  
24 why we're here at this hearing.

25 Councilman Jones, she said she

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2 was answering the question. And then  
3 Councilwoman Miller.

4 COUNCILMAN JONES: You kind of  
5 got passionate about this issue, which I  
6 appreciate, Madam Chair.

7 My question was more germane to  
8 a couple of specifics.

9 MS. GILLEN: Okay.

10 COUNCILMAN JONES: One, if we  
11 have a half dozen agencies that have the  
12 ability to hold and/or acquire property  
13 ranging from Philadelphia Housing  
14 Development Corporation, Redevelopment  
15 Authority, the Philadelphia Industrial  
16 Development Corporation, Public Property,  
17 PHA, the Sheriff, and a sundry number of  
18 others, what is confusing to me and this  
19 body and probably dreadfully confusing to  
20 a community person and/or developer, God  
21 forbid, in a recession, what door to go  
22 through, what process to begin, and how  
23 to do that.

24 So my question becomes: If you  
25 want to develop a parcel, A, in a org

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2 chart that we talked about, in a process  
3 evaluation review technique, where does  
4 it begin? Does it begin at sheriff's  
5 sale? does it begin in the Vacant  
6 Property Review Committee? does it begin  
7 talking to your Councilperson?

8 If you were answering a  
9 developer, not just for your agency but  
10 for the City of Philadelphia, is there a  
11 PERT chart that someone with moderate  
12 intelligence can look to, to gain access  
13 to property information today?

14 MS. GILLEN: No, no, there's  
15 not.

16 COUNCILMAN JONES: All right.  
17 So there is no predictability, there is  
18 no transparency because it -- and not to  
19 say that in a nefarious way, but there is  
20 no openness to how to acquire and have  
21 interest in properties in the City of  
22 Philadelphia. So it's left to the silos  
23 to determine.

24 And if you're lucky enough to  
25 walk through one door, there it is. But

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2 if your misfortune is to call 4-1-1, you  
3 could be on a merry-go-round until the  
4 next recession.

5 So the point -- I understand  
6 that you guys have taken this on, and I  
7 think it's an important thing to let this  
8 committee know how to try to make sense  
9 of this. And I wanted to know where we  
10 are in the process of providing the  
11 public with a -- or developers or people  
12 with engineering degrees on how this  
13 property acquisition disposition process  
14 in the City of Philadelphia works.

15 And I know you were working on  
16 it, and I wanted to get a update on it.

17 MS. GILLEN: Well, yeah, I  
18 share your frustration. It is a source  
19 of just wonder to me that we are where we  
20 are today. I agree with you.

21 I can tell you that the  
22 Redevelopment Authority has pretty good  
23 data. We are -- you know, we're trying  
24 to work with the other land-holding  
25 agencies. We have a pretty good

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2 relationship with PHDC.

3 As you know, the Mayor appoints  
4 that boards, I sit on that board, Deborah  
5 McCulloch sits on that board. So we are  
6 now in the process of putting together a  
7 pretty good list that PHDC has developed.

8 And there's no reason that I  
9 believe, by the end of this year, which,  
10 I think, gets to Councilwoman Quiñones's  
11 point, that in the interim, there are  
12 things we ought to do.

13 I think there's no reason that  
14 by the end of this year we couldn't have  
15 a single list at least of the  
16 Redevelopment Authority, PHDC, and Public  
17 Property properties posted on the City's  
18 website, with a phone number or someone  
19 that somebody should call to say, I want  
20 to buy one of these.

21 Because your point is that a  
22 developer doesn't want to have to go to  
23 three different agencies, and they  
24 shouldn't have to. And I think that's an  
25 interim solution that we could put

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2 together, because we've got the  
3 technology to put together.

4 And some of it is just a  
5 question of staffing that Public  
6 Property's staff and our staff would have  
7 to work together, but I think that's  
8 certainly an accomplishable goal.

9 So that's all I can tell you,  
10 but I don't want to speak for Public  
11 Property because they're here and they  
12 should speak for themselves.

13 COUNCILMAN JONES: I happen to  
14 know, Madam Chairwoman, that there are  
15 developers that come to Philadelphia from  
16 New York and surrounding areas with a  
17 interest and intrigue as to how our  
18 property values are so much lower than  
19 Washington, D.C.'s, so much lower than  
20 New York's, and we are strategically  
21 located in between the two, that a lot of  
22 people are looking for North Philly to be  
23 the fifth borough of New York based on  
24 the transit ability to get to that area.  
25 But there is a constant frustration of

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2 how to plug in.

3 And if we are in a recession  
4 and if we are looking in the couches for  
5 quarters to balance budgets with 20  
6 million here and 20 million there short,  
7 these are ways that we can build our way  
8 out of our condition.

9 And it is frustrating when  
10 people do come to us, not for any other  
11 personal interests other than they are  
12 interested in my district. They say,  
13 Well, how do I get started? who do I talk  
14 to? where is the line? where do I bid?  
15 Those kinds of things.

16 And, again, we have to have a  
17 city process, because when I start  
18 explaining to them alphabet soup -- PHD,  
19 RDA, PHA -- I mean, their eyes glaze  
20 over, and they pack their bags and move  
21 to Camden. And I'm saying that we have  
22 to address this.

23 Councilwoman Blackwell makes a  
24 excellent point. We're in the third year  
25 of this administration, third year of

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2 this administration. If you're talking  
3 about next year, well, there's four years  
4 of -- you know, I used to go at PCDC to  
5 ribbon-cuttings all the time; it was one  
6 of the favorite part of my job. And we  
7 have slowed that down almost to  
8 nonexistent; I haven't used those  
9 scissors in quite some time, and I'm  
10 wondering if I ever will if we don't  
11 start churning the pump.

12 Thank you, Madam President.

13 COUNCILWOMAN BLACKWELL: Thank  
14 you. Thank you.

15 Councilwoman Miller?

16 COUNCILWOMAN MILLER: Thank  
17 you. Thank you, Madam Chair.

18 You know, I just want to say  
19 that I have the same concerns that you've  
20 expressed. And, certainly, I think the  
21 public needs to be educated on how to  
22 purchase properties.

23 I had this discussion last week  
24 with Joan Schlotterbeck regarding the  
25 surplus property, and I just think the

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2           public needs to be more aware of how to  
3           get a property and what the steps are for  
4           acquisition.

5                         But I also just want to make  
6           some of my own comments. I'm glad to  
7           hear, Ms. Gillen, that you decided that  
8           it's best to talk to City Council early  
9           on in the process rather than later.  
10          When did you make that decision? I mean,  
11          how long in terms of time?

12                        MS. GILLEN: We've been sort of  
13          inching in that direction, but a couple  
14          weeks ago, after talking to some  
15          Councilmembers and to folks in the  
16          Redevelopment Authority.

17                        COUNCILWOMAN MILLER: Okay.  
18          You know, one of the things that I keep  
19          hearing -- and I'm very frustrated. I've  
20          been here for a while and, you know, out  
21          in the community before I came here, was  
22          involved in development and building.

23                        And at this point, I'm  
24          frustrated. Someone called me the other  
25          day and wanted to know what they should

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2 do to acquire properties. I said, you  
3 know, I haven't had it in so long, I  
4 forgot. And I feel that way.

5 Who is in charge here? Who  
6 reports to RDA? Who reports to you?  
7 Does OHCD report to you?

8 MS. GILLEN: No, no, ma'am, no.

9 COUNCILWOMAN MILLER: Does PHDC  
10 report to you?

11 MS. GILLEN: No.

12 COUNCILWOMAN MILLER: Okay,  
13 'cause it seems like, you know, there's  
14 some influence going on, things changed.

15 We've been working -- I've been  
16 here 14 years, and I've been working with  
17 OHCD and PHDC and all of these agencies  
18 for a number of years. And it changed  
19 two years ago, it changed when you came.

20 And I thought that actually  
21 everybody -- I thought that you were  
22 influencing other departments because  
23 they report to you.

24 MS. GILLEN: No.

25 COUNCILWOMAN MILLER: Okay.

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2 One of the things that in terms of  
3 holding up development, I get calls all  
4 the time, people actually saying what  
5 Habiba said, that she cannot get a return  
6 phone call. I get calls from developers  
7 that say that they call you in particular  
8 and cannot get a return phone call.

9 So for anyone to even imply  
10 that City Council would hold any  
11 development up is just a little bit -- a  
12 little bit crazy, because we're  
13 interested in rebuilding our  
14 neighborhoods. We would not be there to  
15 hold up any development.

16 One of the other rumors that I  
17 hear is that a lot of the new people that  
18 you've hired think that we don't know  
19 what we're doing, and some of the other  
20 parts of that comment I'll have the  
21 same -- I'll have to save it and have a  
22 private discussion about some of the  
23 other comments I've made -- I've heard  
24 about Councilmembers.

25 You know, we were here, we've

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2 been here a long time, most of us. I  
3 think you and Maria and Curtis came at  
4 the same time. But the rest of us have  
5 been here for a while. And most of us,  
6 our only interests is in developing  
7 neighborhoods.

8 Rays of Hope. I drove through  
9 Belfield Avenue last night on my way home  
10 from an event, and I showed my girlfriend  
11 a site there, and we also looked at that  
12 entire block. There's so much work to be  
13 done on that block.

14 If we can get this project  
15 started, we're hoping it will kick-start  
16 other interests. I mean, people have the  
17 nerve to have a for-sale sign up at a  
18 house that looks like it's falling down  
19 and a for-rent sign.

20 So, you know, we want this  
21 done, we want to get it done as soon as  
22 possible. We don't want next winter to  
23 come and can't break ground because it's  
24 too cold and the ground is too hard. I  
25 don't know the reason for that.

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2                    But I'm just perplexed over --  
3           I feel like I'm in a fight, in a  
4           struggle, and I don't want to be like  
5           that. I didn't come here to fight, I  
6           didn't come here to be frustrated.

7                    Something's not happening  
8           right. And we have to move this  
9           rebuilding-our-neighborhood agenda  
10          forward. I don't want to fight you. I  
11          don't want to fight any housing agencies.

12                   So whatever the holdup is --  
13          and if we all need to sit down maybe  
14          together again and get it done, we need  
15          to sit down and discuss this stuff, air  
16          it out.

17                    We are going to be here.  
18          Whether the RDA and its staff likes it or  
19          not, we will be here.

20                    Our interest is in rebuilding  
21          neighborhoods. And we need you. We  
22          should be partners, we should not have to  
23          struggle like this; it doesn't make  
24          sense.

25                    If I call you, call me back.

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2 If I e-mail you, e-mail me back.

3 MS. GILLEN: Well,  
4 Councilwoman, I do want to say that I'm  
5 surprised to hear anybody say that I  
6 wouldn't call or e-mail anyone 'cause I  
7 --

8 COUNCILWOMAN MILLER: Well, you  
9 do, but it takes a week or two.

10 MS. GILLEN: No, ma'am. I  
11 respectfully but firmly disagree with  
12 that. I have to say that I have a pretty  
13 firm rule that I return all phone calls  
14 and e-mails within 24 hours.

15 COUNCILWOMAN MILLER: Well, I  
16 don't call you that often --

17 MS. GILLEN: Okay, but I'm  
18 just --

19 COUNCILWOMAN MILLER: -- but I  
20 will e-mail you.

21 MS. GILLEN: I'm just saying  
22 that that is the one issue that I'm going  
23 to take issue with, number one.

24 And, number two, I do want to  
25 point out that this administration and

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2           the Redevelopment Authority last summer  
3           went after some competitive federal  
4           monies, some stimulus money, called the  
5           Neighborhood Stabilization Program, a  
6           very competitive program. And my staff  
7           and I, you know, sort of worked very hard  
8           with the Office of Housing to apply for  
9           those funds.

10                         And we were able to target  
11           three neighborhoods for those funds and  
12           two of the neighborhoods are -- one is in  
13           the Third District, Mantua, which is  
14           Councilwoman Blackwell's neighborhood.  
15           And one is in your district, in the  
16           Nicetown neighborhood.

