COUNCIL OF THE CITY OF PHILADELPHIA
CAPITAL PROGRAM & BUDGET HEARINGS
BEFORE THE COMMITTEE OF THE WHOLE

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Room 400, City Hall
Philadelphia, Pennsylvania
Friday, February 19, 1999
9:32 a.m.

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Bill No. 990023 - An ordinance adopting the Operating Budget for the Fiscal Year 2000.

PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
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Chief Financial Officer

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2/19/99 WHOLE COMM./Budget/Bill 990023

I N D E X

(Index - cont'd.)

2/19/99 WHOLE COMM./Budget/Bill 990023

P R O C E E D I N G S

COUNCIL PRESIDENT VERNA: Good morning, everyone. I'm truly sorry for the delay. I would ask all Councilmembers who are in their offices to please come into the chamber.

This is the continued public hearing on Bill No. 990023. The Health Department will be the first to testify.

(Commissioner Estelle Richman comes forward.)

COUNCIL PRESIDENT VERNA: Good morning, Commissioner. Please identify yourself for the record and proceed with your testimony.

COMMISSIONER RICHMAN: Good morning, President Verna and members of Council. I am Estelle Richman, Commissioner of the Department of Public Health.

Thank you for the opportunity to present the Health Department's budget for Fiscal Year 2000. With me is Deputy for Finance and Administration Ellen Steiker; and John Domzalski, Executive Deputy and Chief of Staff.

For my fifth year as commissioner, I am happy to report that on the whole, the recommended

2/19/99 WHOLE COMM./Budget/Bill 990023

Fiscal Year 2000 Budget maintains service levels comparable to Fiscal Year 1999. The Fiscal Year 2000 budget requests totals $971.6 million, just under 116 million in the General Fund and 425.6 million in the Grants Revenue Fund, and 430 million in the HealthChoices Behavioral Health Revenue Fund.

Of the 971.6 million total budget, 58.9 million, or 6 percent, comes from City tax-supported funds. The Department's budget will support 1,312 full-time positions -- 926 in the General Fund and 386 in the Grants Rund.

In fulfilling its mission, the Department administers a wide range of programs and services that are delivered either directly by Health Department employees or through contracts with providers. The Department of Public Health operates eight neighborhood health care centers that serve City residents regardless of their ability to pay; runs a specialty clinic for the treatment of sexually-transmitted diseases; and administers public health programs to control the spread of communicable diseases such as tuberculosis.

2/19/99 WHOLE COMM./Budget/Bill 990023

The Department of Public Health coordinates funds and monitors: Maternal and Child Health services, including immunizations and infant mortality reduction and prevention; mental retardation programs and behavioral health services, including substance abuse prevention and treatment, and mental health care. It provides infectious-disease control, including the coordination and funding of HIV-AIDS prevention, education, and treatment.

In addition, the Health Department monitors and combats environmental pollutants, including air pollution and lead poisoning, and regulates the food service industry medical.

The Department also operates the Medical Examiner's Office, and it maintains oversight of the Philadelphia Nursing Home. Further, it monitors health-care services at the Riverview Home for the Aged and performs quality-assurance oversight of health services provided within the Philadelphia Prison System and at the Youth Study Center.

Over the past seven years, the Department of Public Health has made significant

2/19/99 WHOLE COMM./Budget/Bill 990023

progress in infrastructure development and program enhancement. The Heath Department continues to pursue efforts to improve efficiency and service quality at its health care centers in the face of devastating State and federal welfare cuts.

As a major step forward, in 1997, the Health Department created the Behavioral Health System and took over management of behavioral health services for the City's approximately 400,000 medical assistance recipients.

Philadelphia's experiencing a decline in AIDS deaths; our infant mortality rate, while still high, is also declining. Through aggressive screening and education campaigns, the Health Department has significantly decreased the prevalence of elevated blood lead levels in the city's children and dramatically increased the number of children immunized. These and other achievements are discussed below.

In Fiscal Year '99, as in the previous six years, the Department reduced the potential burden on the City's General Fund through a variety of management and productivity initiatives, which are listed in the five-year financial plan and detail.

In addition to increasing reimbursements from the State and federal government, the Department has been able to recover costs of direct service provisions at a level more in line with spending.

Revenue initiatives have contributed 9.4 million. Cost savings initiatives have contributed 10.8 million. All told, the effect of these initiatives on the General Fund totals approximately 22.2 million in Fiscal Year '99. Revenues for Medicaid, Medicare, and private source at the health care centers are projected to increase from 7.3 million in Fiscal Year '98 to 8.3 million in Fiscal Year '99, and 8.7 million in Fiscal Year 2000 -- due primarily to increased Medicaid reimbursements as a result of changes included in the federal Balanced Budget Act of 1997.

These changes require the State from Fiscal Year '99 to Fiscal Year 2003 to make payments to the health centers for the difference between negotiated payments received from HMOs and documented costs incurred by the health centers.

2/19/99 WHOLE COMM./Budget/Bill 990023

Since 1992, one of the Health Department's highest priorities has been the improvement of service, facilities, staffing, and community relationships of the health care inserts. The centers provide comprehensive health care, dental care, pharmacy, and laboratory services to city residents. Further, the centers are one of the only health providers in the city that can offer seamless service delivery as patients move in and out of health-insurance status and between health-care plans.

The health care center network provided services to more than 8 4,000 adults and children in Fiscal Year '98 -- almost 68 percent of whom were uninsured. Over the past three years, the Department has added a new managed-care nurse specialist and additional clerical personnel at each center.

The solid performance of the eight centers in this area is particularly remarkable when viewed against the volume of patient visits. Total health care patients visits grew from 277,000 in Fiscal Year '94 and is projected to grow to 320,000 in Fiscal Year '99 Fiscal Year

2000.

The 312,000 visits in Fiscal Year '98 represented a decrease of almost 4 percent, from 324,000 visits in Fiscal Year '97. The decline, in part, was due to the impact of renovations at the four inserts at one time, which temporarily reduced the appointment capacity of the centers. In addition, health care center personnel are increasingly relying on telephone consultations, a growing practice in public providers alike. By giving patients advice over the phone, the staff has helped reduce the need for patients to come to the centers for minor medical problems. This reduces the burden both on the patient and health care. The Department projects 24,000 telephone consultations in Fiscal Year '99.

DPH has been working since Fiscal Year '95 to upgrade its centers through the installation of a new heat, ventilation air-conditioning system, security, electrical systems and roofs, as well the redesign of waiting areas and examination rooms. To date, the Health Department has completed the modernization of two centers and expects to finish two more centers each year through Fiscal Year 2001. In part, as a result of this improvement, the City's 1998 citizens' survey shows an overwhelming 80 percent of the health centers' patients surveyed reported being satisfied with the physical conditions of the centers.

For more than 30 years, the Health Department has provided behavioral health care for disenfranchised, impoverished, and uninsured Philadelphia residents through the Office of Mental Health, the Coordinating Office of Drug and Alcohol Abuse Programs. The City successfully competed for the Department of Public Welfare's contract to become the local managed- care organization for behavioral health services in Philadelphia. The Health Department carries out its managed-care behavioral health responsibilities through Community Behavioral Health (CBH), a nonprofit corporation governed by City officials.

Since February of 1997, the Behavioral Health System has achieved a number of significant accomplishments that have benefitted its consumers in many ways. Through October 1998, a total of

66,000 individuals had assessed CBH services, and CBH had received 529 million in capitation payments from the State. Furthermore, CBH has met or exceeded all financial goals, including the State's requirement that it establish a reserve equal to one half of one month's total capitation payment.

Creating an integrated Behavioral Health System also fostered new collaboration within the Health Department with other City agencies such as the Department of Human Services, Family Court, and the Philadelphia Prison System, to improve services for at-risk populations, including the children and juvenile justice and foster care systems, adults with co-occuring mental-health and substance-abuse disorders, and adults in the criminal justice system.

The Health Department, in coordination with the First Judicial District and the Philadelphia Prison System, has continued its direction and administration of several criminal justice initiatives, including the Forensic Intensive Recovery Program, Treatment Court, and the Intermediate Punishment Program. These programs currently serve more than 860 clients and represent a significant part of the City's effort to control its prison population by offering appropriate treatment alternatives to incarceration for addicted inmates.

The Department of Public Health provides community-based services to 550 former residents of the Pennhurst State School and Hospital, which was closed in 1986 as a result of a federal consent decree stemming from a class action lawsuit. Under the consent degree, the City and the Commonwealth agreed to move class members to community placements and provide a specified set of services.

As a result of the City's efforts, which have included making appropriate living arrangements for class members and producing timely service plans, in July of 1998, the U.S. District Court vacated its 1994 contempt order, and ended its act of supervision over the case as of September 1998.

During Fiscal Year '99 and Fiscal Year 2000, the Health Department will implement a plan to reintegrate the Pennhurst management team with

2/19/99 WHOLE COMM./Budget/Bill 990023

the City's Office of Mental Retardation, which has overall responsibility for the provision of mental retardation services by the City.

The Department continues to be an active member of the Mayor's Children and Families Cabinet and a sponsor of many cabinet activities. In Fiscal Year 2000, the Department will continue its support of initiatives such as the Family Centers and Safe and Sound in Philadelphia, a project funded by the Robert Wood Johnson Foundation to reduce incidence of pregnancy, substance abuse, and violence among teens.

The Health Department has put great effort into its own Violence Prevention Program for the Philadelphia Interdisciplinary Youth Fatality Review Team and other interdisciplinary programming aimed at reducing youth violence.

The Health Department also directs a substantial portion of its programs to the health needs of children. As recommended by the Mayor's Children and Families Cabinet and based on the Philadelphia School Readiness Report, the Health Department plans in this year to establish the Office of Early Childhood. This office will combine services to young children and their families in one place to finding the local responsibilities for their health and well-being.

We know from the school Readiness Report that many of the risk factors that interfere with children's ability to succeed in school are health-related. The consolidation of the Department's immunization, early intervention, children's mental health, childhood lead poisoning prevention, and Maternal and Child Health programs in this office will allows us to utilize resources more efficiently and provide a more integrated system of care.

Philadelphia is one of only seven urban areas nationwide of 28 surveyed with preschool immunization rates of at least 80 percent -- up from 68 percent only two years before and approximately 50 percent before Fiscal Year '96. The Health Department projects that the immunization rate will remain at 80 percent for Fiscal Year '99 and Fiscal Year 2000.

Even more impressive is the fact that 87 percent of all pediatric health center patients and 91 percent of health center patients under two years old were fully immunized in Fiscal Year '98, with projected increases to 89 percent and 92 percent respectively in Fiscal Year '99.

In Fiscal Year '97, the Health Department and the Robert Wood Johnson Foundation completed a database that facilities outreach in under-immunized areas by automatically reporting overdue and missed immunizations. This software has been installed in all City health care centers as well as in other federally qualified health centers, and private medical-care providers are being encouraged to participate in the program to ensure its continued success.

Seven community-based social service agencies and health clinics also use the data to provide outreach to immunization-delayed preschool children throughout the City.

In recent years, Maternal and Child Health expanded its lay home visiting efforts as a result of HealthChoices, which requires that participating HMOs provide prenatal care, including outreach activities. This requirement has decreased the demand for Maternal and Child Health clinical services and has allowed the

2/19/99 WHOLE COMM./Budget/Bill 990023

Health Department to shift its focus to home-based services.

As part of Maternal and Child Health's lay home visiting services, nonmedical personnel, who are supervised by nurse professionals, make home visits to families often in the communities in which these personnel reside. These home visitors identify the needs of at-risk families through comprehensive assessments, provide family focus health counseling and health education, and link families with appropriate service-providers.

In Fiscal Year '98, Maternal Child Health and the Department of Human Services created the Health Intervention Program for Families (HIP). HIP is a preventive intervention for families with special needs who have not yet, but without the service might have, required child protective services from DHS. The Health Department expects to serve 1,000 families during Fiscal Year '99 and 1100 families during Fiscal Year 2000. The Maternal and Child Health Division will conduct an outcome evaluation of HIP during Fiscal Year 2000.

Philadelphia, like other major cities,

is experiencing a decrease in AIDS-related deaths, primarily due to wider availability of new medication regimes and increased access to health care and support services for persons living with HIV and AIDS. Because the decrease in deaths is less pronounced for minority populations, through the remainder of Fiscal Year '99 and Fiscal Year 2000, AACO will continue to target minority communities to enhance their ability to take advantage of new medications and other critically needed services.

In addition to providing direct primary care and support, AACO funds prevention and education services. In part, as a result of AACO's prevention services, the number of newly reported AIDS cases in Philadelphia dropped by 16 percent in Fiscal Year '97 to 1,074 in Fiscal Year '98, with an 18 percent decrease in the number of new cases among Caucasians, a 34 percent decrease in new cases among Hispanics, and a 13 percent decrease among African-Americans.

AACO continues to view prevention efforts in minority communities as a priority especially since, despite the across-the-board decreases in newly reported cases, those communities still have a much higher incidence of AIDS and AIDS-related deaths relative to their population sizes.

For this reason, in Fiscal Year '99, AACO implemented the Philadelphia HIV Prevention Continuum, a new model for the delivery of HIV prevention services in the city that resulted from intensive planning by the community-based Prevention Community Planning Group of the local HIV Planning Commission.

As part of the new program, $5 million in City, State, and federal funds was awarded to 45 community-based agencies, largely minority providers serving the populations at the highest risk for HIV infection for prevention services in Fiscal Year '99. This funding represents an increase of approximately $200,000 over previous years, primarily due to an increase in federal grant funds.

The new model defines the various intervention tools available to service-providers, mandates that specific percentages of the prevention funds be targeted to specific populations based on an intensive community planning process, attempts to quantify the level of prevention services provided to targeted communities in meaningful ways, and integrates all funding for prevention services citywide into one unified system.

This reorganization has already resulted in a significant reallocation of funds to minority providers serving high-risk populations and has enabled the local HIV service community to target prevention services to the changing needs of city residents.

A primary objective for the Department of Public Health is to continue provision of quality health care in the face of burgeoning and uncompensated demand caused by eroding federal and State financial support of America's poorest citizens. That financial viability of the city's health care system has depended on the Health Department's ability to balance services to the uninsured with services to the insured. The growing imbalance resulted from an increasing number of uninsured patient visits threatens the Health Department's ability to continue to provide

2/19/99 WHOLE COMM./Budget/Bill 990023

the same level of service.

As a result, the unreimbursed cost of care, those costs fully supported by City taxpayer dollars, have risen from 8.8 million in Fiscal Year '96 to 12.2 million projected for Fiscal Year '99, and 12.3 million for Fiscal Year 2000.

To partially compensate for the significant increase in the unreimbursed cost of care provided at the health centers, the City provided 1.2 million for pharmacy and physician costs over the last years, and will maintain this increase throughout the five-year financial plan. The proposed budget includes 8.3 million for Fiscal Year '99 and 8.7 million for Fiscal Year 2000, up from 7.3 million in Fiscal Year '98.

The increased revenue in Fiscal Year '99 and Fiscal Year 2000 is primarily due to a Medicaid cost settlement with the Commonwealth under the terms of the Balanced Budget Act of 1997. The Health Department is not requesting additional tax-supported funds for the health centers in Fiscal Year 2000 for a projected growth in pharmaceuticals and other costs because the new Balanced Budget Act Fund will cover the increase in costs.

In addition to previous cuts in general assistance as well as federal funding cuts, the City currently projects as many as 32,000 families to lose welfare benefits between March and June 1999 due to federal welfare reform provisions. While the termination of cash benefits does not mean that the families are no longer eligible for Medicaid, the State requires families in some circumstances to initiate re-enrollment in the Medicaid program on their own.

The Health Department is working with the State Department of Public Welfare, service providers, and advocacy groups to identify ways to maximize the level of retention and re-enrollment among affected households. The Department, nonetheless, expects that not all families will re-enroll -- at least not right away. As a result, the health centers could be adversely impacted by yet another increase in the number of uninsured visits.

To address this, three health insurance counselors have been hired to enroll eligible Medicaid recipients at our health care centers.

These counselors will meet with health center clients, discuss insurance options with them, and assist them through the Medicaid enrollment process. By keeping eligible individuals enrolled, we will ensure their ability to continue assessing Medicaid funding health-care services.

Total health center pharmacy costs increased from 3.6 million in Fiscal Year '96 to 5.8 million in Fiscal Year 2000 as a result of a couple of factors. An increase in the number of pharmacists at the health centers and a reduction in private community pharmacies have contributed to a 19 percent increase in the number of prescriptions filled at the health centers.

Additionally, increased availability of important but expensive HIV treatment drugs, along with increases in pharmaceutical costs overall is a major contributing factor to an increase in the average cost of prescriptions at the health centers.

I conclude my testimony by stating that while the issues I have discussed will be difficult ones for the City and the Department to grapple with in the coming year, I believe that with the additional investment contained in our Fiscal Year 2000 Budget request and continued advocacy for policy and practical changes in welfare reform, we can continue to protect our most vulnerable citizens.

I want to again thank you for the opportunity to give testimony today, and I will now take questions.

COUNCIL PRESIDENT VERNA: Thank you, Commissioner.

In your testimony, you indicate that the district health centers are projecting patient visits to reach 320,000 in FY '99 and FY 2000. What do you expect the impact of welfare reform to be on the district health centers in terms of patient visits, appointment availability, and third-party reimbursements?

COMMISSIONER RICHMAN: The health care centers at this point in time last year, we were at 312; so that 320,000 number gives us some growth room.

If we don't go over that, the appointment availability should stay about where it is now, which is about 75 percent within a

2/19/99 WHOLE COMM./Budget/Bill 990023

three-week period. If we go over that figure of 320,000, then my expectation would be is that appointment availability could be affected somewhat slightly but could have an impact, which means that we could go to 75 percent within four weeks, and that's beginning to push the limit.

The average out there at this point in time among the other health-care providers, private providers, group providers is probably four weeks, and we've always tried to better that, and we would continue to try to do that by how we shape our staff, what time the hours were open.

Part of what has affected our ability at this point in time to improve on that 75 percent is that we still have renovations going on in the centers. And while we've tried to focus some of those for after-hours, most of those require that we are not open as much in after-hours, and it does affect some of our appointment availability.

COUNCIL PRESIDENT VERNA: Commissioner, it's my understanding that approximately $430 million is appropriated for CBH. Where in the budget detail does the CBH appear?

2/19/99 WHOLE COMM./Budget/Bill 990023

I would like to know how many employees does CBH have, and is there a listing of their positions in detail?

COMMISSIONER RICHMAN: CBH has 242 employees.

COUNCIL PRESIDENT VERNA: Is it in the budget detail? Because I haven't been able to find it.

COMMISSIONER RICHMAN: The positions are not in the budget detail, but we can provide that information for you.

COUNCIL PRESIDENT VERNA: If you don't mind, would you provide us with a detailed breakdown and make sure that you include it in the next year's budget because I don't think we had it in last year's budget either.

But I would like to have a breakdown as to the listing of these positions in detail and what the salaries are.

COMMISSIONER RICHMAN: Okay. That is not a problem; we will get it to you.

COUNCIL PRESIDENT VERNA: Thank you.

I understand that you are either in the process of or have concluded negotiations with the

State on setting revised per-member per-month rates for behavioral health services. Could you please bring us up to date on where you are with regards to these negotiations and rates.

COMMISSIONER RICHMAN: We have completed with the State the negotiations for the rate effective for calendar year 1999. However, the contract has not been signed as of yet in that we still are looking at some of the language within the contract. And we had specifically wanted some of that language changed because it was including things in our rate that we did not think we had fully been compensated for.

But for the things that are currently in the new contract, the negotiation of that rate has been determined, and the new rate. . .

We're going to give you the blended rate. The way the rate is actually negotiated is, we negotiate seven different rates with the State and seven different Medicaid categories. The blended rate is about $77 per member per month.

COUNCIL PRESIDENT VERNA: Thank you.

Commissioner, will you please summarize for us the Justice Department's investigation and

2/19/99 WHOLE COMM./Budget/Bill 990023

the settlement agreement with regards to the operation of the nursing home.

COMMISSIONER RICHMAN: I will start this and probably have John Domzalski pick up on anything that I may have left out.

We did reach an agreement with the Justice Department on oversight and monitoring of the nursing home in August of 1998. The agreement stipulated that we will have a monitor in the nursing home for one year. And during that period of time, the monitor will provide some oversight in looking at a variety of different areas and protocols within the nursing home.

We also agreed that there would be an investment into the nursing home at the discretion of the monitor in certain areas of about $15,000. At this point, none of that money has been allocated as the monitor has not given us anything specifically in recommendations and where she would like to see it spent.

The monitor's in the center approximately ones or twice a month to look at services within the nursing home, at which point there is a meeting between all of the relevant parties to look at what she's recommending and provide any correctional plans or other activities that need to be looked at.

COUNCIL PRESIDENT VERNA: What is the census of the nursing home?

COMMISSIONER RICHMAN: The census is -- it's 425. At this point --

COUNCIL PRESIDENT VERNA: Was that one wing ever opened?

COMMISSIONER RICHMAN: They are in the process of opening it now. They have been given permission to proceed. They are proceeding to staff up and we do recommend that the nursing home will reach capacity before the end of this calendar year.

COUNCILWOMAN VERNA: What is the status of the City's contract with Episcopal Long Term Care? And can you tell us, what is the City's operating subsidy to Episcopal for the nursing home in FY '99 and FY 2000?

COMMISSIONER RICHMAN: At this, the City has a contract with Episcopal under the long-term agreement with ELTC, which is their arm that operates the nursing home. This contract runs through June 30th, and at this point in time, we have not given them any notice and would proceed to renew the contract for an additional year as of July 1, 1999 through Fiscal Year 2000.

The budget for this year and projected for Fiscal Year 2000 is 3.3 million in the subsidy, which it has been.

COUNCIL PRESIDENT VERNA: It's a lot better than what we were paying several years back, isn't it? If my memory service me.

What is our deficit for running the nursing home at this point in time? There for a while, it was really a huge amount.

COMMISSIONER RICHMAN: I'm not sure there's a deficit now at all. They expect --

COUNCIL PRESIDENT VERNA: Oh, really?

COMMISSIONER RICHMAN: Yeah. In fact, I think even Episcopal now is breaking a little better than even. But before we privatized the nursing home, there was an $8 million deficit.

COUNCIL PRESIDENT VERNA: I recall that very clearly.

COMMISSIONER RICHMAN: So things have significantly improved with the privatizing and

2/19/99 WHOLE COMM./Budget/Bill 990023

the continuing improvement of maintaining the license.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Mariano. I believe his light was on. Is he in the room?

(Councilman Mariano not present at this time).

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Blackwell.

COUNCILWOMAN BLACKWELL: Thank you, Madame President. I have several questions before I ask about the sidewalk ordinance.

You mentioned, on Page 13, the BHSI funding. We talked about this, I don't know, maybe a year, a year and a half ago. And at that point, it was testified that the State was giving us the money that we needed, and we asked you to report back to us if there was a problem.

Obviously, I've heard outside of this room from organizations that we did not get the money that was required when we specifically wanted to fight for you. We've had this conversation before.

I don't understand when we ask you to

2/19/99 WHOLE COMM./Budget/Bill 990023

help us help you, why you don't keep us informed and also what you intend to do. Here you're talking about reducing your scope of services available to this population. So what happens now?

And I don't understand why you don't ask us to fight with you to help you help our folks in the city. But what do we do now?

COMMISSIONER RICHMAN: We are not anticipating decreasing services in this population. Last year, when we were working with the State, we had reached an agreement to use dollars coming out of the Reinvestment Fund, and all of the funding -- that brought us up to the level of funding that we needed to complete all services for last year. This year we have a total budget. There should be no cutback in services, and everyone who's providing those services should be able to provide them to clients coming.

It is not an entitlement program, however, so we do watch how funded and whether there's going to be a deficit in it at any level. But at this year, we are anticipating no deficit in, we are anticipating that we will provide services to anyone who needs those services, and that we have worked with the State to make sure everybody who provided those services last year were being funded. And much of that cost was able to be carried over through the CBH reinvestment dollars.

COUNCILWOMAN BLACKWELL: Well, what does the sentence mean next to the last paragraph. I quote: "In order to remain within these budgeted levels in Fiscal Year '99, DPH has had to restrict the scope of services available to the BHSI-eligible population and the number of people served, and it will continue these restrictions in Fiscal Year 2000."

COMMISSIONER RICHMAN: I think at the point that this particular document was written, we hadn't had a written confirmation from the State that the dollars would be there for Fiscal Year '99 or for Fiscal Year 2000. And at that point, that was probably an accurate statement. At this point, with those dollars having come in, unfortunately, the State does not give their information as timely as we want, and we always want to be careful not to misrepresent where we

2/19/99 WHOLE COMM./Budget/Bill 990023

are, particularly if we don't have it in writing.

COUNCILWOMAN BLACKWELL: That's good news, that's fine.

On Page 14, you mention Healthy Start funds and that these federal funds were exhausted that for that purpose in West and in Southwest Philadelphia.

Where are we now in terms of this? And people like Virginia Brown and Vernard Johnson and those people who have worked so well in this field, are they included in some new programming and funding stream?

COMMISSIONER RICHMAN: I will have my Maternal and Child Health Director come up and answer these questions.

(Susan Lieberman comes forward.)

MS. LIEBERMAN: Good morning. I'm Susan Lieberman, the Director of Maternal and Child Health.

Yes, we've received word that there will be another round of Healthy Start applications, which will -- the maximum at this point, which we just received an indication, will be 2.5 million for the Healthy Start area. That's what we've gotten in this past year.

We will apply again. It is a competitive application. We have always received the maximum when we've done competitive applications, so we hope to receive that.

Virginia Brown is a member of MCH, and she works very hard with the entire community. Vernard has been very involved with the consortium and has made significant contributions. We look forward to working with him and his agency around some other programs, too.

COUNCILWOMAN BLACKWELL: Thank you, thank you.

Commissioner, we're getting complaints. For the most part, we were kind of in front of the -- and you focussed on it earlier in your term here on the health center lines. Now we're hearing that we're getting long lines again.

And part B of that question is, we're really, really getting a lot of complaints. I've talked to Penn about -- the University of Pennsylvania about doing something in this area, and they've agreed to -- children with dental problems, that's become a major issue in our world today, as I'm sure you realize it.

How does that fit into the whole health center in terms of people getting visits? And is it true, as we've heard, that the lines are long again?

COMMISSIONER RICHMAN: For dental service specifically? Dental is an area that I think going to present a challenge for us also.

You may have noticed in The Inquirer yesterday that two of the HMOs are no longer going to be providing dental services as a benefit at all to their members, which means that many of those people, particularly children, will start coming to the health care centers.

At this point, we have not increased the availability of the dental services that we provide, but certainly in light of the changes, we may need to reconsider how we meet some of that need. I think all of us are fully aware that dental pain can be significant and can alter lots of different kinds of behavior if there's not relief of the cause of that pain with dental services.

I think that we're going to probably

have is have to look at that planning effort and where we fall in it, but I'm not sure I have an answer for you today on all the issues that are going to be related if we try to come back in and try to provide a more comprehensive dental plan for adults and children.

COUNCILWOMAN BLACKWELL: Yes. And especially, as you know, given the nature of it, appointments are needed pretty quickly.

COMMISSIONER RICHMAN: Right, right.

COUNCILWOMAN BLACKWELL: And I think all of us know little babies and preschoolers who are even having problems, dental problems today. That's a big issue.

And that also, as Councilwoman Clark says, is a preventive program. So we would like to know if you would get back to us on that.

COMMISSIONER RICHMAN: Let me see.

Mike, do you have any comments on that program?

(Michael Lucas comes forward.)

COMMISSIONER RICHMAN: Let me have Mike explain a little bit of what's going on now in the dental program.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILWOMAN BLACKWELL: Thank you.

MR. LUCAS: My name is Mike Lucas, and I'm the Assistant Health Commissioner.

As of right now, 85 percent of all individuals who try to get a dental appointment within three weeks can get an appointment. That's relatively similar to what is spent for the past year or two years.

What is happening in the communities is, there appears to be less and less providers who do provide dental care. And we in the health centers end up being more of a choice than we used to be.

We're not sure what the impact of welfare reform will have on dental care. At this point, as Commissioner Richman said, there has been an impact with the HMOs, but we fully anticipate that we will continue to meet the need as we're meeting it right now.

COUNCILWOMAN BLACKWELL: Three weeks may be okay for general appointments, but I don't think if a four-year-old has a toothache that three weeks is a realistic goal and that it means that we as a city are on top of the situation. If a person has toothache, they pretty much need some immediate relief.

MR. LUCAS: Yes. The appointment availability figure I quoted was for somebody who would get routine dental care as opposed to somebody who had an immediate problem.

Somebody who has an immediate problem can always walk in to one of our health centers and get any type of care -- both primary or public health services.

COUNCILWOMAN BLACKWELL: All right.

MR. LUCAS: So if you are hearing that there is a problem with some of your constituents, we would like to hear so that we can take whatever action is necessary.

COUNCILWOMAN BLACKWELL: All right. And we're also asking, as Councilwoman Clark just mentioned, for some kind of preventive program, especially with regard to dental care. That's really become a major, major issue.

And Commissioner, overall, have you heard that, I guess, after March 3rd, only God knows what will happen, but we've heard even now that are lines are longer again. And, as I said, I know when you first came here, you focused on that. We made the neighborhood health centers a serious issue, and we were able to reduce the times, but I'm hearing about these lines and waitings that are stretching out to longer periods again.

COMMISSIONER RICHMAN: We try to stay on top of that, and I know periodically those have gotten -- I've heard also that some of those lines have gotten longer. When that happens, we try to look at that particular center and try to figure out what else is going on and what we can do to reduce it again. We're really trying to keep the first appointment -- not immediate appointments and emergency appointments -- within that three-week period.

And different things do happen. When a center is -- if it's a center that is having renovations going on, we know we've got longer lines because the renovations are affecting appointment availability.

If it's happening in a center where there's not renovations going on, then we want to take a firm look at what else is going on. Is it vacations, are we down a doctor, are there things that make it temporary rather than ongoing? And where we're having ongoing problems, we're trying to take some immediate action not to have those lines continue to be long.

That continues to be very much of a focus of this Administration. And if you are hearing that, then it's a time for us to look very closely again at which centers that's happening at and then come up with some type of remedy.

COUNCILWOMAN BLACKWELL: With regard to the Philadelphia Child Guidance Center, I know they've been in the last two years kind of organizing. Some services have been absorbed by CHOP -- especially more heavy, more severe cases CHOP has absorbed. And I don't really know what Child Guidance Center since they've reorganized, changed leadership, and all of that. I don't even know really where they are and what they're doing today.

What do you know about them and their services to women and children? Are they in the same general location?

COMMISSIONER RICHMAN: Well, there's a

lot of change going on.

COUNCILWOMAN BLACKWELL: Yes.

COMMISSIONER RICHMAN: As you know, CHOP has bought, or has now taken over, Child Guidance, and they're also taken over Children's Seashore House. And they're merging both of them into the internal organizational structure of CHOP. The reorganization is still underway, and I think there's still a lot of fragmentation and confusion in the process.

We have been very much involved with that, and I've met both with Ed Notabar (ph.) on several occasions and his staff that he's had leading this organization. Some of their activities are taking place at the Kirkbride Center, which used to be the Institute. Some of their activities are taking place at other locations in West Philadelphia.

They're estimating that this total transition of bringing both Children's Seashore House and Child Guidance Center under one frame work is probably going to last about another year. My hope is that if we work closely with them, they'll meet that deadline and we'll have a better-organized children's service in West Philadelphia.

Overall, they have not been a lot involved in Maternal and Child Health. That may be something new that comes out. They've been much more involved in children's mental health and ongoing support for families with children who have behavioral problems.

So at this point, we'll see what comes out of the next years.

COUNCILWOMAN BLACKWELL: There's a figure FY '99 and FY '98 of 302,000 but nothing for '99 and 2000 under "Outpatient Treatment Services." Do you know why?

COMMISSIONER RICHMAN: No. Mark? It shows a reduction? Is it drug and alcohol? It's at the top.

