

November 7, 2022

IN RE: Philadelphia Lotus 6, LLC.

Docket No: 26DEMERRZZ9258

Property: 1946 N. Napa Street

Statement of Record:

- 1) Philadelphia Lotus 6, LLC. (hereafter "Petitioner") filed a Petition for Appeal with the Tax Review Board("Board") on February 18, 2020. The petition requested a review of a demolition fee and associated cost assessed by City of Philadelphia's License and Inspection Department ("L&I") against the property at 1950 N. Napa Street, Philadelphia, PA billed on July 3, 2019.
- 2) The petition was considered untimely, and the Board approved the Nunc Pro Tunc petition.
- 3) A public hearing before a TRB Master level was scheduled for September 30, 2020. The Hearing Master reduced the principal to \$8000 and abated 100% of interest and 50% of the Administrative Charge.
- 4) The Petitioner requested an appeal which the Board granted.
- 5) Another hearing was scheduled before the Board on February 24, 2022.
- 6) After hearing evidence and testimony, the Board requested additional letter briefs from both parties within 15 days.
- 7) After review, the Board announced its decision on May 26, 2022, and abated 50% of the principal and 100% of the interest and directed the Petitioners to arrange installment payments for the remainder of the balance.
- 8) The City filed an appeal to the Court of Common Pleas.

Findings of Fact:

- 1) Petitioner is the owner of the property located at 1946 N. Napa St., Philadelphia, PA.
- 2) According to the deed, Petitioner became the owner of the property on May 12, 2019 after purchase at Sherriff sale.
- 3) On or about May 21, 2019, the Department of L&I determine the property to be "Imminently Dangerous" and issued a Final Notice of Violation and Order Imminently Dangerous Building dated on May 21, 2019, was mailed to the Petitioner address as stated on the deed. A public posting was also placed on the building.
- 4) On May 22, 2019, the Petitioners came into the Department's office in the Philadelphia Municipal Services Building to inquire.
- 5) Supervisor Inspector Thomas Rybakowski testified that L&I had placed "property out to bid to the day before...placed the demolition on hold and advised the representatives of your client to obtain the necessary permits for the repair ...by June 5th of 2019 or the City would proceed with the demolition". (Notes of Testimony, Pg. 30-31; Ln. 25-8).
- 6) On June 5, 2022, after receiving no permit, L&I awarded the bid for demolition under the Master Demolition Program to A& M Curran LLC. Contractors.
- 7) The demolition occurred somewhere between June 5th, 2019 and July 2nd, 2019 and was deemed complete on July 2, 2019.

- 8) The owner of the property, Mr. Omar Shitrit testified that he hired an attorney to file a TRO to stop the demolition on June 7th, 2019 but the property had already been demolished.
- 9) The Department of License and Inspections issued a bill on July 3, 2019 for the demolition costs. At the time the amount due and owing are "Labor-\$13,735, Administrative Charge-\$2,884.35, Interest to date-\$2,357.25. The total amount due is \$18,976.60. (Notes of Testimony; Pg. 8; Ln. 18-23).

Conclusions of Law:

In an administrative hearing before the Tax Review Board, the burden of proof rests with the petitioning party to provide substantial evidence to establish that the Petition of Appeal should be granted. The taxpayer bears the burden to prove that the City's assessment is incorrect or warrants adjustment, or in this case that the Petitioner should not be responsible for the cost associated with the City's action to demolish the property or some reduction should be given. See *City of Philadelphia v. Litvin*, 235 A.2d 157, Pa Super.1967.

In this matter, Petitioner asserts that "under the law an equitable owner doesn't even have to do anything to the property until the right of redemption is over is patently unreasonable [and] they demolished this property with improper notice". (Notes of Testimony; Pg. 20; Ln. 19). While the Board rejects Petitioner's assertion that the right of redemption applies in the case, the Petitioner's argument regarding improper notice is more compelling to the Board. The Board finds it probative that the Petitioner purchased the property at Sherriff sale a mere 10 days before the L&I declared as imminently dangerous and that the Petitioner's visited L&I to determine any issues with the property.

The Board agrees that due to the limited time frame the Petitioner, a new owner, could not have improved the property or done something to prevent this demolition from occurring. In the interest of fairness, the Tax Review Board determination to abate 50% of the principal and 100% of the interest was appropriate.

Concurred:

Nancy Kammerdeiner

Paula Weiss

George Matthews

Dominique Ward, Esq.