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Stymied by a dispute

Council-agency power struggle halts rehabbing.

By Jennifer Lin INQUIRER STAFF WRITER

Boris Kaplun thought everyone would applaud his plan to renovate a long-derelict rowhouse on Lindley Avenue in Philadelphia's Logan section.

Neighbors would see an eyesore transformed into two rental apartments. And the city would reduce by one its crushing burden of vacant properties, while generating new tax revenue.

Yet, two years after Kaplun set out to buy the big, boarded-up house from the Redevelopment Authority (RDA), his project is in limbo, caught in escalating tension between the agency and City Council.

The dispute centers on the RDA's drive to move its real estate more expeditiously — and Council's insistence on remaining the first station stop for potential buyers.

By state law, Council is the gatekeeper for RDA properties. A 1945 statute gave such local legislative bod-

See REDEVELOPMENT on A9



DAVID M WARREN / Staff Photographer **Boris Kaplun** worked with the RDA to redo a derelict Logan house. Council intervened.

Stymied by a power struggle

REDEVELOPMENT from A1 ies the right of first approval or refusal on redevelopment deals in urban-renewal areas.

But under Mayor Nutter, the RDA tried new ways to quickly shrink its stock of more than 3,000 buildings and tracts. Sometimes, that meant moving on deals without the OK, or even the knowledge, of the representatives in whose districts the properties were located.

This month, furious Council members demanded, and got, a return to the old protocol.

"We're going back to the system where Council will be the lead on these projects, and developers will have to go to them first," said Terry Gillen, the RDA's executive director.

Asked in an interview if the movement of property will slow, she replied, "We will be monitoring."

Disappointment can be heard in the ranks of developers, who Gillen said had long complained about Council's time-consuming requirement.

Barbara Capozzi, vice president of the Greater Philadelphia Association of Realtors, recalled being "thrilled" when the RDA took more of a lead in development deals. At least there was one city agency, she said, trying harder to sell off the groaning inventory of abandoned property.

Of Philadelphia's 40,000 vacant houses and lots, 69 percent are privately owned. The rest are controlled by an alphabet soup of redevelopment, housing, and economicdevelopment agencies.

"Every one of those properties," Capozzi said, "is the worst house on the block."

Other RDA strategies have raised Council's ire, as well. Since 2008, the agency has thrown into jeopardy some members' favored projects by sending default notices to developers who bought RDA land and let it sit for years.

The accumulated animosities came to a head during two hearings this month.



DAVID M WARREN / Staff Photographe

The rear of Boris Kaplun's fenced-in property in Logan and debris that has collected at a vacant home he is trying to purchase and renovate. Councilwoman Marian B. Tasco stopped the sale.

On June 7, Councilwoman Jannie L. Blackwell publicly chided Gillen for approving deals without telling members. The next day, Blackwell discovered that the RDA was working on a sale in her district: a parcel on North 39th Street that a New Jersey developer planned to turn into two units of housing.

She had known nothing about it. She protested. The RDA tabled the deal. "No one told me anything," Blackwell said. "It may be a project that's OK. You just don't know."

Boris Kaplun thought his project was OK, too.

Since graduating from Penn State in 2004, Kaplun, of Southampton, Bucks County, has bought and renovated rental properties with other investors. In 2006, he paid a private seller \$75,000 for a two-story duplex on Lindley Avenue in Logan and spent \$25,000 on improvements.

But the corner house next door, No. 922, was a disaster.

On its side wall, the city's Mural Arts Program had created an elaborate work featuring mosaic flowers and a girl and a man cradling a big diamond.

The facade, however, was a crumbling mess. Boarded up for more than a decade, the house drew drug users, vermin, and dumpers.

In September 2008, Kaplun approached the RDA about

buying it with another investor and turning it into two two-bedroom apartments. The house was appraised for \$15,000; he figured it needed at least \$75,000 in repairs.

The sales agreement was signed July 31, but before Kaplun could get going, he needed a zoning variance for two units. The house was used as a duplex as far back as the 1950s, but a previous permit had expired.

In October, Kaplun appeared before the Zoning Board of Adjustments. That's when he learned that someone objected to his plan: Councilwoman Marian B. Tas-

A Tasco aide, Marion Johnson, told the board the councilwoman did not want to see the 1,600-square-foot house split into apartments.

"A lovely single-family dwelling," she said, "would be appropriate for that block."

The zoning board agreed. In an interview, Tasco said that 1988 zoning called for single-family homes on the block to remain single-family. Owners, she added, tended to take better care of property than renters.

"We'd like to keep singlefamily homes," Tasco said.
"Or you end up with speculators, buying up homes, renting them out, and then you have problems."

Kaplun was stunned. "I'm

three-quarters into this process," he said, "and boom!"

That's what happens when Council is kept out of the loop, Tasco said. While the RDA "decided that they can sell on their own," she said, Council members are the conduits to the community and can work with developers to generate support for projects.

Kaplun said he might consider keeping the house as a one-family rental. But renovating it would cost so much that he doubts he could get a high-enough rent.

Still, he said, he feels he has no choice but to do something with the house, since its unsightly presence lowers the value of his property next door.

Kaplun said he has reached out to Tasco and her staff with e-mails, letters, calls, Facebook messages — all with "zero" response.

Neighbors on the block are unaware of the stalemate over 922 Lindley. But three of them — two renters and an owner — agreed they were tired of the decayed house.

"That looks nasty," said Natasha Jackson, who rents an existing duplex on the block.

Another duplex, she said, "is better than having to look at that."

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