COUNCIL PRESIDENT VERNA: Yes.

COUNCILWOMAN BLACKWELL: It is under --

COUNCIL PRESIDENT VERNA: "Drug and Alcohol."

COUNCILWOMAN BLACKWELL: Yes, Drug and Alcohol. The Council President and I both share the --

COMMISSIONER RICHMAN: I'm not sure there's any change. That's why I --

(Mark Bencivengo comes forward.)

MR. BENCIVENGO: I'm Mark Bencivengo, Assistant Health Commissioner for CODAAP.

Because of the existence of CBH and HealthChoices and because of the existence of BHSI, which you spoke about earlier, that has changed the whole array of services and the way that services get counted because anyone enrolled in HealthChoices, their treatment services -- both mental health and drug and alcohol -- are covered by the HealthChoices contract, so CODAAP doesn't count those services.

And on the Behavioral Health Special Initiative side, that's another funding stream coming to the City from the Department of Welfare, which is further complicated the way that CODAAP counts services.

It's specifically identified in the contract that the City has with the State Department of Health that the dollars that we receive, the City receives from the State Department of Health, cannot be used to supply the same services that are supplied by the HealthChoices contract. So our provider system and the Health Department are accommodating to the implementation of HealthChoices.

So we're funding those kinds of things which are not fundable by HealthChoices or BHSI. And, generally, they're ancillary services which don't appear as, like, residential days or outpatient hours and those kinds of units.

The total array of services that people are able to get is probably greater now than it was prior to the implementation of HealthChoices and BHSI; it's just different funding streams and some different ways of counting.

COUNCILWOMAN BLACKWELL: Does that mean the same people do them but it's listed a different way?

MR. BENCIVENGO: The same people are providing the -- the same providers are providing the services who had been under contract to the State Department of Health -- to the City Department of Health. CODAAP, as are part of CBH network and the BHSI provider network, the providers are the same. They are providers who are licensed by the State Department of Health to provide drug and alcohol services.

COUNCILWOMAN BLACKWELL: With regard to the sidewalk ordinance, many of us here have concerns about the status of it, what's going on, how it's happening. And I notice here in the funding detail that you have -- that you have money funded for this year for various organizations.

I'd like to ask you, what have you done so far? And my understanding is that the focus has thus far been in Center City. But given the fact that these organizations are funded for this year and next year, I'd like to ask you the status of what you've done and where you are with it.

COMMISSIONER RICHMAN: Obviously, we've been very active in trying to get the sidewalk ordinance up and continuing to follow through on the services.

At this point in time, all of the activities related to outreach are there. The outreach teams are activated through the OCC, the Outreach Coordinating Center. And they can be and have been sent to places outside of Center City.

So that if a call comes in and someone in an area outside of Center City says there are people who need these services, we do have the ability to move a team to a different area where the people are -- partly because we also know that its folks have been more vigilant in Center City. Folks have moved outside of the city, outside of Center City to do encampment or to be on the sidewalks, and the ordinance affects all parts of city.

At this point in time, almost everything that we had put into the plan is at some point being operationalized. There are a couple of residential programs that we're still working on to get some zoning and get the purchase of the residence on, but everything else is at some place in being within the operational frame work. All the money has been allocated to the agencies, and they're working to either complete their full staffing, or they're working to complete identifying a residential program and to take charge of that property.

The funding -- incidently, we have now approval for funding, and we've included the funding for the next year and a half or a total of probably two and a half years within the Behavioral Health System Reinvestment Fund.

COUNCILWOMAN BLACKWELL: Now, you said that people in other areas call that these services are available, the sidewalk ordinance services are available to them and that some of these homeless people have gone into other areas.

Do you have detail with regard to where they are?

COMMISSIONER RICHMAN: No. We're trying to collect that detail now. That came up at our last orientation meeting that there may be a need to -- as look at the tracking system, be able to see where else in the city people may be as opposed to on the streets of Center City.

COUNCILWOMAN BLACKWELL: Well, as you know, we have various organizations in other sections of the city too, so you're not going to necessarily have the same problems in every neighborhood.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN BLACKWELL: It depends on what services are in those neighbors. I'm concerned about that 'cause that has been a part of my disagreement with this bill. It all depends, you know, on the community and their needs as to how those issues evolve.

COMMISSIONER RICHMAN: The services, the actual residential services and support services are not located in Center City. The outreach efforts have been focused in Center City. But where the residential programs are, the support programs and the other activities have not traditionally been in the Center City area.

What we now need to look at is how do we provide outreach and how do we provide responsiveness to businesses and requests outside of Center City, as on a timely basis everywhere else, but the programs themselves, the residential programs, the support programs are not in Center City. Those are in the neighborhoods.

COUNCILWOMAN BLACKWELL: Does not Project Home, does not Ridge Avenue, does not -- you know, we have many, many shelters in Center City. And, for example, Ridge Avenue does treat people with problems. I don't understand that statement.

COMMISSIONER RICHMAN: Well, Ridge

Avenue's in Center City, but many of our other residential programs are not in Center City.

COUNCILWOMAN BLACKWELL: But many of them are.

COMMISSIONER RICHMAN: Yeah.

COUNCILWOMAN BLACKWELL: We have a city where we have services in some areas, but Center City has the main focus of all kinds of services; that's why the homeless people come here in the beginning, because we have all these homes and we have all these services. That's why they're here. I don't think that's the truth.

COMMISSIONER RICHMAN: Okay. Well --

COUNCILWOMAN BLACKWELL: Within -- within ten blocks of this very building, you have approximately ten shelters. I mean, we have a lot of treatment opportunities available and shelters available right near City Hall.

COMMISSIONER RICHMAN: We do. Let us get you a breakdown of where all of the residential programs, particularly for behavioral health are, and maybe I'm thinking too specifically.

Ridge Avenue is not a behavioral health

site; it is a site run by OESS.

COUNCILWOMAN BLACKWELL: Right. But it is a site that offers treatment, so I'm saying we have -- all shelters aren't narrowly homeless.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN BLACKWELL: Some focus for veterans, but it could be veterans with drug problems or others.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN BLACKWELL: So we do have many, many places in and around Center City, which is the reason -- part of the reason for the focus on Center City in addition to all the other, you know, the Convention and Avenue of the Arts and all those other things, and this being our main business point and commercial point in the city.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN BLACKWELL: But this is also the main place where we have shelters.

COMMISSIONER RICHMAN: You're absolutely right. There are many shelters in Center City. Many of those shelters, though, do not provide services for people with behavioral health problems.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILWOMAN BLACKWELL: Right, although many do. We have many shelters that do provide that.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN BLACKWELL: That do allow people in. On any given night, they take them to a shelter irregardless of what their problems are. Sometimes they may take them to Kirkbride, sometimes they may take them to Ridge, so I don't want the record to reflect that -- that we don't have all of these shelters and that we don't have these -- this focus here in Center City. Otherwise, it changes the whole nature of why we have the sidewalk ordinance in the first place.

Madame President, I know others have questions so I'll relinquish the rest of my time.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Mariano.

COUNCILMAN MARIANO: Thank you, Madame Chairman.

My question is -- what I want to start out is about CODAAP, so could --

COMMISSIONER RICHMAN: Mark.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN MARIANO: Mark? I'm not going to ask you about Komar (ph.), so relax.

COMMISSIONER RICHMAN: Thank you.

COUNCILMAN MARIANO: The recovery houses in CODAAP. On the bottom part of my district -- Kensington, Juniata, Frankford -- and a little bit of Councilman DiCicco's district, Tioga, there's a lot of recovery houses.

And what I'm finding out is that it's usually males between the age of 35 and 55 with mainly drug, but a lot of alcohol addiction problems. And they're white, Puerto Rican, African-American, Asian, so it crosses all barriers.

But these recovery houses, a lot of these guys in these houses -- it's mostly males for some reason, so that's one of my questions, what happens with -- we'll get to that, how come there's not a lot of females in them houses 'cause I'm sure -- maybe they're just males houses, the ones that I got to.

But it seems to me that they're really involved in community service and they're on the right track. But I understand there's 61 units in

2/19/99 WHOLE COMM./Budget/Bill 990023

the City of Philadelphia, but there's only one funded by CODAAP in my district. Is there any truth to that? My district's from Girard to Grant.

MR. BENCIVENGO: Girard to Grant. In the Kensington-Frankford section, I'm exactly sure that would fall in your district.

COUNCILMAN MARIANO: That's mine, yeah.

MR. BENCIVENGO: CODAAP funds two of the Fresh Start Incorporated Houses.

COUNCILMAN MARIANO: Fresh Start.

MR. BENCIVENGO: CODAAP has a program called the "CODAAP Housing Initiative," CHI. There are 15 recovery houses that are under contract to the Department as part of the CODAAP Housing Initiative.

There are many more facilities operating in Philadelphia that are part of the CHI. There are 4 of the 15 CODAAP Housing Initiative Houses which are for women or women with children. One of them out in West Philadelphia, the Parkside area, is the one that has women with children.

There are many recovery houses that are

seeking to become part of the CODAAP Housing Initiative -- many more than the Department has dollars to support. We started out with 7, we are now up to 15. We do it on a competitive basis through a request for proposals.

I would also say, because I know it's of interest to Council, that CODAAP and the Department sat down with the Recovery House managers and developed what we call the "CODAAP Recovery House Standards."

COUNCILMAN MARIANO: Would the people that were at this meeting be the recovery houses that already have contracts with you, or would it be people that are seeking contracts?

MR. BENCIVENGO: They were both -- those that have contracts with us and those that are seeking contracts.

COUNCILMAN MARIANO: Would you have barred anyone, especially constituents in my district, maybe Tioga House or places like that, from possibly being at these meetings?

MR. BENCIVENGO: Not at the meetings where we developed the Recovery House Standards. The particular program you're talking about did

2/19/99 WHOLE COMM./Budget/Bill 990023

come to a meeting of the Forensic Intensive Recovery Program. It is not part of the Forensic Intensive Recovery Program, and so they were really not supposed to --

COUNCILMAN MARIANO: Is it that they're seeking to be part of Forensic --

MR. BENCIVENGO: They're seeking to be part of -- as many programs are, they are seeking to be a part of the CODAAP Housing Initiative, and I believe that particular facility -- in fact, I know it's submitted a proposal to us in response to our last request for proposals, as many programs did. And at that time, we brought on seven more.

That particular facility that you're talking about was not one that was awarded a contract.

COUNCILMAN MARIANO: Is there a certain criteria where contracts are awarded and not awarded, I mean?

MR. BENCIVENGO: Yes. It's in response to a competitive request-for-proposal process, which is reviewed, and then awards are made based upon the proposal that's sent in.

(Councilwoman Clark assumes the Chair.)

COUNCILMAN MARIANO: Now, most of the ones that are awarded -- and you say you have 15?

MR. BENCIVENGO: 15.

COUNCILMAN MARIANO: And you started with 7. Would a lot of them -- is there any groups that have a great number of them? Is there one group with 3, 4, or 5?

MR. BENCIVENGO: Two of the current providers operate -- or three of the current providers operate two houses.

COUNCILMAN MARIANO: Okay.

MR. BENCIVENGO: Fresh Start operates two, the Art House Group operates two, and a New Way of Life operates two.

They are a bit different in the sense that Art House, for example, has a house for men and then it has a house for men who are on methadone maintenance programs.

COUNCILMAN MARIANO: Where is that one, Art House?

MR. BENCIVENGO: That one is in West Philadelphia, I think, on West Girard.

COUNCILMAN MARIANO: Could we possibly

get a breakdown through the Chair to the District Councilpeople and to the At-Large Councilpeople, if they so desire, of where these houses are located?

MR. BENCIVENGO: By Councilmatic district?

COUNCILMAN MARIANO: Yeah. That's easier for us.

MR. BENCIVENGO: Yes.

COUNCILMAN MARIANO: I mean, that makes it better 'cause I -- you know, in the middle there, DiCicco and I -- one side of the street's his, one side's mine, so maybe you want to -- I know the one on Womrath Street's mine, and there's one on Sedgeley Avenue that's mine.

And these guys are always out there, voter registration drives. If I call and say, "I need 20 guys to clean a lot," they're there. And, you know, and then when I go meet with 'em, they say, "Councilman, here's one of my problems. We can't seem to get our fair share of the pie."

I mean, these are guys that look just like me, that have the same problems I had, and somewhere in life, they took a road to heroin or

2/19/99 WHOLE COMM./Budget/Bill 990023

cocaine -- and, fortunately, I didn't, but I could see myself sitting there. I mean, they're guys that are my age, in their early 40s that have really wasted most of their life and they're on the road to recovery and need to feel that there's a, you know, they have their spot in this society, especially in the city. And they certainly do. I mean, we can't afford to throw any one away.

I know my colleague Councilwoman Blackwell concentrates on a lot of the homeless issues. I just think that this group of people -- and I realize that there's a little bit of funding, you would like to have more funding, and if the State and the feds cut out the funding that used to trickle down to us slowly, you know, it's become a full-time issue.

I actually have someone on my staff that has some families that were involved in this. I want him to be assigned to this. Can he attend meetings as my representative?

MR. BENCIVENGO: Surely.

COUNCILMAN MARIANO: So I'm up on this?

MR. BENCIVENGO: Yes. And we will make

a listing of the CODAAP Housing Initiative Houses by Councilmatic district available to the President of Council.

COUNCILMAN MARIANO: Okay. Thank you very much.

And my next question, Madame Chairwoman, is -- I don't think you'd be involved with this -- is the Prevention Point, the needle exchange program. Oh, you got that too? Good, all right.

Now, we all know that it's a very controversial issue. And until we find cure for AIDS, nobody wants to give needles away -- mostly me, three months before an election, all right? Let's make it simple.

But we give them in certain neighborhoods. Now, I will pick the 19th Ward, which is lower Kensington, which is heavily Latino and, you know, a little bit African-American, and I'm sure there's some Caucasians involved there. But it's on its upswing. You know, there's some things happening there that haven't happened there for 30 years, and I'm excited about it.

But when the leaders in that community

come to me and say, Councilman, we understand the AIDS epidemic and we understand the needle exchange. We don't really like it but we understand the need for it and we understand that there's heroin addicts here and things are going on, and we're afraid maybe a 52-year-old Latino man who may have been addicted to heroin for 30 years doesn't want to go to South Philadelphia to get his needles.

So we could debate that issue for a long time. And Councilman Ortiz and I have talked about that, and he's looking at me, and, you know, we feel the same about that, we need to do something with that.

But I've been in contact with Prevention Point because the community leaders don't want it on their corner because it just makes it looks like everything's being thrown there. So we want to try to do something at the health center.

And I understand there was a problem opening health centers on Saturday to give out these needles. And before you say anything, the second part of this problem, which is probably the first part is, there's a lot of people -- anytime you think of anything good, like the road to hell is paved with good intentions, Councilwoman Clark always tells me.

So these are all good intentions, but there's somebody out there collecting needles. If I can think of it, 30 people have thought of it before me. Now, there's probably some 18-year-old guy out there that may not be a heroin addict that's collecting needles, old needles, and he's taking 'em back and he's turning in 100 and he's selling 'em for $1 apiece, which is pretty good -- he's making $100 on a Saturday afternoon or on a Saturday turning in needles.

We need to have a point where -- and I don't know where that point is, but we need to let these people that are getting free needles sit through something -- maybe sit through a movie or some kind of lecture or something so that it's not that easy to come in, gimme my 100 needles and I take off. How 'bout, you got to sit here and be a little bit, you know, inconvenienced for 20 minutes or 30 minutes.

Now, we will find out right away who

the hard-core drug addicts are. And I don't want to plug this on anybody. I'm just looking at making sure them scammers aren't scamming the system because what it's doing is, it's costing money, taxpayers' money for needles, and it's giving a good program with good intention a bad view in the eyes of the people that live there.

Can you imagine looking outside your door on Saturday morning and seeing 120 people or even 30 people lined up getting needles? I mean, it's not a good thing to say to a young mother and a father who are in an economic status where they're struggling and working every day and explaining to your children, three or four children why these people are addicted to heroin and why the City gives them free needles.

I mean, it's an issue nobody wants to deal with it, but we have to.

MR. BENCIVENGO: And I'll respond to the one part of your question about the particular site which was causing considerable concern in the 19th Ward.

We have moved that site. We've moved that site to a drop-in center not terribly far from there, working with the ward leader of the 19th Ward. And he and other folks out there are going to work with us to find a permanent storefront for that particular site, which was located on an area which, I understand, is undergoing a lot of economic development or is contemplated for economic development.

And I -- the people at Prevention Point and myself and the people out in the neighborhood have worked very closely to move that site to a storefront that we currently fund for Prevention Point.

COUNCILMAN MARIANO: Where is the storefront?

MR. BENCIVENGO: Around Third and Girard.

COUNCILMAN MARIANO: Third and Girard?

MR. BENCIVENGO: Yes.

COUNCILMAN MARIANO: But it's not in the health center, right?

MR. BENCIVENGO: No, it's not.

COUNCILMAN MARIANO: But it's around there.

MR. BENCIVENGO: It is not in a health

center; it is around the health center. The coordinating office funds the site at Third and Girard. For a number of reasons, I would prefer to operate it out of that store front rather than out of the health center.

But we do want to ultimately have a storefront. That particular site, like the other ones, operates on a very limited time fame: it's two hours once a week on Saturday morning. And we're probably going to, in all likelihood, move it again in several weeks when we're working with the ward leader to find us a permanent place.

COUNCILMAN MARIANO: Now, you know that Congreso de Latinos Unidos, what Alva Martinez runs, I acquired a site for them at American and Sommerset that was a part of the City's spray-paint deal or the Anti-Graffiti Network. And they're going to have that.

Now, Congreso is probably -- I mean, not probably; it's definitely a first-rate organization. And once they get feet their on the ground from their old site to here, that might be a place where -- and Congreso would probably love to be involved in that.

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. BENCIVENGO: We are certainly looking at that one and have had some conversations around that. It will be some time before they get that one up, but we are certainly looking at that and having discussions with Miss Martinez.

COUNCILMAN MARIANO: Is there any other sites that we're using at all up in that area? I know we have some in South Philadelphia, and that's interesting to the At-Large Councilpeople or Councilwoman Verna or DiCicco, but is there anything else in Kensington or Frankford that I need to know about?

MR. BENCIVENGO: Across the railroad tracks from A and Gurney on a stretch up there.

COUNCILMAN MARIANO: Behind the abandoned factory?

MR. BENCIVENGO: Yes.

COUNCILMAN MARIANO: They're still going out there?

MR. BENCIVENGO: Well, no. It's on the other side of the tracks. It was next to the abandoned factory. It's no longer next to the abandoned factory; it's in front of the empty lot,

2/19/99 WHOLE COMM./Budget/Bill 990023

between two railroad bridges. That one is going on up there. It has been going on for some time, but we had moved that also in response to --

COUNCILMAN MARIANO: A number of times.

MR. BENCIVENGO: -- meetings that the Commissioner and I had with representatives from EPOP (ph.). We moved that. I, quite frankly, haven't heard any problems regarding that site for some considerable period of time.

COUNCILMAN MARIANO: I just don't like to be surprised.

And the last thing say, and I've had this discussion with the Commissioner before. Any issues that affect my district -- and I'm sure the other District Councilpeople will speak up -- tip us off, save us like a mountain of work.

Most things can be avoided if you'd just let us know what's happening we can be the ones to go to the community and say, Look, this may happen here, and this may be a problem. Is it going to be a problem? If it is, let us know now before they're talking about it on the radio or before it's in the newspaper or before EPOP's even involved, okay?.

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER RICHMAN: I have, after our last meeting, have tried to reinforce very strongly with the staff that I don't want any Councilmember blind-sided by their community on any issue that we know of in advance.

COUNCILMAN MARIANO: 'Cause if I lose my election 'cause of Komar, I'm working for you, at as much money as you make. And that's in the record, so you can't deny it.

Thank you. Thank you, Madame Chair.

COUNCILWOMAN CLARK: Thank you. Mr. Ortiz?

COUNCILMAN ORTIZ: Thank you, Madame Chair.

Commissioner, during the last few years, and I don't know if you had it in part of your statement, the increase in terms of uninsured individuals coming to the health centers, what has been the increase in the last two years? And what is the projected increase that you see happening after welfare reform takes hold?

COMMISSIONER RICHMAN: I believe, and I'm not sure I have it in this budget testimony, but I think last year, we said that in 1996, the percentage was around 45 percent. We are predicting for Fiscal Year 2000 that it would be 62 percent. So, obviously, we've had a significant change in the number of uninsured, the percentage of uninsured that are now coming to the health care centers.

We've also tried to do some study to find out if these are people who have been previously insured -- in other words, who are coming off welfare rolls, or whether these are people who've always been uninsured, who are beginning to find their way more frequently to our doorstep because other people who would have treated them are either no longer doing it or no longer doing it in the same volume.

COUNCILMAN ORTIZ: Yeah, I'd like to find out whether that's a direct result of Act 35 and its impact.

COMMISSIONER RICHMAN: Right.

COUNCILMAN ORTIZ: And one of the economic issues involved in that in terms of monies and expenditures and who pays for it and do we get any reimbursement from somewhere to take some of the economic impact off.

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER RICHMAN: No one pays us to be able to treat the uninsured; that falls on the City.

But one of the issues that we have tried to work with is that many of the people who are showing up at our door, who come in uninsured, actually are insured and didn't know it or couldn't get through the process or didn't know how to get through the process.

And one of the reasons that we've added insurance counselors to the health centers -- and we have three now and will be adding a fourth one -- is to be able to help people get back on their insurance. Technically, welfare reform should not affect their Medicaid eligible. But most people do not know that. They're assuming that if they're losing cash assistance, they're also losing their medical-assistance benefit.

We also know that if they don't show up for appointments around their cash assistance, that in some cases -- many cases perhaps -- they're losing their medical-assistance benefits. We also have families who are eligible for the CHIP Program who don't understand they're eligibility or how to get it.

So part of our effort in trying to figure out more about this number increase to 62 percent is how many of that 62 percent really are insured and have eligibility and don't know it, how to get them through the paperwork (which is horrendous), how to make sure they're applying for the right thing at the right time, and to literally help them through the process.

At a study we did this summer, 50 percent of the people who came in uninsured had eligibility and didn't know it. And that's the group we're going after.

COUNCILMAN ORTIZ: And I imagine that this is an increase in terms of the amount of people that you see and how you are assimilating in terms of staffing, that increase in terms of people that are coming into the health centers.

COMMISSIONER RICHMAN: Okay. We are staffed to be able to provide treatment for a population for 320,000 visits. Last year, we had 312,000, so we've left ourselves a little of that room to grow in.

And as I commented to President Verna,

if we go over the 320,000 visits, we will now then need to look very seriously at what impact that will have on our waiting time and our accessibility time.

At this point, for this year, we will probably not hit 320,000. And we will be watching that very closing and very carefully. Our statistics have stayed very fairly constant over the last two years.

COUNCILMAN ORTIZ: In terms of the sidewalk behavior bill, do you have any data as to that you can maybe provide us? I know that it's too soon perhaps. But in terms of people, visits, contacts by your outreach teams and so on that, you know, how often are they occurring, you know, when are they called and so on and so on, and the results of those contacts down the line and what happens.

COMMISSIONER RICHMAN: We are collecting that data. We're actually involved in -- and there will be full data-tracking system that will be up and running probably, I believe, May 1st.

In the meantime, we are collecting it

by hand, and we would be able to summarize that data for you. I do have some of it here, and we'll be able to put it in a little clearer format. It's a little bit complicated in terms as it goes through. We know how many clients we've seen, the events, we know how many we looked for and didn't find, how many refused services when we found them.

So we're collecting a fairly sophisticated amount of data that we will be able to share with you.

COUNCILMAN ORTIZ: Thank you, Madame Chair.

COUNCILWOMAN CLARK: Okay. I'd like to follow up on Mr. Ortiz's question.

Would you please describe any programs that you have designed and implemented in order to be responsive to the new requirements of the sidewalk behavior bill. What have you done internally in your organization to get yourselves ready for the new waves of service that will be required as a result of sidewalk behavior bill?

COMMISSIONER RICHMAN: Okay. We've done a variety of things. The first thing is, beginning to look at how we provide outreach services. And in the past, outreach services have been provided by a team of people who go out, provide the service, deliver a person they find to a shelter, and then they go out and find someone else.

One of the things we're doing different this year is beginning to look at combining outreach with case management. In other words, when you find a person, you stick with them.

COUNCILWOMAN CLARK: Until it's resolved?

COMMISSIONER RICHMAN: You stay with them until you think they are fairly well stabilized. In other words, even if you have them involved in a residence, people may stay for a week and disappear again, and then another team finds them.

We want a team to be assigned a group of people and they stick with that person. They know where they are during the day, they try to make sure that they're assessing treatment. They try to stay with them long enough to know they are in a stable environment, not just a shelter.

So by being able to put some continuity of care in there, our expectation is that we will cut down on the times we find the same person over and over and over again, because that was one of issues that we heard from the outreach teams in the past.

We're also trying to be much more aware of people with co-occurring disorders, which means that many people who are homeless not only may have a drug and alcohol problem but have a co-occurring mental illness. Or people that have a mental illness also have a co-occuring drug and alcohol problem, and seeking and supporting providers that can treat both at the same time, not one after the other, and bringing providers along that understand the concept of co-occurring and how to work with both together.

COUNCILWOMAN CLARK: Is this a major change in the way you used to do it?

COMMISSIONER RICHMAN: Yes, it is. In fact, we're making that change over the entire system. Because in part, more than anything else, the way the system both has been funded in the past and how the allocations have come from the

State and federal government, it comes very categorical, and the government wants that drug and alcohol money to treat drug and alcohol problems, and mental health money to treat mental illness -- with the failure to understand that many people have both at the same time and you can't treat one and then the other.

COUNCILWOMAN CLARK: They can't bifurcate it without being arbitrary and sometimes foolish.

COMMISSIONER RICHMAN: Exactly. And what we've tried to do is much more focus now on what we are calling "people with co-occurring disorders," and you have to treat both at the same time.

We are, in fact, next week having a major meeting with the State to see if we can bring them into this line of thinking. We have written a white paper, we're doing some major training of our staff, but we're running into some of the same problems with the State being in a little different place and trying to say that the way their fundings work is not helpful for Philadelphia, it's not helpful for us being able to work with the citizens of Philadelphia, and that we need -- we need them to work with us, as opposed to being a barrier.

COUNCILWOMAN CLARK: In the previous treatment regimen, you had one person on two case loads; now you have one person with two problems.

COMMISSIONER RICHMAN: Right.

COUNCILWOMAN CLARK: That makes better sense to me that you would treat the person with whatever his or her problems are. Let's make government fit the person rather than make the person fit the government and follow the dollars.

COMMISSIONER RICHMAN: Would you like to come to the meeting with the State?

(Laughter.)

COUNCILWOMAN CLARK: You know, that was my next question. How can we help you make people who are more like us than they are like you understand your problem? I don't think we have yet used our coordinated strengths.

Now, you can talk to your subject matter; I don't even try to pretend to understand it to the degree that you, but I do, after about 20 years, understand how legislators think. And

2/19/99 WHOLE COMM./Budget/Bill 990023

maybe we ought to have a coordinated local approach to attack it at the various other governmental levels.

COMMISSIONER RICHMAN: We are, at this point, doing the first-level meeting with people within the Department of Public Welfare, not even at the top level of Public Welfare now. We're working with their licensing people and some of their program people.

If we can get those people who are at the front line to begin to change their behavior, then obviously, we have solved the problem. Our concern is --

COUNCILWOMAN CLARK: But before you get them to understand it enough to change their behavior, they're going to talk to people like us, and we can't carry your message because we haven't understood it because you haven't taught it to us yet.

And that's the point I'm trying to make without belaboring it unnecessarily that we need to have some internal in-the-family discussions so that we understand you and share with you what we know about how legislators and bureaucrats think.

2/19/99 WHOLE COMM./Budget/Bill 990023

Now, you know how bureaucrats think, but we know how legislators think.

COMMISSIONER RICHMAN: We would be very glad to educate you one some of the issues and where we see some of the legislative problems or some of the more resistant problems as we try to create, first, a behavioral system; and within that system, the concept of co-occurring disorders.

COUNCILWOMAN CLARK: Thank you. I cut across you; you were about to tell me something else.

COMMISSIONER RICHMAN: (Shakes head.)

COUNCILWOMAN CLARK: Okay. The next person on our list -- and I won't interpose myself here because Mr. Rizzo is next on the list to speak. Mr. Rizzo, you are called upon now.

COUNCILMAN RIZZO: Thank you, Madame Chair.

Commissioner, I had a constituent call very, very upset and concerned because there was just a lack of service. And I know we can't deal with every issue, but I'd like to try to describe this concern.

2/19/99 WHOLE COMM./Budget/Bill 990023

Yesterday, on my voice mail, a woman called distressed, terribly in tears, and described her situation. She lives -- she presently lives with her boyfriend. She has a 13-year-old son. She's paying the rent cash to the boyfriend; they split the rent. The boyfriend wants to end the relationship. He has put the mother -- the woman and her 13-year-old son out.

She said she's called from the White House to the State Capitol to my Council office, not able to find anyone that would give them any assistance. She said she tried to get into a shelter and she was rejected because of the 13-year-old son.

Is there anything that you can think of? And I'm sure that there are situations like this. It kind of concerns me that there's at least at this moment nothing available to help this woman and her 13-year-old son, and I'm hoping to there that there may be.

COMMISSIONER RICHMAN: Let me try to answer it in two ways. If the woman or her 13-year-old son have any kind of behavioral health issue, I'd probably have some resources that I can bring to bear to help resolve it.

If none of the issues that they have are health-related, then what I would do is probably try to work very closely with OESS, the Office of Emergency Shelter, to see what together we could come up to support it.

There have been occasions in the past where we have seen families -- particularly sometimes families with many children, up to five, where we have literally put them up temporarily in a hotel or a motel until adequate housing could be found to get them that level of protection.

So usually we take those on as special projects, we try to make sure that both the mother and child are in safe conditions as quickly as we can, working through the resource of both OESS and the Health Department.

COUNCILMAN RIZZO: In fairness, I believe she was offered separate -- separating them, and I can imagine a mother not wanting to be separated from her child, and I can understand the problem of not allowing a mother and 13-year-old boy to come into a shelter, but --

COMMISSIONER RICHMAN: There are

shelters for mothers and their children. They aren't run by the Health Department. Again, they are run by OESS. But I'm sure that we would not like to see them separated.

The cost to the City of placing a child in a foster home versus having the mother and child together is much higher, so we would try to keep the family dyad together and find adequate places for them to work.

COUNCILMAN RIZZO: What concerned me and why I took the opportunity to discuss this publicly with you is that her final words were that she would live on the street before she would be separated from her child. And that concerned me.

COMMISSIONER RICHMAN: And that would concern me too. And, obviously, one of us want to see her with the only alternative of living on the street or in an unsafe environment with a person who may be potentially abusive to her or the child.

So if you could let us have that information, I will certainly follow up with Mike Nardone. And we will solve this problem.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN RIZZO: Thank you, Commissioner. I knew there had to be something out there, but she was so down to the point where I was concerned. And I was concerned also that this might be something -- there might be similar situations out there like this, and I'm pleased to hear that there is the potential of some help for her.

COMMISSIONER RICHMAN: There have been occasions like this, and when someone does call us on it, we try to get those resolved and actually not just give the person another phone number to call, but to make sure it gets resolved.

COUNCILMAN RIZZO: Thank you. Thank you very much, Commissioner.

Thank you, Madame Chair.

COUNCILWOMAN CLARK: Thank you.

Are there any other questions of the Commissioner?

COUNCILWOMAN MILLER: Right here.

COUNCILWOMAN CLARK: Councilwoman Miller.

COUNCILWOMAN MILLER: Good morning.

COUNCILWOMAN CLARK: Good morning.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILWOMAN MILLER: I just had one question regarding the new equipment that --

COUNCILWOMAN CLARK: I can't hear you.