17                         And, with all due respect,  
18           we've done a lot. I mean that money just  
19           started -- you know, was just freed up in  
20           February, so we haven't started spending  
21           it yet.

22                         But I do think that we are  
23           trying to work as good partners with you.  
24           I think we're trying to bring resources  
25           to your neighborhoods because we

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2 recognize, and the Mayor recognizes, that  
3 those are neighborhoods that have lots of  
4 troubles, lots of vacancy, lots of  
5 dilapidated housing and the need for  
6 affordable housing. And that is one  
7 reason that we targeted your  
8 neighborhoods.

9 So I want to keep working with  
10 you as a partner and to try to address  
11 your concerns. And I think we're doing  
12 that.

13 But I did want to remind you  
14 that we have tried to bring additional  
15 resources to your neighborhood in  
16 addition to the ones that we've been  
17 discussing today.

18 COUNCILWOMAN MILLER: Well, you  
19 don't have to remind me; I think I sent  
20 you a letter that stated I appreciate the  
21 additional resources that are being  
22 brought to the district. And, yes, we  
23 did work together very well on that NSP2,  
24 with Nicetown being one of the target  
25 areas, because my next actual e-mail to

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2 you is going to ask you, when will the  
3 RFP going out? because I noticed -- I  
4 believe you sent the RFP out for Point  
5 Breeze, so I wanted to know what was  
6 going on with NSP2 and the Nicetown  
7 project.

8 And those are things we work  
9 good on. But then, all of a sudden,  
10 something else happens, like the 21st and  
11 Venango. You know, like when do they get  
12 it, when do they get it? We've been  
13 working in these neighborhoods for a long  
14 time.

15 We have priorities too, and  
16 maybe that's where we butt heads. You  
17 have priorities, we have priorities.  
18 Let's sit down and discuss the priorities  
19 and agree on what they should be, okay?

20 And I do -- and I'll say it  
21 publicly again. I do agree and I do  
22 appreciate the fact that additional  
23 resources have been added in the 8th  
24 District. Some of our neighborhoods are  
25 still in dire need, even after NTI. And

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2           there's a lot of work that needs to be  
3           done, a lot of work that needs to be  
4           done. And we want to do this in a honest  
5           way, honest way.

6                         But -- so, you know, I'm not  
7           going to dispute you on that because I  
8           agree with that, but then on the other  
9           hand, something else will happen.

10                        MS. GILLEN: Well, I agree. I  
11           just want you to be aware we are aware of  
12           the needs of your district. Absolutely,  
13           absolutely.

14                        COUNCILWOMAN MILLER: Right,  
15           right. But guess what, Donna is too.  
16           Ask me.

17                        MS. GILLEN: Okay.

18                        COUNCILWOMAN MILLER: Don't  
19           ever leave me out.

20                        MS. GILLEN: We agree.

21                        COUNCILWOMAN MILLER: Okay,  
22           thank you.

23                        COUNCILWOMAN BLACKWELL: Thank  
24           you very much. Thank you.

25                        With regard to urban farms, you

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2 know I've had an issue for several years  
3 on the Mill Creek Farms when you  
4 mentioned Mantua. You know, we have --  
5 it's in that area, the Mill Creek Farms  
6 on Haverford Avenue, where we have the  
7 opportunity to change the land to have  
8 the farm and the neighbors agree to have  
9 a farm next to Sulzberger School, where  
10 can't build on land due to the creek and  
11 have that land be used for low-income  
12 public housing, a block square.

13 Why won't you consider allowing  
14 us to do it? Or maybe you've changed  
15 your mind. Why can't we have a block  
16 square of low-income housing built by PHA  
17 as well as a block for the garden that is  
18 so used by homeless people, by neighbors,  
19 by everybody? Why can't we have both?  
20 Why do we have to keep holding up on  
21 that?

22 And we also -- PHA was even  
23 willing to do the borings, but they --  
24 you wouldn't even let 'em do the borings  
25 to prove their case. Why can't we have a

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2 farm and a housing development? Why  
3 can't we have both?

4 MS. GILLEN: Well,  
5 Councilwoman, all I would say is that  
6 that's a larger land-use question. And  
7 my understanding is that it's -- that's  
8 in the Mayor's Office, and I had thought  
9 you and the Mayor had discussed that; is  
10 that not correct?

11 COUNCILWOMAN BLACKWELL: Well,  
12 the Mayor has been yielding to you.

13 MS. GILLEN: That would be a  
14 first.

15 COUNCILWOMAN BLACKWELL: And  
16 the people who have said they want to  
17 keep it there don't live in -- I don't  
18 know where they live. The neighbors  
19 across the street from the project are  
20 fine with going a few blocks down to  
21 Sulzberger. But the people who don't  
22 want to move it are people who do farms  
23 and move around the City or wherever they  
24 move to, but I don't know them.

25 And we have the opportunity to

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2 have a housing development and satisfy  
3 the other need that is wonderful too.  
4 They do grow vegetables and give it to  
5 PhilAbundance and various homeless  
6 projects. It's a great project, but  
7 where we can have two, I don't know why  
8 we have to keep having it listed as an  
9 unresolved issue.

10 We would really like to -- we'd  
11 like to be able to have housing there,  
12 that four-block square. Do you know what  
13 it's like in the winter, when it's just  
14 all weeds and dirt and nothing? I mean,  
15 why can't we, when we can make the --

16 And not only that, but  
17 Sulzberger has a school and they have a  
18 watershed program with the students, and  
19 this would expand it because it's right  
20 across the street, next to the proposed  
21 Lucien E. Blackwell Community Center.

22 And we would like to -- you  
23 know, we've been asking, you know, for  
24 this since the beginning of this  
25 administration.

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2 MS. GILLEN: And I'm going to  
3 have to just check in with the Mayor's  
4 Office, because my understanding is  
5 that's the place where this decision was  
6 being made. So all I can tell you is  
7 that I will check with them.

8 COUNCILWOMAN BLACKWELL: I  
9 mean, this issue only came up because we  
10 were at the end of the garden  
11 agreement --

12 MS. GILLEN: Well, I --

13 COUNCILWOMAN BLACKWELL: -- so  
14 it means it's been there for five years.

15 MS. GILLEN: I understand.

16 COUNCILWOMAN BLACKWELL: But  
17 these are issues that frustrate us and  
18 make us not understand why we -- you  
19 know, why we have these kinds of  
20 problems. We shouldn't have these  
21 problems.

22 We know -- we're elected to  
23 know what people want in our areas, what  
24 people want in our neighborhoods. And we  
25 certainly are concerned when we can't get

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2 these -- get these issues resolved.

3 I know we mentioned the NTI  
4 Program, and I know that's a big issue  
5 with my colleague Councilman Clarke, who  
6 had to step out for an opening; he'll be  
7 back.

8 But we would like to -- we need  
9 our acquisition, we need money for our  
10 projects. And what -- where are we with  
11 the NTI issue?

12 MS. GILLEN: Well, as I said  
13 earlier, the process has started 'cause  
14 it's really -- it's cranking up and it's  
15 at the OHCD stage right now, so I'll  
16 let...

17 (Deborah McCulloch comes  
18 forward.)

19 MS. MCCOLLOCH: Good morning.  
20 Deborah McCulloch, Director of Housing.

21 COUNCILWOMAN BLACKWELL: Good  
22 morning.

23 MS. MCCOLLOCH: On the NTI  
24 funding, as I testified last week at the  
25 Con Plan hearing, some of the money has

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2 been released and is going forward now;  
3 that's sort of what we're calling on the  
4 program side, so that additional funding  
5 has been made available for the Basic  
6 Systems Repair Program and the Adaptive  
7 Modifications Program so that cases can  
8 move through, using NTI funding. On the  
9 acquisition side, we're prepared to start  
10 moving that forward also.

11 I met with each Councilmember  
12 last fall and reviewed what was in the  
13 pipeline for each district. In each  
14 case, there were some questions on both  
15 sides. Sometimes some Councilmembers  
16 needed to give me a list of priorities;  
17 in some cases, there were questions that  
18 OHCD or the Redevelopment Authority had  
19 to answer.

20 I am reviewing all of those  
21 letters now. You'll be getting your sort  
22 of updated letter from that meeting to  
23 say, okay, this is the list, let's look  
24 at it again and make sure this is what  
25 you want.

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2                         In some cases, I have gotten  
3           responses from Council people but not  
4           from everyone. So everyone will get a  
5           letter so that we're back all sort of at  
6           the same place.

7                         In some cases, meetings have  
8           been scheduled already to start reviewing  
9           that. They're all going to be scheduled  
10          as we get through this week. I've got to  
11          get through the Con Plan hearings this  
12          week, and then we'll get those off and  
13          going.

14                        And and over the summer, we'll  
15          be off to the races to finalize the list.  
16          And then the Redevelopment Authority is  
17          the agency that actually carries out the  
18          acquisitions.

19                        As they're moving forward this,  
20          committee that Terry mentioned earlier,  
21          IRT, which stands for Interagency Review  
22          Team, will be reviewing each of those  
23          lists to see what properties are on the  
24          list. The IART Committee is composed of  
25          representatives of the Redevelopment

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2 Authority, OHCD, the Planning Commission,  
3 Commerce to make these -- for the new  
4 ones to make recommendations to the Chief  
5 of Staff, who's the point person on  
6 the -- approving the acquisitions.

7 So you'll be giving us the  
8 lists, we'll be reviewing them through  
9 IART, making recommendations to the Chief  
10 of Staff, and then we'll be ready to  
11 roll.

12 We have to, as you know, align  
13 each property with a funding source, that  
14 there are different funding sources for  
15 the NTI -- of different types of NTI bond  
16 proceeds, so we have to ensure that  
17 properties are aligned with the proper  
18 funding source in order to move them  
19 forward so that we don't have the sorts  
20 of issues that we had in the past.

21 COUNCILWOMAN BLACKWELL: Thank  
22 you.

23 Questions?

24 Councilwoman Quiñones?

25 COUNCILWOMAN SANCHEZ: I have a

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2 question, Deborah. And, again, you know,  
3 hindsight.

4 I guess the issue is, you --  
5 we -- this Council want to improve a  
6 concept plan that will impact NTI and our  
7 NTI planning. So on the one hand, we're  
8 going to go through this review process  
9 that's going to be post your Consolidated  
10 Plan approval. And I'm just wondering,  
11 where do those things come together?  
12 because one thing may leverage the other.

13 So, for instance, in some  
14 cases, what my pipeline is -- and my list  
15 hasn't changed; if anything, it's grown  
16 since we last met. Some of that requires  
17 NTI acquisition so that then you could  
18 do, you know, some CDBG funding and so  
19 forth.

20 So I guess I'm asking you,  
21 what's going to be the timeline on that?  
22 'cause I feel like we've been here before  
23 and we've had this conversation before.

24 So are we going to say 30 days?  
25 You're saying you're going to get a

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2 letter to us when, before we approve the  
3 Consolidated Plan or after?

4 MS. McCOLLOCH: The letter will  
5 not come before the Consolidated Plan  
6 process. The Consolidated Plan -- well,  
7 the Consolidated Plan is still in  
8 committee, so it needs to be passed out  
9 of committee --

10 COUNCILMAN CLARKE: Point of  
11 order.

12 COUNCILWOMAN SANCHEZ: Mm-hmm.

13 MS. McCOLLOCH: -- and  
14 presented to the --

15 COUNCILMAN CLARKE: Point of  
16 view, Madam Chair. Madam Chair, point of  
17 view.

18 COUNCILWOMAN BLACKWELL: Yes.  
19 Councilman Clarke, point of order.

20 COUNCILMAN CLARKE: And in your  
21 mind, what's the deadline for the  
22 Consolidated Plan?

23 MS. McCOLLOCH: The deadline is  
24 June 17th.

25 COUNCILMAN CLARKE: Why?

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2 MS. McCOLLOCH: Because that's  
3 last day of City Council hearings, and  
4 the Consolidated Plan must be submitted  
5 to HUD no later than August 15th.

