

City Council Chief Clerk's Office 402 City Hall Philadelphia, PA 19107

BILL NO. 120920 (As Amended, 12/4/12)

Introduced November 15, 2012

## **Councilmember Squilla**

Referred to the Committee on Rules

## AN ORDINANCE

Amending Title 14 of The Philadelphia Code, entitled "Zoning and Planning," by amending Section 14-905, entitled "Non-Accessory Signs," by permitting certain non-accessory outdoor advertising signs within the area bounded by 7th Street, Spring Garden Street, 6th Street, and Willow Street, all under certain terms and conditions.

WHEREAS, The area bounded by 7th Street, Spring Garden Street, 6th Street, and Willow Street is an area for entertainment and social gathering, including such businesses as the Electric Factory, J.D. McGillicuddy's and various other Club uses; and

WHEREAS, Large "wall displays" on buildings can accentuate the vibrancy of an area and heighten the public's sense of the area as a locus of entertainment, dining, retail and hospitality activities, and thereby attract more entertainment, shoppers and tourists; and

WHEREAS, Wall displays are common to high density hospitality, entertainment and retail areas in many global cities; and

WHEREAS, Wall displays generate revenues that can be directed to support the reuse and rehabilitation of underperforming or outmoded buildings, and generate licensing and/or permit fees that offset the City's cost of regulating such displays; and

WHEREAS, A Community Benefits Agreement exists between Callowhill Center Associates and The Center City North Improvement Coalition to which the respective signatories intend to be bound; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

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SECTION 1. Title 14 of The Philadelphia Code is hereby amended to read as follows:

### TITLE 14. ZONING AND PLANNING.

\* \* \*

#### CHAPTER 14-900. SIGNS.

\* \* \*

§ 14-905. Non-Accessory Signs.

\* \* \*

(12) Regulations Applicable to the Area Bounded by 7th Street, Spring Garden Street, 6th Street, and Willow Street.

Notwithstanding any other provision of this Title to the contrary, static or digital wall non-accessory outdoor advertising signs ("Signs") shall be permitted on one side only of buildings within the area bounded by 7th Street, Spring Garden Street, 6th Street and Willow Street, provided:

(a) The area of each sign face is no less than one thousand two hundred (1,200) square feet and is no more than ten thousand (10,000) square feet;

(b) The bottom of the sign is at least thirty feet (30') above grade, and the top of the sign is no more than one hundred ten feet (110') above grade;

(c) The building on which the Wall Signs are displayed meets the following conditions:

(.1) The height of the building is no less than seventy feet (70');

(.2) The building has a minimum floor area of one hundred thousand (100,000) square feet;

(.3) The building has a minimum public street frontage of one hundred fifty feet (150');

(.4) The building is not an historic building listed as such on the National Register of Historic Places or on the Philadelphia Register of Historic Places;

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(.5) The building is not a parking garage or other building where more than fifty percent (50%) of the floor area of its above-ground structure is a parking garage.

(d) The Wall Signs shall not display any commercial advertising for tobacco products or alcoholic beverages.

[(12)] (13) \* \* \*

[(13)] (14) \* \* \* \*

[(14)] (15) \* \* \* \*

SECTION 2. The Community Benefits Agreement between Callowhill Center Associates and The Center City North Improvement Coalition, dated and signed December 3, 2012, shall be made a part of this Ordinance and attached as Appendix A.

SECTION 3. This Ordinance shall take effect immediately.

#### Explanation:

<sup>[</sup>Brackets] indicate matter deleted. *Italics* indicate new matter added.

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APPENDIX A

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# **COMMUNITY BENEFITS AGREEMENT**

### between

# CALLOWHILL CENTER ASSOCIATES &

## THE CENTER CITY NORTH IMPROVEMENT COALITION

This Community Benefits Agreement is made and entered into on this day, December 3, 2012 between Callowhill Center Associates ("CCA") and the Center City North Improvement Coalition ("Coalition"). It establishes a range of community benefits that will be provided by CCA in conjunction with the proposed Digital Sign Project ("Project").

### RECITALS

- A. Callowhill Center Associates desires to erect a non-accessory sign on the southern face of the property it owns at 421 North 7<sup>th</sup> Street in Philadelphia's Callowhill neighborhood.
- B. Philadelphia City Council is considering an ordinance (Bill # 120920) permitting the construction of non-accessory static or digital sign(s) in Philadelphia's Callowhill neighborhood.
- C. Callowhill Center Associates stands to garner substantial revenue from the operation of the proposed sign.
- D. The Center City North Improvement Coalition's member organizations have voiced concerns about placing a static or digital sign on the building due to the potential adverse impact on quality of life, property values, and the potential for future proliferation of advertising signage in the area.
- E. All Parties to this Agreement desire to foster significant improvements to the neighborhood and communities surrounding the sign.
- F. The Parties desire to enter into this Agreement as a means of resolving their differences through cooperation and settlement, rather than though conflict and litigation.
- G. By entering into this Agreement, the Parties desire to ensure that the erection of the static or digital sign and its continuous operation confers concrete and tangible benefits to the community, as enumerated herein.