COUNCILWOMAN MILLER: Regarding the new equipment that I think you're purchasing. I'd just like to know if a mammogram machine or device is going to be put in Health District No. 9. It's my understanding that's the only health center without a mammogram machine.

MR. LUCAS: This is Mike Lucas again.

In the past, Medical College of Pennsylvania provided mammography services directly at Health Center No. 9. All of the other health centers were serviced by our own mobile mammography unit. So there were mammography services available at all health seniors, including Health Center No. 9, except it was done by MCP rather than the City.

As of right now, Tenet is no longer providing that service, and we're looking at ways in which we can provide that service at Health Center No. 9.

The physical facility at 9 does not lend itself to that right now, and we have our

2/19/99 WHOLE COMM./Budget/Bill 990023

facility management people looking at ways to restructure things and change things so we can move our mobile mammography unit in once a month a Health Center No. 9 just like it is at every health center.

COUNCILWOMAN MILLER: Okay. So you're saying that Tenet is not going to do the mammograms.

MR. LUCAS: That is correct.

COUNCILWOMAN MILLER: Okay. 'Cause I had spoke to the Advisory Council President, and she was under the impression that Tenet was going to do the mammograms. So it's good to have clarity on that issue.

Okay, thank you. That's my only question.

COUNCILWOMAN CLARK: Thank you.

Will after-work and weekend hours be extended at all?

MR. LUCAS: I'm sorry, I didn't hear the question.

COUNCILWOMAN CLARK: Will after-work and weekend hours be extended at all of the health care centers?

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. LUCAS: Each of the centers is open one evening a week at this point. One center is open one evening a week and also on Saturday mornings.

COUNCILWOMAN CLARK: And you don't envision one evening and one weekend for all of the centers; this is the present level of after-work and weekend hours that you anticipate?

MR. LUCAS: You're right, that is the current level. We are looking at ways to expand it. As our facilities have undergone renovations over the past few years, we've had to change the hours of the health centers, and some of the health centers have been open 7:30 to 4 o'clock, and the earlier hours also appear to be very appealing to the patients who use the health centers. So we are exploring other possibilities, perhaps even going to a 12-o'clock-to-8-o'clock shift one day a week.

COUNCILWOMAN CLARK: That's where my question goes to, some non-traditional work day to permit people to come either before or after.

MR. LUCAS: Well, we're certainly supportive of that, and I can say unequivocally that the current evening hours and Saturday hours have been very successful, and we would like to expand it.

COUNCILWOMAN CLARK: Are you having difficulty attracting and retaining qualified professional staff at the centers?

MR. LUCAS: Several years ago we had difficulty not necessarily recruiting but retaining physicians. We developed a physician retention program which included such items as a salary increase, further training and education, as well as paying for malpractice insurance for contract physicians.

Since that point, we've been very lucky in the sense that there's been very, very little turnover of our physician staff over the past, I'd say, two years, maybe three years.

COMMISSIONER RICHMAN: Actually, Mike knows that I have many people who come in who actually want to work in the centers and that at that point in time, we may not have vacancies. And it's the ability the offer the malpractice insurance to our contract workers that seems to be able to make the major amount of difference in people not only coming in to the jobs but then staying once they got there.

So that what we saw in the beginning of this administration, we haven't seen now in the last two or three years.

COUNCILWOMAN CLARK: Okay, so it's working.

COMMISSIONER RICHMAN: Yes.

COUNCILWOMAN CLARK: You found a solution to your problems.

COMMISSIONER RICHMAN: Yes.

COUNCILWOMAN CLARK: Okay.

COMMISSIONER RICHMAN: And the doctors told us what it was; we just had to find out a way to work it.

COUNCILWOMAN CLARK: To pay for it.

COMMISSIONER RICHMAN: That's right.

COUNCILWOMAN CLARK: All right. Okay, well, I thank you very much. There are no more lights showing; if I were you, I'd leave.

(Laughter.)

COMMISSIONER RICHMAN: Thank you.

COUNCILWOMAN CLARK: The next group to be heard is OESS. Please join us at the table.

2/19/99 WHOLE COMM./Budget/Bill 990023

(OESS panel comes forward.)

COUNCILWOMAN CLARK: OESS, let's go.

Good afternoon, how are you?

MR. NARDONE: Okay.

(Proceedings disrupted by din of audience conversations.)

COUNCILWOMAN CLARK: Ladies and gentlemen, we're going to ask you to do your meetings outside and let us proceed with this hearing.

Good morning, sir. Please introduce yourself to the record, spell your name for the benefit of stenographer.

MR. NARDONE: Okay.

COUNCILWOMAN CLARK: And proceed with your testimony, but just a minute.

(Councilwoman Clark taps gavel.)

MR. NARDONE: Good morning, Councilwoman, members of City Council. My name is Michael Nardone. That's N-A-R-D-O-N-E. And I am Deputy Managing Director for Special Needs Housing.

I am joined here today by Sally Fisher, Director of the Office of Emergency Shelter and

2/19/99 WHOLE COMM./Budget/Bill 990023

Services; Kevin Breazeale, Deputy Director of OESS; and Richard Shaeffer, Administrative Services Director for OESS.

I am pleased to offer this testimony on the Office of Emergency Shelter and Services Budget Request for FY 2000 and the significant challenges that lie ahead for the homeless services system.

As presented to Council, the proposed FY 2000 Budget for the Office of Emergency Shelter and Services is $34,192,049, of which 15.3 million represents City General Fund dollars and 18.9 represents Grant Revenue Funds. The City General Fund dollars proposed for FY 2000 represent a $2.5 million increase over projected General Fund expenditures in FY '99.

The increase allows for a $2 rate increase for shelter providers, annualized lease costs for a new family shelter, annualized costs related to implementation of the sidewalk ordinance, and an additional staff person to help monitor a new federal grant for employment and training. The OESS FY 2000 Budget will support 140 positions, an increase of 3 over the current levels.

As you and other members of Council know, there is perhaps no other social problem as complex and challenging as homelessness. It is a national scourge, and it -- is because of the multiplicity of factors, it is also a policy dilemma that does not yield to any easy solutions. Despite the complexity of the problem and the many challenges faced by the homeless services system this past year, I would like to report on some significant progress we have made in the development of the City's continual services for homeless individuals and families.

We received some extremely good news last year when the Commonwealth acted to restore 2.2 million in State funds that had been eliminated in two prior-year State budgets. These dollars, as well as an additional $800,000 in federal McKinney Emergency Shelter Grant funds allowed the City to avoid the shelter restrictions imposed the past two summers and better equipped us to address demand for emergency shelter. Maintenance of this level of federal and State support is an important foundation for continuation of the progress made this year, as well as new initiatives proposed for next.

You already heard much discussion about the sidewalk behavior ordinance, so I will not discuss in great detail the second major area where we've enhanced services, which is in outreach and behavioral health resources available to chronically homeless individuals. As you heard from the Commissioner, we have significantly expanded the number of outreach staff as well as we are in the process of developing additional residential resources with a behavioral health focus for chronically homeless individuals.

The sidewalk implementation plan also includes resources to improve behavioral health services available to individuals residing in the OESS system. That includes the behavioral health assessment and treatment team that was instituted at Ridge Avenue and which is available at Gateway and Eliza Shirley, as well as additional behavioral health staff that have been added to support 30 beds within the OESS system targeted to chronically homeless individuals with mental health or substance-abuse problems. And that might have been able that Councilwoman Blackwell was referring to earlier.

These enhanced behavioral health services are in addition to other OESS initiatives, including additional intake and case management staff and establishment of a day program at the Ridge Avenue Center.

In addition to these enhancements, over the past year, we have also launched initiatives to increase employment- and training-related services for individuals and families in emergency shelter and transitional housing.

Utilizing a combination of C General Funds as well as Private Industry Council resources, between April '98 and March'99, the City will invest close to 1 million to fund training programs targeted at people ineligible for temporary assistance for needy families. This is primarily single men and women residing in the emergency shelter or transitional housing. Through January -- and these programs are ongoing -- we've enrolled almost 450 non-TANF individuals in these programs; and today, have placed over 180 in full-time or part-time employment.

I am pleased to report that the City recently received word that the Department of Housing and Urban Development had awarded the City 1.3 million over the next three years to support this employment and training initiative for homeless individuals. The grant awarded in December as part of the competitive McKinney funding round will provide a stable funding stream for employment and training efforts and will allow us to build on the programs established for non-TANF initiative.

The OESS/PIC initiative for non-TANF individuals was designed to complement services developed with federal welfare-to-work dollars for TANF families. Parents within the shelter and transitional housing system will have access to a full range of service available through Greater Philadelphia Works.

However, we have also added -- we have also -- there have also been earmarked $2 million for specialized services for up to 1,000 homeless families in the emergency shelter and transitional housing system. This includes employment advisors for family members as well as eight-week life skill classes for up to 1,000 families within the shelter and transitional housing system. We have also begun to develop computer labs in several OESS shelters to provide literacy training as part of the GPW initiative.

Obviously as you know, these initiatives will not fully counter the impact that welfare reform will have on the City homeless services system. The Mayor has said on countless occasions that the welfare-to-work dollars fall far short of the resources necessary. Moreover, the workforce strategy embodied in the welfare-to-work legislation is not the best fit for the hardest to serve clients such as many of those in the homeless services system.

However, despite this stark reality, it has certainly been the Administration's priority to support a employment and training infrastructure that assists individuals and families within the homeless services system achieve economic independence and self-sufficiency. And these efforts that we've described are a part of this effort.

The OESS employment and training grant

was just one of the awards announced by HUD this past December as part of a $17.9 million McKinney Competitive Homeless Assistance Award to public and nonprofit agencies in the City. The dollars this year represented $1.1 million in grant funds compared to last year's level and reflects the City's continued success in attracting federal funds to support homeless initiatives.

These additional McKinney funds as well as additional resources devoted to shelter beds, behavioral health services, and employment and training represent significant steps to enhance the continuum of services for homeless individuals and families.

However, despite the progress made on these fronts, the past year also presented serious challenges to the homeless services system as well as trends that are a harbinger of things to come. For much of this year, demand for emergency shelter has exceeded prior-year levels.

Now, much of this can be explained by the fact that unlike the previous two years, shelter restrictions were not imposed during the summer months. However, demand for shelter has

2/19/99 WHOLE COMM./Budget/Bill 990023

been particularly acute for families.

Developing shelter capacity of reasonable quality continues to be an ongoing challenge for OESS. So far OESS has met demands for family beds by expanding within existing facilities operating family facilities at full winter capacity for much of the year. However, this obviously is not a satisfactory solution over the longer term, and welfare reform will only further exacerbate this situation.

I would also say that the impact of welfare reform is beginning to be felt in other parts of the system, and perhaps that's best seen in the increase that we've seen at soup kitchens and food cupboards that are funded in part by the Office of Emergency Shelter.

If I can talk and turn to the FY 2000 Budget, the $34.1 million requested for OESS in FY 2000 represents a 3.5 million, or an 11.2 increase, over projected spending in FY '99. The Administration is proposing $2.5 million in new General Fund dollars to respond to several critical challenges faced by the homeless services system. These additional resources will bring

2/19/99 WHOLE COMM./Budget/Bill 990023

General Fund dollars for OESS homeless services to 15.3 million in FY 2000.

The $2.5 million in new initiatives represents a significant increase. But in light of the serious pressure faced by the shelter system, the Administration is proposing additional investment in several key areas. They include rate increases for emergency shelter providers. The Administration has been working to ensure adequate payment rates for its shelter provider. In FY '98, the Administration proposed and Council approved a $1 increase in the per-diem rate. The Administration is now proposing an additional $2 increase for FY 2000, raising the reimbursement rate from $12 to $14 a day.

As mentioned above, perhaps the most serious problem currently facing OESS is maintaining its present shelter infrastructure and ensuring a level of quality service. It is clear that the $12 per-diem rate is seriously stretching our current providers. As a result, we have had difficulty retaining current providers as well as attracting new quality programs to the OESS system.

The $2 increase requested for FY 2000 will bring the rate that OESS pays its providers more in line with other per-diem rates. It also will contribute to the quality of existing programs, putting providers in a better position to meet basic program costs, including building maintenance and facility improvements. The cost of this initiative is projected to be $1.8 million in Fiscal Year 2000.

Second, we included in the budget the Administration's request for 450,000 in FY 2000 General Funds to cover annualized lease costs of an additional shelter facility housing up to 200 family members. One of the major challenges facing OESS continues to be inadequate family bed capacity. Even if demand were to remain constant additional beds would be needed to relieve overcrowding in existing facilities and upgrading the quality of service.

Welfare reform will only obviously exacerbate this situation. Together with the increase in the per-diem rate, this budget request will increase shelter capacity in the face of the welfare reform challenge and help improve the overall level of quality in the shelter system.

I'll briefly mention two other initiatives. One is the annualized cost of the sidewalk ordinance. The FY 2000 Budget contains full-year funding for a behavioral health assessment team as well as the Ridge Avenue Center, which were -- the day program for the Ridge Avenue Center, which were initiated in November of this past fiscal year.

And in order to properly monitor the employment and training program as part of the match for the HUD McKinney program, we agreed to fund the program analyst with specific responsibilities for overseeing the employment and training program. Right now, that duty is split with a -- is done by a person who is in quality assurance, and this will add an additional position.

We talked -- in addition to these proposed initiatives, the FY 2000 OESS will continue to support the core services at the heart of the OESS mission. The OESS Budget includes funding for an average of 2,476 beds. This is on top of the 100 beds funded by the Department of

2/19/99 WHOLE COMM./Budget/Bill 990023

Human Services as well as additional entry-level capacity funded as part of the sidewalk ordinance legislation.

In addition to emergency shelter, the Administration plans to maintain its commitment to other important components of the homeless continuum of services. The FY 2000 Budget will continue support for homeless prevention at the $2 million level provided this fiscal year.

These dollars, which are administered by OHCD, fund two organizations to provide comprehensive services, including cash assistance for delinquent rent and utility payments, case management, and employment assistance to households at risk of becoming homeless. OHCD is in the process of doing a full-scale evaluation of the success of this program to date so that we can make decisions moving forward about this program.

We also recognize that transitional and permanent housing options are, if not the critical linchpin if we are to break the cycle of homelessness. And towards that end, OHCD is proposing an funding an additional 50 transitional housing units in FY 2000, which will bring the projected number of households who can be served by this program at any one time up to about 600. You may hear more about this from John Kromer when he testifies, I believe, on Monday. This is above and beyond the 245 units of transitional housing funded through OESS.

Likewise, in planning for the future McKinney rounds, the City has decided and the RFP process is currently unfolding to make development of permanent and transitional housing the top City priority when seeking -- during this round of McKinney and the special needs housing needs development funds. This is in addition to the roughly 450 units of special-needs housing for homeless individuals and families now in the development pipeline.

As outlined above, we have a firm commitment and long-standing commitment to the development of continuous services for homeless individuals and families designed to help people move from the streets to self-sufficiency. The budget before you today builds on the progress of the last seven years and contains a number of key initiatives intended to move us forward.

2/19/99 WHOLE COMM./Budget/Bill 990023

However, as you are well aware, welfare reform looms on the near horizon, threatening to undo much of the good work that this Administration and Council, in concert with providers, advocates, churches, and community leaders have done. We are making use of available funding opportunities such as Community Behavioral Health reinvestment dollars, HUD McKinney grants, federal welfare-to-work funds, to mitigate -- as well as additional General Funds to mitigate the serious human consequences welfare reform may entail.

However, in the end, the City cannot go alone. The federal and State governments will have to continue to step up to the plate and do their fair share if we are to continue make progress to combatting homelessness.

Unfortunately, recent news from Harrisburg does not give a great deal of cause for optimism. The Governor's FY 2000 Budget does not include the $2.2 million restored this fiscal year to support the City's homeless services program. Likewise, the State spending blueprint does not include additional funding for the emergency food

2/19/99 WHOLE COMM./Budget/Bill 990023

assistance development grant program, which will provide more than 1 million this fiscal year to strengthen the City's anti-hunger efforts.

As the City prepares to face the welfare reform challenge, we will obviously need to work with the legislature and Governor to ensure that the State maintains its commitment in vital areas such as these.

Thank you very much for giving me this opportunity to testify before you today, and I would be happy to answer any questions you may have.

COUNCILWOMAN CLARK: Thank you, sir. You spoke of the need to help people successfully transition from the sidewalks to self-sufficiency. Would you speak to the success of our efforts so far. Do you have any success stories to tell?

MR. NARDONE: Well, I think we have quite a few success stories. I didn't bring specific -- I didn't bring specific cases with me today. But if you look at the number of people, for instance, that we placed from emergency shelter into transitional housing, for instance, in this fiscal year, I believe, and it's on the back of the testimony, we are looking at placements into the transitional housing as well as other housing options in the neighborhood of 800 to 900 families.

And what we have found in looking at the transitional housing program is that actually very few of those families -- I mean, there are some that come back into the shelter system, but the large share of those families who move from emergency shelter and then into transitional housing, basically our records are not showing them coming back into the system.

So I think that's a good example of, I think, where we are developing the continuum of care, and people are moving along in terms of services to independent living. And we're trying to enhance that with some of the employment and training efforts that we're doing.

COUNCILWOMAN CLARK: Has the traditional housing program been operating long enough for you to say that it is working and that people are work moving from that into independent living, without any need for further supervision or assistance of and by your system?

MR. NARDONE: Well, I mean, that is an issue, when people move from transitional to, say, publicly -- if they move to public housing or in the private market.

I would say, though, that the best evidence that we have is looking at those cases that have gone through the transitional housing system to see how many of them have returned back into the system. And, I guess, in terms of that indicator, I can report to you that we are not seeing a large number of those people who are going into transitional housing then returning after they've completed that program.

COUNCILWOMAN CLARK: Okay. Now, that gives me an overall feeling that things are going well.

MR. NARDONE: Right.

COUNCILWOMAN CLARK: But I need something harder than that. So I wish you would look at your data.

MR. NARDONE: Okay.

COUNCILWOMAN CLARK: And display it in ways that we can say objectively that people are getting helped to function independently.

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. NARDONE: Right.

COUNCILWOMAN CLARK: And the next level that you need to study is, do they move from your transitional housing into independence.

MR. NARDONE: Right, I agree with you. And one of the things that we've been trying to work on is a management -- I mean, we do not have frequently the information that would be very helpful in assisting us to do that. And we are in the process now of upgrading our management information systems to really allow us to track people through the homeless system, because that's really critical.

COUNCILWOMAN CLARK: If you don't, then I have to go by your hunch, your overall feeling that things are better.

MR. NARDONE: Right. Councilwoman, I am doing everything in my power to get -- we hope that by -- now, I've been told July so I guess we have to give it a few months of time when maybe it won't be up, but I hope that by the summer of this year, we'll have a system in place that will help us to begin to answer many of those questions.

COUNCILWOMAN CLARK: Well, I have no

2/19/99 WHOLE COMM./Budget/Bill 990023

doubt that there will be a system, sir. What I'm trying to do is help you develop the system that gives us the kind of information that's useful to us. And while I'm glad that you feel good about it, I will feel better about it if there is some hard data on which to bottom these feelings, and I don't know how you justify not going all the way to self-sufficiency if you just count the people who don't come back into your system and call that success.

MR. NARDONE: Right.

COUNCILWOMAN CLARK: It is, no doubt, a level, but it drops dramatically below the level that we who have the responsibility for making and assessing policy would need.

MR. NARDONE: I agree with you, Councilwoman. It's something we need to work on.

COUNCILWOMAN CLARK: All right. Thank you.

(Council President Verna resumes Chair.)

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame

2/19/99 WHOLE COMM./Budget/Bill 990023

Chair.

Good morning, Mr. Nardone.

MR. NARDONE: Good morning, Councilman.

COUNCILMAN NUTTER: I'd like to talk to you a little bit about Page 6 of your testimony, the section that talks about the rate increase for emergency shelter providers.

MR. NARDONE: Yes.

COUNCILMAN NUTTER: Do I understand from your testimony that in FY '98, there was a rate increase of $1?

MR. NARDONE: Yes, sir.

COUNCILMAN NUTTER: And that the present rate is now $12 a day?

MR. NARDONE: That's correct.

COUNCILMAN NUTTER: And you're looking to go to 14.

MR. NARDONE: Yes.

COUNCILMAN NUTTER: And so that means that in FY '98, the rate prior to the increase was $11 a day?

MR. NARDONE: Yes.

COUNCILMAN NUTTER: Okay. In the second paragraph on that same page, you say that

2/19/99 WHOLE COMM./Budget/Bill 990023

the $2 increase requested for FY 2000 will bring your rate up to the rate paid by providers -- or paid to providers that is paid by other agencies.

MR. NARDONE: It will bring it closer.

COUNCILMAN NUTTER: What other agencies are we talking about? Who else is in this business? Who are our competitors?

MR. NARDONE: Well, that's the difficulty in terms of making a clear comparison. Because, you know, other agencies -- we're talking about the basic shelter services and some case managements and other support services, and there aren't any -- you know, it's difficult to compare that to, say, like CODAAP might have a basic house, but they're also providing very intensive drug and alcohol services.

And so it's difficult to -- I'm just saying that -- but I could say that in most cases, the rates that are paid by other providers or other agencies are higher than what OESS currently pays.

COUNCILMAN NUTTER: Is it correct, though, based on your statement, to make a determination that we, the City of Philadelphia, are the only people who are in the straight shelter bed business? I mean, there are no other private groups or organizations that contract for people to just have a shelter bed? Other than people who are maybe dealing with drug and alcohol issues or some other issue?

MR. NARDONE: I think that's right, yes.

COUNCILMAN NUTTER: Okay. Now, in the third paragraph, you talk about looking at the recommendations by the Greater Philadelphia Urban Affairs Coalition 1998 blueprint and homelessness.

MR. NARDONE: That's right.

COUNCILMAN NUTTER: To look at shelter standards which you seek to review and have strengthened.

Tell us what the current standards are today for a shelter provider level of service and care that they are supposed to provide and what is the current inspection schedule for all of the providers.

MR. NARDONE: I guess maybe what I would like to do -- I can talk to about maybe

2/19/99 WHOLE COMM./Budget/Bill 990023

about what the -- we have a quality assurance -- well, let me talk about the second part of your question, and I'll refer the shelter standards to Sally Fisher, if that's okay.

We have a quality assurance team which is made up of seven people. They monitor the contracts for OESS. That includes a supervisor. And what they do is, they go out and monitor the facilities based on the standards as well as other things that we require of our providers.

COUNCILMAN NUTTER: And how many providers do we have and how many physical locations do we have, and how many people are we serving?

MR. NARDONE: There are approximately 40 or 45 providers of shelter services, but we also have contracts for other types of services like some case-management services, some clean-and-sober services, and the quality-assurance units responsible for monitoring those contracts.

COUNCILMAN NUTTER: All right. How many facilities and how many people are involved?

MR. NARDONE: There are approximately

40 to 45 shelter facilities, and they are currently housing about 2500 people.

COUNCILMAN NUTTER: So we have 40 or 45 providers and we have 40 or 45 facilities.

MR. NARDONE: Right.

COUNCILMAN NUTTER: Is that pretty much -- each provider just has one facility?

MR. NARDONE: Well, there may be providers who are -- there may be providers who are running more than one shelter facility. So, for instance, the Salvation Army is an example; I believe they run three of our facilities.

COUNCILMAN NUTTER: Right.

MR. NARDONE: Self. Dr. Outley runs two of our facilities. One Day at a Time, I think, has four or five facilities. And Catholic Social Services has three.

COUNCILMAN NUTTER: So we may actually have more facilities than the actual --

MR. NARDONE: I'm sorry, I didn't --

COUNCILMAN NUTTER: The question was, number of providers and then number of physical locations -- buildings, facilities --

MR. NARDONE: I probably would have to

go back and -- I mean, I could certainly do that. It is actually in the budget detail in terms of which are the providers that we are currently contracting with. Now, maybe we could find that page.

COUNCILMAN NUTTER: Is there a list of the actual locations of their facilities?

MR. NARDONE: The actual locations are not --

COUNCILMAN NUTTER: That what I'd be interested in.

MR. NARDONE: What's in the budget is the sites that we currently lease.

COUNCILMAN NUTTER: Okay.

MR. NARDONE: It's at the very back of the budget document. But in terms of the --

COUNCILMAN NUTTER: Sites that the City of Philadelphia leases.

MR. NARDONE: Right.

COUNCILMAN NUTTER: But some sites are owned by the provider, I assume.

MR. NARDONE: Exactly, yes.

COUNCILMAN NUTTER: Therefore, they're leasing to some private owner.

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. NARDONE: Right.

COUNCILMAN NUTTER: From a private owner, okay.

MR. NARDONE: They might own the site.

COUNCILMAN NUTTER: Okay. If you can get us that level of detail and information, I'd appreciate it.

MR. NARDONE: Yes.

Would you like to talk -- maybe Sally could talk a little bit about the processes that are ongoing with the shelter standard review.

COUNCILMAN NUTTER: Yes.

MS. FISHER: Hello. I'm Sally Fisher, the Director of the Office of Family Shelter and Services. Good morning.

COUNCILMAN NUTTER: Good morning.

MS. FISHER: The current shelter standards that are still applicable today were originally developed in probably mid-1980 or '85, and they have been revised in 1990. These shelter standards were developed by the Mayor's Public Private Task Force, and they're still being used today. They're attached to all the contracts for shelter.

They're under revision, as the testimony mentioned was that they're under revision again by another public-private task force to further enhance and define and clarify many of the shelter standards that in the original -- or in the one that we're using today may briefly mention things like, you know, children, accommodations for children. The revisions would expand on accommodations for children to include some guidelines on safety and health issues.

And, particularly, it also includes Health Department guidelines on the -- to protect -- on the communicable disease -- their guidelines for prevention of communicable diseases.

COUNCILMAN NUTTER: Well, would these new guidelines go to the level of detail when you talk about children and space for children in the facility? Will they go to the level of detail that the provider would be required to have? For instance, a space indoor and outdoor for the children to play?

MS. FISHER: Yes. There are some recommendations to that effect in the proposed revisions that are currently being reviewed.

COUNCILMAN NUTTER: And is there any requirement for the provider to have any services in particular for those children if, for instance, the child was to toddler age or preschool age but is possibly not going to either a day care facility or preschool or something like that?

MS. FISHER: I think what's most clear in the standards is that the patients are responsible for their children at all times.

COUNCILMAN NUTTER: Right.

MS. FISHER: And that there are more guidelines to the effect that, like you said, the space, making space available, and not so much the services on site, but there are clear directives to identify the support services for families and to, wherever possible, to provide those services on site or to provide some referrals directly to those services in the community.

COUNCILMAN NUTTER: Okay. What's the current inspection schedule for our shelters?

MS. FISHER: As mentioned before on the number of facilities and the sites, we'll get that information to you. There are currently within our quality assurance unit, there are six program analysts that are assigned -- each are assigned a group shelters. They are required to do an annual monitoring review and to write up a monitoring review on an annual basis.

And then they are also responding, depending on the size of the shelter, they may make more frequent visits, but if there are visits and responses to complaints or concerns that may be brought to their attention, they need to respond to those.

So to answer your question, they do an annual formal monitoring review, and then they make at least two or three additional informal unscheduled visits throughout the year, depending on the size of the facility. Or they could be there almost on a daily or weekly basis, depending on, you know, the volume of issues or concerns that might be prevalent in that facility.

COUNCILMAN NUTTER: Well, if an inspector had to go to a facility on an almost daily or weekly basis, isn't that the first sign that there might be some serious problems at this location?

2/19/99 WHOLE COMM./Budget/Bill 990023

MS. FISHER: Yes. And we review any complaints -- the volume of complaints or concerns that may be raised about a certain facility. Yes, that is kind of a signal that there's problems.

COUNCILMAN NUTTER: Well, what I would like to then ask is for a detailed listing by facility of the date of annual inspection for that particular facility, as well as any informal inspections, what was the nature of the inspection, what brought you out to the facility in the first place. And then I'd like to know how many facilities, if any, each year for the past three fiscal years have been dropped.

MS. FISHER: Okay.

MR. NARDONE: I mean -- guess I would like to respond to that because it is --

COUNCILMAN NUTTER: And the reason are.

MR. NARDONE: There are -- I mean, we work very closely with L&I and the Health Department on this as well. And I would say that within the last six months, we do monitor the complaint reports on a monthly basis.

And one of the facilities in particular was getting almost daily kind of the type of situation where that you were referring to, and that provider is no longer a provider in the system. And I would say that probably in the prior year, there were one or two that were dropped for a similar reason.

But we can provide that information for you. That's not a problem.

COUNCILMAN NUTTER: I'd appreciate that.

Are six analysts enough, given -- I mean, your testimony has been you may not know the exact number of facilities that we have but if at least every provider has one and some have two or three, we are now moving up into the potential for 40 to 60, 40 to 70-some-odd facilities all over the place.

Can six people deal with that?

MR. NARDONE: Well, this budget request will actually add one additional person to the quality-assurance unit.

COUNCILMAN NUTTER: Okay.

MR. NARDONE: And I think that will get us a little closer to where we need to be.

Right now, I think that there is a

feeling that we, because of the employment and training program and the major effort that we're making in that area, we've had one analyst who has been doing both the employment and training, and monitoring that closely, as well as -- I think she's had three or four other shelters that she's been trying to follow.

And I think it was clear that that wasn't sufficient and that we really needed to add another person to take the burden off of that -- off of her in particular.

COUNCILMAN NUTTER: Last question in this area. The program analyst goes out to make an inspection; what are they looking for? Is there a checklist? Are they looking that the place is clean, that it was recently painted, electrical systems, air-conditioning, heat? What's the nature of an inspection?

MS. FISHER: A program analyst needs to take into consideration, first of all, what L&I has in record or may have in their database, of which we do have access to the L&I violations. And they check to make sure that all the licenses are current and that they're posted.

They do a review of the facility, they do a walk-through of the facility. Now, they don't do as much of an in-depth review as, say, the Health Department does, but then the Health Department goes out on an annual basis as well. And that report can be made available to us. We cannot as readily access it as L&I.

COUNCILMAN NUTTER: Does it make any sense for this review to try to coordinate --

MS. FISHER: Yes, it does, it makes a lot of sense.

COUNCILMAN NUTTER: -- those inspections so that your person is actually with the area inspector from L&I and from the Health Department?

MS. FISHER: Sometimes, we're able to do that too, to do it all together.

COUNCILMAN NUTTER: Okay.

MS. FISHER: The other items that the program analysts would be involved in are things such as doing a client satisfaction survey, taking a select number of the clients and doing a questionnaire, and looking at the record-keeping, how well that they monitor the safety and the supervision of the clients.

COUNCILMAN NUTTER: Right.

MS. FISHER: Whether the meals are being served, what kind of meals are being served. So it's a whole cross section. There is a checklist and there is a monitoring outline which we can make available to you.

COUNCILMAN NUTTER: Okay, thank you very much.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: Mr. Nardone, if you would forward to my attention -- I know the Councilman wouldn't mind -- whatever information he is seeking, I would make sure that each of the Councilpeople receive it.

MR. NARDONE: Yes, okay.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Blackwell.

COUNCILWOMAN BLACKWELL: Thank you, Madame President.

Certainly, let me thank all of you for the work you do. I think that Bill Parshall was good before you and that you've been doing an excellent job, given the restraints of -- you've been doing an excellent job, period. I will say that I'm happy to support the initiative to have training dollars involved to try to keep us current with what we need to do to help people.

Having said that, I'm really, really concerned, as you know, about these TANF cuts so I hope I don't have to, you know, after March 3rd, Madame President, I hope I don't have to call them with all these people sitting on the benches and saying somebody's got to come get them. Quite frankly, we've been there through every administration, and here where at another emergency point. So I am hopeful that as this emergency approaches, that we will have some -- and I know we have a long-range plan-- some way to deal with the intake office to provide for a high influx of people.

As you know, Mr. Nardone, my new focus is on us doing more to help upgrade other shelters, so that's my focus for the year. I always have something new for each year.