6 COUNCILMAN CLARKE: And we've  
7 never submitted a consolidated plan after  
8 August?

9 MS. McCOLLOCH: We have never  
10 submitted a consolidated plan after  
11 August; and by statute, it must be  
12 submitted by August 15th.

13 COUNCILMAN CLARKE: You're sure  
14 of that?

15 MS. McCOLLOCH: I'm sure of  
16 that.

17 COUNCILMAN CLARKE: Right all,  
18 okay. Thank you.

19 COUNCILWOMAN SANCHEZ: Is there  
20 any way that we can get a sense from you  
21 based on those lists we gave in the fall,  
22 prior to the Consolidated Plan?

23 MS. McCOLLOCH: Get a sense of  
24 them?

25 COUNCILWOMAN SANCHEZ: We gave

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2 you a list of pipelines of what we wanted  
3 to do. I guess my issue becomes that  
4 because we've held up the NTI, a lot of  
5 this stuff was dependent on several  
6 different things.

7 And I just want to know at what  
8 point that comes together in the summer,  
9 'cause, again, we have the October  
10 deadline of tax-credit deals for folks  
11 who are doing stuff independent of us.

12 So I just feel like, you know,  
13 what's your timeline? Can you guys say  
14 in the next 30 days, this is what we're  
15 going to do; in the next 60 days, this is  
16 what we're going to do; this is going to  
17 be the point person, and this is how  
18 we're going to move forward?

19 MS. McCOLLOCH: I can say to  
20 you that, certainly, by the end of June,  
21 I will have reviewed all of the  
22 information that I have and be  
23 scheduling. In some cases, another  
24 meeting may need to be scheduled with the  
25 City Council representative; in some

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2 cases, we may not need a meeting because  
3 what whatever we have is what we have.

4 COUNCILWOMAN SANCHEZ: Mm-hmm.

5 MS. McCOLLOCH: And so, we  
6 would be able to begin to move those  
7 forward. I just -- each district may  
8 have a different list and may have a  
9 different set of --

10 COUNCILWOMAN SANCHEZ: But the  
11 problem becomes that even for us, as we  
12 begin to spend the NTI money, unless we  
13 have access to staff to tell us a range  
14 of some of the land acquisition pieces  
15 we're putting together -- sort of like if  
16 we wait for the one meeting, I just feel  
17 like there's a whole bunch of work that  
18 we could be doing prior to finalizing  
19 that, that we've not been able to do  
20 because staff has not been available to  
21 us to sit down and say, Okay, we're  
22 bundling this parcel. You know, give us  
23 some estimated numbers so that we can  
24 move forward.

25 So I'm feeling a little

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2 apprehensive that we're delaying and  
3 delaying and delaying. And I'd like to  
4 get at least some sense that we can move  
5 some of those.

6 MS. McCOLLOCH: I'm sorry,  
7 Councilwoman. Staff -- I'm not sure,  
8 when you say staff hasn't been available,  
9 which staff you're referring to.

10 COUNCILWOMAN SANCHEZ: Well,  
11 mainly from the RDA's perspective to sit  
12 down and start looking at what are going  
13 to be the market value on some of these  
14 things as we bundle stuff. There's a  
15 whole technical piece to this.

16 MS. McCOLLOCH: Okay.

17 COUNCILWOMAN SANCHEZ: You  
18 know, we want to be ready. We've met  
19 with all of our CDCs, we know what all  
20 the pipelines are, we know the land what  
21 are the lands that we want to bundle.

22 We need to begin to meet with  
23 the legal teams to begin to look at how  
24 much are these parcels going to cost,  
25 what are the projects, and so forth.

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2                       I just feel like if we have to  
3           wait to go to the top to the come back to  
4           the bottom to go to the top to the come  
5           back to the bottom, there's a lot of time  
6           that's being spent there.

7                       So can we get some agreement  
8           that staff -- and I don't know how it's  
9           going to be coordinated in terms of staff  
10          from OHCD and RDA because, again, we  
11          haven't had clarity around who's taking  
12          the lead or how that's being coordinated.  
13          This is the first time I'm hearing about  
14          the intergroup.

15                      But we need to be able to take  
16          this in front of somebody that begins to  
17          work through some of that process.

18                      MS. GILLEN: Yeah. I think  
19          that we're ready to start that work now.  
20          I mean, I think that in -- we're not  
21          going to hold up all ten Council  
22          Districts for one or two; you know what  
23          I'm saying?

24                      So I think we're ready,  
25          especially on the Council Districts where

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2 we feel like the Council list is pretty  
3 much agreed on and everybody sort of  
4 knows what the goal is at least. I think  
5 we've got RDA staff ready to start doing  
6 the technical work as you describe it  
7 now, appraisals and title issues and  
8 things like that.

9 So I think this is going to be  
10 an iterative process. I don't think it's  
11 going to be where every single -- it's  
12 not going to be, nor was it in the past,  
13 that every project went on the same  
14 timeline.

15 COUNCILWOMAN SANCHEZ: Mm-hmm.

16 MS. GILLEN: I think it's a  
17 constant coordination, and everything's  
18 got to go, and I think we've got to get  
19 these projects moving as we can get them  
20 moving.

21 And we'll stop and take  
22 snapshots probably on a quarterly basis  
23 and say, Where are we? and how's spending  
24 going? and how's this Council District's  
25 projects going?

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2 But I think that's the way we  
3 see it. So we're prepared to start now.  
4 I just want to make sure that's clear.

5 COUNCILWOMAN SANCHEZ: So what  
6 does that mean? That means your staff  
7 will sit down with my staff?

8 MS. GILLEN: Yep.

9 COUNCILWOMAN SANCHEZ: Like  
10 yesterday?

11 MS. GILLEN: If your list is  
12 one of the lists that I think is --

13 COUNCILWOMAN SANCHEZ: We're  
14 ready.

15 MS. GILLEN: Yes --

16 COUNCILWOMAN SANCHEZ: We have  
17 been ready --

18 (Indiscernible; parties talking  
19 over each other.)

20 MS. McCOLLOCH: Actually, we  
21 have a meeting scheduled already.

22 (Indiscernible; parties talking  
23 over each other.)

24 COUNCILWOMAN SANCHEZ: I just  
25 feel like there's --

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2 MS. GILLEN: Yeah.

3 COUNCILWOMAN SANCHEZ: -- a  
4 certain amount of work at our level, and  
5 there's a certain amount of work that my  
6 staff could be --

7 MS. GILLEN: Yes.

8 (Indiscernible; parties talking  
9 over each other.)

10 COUNCILWOMAN SANCHEZ: ... even  
11 as it relates to vetting some of this  
12 stuff --

13 MS. GILLEN: Right.

14 COUNCILWOMAN SANCHEZ: -- so we  
15 know what's a possibility and what's not.

16 MS. GILLEN: Right. In your  
17 case, we're ready to go.

18 COUNCILWOMAN SANCHEZ: Okay.

19 MS. McCOLLOCH: And, as I say,  
20 in your --

21 COUNCILWOMAN SANCHEZ: Do you  
22 hear that, Jennifer?

23 MS. McCOLLOCH: -- particular  
24 case, your staff meeting has already been  
25 scheduled.

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2 COUNCILWOMAN SANCHEZ: Yeah, I  
3 know.

4 Thank you, Madam Chair.

5 COUNCILWOMAN BLACKWELL: Thank  
6 you very much.

7 Now, we have RDA's commitment  
8 that when people come to you, you won't  
9 take it to the board without coming to  
10 the Council people.

11 MS. GILLEN: Absolutely.

12 COUNCILWOMAN BLACKWELL: Okay.

13 Now, let me ask another  
14 question. With regard to publicly-owned  
15 properties, we want to bring up the issue  
16 that some property under RDA ownership,  
17 PHDC or PHA, that we will consider all of  
18 those properties without selling bits of  
19 'em off, because sometimes these entities  
20 want to buy it for a big project, or  
21 would consider it.

22 So we need to -- we need -- and  
23 that's a Public Property issue as well,  
24 that we will ask Ms. Schlotterbeck that  
25 we look at properties in one area, so if

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2           they're publicly-owned, we can have one  
3           project as opposed to them possibly being  
4           sold off or doled out, and then we're  
5           stuck.

6                         So do you agree with that?

7                         MS. GILLEN: I certainly agree  
8           that's the goal. Obviously, I can't bind  
9           those other agencies, so that's above my  
10          pay grade.

11                        COUNCILWOMAN BLACKWELL: Well,  
12          the others are easy to work with,  
13          Ms. Gillen.

14                        MS. GILLEN: All, okay right.

15                        COUNCILWOMAN BLACKWELL: We've  
16          been asking a lot of questions. Do we  
17          have more questions?

18                        COUNCILWOMAN SANCHEZ: Yes.  
19          Let's -- I'd like to go back if I may,  
20          Madam Chair.

21                        COUNCILWOMAN BLACKWELL: And  
22          then we'll ask Public Property, we'll  
23          bring them up next.

24                        COUNCILMAN CLARKE: Madam  
25          Chair, I'd like to ask some questions.

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2 COUNCILWOMAN BLACKWELL: Thank  
3 you. So my colleagues will ask  
4 questions, and then we'll ask  
5 Ms. Schlotterbeck to come forward.

6 COUNCILWOMAN SANCHEZ: I want  
7 to understand kind of this appraisal  
8 situation 'cause we've been doing this  
9 desktop appraisals, and I think  
10 Councilman Jones alluded to this earlier.

11 The radius in which we're doing  
12 comparables -- and I have a case right  
13 now and it's actually in front of Public  
14 Property. We need to agree on an  
15 appraisal process for the City-runs. I  
16 know that -- and when I -- quasi-City,  
17 PHDC, at least Public Property and RDA; I  
18 know PHA has its own process, they got to  
19 get federal approval for their  
20 disposition.

21 Because what happens is, in  
22 certain neighborhoods where it abuts --  
23 for instance, everything south of Lehigh  
24 abuts Fishtown and Northern Liberties.  
25 You do a desktop appraisal, there's a

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2           two-mile radius, and I'm getting a comp  
3           that comes from Northern Liberties, which  
4           is just ridiculous.

5                     You know, we've asked for  
6           reconsiderations. Again, these are the  
7           ones that are caught up in, I'm sure,  
8           Clare Arbruster's desk.

9                     We got to come up with a better  
10          way of saying what's an actual comp and  
11          not. I'd rather have a comp from  
12          Southwest Philadelphia that's my reality  
13          versus these Northern Liberties and  
14          Fishtown appraisals.

15                    What are our legal caveats?  
16          And ultimately, what is the level of  
17          discretion we have on those?

18                    MS. GILLEN: Right. And we're  
19          dealing with one that is in, I would say,  
20          on the edge of Kensington right now that  
21          has the exact same problem, where we know  
22          the appraisal is too high, we know  
23          they're comparing it to Northern  
24          Liberties. It's making the deal not  
25          workable.

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2 And the problem is that the RDA  
3 is required to sell properties basically  
4 within appraisals, so we've got our  
5 lawyers looking at this very issue right  
6 now, to figure out how do we make  
7 realistic adjustments for neighborhoods  
8 because neighborhood boundaries could --

9 COUNCILWOMAN SANCHEZ: But what  
10 are we telling our appraiser? I mean, we  
11 hire them, and we say, Hey we want an  
12 appraisal that's fair?

13 MS. GILLEN: Well, there are  
14 standard guidelines in a appraisers use.  
15 And, unfortunately, they don't  
16 necessarily -- they -- you know, it's  
17 much art as science, as we're finding  
18 out.

19 So we -- you know, what we have  
20 done is, we've gone back and said to  
21 them, for instance, We know that you're  
22 comparing this to properties that are  
23 going to be sold for housing purposes,  
24 but this is a non-housing use.

25 COUNCILWOMAN SANCHEZ: Mm-hmm.

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2 MS. GILLEN: So can you do an  
3 appraisal based on that.