### DEFINITIONS

"Wall-wrap" and "digital or static sign" shall be used interchangeably throughout this document.

"Center City North Improvement Coalition" refers to an unincorporated association composed only of the organizations signatory to this Agreement under the Signatory Page.

"Center City North" refers only to the area in proximity to the proposed wall-wrap, bounded by Broad Street to the west, 2<sup>nd</sup> Street to the east, Girard Avenue to the north, and Market Street to the south.

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"Center City North Improvement Fund" or "Fund" refers to the charitable non-profit foundation established by this Community Benefits Agreement to facilitate and administer the community benefits specified herein.

### AGREEMENT OVERVIEW

### Term of Agreement.

This Agreement shall be operative from the date of the commencement of the operation of the static or digital wall-wrap through the permanent cessation of its operation.

### Center City North Improvement Fund.

This Agreement shall establish a charitable foundation, the Center City North Improvement Fund, to administer the community benefits specified herein.

The Fund shall be furnished by an annual contribution from Callowhill Center Associates of 20% of the net revenues from the wall-wrap. The term "net revenues" shall be the revenues received by CCA after the deduction for all expenses related to the sign(s), including but not limited to direct costs of creation and installation, maintenance, management, operation, commissions, licenses, permits, any governmental assessments or fees and CCA's payments for building expenses including taxes, or allocated in accordance with generally accepted accounting principles.

In the event that there is a period when no revenue is paid to CCA due to a casualty or otherwise, no payments shall be due to coalition or Fund during that period. Payments shall resume when the revenue stream from the sign(s) is restored to CCA.

The Fund shall be managed by a Board of Trustees composed of representatives from founding signatory member organizations of the Coalition, subject to the Fund's mission statement and by-laws; the Trustees may also elect to include experts to aid in the evaluation of proposals. The Fund's By-Laws shall be drafted and ratified by the Board of Trustees within 3 months of the execution of this Agreement.

It is the understanding of all Parties to this Agreement that the Fund's Board of Trustees shall keep administrative costs of running the Fund to an absolute minimum. It is further their understanding 75% of the Fund's net assets (after administrative costs) will be disbursed annually to projects that aim to substantially improve the quality of public education in neighborhood district schools located in, and for children who reside in, the Center City North Area, via a process overseen by the Board of Trustees of the Fund; and that 25% of the Fund's net assets (after administrative costs) will be disbursed annually to neighborhood projects in the Center City North Area, via a process overseen by the Board of Trustees of the Fund; and that 25% of the Fund's net assets (after administrative costs) will be disbursed annually to neighborhood projects in the Center City North area, via a process overseen by the Board of Trustees of the Fund.

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### Verification

CCA agrees to provide quarterly certified financial statements to the Coalition and the Fund attesting to the income and expenses related to the sign.

### Successor clause

In the event that CCA sells the building or assigns rights and the successor continues to operate a sign, this Agreement shall be considered binding on said successor. In order to effectuate this successor provision, a copy of this executed Agreement shall be attached to the deed of the property.

In the event that a signatory recipient to this agreement ceases to operate or chooses a successor recipient to participate in the Coalition, such successor shall be located in and for the benefit of the same immediate neighborhood.

### Wall-wrap caveats.

CCA agrees not to allow advertising of alcohol or tobacco products.

CCA agrees to make a good faith effort to incorporate public service announcements into the advertising stream as possible.

### Agreement Lawful and Legally Enforceable

All Parties to this Agreement understand and agree that it is lawful, enforceable, and binding on all Parties; agree to waive any potential challenges to the enforceability of the Agreement; and agree not to affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Agreement in any judicial action, or other proceeding such as arbitration or mediation.

### Severability Clause

If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.

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# **SIGNATORY PAGE**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers.

Dated: 12-3-12 Callowhill, Center Associates rman By: Myron J. Berman Vice President Kearny Home & School Association Dated: By: Jenni Desnouee Co-President Dated: 12/3/12 McCall Home & School Association By: Merle Backer **Co-President** Dated: 12/3/12 Spring Garden Parent-Teacher-Community Association By: Stephen Nelson President Dated: 12/3/12 West Poplar Community Development Corporation JEFFREY AUNDERS VICE- PRESIDENT Witnessed by: Hon. Mark Squilla Councilman, 1<sup>st</sup> District

CCA-CBA Final.Docx

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