And my only question this morning is, I met with the Red Cross yesterday. I know that they want to do probably in my area 25 units to --

2/19/99 WHOLE COMM./Budget/Bill 990023

excuse me, 20 units to help deal with fire victims. And I'm wondering -- I know that a lot of the McKinney money is earmarked. Is there some way -- they were talking about home development dollars of 1.5 million and HSP McKinney dollars of a million over three years.

Is there some way that we could possibly work with them to do some program and --

MR. NARDONE: Well, I would encourage them -- I mean, first of all, I have not spoken with them about their proposal, and I'll be happy to meet with them and talk to them.

COUNCILWOMAN BLACKWELL: Okay, okay, thank you.

MR. NARDONE: There is presently a special-needs housing development RFP that is presently being discussed, and the focus is on both transitional and permanent housing.

And I'm not familiar with what the specific plans is for what they're working on. I know that there was an RFP meeting earlier this week, which I hope they attended. I know that the deadline for proposals is March 9th, but I think that that's something that I'd be happy to work

2/19/99 WHOLE COMM./Budget/Bill 990023

with them on.

COUNCILWOMAN BLACKWELL: Thank you.

MR. NARDONE: And see what is the best fit.

COUNCILWOMAN BLACKWELL: That's good. They just wanted -- they were asking my opinion on whether or not they had an opportunity, whether or not they should deal with the RFP. They really want to do something, and certainly, I think they add a good dimension to the overall scheme in this problem.

And thank you. I'll be glad to call your office and try to set up some meeting to discuss where they would fit in to the whole process.

MR. NARDONE: We're looking for good proposals that we can work with.

COUNCILWOMAN BLACKWELL: All right. Thank you and thanks again for all that you do. This is has been -- between the announcement of the welfare, quote/unquote, welfare reform and the sidewalk ordinance, this has been a real nightmare of a year. But, hopefully, it's almost here and we can somehow move forward.

I'm so afraid when I hear stories of things that happens in New York and how they put welfare recipients on trucks and take 'em and drop 'em in streets and say, Sweep it, no matter how you feel. If you're sick, then you have to do this and sit in this chair and work, and you get cut off. I mean, there's so many nightmare stories.

I'm really, really worried because I contend, and always have, that our city has a problem that we can resolve, a problem that we can solve if we together do all we can to pool our resources and maintain or commitment. I'm glad to see the focus -- your focus on this continuum because we absolutely need to do what Councilwoman Clark said and keep records so we can, in the future, say we know this number of people are off the rolls because they have certainly gone on to be successful or independent-living people.

And, finally, what I ask is that the information that you get for Councilman Nutter and for Councilwoman Clark, if you would give it to the President, then she will make sure that we have all of that information.

Is that all right, President Verna?

COUNCIL PRESIDENT VERNA: Yes, fine. I had stated that earlier.

COUNCILWOMAN BLACKWELL: Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

MR. NARDONE: I would just like to thank you for the support that you give, Councilwoman. You have been very helpful.

COUNCILWOMAN BLACKWELL: Thank you. Thank you.

COUNCIL PRESIDENT VERNA: I just have two very short questions.

Mr. Nardone, you state in your testimony that with welfare reform on the horizon, the shortage of family beds is likely to become more severe, and development of additional beds resources all the more critical. How many additional beds do you anticipate we're going to need? And how do you propose to acquire these additional bed resources?

MR. NARDONE: I think it's really difficult to project what is the number that we will need.

I mean, what we know is that between

March and June, there will be 32,000 families who will potentially hit the two-year time limit. Now, not all of those people -- I mean, I don't think that it will be all of a sudden that on March 3rd that there will be thousands and thousands of people who are lined up for services. I think it's going to be much more insidious than that. I think it's going to be much more over the course of time.

But the thing is, for instance, if you look at the number of -- if you look at the 32,000 number, if 2 percent of those families become homeless over the course of the year, that roughly equals roughly the number of people who are families in shelter today -- or, you know, 600.

COUNCIL PRESIDENT VERNA: Well, can you tell us how you propose to acquire these additional bed requirements?

MR. NARDONE: Well, I mean, what this budget proposes is to try to expand the existing family capacity by 200 in terms of the development of at least one additional site, that we're not wedded to one site -- it could be 200 beds at more than one site.

We hope that the rate increase will spur additional providers to come to the forefront. And I would also say that we are working with one provider now with respect to some renovation dollars to hopefully develop another 100-bed site.

We are always out there trying to develop additional residences for homeless families. So I think it's definitely going to be a challenge, though.

COUNCIL PRESIDENT VERNA: And do you notify the District Councilperson before you do that?

MR. NARDONE: Yes, we do.

COUNCIL PRESIDENT VERNA: You also state that as the City prepares to face the welfare reform challenge, we will need to work with the legislature and the Governor to ensure that the State maintains its commitments in vital areas such as these.

What is the Administration's position if the State does not fund the additional demand for services?

MR. NARDONE: Well, I mean, we're

hoping that we can -- I mean, the main -- the main focus of that, I think for me, is the $2.2 million in State funding. If that is not restored, the City will either have to, I think, provide those dollars, or we're going to again throw the OESS budget into turmoil.

COUNCIL PRESIDENT VERNA: When would you know if it's been approved by the State?

MR. NARDONE: We will know, hopefully, in April or May. But I think, hopefully, we'll have some signals before that about whether or not this funding is going to be restored.

COUNCIL PRESIDENT VERNA: Thank you very much.

The Chair recognizes Councilman Ortiz.

COUNCILMAN ORTIZ: Thank you, Madame Chair.

That 2 percent is sort of a conservative estimate, I would say --

MR. NARDONE: (Nods.)

COUNCILMAN ORTIZ: -- out of the 32,000 families.

Do we have an estimate of how much money, let's say, it would take to take care of a

2 percent problem in terms of welfare?

MR. NARDONE: Well, I would just say that if it is -- the analogy -- or where I was going with the comparison, and maybe I wasn't as clear, is that 2 percent would roughly equal 600 families. And right now, our emergency shelter system services about 500 families. And most people who remain in shelter remain in shelter for four to six months.

So if you took the OESS budget, which is -- if you just took the shelter portion of that budget, which is roughly about 15 to 20 million, and you took either one-third to one-half of that, that is the potential impact if that's the result of the cuts.

So that's on the order of magnitude of -- I don't know if my math is good, but it's 6 to 10 million, if those people were sheltered, came into shelter, and we just added shelter beds and housed those people.

COUNCILMAN ORTIZ: It's insane.

MR. NARDONE: It's a scary thought.

COUNCILMAN ORTIZ: A scary thought, isn't it?

MR. NARDONE: Yes.

COUNCILMAN ORTIZ: And I don't think we really have visualized it yet as to what the impact March to June may be in terms of our overall operating budget in here in the city in terms of our overall policies.

MR. NARDONE: I think that, as I said earlier, is that we also might not see all of the impact in one fell swoop.

COUNCILMAN ORTIZ: No, we're not going to see it all at once.

MR. NARDONE: I think that it's going to be something gradually and all of a sudden -- well, not all of a sudden, but we are going to see the population rising over time.

COUNCILMAN ORTIZ: I think you used the word "insidious."

MR. NARDONE: Insidious.

COUNCILMAN ORTIZ: And I think it is. It's going to be sort of growing and then it's going to be there.

MR. NARDONE: Right. I think -- the thing is, is that I don't know if it's really going to be important then that it isn't -- that

2/19/99 WHOLE COMM./Budget/Bill 990023

the City is going to be in a very difficult position to continue to just increase shelter beds to meet the challenge. And the State is going to have to come up to the plate on this, I think, and continue to provide the resources to do the job.

COUNCILMAN ORTIZ: No, we're going to need a program to really begin putting people into treatment and housing and other aspects that really are job-producing. And that they can become -- and the mentally ill who may be coming off the welfare rolls that we have no idea, no assessment yet of what impact that's going to have. Okay?

MR. NARDONE: That's true.

COUNCILMAN ORTIZ: On Page 6, at the bottom, you have the annualized for a new shelter facility. And I'd like to know where that is and how it is going to -- how this money's going to be spent and who's going to be doing the contracting and the rehabbing and refitting of this.

MR. NARDONE: Basically, one of the ways -- what we do is -- and maybe I could take this over to Richard Shaeffer to talk about how we would lease a facility. But basically, we haven't made any decisions with respect to sites. We are always out there trying to find sites.

I think what we envision there is entering into an arrangement with someone who's able to rehab a site and then amortizing those costs over time as part of the lease so that someone who could front the capital to do the development and then recoup those dollars over the course of a long-term lease.

But we haven't -- we haven't set our sights on any one particular facility, and it doesn't necessarily have to be one large site. It could be -- in coming up with the budget figure, we were saying, This is what we wanted. We wanted to try to accommodate at least 200 additional family members and what would that look like in terms of, based on prior knowledge of shelter facilities, what would be the per-square-foot cost related that.

So that was our best guess of what it would cost to do a lease for a 200-person facility and renovate it and get it up to spec. But it could just as easily be two 100-bed facilities or four 50-bed facilities.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN ORTIZ: Thank you.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: Are you finished, Councilman?

COUNCILMAN ORTIZ: Yes.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: Okay. Thank you, Madame Chair.

Mr. Nardone, as you well know, we have some problems in our neighborhood, in my district, concerning a proposed shelter facility, family shelter facility. And, you know, I realize and most people realize that the need for family beds, you know, is very great. I just need to talk a little bit about the process for site selection for shelters.

I would think that if you were going to look at a site, that that is the time that you would come to a Councilperson to see if there's some history there, if there is some history surrounding that site. In my neighborhood -- or in this particular neighborhood, and I don't live far from there, the people are gearing up for a fight.

I wanted to know, how many other new facilities are having the same type of neighborhood opposition?

MR. NARDONE: Well, unfortunately, I don't know that there's an example of a neighborhood that we've gone into where people embrace us coming into a neighborhood. I often -- sometimes I wonder if Councilpeople will take my phone calls because I know that sometimes I'm telling them about a possible facility that we might want to do in their district.

What we try to do and what we ask our providers to do is to reach out to both community neighbors as well as City Councilpeople to get a read on what is -- you know, what is the -- what are -- so that they're beginning to develop those relationships. We also then reach out to the Councilperson.

And we try to do that before we're too far along. And sometimes I'm afraid the system doesn't always work as well as we think it will. But I mean, that's the process that we try to engage in with respect to --

COUNCILWOMAN MILLER: Well, when you reached out to me, it was after the fact.

MR. NARDONE: Right. But with respect to --

COUNCILWOMAN MILLER: And I spoke to Mrs. Highsmith (ph.), who's here, nice lady. I spoke to her husband before -- well, when I spoke to them, they said they were interested in purchasing but didn't state a reason. And as I told Mrs. Highsmith yesterday, had she talked to me, I could have given her a history because she said I put so much money in the building. And I understand all of that.

You have to remember, there are lots of people -- and I keep reading articles about different groups gearing up and caring about what's going to happen with welfare reform, and they realize it's going to increase the homeless population; however, they don't want it in their neighborhood.

But it seems to be -- I think there seems to be a way that we can all work together. Maybe some neighborhoods are neighborhoods where they will fight you day and night, and maybe there are other neighborhoods where we can go in and present a positive package rather than to wait until we get to the community meeting where people are already upset because they didn't know about it, and they're just spouting off about it.

It seems to me that I'm want to be a part of helping to help homeless people. But on the other hand, I think there needs to be an evaluation as to how many beds are placed at a site because of the density that it can create on the neighborhood.

And, unfortunately -- and I just want to state this for the record -- the site on Coulter Street, the location there has been -- the community's been fighting the use of that sight for about 15 years, long before I came here, and it had nothing to do with the Office of Homelessness, but it's the other uses that was there. And I think that's one of the reasons why the community is so geared up to fight that.

And I don't know what we can do. I don't know what we as City agencies and officials can do to relax and calm down what's going on.

'Cause it's my understanding now that they have an attorney, and there was a cease-operations yesterday and whatnot.

But I would think that -- because had they come to me, I would have told 'em not to select that site because I know how they have fought other projects that people proposed for that particular site.

And I think there just has to be some way where -- and even if it's not me, but it should be the Councilperson, and we can talk to people in that particular neighborhood if we're not familiar. I just happen to be one that's very familiar with that neighborhood. I grew up not far from there, and I know the problems that have existed at that particular location. And I think that that's some way that we can help relieve a lot of your stress and relieve mine, you know, and relax the community and help the operators. And the bottom line is helping the homeless people. So -- but it didn't happen this time.

I walked in here on the Deliverance Shelter, and I feel like I walked in on the Coulter Street Shelter because I'm sitting here and nobody called me, and I just happen to be a Councilperson that came from a community-organizing background, and I was out there in those neighborhoods and I knew about that problem. And it would have saved a lot of people a lot of headache, it would have saved the Highsmiths lots of money.

Now, I don't know how it's going to turn out, and I don't want to sit here and act like it's not going to happen, but that's one of the reasons why you're having so much opposition. I could have told them not to look there, to look somewhere else.

So I just wanted to raise that for the record.

COUNCIL PRESIDENT VERNA: And, Mr. Nardone, I would like to echo those sentiments. I think it's absolutely totally essential that you get in touch with the District Councilperson before you do something.

COUNCILWOMAN MILLER: Because we might have advice for you on of another location.

COUNCIL PRESIDENT VERNA: So we can work together.

COUNCILWOMAN MILLER: Right.

MR. NARDONE: I mean, think that's a communication we have to work towards.

I think in this particular instance -- what happens frequently is that we have providers who are looking for sites in any number of different locations. They don't necessarily come to us before they have found a site or before they've begun work on a site.

Frequently, they'll come to us after they've done the work on a site, and they'll say, We want you to give us a contract to provide emergency shelter. And then we have to consider whether or not we fund them. That's somehow -- that's --

COUNCILWOMAN VERNA: But we're also saturating some areas more so than others.

MR. NARDONE: Right. And it's difficult if we know when -- if we know, we try to bring that information to Council's attention.

And in this case, you know, I thought that it had been; and obviously, it wasn't. And it wasn't until we came to you to talk to you about it in advance of doing the site that I found

2/19/99 WHOLE COMM./Budget/Bill 990023

out about that, that it hadn't been brought to your attention. It was also then that we set up a community meeting that you participated in.

And, as you know, as we've discussed, the Mayor is very interested in this particular property and has said he will set up a meeting with both the representatives from the community as well as OESS as well as Miss Highsmith to see if there's any resolution to the situation. It's a particularly tricky one.

The other side of the coin of this, of course, is this is a facility that has been zoned since the turn of the century, since about 1930, for use as a rooming house unit, and I guess one of the issues is going to be if it's this difficult to do it in an area where it's zoned, how are we going to be able to do it and achieve the things we need to do with respect to family beds moving forward.

I think the other issue here -- and I'm not the expert on this; Debbie Russo is, and many of you know that she's having -- if she hasn't already had two babies, she's in the process of it. That there are fair housing issues that also get involved in this, and I don't profess to be totally knowledgeable about this, but it does get into the whole issue of what type of notification, what type of process can you put in place prior to kind of going ahead with a particular facility.

And it's a very complex area and I couldn't agree with you more that we need to have a lot more dialogue on that.

COUNCILWOMAN MILLER: Well, we do. And -- well, the dialogue, I believe, would be helpful, irregardless to the fair housing rules and laws. Because, really, if I was going to look for a house, and when I looked for a house, I wanted to know if they had Town Watch, if the block was organized, just a whole bunch of basic little things that would help me understand the neighborhood that I was going to move in. And I think people need to understand where they're going to move.

We have institutional living in Chestnut Hill, we have a lot of times of institutional living in all different types of neighborhoods in my district. And we have those big old homes in the area -- or people kind of

2/19/99 WHOLE COMM./Budget/Bill 990023

think whether we have the figures or not or facts that it's over-saturated.

When you take 3 buildings on one half of a block and add 200 people or however many, it's going to have an impact. It will have impact maybe on the public schools 'cause I understand the children, I think, normally go to their school that they just left. But it's going to have a impact.

And when we talk about standards -- and it's my understanding that Mrs. Highsmith runs a very good operation, but people don't care about that. Well, they care but the real deal is the density, the intrusion of about 200 more people on a particular block in three buildings. So. . .

And one of the other uses, as you heard, was very negative, and there were people blowing horns. And I mean, it was a real, real, real problem over there at that location for a long time. There were drug dealers, prostitution, all kinds of things. It was such a negative use that has turned the neighborhood against that particular site other than a use that they agree to.

What about those kind of standards, behavior-related standards in and around the site of the shelter? And does shelters have -- do they have like a recreation room or some other kind of room where, when weather's bad, where children can sit and where families can sit in particular?

MR. NARDONE: Well, each -- and I can maybe ask Sally to talk about talk a little bit more about this. But each shelter does have rules which are in conformance with general guidelines that the OESS promulgates.

With respect to this particular facility, Mrs. Highsmith had begun to develop a fairly comprehensive set of rules. It was our hope that we would be able to actually get some community input in terms of what some of the issues were. For instance, the facility, it is a clean-and-sober facility; people do not use drugs, they do not use alcohol on the premises.

COUNCILWOMAN MILLER: Right.

MR. NARDONE: One of the issues that we heard that came up was with respect to visitation. And part of the whole process we had hoped to engage in was one where we would begin to

2/19/99 WHOLE COMM./Budget/Bill 990023

discuss some of those issues.

The proposal that Mrs. Highsmith came forward for us was to do the 8 to 10 families at 131 West Coulter. We had really not discussed any further with respect to the other two properties, and I know that's one of the things that the community was really focussing in on.

I guess what my hope again -- and, you know, maybe I guess it's proving naive -- is that we would have been able to engage in a dialogue with the neighborhood concerning what might be on the rest of those premises. But, unfortunately, we haven't even been able to get -- you know, we haven't been able to get to that point.

And I guess, you know, I -- you know, I -- you know, OESS is kind of stuck in the middle. On the one hand, you heard the testimony about the needs for additional shelter beds, and Mrs. Highsmith is an excellent provider of services and has shown that she can provide these services and runs a good program. And on the other hand, you have, you know, the clear neighborhood concerns about this property.

And quite frankly, I didn't have the

history that you had with respect to Coulter.

COUNCILWOMAN MILLER: Yeah, I know. That's why I wish someone would have --

MR. NARDONE: And, you know, so I would hope that maybe we can move to that process to begin that dialogue; I'm just not sure if it can happen there.

COUNCILWOMAN MILLER: Well, if we -- maybe we can move to part of it anyway when we meet with the Mayor and the other people.

MR. NARDONE: Yes.

COUNCILWOMAN MILLER: But I think it's important that Councilpeople need to be involved 'cause it will help, I think it will just help.

MR. NARDONE: And, obviously, you have a lot of these residences in your district.

COUNCILWOMAN MILLER: Lots.

MR. NARDONE: And we try to work with you closely and you've been very supportive to us. And I think we owe it to you.

COUNCILWOMAN MILLER: Okay, okay, thank you.

No further questions, Madame Chair.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Kenney.

COUNCILMAN KENNEY: Thank you, Madame Chair.

Good afternoon.

MR. NARDONE: Good afternoon.

COUNCILWOMAN MILLER: One of the suggestions that I would make as a result of this recent conversation here is that we are the ones who contract, we are the ones with the dollars. Therefore, we should be able to not move towards this issue over a period of time but insist that all vendors -- active vendors, people who want to be vendors who provide this service need to, must, and are required to notify you and the District Councilperson before they put one piece of -- one speck of paint, one nail, one improvement to the building.

I don't understand why we are at a disadvantage in having to somehow slowly move towards this dialogue when we have the purse strings, we pay the bills. And if you don't do it this way, you're going to get a contract, period.

Why is it such a gingerly process? To

me, it's very clear. We pay the bills; if you want to be a contractor for us, these are the rules you follow. If you don't do it, you won't be a contractor.

MR. NARDONE: Well, the thing is -- and, again, I'm not a lawyer, I can't discuss the fair-housing issues. But I think that a formal notification process.

COUNCILMAN KENNEY: Yes.

MR. NARDONE: A formal notification process prior to a person either purchasing a house or beginning to do the work would, I think, potentially be a fair-housing issue. And I think maybe, you know, maybe I need some -- and the thing is that -- and so what we try to do -- what we do, not try to do but what we do is, we ask our providers, encourage our providers to both get in touch with the community as well as the Councilperson.

And we personally, before we contract, we contact the City Councilperson.

COUNCILMAN KENNEY: But before you contract is a period, a point in time where the house has been bought, the work has been done, the beds are there, and now we're going to contact somebody about something that --

Let me tell you the long-term problem in this, and you're in this business, you're in this particular area of service, and I may be insensitive. In order for this stuff to work, the neighborhood has to embrace it.

Now, whether or not that's naive to think they'll ever embrace, I don't think it is. I think people can ultimately embrace this issue -- if you don't sneak it in on them.

MR. NARDONE: Right.

COUNCILMAN KENNEY: And the point is, if you expect dialogue and openness and acceptance and you -- not you, but they do it under the cover of night or don't tell people what they're doing and all of a sudden it's there, you'll never get that acceptance, and the people in that community who need the help will never be embraced by that community because of the negative attitude about how it was snuck in on them.

And I'll give you a perfect example. And this is my other question. We have successful long-term, permanent, dignified housing opportunities for people in special needs in this city already being done privately. Organizations and homes like Project Home and Women of Hope, they were fought by the community, they were terribly fought by the community in its inception.

And at this point in time, I would suspect that Project Home one of the best neighbors in that community and has been a tremendous success -- not only for relieving homelessness but for allowing people who have special needs, who are recovering addicts, have mental-health problems and other issues, to live in a communal setting and support each other. It's a perfect situation of 30, 32 units of single people.

Why are we not replicating using our dollars from the federal government, State government, local government and replicating those successful operations instead of building large 200-bed warehouse-style shelter systems.

MR. NARDONE: Well, a significant portion of the funds that we spend for homeless services is for the type of programs that you're talking about. And in this -- and, historically, the City has devoted almost all of its McKinney funding, which is the competitive funding that I mentioned in my testimony, almost all of that funding goes to support efforts like this as well as the special-needs development RFP that is funded through the Office of Housing and Community Development. The OESS budget is really only one piece of the entire range of programs that are available.

COUNCILMAN KENNEY: Sure.

MR. NARDONE: I think you're always going to need -- you're always going to need entry-level programs for people who have an emergency and who need to find some sort of shelter -- whether or not it's people on the sidewalk or if it's families who are dislocated.

And the thing is that -- so I think that if you look at the amount of funding that we provide, a substantial portion of the money that we provide for homeless services on an annual basis is provided to those type of programs.

And it's just reflected in -- like, for instance Rowanne (ph.) House in West Philadelphia, PEC, that has State money, it has City money, it has federal money. That's a good example.

COUNCILMAN KENNEY: What portion of our overall budget, all sources of funding --

MR. NARDONE: Right.

COUNCILMAN KENNEY: -- is directed towards those types of operations? And I'll point specifically to Women of Hope and Project Home.

MR. NARDONE: I would say that roughly -- and this is a ballpark, it's going to be like 35 to 40 percent. And 35 percent of the entire homeless budget, including -- because, you know, you lose -- I mean, we're focussed a great deal today on just emergency shelter.

But the thing is, you also have to look at the dollars we provide for prevention, you also have to look at the dollars we provide for some of our outreach. I mean, in looking at the entire range of things that we do, emergency food is another big piece of this.

So if you look at how much we provide specifically for those type of housing programs, I think it's in the range of about 40 percent.

COUNCILMAN KENNEY: Does it make more

sense to begin moving that percentage upwards considering the fact that the people who are served by those operations find permanent housing in those locations. This is not in transition; this is something they're going to be at till they decided -- till they can buy their own home or till they pass away.

MR. NARDONE: That's exactly why in -- I mean, I think you're right. That's exactly why, in designing both the special-needs housing development RFP for this year as well as the priorities for City McKinney funding, that the priorities for those programs are going to be the development of transitional and permanent housing, along the lines of a Project Home or a Catholic Social -- I mean, you can name -- I mean, we have some great models here in the city. It's not just Project Home; it's Horizon House, PEC, and --

COUNCILMAN KENNEY: I have the most contact with them, and it's not to denigrate anyone else because I'm sure they're equal.

MR. NARDONE: Right.

COUNCILMAN KENNEY: But those two operations are, because of my personal experience with them, are that much more impressive in what they're able to do because they attack the problem wholistically. It's not just finding someone a roof over their head; it's finding them a community they can live in to get the best of their life that they can.

And that communally living is what really does make the difference in a -- not a 200-person setting but in a 30-person setting. And it makes an inordinate amount of sense to me, and I really wish that we could continue to push to in that direction so that the goal -- and I know the goal is to get everybody off the street and into permanent dignified housing.

MR. NARDONE: Right. And I agree with you.

COUNCILMAN KENNEY: What do we do, if anything, to interface with and deal with our surrounding communities around Philadelphia as far as the issues of homelessness is concerned? Do we share information, funding sources, the ability to maybe interface with some of the people who come into the City to want to, in the best sense of the word, help people? I mean, church organizations in the suburbs?

It seems to me that the City of Philadelphia has become, over the past 15, 20 years, the sole source provider of social services to homeless, addicted, and other types of persons in need; and that the suburban communities have basically abdicated their financial responsibility and kind of shifted their problems in this regard to the city that really can't afford to do it on their own.

I mean, State monies aside and federal monies aside, what is it that we do with the five-county surrounding area to help share the burden of homelessness and services to those who are addicted and mentally ill?

MS. FISHER: I think that, overall, our knowledge is fairly limited. I mean, there's no coordination across the counties, but there is -- I mean, there's a sharing of -- Salvation Army could speak to the effect that they have folks at the Gateway Center who they identify as needing a long-term residential center, and they have many residential centers outside of the City of Philadelphia that they utilize. They refer the clients out there.

We have a linkage with the Norristown Family Shelter. I mean, we know that if someone's coming from Montgomery County or Norristown into Philadelphia and they're homeless, we refer them back to those shelters. So we try to keep the dumping, if you may, to a minimum, if we can identify that the people are from outside the City, and to have somewhat of a linkage.

But there could be more coordination, and I think Michael would have to speak on the State level in terms of the funding. I mean, I'm not sure who --

COUNCILMAN KENNEY: I'm only talking about the grass-roots organization, people who, with great, intention -- church organizations who come into the city, who wanted to do feeding and help, have we been able to identify opportunities for them to truly help our homeless and people in need by helping them to create places in suburban communities to help house this regional -- this regional problem and these regional citizens?

MR. NARDONE: We certainly have approached those groups. Unfortunately, I can't report that we've had a great deal of success in terms of getting them to refocus how they do their efforts. Of course, you know, we've kind of focussed on the notion if what their goal is to feed homeless individuals, that we would prefer that they do it at one of the City sites.

I think what you're talking about is maybe somewhat of a more creative engagement that maybe we have to take a look at.

COUNCILMAN KENNEY: Yes.

MR. NARDONE: I think a lot of our -- you know, as Sally kind of described, we don't have that type of, you know, city-county level of coordination. I think it's really more on a case-by-case basis with respect to individual organizations. For instance, you know St. Barnabus is one of our facilities, and we've been working closely with Episcopal Community Services, which is actually located in -- affiliated with some of the churches out in the suburban communities, and they are providing a substantial amount of resources to help fund a facility in the city.

And so I think it side of happens more

2/19/99 WHOLE COMM./Budget/Bill 990023

on an individual basis with particular providers that we know of but. But, you know, sometimes with street feeding groups, it's very difficult to engage them in a discussion about other types of formal activities.

COUNCILMAN KENNEY: Have we looked at trying to find providers who would be willing to acquire property to build a facility in suburban communities, where there may be less of a pressure on the service-providers of that county to provide other types of services than there are here in Philadelphia?

I mean, for example, I am sure there are suburban -- there are current contractors now who could establish a facility similar to the one on Coulter Street in a suburban Montgomery County community or in a Delaware County community. The fair-housing laws apply, I would expect, across county lines as they do in Philadelphia. And the same resistance that may be found in Montgomery County would be protected by the federal courts there as well as here.

Again, the concept for me is that Philadelphia has become the social-service provider for the region -- very much unfairly. I mean, we have people that have been in the system who are from New Jersey, who are in the prison system in New Jersey or in the drug system in New Jersey or in the surrounding counties. And somehow or another, Philadelphia, because of the dollars that it spends -- and rightfully so on this issue -- becomes a magnet for the region for these social problems.

And I see no reason in the world why a facility in Montgomery County couldn't be purchased by the City or supported -- supporting a contractor or vendor who wants to buy something in Montgomery County and spread around the problems so that people can get the appropriate services without putting the entire impact and weight on the City of Philadelphia.

And I would urge -- I mean, I don't know how they'll feel about that in the suburbs, but perhaps they'll understand the depth of this problem and all of our needs to cooperate in dealing with it.

MR. NARDONE: Well, I think we need to do more outreach to the other counties. I don't think that -- I think that's something that maybe we need to explore.

I mean, we do have and Sally can talk about the residency requirements that we have in the City of Philadelphia. I mean, there is a residency requirement in order to receive shelter. We also have a substantial contract with Travelers Aid Society for people who come into the City of Philadelphia, to help them relocate back to, you know, wherever -- whatever might have been there point of origination.

But, you know, I think you're -- I did I think -- you know, I could talk to you about those programs and say that, you know, that tries to prevent against that sort of thing happening. But, by the same token, I think your point is well-taken with respect to outreach to other counties in terms of providing -- sharing the load.

COUNCILMAN KENNEY: I mean, it is a burden that needs to be shared, that needs to be addressed. And I think that, you know, as with other issues as it relates to education and other types of problems that we face -- the court system is a city alone -- we're really at a disadvantage. I think the federal fair-housing laws would allow us ant permit us the ability to expand our network of shelter and transitional and permanent housing opportunities throughout this region, as it should be throughout this region.

MR. NARDONE: Right.

COUNCILMAN KENNEY: With the protection of the federal courts and the federal laws.

I mean, community people in Philadelphia, who maybe ignorantly or realistically don't want this kind of activity in the community have their views circum -- have their views gone around by the federal law. And I don't see why the federal law shouldn't apply in Montgomery County or Bucks County or any other county around Philadelphia as it applies here.

And I would urge you to start looking for other opportunities throughout the region so that we can share this problem together.

MR. NARDONE: Thank you.

COUNCILMAN KENNEY: Thank you, Madame President.

COUNCIL PRESIDENT VERNA: Thank you

very much.

Are there any other questions or comments from members of the committee?

(No further questions.)

COUNCIL PRESIDENT VERNA: Thank you all very much.

MR. NARDONE: Thank you, Council President.

COUNCIL PRESIDENT VERNA: Thank you.

The Department of Recreation and the Betsy Ross House is next.

(Recreation Department panel members come forward.)

COUNCIL PRESIDENT VERNA: Good afternoon, good afternoon.

COMMISSIONER DIBERARDINIS: Good afternoon.

COUNCIL PRESIDENT VERNA: Please identify yourself for the record, Commissioner, and proceed with your testimony.

COMMISSIONER DIBERARDINIS: Okay. Good morning. I am Mike DiBerardinis, Recreation Commissioner. Good morning, Council President Verna and Councilmembers. I would like to present to you the Recreation Department's FY 2000 Operating Budget request for $37,900,109 in the General Fund appropriations and $9,265,409 in Grants spending authorization, for a total of $46,404,518. This is an increase of $3,827,703 in the General Fund over Recreation's FY '99 estimated obligations.

The Recreation Department's FY 2000 General Fund request supports 610 full-time, 166 part-time, and 1,901 temporary employees, and provides for an increase of $688,000 in support of negotiated wage increases and full funding for existing positions.

From here on end, I will just summarize my testimony.

COUNCIL PRESIDENT VERNA: Please because we do have copies of your testimony.

COMMISSIONER DIBERARDINIS: Okay. In FY 2000, we will continue to support the expansion of organized recreational opportunities for youth and adults throughout the city. We will continue, as we have in the past, to provide an extended swimming season and an extended ice rink season. We will expand our organized sports and athletics programs, and we will also expand our Visual Performing Arts and Mural Arts Programs in our centers throughout the city.