4 So there are certain ways that  
5 we can give the appraisers realistic  
6 directions or better directions that we  
7 haven't done in the past. So we're  
8 trying to do that to see if that's  
9 getting the appraisals to be more  
10 realistic.

11 COUNCILWOMAN SANCHEZ: And in  
12 one case, we had an appraisal come in,  
13 you know, based on Northern Liberties.  
14 You know, one is commercial.

15 MS. GILLEN: Yep.

16 COUNCILWOMAN SANCHEZ: The  
17 other's industrial.

18 MS. GILLEN: Yep.

19 COUNCILWOMAN SANCHEZ: I mean,  
20 that should not be acceptable.

21 MS. GILLEN: It should not be  
22 acceptable.

23 And moreover, Councilwoman, the  
24 other problem that we're seeing is, lots  
25 of appraisers' appraisals are coming in

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2 high because they're comparing it to  
3 folks who are speculating.

4 COUNCILWOMAN SANCHEZ: Mm-hmm.

5 MS. GILLEN: And under the  
6 Redevelopment Authority, as you know,  
7 we're saying to people, No, you've got to  
8 go and develop it now. Well, that lowers  
9 of value of the property.

10 COUNCILWOMAN SANCHEZ: Mm-hmm.

11 MS. GILLEN: And the appraiser,  
12 in the past, has not taken that into  
13 consideration.

14 So we are absolutely trying to  
15 figure out a way to tweak the appraisal  
16 process so that it is more realistic,  
17 it's producing more consistent numbers,  
18 both high and low. Again, as I said,  
19 we've seen appraisals come in both too  
20 high and too low, which makes us  
21 concerned.

22 We're looking at the way other  
23 places do it, because this isn't just a  
24 Philly issue, so we're trying to figure  
25 out, what does Boston? what does

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2 Baltimore do? what do other places do?

3 And how we do it so that it's  
4 not subject to mishandling, you know, so  
5 that it's not subject to somebody giving  
6 an appraiser a wink and a nod and saying,  
7 Hey, give me a low number, because  
8 that's -- you know, we don't want that  
9 either.

10 So it's really hard. This has  
11 turned out to be way harder than I  
12 thought it would be. But we are -- you  
13 know, all I can tell you is, we're  
14 working on it.

15 And anytime any of you get an  
16 appraisal that you think is out of whack,  
17 we --

18 COUNCILWOMAN SANCHEZ: We have  
19 been sending them back. And it leads me  
20 to another issue that's been one that's  
21 difficult, because every time we bring it  
22 up, there's this notion that we're doing  
23 something bad, and it's the ability to  
24 give folks sweat equity.

25 You know, we set up processes

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2 where, you know, we've given people urban  
3 garden agreements and they now want to  
4 buy them. And these appraisals are  
5 coming back at -- you know, so high.

6 And there's, like, this  
7 reluctance to say -- and we've done it  
8 before. You know, we've done sweat  
9 equity before; that's where the whole \$1  
10 house program came in, and people had to  
11 put in --

12 You know, I can't understand  
13 why we can't say there's a value to the  
14 fact that people kept these properties  
15 clean for all these years. Many of them  
16 did improvements. And that's  
17 complicated.

18 MS. GILLEN: Right.

19 COUNCILWOMAN SANCHEZ: To me,  
20 it's not complicated. If you maintained  
21 it for ten years, you know, it costs us a  
22 thousand dollars to clean a lot. This  
23 person has kept this lot clean for 20  
24 years, you know. If we had cleaned it in  
25 our normal vacant lot, they'd have put

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2           in -- we'd have spent \$20,000 potentially  
3           on that lot.

4                         Why is it so, you know, out of  
5           the norm to say we're going to do, you  
6           know, a 50 percent credit to these folks  
7           for maintaining it?

8                         MS. GILLEN: Right, yeah. And  
9           I haven't thought about that as much, but  
10          it ought to be a problem that we should  
11          be able to figure out. I agree.

12                        COUNCILMAN CLARKE: Thank you,  
13          Madam Chair. Thank you, Councilwoman.

14                        Good afternoon now.

15                        I just wanted to first follow  
16          up on the questioning of Councilwoman  
17          Sanchez with respects to appraisals. And  
18          we actually had a similar problem up in  
19          some areas up and around the Strawberry  
20          Mansion community, where we were looking  
21          at values; and frankly speaking, the  
22          appraisals they were valuing, they were  
23          appraisals based on property at 15th and  
24          Cecil B. Moore, which were Temple --  
25          people were purchasing lots to build

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2 student housing, so you know those  
3 appraisals out of whack.

4 But what we looked at -- and  
5 never got to implement it because the  
6 market tanked -- is, if you do an  
7 appraisal and you standardize the  
8 appraisal process, and the market value  
9 is what the market value is based on the  
10 appraisal, but in a case where the sales  
11 value of that particular project won't  
12 make -- won't -- will not allow the  
13 project to move forward because the value  
14 of the acquisition is too costly to  
15 accommodate the development, we looked at  
16 a possibility that if you put a soft  
17 second or third mortgage that amortizes  
18 over a period of time, so if the  
19 person -- we want to do affordable  
20 housing or, you know, workforce housing  
21 that doesn't have a deep subsidy, that  
22 person buys the property, but you sell it  
23 for, say, 50 percent, and the remaining  
24 50 percent amortizes over a period of  
25 time if that person agrees to stay in the

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2 house.

3 So, therefore, as it relates to  
4 the purchase price, the deal works  
5 because the purchase price is not so high  
6 that it won't -- that it will support the  
7 construction loan and the mortgage.

8 We actually think that that's a  
9 process that works. It allows you to  
10 keep a standardized appraisal process so  
11 that, as you said earlier, Ms. Gillen,  
12 people aren't winking and saying lower to  
13 appraisal, because that's not a real  
14 value.

15 But it gives the government the  
16 ability -- and we did the research; it is  
17 actually allowed under the statute to  
18 give that -- the rest of that sales price  
19 as a soft second or a soft third,  
20 depending on what position you would like  
21 to have that in your mortgage.

22 So, therefore, you sell it at a  
23 reasonable amount, the deal works. That  
24 person has a commitment to stay in that  
25 property for a period of time. It stops

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2 the speculation, 'cause if that person  
3 sells the property, that 50 percent kicks  
4 in immediately at the close, so they have  
5 to immediately pay the remainder of that  
6 purchase price.

7 So it gives you an opportunity  
8 to work a deal, but it also makes sure  
9 that you have the appraisal process in a  
10 standard way and also gives you an  
11 opportunity, in the event that that  
12 person does not comply with that  
13 agreement, to recapture that additional  
14 50 percent.

15 So that's just one thought.  
16 And we were actually ready to proceed,  
17 but the market tanked, and we didn't get  
18 a chance to implement it, but it made  
19 sense.

20 MS. GILLEN: All right. Well,  
21 we'll take a look at it. I mean,  
22 anything that we think makes sense, I  
23 mean, because this has been an area of  
24 great frustration for everyone, I think,  
25 and I'm open to all suggestions on this.

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2 COUNCILMAN CLARKE: Yeah.

3 Well, we're actually -- as we proceeded,  
4 we've actually been driving up the cost  
5 of our own acquisition process.

6 MS. GILLEN: Sure.

7 COUNCILMAN CLARKE: So the  
8 government is probably paying more than  
9 anybody else in the City for land,  
10 because we have to pay the maximum  
11 amount --

12 MS. GILLEN: Correct.

13 COUNCILMAN CLARKE: -- in  
14 addition to putting money in the court.  
15 So we're driving those values up in the  
16 neighborhoods. And, frankly speaking,  
17 they're not realistic.

18 MS. GILLEN: Right.

19 COUNCILMAN CLARKE: I just want  
20 to get a question 'cause I'm a numbers  
21 guy. I know we want to do things  
22 differently and we're looking at other  
23 cities and other states, and we're  
24 working on systems.

25 But at the end of the day, it's

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2           always been my belief that housing  
3           production -- in particular, affordable  
4           housing -- is about the numbers,  
5           providing as many opportunities to build  
6           affordable housing as possible. And I  
7           think that's what we all should be here  
8           to facilitate.

9                         So what I would like to ask  
10           you, Miss McCulloch, is if you can give  
11           us analysis -- not very detailed, but  
12           just on the bottom line, what are the  
13           numbers in terms of the number of units  
14           that we have funded both in rental and in  
15           homeownership for the last six years?

16                         MS. MCCOLLOCH: Total?

17                         COUNCILMAN CLARKE: Total --  
18           no, I want 'em broken down by year,  
19           though. How many units were funded and  
20           how many units were completed is not  
21           really at issue 'cause that takes a long  
22           time.

23                         I just need to know how many  
24           units we've funded over the last six  
25           years.

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2 MS. McCOLLOCH: Okay.

3 COUNCILMAN CLARKE: 'Cause I  
4 think that ultimately, at the end of the  
5 day, our ability to do that and position  
6 ourselves to take advantage of leveraging  
7 PHFA or Federal Home Loan Bank or any of  
8 the other funding entities is most  
9 important. And I'm a little concerned  
10 that I'm not seeing the level of  
11 production as we move ahead.

12 Fortunately enough, Councilman  
13 Greenlee and I just left for a  
14 groundbreaking. It wasn't even  
15 affordable housing, Councilwoman; it was  
16 market-rate housing.

17 COUNCILWOMAN MILLER: Okay.

18 COUNCILMAN CLARKE: But it was  
19 in a community in Francisville, where we  
20 had done a significant amount of  
21 affordable housing. And the reality is  
22 that that market-rate housing now works  
23 because of the investment over the years.

24 And Miss McCulloch and Scott,  
25 you all know 'cause you've been involved

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2 in a very aggressive way.

3 Half a block away, on Poplar  
4 Street, affordable housing is coming up  
5 out of the ground; Councilwoman Blackwell  
6 is seeing the development. And it was a  
7 gentleman, a development team; they're  
8 building market-rate housing, and the  
9 only thing we had to do to facilitate  
10 that was to assist 'em in zoning and, you  
11 know, pull the appropriate community  
12 groups together.

13 So I'm very concerned. It's a  
14 good thing. I'm very concerned about the  
15 numbers, 'cause at the end of the day, if  
16 we're not here to facilitate the building  
17 of affordable housing, then why are we  
18 here? I mean, it's just --

19 You know, I was with the Mayor  
20 Saturday, up on Germantown Avenue,  
21 looking at a development, Warnock Place.  
22 And we were up on the roof. The senior  
23 citizen development had a green roof  
24 sitting there, and it was wonderful. And  
25 the people there were so happy and

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2 thankful to have an opportunity to have  
3 affordable housing that was quality  
4 housing. So I think that that should be  
5 our primary focus.

6 So with all of that, I just  
7 want to say that I'm a little  
8 concerned about -- and if I didn't hear  
9 this 'cause I was not here -- this  
10 process, as it relates to being in the  
11 position to meet the October timeline, as  
12 Councilwoman Sanchez said.

13 We have tax credit submissions  
14 due in October. It will conceivably be  
15 -- and I hope I'm wrong. The possibility  
16 is it's the last time we'll have a  
17 friendly governor in place -- a friendly  
18 government; I'm not going to say  
19 "governor." Mr. Hudson is somebody that  
20 we've worked with all the years. And  
21 he's very, very receptive to  
22 Philadelphia-based projects.

23 So my understanding is, the way  
24 this works, we have to be in a position  
25 to show site control. So that October

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2 deadline, particularly as it relates to  
3 PHFA, will require that we have site  
4 control. So if do not facilitate the  
5 acquisition process as quickly as  
6 possible, 'cause you now say that that  
7 process won't start till after the comp  
8 grant, that:

9 One, we won't be in a position  
10 to show site control, which is critical.

11 Two, the way the projects are  
12 awarded -- 'cause, contrary to popular  
13 belief, Councilpeople don't actually  
14 select funding for projects. I know most  
15 people think we get to decide what's  
16 financed; that's just not the way it  
17 works.

