

## Legislation Text

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Authorizing City Council's Committee of the Whole to hold public hearings on vacant, tax delinquent properties in the City, the impact of such properties on the City, and the procedures that the City currently employs and proposes to employ to collect delinquent real estate taxes from such properties and the efficacy of those procedures.

WHEREAS, It is essential that Philadelphia taxpayers have faith and trust in the City's tax collection process and procedures; and

WHEREAS, Such trust can exist only if it is clear that the City diligently, comprehensively, and in a timely manner pursues and collects the taxes that are due it; and

WHEREAS, It is only fair to all taxpayers to collect all taxes due to the City; and

WHEREAS, On February 4, 2013 the City of Philadelphia announced that new delinquent tax collection strategies will be employed to increase collection rates and improve taxpayer confidence in the collections processes; and

WHEREAS, Any changes to the processes, procedures and policies employed by the City to collect delinquent taxes, specifically delinquent real estate taxes, should be made based on information and data that is shared with City Council; and

WHEREAS, City Council is committed to engaging the Administration in a productive conversation aimed at better understanding the technology, staff, training, best practices, legislation, and funding needed to achieve increased tax collection rates; and additional burdens on tax collection; and

WHEREAS, Tax delinquent properties that are vacant pose unique problems for the City, including safety concerns; and

WHEREAS, Vacant, tax delinquent properties can dilapidate quickly, attract unwanted squatters, blight neighborhoods and negatively impact property value; and

WHEREAS, A 2010 report produced for the Redevelopment Authority by Econsult Corporation estimated that there are 17,000 vacant parcels within the City that are tax delinquent; that 11,000 of those parcels were tax delinquent for at least ten years, and that the aggregate amount of tax delinquency of those parcels is approximately \$70 million; and

WHEREAS, That same report estimated the City has nearly six-thousand vacant parcels of land with structures on them which create an additional \$5.9 million in police and fire costs; and

WHEREAS, Occupied residential properties provide housing for taxpayers and occupied commercial properties create jobs and generate additional tax revenue for the City; and

WHEREAS, The failure of the City to collect delinquent tax revenue is unfair to the dutiful and responsible citizens who timely pay their taxes and keep their properties occupied; and

WHEREAS, Last year the City mourned the loss of two firefighters, Lt. Robert Neary and Firefighter Daniel Sweeney, in a fire that started in the Thomas W. Buck Hosiery Co. building, a vacant, tax delinquent property; and

WHEREAS, Such properties, including the Thomas W. Buck Hosiery Co. building, are often owned by out-of-state property owners; now therefore

BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Committee of the Whole is authorized to hold hearings on the impact of vacant, tax delinquent properties on the City; the procedures that the City currently employs and proposes to employ to collect delinquent real estate taxes from such properties and the efficacy of those procedures; the putative value of maintaining tax liens on such properties; the potential value of transitioning such properties to occupied, tax-generating properties; and, the safety risks associated with such properties.

RESOLVED FURTHER, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Committee of the Whole is authorized to hold hearings to investigate the additional measures and resources required to improve the system for collecting delinquent real estate taxes from vacant properties, and the practices and procedures of municipalities that are more effective at collecting delinquent real estate tax from vacant properties.

FURTHER RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That in furtherance of such an investigation, the Committee is hereby authorized to issue subpoenas as may be necessary or appropriate to compel the attendance of witnesses and the production of documents to the full extent authorized under Section 2-401 of the Philadelphia Home Rule Charter.