And in our next fiscal year, FY 2000, we also plan to build an improved -- build on and improve our After-School Care Programs and our Tot Recreation Programs.

But the most significant part of the FY 2000 budget is the nearly $1.8 million increase in our Maintenance Division -- proposed increase in our Maintenance Division and the nearly $220,000 increase in our Program Division Budget.

With these proposed increases, we will, for the first time, be able to have formal, standardized performance standards throughout our system. With this money, we will be able to hire 46 new semiskilled employees -- these are permanent full-time employees -- and 47 year-round seasonal employees.

In addition to that, we will hire 8 new skilled-trades employees in the Maintenance Division. And in the Program Division, we will be able to hire 17 additional assistant rec leaders. With these additional -- oh, and in addition to that -- I'm sorry, in addition to that, we will be able to hire 34 seasonal employees who will be deployed to our neighborhood parks in addition to the 12 we already have, for a total 46 six-month seasonal employees that will be deployed to our larger neighborhood parks throughout our system.

This will allow us to, like I said earlier, move into some very clear and detailed operational standards for those facilities. For instance, all of our A and B centers will have permanent 40-hour-a week maintenance staff who will keep the centers clean and follow a rigorous daily, weekly, monthly, and annual maintenance schedule.

COUNCIL PRESIDENT VERNA: Amen.

COMMISSIONER DIBERARDINIS: Yes. In our C centers, we will have a seasonal staffing of 20 hours a week year-round to do the same thing. And there are standards for the 20-hour-a-week C center maintenance functions, custodial functions at the facility.

In addition to that, within the Maintenance Division, we will also have skilled-trade standards in terms of the inspection

2/19/99 WHOLE COMM./Budget/Bill 990023

and preventive maintenance of our major system and annual standards for our heating system, our roofs, our outdoor lighting system, our plumbing systems. We will also have standards for the neighborhood parks that have the seasonal employees deployed to them.

In the Program Division, we will have hours of operation standards for A, B and C centers. For instance, all A centers will have a full six-day operational schedule; B centers will have a five-and-a-half-day operational schedule, as well as the C centers.

We will have both the age group standards programs for children, for youth, young adults, for adults and seniors at our centers. And we will have also have standards for the types of programs that will be available to those users.

So we are very encouraged and pleased that we will be sort of -- if to this budget's approved, be able to provide those standards to our users, both in the Program and Maintenance Division.

At Vets Stadium, there is a proposed increase of approximately $600,000, and that will be used for cleaning, upgrading, cleaning, and security services as well as for the purchase of equipment and supplies for increased maintenance at that facility.

And, finally, just a brief note about the Department's leadership in the work of the Children and Families Cabinet. We are the lead agency around our Violence Prevention Programs, and it is our goal to reduce the incidences of youth violence in the city. And we work closely with the Police Department, with the Health Department, with the School District, the libraries, many departments around these initiatives.

And I'll just outline three of the major ones. We have the "Ice Violence" public education program, which is a neighborhood-based initiative that is attempting to break the cycle of sort of the carrying and use of the handguns by the young people, and it provides vehicles for adults to interact with young people in their neighborhoods. There's a video and there's resource information and there's discussion pieces and a lot of things that adults can do with kids can do around this really terrible issue.

There's the Youth Violence Reduction Project, which is the City's effort to, in some part, replicate the initiative that was carried out in Boston that drastically reduced their youth homicide violence rates. That's moving very well, and we expect to kick that off sometime this spring.

And there's the initiative called "Safe and Sound in Philadelphia," which is a large grant received from the Robert Wood Johnson Foundation which attempts to place the city and neighborhood organizations working together to improve the availability of youth opportunities as a way of not only decreasing violence but also impacting on substance abuse.

If you would like, I can now briefly do the Camp William Penn testimony, as well. Or if you'd like to wait, I could --

COUNCIL PRESIDENT VERNA: Why don't we just take Recreation first, if you don't mind.

COMMISSIONER DIBERARDINIS: Okay. And that concludes my testimony.

COUNCIL PRESIDENT VERNA: Thank you,

Commissioner.

During testimony for the Five-Year Plan, there seemed to be some confusion as to your number of full-time staff. Is there agreement that your number is 610?

COMMISSIONER DIBERARDINIS: Yes. It will be -- if this budget is approved for FY 2000, we expect our full-time budgeted number to be 610.

COUNCIL PRESIDENT VERNA: So the FY 2000 budget before us is providing the funding for these positions.

COMMISSIONER DIBERARDINIS: That's correct.

COUNCIL PRESIDENT VERNA: What is the total amount of the turnover and delay in filling new positions contained in your FY 2000 budget? Apparently, you have a number of vacancies that will be filled. What seems to be the problem? What is the turnover and what is the delay? What causes the delay in filling the positions?

COMMISSIONER DIBERARDINIS: Well, I can answer at least one of the delays, a chronic delay that we have in some of our skilled-trades positions and grounds-maintenance positions. And if there's any comment that Deputy Commissioner Rice would like to have relative to the Program Division and Maintenance Director Fox. . .

We have problems on some positions that we get to the list and we're second and third in the line for the list of semiskilled and also in equipment operators. So there's a lot of times we will, after the Streets Department and after the Water Department, get to that list of qualified, certified candidates who have taken the civil service exams and have passed and are ranked.

So we're -- sometimes we can't get people off that list or we get people -- people will turn us down. So we have trouble -- it's not like the list isn't there, but we have trouble getting these people to work for us. After the top of the list has been -- you know, maybe they didn't like the money, maybe they don't like the overtime, but we just don't get them on as quickly as we would like.

And Tom can talk in some detail about that if you would like. Or Carol.

Sometimes our delays are -- in the Program Division, we may -- the list may not be

2/19/99 WHOLE COMM./Budget/Bill 990023

active, we may have to wait a month for the list to come out after we give an exam for Leader I or Leader II or Leader III.

But I'm not as familiar with any problems in the Program Division, but I might -- if you would like, I could ask either Tom or Carol to respond.

COUNCIL PRESIDENT VERNA: I would really like an answer if it's possible.

MR. FOX: Yes. I'm Tom Fox, Director of Facilities for the Recreation Department.

Council President, the difficulty in filling the semiskilled labor and the equipment operator position is -- number one, the equipment operator positions. The Streets and Water Department are, I guess, carry the most of those positions.

So normally what happens is if the openings occur, the interviews or candidates are from those two departments, and it's -- for the most part, they don't want to leave the department they're in. So that's the equipment operator's side.

The semiskilled laborer is similar.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: But isn't there an existing civil service list that you could cull from?

MR. FOX: Well, the first round of this is you have to do the promotional lists, and equipment operator is usually on a promotional list from within the city.

The same situation occurs with the semiskilled laborer in that they usually are on a list -- they're laborers that have taken a test for semiskilled labor in Streets or Water. And for the most part, they don't want do leave those departments.

So after they're done, and that's the great amount of candidates on the list, we will receive the list after that. And that's really where the delay occurs.

COUNCIL PRESIDENT VERNA: Commissioner, the 166 part-time employees, are they new employees? An how many part-time employees will we now have in Recreation?

COMMISSIONER DIBERARDINIS: Well, we have a current -- I don't know if it's 164 for next year?

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: I don't know; I just wrote down what you said, and you did indicate that there would be 166.

COMMISSIONER DIBERARDINIS: And 17 of them will be new. Based on this proposed budget, 17 of those positions will be new.

The rest of those are currently employed with the Department. And they're assistance rec leaders as well as part-time -- some other part-time permanent staff who support the Maintenance Division.

COUNCIL PRESIDENT VERNA: Now, I think you said there would be 17. I wrote down exactly what you said, that there would be 17 new assistant rec leaders.

COMMISSIONER DIBERARDINIS: Right.

COUNCIL PRESIDENT VERNA: You also said 166 part-time workers.

COMMISSIONER DIBERARDINIS: Okay.

COUNCIL PRESIDENT VERNA: Now, are the 166 included -- are the assistant rec leaders included in the 166 figure of part-timers?

COMMISSIONER DIBERARDINIS: Yes, I'm sorry, that is correct.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: All right, thank you.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

Commissioner, let's start with, on Page 3 of your testimony, you talk about the new -- I guess, what you're referring to now is the facility usage minimum standards. Is that the new program of rating the A, B, and C facilities based on new maintenance standards; is that's correct?

COMMISSIONER DIBERARDINIS: That's correct.

COUNCILMAN NUTTER: Is that the new terminology for this? Is that the name of the program?

COMMISSIONER DIBERARDINIS: The minimum usage standards --

COUNCILMAN NUTTER: Facility usage minimum standards?

COMMISSIONER DIBERARDINIS: Yes.

COUNCILMAN NUTTER: Okay. And does this come out of some of the discussion, if not most of the discussion, at a public hearing that we had last year talking about maintenance and programs at facilities? And I think I asked at that hearing that the Department come up with a new service standards program? Is that --

COMMISSIONER DIBERARDINIS: That's correct.

COUNCILMAN NUTTER: Is that the genesis of this?

COMMISSIONER DIBERARDINIS: Absolutely.

COUNCILMAN NUTTER: First, thank you for actually doing something that I asked to be done.

(Laughter.)

COUNCILMAN NUTTER: You go way up on the list. It's a rare occurrence that someone actually does what I ask them to do.

Will we be able to get copies maybe in a different form than you have it internally, but can you forward to the Chair for all members the way this is going to work and what we can expect to see facility-by-facility throughout the city?

COMMISSIONER DIBERARDINIS: It's -- attached to the testimony as an appendix is a reasonably detailed maintenance --

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: Recreation Department Maintenance Custodial and Ground Standards?

COMMISSIONER DIBERARDINIS: Right, for the Grounds Maintenance Division, the Custodial Services, the for the Skilled Trades, for the Parks, and for the Program Division in the last six or seven pages of this document.

COUNCILMAN NUTTER: Right, okay.

COMMISSIONER DIBERARDINIS: I think everybody's received a copy of that.

We expect, particularly with the Program Division, for this to develop. And it's a little harder -- the Maintenance Division, you know, mop the gym floor every week, clean the bathrooms every day. You know, we can really be clear and detailed on a lot of those functions.

Within the Program Division, right now, we're just attempting to create hours of operation, groups like the Youth Programming, Children's Programming, Adult Programming, to make sure that every center has programs for all age groups.

COUNCILMAN NUTTER: Right.

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER DIBERARDINIS: And then the kinds of programs that we want. So that's our first cut at that. We expect, hopefully, within a year or 18 months to go back to that and further detail that and deepen those standards.

COUNCILMAN NUTTER: Right. Well, that goes back to conversation that we've had both publicly and then privately in my office about some ability to list the various programmatic activities by center, whether in booklet form, a double-sided sheet of paper, recognizing that midway through the season, there could be changes.

COMMISSIONER DIBERARDINIS: Right.

COUNCILMAN NUTTER: And so what program was available in September may not be able available in April.

COMMISSIONER DIBERARDINIS: Right.

COUNCILMAN NUTTER: And it's still listed on the sheet as being available, and someone comes and you say, Okay, fine, we're not doing that anymore. But this was the replacement, you get a new document next year.

To the extent that you get into that level of detail, center by center, again, acknowledging that it may change, but if it's a matter of slipping out one piece of paper and putting in a new piece, that kind of information on a center-by-center basis, I think, will also be helpful -- both to us as Councilmembers with the material in offices or out with our staffs, wherever they may be. But also when we get calls from people just asking, What's going on at X-Y-Z center?

At any given point in time, probably 80 to 90 percent of the information is going to be good and current with, you know, minor fluctuations in programs. So that would be my first request.

The second is, as a part of the new minimum standards program -- and again, I commend you for putting it together -- could you look over the next year or so at the prospect of not only your own internal evaluation of was the place clean, did the floor get mopped, are the bathrooms clean and all of that. That will be your internal system. But from time to time, periodic surveys of the users of the facility non-City of Philadelphia employees, not Recreation Department people kind of critiquing and assessing themselves or each other, but talk to the various groups and organizations that actually use the place, and pretty much on an anonymous basis, how was the facility the last three or four times you used it? And then match that information up to what you're getting internally to see if there is a consistency, or, you know, as people often do, is somebody taking care of somebody in filling out the mininum-standards report. You know what I mean.

COMMISSIONER DIBERARDINIS: I looked at this maybe not recently but maybe a year or two ago. And every time you try to get a clear, honest assessment, it was barriers. It looked like it might cost some money to -- like if we asked the leaders to do it, you're not necessarily going to get -- they're going to give it to the person they're closest to or something.

COUNCILMAN NUTTER: Right.

COMMISSIONER DIBERARDINIS: So you're not sure -- not that they would do that, but there's always that risk of not getting the proper sample. And that's sort of the trick in this.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: Right.

COMMISSIONER DIBERARDINIS: And I'm very interested in pursuing that. And I think now that we have the ability to not only create but expect that people meet these standards, I think this is an appropriate time to revisit the survey and really try to figure out how to get an accurate, clear assessment of our users in the system.

COUNCILMAN NUTTER: When you go through your minimum-standards process and before you ever get to surveying the users, can you at least assure us that on an annual basis, we will get a report back from the Department as to what the previous year has been like at that particular facility from a maintenance standpoint as well as on the programmatic side to say that, you know this center -- "Center X" met the standards 80 percent of the time. Areas that need to be worked on are these three things. So that we know both the good and the bad of what's going on at that place, and so that you know what to be on the lookout for.

COMMISSIONER DIBERARDINIS: In fact,

we're beginning to do that right now, we're beginning to get back to the what the Council President asked for. We're trying to make sure that we're ready to hire -- like we're preparing now to hire in July so that we move these new folks on as quickly as we can.

And we're also trying to create a visitation and assessment -- supervisory visitation and assessment program so that we'll know that, like even every month, who's making the grade who's not making the grade and who's not making the grade, based on a series of site visits and examinations based on the standards.

COUNCILMAN NUTTER: Okay, I have two last areas that I would like to explore.

One is during the -- around about the time I guess you were going through the budget call, the Budget Director and the Chief of Staff come around and visit the members and ask what some of our concerns may be. You know that even prior to your tenure as commissioner, I've had a long-standing interest in the Mural Program. It was not always under your jurisdiction; it was part of the larger Anti-Graffiti Network.

Tell me what the increase is for the Mural Arts Program, both by way of any staff issues as well as supplies and equipment and what makes the program run.

COMMISSIONER DIBERARDINIS: Well, I know there's a small -- there is a small increase in this year's budget in the Mural Arts Program. Right now it escapes me, the number. I think it's 12,000?

COUNCILMAN NUTTER: On Page 5, I see 12,000 for staff salaries.

COMMISSIONER DIBERARDINIS: Right.

COUNCILMAN NUTTER: I understand that. What about programmatic?

COMMISSIONER DIBERARDINIS: I'm asking my staff about these.

COUNCILMAN NUTTER: I understand.

COMMISSIONER DIBERARDINIS: I'm sorry. I don't have that at the tip of my tongue.

Jane, do you want to -- can you help me here?

(Jane Golden comes forward.)

COMMISSIONER DIBERARDINIS: It may not all be in our budget but there is an increase of

$66,000.

MS. GOLDEN: My name is Jane Golden, and I'm the Artistic Director for the Philadelphia Department of Recreation's Mural Arts Program.

And I believe our increase will be $66,000, which will include raises for staff members and equipment.

COUNCILMAN NUTTER: Okay, the raises, I assume, are being covered by the $12,000 that's mentioned in the testimony?

MS. GOLDEN: That's correct.

COUNCILMAN NUTTER: Okay. And how many people does that cover?

MS. GOLDEN: That's for three staff members.

COUNCILMAN NUTTER: Three staff people splitting up the 12,000, okay.

MS. GOLDEN: Three mural painters, yes.

COUNCILMAN NUTTER: How many total staff are in the Mural Arts Program?

MS. GOLDEN: There are seven full-time people, and that includes me.

COUNCILMAN NUTTER: And since you specifically articulated full-time, that must mean that you have some part-time?

MS. GOLDEN: Yes. And they are paid with private funds.

COUNCILMAN NUTTER: Part-time people are off our budget, paid for by someone else?

MS. GOLDEN: We get some people who are paid by the Recreation Department that are seasonal.

COUNCILMAN NUTTER: Okay.

MS. GOLDEN: And we have them for six months out of the year. They are SMAs and RSIs. We have this past year three SMAs and four RSIs. And we have put in a request for that for this year as well, hoping that we will get that.

COUNCILMAN NUTTER: These terms sound almost medical in nature.

So you have $54,000 left for what, supplies, equipment, other --

MS. GOLDEN: Paint and scaffolding.

COMMISSIONER DIBERARDINIS: Yeah, I think it's paint and scaffolding.

MS. GOLDEN: Mostly scaffolding -- I think most of it will go for scaffolding. I think there's $10,000 for paint.

COUNCILMAN NUTTER: The scaffolding -- I assume we went rent scaffolding and we don't own any of our own?

MS. GOLDEN: We own some scaffolding, rent most of the scaffolding. The reason for that is that if you purchase scaffolding, you need a place to keep the scaffolding.

COUNCILMAN NUTTER: I understand.

MS. GOLDEN: And the warehouse that the Recreation Department has, of course their space is limited 'cause it's a big department. And then you need a truck to move the scaffolding around, a flat-bed truck.

COUNCILMAN NUTTER: All right.

MS. GOLDEN: And you need somebody with a special license to drive it.

COUNCILMAN NUTTER: So for efficiency purposes, it's easier for us to just rent it and have someone else have all the logistical nightmares of dealing with scaffolding as opposed to us.

MS. GOLDEN: That's correct. And at any given time, we could have 12 to 20 murals going on at the same time. So that would be a lot of scaffolding if we were doing it.

COUNCILMAN NUTTER: Now, last year, there were how many murals?

MS. GOLDEN: Let's see. . .

COUNCILMAN NUTTER: I'm sorry, the testimony indicates 155 privately and publicly funded murals?

MS. GOLDEN: That's correct.

COUNCILMAN NUTTER: And you're anticipating 166 in FY 2000.

MS. GOLDEN: That's correct.

COUNCILMAN NUTTER: What's the backlog on murals? How many outstanding requests do you have today?

MS. GOLDEN: Excuse me. It's well over -- I would say it's close to about 4,000.

COUNCILMAN NUTTER: 4,000?

MS. GOLDEN: Yes. Some people have been on that list for ten years. I mean we, you know. . .

COUNCILMAN NUTTER: So some of the requests were possibly made by children, and by the time the murals are done, they may be adults.

MS. GOLDEN: Right. Well, remember

2/19/99 WHOLE COMM./Budget/Bill 990023

that the requests are coming from businesses, senior centers, hospitals, neighborhood groups, community organizations, schools.

So, you know, you're looking at almost every population in Philadelphia. So it's, you know, it's a big list.

COUNCILMAN NUTTER: And I assume, then, that the number of murals that you're able to do in any given year is purely a function of dollars available and bodies available to paint the murals.

MS. GOLDEN: Right, correct.

COUNCILMAN NUTTER: Okay. Do you have a listing of where these 4,000 outstanding requests come from?

MS. GOLDEN: Yes. We have a database of our waiting list. So we, you know. . .

COUNCILMAN NUTTER: Okay.

MS. GOLDEN: Every year -- we have actually formalized the procedure by developing a mural application process, where when people call us, we give them an application and they apply. And then we review the applications, and then we try to create an equitable distribution of where the murals are located.

So we have criteria established now. And looking at our budget, we can figure out how many we can do with City funding, how can we leverage our City funds and match it with private dollars. And that way, we can almost quadruple the number of murals that we do.

So the City provides us with a good base. And from that point on, we can reach out and do more work.

COUNCILMAN NUTTER: Okay. And lastly in this area, when you say that there are some who have been on the list for ten years, I mean, do we know that those folks are actually still interested?

MS. GOLDEN: Some of them are still interested because they still write me letters. And, of course, when it comes to the next round in February when we sit down to figure out who will get a mural, when we look at the applications of people who have been on the list for ten years, they obviously are -- that's a priority application.

COUNCILMAN NUTTER: Okay. All right.

2/19/99 WHOLE COMM./Budget/Bill 990023

Lastly, Commissioner, we had some discussions about this back at Capital Budget time. And, you know, if you're at the table, I can never resist an opportunity to talk about my two priority projects for this year, which is the 21st Ward Ice Rink and the Wynnefield Recreation Center.

Have you had any opportunity to have discussions with the Budget Director about how we're going to get some funding for both of these projects in this fiscal year?

COMMISSIONER DIBERARDINIS: Ever so briefly, right after that hearing that day. And we plan to sort of -- once -- he's very busy now during the budget hearings. But once this is --

COUNCILMAN NUTTER: He's sitting over here with us; he's not doing anything.

(Laughter.)

COMMISSIONER DIBERARDINIS: You might want him to testify on whether he's busy or not, but we expect to meet as soon as this process is completed, the budget process is completed here.

COUNCILMAN NUTTER: Okay. "He" being Mr. Kaplan, correct?

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER DIBERARDINIS: Yes, that's correct.

COUNCILMAN NUTTER: Mr. Kaplan, do you have anything you'd like to add at this point in time about those two projects, about the great work that you're doing to try to get them funded for this year?

(Mr. Kaplan responds off mike.)

COUNCILMAN NUTTER: We really can't hear you all the way back there. I think we'd love to have you up at the table.

MR. KAPLAN: I'm Dean Kaplan, Budget Director.

I think the Recreation Commissioner's comments are accurate.

COUNCILMAN NUTTER: Okay, you're working on it.

COMMISSIONER DIBERARDINIS: (Nods.)

COUNCILMAN NUTTER: Okay, thank you. Thank you, Commissioner.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Kenney.

COUNCILMAN KENNEY: Thank you, Madame

2/19/99 WHOLE COMM./Budget/Bill 990023

Chair.

One question. On Page 3557, Line 505 is a $250,000 increase for contributions to educational and recreational organizations. Is that the Recreation Fund? Is that an increase --

UNIDENTIFIED PERSON: Yes.

COUNCILMAN KENNEY: It's an increase in the Recreation Fund? Thanks.

The issue of concessions at Veteran Stadium has been discussed, probably from your perspective, ad nauseum. But considering our move towards two new sports facilities, what plans do we have to deal with concessions at the expiration of this current contract? And also what we plan if we envision a role and what we plan into the new facilities? If you can give me a general idea.

What do we do initially? What do we do about the expiration of this current contract and a renewal, extension, whatever, between now and the time that any new facility is built?

COMMISSIONER DIBERARDINIS: If you don't mind, I'll have Stadium Manager Greg Grillone answer.

2/19/99 WHOLE COMM./Budget/Bill 990023

(Greg Grillone comes forward.)

MR. GRILLONE: Hi. I'm Greg Grillone. I'm the Stadium Director at Veterans Stadiums.

As far as the conclusion of the existing contract, I mean, we've had very preliminary discussions with some City agencies relative to, you know, what happens at the end of the existing contract.

But now, with the new information relative to the new stadiums, I think a prudent course of action would probably be to discuss with Ogden, you know, what thoughts they would have relative to an extension and if that made sense for the City. We just haven't had those discussions yet.

It would be pretty hard, you know, to go out with any type of bid or any formal RFP for what amounts to, you know, maybe a two- or three-year life-span.

COUNCILMAN KENNEY: So at the most, probably a three-year life-span of an extension of the existing contract.

Is there any way, or would it be within your purview to have discussions about some changes in that contract as it relates to an extension vis-a-vis the City's gross portion of the gross it receives on alcohol and food and on the quality, quantity, and variety of food over the three-year period at our municipally-owned facility?

MR. GRILLONE: I mean, obviously, those are areas under the Law Department and the Procurement Department, but certainly that makes sense.

And just to speak a little bit about this whole issue about the variety of food and trying to get some more Philadelphia flavor into what we're doing down there, Ogden is now and has been for the last several weeks, as an outgrowth of some of the hearings that we had, they're working with some of the local vendors, and I believe that they are in the works to have some of those vendors in the stadium this season.

I'm waiting for them to actually give me a formal report on that which I'll, obviously, to my commissioner and then it will go to you as well as to all the other Councilmembers. But they are working on that; I know that for a fact.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN KENNEY: From my perspective, part of the problem which came out at the hearings, when it came to local vendors' participation was, again, something out of your control directly, and it's the gross payment requirement that the City required in this existing contract as it relates to alcohol and food 58.something, 60 percent and 70 percent of the gross on the alcohol.

I mean, know private vendors down there who simply have their product in there for exposure sake and take a bath on any -- they don't make any profit at all and simply just have it there so that people have an opportunity to taste their product.

So what I'd like to suggest or request is that you let us know when these discussions are taking place so that we'll know how far down the road you are and maybe can give our input at the appropriate time.

I guess, also, you wouldn't really have any view as to what's going to happen into the new facilities, whether we're going to -- I guess that's got to do with ownership and --

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER DIBERARDINIS: Right. It's all -- and I think that's going to drive some of the discussion, the current discussion as that become clearer.

COUNCILMAN KENNEY: Right.

COMMISSIONER DIBERARDINIS: Some of the current discussion about some of issues you just raised, Councilman.

COUNCILMAN KENNEY: Okay.

COMMISSIONER DIBERARDINIS: And sort of the future will be driven as the stadium situation gets clearer. So on some -- on some levels, it's hard to discuss the details of this now.

COUNCILMAN KENNEY: Okay. And just on a personal level, we're going to get two -- probably two new facilities. But either through the teams or through the media or from some of the players, that facility has been denigrated really unfairly.

Despite the fact that it's old -- not as old as some places, but I guess old in current standards, I think it's always been well maintained. I think you've done your best to try to get as much capital improvement into that facility as possible.

I have personally many wonderful memories of spending great Sunday afternoons at that place watching guys like Steve Carlton and other people pitch through my youth. And to listen to team owners talk about that facility as if it were some kind of shanty or some kind of shack, I think, is terribly unfair. And your people have done a tremendous job in keeping that facility in a decent condition, and I've enjoyed it with my family for years going there and viewing both the Phillies and the Eagles.

So I think somebody should say it 'cause I think you guys do a good job down there.

MR. GRILLONE: Well, I really appreciate that personally. I know the people down there that actually do the work are hard-working, dedicated people, and they care about the place as much as I do.

And you're right, it's outdated in today's world. It doesn't have a lot of the amenities that the new places have. And probably first and foremost, it has Astroturf, which now has become the bane of the sports teams.

2/19/99 WHOLE COMM./Budget/Bill 990023

But I do appreciate your comments.

COUNCILMAN KENNEY: I feel that way strongly.

Finally, I just want to thank you also for your cooperation with all of the City Administration in the acceleration of the sport court, sport facility floors that will be installed in our existing ice rinks.

One of the best things about it is, in the past, when those ice rink seasons, they were closed facilities. Now they're running leagues, roller-hockey leagues, free-skating opportunities, summer camps, after-school programs simply because we're able to put these skating surfaces down there to extend the life of the facility.

So your capital staff's cooperation and your programming staff has been really helpful, and I think it's going to serve a lot of kids through the spring and summer.

COMMISSIONER DIBERARDINIS: And Councilman, we'd like to thank you for your interest and support in that projects.

COUNCILMAN KENNEY: Thanks.

Thank you, Madame Chair.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame Chair.

I apologize if you've already covered this, but I want to make sure that this gets on the record. It's in reference to the Mural Arts Program.

(Jane Golden returns to witness table.)

COUNCILMAN RIZZO: Thank you. Could you please describe the ongoing maintenance program for the existing murals?

MS. GOLDEN: Well, what -- as you know, it's -- we're creating quite a legacy here in Philadelphia, and maintenance is a key issue that we need to grapple with.

And what we have decided to do is, out of the new murals we do every year, a small percentage of those murals will be restorations. And that is the way -- that's the only way right now that I can figure out how to fund the murals that need help.

The other thing that I think I really

need to do, and I intend to do this within the next year, is to raise funds from the private sector to restore murals. And I think that's something that's an important issue that we need to pay attention to.

COUNCILMAN RIZZO: Well, I appreciate your suggestion that we need to go to the private sector and raise money, but it's difficult for me to accept the fact that we are putting these murals up with no plan in place to maintain them.

I can't imagine any program without maintenance. It would be like asking Fleet Management to put 50 cars on the street with no plan to change the oil.

MS. GOLDEN: No, I agree with you. I think that it's just -- it's hard because it's a limited -- it's a finite amount of funds. And so what I've decided to do, if we can every year pick -- like right now, during the winter months, like this month, we have restored two murals. In March, we're doing two more.

So it will be a percentage of our overall murals.

COUNCILMAN RIZZO: Well, I would prefer

2/19/99 WHOLE COMM./Budget/Bill 990023

to see in the budget money for maintenance, not this exchange that you just described. I mean, you really need to have money there for the maintenance of the murals that you put up, or we'll have, ten years from now, a situation where there's just decaying murals all over the city.

And to me, I'd rather see no expansion of the program if we're going to let go what we've already done.

MS. GOLDEN: Right.

COMMISSIONER DIBERARDINIS: Councilman, I think it's a very good question. And it's not as if it's lost within the Department and within the program.

Particularly as the production of new murals has accelerated in the last few years, it's becoming a very big question in my mind. And we've just completed a study not too long ago that suggested that that's an important thing for us to look at. We knew that but, you know, they examined the numbers and the budgets and recommended to us that we really begin to seriously look at how do we creatively fund. And, look, it's hard. Creation of murals is easy --

not easy, but it's hard, but the harder part is to figure out how do you resource a significant and real maintenance program.

It is a priority of mine to work with this unit and this project and the mural arts advocates to come up with a real plan in some pretty short order.

COUNCILMAN RIZZO: Commissioner, before we go further and do more murals, I would hope that some of the money -- until you get this creative way with the private sector, that you actually have a line item that suggests maintenance. Because from what I'm hearing, we've got murals, many of them that are in bad shape.

And if you tried to go back -- if you try to go back and do them two, three years from now, it becomes a more serious and expensive problem than not having maintenance all along. I mean, I think it's just common sense that that needs to be done.

MS. GOLDEN: Right. Well, one thing, though, we have taken several precautions. The first five years that we did murals in this city, we not have mural paint, and we did not seal the work. It's nobody's fault; it's just that it was a new program.

However, we use mural paint now a hundred percent, we seal the walls before we begin, and we seal them afterwards -- that's adding five to seven years to the life of the mural. I know this 'cause I did murals in Los Angeles that are 20 years old now and they still are in good shape.

We're also very particular about the buildings that we paint the murals on. We bring out people who are structural engineers, people who do contracting work, people who will look at a building and say, Jane, it's not a safe bet. In two years, there's going deterioration. I think this is an important program and we need to take these steps.

But it's also important that for right now, you're absolutely right, we put aside a percentage of those City funds and say, These are the murals we're going to restore this year.

COUNCILMAN RIZZO: But that's your words, but it doesn't show anywhere on a piece of paper that there's money for maintenance.

2/19/99 WHOLE COMM./Budget/Bill 990023

COMMISSIONER DIBERARDINIS: You made a very good point, Councilman. And, look, I like it, I like the idea. I mean, we were addressing this. We're beginning to look at this and figure out how do we -- what's the most effective, cost-effective and smart way to create a maintenance program within the Mural Arts Project.

So it's new, and I think your suggestion is one that we're going to -- you know, I like it. I was not even thinking of our Operating Budget within the program; I was thinking, How do we garner outside dollars, how do we generate interest in the existing public art within the private sector or foundation sector to help us do that work? But another angle might be to try to figure out how, within our Operating Budget, we can create line item that would at least have a baseline of resources that we could say that every year, we're going to do x-number of murals. So that's a good idea.

COUNCILMAN RIZZO: Thank you, Commissioner. Great job.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: You're

welcome.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

How many murals do we have in the city right now, Miss Golden?

MS. GOLDEN: I think it's 1,786.

COUNCILMAN NUTTER: And how much of them would you say are in deteriorated condition?

MS. GOLDEN: It's actually a small percentage. I would say -- I would say there are may be about 20 murals in the city that we really have to pay attention to, large murals that are suffering.

COUNCILMAN NUTTER: How many murals last year were defaced?

MS. GOLDEN: How many murals were defaced?

COUNCILMAN NUTTER: Mm-hmm.