18 So understanding the fact that  
19 you all have a process where you would  
20 determine what projects get funded, and  
21 given the way the process currently  
22 works, they may not coincide with what  
23 Councilmembers are interested in having  
24 acquired to facilitate a project down the  
25 line.

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2 How do you -- do you see my  
3 concern about the possibility where those  
4 two things may not...

5 MS. McCOLLOCH: I haven't  
6 received confirmation that the PHFA tax  
7 credit applications will be due in  
8 October; but if that's the case, then  
9 we're going to have to deal with that  
10 deadline.

11 COUNCILMAN CLARKE: I'm only  
12 repeating what the director told me.

13 MS. McCOLLOCH: Okay. I'm just  
14 saying I haven't -- I heard it from you,  
15 so that's great. I'm happy to hear that.

16 The current -- we currently  
17 have a set of tax credit applications at  
18 PHFA, not all of which do we expect will  
19 receive funding. So some of those that  
20 are currently there will be held over  
21 until the next round. So I expect that  
22 we'll have some there already.

23 And then we need to, as you  
24 say, line up whatever the next set are.  
25 So the Office of Housing and Community

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2 Development will have to issue an RFP  
3 because it will depend on part of our  
4 subsidy for part of it so that there's  
5 the question about how much subsidy is  
6 the City willing to contribute to the  
7 deals, and they also have to have site  
8 control.

9 Now, the question for PHFA will  
10 be: Will a resolution of Council be  
11 sufficient for site control? And that  
12 has been a debate that we have gone back  
13 and forth with PHFA about what PHFA will  
14 consider as site control. Because if  
15 there is an October round, we could have  
16 a resolution of Council for any new  
17 properties that are needed.

18 COUNCILMAN CLARKE: A  
19 resolution authorizing condemnation.

20 MS. McCOLLOCH: Exactly.

21 COUNCILMAN CLARKE: Mm-hmm.

22 MS. McCOLLOCH: And so, if that  
23 will be sufficient for site control, then  
24 we'll be okay. If that won't be, we'll  
25 have to negotiate with PHFA about what we

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2 can give them to demonstrate site  
3 control.

4 COUNCILMAN CLARKE: So this is  
5 my concern, though, and I understand  
6 that.

7 If the Councilmember says that  
8 they are interested in acquiring these  
9 set of properties and you all may decide  
10 that you don't want to fund a project  
11 there, then what happens to that property  
12 and what happens to something that you  
13 fund?

14 Or are you going to be in a  
15 position -- 'cause I need to know this.  
16 Are you only going to fund that there's  
17 current site control? 'cause I think  
18 that's going to limit us dramatically.

19 Do you understand what I'm  
20 saying?

21 MS. MCCOLLOCH: I want to make  
22 sure I understand. You're asking, will  
23 we only support where the subsidy  
24 developments that have site control?

25 COUNCILMAN CLARKE: Correct.

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2 MS. McCOLLOCH: Because our  
3 expectation is that PHFA --

4 COUNCILMAN CLARKE: Correct.

5 MS. McCOLLOCH: -- will only  
6 accept developments that have site  
7 control.

8 COUNCILMAN CLARKE: Correct.

9 MS. McCOLLOCH: And I think  
10 there, again, the question will be: What  
11 do we think PHFA will accept as site  
12 control, that if a resolution of Council  
13 authorizes --

14 COUNCILMAN CLARKE: Yeah, but  
15 it doesn't matter. If there's no site  
16 control, they're not going to accept  
17 that.

18 I'm not talking about whether  
19 or not the resolution suffices; I'm  
20 talking about if -- assume they do accept  
21 the resolution --

22 MS. McCOLLOCH: Because --

23 COUNCILMAN CLARKE: It's not  
24 the same --

25 MS. McCOLLOCH: I'm --

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2 COUNCILMAN CLARKE: If the  
3 Councilmember is interested in acquiring  
4 "Parcel A" --

5 MS. McCOLLOCH: Mm-hmm.

6 COUNCILMAN CLARKE: -- you all  
7 don't fund that; you want to fund "Parcel  
8 B" that may not have entire site control.

9 So I guess what I'm trying to  
10 say is: Are we going to be able to get  
11 on the same page in terms of what should  
12 be funded? 'cause you're not going to  
13 issue our RFP until the fall.

14 MS. McCOLLOCH: Well --

15 COUNCILMAN CLARKE: So how will  
16 we know --

17 MS. McCOLLOCH: Right.

18 COUNCILMAN CLARKE: I don't  
19 want to go out here and acquire property  
20 'cause I'm assuming we're going to start  
21 this acquisition process relatively soon.

22 MS. McCOLLOCH: Mm-hmm.

23 COUNCILMAN CLARKE: And then  
24 that property not be given consideration  
25 for funding from the City, 'cause,

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2 frankly speaking, it's just a waste of  
3 acquisition dollars.

4 MS. McCOLLOCH: I understand  
5 what you're saying. So we have to figure  
6 out how to coordinate the RFP for the  
7 subsidy with the acquisition.

8 COUNCILMAN CLARKE: Correct.  
9 That's my -- and normally, you know, if  
10 there's this long timeline or pipeline,  
11 eh.

12 MS. McCOLLOCH: Right.

13 COUNCILMAN CLARKE: But I'm  
14 just -- you understand what could  
15 potentially happen.

16 MS. McCOLLOCH: I understand  
17 the issue. Let me sit down and think it  
18 through and go over it with you what an  
19 appropriate schedule would be.

20 COUNCILMAN CLARKE: All right.  
21 You understand it?

22 MS. McCOLLOCH: I understand  
23 the issue.

24 COUNCILMAN CLARKE: All right.  
25 Thank you.

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2                   COUNCILWOMAN BLACKWELL: Thank  
3           you very much.

4                   And the Councilman confirms  
5           what we know, that income is different  
6           from the quality of housing. We have, in  
7           Lucien Blackwell Homes, rental and  
8           homeownership side-by-side. And he said  
9           they had a dedication, he and Councilman  
10          Greenlee, at market-rate housing across  
11          the street from low-income housing.

12                   Now, all of it rises. You  
13          know, if we subsidize those things we  
14          need to, the quality of life improves.  
15          And we have found that from homeless  
16          people to people at the lowest level,  
17          when it comes to income. If you give  
18          them a good product, as Carl Green says,  
19          they will treat it that way.

20                   So the quality of life rises  
21          for everybody when we do the right thing.

22                   Having said that, I think we  
23          should go to Public Property.

24                   COUNCILWOMAN MILLER: Can I ask  
25          one more question?

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2 COUNCILWOMAN BLACKWELL: Yes.

3 After Councilwoman Miller asks her  
4 question.

5 COUNCILWOMAN MILLER: Thank  
6 you, thank you.

7 All right. Good afternoon.

8 And, hopefully, this is my last question  
9 for RDA.

10 RDA has reported 15 new hires  
11 during this period since you came there?

12 MS. GILLEN: Since in June of  
13 2008?

14 COUNCILWOMAN MILLER: Yes.

15 MS. GILLEN: That's -- that  
16 sounds right. I don't know if that's the  
17 right number, but I think so.

18 COUNCILWOMAN MILLER: Probably.

19 Okay. Do you have a minority recruiter  
20 there?

21 MS. GILLEN: A minority  
22 recruiter?

23 COUNCILWOMAN MILLER: Are you  
24 specifically looking for minorities?  
25 'cause it looks like 73 percent of all

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2 your hires are non-colored folks.

3 MS. GILLEN: Well, we work very  
4 hard to try to get as much diversity as  
5 possible, including, you know,  
6 minorities, African-Americans, and  
7 Latinos.

8 So, yes, it's a significant  
9 goal for us.

10 COUNCILWOMAN MILLER: Okay.  
11 Are people applying for the jobs?

12 MS. GILLEN: Oh, yeah, people  
13 are applying, yes.

14 COUNCILWOMAN MILLER: So  
15 there's a diverse population of folks  
16 that are applying?

17 MS. GILLEN: Are people of  
18 color applying?

19 COUNCILWOMAN MILLER: Yes.

20 MS. GILLEN: In some cases,  
21 yes. And I'd have to check on all of  
22 them.

23 I do know that, in most cases,  
24 we have really worked very hard to --  
25 when people of color have not applied, to

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2 do some outreach and to try to circulate  
3 the job description and get more people  
4 of color to apply.

5 So it's something that we have  
6 to work at.

7 COUNCILWOMAN MILLER: Okay.  
8 Can you give this committee, through the  
9 Chair, information on your recruitment  
10 process, how many jobs have you -- how  
11 many positions have become available and  
12 how many folks have applied and how  
13 diverse that group is, where your needs  
14 are?

15 MS. GILLEN: Okay, sure.

16 COUNCILWOMAN MILLER: Because  
17 the report I have says that your hiring  
18 has actually been 73 percent Caucasian,  
19 27 percent African-American. And then we  
20 look at salaries.

21 So I'd really like to get some  
22 additional information.

23 MS. GILLEN: Certainly,  
24 certainly.

25 COUNCILWOMAN MILLER: Okay, all

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2 right. Thank you.

3 MS. GILLEN: You're welcome.

4 COUNCILWOMAN BLACKWELL: And  
5 let me mention that we've heard rumors  
6 about Wayne King, a minority, who's been  
7 in the City as long as many of us, and  
8 they say he lost his job, got a cut in  
9 salary, had his office taken, and he's in  
10 a little cubby. And we all know him to  
11 be a excellent worker.

12 Obviously, it's rumor. I don't  
13 know the details of it, but it's an issue  
14 that concerns us since he is one of the  
15 minorities who had worked his way up to  
16 having a decent job and one who's  
17 committed to our city and its  
18 neighborhoods.

19 COUNCILWOMAN MILLER: And I  
20 support the Wayne King comments too,  
21 Jannie. I know that he's been very  
22 professional and has worked well with our  
23 office, extremely competent.

24 COUNCILWOMAN BLACKWELL:  
25 Exactly, that's right. So you can figure

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2           out how you respond to that with us, but  
3           it's an issue.

4                       MS. GILLEN:   Okay.

5                       COUNCILWOMAN BLACKWELL:  Thank  
6           you.

7                       So we will need you,  
8           Ms. Gillen.  Maybe you can stay while we  
9           call up Public Property, because many  
10          issues overlap.

11                      Deb, we think you can probably  
12          sit back.  Thank you.  I'm sure you  
13          regret it.

14                      (Laughter.)

15                      (Commissioner Joan  
16          Schlotterbeck comes forward.)

17                      COUNCILWOMAN BLACKWELL:  Thank  
18          you.  And thank you for letting us go  
19          to -- Mr. Herzins is sick.  Please give  
20          him our best.

21                      COMMISSIONER SCHLOTTERBECK:  I  
22          will.

23                      COUNCILWOMAN BLACKWELL:  We  
24          appreciate the work that he does.  And  
25          our issues are issues that we mentioned.

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2 Many of them overlap; Public Property  
3 owns some, RDA has some.

4 But we are concerned about the  
5 side yard issue with VPRC and the urban  
6 garden issue as well as the policy for  
7 public surplus property. So it's kind of  
8 the same issues in adjacency. I guess  
9 those are the issues.

10 So we'll maybe start with side  
11 yards and urban gardens.

12 COMMISSIONER SCHLOTTERBECK:

13 Okay. Joan Schlotterbeck, Public  
14 Property Commissioner.

15 Urban garden agreements? In an  
16 effort to simplify the process, it's a  
17 license agreement. There's no reason for  
18 them to go through the VPRC process. So  
19 we figure we would just do a license  
20 agreement direct and have the Mayor's  
21 Office of Sustainability work with us and  
22 get it done quicker.

23 In your correspondence,  
24 apparently it stated that I had suspended  
25 it, and that's not the case, so there's a

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2           misunderstanding. We're just trying to  
3           make it simpler by doing licensed  
4           agreements.

5                        COUNCILWOMAN BLACKWELL: All  
6           right. Then would you ask your people --  
7           because our people have gotten formal  
8           notices that everything is on hold so  
9           that they know that this continues.

