

# City of Philadelphia



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

(Resolution No. 010444)

## RESOLUTION

Authorizing the Committee on Law and Government to conduct a full and comprehensive investigation into the results of the recent Audit conducted by the City Controller on the Department of Commerce for Fiscal Years 1998 and 1999.

WHEREAS, By contract, the Department of Commerce has delegated its City landbank-management duties to the Philadelphia Industrial Development Corporation ("PIDC"); and

WHEREAS, The City Controller recently made public his Audit Report of the Department of Commerce for Fiscal Years 1998 and 1999, including the landbanking activity of PIDC; and

WHEREAS, The Audit Report found widespread failure by PIDC to comply with elemental standards of objectivity, accountability and lawfulness in performance of its landbank-management duties, and concluded that when City land transactions are conducted by PIDC they "are executed without documentation, laws are ignored, fees and commissions are not justified, and private interests [make] millions at the taxpayers' expense under circumstances that are puzzling, at best"; and

WHEREAS, In particular the Audit found that PIDC is sometimes unable to provide key pieces of transaction documentation, raising "serious questions regarding the legality and propriety of these transactions;" and

WHEREAS, The Audit found that despite PIDC's flagrant malfeasance in performing its duties, oversight of the PIDC contract by the Commerce Department was no more than "perfunctory"; and

WHEREAS, City Council has the duty to determine if funds appropriated to the Department of Commerce for its landbank-management duties are being expended in an appropriate manner, consistent with the requirements of law, equity, impartiality and due diligence; now therefore

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*RESOLUTION NO. 010444 continued*

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Committee on Law and Government is hereby authorized to conduct a full and comprehensive investigation into the results of the recent Audit conducted by the City Controller on the Department of Commerce for Fiscal Years 1998 and 1999; and

FURTHER RESOLVED, That the Chairperson of the Committee is authorized to issue subpoenas and such other process as may be necessary or appropriate to compel the attendance of witnesses and the production of documents to the full extent authorized by Section 2-401 of the Home Rule Charter.

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*RESOLUTION NO. 010444 continued*

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

Anna C. Verna  
PRESIDENT OF THE COUNCIL

Patricia Rafferty  
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Cohen

Sponsored by: Councilmember Blackwell