MS. GOLDEN: Two.

COUNCILMAN NUTTER: 1782 murals in the city, and we had 2 defaced last year?

MS. GOLDEN: We had two defaced last year, yes.

COUNCILMAN NUTTER: And 20 that may be in somewhat deteriorated condition.

MS. GOLDEN: That's correct. Vandalism is not a big problem for us; it's more the weather and buildings that are aging.

COUNCILMAN NUTTER: The elements.

MS. GOLDEN: The elements, exactly.

COUNCILMAN NUTTER: Okay, all right. Thank you.

MS. GOLDEN: You're welcome.

COUNCILWOMAN VERNA: The Chair recognizes Councilwoman Blackwell.

COUNCILWOMAN BLACKWELL: Thank you for the work that you do. Would you check, Jane, on the Tim Spencer one for us again so that we can maybe get that done at some point. Thank you.

And then we were going to spruce up the Patty LaBelle one.

MS. GOLDEN: Oh, Patty LaBelle has been restored, I'm happy to say that.

COUNCILWOMAN BLACKWELL: Oh, that's great.

MS. GOLDEN: Yes. We had a crew there just last week, and we finished scraping and putting all the final touches on it and so that's done.

And we were just at 32nd and Spring Garden this week, and that's finished as well.

Next is 40th and Powelton.

COUNCILWOMAN BLACKWELL: Wonderful, thank you.

MS. GOLDEN: You're welcome.

COUNCIL PRESIDENT VERNA: Thank you. Are there any other questions for the Recreation Commissioner?

(No further questions.)

COUNCIL PRESIDENT VERNA: Thank you very much.

Commissioner, we can now hear testimony regarding Camp William Penn.

COMMISSIONER DIBERARDINIS: Okay.

COUNCILMAN NUTTER: Madame Chair?

COUNCIL PRESIDENT VERNA: Yes?

Oh, I'm sorry, Councilwoman Clark? I'm sorry.

COUNCILWOMAN CLARK: I was going to remark about a mural, one that I think is outstanding. It is on Broad Street, near the

Stevens School.

It is so well done that you couldn't tell the difference human subjects and the statues on it. Please take my congratulations and thanks for it. It makes you feel good when you pass it.

Do you know what I'm talking about?

COMMISSIONER DIBERARDINIS: Oh, sure.

COUNCILWOMAN CLARK: Tell me about that.

MS. GOLDEN: Well, actually, the young people attend Ben Franklin High School across the street. And it was a very complex photographic method that this artist used, and she's quite a brilliant painter.

And so she takes pictures of the kids. She projects the pictures on sheets of acetate, tapes the acetate to the huge wall, traces underneath with her hand, keeps a pen knife in her pocket, and slices the acetate away as she sketches.

And what happens is, then you fill in the areas, and it becomes almost like a paint-by-numbers painting. And then actually, the clothing was painted freehand through a grid system that we use. And then she put the kids' pictures next to classical figurines.

The name of the mural is "Common Threads." It's about what connects us as individuals and what connects us from the past to the present. So it's a very important mural. The kids were thrilled.

We also worked with kids from the High School for Creative and Performing Arts on the bottom of the wall, so kids really got to make a mark in the City of Philadelphia. And I think that it's gotten national press.

And she's also going to be doing a new mural at 18th and Callowhill and at 13th and Locust. So we're looking forward to those murals as well.

COUNCILWOMAN CLARK: Do we have prints of any of our murals?

MS. GOLDEN: Do we have prints?

COUNCILWOMAN CLARK: Mm-hmm.

MS. GOLDEN: We have a poster of that one, but it is our intention 'cause we've gotten so many calls -- not just from people in the city and not just the region, but nationally. People who want pictures, prints, posters, postcards, a book of Philadelphia's murals. So over the next year, we'll be working on that.

COUNCILWOMAN CLARK: Well, I'm not trying to tell you your business, but that would be a great cover.

MS. GOLDEN: Thank you very much. But we will make you sure you get a poster of Broad and Spring Garden.

COUNCILWOMAN CLARK: Thank you.

COUNCIL PRESIDENT VERNA: Thank you very much, Jane.

MS. GOLDEN: You're welcome.

COMMISSIONER DIBERARDINIS: Should I do Camp William Penn?

COUNCIL PRESIDENT VERNA: Please.

COMMISSIONER DIBERARDINIS: Okay. Camp William Penn is requesting a total of $322,853 in General Fund appropriations for FY 2000, which is $4,596 more than FY '99 estimated obligations, and provides for full funding for negotiated pay raises.

The request supports three full-time employees and 65 temporary employees to staff Camp

2/19/99 WHOLE COMM./Budget/Bill 990023

William Penn.

We expect to run one 5-day encampment and three 8-day encampments for boys and girls ages 8 through 12. We anticipate approximately 850 children to attend the summer program in 1999.

COUNCIL PRESIDENT VERNA: Wonderful. Thank you.

Any questions from members of the committee?

(No questions.)

COUNCIL PRESIDENT VERNA: Thank you all very much.

COMMISSIONER DIBERARDINIS: Thank you very much.

COUNCIL PRESIDENT VERNA: Next is the Fairmount Park Commission.

(Fairmount Park Commission panel members come forward.)

COUNCIL PRESIDENT VERNA: Good afternoon, Mr. Mifflin. Please identify yourself for the record and proceed with your testimony.

MR. MIFFLIN: I'd be happy to. Good afternoon, Council President Verna.

My name is William E. Mifflin. I'm the

2/19/99 WHOLE COMM./Budget/Bill 990023

Executive Director of Fairmount Park Commission. It's my pleasure to appear before you today to present, on behalf of the Fairmount Park Commission, our recommended Operating Budget for Fiscal Year 2000.

I'd like to also inform the Councilpeople of the Park staff that has accompanied me today to the table, if I may.

My far left is Barry Bessler, the Chief of Staff; to my immediate left if James Donaghy, the Director the Operations; to my right is Paul Nice, Deputy Director for Administration; Nancy Goldenberg, Project Administrator for our Natural Lands Restoration Environmental Education Project; Mr. Dennis Waller, who is our Deputy Director for Business Administration; and next to Dennis is Mr. Michael DiSanto, who is our Building Facilities Manager.

That really represents the entire senior staff of the Fairmount Park Commission. So we're all appreciative of being here this afternoon.

And I'll paraphrase very quickly from my testimony.

COUNCIL PRESIDENT VERNA: Would you, and I'll make sure that the stenographer has a copy of your complete testimony for the record. So if could you abbreviate, I would appreciate it.

MR. MIFFLIN: I'll proceed and make this very brief, then.

The requested Fairmount Park Operating Budget before you today of $13,300,000 provides for $549,332 in additional appropriations above the FY '99 adopted budget. The majority of this increase, 500,000, will be used to support the Fairmount Park Ranger Program.

The City Administration has agreed to annually provide the one half of one million dollar yearly cost of operating the program, while the Board of Philadelphia Ranger Corp has committed to provide the other half in fund-raising efforts throughout the term of proposed five-year plan. In return, the Rangers have agreed to improve their mobility, their visibility within Fairmount Park as well as improve their coordination with the Philadelphia Police Department.

The mission of the Fairmount Park

Commission continues to be the provision of passive and active recreation accessibility to all Philadelphia residents and visitors, and to provide maintenance of the facilities, amenities in the City's parks and program leadership to support organized park activities.

This past year, we have been able to accomplish many major initiatives. The first initiative that we'd like to bring to your attention, of course, is the work presently being performed under the William Penn Foundation Grant for the Natural Lands and Restoration Environmental Education Program.

Although the funds -- this is private funds for the most -- for the majority, Nancy Goldenberg and her staff are really considered part of the staff of the Fairmount Park Commission. And the work that's being performed using this funding is really a Fairmount Park initiative and enjoys the support across the Park with the various divisions that are represented here this afternoon.

As you can see from the testimony, we've accomplished quite a lot over the last 18 months, and we have a very, very energetic and, we think, very interesting future as we complete this five-year project in 2002. I'd be happy to answer specific questions about that project as well.

We've been about to continue our Tree Maintenance Program, a comprehensive tree plan for the Park and street trees, which includes removal, planning, pruning in spring. This past year is not like any other year, with heavy storms that occurred at the end of June, the beginning of July. We've been forced to spend quite a lot of overtime on the cleanup of storm-damaged trees. But above and beyond that, we've been able to complete, I think, with the support of City Council, and, as you know, last year, I believe for the first time, we received a special allocation for street tree trimming. We're back now, I think, in a major way of trimming street trees throughout the City of Philadelphia, and the public is beginning to recognize that. And I think we're all seeing the fruits of that initiative. And we'd certainly encourage that that continue.

We've established a new Environmental

2/19/99 WHOLE COMM./Budget/Bill 990023

Education Division, which we think is respectful and responsible to this new initiative of the Natural Lands Restoration Project. This does not mean we've hired additional staff, but it's basically reorganization and reallocation of the staff within the Park system, and it's a very real sign of commitment to environmental education, which we believe to be a real part of the future for Fairmount Park as we begin to move beyond the completion of the Natural Lands Project and look to ways in which we can maintain those improvements.

From additional programmatic perspectives, we are quite proud of our Fairmount Park Rowing Camp. The rowing camp is 1 of 11 summer camps that the Fairmount Park Commission offers in July -- largely in the July and August months of the year. And this past year, we did have 120 children participate in this encampment, and we finalized with a row-off between the Philadelphia and the City of Wilmington, who has a very similar camp in the City of Wilmington that also enjoys sponsorship by a local corporation.

And we anticipate this program

2/19/99 WHOLE COMM./Budget/Bill 990023

expanding actually. We have been able to acquire additional scull and have reached out now in partnership with the Police Athletic League as a recruitment base for this camp. So we're excited about that camp. And, again, it's 1 of 11 that we provide throughout really the Park system.

Of course, our volunteers for the Park, we spend a great deal of time nurturing and cultivating and focussing from a Park staff perspective as well as the Commission's perspective. We're proud to announce that we now have 82 Park Friends groups -- that's up from the 75 or 76 that we had at this time last year. So although we have a small volunteer coordination office led by Barry Bessler, we've done a great deal, I think, in embracing the community, and the community embracing Fairmount Park. Last year, we had over 21,000 volunteers support Fairmount Park, and that's, quite frankly, extraordinary.

In the management initiative category, if you will, landscape maintenance continues to be one of our heaviest focuses with out-sourcing and the privatization by contractor of mowing the vast majority of acreage in the Park system. Quite frankly, we could not do it ourselves, and we believe that this initiative is both cost-efficient and -effective, and we'll continue to provide that service.

As the testimony indicates, we've been able to reduce on average the mowing throughout the Park at one point of FY '94 of four weeks down to approximately two and a half weeks on average. And this has made a dramatic improvement to the appearance and the condition of the Park. The contractors are responsible to pick up litter and debris before they mow. And that, combined with the work of our Park staff, we believe, has lead to a dramatic improvement in the appearance and the condition and the way that park users are able to access the Park.

Another initiative that we've recently unveiled and begun is something called our "Park-wide Master Concessionaire," and all City Councilpeople will remember, I believe, that we've talked about this in the past. It's been an initiative for perhaps close to five years now.

And just this past fall, we began not at full-time flight, if you will, but to begin an agreement with a concessionaire who is maintaining a restaurant and catering operations and providing those operations at Memorial Hall or New Lloyd Hall and at the Horticultural Center. And this spring, we anticipate the concessionaire providing a top-quality delivery of services at our fixed concession stands in our neighborhood parks.

Over the initial ten-year term of the agreement, the revenue's projected come to $13.3 million. This is obviously a significant increase over the revenues that we have been providing over the past three years by the similar operations. So we've really changed in a major way in which we conduct business in concessions.

The Fairmount Water Works, as you may know, is a project of the -- the restoration is a project of the Fairmount Park Commission. This is as much an issue of the Capital Budget as it is of the Operating Budget.

But I wanted to take time, you know, this afternoon to express to you that the restoration of the Engine House, which will become a 200-seat restaurant, is expected to be completed this spring, with the remaining site work to be completed by July of the year 2000.

And this will be not only something that we can talk about very proudly in historic preservation, but also will enhance the delivery of services to the Park with a restaurant operation and the other type of activities that are planned for the Water Works, but will also generate additional revenues for the City.

COUNCIL PRESIDENT VERNA: Who will operate that restaurant?

MR. MIFFLIN: That will be a part of the park-wide concession as well. We have not selected or even begun to solicit from restaurateurs or the specific operator of that facility. We should begin that process this spring.

You're also aware of the work that the Fairmount Park Historic Preservation Trust, which is working very actively on a number of properties, historic properties in Fairmount Park. And through a creative way that this Council has blessed an ordinance, we are able to offer longer-term leases beyond the one-year lease that we're able to offer at the Park Commission.

And it's a very encouraging opportunity for people to invest in our historic properties as well as providing the capital improvements of these buildings while also maintaining them as public facilities.

In conclusion, I'd just like to provide the Council with the assurances that the Fairmount Park Commission will continue to work as creatively as we possibly can with City Council, with Friends of the Park groups, foundations, and all users of Fairmount Park to provide acceptable and reasonable and responsible access to Fairmount Park.

We continue to have a closing association with these volunteer groups and funding entities, and we believe that the success that we're now enjoying today is thanks to a strong commitment of the Rendell Administration and City Council in helping to protect and preserve what we think is the premiere park system in the country.

So with that, I'll be happy to conclude my formal remarks, and will answer any questions that you may have.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: Thank you, Mr. Mifflin.

I don't mean to be antagonistic, but can you tell us why you're reducing the number of street trees to be pruned in FY 2000 versus the number pruned in FY '99?

MR. DONAGHY: James Donaghy, Operations Director.

And we're -- actually, we will not be reducing the numbers. There was a carry-over from last fiscal year into this year which had been included as service levels. With the appropriation from City Council for pruning street trees, we anticipate --

COUNCIL PRESIDENT VERNA: There's a difference though, isn't it? Isn't this there quite a difference? How many were carried over from last year to this fiscal year?

MR. DONAGHY: 3,000.

(Councilman Nutter addresses Council President Verna off mike.)

COUNCIL PRESIDENT VERNA: Please.

COUNCILMAN NUTTER: On the first dollars in for street tree pruning, my

2/19/99 WHOLE COMM./Budget/Bill 990023

recollection is, it was a million dollars in January midway through that particular fiscal year. So the Park had to spend essentially a million dollars in half of a fiscal year.

They could not do it. That money went into the next fiscal year. So that in FY '98, where you see the 5400, that's all they were able to complete in half a fiscal year. The balance got done in '99. But if you add those two fiscal years together, it's 14,000 trees being done spread over 2 fiscal years, so it's an average about 7. And when you come into the full fiscal year, I think their number is about 7500.

They just physically could not do all of that work in a half a year, even though they had a million dollars.

COUNCIL PRESIDENT VERNA: Do we prune trees at only certain times of the year? Or can they be pruned year-round?

MR. DONAGHY: They can be pruned year-round.

COUNCIL PRESIDENT VERNA: And are we doing it year-round?

MR. DONAGHY: Yes, we are. We are

currently working now -- with the current year's fiscal appropriation, we're doing pruning today.

COUNCIL PRESIDENT VERNA: Wonderful.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

Along that same line Mr. Donaghy, can you get us for FY '98 and as closely as you can get for FY '99 a listing -- whether it's by park district, zip code, City Council district, however your systems operates -- can you get us a listing of the trees that have been done to date and what you expect to do by the end of the fiscal year so that we can have some sense geographically of how that work is being spread out and also be able to respond to constituents about when the pruning crews might get to their neighborhood.

MR. DONAGHY: Yes, I can.

COUNCILMAN NUTTER: Okay. I had circled that on my list as well.

Director Mifflin, I want to go back to Page 2 of your testimony and talk about the environmental education centers. The testimony lists them as being in Tacony, Wissahickon, and

2/19/99 WHOLE COMM./Budget/Bill 990023

Fairmount Park, FDR, and Cobbs Creek.

Is it my recollection, though, that there's one proposed for the Strawberry Mansion section of the city?

MR. MIFFLIN: Yes, there is. I apologize. That's the Fairmount --

COUNCILMAN NUTTER: You're calling that "Fairmount?"

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: Okay.

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: That's really over in Strawberry Mansion -- it's across from the Dell East.

MR. MIFFLIN: That is correct. It's near Huntington Street, 33rd and Huntington, right.

COUNCILMAN NUTTER: Now, I don't know if it was in your testimony or in just remarks that were making. You talked about the staffing issue with regard to these new environmental education centers.

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: My recollection is

that you said you were not hiring new staff but that you were reorganizing in order to be able to fund the -- staff these facility. Was that your testimony?

MR. MIFFLIN: I was testifying to a recent reorganization in Fairmount Park now having an Environmental Education Division, which is not necessarily focussing these new centers.

COUNCILMAN NUTTER: Okay.

MR. MIFFLIN: But as an entire division that is responsible for the environmental educational component of Fairmount Park.

COUNCILMAN NUTTER: Okay, all right.

MR. MIFFLIN: And to date, we have not hired new staff for that. That's just the reorganization.

COUNCILMAN NUTTER: Let's talk about the centers. Who's going to run these -- is it five or six?

MR. MIFFLIN: There will be six.

COUNCILMAN NUTTER: Tacony, Wissahickon, Fairmount/Strawberry Mansion, FDR, Cobbs Creek, and Penny Pack; is that right, is that the list?

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. MIFFLIN: That's right.

COUNCILMAN NUTTER: Okay. Now, who's going to run these centers?

MR. MIFFLIN: The Fairmount Park Commission, and the Fairmount Park Commission will assign a full-time staff person to each of these facilities upon their completion.

In the interim -- and it's a little bit of a mixed bag because we already have one facility in the Wissahickon, and we already have a facility in the Pennypack, which is presently staffed. And in the Pennypack's case, we're merely enlarging that particular facility.

COUNCILMAN NUTTER: Now, you say you already have a facility in the Wissahickon?

MR. MIFFLIN: We have one at the Andorra. That's correct.

COUNCILMAN NUTTER: Which is staffed by a person who works --

MR. MIFFLIN: Full-time.

COUNCILMAN NUTTER: For the Fairmount Park Commission.

MR. MIFFLIN: Yes, sir. And as well as supported by staff hired through the Natural Lands

2/19/99 WHOLE COMM./Budget/Bill 990023

Restoration Project as well.

COUNCILMAN NUTTER: So now the staff for the six centers.

MR. MIFFLIN: Yes, sir.

COUNCILMAN NUTTER: As the centers are built, who will they be -- who will they actually work for?

MR. MIFFLIN: Who will they work for?

COUNCILMAN NUTTER: Yes.

MR. MIFFLIN: The Environmental Education Division.

COUNCILMAN NUTTER: Of the Fairmount Park Commission.

MR. MIFFLIN: Of the Fairmount Park Commission, yeah.

COUNCILMAN NUTTER: So do you plan to hire staff to run these facilities?

MR. MIFFLIN: We plan, upon completion of the facilities, to have one full-time person in each facility.

COUNCILMAN NUTTER: Okay. Now, are they accounted -- when do you think that these facilities will be completed?

MR. MIFFLIN: They're going to be

2/19/99 WHOLE COMM./Budget/Bill 990023

constructed over the next two-and-a-half to three years.

Nancy do you want to come up here? Just a second.

(Nancy Goldenberg comes forward.)

MR. MIFFLIN: There's a serious of periods throughout the -- between now and the end of 2001. Pennypack is the first one.

COUNCILMAN NUTTER: Okay, I understand. Now, for the Five-Year Plan --

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: Does the Five-Year Plan reflect additional staffing levels specific to the six environmental education centers?

MR. MIFFLIN: No.

COUNCILMAN NUTTER: To allow the Park to hire these staff people?

MR. MIFFLIN: No.

COUNCILMAN NUTTER: Okay. So what is the plan going forward to ensure that you're going to have the staff as the facilities are completed to run --

MR. MIFFLIN: At this point -- go ahead I'm sorry. The plan at this point going forward, as much as we've done recently with the reorganization in-house is to continue that reorganization to ensure that we have staffing for those facilities.

We can also, as we develop the Five-Year Plan in the future, request additional staff, but we have not done that to date.

COUNCILMAN NUTTER: Well, if you're going to do it through reorganization and not add any net new people, does that mean that someone who is doing some particular job today, through reorganization, ends up at one of the environmental education centers and, therefore, does not do what they are presently doing today?

MR. MIFFLIN: Well, potentially. But I think when you look at the way we've been conducting business in the park over the last five to ten years, we have been doing things differently. As I've indicated, with contracting out of mowing, with the support now of the Parkway concessionaire, we hope to lessen our burden in maintenance of certain facilities in the park.

So it's a process that, you know, we're looking at. And we're trying to work within our present budget yet to provide, I think, the necessary support for these facilities.

We've also reached out to the School District of Philadelphia, among other partners, for these new facilities. We're working closely with them. We hope to get teachers or School District of Philadelphia staff either permanently assigned or in some way assigned part-time, if you will, to these facilities.

COUNCILMAN NUTTER: Well, I think what I'd like to see at this point in time, if you could forward it through the Chair, I would actually like to see a plan by the Park Commission that envisions net new people staffing and running these particular centers. I mean, I'm not going to obviously try to interfere -- you can to reorganization the Park Commission staff any way you want.

My concern is that you can only do so much with X-amount of people. And to the extent that you have the same number of bodies and expand programmatically, which I've supported virtually every programmatic extension that the Park has ever proposed, I am concerned that you just end up stretching your resources too thin.

MR. MIFFLIN: Mm-hmm.

COUNCILMAN NUTTER: And so I'd like to get in as early as possible in this curve and see a plan that says, If we are going to have net new people run these centers, this is how many we need, this is what they would do, this is how much it would cost. And in a phased-in basis, begin to prepare for that over the next two, three years.

MR. MIFFLIN: We're well on our way to giving you that information.

COUNCILMAN NUTTER: Very good.

MR. MIFFLIN: And we have developed business plans for each of these -- or will be for each of these centers.

COUNCILMAN NUTTER: Good. Now, specifically, can you tell me the two centers that are proposed that would be within the boundaries of the 4th District, Strawberry Mansion and Wissahickon.

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: What is their status, what's the anticipated completion?

MS. GOLDENBERG: Nancy Goldenberg. I'm

the Program Administrator of the Natural Lands Restoration and Environmental Education Program.

Currently, Councilman, the two facilities in your district are in the schematic design phase. We have retained architects to begin redesigning those, and we are holding public community meetings in each of the districts over the next four months for the design of those.

COUNCILMAN NUTTER: Okay. Now, Director Mifflin, I attended a meeting not too long ago specifically regarding the Wissahickon facility.

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: There were some concerns expressed -- some may have been very legitimate concerns -- by people who utilize the Andorra facility. And there have been concerns raised as to the need for another facility in the area, its impact on Andorra.

Can you tell me today what the status of any of those issues may be? Are we going forward with the Wissahickon location? And anything else you might want to share about that.

MR. MIFFLIN: Okay. As you well know,

this has been an issue with the Northwest community -- specifically the 22nd Ward -- that have been come out and pretty much opposed, if you will, in writing the location of the -- the proposed location, which would be in the 21st Ward for the new center. We have responded to all the criticism of that decision in writing to these people who attended the meeting and to others who have not, who have just written to us.

Officially, the Park Commission's position is unchanged; we're proceeding with the Wigard Avenue 21st Ward location. We, at least at this time, continue to believe that it's a far superior location to the Andorra Natural Area from an expansion standpoint, largely from an environmental standpoint.

And last week, in a Park Commission meeting, a resolution was passed by the commissioners that there would be no reduction in the support of the Andorra Natural Area --

COUNCILMAN NUTTER: So you remain committed to --

MR. MIFFLIN: -- with staff or funding.

COUNCILMAN NUTTER: -- to the

functioning of the Andorra site --

MR. MIFFLIN: Very, very much so.

COUNCILMAN NUTTER: And having another site in the general area --

MR. MIFFLIN: Yeah.

COUNCILMAN NUTTER: -- no matter how many miles there are in between them.

MR. MIFFLIN: Yeah.

COUNCILMAN NUTTER: So we don't want to negatively impact the Andorra facility --

MR. MIFFLIN: Right.

COUNCILMAN NUTTER: -- as we try to improve and upgrade access to these kinds of centers for a very large area up in the Roxborough community.

MR. MIFFLIN: We think the Roxborough community should continue to be served in this manner. The support of the Schuykill Center for Environmental Education, the support of Saul High School have all indicated to us that, in fact, this is in fact a very good location for them, even though it's close by, there are plenty of needs yet to be served in the population yet to be served.

So we're certainly respectful of the comments of the Andorra Natural Area proponents, and we're trying to see if we can't reconcile their concerns.

COUNCILMAN NUTTER: Lastly, on that particular point, let me just say for the record that -- I mean, having no participation, in the discussions, the decisions, the determination of where any of these particular centers were going to be, generally knowing that this proposal was out there, and quite honestly, being very pleased to hear when the final decisions were made that two of them would be in the 4th District. I mean, we've got 60 percent of the park in the district anyway.

MR. MIFFLIN: Yes.

COUNCILMAN NUTTER: I mean, I was pleased to hear that one would be in Strawberry Mansion and one would be in the Roxborough neighborhood.

So I was recently, I guess, somewhat recently stunned to hear that there would be opposition to the opportunity to have such a wonderful facility in the community that people

2/19/99 WHOLE COMM./Budget/Bill 990023

would have access to this in an area that, as you talk about, whether it's Saul High School or the Schuykill Center, the Andorra Center itself, and just knowing the beauty of the Wissahickon, I'm just hard-pressed to understand why there would be opposition.

But I want to reassure you of my support for the decision that was made. I do think that it's a good site -- both the Wigard Avenue location as well as the Strawberry Mansion site. And if there are any further difficulties in that regard. I'd appreciate it if you'd let know because I will certainly fight to keep the site at that location. It deserves to be there, and the people in that community deserve to have this kind of facility.

MR. MIFFLIN: Thank you very much.

COUNCILMAN NUTTER: You're welcome.

MR. MIFFLIN: We'll continue to solicit your support.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame Chair.

2/19/99 WHOLE COMM./Budget/Bill 990023

I can probably direct this question to Mr. Donaghy. You mentioned about the severe weather and the fact that you had a lot of trees down throughout the park. Could you describe the program -- many of my constituents call about the hiking trails that re blocked by fallen trees, and there's an effort -- and I've noticed it myself -- to at least cut them clear. But a lot of the timber is left even though they're come with a chain saw and cut a path through.

But many of those fallen trees are dangerous. There's sharp protrusions coming from them, and people have to duck under them, and many of them have not been opening the trails.

So is there a specific program or an effort to cut the path clear and then go back and try to remove a tree that could be a dangerous situation and fall on someone as it deteriorates?

MR. MIFFLIN: Sure. Do you want to answer, Jim? Let me start. I'll give you some general comments on it very, very quickly.

Traditionally, it's our practices in the woodland areas to clear the trails, as you've indicated, and not remove the remainder of the debris. It often causes more damage trying to do that than it does good. And the natural decomposition of the material over a period of time helps with the eco system in that particular part of the park.

We rely very heavily on the Park Rangers. Our Friends groups and on our volunteers to inform us when a dangerous condition or a blocked trail exists. And we have worked very closely with those groups in I think responding to them.

As part of the Natural Lands Restoration Project, in fact, we have hired staff to work on our trails and to work on conservation volunteer projects. So I am under the impression that, in fact, we're doing even a better job more recently and improved the level of clearing trails removing dangerous conditions. If we're not removing it back far enough off the trail, please let us know or, you know, we don't to create a dangerous condition.

COUNCILMAN RIZZO: What I've noticed is that sometimes a tree will fall across the trail, and it will maybe fall across at a height of about four or five feet, and people have to duck under it.

MR. MIFFLIN: Duck under it? Okay.

COUNCILMAN RIZZO: And there's branches and things that are very dangerous and sharp.

MR. MIFFLIN: Sure, I understand.

COUNCILMAN RIZZO: They're like razors, and it appears in that situation, it's just considered to duck under it and that's good enough. So I'm wondering if there's a formal program where someone has the ability to report and has knowledge. The biggest problem that you have is trying to tell somebody where this tree is.

MR. MIFFLIN: The location of it, yes.

COUNCILMAN RIZZO: And you really have to depend on people that are out there --

MR. MIFFLIN: Uh-huh, yeah, yes.

COUNCILMAN RIZZO: -- to do maintenance for us because I would never be able to tell you where a tree would be blocking a path; it would be, you know impossible for you to find it.

MR. MIFFLIN: Although there are people who are as knowledgeable, we think, of the park as we are, and they can come to our Maintenance Center, and we'll go with them if they feel the need to show us personally that condition.

And, you know, there are equestrians who use the park as well, so I was thinking, you know, while you were speaking that, you know, maybe we're hitting it from the standing ground level but maybe we need the support of some other equipment to get a little bit higher. Thank you.

COUNCILMAN RIZZO: Thank you.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Cohen.

COUNCILMAN COHEN: Thank you, Madame Chair.

On tree pruning, do you have any -- we not the improvement, we even feel it a little bit -- not too much yet -- in the community. But do you have any idea of what your plans, say, for the about approximately 8,000 trees you hope to prune in the next fiscal year? Do you have any idea of how that relates to the number of requests you've had? What exists in the demand sector as shown by actual requests?

'Cause I understand that you have installed some procedures which have resulted in the districts being able to have a better count of what's happening. In fact, that you call, you can even find out that, yes, they have a record that you requested; it's been in for a year or two or whatever that time period may be.

Tell me how, does it compare? What percentage of requests are on the record now do you think that you'd be able to deal with in the forthcoming year?

MR. DONAGHY: This is Jim Donaghy.

In response to your first question about how we determine where we're going to prune, that is driven by the number of requests that we have in our database. So for the first two years, we looked at the areas where the highest number of requests for pruning had occurred, that we had recorded, and we did try to prune a fair number of trees in each of the Council districts so that everyone was being served because there is such a backlog. And we did it again for the second year and we will be doing that again for this coming year.

In response to how many of those that we'll get, I can look into in and let you know what we have recorded as of today and what percentage will have been addressed by the end of this year or even by the end of next year.

COUNCILMAN COHEN: All right. If you'd send that through the Chair, maybe she would arrange to have it circulated throughout the Council.

MR. MIFFLIN: This is Bill Mifflin again.

I think it's perhaps important just to mentioned that we've only been pruning on a scheduled basis, if you will, for less than two years now, and the backlog two years ago was enormous. And as most Councilpeople know, it was not unrealistic to be told that it could be more than ten years or so before we could begin to schedule a tree-trimming.

So the backlog is huge. What is actually recorded, of course, is I guess a smaller number, but from a professional standpoint, we know that we have a huge backlog of what needs to be done from a horticultural perspective.

COUNCILMAN COHEN: There are certain areas of City services for which the City receives in return for what it does a very high rate of approval, and tree-trimming is one of those areas.

MR. MIFFLIN: Yes.

COUNCILMAN COHEN: Abandoned cars are not your direct concern except if they exist in the park. Is the park beginning to be used as a storage place for --

MR. MIFFLIN: Unfortunately, it is, and I believe it's one of the service levels that we report, and I know we also report a number of tires, automobile tires that we remove from the park.

COUNCILMAN COHEN: Do you have that responsibility, or is that part of the Police Department?

MR. MIFFLIN: Well, ultimately, it's the Police Department. But it's often a team approach with Fairmount Park and Fleet Management and the Philadelphia Police Department and I suspect others, who will concentrate in a particular park area and remove the cars. Many of them have been -- they're down at the bottom of the valley and they have to be extricated out of the park and then towed away by the Police Department. Sometimes they're just on the fringe of the park.

And when we see an abandoned automobile we report it immediately and encourage neighbors to do the same 'cause once it gets down into the interior of the park, it's much more difficult to extract.

But it is a team approach and we do -- unfortunately, it's one of the things that we have to do.