10                      COMMISSIONER SCHLOTTERBECK:  
11           Okay.

12                      COUNCILWOMAN BLACKWELL: Also  
13           with appraisals -- in fact, we just went  
14           through all of that with RDA.

15                      We had one in two small blocks  
16           in West Philly. The people wanted the  
17           side yards. One was appraised at 10,000  
18           on Montrose Street; and on Mantua Avenue,  
19           one was appraised at \$15,000. And  
20           they're just side yards that people have  
21           been taking care of for years.

22                      So my office asked them then to  
23           for an urban garden agreement. That's  
24           when they were written that they were  
25           contacted, saying that the urban garden

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2 agreement policy was on hold.

3 But can't we -- it seems to  
4 me -- and that was one of the values of  
5 the Vacant Property Review Committee,  
6 that people who had side yards could get  
7 them nominally. They're taking care of  
8 them, they're keeping them clean, they're  
9 planting gardens and flowers and that  
10 sort of thing. And if they get them  
11 nominally, then they help maintain the  
12 block.

13 But if we ask them to pay fair  
14 market value for them and then at times  
15 the value is not taken narrowly by that  
16 area, then it makes it untenable; it just  
17 makes it not reasonable for them, and  
18 everything falls down.

19 Can we look at that?

20 COMMISSIONER SCHLOTTERBECK:

21 Sure. And I think it's two separate --  
22 what I'm trying to point out is that the  
23 agreement is simply a license agreement.  
24 So rather than have it go through the  
25 Vacant Property process going forward, we

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2 would just issue them directly.

3 The issue of value -- and  
4 that's a function of the Office of  
5 Housing now. It used to be in RDA, but  
6 it's now in OHCD.

7 (Indiscernible; parties talking  
8 over each other.)

9 COMMISSIONER SCHLOTTERBECK: So  
10 the answer is yes. I mean, with the new  
11 policy, that's what we're going to do;  
12 we're going to address all of these  
13 concerns.

14 COUNCILWOMAN BLACKWELL:  
15 Absolutely. And we ask Miss McCulloch --  
16 we won't pull her back today on that  
17 'cause we still have to do Curtis Jones's  
18 bill, and there is another hearing, they  
19 tell me, at 1. So we'll try to wind  
20 down.

21 But, at any rate, maybe our  
22 next time, you can talk a little bit --  
23 if you are doing the whole issue of  
24 property appraisals for Public Property,  
25 you can respond to that at our next

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2 meeting, okay?

3 COUNCILWOMAN SANCHEZ: Can I

4 get (inaudible)?

5 COUNCILWOMAN BLACKWELL:

6 Absolutely.

7 COUNCILWOMAN SANCHEZ: Thank

8 you, Commissioner.

9 So if Public Property is now  
10 going to do these agreements with OHCD,  
11 how is that working? Walk me through the  
12 process for renewals and for new ones.

13 COMMISSIONER SCHLOTTERBECK: If  
14 somebody wants to apply for a garden  
15 agreement, they just contact us.

16 COUNCILWOMAN SANCHEZ: So  
17 who's -- John's going to be the point  
18 person on that?

19 COMMISSIONER SCHLOTTERBECK:  
20 Yes.

21 COUNCILWOMAN SANCHEZ: So the  
22 application goes to John, OHCD signs off  
23 on it?

24 COMMISSIONER SCHLOTTERBECK: I  
25 don't believe OHCD has to sign off on it.

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2 COUNCILWOMAN SANCHEZ: Okay.

3 No, but you said something around the  
4 value. It goes to --

5 COMMISSIONER SCHLOTTERBECK:

6 No. I was trying to clarify the two  
7 issues.

8 COUNCILWOMAN SANCHEZ: Okay.

9 COMMISSIONER SCHLOTTERBECK:

10 Going forward, we thought it would be  
11 simpler not to have people apply through  
12 the VPRC process; it takes more time.

13 COUNCILWOMAN SANCHEZ: Mm-hmm.

14 COMMISSIONER SCHLOTTERBECK:

15 What has already gone through that  
16 process and has -- an appraisal happens;  
17 that's not something that I'm involved  
18 in.

19 COUNCILWOMAN SANCHEZ: Okay.

20 COMMISSIONER SCHLOTTERBECK:

21 It's more of a function of the process of  
22 VPRC.

23 COUNCILWOMAN SANCHEZ: Okay.

24 COMMISSIONER SCHLOTTERBECK:

25 That's what I was trying to clear.

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2 COUNCILWOMAN SANCHEZ: I think  
3 one of things that would be important --  
4 and I know I was working with VPRC on  
5 this -- was the whole issue of when --  
6 how is Public Property then going to  
7 conduct due diligence on the urban  
8 agreements when they get renewed?

9 COMMISSIONER SCHLOTTERBECK:  
10 Well, we were going to work with the  
11 Office of Sustainability; and, actually,  
12 they were going to partner with us, so  
13 most of it would fall back on them.

14 COUNCILWOMAN SANCHEZ: So  
15 they're going to do the site visits to  
16 make sure --

17 COMMISSIONER SCHLOTTERBECK:  
18 Mm-hmm.

19 COUNCILWOMAN SANCHEZ: --  
20 people are in compliance --

21 COMMISSIONER SCHLOTTERBECK:  
22 Absolutely.

23 COUNCILWOMAN SANCHEZ: -- to  
24 their urban garden agreement?

25 COMMISSIONER SCHLOTTERBECK:

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2 Absolutely.

3 COUNCILWOMAN SANCHEZ: Do they  
4 have the staffing for that?

5 COMMISSIONER SCHLOTTERBECK: I  
6 believe they do, yes. You know, I wasn't  
7 in the meeting. John took them directly  
8 with those folks, but yes --

9 (Indiscernible; parties talking  
10 over each other.)

11 COUNCILWOMAN BLACKWELL: Who  
12 runs the Office of Sustainability? I  
13 don't even remember what --

14 COMMISSIONER SCHLOTTERBECK:  
15 Katherine Gajewski.

16 COUNCILWOMAN BLACKWELL: Pardon  
17 me?

18 COMMISSIONER SCHLOTTERBECK:  
19 Katherine Gajewski.

20 COUNCILWOMAN BLACKWELL: Now I  
21 know as much as I did before. Thank you,  
22 though.

23 COMMISSIONER SCHLOTTERBECK:  
24 I'm happy to get back to you with how  
25 it's going to work; I'm happy to do that.

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2 COUNCILWOMAN SANCHEZ: Yeah. I  
3 mean, again, we -- I'd like some  
4 recommendations in terms of how do we do  
5 that process --

6 COMMISSIONER SCHLOTTERBECK:  
7 Okay.

8 COUNCILWOMAN SANCHEZ: To  
9 facilitate but at the same time have some  
10 accountability as it relates to those.

11 COMMISSIONER SCHLOTTERBECK:  
12 Okay.

13 COUNCILWOMAN SANCHEZ: I know  
14 the Chair had asked you about the  
15 appraisals, a discussion we've also had.  
16 So given the discussion we've had prior,  
17 how are you guys handling appraisals when  
18 they come higher, in response to some of  
19 the issues?

20 COMMISSIONER SCHLOTTERBECK: We  
21 have recently done a broker program  
22 pilot. And then we did -- we have three  
23 Council Districts that we're doing the  
24 online bidding process. And we haven't  
25 gotten appraisals. The market is

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2 dictating the price.

3 COUNCILWOMAN SANCHEZ: Yeah,  
4 but on those properties where we've seen  
5 high appraisals, what's your process if  
6 an appraisal comes in with comparables  
7 that are like what we've been talking  
8 about here prior to --

9 COMMISSIONER SCHLOTTERBECK: I  
10 actually haven't run across that yet.  
11 Remember, I -- if it's through the VPRC  
12 process, those appraisals are done  
13 through OHCD, not --

14 COUNCILWOMAN SANCHEZ: Mm-hmm,  
15 okay, all right.

16 Thank you, Madam Chair.

17 COUNCILWOMAN BLACKWELL: Thank  
18 you very much.

19 We would like a report on this  
20 Office of Sustainability. I don't know  
21 which --

22 COMMISSIONER SCHLOTTERBECK:  
23 I'm happy to do that.

24 COUNCILWOMAN BLACKWELL: Thank  
25 you. And how -- and whose role they

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2 take --

3 COMMISSIONER SCHLOTTERBECK:

4 I'm happy to do that.

5 COUNCILWOMAN BLACKWELL: And

6 how it changes things.

7 Thank you very much.

8 COMMISSIONER SCHLOTTERBECK:

9 Sure.

10 COUNCILWOMAN BLACKWELL: And

11 disposition procedures is on our -- I

12 assume, with adjacency, you're willing to

13 work with us for -- and not dispose of a

14 public piece of property if we're

15 developing the whole area.

16 COMMISSIONER SCHLOTTERBECK:

17 That goes without saying.

18 COUNCILWOMAN BLACKWELL: Yes.

19 COMMISSIONER SCHLOTTERBECK: My

20 role is never to interfere with any

21 development.

22 COUNCILWOMAN BLACKWELL: I'm

23 sure.

24 Is there a new disposition

25 program that you're undertaking? Is this

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2 what you're talking about with this  
3 Office of Sustainability? Then we'll  
4 wait to here with that.

5 COUNCILWOMAN SANCHEZ: No,  
6 she's talking about her pilot  
7 (inaudible)...

8 COUNCILWOMAN BLACKWELL: Okay.  
9 But do you have a new disposition  
10 program?

11 COUNCILWOMAN SANCHEZ: Your  
12 pilot. She's confused.

13 COMMISSIONER SCHLOTTERBECK:  
14 Well, the pilot program that we were  
15 talking about, we sought permission from  
16 three Council Districts. Met with the  
17 Councilpeople beforehand and got their  
18 buy-in, and then they understood what the  
19 program was and how it would work.

20 COUNCILWOMAN BLACKWELL: Give  
21 us more details of what that program is.

22 COMMISSIONER SCHLOTTERBECK:  
23 It's -- primarily, we targeted rowhomes,  
24 you know, middle of a row, like a house  
25 in the middle of a row that was a vacant

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2 lot.

3 And we ran the addresses past  
4 each Councilperson, and they gave us  
5 permission to put them on the website and  
6 to solicit bids. And it's been very  
7 successful.

8 They're all red-zoned  
9 residential, so as not to -- you know, it  
10 doesn't mean that someone can't come back  
11 and try to go through another zoning  
12 process, but that's a hearing that would  
13 take place, you know, in another venue.

14 COUNCILWOMAN BLACKWELL:  
15 Councilman Jones.

16 COUNCILMAN JONES: Thank you.

17 In which districts was this  
18 pilot program?

19 COMMISSIONER SCHLOTTERBECK:  
20 Council President, Darrell Clarke, and --

21 COUNCILMAN JONES: DiCicco?

22 COMMISSIONER SCHLOTTERBECK:

23 And Frank DiCicco, yes.

24 COUNCILMAN JONES: Which brings  
25 up a question for me.

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2 COMMISSIONER SCHLOTTERBECK:

3 Mm-hmm.

4 COUNCILMAN JONES: It seems to  
5 me that in areas where there is more  
6 marketability, greater value in real  
7 estate, that we get innovative, that we  
8 get creative, that we think outside of  
9 the box, that we, you know, try new and  
10 different things.

11 And when it comes to distressed  
12 areas -- without using "the lack of  
13 priority"; I don't want to say that -- it  
14 just doesn't -- we just don't get  
15 creative. And that's unacceptable, I  
16 want to tell you now.

17 The way neighborhoods get hot,  
18 the way neighborhoods become viable, the  
19 way neighborhoods take on value is when  
20 government goes in first, establishes a  
21 beachhead, shows that it can be done, and  
22 then the private sector follows.

23 Now, yes, Center City is a  
24 no-brainer; you know, those properties  
25 will probably find takers in the natural

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2 course of things.

3 It is the help of government  
4 that makes places like the 3rd District  
5 and the 4th District and the 7th District  
6 and the 9th District viable.

