

Legislation Text

File #: 240963, **Version:** 0

Amending the existing Gallery at Market East Tax Increment Financing District, being the area generally bounded by Filbert Street on the north, 8th Street on the east, 11th Street on the west, and Market Street on the south, to remove certain portions of such property generally bounded by Filbert Street on the north, 10th Street on the east, 11th Street on the west, and Market Street on the south from such District, and approving the amended project plan of the Philadelphia Authority for Industrial Development for the redevelopment of the Gallery at Market East Tax Increment Financing District and making certain findings and declarations, all in accordance with the Tax Increment Financing Act, being the Act of July 11, 1990, P.L. 465, No. 113, as amended, and authorizing the Director of Finance and other offices of the City to execute documents and do all things necessary to carry out the intent of this Ordinance.

WHEREAS, By ordinance approved June 18, 2015 (Bill No. 150380) (the "2015 Ordinance"), City Council created the Gallery at Market East Tax Increment Financing District ("District") and approved the project plan (the "2015 Project Plan") submitted by the Philadelphia Authority for Industrial Development ("PAID") for the redevelopment of the District, all pursuant to the provisions of the Tax Increment Financing Act, being the Act of July 11, 1990, P.L. 465, No. 113, as amended ("Tax Increment Financing Act"); and

WHEREAS, Developer (as defined in the 2015 Project Plan) completed improvements to the District as a retail-oriented mall with office components and other uses as contemplated by the 2015 Project Plan; and

WHEREAS, Developer, or its successors or assignees, desires to remove certain real estate located between 10th and 11th Streets from the District in order to facilitate future development of a sports and entertainment arena to be developed outside the District, as amended hereby, without the benefits conferred by the 2015 Ordinance pursuant to the Tax Increment Financing Act; and

WHEREAS, PAID has prepared a detailed amended project plan for the District attached hereto as Exhibit "A" (the "Amended Project Plan"), including an amended and reduced boundary map and description of the District, as well as other documents and supporting data which form part of the Amended Project Plan submitted by PAID, and PAID has submitted the amended project plan for approval by Council pursuant to the Tax Increment Financing Act, and such Amended Project Plan is on file with the Chief Clerk of Council; and

WHEREAS, Developer anticipates continued operation of the District within the reduced footprint of the Amended Project Plan for the remaining term of the District; and

WHEREAS, In accordance with the provisions of the Urban Redevelopment Law, being the Act of May 24, 1945, P.L. 991, as amended and supplemented ("Urban Redevelopment Law"), and the Tax Increment Financing Act, the City Planning Commission of the City of Philadelphia (the "Commission"), certified that the District was located within the Center City Redevelopment Area, a certified redevelopment area under the Urban Redevelopment Law, and that the 2015 Project Plan conformed with the comprehensive plan for the City as a whole; and

WHEREAS, The Commission confirmed that the District boundary as amended remains a contiguous geographic area located within the Center City Redevelopment Area and further confirmed that continued operation of the District as amended conforms with the comprehensive plan for the City as a whole; and

WHEREAS, To the extent that they apply to the District, as amended by this Ordinance, the 2015 Project Plan's prescriptions and requirements for the District regarding certain land uses, changes in zoning, streets, alleys, public ways, street patterns, the location and relocation of public utilities and other public facilities, and other public actions remain unchanged; and

WHEREAS, No person shall, on the grounds of race, ethnicity, color, creed, sex (including pregnancy, childbirth, or a related medical condition), sexual orientation, gender identity, religion, national origin, ancestry, age, disability, marital status, familial status, genetic information or domestic or sexual violence victim status, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in the undertakings and carrying out of the Amended Project Plan; and

WHEREAS, City Council desires to take appropriate action with respect to the Amended Project Plan pursuant to the Tax Increment Financing Act; and

WHEREAS, Pursuant to the Tax Increment Financing Act, creation of a tax increment financing district authorizes the use of certain positive tax increments to finance improvements, including costs incidental thereto, within the District; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. City Council hereby approves the amended project plan for the Gallery at Market East Tax Increment Financing District ("District") attached to this ordinance as "Exhibit A" and made part hereof ("Amended Project Plan") and amends the District, as provided herein, pursuant to the Tax Increment Financing Act. The District, as amended, consists of the area and property shown on a plan prepared by Langan Engineering & Environmental Services, which is included in the Amended Project Plan and is labeled East Market TIF District Exhibit, dated 7-31-2023, a copy of which shall be maintained on file by the Chief Clerk of Council and made available for review by the public, more particularly described as follows, to wit:

ALL THAT CERTAIN piece of land, situated in the City of Philadelphia and Commonwealth of Pennsylvania and being more particularly described as follows, to wit:

BEGINNING at a point at the intersection of the centerline of 8th Street (50' wide) and the centerline of Market Street (100' wide); thence,

1. Extending along the centerline of Market Street, North 78°59'00" West, a distance of 862.930 feet to a point on the easterly right-of-way line of 10th Street (55.781' wide); thence,
2. Leaving said centerline of Market Street and extending along the easterly right-of-way line of 10th Street, North 11°01'00" East, a distance of 383.250 feet to a point in the centerline of Filbert Street (variable width); thence,

Extending along the said centerline of Filbert Street the following 5 courses and distances;

3. South 78°59'00" East, a distance of 543.000 feet to a point; thence,
4. South 11°01'00" West, a distance of 0.250 feet to a point; thence,
5. South 78°59'00" East, a distance of 11.797 feet to a point; thence,
6. South 11°01'00" West, a distance of 1.500 feet to a point; thence,
7. South 78°59'00" East, a distance of 310.352 feet to a point in the aforementioned centerline of 8th Street; thence,
8. Along said centerline of 8th Street South 11°21'00" West, a distance of 381.506 feet to the first mentioned point and place of BEGINNING.

Excepting thereout and therefrom the following described areas;

Exception 1: Office Unit of 801 Market Street Condominium, from Floor 3 and extending upwards;

Beginning at a point at the intersection of the westerly right-of-way line of 8th Street (50' wide) and the northerly right-of-way line of Market Street (100' wide); thence,

1. Extending along the said northerly right-of-way line of Market Street North 78°59'00" West, a distance of 297.000 feet to a point; thence,
2. Leaving said northerly line of Market Street and extending North 11°01'00" East, a distance of 306.000 feet to a point in the southerly right-of-way line of Filbert Street (variable width); thence,
3. Extending along the said southerly right-of-way line of Filbert Street South 78°59'00" East, a distance of 297.000 feet to a point in the aforementioned westerly right-of-way line of 8th Street; thence,
4. Extending along the said westerly right-of-way line of 8th Street, South 11°01'00" West, a distance of 306.000 feet to the first mentioned point and place of BEGINNING.

Containing an area of 90,610 square feet or 2.080 acres, more or less.

Exception 2: Air Rights

The TIF District does not include the Air Rights above the existing parcels of the Gallery buildings.

833 Market Street

Excluded from the TIF District are the air rights beginning at an approximate elevation of 84.0'

city datum, and extending upwards.

901-905 Market Street

Excluded from the TIF District are the air rights beginning at an approximate elevation of 84.0' city datum, and extending upwards.

SECTION 2. City Council finds and declares that the Amended Project Plan, having been duly reviewed and considered, is approved and modifies the 2015 Project Plan, and that, in addition to the findings and declarations provided in Section 3 of the 2015 Ordinance:

- a) The Amended Project Plan conforms to the City Comprehensive plan for the development of the locality as a whole;
- b) The District, as amended, is a contiguous geographic area within a certified redevelopment area created pursuant to the Urban Redevelopment Law;
- c) The aggregate value of equalized taxable property of the District, as amended, plus all existing tax increment districts, does not exceed ten percent (10%) of the total value of equalized taxable property within the City of Philadelphia;
- d) The property to be removed from the District has no residential uses. The Amended Project Plan includes a feasible method for the relocation of commercial tenants to the remaining District;
- e) The Amended Project Plan affords maximum opportunity, consistent with the sound needs of the community as a whole, for the redevelopment of the District by private enterprise;
- f) Changes in zoning, streets, alleys, public ways, street patterns, location and relocation of sewer and water mains and other public facilities and utilities shown in the Amended Project Plan are reasonable and necessary under the circumstances; and
- g) The Amended Project Plan meets all of the conditions and requirements imposed by law and the pertinent regulations with respect thereto, for the purpose of prohibiting discrimination with regard to race, ethnicity, color, creed, sex (including pregnancy, childbirth, or a related medical condition), sexual orientation, gender identity, religion, national origin, ancestry, age, disability, marital status, familial status, genetic information and domestic or sexual violence victim status.

SECTION 3. Council finds and declares that the Amended Project Plan is in conformity with the Center City Redevelopment Area Plan.

SECTION 4. Council's approval of the Amended Project Plan for the District and amendment of the District is effective as of the January 1st next following the date that an agreement for payments in lieu of taxes among The City of Philadelphia, the School District of Philadelphia, and the taxpayer for the property being removed from the District pursuant to this Ordinance takes effect for such area.

SECTION 5. The provisions of Section 7 of Bill No. 150380 (approved June 18, 2015) are hereby reaffirmed and continue to apply to the amended TIF District.

SECTION 6. The Director of Finance and other officers of the City are hereby authorized to execute and deliver all documents and do all things necessary to carry out the intent of this Ordinance.