COUNCILMAN COHEN: Well, we like to see tree-pruning approached in somewhat the same way that the courts approached the court backlog in criminal and civil cases, where the backlog was enormous to the point where it was frequently felt to be ineffective to even file a lawsuit, and that it also promoted criminal behavior on the ground that you'll never actually get tried in court; if we can make bail, we're okay. And those backlogs have been considerably trimmed, and if we get the same kind of result there, I think the Fairmount Park would receive all kinds of plaudits.

It's also important because it brings the Fairmount Park Commission into contact with citizens who don't used other Fairmount Park facilities because you're the only true-pruning agency in town, isn't that right? Even far removed from a particular park area.

MR. MIFFLIN: I believe that's correct.

COUNCILMAN COHEN: So it gives a chance to win broader support for the other purposes of Fairmount Park.

Let me ask you, I see nothing -- maybe I missed it -- about the golf courses, but I understand that you're engaged in activity bidding out the golf courses to different vendors or to a single vendor. Can you tell me something about that?

MR. MIFFLIN: Well, presently, the Fairmount Park's six golf courses continue to be managed by a professional golf course operator. This is a concession agreement that's been in place for, I believe, 11 or 12 years.

For the last year, we were informed

approximately a year ago that the present operator would like to assign the concession to another vendor, another operator, so it's not a bidding procedure or process but the Park Commissioner is reviewing the assignment, and we feel this is an opportunity for us to improve upon not only the condition of the courses but the way in which the contractor conducts the business. The contract is the contract; we can't make major changes in the contract.

COUNCILMAN COHEN: Under the contract, the current member has the right to reassign.

MR. MIFFLIN: Yes, sir.

COUNCILMAN COHEN: Subject to the approval of --

MR. MIFFLIN: Of the Park Commission and City of Philadelphia, and the Procurement Commissioner actually approves it as well.

COUNCILMAN COHEN: And I understand that you're going through that process now?

MR. MIFFLIN: For almost a year now.

COUNCILMAN COHEN: Why does it take so long?

MR. MIFFLIN: A combination of things.

The agreement had to be negotiated between the entities. That was not an issue that we were associated with but it took some time. And the piece that we're now working on are sort of the mechanics, details of the agreement. We're looking for, as an example, increased dollars coming into the escrow account to ensure that we have sufficient funds for capital improvements and are working on a capital improvement plan, a three-year plan where six of the courses would receive the much-needed capital improvements.

So it's a legal issue at this point.

COUNCILMAN COHEN: Does that include the driving range on 33rd Street?

MR. MIFFLIN: No, sir. That's outside of the agreement.

COUNCILMAN COHEN: Who handles that?

MR. MIFFLIN: That's actually handled through the lease not with a for-profit but with a not-for-profit in East Fairmount Park.

COUNCILMAN COHEN: A not profit?

MR. MIFFLIN: A not-profit organization.

COUNCILMAN COHEN: What not-profit

group operates the Park? How do they obtain financing?

MR. MIFFLIN: It's a group known as "The Friends of East Park," which is basically a community-oriented focus group. They are able to recapture the funds that are generated from the operation, and the money is put back into the facility.

COUNCILMAN COHEN: There was an improvement noted when it can came under private -- or, in this case maybe, nonprofit management. We heard the same general reports on the golf courses. And that kind of improvement, I'm glad to see you're concerned about that in the event there's assignment.

With respect to Valley Green, which is so important to so many folks, Northwest, I don't see any specific mention of that. Do you have reports? Is the restaurant finally carrying itself?

MR. MIFFLIN: It is carrying itself. Financially?

COUNCILMAN COHEN: Yes.

MR. MIFFLIN: It's still a struggle,

Councilman. It still continues to be largely a seasonal operation.

That also is an agreement, a lease agreement with a not-for-profit, and the Friends of the Wissahickon actually operate the inn. And I'm sorry I didn't mention that in the testimony here 'cause we actually have some very positive things to say about the inn.

We'll be embarking upon a $750,000 capital campaign to improve the facility, to bring it up to code from an accessibility perspective and to add a new kitchen and new rest rooms. This is privately funded, not City-funded, and this should -- we should begin work very shortly, within the next month, and it will take about a year to complete.

But at any given time, I think the inn will only be closed for about a month, and that will be late next fall.

COUNCILMAN COHEN: I think in some area of the walkway, there's still a drainage problem -- not as bad as before -- where water accumulates and seems in certain areas not to have a place to run off. So that even if you even have a week of

2/19/99 WHOLE COMM./Budget/Bill 990023

clear weather, there are often puddles.

MR. MIFFLIN: Yes.

COUNCILMAN COHEN: It would be very good, I think, if somebody could examine that. I think it needs some more work.

MR. MIFFLIN: I think so.

COUNCILMAN COHEN: And in some areas, the railings need reinforcement or replacement.

MR. MIFFLIN: Well, a lot of the work you've just described actually is being in combination with the Natural Land Restoration Project. We are looking specifically at the 7-mile length of what's often called "Oakleus Forbidden Drive." Actually, we're in the design stage, beginning-design stage now of its improvement, and that will be a major accomplishment for us.

COUNCILMAN COHEN: Well, and you've extended, I think, in a very good way the area right it -- I'd call it "a beach" if it were the seashore, but, you know, right where the water's edge is, the picnic facilities have been vastly expanded and the walking areas, and I think it's very much a plus.

2/19/99 WHOLE COMM./Budget/Bill 990023

The deer kill. We are just hoping that, whenever it happens, if it does happen, that it will be the last time we hear it. I may have a different --

MR. MIFFLIN: You and me both.

COUNCILMAN COHEN: Councilman Nutter may be more reasonable than I am in accepting the need of it, but we're hoping that whatever happens ultimately, that we'll never have to go through that kind of torment again.

COUNCILMAN NUTTER: What was that, Councilman? I'm sorry, I didn't hear the first part of your --

COUNCILMAN COHEN: Well, I'm talking about the deer kill and the decision by Fairmount Park.

If I had a good different approach I could come up with, and I guess anybody would, but whatever is done, we hope that something will happen so that we won't have to repeat exercise of upsetting so many people and having it create such an unfortunate diversion away from the very fine activities of the Fairmount Park Commission.

Thank you, Madame Chair.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: Madame Chair, on that point, can I call on Councilman Cohen on that narrow issue?

COUNCILWOMAN CLARK: Yes.

COUNCILMAN NUTTER: Thank you.

Councilman, I think all I can say -- and I appreciate what I think was a compliment when you say that I might be more reasonable than you --

COUNCILMAN COHEN: You are.

COUNCILMAN NUTTER: -- on any particular matter.

(Laughter.)

COUNCILMAN NUTTER: I think that the Park Commission is operating under very difficult circumstances, trying to weigh the interests of various constituencies.

I think, though, you actually do make the point that if there were something else, many of us might be proposing it. But we live in a very real world, and so I think the Park is then left with the only other action that they can take, and I have full confidence that they will do everything that they can to protect any individual who lives near or around the park, have it done as humanely and as quickly as possible so that not only the other wildlife that's out there can be protected, but also the rest of the foliage and forest that exist, which all of us love and want to take care of.

And this is a conflicting situation, I'm sure, for many of us but it's something that needs to be done.

COUNCILWOMAN CLARK: Thank you both.

COUNCILMAN NUTTER: Thank you.

COUNCILWOMAN CLARK: Thank you both.

There being no other lights on, we thank you for your testimony.

MR. MIFFLIN: Thank you very much.

COUNCILWOMAN CLARK: Next to be heard is the Philadelphia Museum of Art.

(Museum of Art panel members come forward.)

COUNCILWOMAN CLARK: Good afternoon.

MS. D'HARNONCOURT: Good afternoon, Madame Chair, members of City Council. I'm Anne d'Harnoncourt, Director of the Philadelphia Museum of Art.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILWOMAN CLARK: And do be good enough to spell your last name for the stenographer.

MS. D'HARNONCOURT: Small D, apostrophe, capital H-A-R-N-O-N-C-O-U-R-T.

Sorry about that.

COUNCILWOMAN CLARK: That's all right, please proceed.

MS. D'HARNONCOURT: To my right is Gail Harrity, our Chief Operating Officer at the Museum; to my left, Robert Marrone, our Director of Facilities and Operations; and to his left, Cheryl McKlinney-Brooker, our Director of External Affairs. And we are delighted to be here but we will try not to take up too much of Council's time. We know you are pressed for it this season.

And I have -- we've submitted our testimony to you in written form, and I'll just make a few comments on some of the highlights.

It has been quite an extraordinary year for the Museum. I noted that we do have some new trustees joining the Board of Trustees in a kind of wonderful range of talents and interests: Betsy Cohen, who is the head of Jeff Bank; and the

2/19/99 WHOLE COMM./Budget/Bill 990023

Honorable Nelson Diaz, who, as many of you know, was at HUD and was also a judge in the Court of Common Please in Philadelphia before returning to private practice; Anthony Tarracciano, the former head of First Union Bank, who is now Vice President with American Water Works; and Dr. Margaret Wang, who is at Temple University, a specialist in childhood education; and finally, Dr. John Williams, a distinguished physician and collector of African-American art, which delight us very much indeed.

I should note that we are very grateful to the City of Philadelphia for its continued capital support, and in particular for this Capital Budget Program, which is a very substantial commitment to the Museum over the next six years of 37 million.

We face some very ambitious and important infrastructure projects which keep that great building going and keep its public safe there for fire, life safety, heating, security, and other very important things. We are thrilled that that budget is projected, and it really is -- there's no replacement for investment in the building infrastructure if we're going to do our job serving the public.

I think you all know that the past year, we've had should wonderful variety of exhibitions. I might draw the Council's notice particularly to the summer installation of great sculptures by Henry Moore in the outdoor of the East Court, as well as the little exhibition inside that celebrated our late Chairman of the Board Phillip I. Berman, and also, I think, demonstrated the degree to which sculptures of great scale and public reach have an impact, not only on the Museum but on the city as a whole. And those are great spaces which we seek to animate and draw people to, and sculpture is a wonderful way to do that.

Our involvement this year with children -- and school children in particular -- has gotten deeper than ever. We served nearly 70,000 school kids this year, and we are deepening and strengthening our partnerships with a lot of educational institutions.

You all are aware of the degree to which the Museum works with the School District of

Philadelphia. We are grateful for the two teachers who were seconded by the School District to the Museum to help with our very big ambitious program to reach as many kids as we can. We're working with the Free Library and colleges and universities in the area and some particularly wonderful new work with schools for the visually an mentally impaired.

I might note, because it's something I would hope Council would be particularly aware of, we are deeply grateful to the Delphi Foundation for a very major grant to the Museum to help place artists in Title I schools for residencies and enable the Museum also, in turn, to offer after-school art clubs to young people who are really at risk and who have been taking wonderful advantage of these programs.

We've also been working with the Archdiocesan schools and the University of the Arts in highly technological projects which enable us to reach kids not only right through our doors but beyond our doors, hoping to have them join with us.

The extension of the Museum into the

neighborhoods in which the City of Philadelphia is so rich happens in two or three different ways and has a stepped-up impetus this year, particularly with working with the Police District Advisory Council and police clergy and through a number of outreach programs at community centers and senior citizen nursing homes and mental health community facilities.

And we are working on a -- we try to be like those wonderful Indian gods with 12 arms; we try to reach into as many communities as we can and have them, in turn, reach to us.

We're particularly proud, I should say, and one of the satisfactions is coming to testify to the Council, as it were. In a sandwich in between the Park Commission and the Recreation Department and the Free Library because partnerships with all of those entities are very important to us as a new partnership afoot with the Free Library through which household membership passes to the Museum will be placed in every neighborhood branch, thereby affording any access to the Museum by anybody with a valid library card. You kind of check out a card the way you check out a book.

In the last calendar year, we had about 775,000 visitors, which -- it just continues to strengthen our delight that we've got an increase of about 30 percent over our annual average visitorship five years ago. And last month, we had 250,000 visitors to our website, as many institutions in Philadelphia are discovering a whole new way to connect.

We're very grateful to the Philadelphia Convention and Visitors Bureau and the Tourism and Marketing Corporation of Greater Philadelphia for their support in encouraging greater visibility of projects like the Delacroix exhibition. And it's clear that what's good for regional for hotels and businesses in the region is good for the Museum and vice versa. And for the Delacroix exhibition, we have done a survey, and there was an economic impact in the neighborhood of $39 million in the greater Philadelphia area.

I don't need to say that to rehearse the Museum's long-standing relationship with the City which operates -- we operate the facilities, which are owned by the City. And you are also aware that the annual operating support the Museum's been receiving for the last five, four years has remained constant, at $2.25 billion, which covers less than half of the costs of providing the maintenance and security services for the Museum and the Rodin Museum and the historic houses.

We're doing the best we can. We're trying to expand our services to all of our visitors and to attract more visitors, and we count on the support of the City and the Council in helping sustain that support.

The exhibitions coming up are a particularly kind of broad group. We've got a small and really dazzling exhibition devoted to the Spanish artist Francisco de Goya, which will be here in late April, May, and early June, and I guess it goes through June into the next fiscal year. We haven't had a Goya exhibition in Philadelphia ever to my recollection. He's an artist who has influenced generations of artists since his time.

The fall is devoted to the arts of early Pennsylvania, if you will, when Pennsylvania

2/19/99 WHOLE COMM./Budget/Bill 990023

was among the most richly settled and inventive areas of the New World, in the years between William Penn and the middle of the 18th century. And also a wonderful show of Edward Hicks, whose images of the peaceable kingdom have, I think, become beloved to people all over the United States.

And in the spring, we're planning a great exhibition of the kind that we have done from time to time surveying a whole century, devoted to the art of Rome in the 18th century. Rome has been a mecca for tourists, for art-lovers, of course for pilgrims, for as long as it's -- practically since it's been founded. And this is the first exhibition to survey all of its arts in the 18th century. And we have wonderful collaboration from Italy, from many of our friends in Rome itself. It will be an international project that we think the City will be very proud of.

In closing, I think I just might say that the Museum's mission is to be in partnership with the City, with the region, with art museums around the world, and also art institutions, small

2/19/99 WHOLE COMM./Budget/Bill 990023

and large, within Philadelphia, to not only preserve our collections and to extend the reach of our collections and the visual arts in general to as many people as possible.

We hope that you think of us as an investment in the quality of life all Philadelphians and the quality of education through art for children and also our visitors of all ages. There are more retired people than ever before, and it seemed to me the other day that half them were in the Museum, but never enough. And also the economic impact, which is very measurable.

But I think the investment you are making in the City of Philadelphia and the investment that we are trying to make for the citizens of this great region have very much in common.

Thank you.

COUNCILWOMAN CLARK: We thank you for your comments.

Mr. Cohen.

Mr. Cohen, just before you do, as the Council representative on the Board of the Art

2/19/99 WHOLE COMM./Budget/Bill 990023

Museum, I tell you how pleased I am with the pace of the Museum being up and involved in the actual reinvigoration of the City and its image as an exciting place to be.

After Mr. Cohen's speech, would you tell us, Anne, in your briefest recitation how we're doing with those plantings that were happening around the grounds of the Art Museum. I know that's capital, but I think that it kind of goes to the refurbished look of the institution.

MS. D'HARNONCOURT: I will do so.

COUNCILWOMAN CLARK: Sir?

COUNCILMAN COHEN: First, just a very technical question. The financial data we're given is very limited. And I don't really know -- under a heading called "Summary of Direct Costs" -- and I don't really know what that means -- there's only one item filled out. It's entitled "Contribution, Indemnities and Taxes," and fiscal 1998 actual obligations is listed for 2.5 million. And then right next to it, it says "Fiscal 1999 Original Appropriation," and it says it's $2,250,000, so I'm speculating that that must somehow relate to the figure that you talked about as the City's contributions.

And I'm wondering, did you actually in 1998, get $250,000 more than the City originally appropriated? Was there an additional appropriation?

MS. D'HARNONCOURT: We did. We got an additional amount of money in support of the Delacroix exhibition, which was enormously helpful.

COUNCILMAN COHEN: Now, you indicate that that's less than half, the 2.25 that's budgeted regularly -- at least that has been for the last four years. And that's considerably below the figure that used to be budgeted?

MS. D'HARNONCOURT: That's correct.

COUNCILMAN COHEN: How is the rest raised? Besides with prayers?

MS. D'HARNONCOURT: Besides the prayers.

COUNCILMAN COHEN: I think that's a real part of it, but that doesn't --

MS. D'HARNONCOURT: Councilman, it's a big push. For the Museum's resources, we depend on annual fund-raising, we depend on our endowment, we depend on earned income. Those are the three major streams of money which support the Museum on an annual basis.

And it's a tough push, but that's where it comes from.

COUNCILMAN COHEN: With respect to the endowment, which is kind of the insurance policy for many years, hopefully many centuries, into the future, are you able to at least maintain that level so you don't have to dip into it to, you know, bring it down lower?

I assume that's a constant fund-raising activity of it's own, you know, with respect to the endowment as against the fund-raising efforts for operating expenses.

MS. D'HARNONCOURT: That's correct, Councilman. The Museum has transitionally actually had a very small endowment unrelated to its peers around the country doing similar work and with similar collections. And over the last ten years, thanks in great part to the great efforts of Robert Montgomery Scott, the Museum's President, and our Board of Trustees, as well as also some good fortune in terms of just investment

-- or I should say wisdom and good fortune I hope I can claim for the Museum's investment committee, the endowment has grown. And we do not invade it; we try to build it so that we can use the income for the purposes that the Museum needs.

It is still, even though much larger than it was 15 years ago, it again still stands at about half of what major institutions have across the country that are our peers in size and collection size, but we're working on it.

COUNCILMAN COHEN: I think this Council has a very warm remembrance of Robert Montgomery Scott, who appeared here year after year for many years.

What is the relationship between the Museum of Art and Fleischer Art Memorial?

MS. D'HARNONCOURT: It is a little bit difficult to describe, but essentially, the Museum has the responsibility of approving the appointment of trustees to the Fleischer Art Memorial and also of having an oversight over their budget. We do not directly administer them in the normal sense of the word, but there is a fiduciary responsibility created under the will of

Samuel Fleischer.

COUNCILMAN COHEN: Are they separately financed, and is the responsibility theirs?

MS. D'HARNONCOURT: They are separately endowed by a trust from Samuel Fleischer, and the responsibility is indeed theirs.

COUNCILMAN COHEN: Well, we think you're really one of the great treasures. You take us away from all of our daily concerns. And in a very real sense, I think you give meaning to life for all of the segments of the community. And we congratulate you on that even though we pinch pennies when it comes to support.

Thank you, Madame Chair.

MS. D'HARNONCOURT: Thank you.

COUNCILMAN NUTTER: One question.

COUNCILWOMAN CLARK: Mr. Nutter.

COUNCILMAN NUTTER: Miss d'Harnoncourt?

MS. D'HARNONCOURT: Sir?

COUNCILMAN NUTTER: I read through the testimony, and it appears that you're getting the same 2.25 -- is it 2.25?

MS. D'HARNONCOURT: That's correct.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: And, now, are you asking for anything more, or are you just thrilled out of your mind with what you're getting, and you'd be pleased to walk away with it?

(Laughter.)

MS. D'HARNONCOURT: We are very grateful for what we receive.

COUNCILMAN NUTTER: I understand.

MS. D'HARNONCOURT: But we would like more. Our wishes are constrained to a good degree within the budget of the Administration overall. But -- so both statements are true.

COUNCILMAN NUTTER: All right, and -- you should go into politics.

(Laughter.)

COUNCILWOMAN CLARK: I think she did.

COUNCILMAN NUTTER: I'm left speechless, almost.

So your capital requests, you're pretty much fine with that. You're in the Capital Program taking care of essential building functions --

MS. D'HARNONCOURT: Our capital requests have been very, very generously --

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: -- heat, fire or --

MS. D'HARNONCOURT: -- and thoughtfully supported, yes.

COUNCILMAN NUTTER: Okay. But you're saying you could use some additional support on the operating side, although --

COUNCILWOMAN CLARK: Although she would like the record to reflect that she did not request it.

(Laughter.)

COUNCILMAN NUTTER: She did not ask for it; she was only responding to the query by the Councilperson and said that if I offered something, she would gladly accept it; is that fairly accurate?

MS. D'HARNONCOURT: It's an elegant statement, Councilman.

COUNCILMAN NUTTER: Thank you. Okay, I understand.

COUNCILWOMAN CLARK: Thank you.

There being no further questions, if I were you, I would flee.

(Laughter.)

MS. D'HARNONCOURT: Did you want to

hear about --

COUNCILWOMAN CLARK: Your briefest recitation on the planting which I think has done a good deal to improve the physical appearance of the Museum.

MS. D'HARNONCOURT: Well, I would say that is -- thank you for that question 'cause that is a wonderful example of partnership between the Fairmount Park Commission and the Pennsylvania Horticultural Society and the Museum.

We are really thrilled with the new planting which went in late last spring and summer. We can't wait for it to start to flower in this season. And we are working with both the Park and the Horticultural Society, not only on the progressive future steps of that effort, but also on the support of the maintenance for that.

So we're thrilled with it. It makes -- particularly the East Court, we think it will make it infinitely more inviting to the visitors we hope to have come.

COUNCILWOMAN CLARK: Thank you.

MS. D'HARNONCOURT: Thank you.

COUNCILWOMAN CLARK: Did the rest of

you have something that was just burning, or did you just want to go?

(Laughter.)

COUNCILWOMAN CLARK: Thank you so much for coming.

MS. D'HARNONCOURT: Thank you very much, Madame Chair.

(Council President Verna returns to chambers.)

COUNCILWOMAN CLARK: Madame Chair, before I relinquish, may I sit in the Chair for the purpose of beginning of the library's presentation?

(Library panel members come forward.)

COUNCILWOMAN CLARK: Good afternoon.

MR. SHELKROT: Good afternoon. Sorry, we're just getting settled here.

COUNCILWOMAN CLARK: That's all right. I have volunteered for this service because, as everybody in this room knows, I'm an old librarian. And I guess once you're a librarian, you're always a librarian at heart. And so I'm interested to know what has happened in this calendar year, in this fiscal year, what your plans, problems, and progress might be.

Having said that, I want your briefest recitation so that we can spend our time in an interaction.

Good afternoon. Please introduce yourself for the record, spell your name for benefit of the stenographer, and proceed with your testimony.

MR. SHELKROT: Okay, well, thank you very much. Councilwoman Clark, I'm Elliott Shelkrot. That's S-H-E-L-K-R-O-T. I'm the President and Director of the Free Library.

And I have with me Helen Miller, who is our Director of Public Services; Bill Fleming, who is our Administrative Services; and Alfonso Johnson, who is our Finance Director. Did I give you the right title?

MR. JOHNSON: That's close enough.

MR. SHELKROT: Okay, good, good.

Much as been stated in the paper over the last several weeks about the need to focus more attention on Philadelphia's neighborhoods. I'm delighted to report to you that the Free Library, I believe, is an institution at the vanguard of positive changes taking place in Philadelphia's neighborhood.

In partnership with the Mayor and City Council and the private sector as well, the Library has been building stronger communities with information, ideas, and inspiration for children and adults in our 53 safe and welcoming locations throughout the city.

Two weeks ago, some of you may be aware, there were over 12,000 librarians here in Philadelphia from across the country for the midwinter meeting of the American Library Association. I wish you could have been there to hear the accolades about the branch renovations and the technology that is going on throughout our branches throughout the city. And people kept saying what good fortune we must have to have a City Council and a Mayor who are so supportive of our libraries. And I think and I hope that you share the pride of this process of renovation that is going on across the city.

Today, the library is requesting a total budget of $40.6 million for Fiscal Year 2000. That includes 33.7 in General Funds and

6.8 million in the Grants Revenue area.

There is an increase of 1.8 million over the current year's budget. And this is devoted to several areas primarily. One is the opening -- having all of our branches completed by the midpoint of the next fiscal year. All of our renovation projects, for the most part, are completed so that the staff money is there so that we can open those branches.

Furthermore, the fund's for half a year for the East Philadelphia Library, the library that has been requested and the Mayor has agreed to provide, as well as money for 12 after-school programs to expand our after-school initiatives with at-risk children.

Councilwoman Clark, you asked about achievements. Let me mention briefly some of those. In Fiscal '99, it was indeed a year of renaissance for our branches. The partnership with the City Capital Budget, which enabled us to leverage outside support has enabled us to, as of this date, renovate and bring the new technology to the 29 branches and all 3 of our regional libraries.

Three more libraries, Lovett, Mantua, and Torresdale will open this month with these complete new facilities. And as I mentioned earlier, all branches, with a few exceptions, will be open by January of 2000.

The partnership between the City and the private sector has enabled us to provide better services. And it's not just a matter of opening the doors of the libraries. Opening the doors is the easy part. As you can see in the written testimony, the number of the visits is going up, but what is so very, very exciting is that the number of items being borrowed from our libraries is also going up.

We're averaging, after the first year of reopening of a library with the renovations and the technology, and we compare it to it's last year of complete opening, we're seeing a 22 percent increase in the use of the library and as evidence to show that in the second year, that increase is even higher.

Our focus on children is something, I believe, you are all aware of. In so many ways, the Library, throughout its history, has devoted itself to developing a love of reading, a love of ideas in children. Our after-school program, LEAP, is designed to help youngsters with homework as well as enrich their educational experiences in 31 locations.

And as of right now, at the beginning of February, 27,000 participants have been engaged in that program, and we anticipate that by the end of the year, there will be 52,000 attendees at these LEAP programs after school.

One of the very exciting new initiatives is the Bits and Bytes Program, funded initially by the William Penn Foundation. It is designed to employ youngsters, ten young people, young adults, most often college students in the area, as technology trainers who, in turn, provide special training to 115 teenagers who are employed to work in our neighborhood libraries as tech team assistants, providing one-to-one computer help to children and adults, and organizing after-school and weekend computer clubs.

As we look to Fiscal Year 2000, the additional appropriations that we have asked for, one of initiatives includes a little over $900,000 for personnel and $200,000 primarily for the books and materials to provide the full-system operations in our branches, beginning January of 2000. So this is a six months of full operation for the library system, something we have not been able to do in years.

It includes a little over 68 full-time equivalents, librarians, library assistants, as well as our municipal guards and custodians for that six-month period.

The request also includes money for the East Philadelphia Library.

COUNCILWOMAN CLARK: Where is it going to be relocated?

MR. SHELKROT: We're in negotiations now with the Balch Institute. They have space and are looking for a compatible use of that space, and we're working with them to find an appropriate rate. And in the capital budget, there's --

COUNCILWOMAN CLARK: You mean at Seventh and Market Street? Isn't that where the Balch is, at Seventh Street, near Market?

MR. SHELKROT: That's correct, yes.

COUNCILWOMAN CLARK: It would be on

that compound, or are they looking at another site?

MR. SHELKROT: Not, it would in the Balch Institute, which is on Seventh Street.

COUNCILWOMAN CLARK: Right.

MR. SHELKROT: And it would be on the first floor. I mean, they are quite interested in our leasing under some arrangement the first floor of that facility.

COUNCILWOMAN CLARK: Mm-hmm.

MR. SHELKROT: It will be a full-service library, a library designed with a children's area, a preschool area, and, of course, the areas for teenagers and adults. And we're looking forward to a wonderful experiment in collaboration with the Balch Institute because of their collections and resources.

COUNCILWOMAN CLARK: And they're right near the African-American Museum, which is a block or so north? And not far from Atwater Kent.

MR. SHELKROT: And across the street from Atwater Kent, that's right.

COUNCILWOMAN CLARK: Yeah, that would be a fine collection, a little cluster there.

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. SHELKROT: Yes.

As I indicated earlier, this will be for six months -- the operating budget part of that if for six months because we anticipate that -- our goal is to have that facility open by mid-Fiscal Year 2000, and there is money in the Capital Budget for the kind of renovations that will have to take place to make it a --

COUNCILWOMAN CLARK: You have to fit that space out for yourselves.

MR. SHELKROT: That's correct.

You will also see in our request for Fiscal 2000 is money to convert our after-school programs to a five-day-a-week program in 12 targeted neighborhoods in the city, neighborhoods that have been identified by the Mayor's Children and Families Cabinet to be parts of the city with higher-risk children. We know that our after-school program, our LEAP program has a very, very substantial attendance, and to expand it to a five-day-a-week program so we can be of use and of help in the welfare-to-work movement is our primary goal in this initiative.

There are challenges ahead. We have

been a very good part, we believe, of the renovation and the development of communities. The proliferation of information in so many different formats creates a daunting task for us. It would be nice if we could to say to you that people who come in to use the computers don't also want to borrow books. I mean, it would be nice from a fiscal point of view -- certainly not part of our mission. The challenge is readying the resources so that we can meet those needs for the new technology, at the same time supporting the continuing and ongoing need for more traditional library resources.

Computers that we have added to the libraries have been very, very well-received. However, they do require ongoing training for staff telecommunications costs, and maintenance costs. As renovated libraries and new technology attract more users, we must provide electronic and print resources that they need.

And as I think many of you know, our focus over these last four or five years has been almost exclusively on our branch system, and we know and we are planning now to look at and to focus on the needs of our magnificent Central Library, because it too needs to be prepared for the 21st century. We can't leave it back where it was. It is in serious need of not just some restoration, but the various studies that have been done have indicated that you cannot continue to do everything in that same square-foot space, everything that the Central Library is now called upon to do.

COUNCILWOMAN CLARK: So now you're talking about revamping collections or are you talking about capital changes in the building?

MR. SHELKROT: We're looking to what kind of capital changes will be required to make the Central Library as well-equipped and prepared to meet the challenges of the 21st century as we have at our branch system. So it is primarily a capital expenditure that we would be considering in the future.

In conclusion, I do want to thank the members of this Council and the Administration because it is that steady support of our libraries, that commitment to our libraries that has enabled us to successfully go to the private sector to ask for their support and their participation. And with your continued help, we will keep every one of these beautiful renovated branches open six days a week, enriching lives, providing educational programs, and promoting economical development in neighborhoods throughout the city.

COUNCILWOMAN CLARK: We thank you for your presentation.

One of the things that has made the Free Library stand out nationally has been your ability to attract large numbers of volunteers and the creative way that you have used volunteers with paid staff to extend and expand the reach and service of the libraries.

Can you give a brief, brief, brief exposition of the volunteer program and what it does and why.

MR. SHELKROT: Yes. Let me ask Helen Miller to do that.

(Helen Miller comes forward.)

MS. MILLER: Thank you.

We have been very successful with our volunteer program, I think mainly because we already had created and established our Friends groups throughout the city who were also already acting as volunteers in a lot of our branches, so that we were able to build upon that.

We do have a volunteer coordinator who does with a minimal staff -- as a matter of fact, she only has one put -- together a volunteer program for the whole city so that just about all of our branches do indeed have volunteers. And last year, they donated over 44,000 hours to us doing volunteer work, and that was a total of over 1100 volunteers.

We also work with the School District and with the students doing a lot of community work. They very often assign students to the Library, particularly high schools, to do volunteer work over the school year, and that has been a very effective program as well.

So right now, one of the thing we're looking at is how volunteers can help more with people learning to use computers in the Library. A lot of people who have retired from positions where they used a lot of technology in their jobs have volunteered to come back to the Library and help others learn to use some of the equipment.

So we think we've been very successful.

COUNCILWOMAN CLARK: Well, we thank you very much. Now just before your head gets swelled, I need to tell you that an anonymous employee called in some questions for us to ask you, okay?.

MR. SHELKROT: Oh, great.

(Laughter.)

COUNCILWOMAN CLARK: She said that some employees are concerned about the following issues. We hesitated to do these questions because I don't like anonymous letters, but the questions came in to the President, and I don't think I have the right to overrule the President's decision to have them done.

How is the continued increase -- how is the continued increased use of technology going to affect library workers in terms of employees? Will there be layoffs of workers because of continued automation?

MR. SHELKROT: I'm going to have to respond to that by saying that I am a firm believer that it is the advent of technology and the installation of the technology and the training that we have provided our staff in the era of technology that are guaranteeing their jobs in the future.

If we were to let this wave of technological change pass us by, we would indeed be faced with perhaps a useless profession and a much less useful institution. So, I see no decrease in our need for trained librarians as we moved into the technological future.