7 And so, I don't understand how,  
8 you know, all the time, you know, the  
9 best things happen in those districts,  
10 and we, you know, and we out in the  
11 regular communities representing  
12 working-class people wind up without  
13 innovation. I don't understand why they  
14 were chosen over us.

15 COMMISSIONER SCHLOTTERBECK: We  
16 just picked areas that we --

17 COUNCILMAN JONES: There's no  
18 "just" -- not those three districts.  
19 That's not --

20 COMMISSIONER SCHLOTTERBECK:  
21 Actually --

22 COUNCILMAN JONES: -- you're  
23 pulling them out of a hat.

24 COMMISSIONER SCHLOTTERBECK:  
25 Actually, when we worked with the Council

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2 President, she was reluctant to have us  
3 do anything creative in Point Breeze.  
4 So, I mean, there's dueling opinions  
5 about this.

6 COUNCILMAN JONES: It is not  
7 coincidental to me -- at least I don't --  
8 I won't buy that, that DiCicco's  
9 district, Darrell's district, and our  
10 president's district, all of which  
11 represent higher-income areas --

12 COMMISSIONER SCHLOTTERBECK:  
13 That's true.

14 COUNCILMAN JONES: What they  
15 have in common is that they touch Center  
16 City property values. And for us to use  
17 our resources there, when the private  
18 sector can just as easily step up to the  
19 plate because of those values, it seems  
20 to me a little bit discriminatory, I  
21 mean, quite frankly.

22 COMMISSIONER SCHLOTTERBECK:  
23 Well, we just wanted to see how it went,  
24 and we were --

25 COUNCILMAN JONES: Well, we

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2 could have saw --

3 COMMISSIONER SCHLOTTERBECK: --

4 on your doorstep.

5 COUNCILMAN JONES: We could  
6 have saw how it went in the 4th District,  
7 we could have saw how it went in the 7th  
8 District.

9 COMMISSIONER SCHLOTTERBECK:

10 Sure.

11 COUNCILMAN JONES: You didn't  
12 pick 'em out of a hat; you picked 'em out  
13 of rational, and I want to know what that  
14 rationale was.

15 COMMISSIONER SCHLOTTERBECK: I  
16 don't really know what the rationale was.

17 COUNCILMAN JONES: Okay. Thank  
18 you, Madam Chair.

19 COUNCILWOMAN SANCHEZ: Madam  
20 Chair, I just wanted to add, again, and I  
21 think this is a broader alphabet  
22 discussion. I think it's really  
23 important. I think what we're seeing is  
24 a need to liquidate properties, 'cause we  
25 want to bring in money on the short term,

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2 and I'm all for there are certain parcels  
3 that we need to get rid of.

4 My only concern, and I've said  
5 this before; I've said it to Terry and to  
6 Deborah and to the Commissioner -- is  
7 where we have the greatest value is where  
8 we have to ensure that we are building  
9 for the reality of the City. And if we  
10 let those valuable parcels go without  
11 looking at the need to ensure affordable  
12 and access to those neighborhoods, we're  
13 going to, as a city, concentrate poverty  
14 in districts like mine.

15 And I think that this is why it  
16 is so important that this administration  
17 articulate a housing and a community-  
18 development strategy that ensures that we  
19 are building for our -- the reality of  
20 our poverty.

21 And so, my concern is, when we  
22 sell the highest value, those are the  
23 places where we need to ensure that  
24 people have access, that Philadelphians  
25 have access.

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2                         And that's where my concern is  
3           as it relates to your point, Councilman  
4           Jones. If everything that's affordable  
5           is going to be in my district, then I'm  
6           always going to represent a district that  
7           is not diverse and does not allow for  
8           some market-rate accessibility.

9                         And that's a concern that I  
10           have, because this city, 36 percent of  
11           our children live in poverty, 25 percent  
12           are in poverty. That is our reality.

13                        When we're building for  
14           everybody who's coming in and not  
15           realizing that these are the people that  
16           we have to take care of, we're going to  
17           have sections of the City that have high  
18           concentrations of poverty and problems.

19                        COUNCILMAN JONES: On that  
20           note, well done and well put.

21                        How many deals were done in the  
22           1st District last year for the  
23           Redevelopment Authority and OHCD?

24                        COMMISSIONER SCHLOTTERBECK:  
25           You're asking me?

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2 COUNCILMAN JONES: No, I'm  
3 asking Miss McCulloch. How many deals  
4 were done in the 1st District last year?

5 (Ms. Gillen comes forward.)

6 MS. GILLEN: Terry Gillen.

7 By "deal," you mean a sale of  
8 land for an affordable housing project?

9 COUNCILMAN JONES: All of the  
10 above.

11 (Ms. McCulloch comes forward.)

12 MS. GILLEN: I'm sorry. I can  
13 get it for you, but I don't know --

14 COUNCILMAN JONES: And while  
15 you're getting that, I want to know: In  
16 the 1st, the 5th, and the 2nd, in those  
17 districts, how many deals were done?

18 MS. GILLEN: Okay.

19 COUNCILMAN JONES: And then I  
20 want to know how many were done in the  
21 4th and the dollar values.

22 MS. GILLEN: Okay.

23 MS. MCCULLOCH: I just want to  
24 make sure I -- you just want affordable  
25 housing ventures in each of those

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2 districts.

3 COUNCILMAN JONES: I want every  
4 transaction done in the 1st, the 2nd, and  
5 the 5th compared to my district, the 4th.  
6 Now, probably other Councilpeople would  
7 want that as well.

8 MS. McCOLLOCH: Okay.

9 COUNCILMAN JONES: I just want  
10 to see how this pattern continues.

11 MS. GILLEN: Okay. Well, you  
12 understand you're going to get through me  
13 anything that goes through that RDA;  
14 you're not going to get PIDC and you're  
15 not going to get Public Property from me.

16 So I'm just pointing out to you  
17 that --

18 COUNCILMAN JONES: Well, we'll  
19 request that as well.

20 MS. GILLEN: Yeah.

21 COUNCILMAN JONES: All right.  
22 Matter of fact, I don't see why we can't  
23 ask you to get it all and do a matrix to  
24 give us where things are, because I'm --  
25 I know we did very little.

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2 MS. McCOLLOCH: Actually,  
3 Councilman, you had requested this last  
4 week of me, and we're preparing it to be  
5 given back prior to the Con. Plan  
6 hearing.

7 COUNCILMAN JONES: Okay, thank  
8 you.

9 COUNCILWOMAN BLACKWELL: Thank  
10 you, Councilman.

11 Are there more questions?

12 (No response.)

13 COUNCILWOMAN BLACKWELL:  
14 Because we are going to continue this  
15 hearing.

16 But if there are no questions,  
17 then it is time for us -- Deb, you might  
18 as well stay -- to consider Ordinance  
19 100159. Will the clerk read the title of  
20 Ordinance 100159.

21 THE CLERK: An ordinance  
22 amending Chapter 21-1100 of the  
23 Philadelphia Code, entitled "Community  
24 Development," by amending Section  
25 21-1108, entitled "Economic Development,"

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2           to increase the percentage of funds that  
3           must be allocated to economic  
4           development, all under certain terms and  
5           conditions.

6                    COUNCILWOMAN BLACKWELL: Thank  
7           you very much.

8                    Miss McCulloch, would you like  
9           to present your testimony?

10                   MS. MCCOLLOCH: I'm not sure if  
11           Councilmembers received a copy of my  
12           testimony in advance or did not. They  
13           did? Okay. Then you don't need it.

14                   COUNCILWOMAN BLACKWELL: Thank  
15           you. Feel free to present your  
16           testimony.

17                   MS. MCCOLLOCH: Good afternoon,  
18           Councilwoman Blackwell and members of the  
19           Committee on Housing, Neighborhood  
20           Development, and the Homeless. I am  
21           Deborah McCulloch, Director of Housing,  
22           and I am here on behalf of the Nutter  
23           Administration to testify on Bill No.  
24           100159.

25                   COUNCILWOMAN BLACKWELL: Excuse

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2           me, one moment, Miss McCulloch.

3                       Let me say to those who are  
4           leaving the room that we're going to  
5           continue the rest of the hearing until  
6           June 16th, at 1 o'clock. So we'll ask  
7           all of those who are here now to be  
8           present then, because some people are  
9           preparing to leave.

10                      Thank you.

11                      Continue. Excuse me, Miss  
12           McCulloch.

13                      MS. MCCOLLOCH: This bill would  
14           mandate that at least 5 percent of  
15           Community Development Block (Grant CDBG)  
16           funds be allocated to economic  
17           development for mixed-use projects on or  
18           around commercial corridors.

19                      As drafted for Year 36 --  
20           that's Fiscal Year 2011 -- that 5 percent  
21           requirement is more than \$3 million based  
22           on the new CDBG entitlement of  
23           \$55.3 million and projected program  
24           income of \$13.1 million.

25                      The City supports the concept

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2           of mixed-use residential and commercial  
3           development on commercial corridors. In  
4           the past, the City has supported  
5           mixed-use developments on commercial  
6           corridors. OHCD has supported the  
7           residential portion, and the Commerce  
8           Department has supported the commercial  
9           portion.

10                         For example, the Nicetown Court  
11           development on Germantown Avenue combines  
12           commercial space on the ground floor with  
13           affordable rental housing units above.

14                         The Allegheny West Foundation  
15           recently completed a smaller mixed-use  
16           development on Lehigh Avenue, that  
17           combines retail space on the ground  
18           floor, with four apartments above.

19                         In the past, the State's MUF~~I~~,  
20           (Mixed-Use Financing Initiative) Program,  
21           which was part of the Pennsylvania  
22           Housing Finance Agency's Homeownership  
23           Choice Program, provided funds to support  
24           mixed-use development. Local MUF~~I~~  
25           projects have been carried out by

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2           Allegheny West, People's Emergency Center  
3           CDC, Mt. Airy USA, and New Kensington  
4           CDC. Because of the State's budgetary  
5           constraints, the PHFA is no longer  
6           funding MUFI or other Homeownership  
7           Choice activities.

8                         The Administration and  
9           Councilman Jones, the prime sponsor of  
10          Bill No. 100159, have had very productive  
11          discussions about the benefits and  
12          funding possibilities for mixed-use  
13          development.

14                        Councilman Jones has prepared  
15          an amendment to Bill No. 100159 that  
16          postpones implementation of the 5 percent  
17          requirement until Fiscal Year 2012, CDBG  
18          Year 37, and clarifies the basis on which  
19          the 5 percent calculation will be made.

20                        Funds not expended in any  
21          fiscal year for mixed-use development, as  
22          outlined in the amended bill, will be  
23          available for reprogramming for housing  
24          and economic development activities.  
25          Projects will be selected through a

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2           request-for-proposals process. The  
3           Administration supports this amendment.

4                     In the interim, OHCD and the  
5           Commerce Department will support a pilot  
6           program funded at \$1 million in CDBG  
7           resources in Fiscal Year 2011. To fund  
8           this pilot program, the Administration  
9           will present an amendment to the Year 36  
10          Consolidated Plan at the Finance  
11          Committee hearing on June 9th.

12                    Assuming this amendment is  
13          adopted, the City will issue a request  
14          for proposals for mixed-use development  
15          on commercial corridors in FY 2011, using  
16          the resources of this pilot program.

17                    I have discussed this approach  
18          with the bill's sponsor, and I believe  
19          that he is supportive. Mixed-use  
20          development is a concept that we all  
21          support.

22                    I'm happy to answer questions  
23          you or other Councilmembers may have.

24                    Thank you.

25                    COUNCILWOMAN BLACKWELL: Thank

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2           you very much.

3                     Are there those who would want  
4           to testify on this bill?

5                     Rick Sauer, Executive Director  
6           of CDCs, is here. And James White is  
7           here. We invite them to testify.

8                     (Mr. White comes forward.)

9                     COUNCILWOMAN BLACKWELL: Thank  
10          you, Mr. White.

11                    Thank you, Miss McCulloch.

12                    Thank you for your patience.

13                    MR. WHITE: Good afternoon,  
14          Madam Chair and distinguished members of  
15          the Council. Thank you for the  
16          opportunity to testify. My name is James  
17          White, and I am the policy coordinator of  
18          the Philadelphia Association of community  
19          development corporations.

20                    PACDC is a citywide association  
21          of more than 80 community development  
22          corporations and other organizations that  
23          have extensive experience developing  
24          residential and commercial properties,  
25          including mixed-use developments.

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2                   We would like to applaud  
3                   Councilman Jones and the Committee on  
4                   Housing, Neighborhood Economic  
5                   Development and the Homeless for  
6                   providing a public forum to discuss the  
7                   creation of a local dedicated funding  
8                   source to advance mixed-use development  
9                   projects.

10                  As you know, many properties  
11                  located within our neighborhood  
12                  commercial corridors consist of street-  
13                  level store fronts, with residential  
14                  apartments based in the upper floors.

15                  Rehabilitation of these  
16                  mixed-use buildings as well as  
17                  development of new ones offers a key  
18                  means of stabilizing and revitalizing  
19                  commercial corridors and surrounding  
20                  residential neighborhoods. Such  
21                  developments attract and retain  
22                  businesses, providing increased job and  
23                  housing opportunities for residents near  
24                  public transit. Communities that  
25                  stimulate -- these also stimulate an

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2           increased investment and strengthen our  
3           city's tax base.

4                     Mixed-use developments also  
5           contribute to community safety because  
6           they bring a double presence to a  
7           once-vacant space, the store and the  
8           residents of the apartments upstairs.

9                     In response to the challenge  
10          our members face accessing financing for  
11          mixed-use residential or commercial  
12          projects, PACDC convened key stakeholders  
13          and developed the concept that led to the  
14          creation of the Pennsylvania Housing  
15          Finances Mixed-Use Facility Financing  
16          Initiative in 2003.

17                    This initiative is designed to  
18          create a funding mechanism to help bridge  
19          gaps that often exist between housing  
20          lending and commercial lending and that  
21          may negatively impact the availability of  
22          financing for mixed-use developments.

23                    Through this initiative, PHFA  
24          has committed nearly \$12 million in  
25          funding that has leveraged \$120 million

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2           to support mixed-use development projects  
3           throughout the Commonwealth, including  
4           five projects sponsored by CDCs in our  
5           association.

6                        While PHFA has not had the  
7           resources to support any of their  
8           Homeownership Choice programs, including  
9           MUFI, for the past two years, it is our  
10          understanding that this is one of their  
11          priorities, to re-fund the MUFI program.

12                       PACDC supports the goals and  
13          intent of Bill No. 100159 to create a  
14          local dedicated funding source to advance  
15          mixed-use development projects. Although  
16          we are concerned about which programs in  
17          the City's proposed Year 36 Consolidated  
18          Plan, the approximately \$2.75 million in  
19          CDBG funds would be redirected from  
20          during Fiscal 2011.

21                       It is our understanding that  
22          the amendments have been agreed to that  
23          will address this issue by launching a  
24          pilot program in FY 2011, with the  
25          implementation requirements in the bill

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2           taking effect in FY 2012. We fully  
3           support such an amendment.

4                       We believe that the creation of  
5           a dedicated funding source for mixed-use  
6           development will help develop a pipeline  
7           of projects and give the City an  
8           opportunity to leverage additional  
9           matching resources from PHFA's MUFI  
10          programs when it becomes refunded and  
11          also from private lenders.

12                      PACDC's members are engaged in  
13          housing and economic-development  
14          activities critical to sustainable  
15          neighborhood revitalization and would  
16          welcome the much-needed resources this  
17          legislation will bring to their  
18          communities. We look forward to the  
19          opportunity to work with Council, the  
20          Administration, and other stakeholders  
21          around the implementation of this new  
22          dedicated funding source to advance  
23          mixed-use development that will  
24          strengthen the City's neighborhood  
25          commercial corridors and address

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2 residents' needs.

3                   Thank you.

4                   COUNCILWOMAN BLACKWELL: Thank  
5 you very much.

6                   Mr. White, let me commend you  
7 for the great job that you do and for  
8 your commitment and diligence as well.

9                   MR. WHITE: Thank you, Madam  
10 Chair.

11                   COUNCILWOMAN BLACKWELL: Thank  
12 you.

13                   Are there questions for  
14 Mr. White?

15                   COUNCILMAN JONES: Only to echo  
16 the Chairwoman's comments. And I look  
17 forward to and always engaging in an  
18 ideas exchange with you because what it  
19 tends to do is make our ideas better.

20                   And when we look at  
21 legislation, sometimes we don't recognize  
22 the unintended consequences on CDCs and  
23 people that are doing the actual work.  
24 And by coming to us and exposing us to  
25 those unintended consequences, the

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2           end-product is always better, and I just  
3           want to thank you for it.

4                     MR. WHITE: Thank you,  
5           Councilman. Always here to serve you.

6                     COUNCILWOMAN BLACKWELL: Thank  
7           you.

8                     We are waiting for two members  
9           of our committee. For those of you who  
10          are in office, who just stepped out,  
11          please come back. We need members of our  
12          committee so that we may report out Bill  
13          No. 100159.

14                    COUNCILMAN JONES: I just  
15          wanted to thank -- also, Madam Chair,  
16          while waiting for our members, this  
17          important piece of legislation and why  
18          it's so important.

19                    One, as a young boy, I grew up  
20          in West Philadelphia on a commercial  
21          corridor near 60th and Market, a border  
22          that we now share. And one of the  
23          childhood memories I have is visiting a  
24          friend of mine who lived on 60th Street,  
25          who lived above the corner store that we

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2           used to frequent. So whenever his mother  
3           used to send him to the store, he would  
4           right down the steps, go right around the  
5           corner, go right in and buy the bread,  
6           butter, eggs, and milk.

7                     Well, somehow, during the '60s,  
8                     '70s, that trend changed, and people  
9           began boarding up the top part of their  
10          properties as safety hazards, and it took  
11          away from quality of life that we shared  
12          in that West Philadelphia neighborhood.

13                    Later on, as I became the  
14          president PCDC, Philadelphia Commercial  
15          Development Corporation, we did a study;  
16          we did a study of one block in  
17          Philadelphia, Germantown Avenue.

18                    And one of the things that  
19          struck out at us, Madam Chair, was the  
20          fact that the further you went up  
21          Germantown Avenue towards Chestnut Hill,  
22          the higher the number of occupied  
23          commercial properties above. There was a  
24          correlation between second-floor  
25          occupancy and viability of the strip.

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2                   So when we dug into it further,  
3                   it was because of some simple truths.  
4                   The more people you have in density  
5                   around businesses, the more customers you  
6                   have. The perception the security is  
7                   there because there's more people. The  
8                   less roll-down gates, the less kind of  
9                   imprisonment that some commercial  
10                  corridors feel, because, at 6 o'clock,  
11                  the roll-down gates go up, and then  
12                  there's a sense of abandonment and a  
13                  sense of fear.

14                  I believe this legislation will  
15                  go a long way in changing that condition,  
16                  and I want to thank all of the members of  
17                  this committee for considering it.

18                  COUNCILWOMAN BLACKWELL: Thank  
19                  you very much.

20                  I know there's another  
21                  committee.

22                  Miss Robinson, we gave you a  
23                  chance. We'll give you a moment till  
24                  someone comes in, because we do have  
25                  another committee that has assembled.

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2                   MS. ROBINSON: Right, I  
3 understand that, Madam Chair, and thank  
4 you for very much for the opportunity.

5                   COUNCILWOMAN BLACKWELL: Yes,  
6 ma'am.

7                   MS. ROBINSON: I neglected to  
8 mention one thing in my testimony in the  
9 past.

10                   I want to make sure, with all  
11 of this development, that you have  
12 community participation. I neglected to  
13 say that; it's very important.

14                   We have hired you all as our  
15 representatives, but you don't know  
16 everything that goes on in the community  
17 until the people in the community tell  
18 you.

19                   I would just appreciate it if  
20 with each one of these developments,  
21 before any letter is sent from any of our  
22 representatives, that they know that a  
23 community meeting has been held in their  
24 district by real constituents of their  
25 district.

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2                   And I appreciate your time.

3                   COUNCILWOMAN BLACKWELL: Thank  
4 you, Miss Robinson. And, certainly, we  
5 agree. And it is the law that we have to  
6 have community participation.

7                   MS. ROBINSON: Right, right.

8                   COUNCILWOMAN BLACKWELL: And  
9 so, certainly we agree with that and  
10 concur.

11                   Thank you, Mr. Sauer, for being  
12 here. We see you back there.

13                   As soon as we get another  
14 member to come, we can have our vote.

15                   Thank you very much. We will  
16 conclude our hearing portion of this  
17 meeting and go into our formal stated  
18 meeting.

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1                   6/7/10 HOUSING - PUBLIC MEETING

2                   COUNCILWOMAN BLACKWELL: The  
3 Chair will now recognize Councilman Jones  
4 for a motion with regard to Bill No.  
5 100159.

6                   COUNCILMAN JONES: Thank you,  
7 Madam Chair.

8                   I move for the adoption of the  
9 amendment to Bill No. 100159, which has  
10 already been circulated to the committee  
11 members.

12                   (Motion duly seconded.)

13                   COUNCILWOMAN BLACKWELL: It has  
14 been moved and seconded that the  
15 amendment to Bill No. 100159 be adopted.

16                   All in favor will say aye.

17                   Opposed?

18                   The ayes have it. And so, the  
19 amendment is adopted.

20                   The Chair now recognizes  
21 Councilman Jones for a motion with regard  
22 to this bill -- with regard to the  
23 amended Bill 100159.

24                   COUNCILMAN JONES: Thank you,  
25 Madam Chair.

1                   6/7/10 HOUSING - PUBLIC MEETING

2                   I move that Bill No. 100159, as  
3 amended, be reported out of committee,  
4 with a favorable recommendation and with  
5 a suspension of the rules as to allow for  
6 first reading at our next session.

7                   (Motion duly seconded.)

8                   COUNCILWOMAN BLACKWELL: It has  
9 been moved and seconded that Bill No.  
10 100159 be reported out of committee with  
11 a favorable recommendation, as amended,  
12 and also that the rules of Council be  
13 suspended so as to permit first reading  
14 at our next session of Council.

15                   All in favor will say aye.

16                   Those opposed?

17                   The ayes have it. And so, this  
18 bill is reported out.

19                   And we note that Councilman  
20 O'Neill left his vote on both the  
21 amendment and the bill. His vote is  
22 accept it and include it.

23                   As well as Councilwoman Maria  
24 Quiñones, who was in the chambers. We  
25 have your vote, Councilwoman. Yes. She

1                   6/7/10 HOUSING - PUBLIC MEETING

2                   says yes on both the amendment and the  
3                   bill.

4                                 Bill No. 100160 will be held  
5                   subject to the call of the Chair.

6                                 Bill No. 100359 will be  
7                   continued until June 16th, at 1 p.m.  
8                   That is, again, 100159 has been reported  
9                   out of committee with a favorable  
10                  recommendation and a suspension of the  
11                  rules.

12                                100160 is held subject to the  
13                  call of the Chair.

14                                And 100359 will be continued  
15                  until June 16th, at 1 p.m.

16                                That concludes our  
17                  deliberations. Thank you all very much.

18                                Some of you we'll see next  
19                  Wednesday. And for everyone else, thank  
20                  you very much.

21                                Thank you to the committee.

22                                (Proceedings end at 1:14 p.m.)

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C E R T I F I C A T E

I HEREBY CERTIFY that the proceedings of the City of Philadelphia Council Committee on Housing, Neighborhood Development, and the Homeless are contained fully and accurately in the stenographic notes taken by me on Monday, June 7, 2010, and that this is a true and correct statement of same.

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JOSEPHINE CARDILLO  
Registered Professional Reporter

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