COUNCILWOMAN CLARK: Do you see any looming impending wave of layoffs?

MS. MILLER: Absolutely not because what we are noticing is that the technology really has increased the need for -- would you like me to say "additional staff?" because that really is what it has done.

Whereas when someone came into the library and asked a question, you were able to take a book off the shelf and hand it to them and they could find the question or write down what they needed from that information, now it's a matter of showing them how to sit down at the

2/19/99 WHOLE COMM./Budget/Bill 990023

computer, to be able to turn it on and get to the information they need so that it's a much more lengthy process.

So if anything, we're finding that it's requiring much more time and effort of our staff. And this is why we are using volunteers so extensively because they are helping with that as well.

COUNCILWOMAN CLARK: So it's more labor-intensive than ever, right?

MS. MILLER: Absolutely.

COUNCILWOMAN CLARK: Okay. The second question is: Percentage-wise, how has the purchase of books increased in the last two fiscal years as opposed to the purchase of computer software? Will you stop buying as many books and start buying more computer software?

So it's a conflict between the book and the box.

MR. SHELKROT: That is indeed a challenge for us. If the question is the percentage of computer and computer software growing faster than the percentage -- than the increase in the number of books, yes.

2/19/99 WHOLE COMM./Budget/Bill 990023

But I am pleased to say, with the help of some of the State money that we have received and we anticipate receiving in the future and the continued support of the Administration and Council, we have not cut back in the number of books that we're buying. We have been able to increase the resources and the technological resources that we are providing.

COUNCILWOMAN CLARK: And you do both.

MR. SHELKROT: What's that?

COUNCILWOMAN CLARK: And you do both.

MR. SHELKROT: And we do both.

COUNCILWOMAN CLARK: Okay, now here comes a softball; this is not going to hurt you at all.

What renovations are being planned for the Central Library? Workers complain that offices are cramped and dark, that book stacks are dirt. What capital renovations are planned for the Central Library?

I just lobbed you a basketball.

(Laughter.)

MR. SHELKROT: Yes, that's true and that certainly is related to point I was making earlier.

You know, every study that's been done of the Central Library in the past 30 years has said, You cannot continue to do all of these things in the same place. You either have to get rid of services or collections, or continue, to be quite frank, to not just provide inadequate access to those collections, but to actually -- evidence is we are beginning to destroy some of those collections 'cause things are so tightly packed.

Our planning at this time is far from complete. Our goals are to provide a renovated Central Library and an expand, significantly expanded Central Library.

COUNCILWOMAN CLARK: Thank you very much. Now the recess is over, and we have some real questions.

Mr. Rizzo, you're next.

COUNCILMAN RIZZO: Thank you.

I received a phone call so -- and again forgive me, 'cause I want to ask this and I don't truly understand the question so maybe you can help me.

Several constituents called and

complained that the theater collection in the Main Library is not easily accessible. Several publications are missing.

MR. SHELKROT: That's very closely related to what I was just saying. The theater collection -- I can't speak to the missing items; I am not aware of that. I am aware of the fact that it is horribly overcrowded and, to be quite frank, it is one of those collections, when I see somebody wandering around the library, not sure where to go, and when they ask me, How do I get to the theater collection? I'm almost embarrassed to explain it to them because it is in a very, very cramped quarter. It's one of those almost you can't get there from here. It's in a small collection with a low ceiling and crowded quarters.

COUNCILMAN RIZZO: Thank you for that.

The final question. Occasionally, I visit my neighborhood library, and in the course of my work, I visit libraries throughout the community. I notice a lot of videotapes and things like that, that it's hard for me to understand. I guess I'm a little old-fashioned that I expect to see books in a library. And when I see videotapes and things like that, I wonder, are we discouraging people from reading?

MR. SHELKROT: I think I'm going to ask Helen to do that because Helen has been one of our many champions in that area.

MS. MILLER: Absolutely not. Well, when it comes to videos, first of all, they are extremely popular. They are very well liked by our patrons. They often do replicate some of our collections so that for people who have problems with reading, with literacy, they can see a video and certainly have a better appreciation for the book itself.

We also like to think that we provide a service for people who can't afford to go to Hollywood or whatever the popular places are that you go for videos.

COUNCILMAN RIZZO: Blockbuster.

MS. MILLER: They can come to the library and borrow them for free, but they are not in any way replacing any percentage of the book budget, any significant percentage of the book budget that we would spend on books. They just simply are another format of material that just augments the collection.

COUNCILMAN RIZZO: Have you ever gotten complaints from any of the businesses that do that for a business?

MS. MILLER: Some years ago, I can remember that we did get a complaint. And what we have businesses to understand is that we could never compete with them in terms of the volume of videotapes that they have. I mean, our collections are so much smaller than what they have.

The other thing is that they get things so much sooner than we do. By the time that we get a video, it's not as popular as it was, you know, when it first came out just by the sheer process that we get them.

So I don't feel that we compete with them.

COUNCILMAN RIZZO: The final point. Do we have any material, videos that are considered objectionable in the library? What rating do we have in the library?

(Laughter.)

2/19/99 WHOLE COMM./Budget/Bill 990023

MR. SHELKROT: Why did she pass that one to me?

COUNCILMAN RIZZO: Yeah, why did they ask you to answer that question for, Elliott?

MR. SHELKROT: There are -- we follow the motion picture industry ratings system. There are no films that, by community standards, would be considered obscene. There are R-rated films in our libraries, just as there are if there were rating standards for books, we would -- you know, some of the books might be regarded as R-rated books.

COUNCILMAN RIZZO: But we don't have ratings for books but you do for videotapes. Do you think it's appropriate to have R-rated videos in the library?

MR. SHELKROT: I believe the resources of the library need to be as broad and as representative of what the public borrows from us. And I think that there have been so many quality films that contain an R rating, that we'd be doing a disservice.

COUNCILMAN RIZZO: Can a minor take an R-rated video out of the library?

MR. SHELKROT: If a parent has restricted their card to children's material, then they cannot. If their card is an unrestricted card, they can.

COUNCILMAN RIZZO: So a minor -- or don't hold me to the age -- can't go to the movie theater and see an R-rated movie; yet they could go to the library and get that same R-rated movie out of the library.

MR. SHELKROT: A minor can go with the parent to a movie --

COUNCILMAN RIZZO: I didn't ask that.

MR. SHELKROT: A minor can go with a parent to an R-rated movie.

COUNCILMAN RIZZO: Without a parent.

MR. SHELKROT: If the parent has authorized the youngster to borrow anything they want to from the library, yes, they can.

COUNCILMAN RIZZO: No, let me ask the question again. A minor comes into the library, does not have the restricted card, wants to take an R-rated video, can that minor take the R-rated video out of the library?

MR. SHELKROT: Yes.

COUNCILMAN RIZZO: Don't you think that's a little inconsistent with the -- if that same minor can't go to the movies without a parent but can come to your library and get the same movie without the parent, something's wrong.

MR. SHELKROT: Well, I think that what in both instances has been done is that parents will consent and has been --

COUNCILMAN RIZZO: I'm not -- I'm not -- forget the parental consent. A minor comes to the library -- yes or no, can the minor take the R-rated video out of the library?

COUNCILWOMAN CLARK: Mm-mm.

MR. SHELKROT: If it is an unrestricted card, yes.

COUNCILMAN RIZZO: Don't you think you should be consistent with the rest of the world?

COUNCILWOMAN CLARK: Mm-mm.

MR. SHELKROT: Well, Councilman, what I was trying to explain to you is that I do think, in many ways, we are consistent. Maybe I'm a bad parent, but I have, upon occasion, given my child a note -- in this case fast as a 14-year-old -- saying that he had my permission to see a movie that happened to be labeled R, and he had no problem getting in. Just as with -- we have adult cards and --

COUNCILMAN RIZZO: That's not -- again, I don't know the age requirements, to tell you the truth, that a -- I don't know, maybe you do. How old does a person have to be to go to an R-rated movie? I don't know the answer to that.

MR. SHELKROT: I don't know offhand, either.

COUNCILWOMAN CLARK: But, if I may, excuse me, Mr. Rizzo.

This is an age-old question that we librarians have confronted from the time of the Papyrus and Incunabula.

Who can have access to ideas? It is not the Library's job to be censors, it is not. If parents do not want their children to use materials, then parents should make sure that their children do not use the materials. It is not up to the Library to be the police of ideas. It is a very bad precedent for a library to start. We will go back to book-burning and putting books in closed stacks.

I would withdraw my support for you if I saw you turning down that slippery slope.

COUNCILMAN RIZZO: Could I continue my questioning, please, Madame Chair?

COUNCILWOMAN CLARK: You may, but I would like for you to continue it in the light that I would like the Library representatives to know that I think that the path that they are presently on is the right one, and I need them to tell me by sign language or otherwise whether they are about to get on that slippery slope and tell me now before I vote for their budget.

COUNCILMAN RIZZO: Well, I have that same position here. I believe that my input on the budget is equally as important as anyone else's here.

The situation -- I ask you this question. If a 15-year-old or a 14-year-old has a library card, comes into the library, and wants to check out an R-rated video, they can do that; is that what you're telling me?

MR. SHELKROT: Yes, that is correct.

COUNCILMAN RIZZO: Thank you very much.

Thank you, Madame Chair.

COUNCILWOMAN CLARK: You're welcome.

Mr. Cohen?

COUNCILMAN COHEN: This is the first time in a career that goes back 30 years that I have ever heard anyone in Council try to impose a personal censoring point of view on the Library. I think it's disgraceful that that question arose here.

It's urgent that information in the libraries be available to all. The libraries should not become a police organization, trying to control what children can read and can't read. That's a matter left to the families, as Councilwoman Clark stated.

Sir, I wanted to ask you about the library branch, the Ogontz Library branch. I wanted to congratulate the East Library; apparently, they're doing in a year or year and a half what it took me 33 years to do up in Ogontz. I'm really very envious at the great success they've had, and everybody agreeing that that community deserves a library, and I'm sure it does.

I just wish that they'd recognize that

the Ogontz community 30 years ago was a community that could benefit by a library, and I think that the usage rate at that branch indicates the strong need for that library for many, many years. It's an outstanding success. I can't tell you how much good it has done the whole community to feel that the government and the City was interested in them and felt they were a live community.

Last night, I heard State Representative Dwight Evans talk about that. Even before he talked about what was happening in his area, on Ogontz Avenue, he referred to the library as being the opening gate to the great advances being made in that area. And I congratulate this administration of the Library and what they've been doing.

But I wanted to raise with you, Mr. Shelkrot, whether anything has happened on the question of that land that's adjacent to the library.

MR. SHELKROT: It's an issue you raised at the Capital Budget hearings.

COUNCILMAN COHEN: Is it available? I think there is --

MR. SHELKROT: Yes, that's right. I have not had a chance yet -- that was about a week, week and a half ago, and with the long weekend in between, I haven't had a chance to pursue that, but I do understand that you want us to explore the land that is just behind the library and some other possibilities.

COUNCILMAN COHEN: That's right, and it has been for many, many years an eyesore in the neighborhood. It was just a junk yard for old automobiles. The community had been trying and finally succeeded in having Licenses and Inspections and the Zoning Board take action.

I know the owner is interested in disposing the land. He can't use it for the purposes. He's been compelled to clean it up. The lot has now been cleaned. He's still subject to a court order to make sure that it almost shines, that, you know, it's been polished and the removal of the cars. The cars are gone, but there was still some debris.

But it's a wonderful spot for an expansion that I feel is going to be absolutely necessary in the future. The Ogontz Library is

2/19/99 WHOLE COMM./Budget/Bill 990023

right in back of it. It's adjoining land. And I think that it would be great if the Library system examined that area and whether or not -- you may not be in a position in the Capital Budget to move immediately with respect to expansion, but I think it would be a very wise decision to try to acquire the land now while it's available.

It's also in a wonderful location; it's right across from the Prince Hall School and from that neighborhood incubator that the Second Macedonian Baptist Church got a federal grant of over $1 million for, so it's in a wonderful community. The only thing left is the House of Prayer Church, which has been there and is a great addition to the community for many, many years. So it's a wonderful spot, and I think we ought to take advantage of the opportunity to evaluate it. And if in your judgment, it is suitable, you know, to live that to the City, I just know the land is available because I know he's trying to sell it. I don't think any other business could come in there and could possibly get approval for its operations, but one never knows.

And I'm just -- it's just a wonderful

spot for future expansion of this library. And it would be a tremendous community resource.

MR. SHELKROT: Well, we'll certainly take a look at that and consider it and discuss it with Public Property unit, and we'll get back to you.

COUNCILMAN COHEN: Yeah. I think the first step would be for the library to see whether, you know, it fits into immediate or future plans or would likely fit into them.

MR. SHELKROT: Okay.

COUNCILMAN COHEN: And then the City has a process.

All right, very good. But the Library is an outstanding success.

COUNCILWOMAN CLARK: Thank you, Mr. Cohen.

COUNCILMAN COHEN: I raise it because of the high degree of usage from early in the morning till closing hour for every level of the community -- the children to the senior citizens.

COUNCILWOMAN CLARK: Thank you.

Mr. Rizzo, can I ask you to keep yours brief now because we do need to get to finish this up.

COUNCILMAN RIZZO: If I can keep my remark brief, I will try to do that.

COUNCILWOMAN CLARK: All right.

COUNCILMAN RIZZO: Could you provide to the Chair a list of the titles of videotapes that you have in inventory at the Library in PG and in the R category, please.

MR. SHELKROT: I'll certainly do my best. I know that we have certainly a list of them, and whether we have them -- but yes, we will do that.

COUNCILMAN RIZZO: You would?

MR. SHELKROT: Yes, we can do that.

COUNCILWOMAN CLARK: The answer is yes.

COUNCILMAN RIZZO: You disappoint me.

COUNCILWOMAN CLARK: The answer's yes.

COUNCILMAN RIZZO: Thank you. The answer is yes?

MR. SHELKROT: Yeah, the answer is yes.

COUNCILMAN RIZZO: Thank you very much.

Thank you, Madame Chair.

COUNCILWOMAN CLARK: Thank you.

Are there other questions?

2/19/99 WHOLE COMM./Budget/Bill 990023

(No further questions.)

COUNCILWOMAN CLARK: Thank you so much.

MR. SHELKROT: Thank you.

MS. MILLER: Thank you.

COUNCILWOMAN CLARK: Historical Commission and Atwater Kent, you're next.

(Dr. Richard Tyler comes forward.)

(Council President Verna reenters chambers.)

DR. TYLER: I will follow in the tradition of brevity, Madame President and members of Council.

COUNCIL PRESIDENT VERNA: That would be wonderful.

DR. TYLER: I am Richard Tyler, Historic Preservation Officer for the Philadelphia Historical Commission.

The proposed budget for Fiscal Year 2000 requests $258,507. That increase of 5,216 above the current estimated obligation results from the negotiated labor contract. This budget will fund a staff of six. And with this budget and staff, we can expect to meet our major objectives of designation, including three --

perhaps three historic districts that concern many of your constituents, expeditious permit review --

COUNCIL PRESIDENT VERNA: When will the Girard Estate be considered?

DR. TYLER: The Girard Estate is going to have a committee meeting the end of this month to look at the boundaries.

COUNCIL PRESIDENT VERNA: Wonderful. And what would the next process be?

DR. TYLER: Committee meetings open to the public to evaluate the significance of it in terms of the ordinance. And then to the full Commission, where there will be at least hearings. We can have one in the neighborhood at night. And then a vote.

COUNCIL PRESIDENT VERNA: Wonderful. How many years have we been waiting?

DR. TYLER: Too many.

COUNCIL PRESIDENT VERNA: I know. I agree.

DR. TYLER: Expeditious review of permits, and last year, there was an increase of 30 percent in the number of permits that were reviewed. And also expeditious review of the

2/19/99 WHOLE COMM./Budget/Bill 990023

federally-mandated historic resource assessments.

I should be pleased to answer any questions Councilmembers may have.

COUNCIL PRESIDENT VERNA: You did get an increase in personnel for staff last year?

DR. TYLER: We got one more last year, yes. And always OECD funds a position and the Streets Department funds a position.

COUNCILWOMAN VERNA: Oh, good.

DR. TYLER: We found out that we can handle for PennDOT and Streets work for -- for all of their work in the city. And, again, the historic review is required by federal law for less money than it had to pay for a consultant to do one project.

COUNCIL PRESIDENT VERNA: Isn't that something?

DR. TYLER: And we also now do almost all of the HUD funding. There are funded projects we had to review, like the Disney project. There's a HUD involvement there.

COUNCIL PRESIDENT VERNA: I know you work very hard and you're very conscientious in what you.

2/19/99 WHOLE COMM./Budget/Bill 990023

DR. TYLER: And that was a no-brainer; it has no effect on historic resource, but that's still what we do.

COUNCILWOMAN VERNA: Wonderful. Thank you.

Are there any questions of Dr. Tyler?

(No questions.)

COUNCIL PRESIDENT VERNA: Thank you very much, sir.

DR. TYLER: Thank you.

COUNCIL PRESIDENT VERNA: Atwater Kent Museum.

(Atwater Kent Museum panel members come forward.)

COUNCIL PRESIDENT VERNA: Good afternoon.

MR. BENOLIEL: Good afternoon.

COUNCIL PRESIDENT VERNA: Thank you for your patience. I know you've been sitting there quite a while.

Please identify yourself for the record and proceed with your testimony.

MR. BENOLIEL: Good afternoon. My name is Jeffrey Benoliel and --

COUNCIL PRESIDENT VERNA: Excuse me, please pull the microphone closer to you.

MR. BENOLIEL: Sure. Good afternoon. My name is Jeffrey Benoliel, B-E-N-O-L-I-E-L. I'm here with Nancy Moses, the Executive Director of the Atwater Kent. My title at the Atwater Kent is Vice President of the Board of Trustees.

Council President Verna and members of City Council, I am pleased to be here today. I present this testimony in support of the proposed Fiscal Year 2000 Operating Budget of $219,769, which is a 10 percent increase over our appropriations in 1999.

The additional funds will enable the Atwater Kent Museum to continue its program to expand our educational programs with the School District of Philadelphia, to continue to work on making our museum an attraction for our citizens and tourists, to preserve our significant artifacts, and to move forward in our efforts to raise funds to make the Museum a viable institution well into our future.

Our first priority is to expand and strengthen our educational programs with the

School District of Philadelphia. The new social studies curriculum standards mandate the teaching of local history at three grade levels. Philadelphia's history museum is partnering with our colleagues at the Board of Education and the teachers in the classroom to create lessons in Philadelphia history. Recently, the School District placed a full-time teacher at the Museum.

I know it's late, so I'll try to be brief, and I appreciate the time.

Our second priority is to make the Atwater Kent Museum a tourist attraction. And when I say "tourist," I'd like to include both the residents of the city as well as those from the outside. The key to this is to have exhibits that will bring people into the Museum.

In the coming year, we intend to install three new exhibits. First, "The Cover Story: Norman Rockwell's America"; "Two Carousels," a holiday exhibit that celebrates Philadelphia's singular role in the carousel business. And, finally, "The Treasures of the Historical Society of Pennsylvania."

This leads to really our third goal

this year is to finally bring to fruition our arrangement with the Historical Society by which we will take over sole stewardship of that collection. We're in the process of completing that. We issued some weeks back a statement of intent to that effect and are in the process of negotiating a final agreement, and that is one of our chief objectives for the year.

In the coming year, we will also be implementing long-range plan for expansion that will put us on -- "have a face," as Nancy would say, on Independence Mall. We're working with Rohm and Haas to obtain space in their building. And, hopefully, this will allow us to double our size in terms of exhibit and meeting space and add a few amenities that we currently lack today.

A critical part of this plan is our $15 million fund-raising effort, 10 million of which will be for capital improvements, 5 million for endowment. During Fiscal Year 2000, the Museum will work hard to match Mayor Rendell's 5 million capital campaign through a challenge of dollar-for-dollar of private funding. And we want to thank the Mayor for his efforts in providing us those capital dollars.

And I guess the last objective for the year is really to build on our private-sector support. I think this is a key component to our future success, and Mayor Rendell's support in this year, by continuing to keep this in the budget, will enable to us continue in that critical mission.

On behalf of the Board of Trustees and staff, I encourage City Council to approve our appropriations for the Fiscal Year 2000 that will enable us to move forward.

Thank you very much.

COUNCIL PRESIDENT VERNA: Thank you very much.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

Good afternoon, Mr. Benoliel and Miss Moses. How are you?

MS. MOSES: I'm well.

COUNCILMAN NUTTER: Good. I wanted to ask one, there was a story in the paper the other day where maybe a half a dozen museums and other cultural institutions have endeavored to work together on something -- I know I have the name wrong, but the essential concept was some kind of day pass or -- I mean, it could be a week or a month or. . . I don't remember who all is involved; I know the big institutions are.

Is Atwater Kent Museum a participant in that project?

MS. MOSES: No. Because we don't have one of the largest attendance in the city.

COUNCILMAN NUTTER: Just if you could put on the record since I badly characterized what it's called, do you recall the name of that?

MS. MOSES: I think it's called "City Pass."

COUNCILMAN NUTTER: Okay, right.

MS. MOSES: And you buy one ticket, and you can get into the major institutions in town.

COUNCILMAN NUTTER: So now, is attendance rate one of the criteria for participation in this?

MS. MOSES: Yes. It's the only criteria.

COUNCILMAN NUTTER: It's the only

criteria, okay.

MS. MOSES: And the smaller museums, especially the museums around the mall, are starting to think about something like that, too.

COUNCILMAN NUTTER: Okay. So if there's a new one, you might be able to participate in that.

MS. MOSES: Or create our own.

COUNCILMAN NUTTER: All right.

MS. MOSES: We're already a part of a marketing consortium that's looking at group tours with a bunch of smaller history museums and other museums in the area.

COUNCILMAN NUTTER: Do you get assistance from, for instance, the Philadelphia Convention and Visitors Bureau, or the Greater Philadelphia Marketing --

MS. MOSES: Corporation?

COUNCILMAN NUTTER: Corporation, right.

MS. MOSES: We do when we join in large, citywide promotions.

COUNCILMAN NUTTER: Okay.

MS. MOSES: We're part of The Book and the Cook, we're part of the PECO Energy Festival,

2/19/99 WHOLE COMM./Budget/Bill 990023

we're part of the 4th of July.

We haven't gone to those organizations ourselves, but we look forward to doing that very soon. Actually, we have a proposal before one of them now.

COUNCILMAN NUTTER: Okay. I applaud your participation with the School District of Philadelphia in the furthering of historical education for our young people.

Is there a financial relationship between the School District and Atwater Kent for services that you provide to the children?

MS. MOSES: No, there is no financial relationship. Now that we have a School District teacher in our Museum, children who are taught by those teachers from public schools will, of course, be able to come for free. But we do not receive any grant money from the School District or contract money.

It works the other way, though, Councilman Nutter, in that we have a program which places our staff for a day a week in schools throughout the city for a semester at a time to work on community history projects. And so that staff time, which is about a half day a week, is a donation that our museum makes to those schools.

COUNCILMAN NUTTER: Okay.

MS. MOSES: And we also provide some funding for each of the school's so that the children can realize a history project of their own design.

COUNCILMAN NUTTER: Okay. Let me ask about one other potential either source of clientele or possibly source of funding.

Do you have any particular outreach practice to the other end of the spectrum of citizens in the city, our many and varied senior-citizen facilities; do we have an outreach to that constituency as a group?

Many of them have, for instance, bus facilities of their own that they could bring some of the seniors out to the At Water facility. Some may know about some of the history that you're sharing from a personal perspective. I hope to be one of them one day. Maybe my last job will be as a guide at the Atwater Kent Museum.

MS. MOSES: Well, we look forward to that.

We do both of those. We have outreach personnel that go to senior-citizen centers and give programs and we also host seniors. In fact, we're starting a special volunteer program for senior citizens in conjunction with the exhibit that's about to open on Norman Rockwell and his view of American because that's really their era. And we look forward to that.

We also have -- are very fortunate in having staff who work at the Museum who are provided by the Mayor's Commission on Aging, some of whom have been so successful and so helpful that we've been able to hire them on as permanent staff.

COUNCILMAN NUTTER: Okay. Lastly, two financial issues. One, what does it cost to come to the museum?

MS. MOSES: For an adult, it costs $3. If you're a senior and you come on a Wednesday it's free. And if you come on Sunday morning, it's free. And for children, it's $1.50. And for children in school groups who get programs, it's $2.50.

COUNCILMAN NUTTER: You said for

children, it's $1.50 but then you went to --

MS. MOSES: When we do group programs for children from schools.

COUNCILMAN NUTTER: If the child just comes, it's 1.50. If it's a part of a group and has special events or special activities, it's 2.50.

MS. MOSES: Yeah.

COUNCILMAN NUTTER: Okay. Lastly, your budget testimony indicates that FY 2000 has continuing support or even expanded support, but then elimination of operating support dollars in 2001, and you have a $5 million challenge match dollar-for-dollar arrangement on the capital budget side; is that correct?

MS. MOSES: That's right.

COUNCILMAN NUTTER: What are your plans 2001 and beyond with the potential elimination of City operating support?

MS. MOSES: We're going to do our best to do two things. First of all, we're going to do our best to continue to raise the percentage of funds that come from the private sector, which has increased. When I went to the Museum -- came to the Museum a little bit over three years ago, City government provided over 70 percent of the operating support for the museum. Today, it's 30 percent. Or around 30 percent of our operating support.

COUNCILMAN NUTTER: What are we putting in now?

MS. MOSES: This year, it's 200; next year, it will be, 219,000.

COUNCILMAN NUTTER: So your general budget is what?

MS. MOSES: It's about 900.

COUNCILMAN NUTTER: So the 846,359, is that what your budget is? On the last page here?

MS. MOSES: It's --

COUNCILMAN NUTTER: For total projected FY 2000 spending, you're at 846,395? Is that the number?

MS. MOSES: I have trouble remembering numbers.

COUNCILMAN NUTTER: I understand.

MS. MOSES: It's on the last page?

Yes, that's right.

COUNCILMAN NUTTER: The 846 number.

All right, all right, now --

MS. MOSES: So we're going to try to continue to raise private-sector money, and we're going to hope that over the year that the contribution that we make to the city will be seen by the Administration and City Council.

COUNCILMAN NUTTER: Well, let me just make sure I understand this. Your testimony is that the Atwater Kent Museum was founded as a City department during the Great Depression.

MS. MOSES: That's right.

COUNCILMAN NUTTER: So we're talking back in 1929 or so.

MS. MOSES: Right.

COUNCILMAN NUTTER: And that it is the City's official history museum.

MS. MOSES: That's right.

MR. BENOLIEL: Right.

COUNCILMAN NUTTER: But we're anticipating in 2001 to end any operating support for you in your capacity as the official City history museum.

MS. MOSES: That's right.

COUNCILMAN NUTTER: Okay. Hold on for

one second.

Mr. Kaplan, can you come to the table please.

(Dean Kaplan comes forward.)

COUNCILMAN NUTTER: Now, earlier, I remarked that you're actually over here doing nothing which, as you know, is not the case, and I was merely playing. And at 3:25 on a Friday, probably the last place you want to be is sitting in City Council with us.

But as a matter of public policy, and I understand that prior to today and after today for another couple weeks, there will be many people coming to the table, City operating departments, everyone's got a story, they're all good, they do good things, and all of that. So I understand that.

But as a matter of public policy, how can we end operating support for the City's official history museum? I mean, how is -- I mean, that doesn't make any sense to me.

MR. KAPLAN: Well, I think that the what the Mayor and the Administration have done is review the needs of the Museum overall. And one of the things we've been talking about for a couple years is dramatically increasing the Museum size and envelope, and we've gone through several iterations, the most recent of which was described in the testimony today.

And when we looked at the overall budget several years ago, the Administration's recommendation was that we aggressively fund the capital side of that effort in order to provide them with a new and modern facility, but that we challenge the Museum to raise its own operating budget, which I think that, you know, the particulars of the specific dollars are perhaps one issue. The evidence, I think, has been that we have, in fact, seen a tremendous growth in what the Atwater Kent has been able to do on the private side on an operating basis.

COUNCILMAN NUTTER: I understand that.

MR. KAPLAN: And that's a compliment to them, I think.

COUNCILMAN NUTTER: Who owns the Atwater Kent Museum?

MR. KAPLAN: The City owns the building. The question is, who controls the collection, which, I think, is a more complicated question. That's why I'm hesitating here.

I think we own the collection except under certain circumstances, am I correct? If we either abandon the building or --

MS. MOSES: That's right.

MR. KAPLAN: Is that correct? Yes.

COUNCILMAN NUTTER: I missed a little bit of the interplay back and forth. We own the building.

MS. MOSES: The answer is that it's the City's, it's the City's collection. There is a provision that says if the City abandons the building as the City's history museum, then the building reverts back to the Atwater Kent family.

COUNCILMAN NUTTER: What is this, a deed restriction?

MS. MOSES: Mm-hmm.

COUNCILMAN NUTTER: Okay, all right. Now, how many people work at the Atwater Kent Museum?

MS. MOSES: There are 25 full-time equivalents, and about another 10 full-time equivalent volunteers.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCILMAN NUTTER: And who pays the people who actually get paid?

MS. MOSES: The City of Philadelphia pays the salaries of right now four staff members. The salaries of the other staff members are paid by the funds that are raised from the private sector.

COUNCILMAN NUTTER: Okay. And operationally, on whatever organization chart you look at, who is the Atwater Kent Museum under, via department?

MS. MOSES: It's own operating department, but it's housed and looked after by the Department of Recreation.

MR. KAPLAN: It has -- on an accounting basis, it has an operating department number organizationally, and it's under Rick.

COUNCILMAN NUTTER: Okay.

MR. KAPLAN: But for practical purposes, Atwater Kent pretty much operates on its own, as Nancy said.

COUNCILMAN NUTTER: All right. I mean, I guess I'm just -- this is my last comment for the day.

From a public policy standpoint and conceptually, I guess I'm having difficulty with the dealing with the notion that an entity that was created by the City some many years ago for an appropriate purpose at that time, and seemingly a still appropriate purpose, it's owned by the City, the City owns the collection, we actually pay the people, that we're talking about defunding it a city who, you know, like it or not, whether you think it's right or wrong, or whatever, I mean, our whole goal and mantra over the past couple years ago tourism and hospitality. And we find ourselves in the, I will say, bizarre circumstance of defunding our own museum.

MR. KAPLAN: I guess I'd have several responses to that. One is that I don't think the City's defunding the Museum; I think we're making a substantial commitment over a large number of years to Capital.

COUNCILMAN NUTTER: Yes, to capital, absolutely.

MR. KAPLAN: Which obviously generates rather a large operating commitment.

COUNCILMAN NUTTER: I understand we

have a wonderful building with no people in it. I mean, you can't support on the capital side and defund on the operating side. I mean, what are you left with?

MR. KAPLAN: Well, I think the Administration's position is not a new position, it's a position dating back to 1992, when we originally proposed eliminating funding, I believe, in '95, was that the Museum had the opportunity to stand on its own on an operating basis. I think we're reasonably close to that.

And I -- I wouldn't say that reasonable people wouldn't differ, but I would say that, you know, this is something that the Mayor personally has thought about quite a bit, and the Administration's position, I think, reflects the fairly continuing viewpoint like that.

COUNCILMAN NUTTER: Okay, all right. Thank you.

Thank you, Madame President.

COUNCIL PRESIDENT VERNA: Thank you. Thank you very much for your time.

MR. BENOLIEL: Thank you.

MS. MOSES: Thank you.

2/19/99 WHOLE COMM./Budget/Bill 990023

COUNCIL PRESIDENT VERNA: This committee will stand in recess until Monday, February 22, 1999, at 9 a.m.

Thank you.

(Adjourned at 3:40 p.m.)

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C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing proceedings of the Council of the City of Philadelphia of Friday, February 19, 1999, were reported fully and accurately by me, and that this is a correct transcript of same.

RE: COUNCIL COMMITTEE OF THE WHOLE
BILL NO. 990023

___________________________________,

JOSEPHINE CARDILLO,
Registered Professional Reporter