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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING

4

COMMITTEE ON APPROPRIATIONS

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Room 696, City Hall
Philadelphia, Pennsylvania
Wednesday, December 3, 2003
11:30 a.m.

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9 BILL 030656 - An Ordinance authorizing
transfers in appropriations for Fiscal Year
10 2004 within the General Fund from City
Representative and Director of Commerce-
11 Economic Stimulus-City Subsidy for SEPTA...
BILL 030771 - An Ordinance authorizing
12 transfers in appropriations for Fiscal Year
2003 within the General Fund...
13 RESOLUTION 030575 - Resolution authorizing
the Committee on Appropriations to hold
14 hearings to determine whether an additional
appropriation is necessary to fund the
15 expansion of the Police Department's
Neighborhood Services Unit.

16

PRESENT:

17

18

COUNCILWOMAN JOAN KRAJEWSKI
COUNCILMAN MICHAEL NUTTER
COUNCILMAN DARRELL CLARKE
19 COUNCILWOMAN JANNIE BLACKWELL
COUNCILMAN BRIAN O'NEILL
20 COUNCILMAN RICHARD MARIANO
COUNCILWOMAN DONNA REED MILLER

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2 COUNCILWOMAN KRAJEWSKI: Good
3 morning. The Committee on Appropriations is
4 now in session.

5 Will the Clerk please read the title
6 of the bills?

7 THE CLERK: Bill No. 030656, an
8 ordinance authorizing transfers in
9 appropriations for the Fiscal Year 2004 within
10 the General Fund from the City Representative
11 and the Director of Commerce Economic Stimulus
12 City Subsidy for SEPTA to the Director of
13 Finance, and authorizing the Director of
14 Finance to convene a panel for the purpose of
15 administering funds to distressed businesses
16 affected by the Market Street Elevated
17 Reconstruction Project, all under certain
18 terms and conditions.

19 Bill No. 030771, an Ordinance
20 authorizing transfers in appropriations for
21 Fiscal Year 2003 within all General Fund from
22 certain or all City offices, departments,
23 boards and commissions to certain or all City
24 offices, departments, boards and commissions.

25 And Resolution No. 030575, a

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2 resolution authorizing the Committee on
3 Appropriations to hold hearings to determine
4 whether an addition appropriation is necessary
5 to fund the expansion of the Police
6 Department's Neighborhood Services Unit.

7 COUNCILWOMAN KRAJEWSKI: I believe
8 we'll start with the Resolution 030575.

9 Do we have someone from the Police
10 Department here?

11 Good morning.

12 MR. NESTEL: Good morning,
13 Councilwoman.

14 COUNCILWOMAN KRAJEWSKI: Please
15 state your name for the record.

16 MR. NESTEL: Thomas J. Nestel,
17 N-E-S-T-E-L, Deputy Police Commissioner.

18 COUNCILWOMAN KRAJEWSKI: Thank you.

19 Regarding the Neighborhood Services
20 Unit resolution, my question is, does the
21 Police Department track calls regarding
22 quality of life issues such as underage
23 drinking, vandalism, graffiti, et cetera, et
24 cetera?

25 I know the Department tracks 911

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2 calls. How about the direct calls to the
3 district reporting these crimes?

4 MR. NESTEL: Direct calls to a
5 district would not be tracked through our
6 automated system, so we would not have that.
7 We would have information on calls that were
8 placed to police radio, but not to the
9 district.

10 COUNCILWOMAN KRAJEWSKI: Well, my
11 office, and I'm sure other offices, have been
12 receiving a great amount of calls from
13 recreation centers, civic business leaders,
14 residents claiming that the Police Department
15 no longer responds to their calls or take
16 forever for an officer to respond. Does the
17 Department investigate these crimes?

18 MR. NESTEL: Yes, we do. And if we
19 receive complaints, we also investigate those
20 complaints.

21 COUNCILWOMAN KRAJEWSKI: Well,
22 what's the average response time to these
23 types of complaints?

24 I know it really depends on the
25 district's work load, but can you give us an

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2 idea?

3 MR. NESTEL: I would have to get
4 back to you. I do not know.

5 COUNCILWOMAN KRAJEWSKI: You will
6 get back to us on that?

7 MR. NESTEL: Yes.

8 COUNCILWOMAN KRAJEWSKI: Can you
9 tell us the average cost to deploy an officer
10 hourly, including the benefits?

11 I read recently that it was
12 somewhere around \$40 an hour. Is that an
13 accurate figure?

14 MR. NESTEL: Yes. Yes, it is.

15 COUNCILWOMAN KRAJEWSKI: Does the
16 Department have any plans on how to address
17 these issues, similar to the way they devised
18 the Safe Streets Plan?

19 MR. NESTEL: Yes. The Commissioner
20 is looking at all those issues right now. And
21 additional people have graduated from the
22 Police Academy. He has deployed those
23 officers. We just had 150 graduate. He's
24 deployed those officers in the districts that
25 have shown most need, and he has already has

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2 plans for the class that's going to graduate
3 in January on the deployment of those
4 officers. And that should help to alleviate
5 the problem.

6 COUNCILWOMAN KRAJEWSKI: Could you
7 forward to the Chair the number of officers
8 scheduled to work by shift, by day, by
9 district?

10 MR. NESTEL: Yes.

11 COUNCILWOMAN KRAJEWSKI: Also
12 include how many patrol cars, wagons, and bike
13 patrols are on the street during these shifts.

14 Could you also include how the
15 department covers when an officer is out sick
16 or on vacation?

17 You will forward that to the Chair?

18 MR. NESTEL: Yes, I will.

19 COUNCILWOMAN KRAJEWSKI: Thank you.

20 One more question. How much would
21 it cost the Department to have two additional
22 officers deployed per district to respond to
23 these type of calls on specific nights? Maybe
24 weekends, which are usually the busiest nights
25 for these complaints.

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2 MR. NESTEL: The cost per officer --
3 I'm sorry, two per district, was that your
4 question, Councilwoman?

5 COUNCILWOMAN KRAJEWSKI: Yes. Two
6 additional.

7 MR. NESTEL: Councilwoman, their
8 hourly rate is about \$25 an hour, so that
9 would be \$50 per district per hour, and we
10 have 22 patrol districts.

11 COUNCILWOMAN KRAJEWSKI: Has the
12 Police Department looked into developing a
13 quality of life unit to specifically deal with
14 these types of complaints like some other
15 cities have, most notably, New York?

16 MR. NESTEL: I'm not aware of that.
17 I'll talk to the Commissioner.

18 COUNCILWOMAN KRAJEWSKI: I can't
19 hear you.

20 MR. NESTEL: I am not aware of any
21 plans to do that, but I will talk to the
22 Commissioner.

23 COUNCILWOMAN KRAJEWSKI: How about
24 using SNU to perform these duties? They
25 already investigate certain quality of life

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2 issues.

3 MR. NESTEL: The Neighborhood
4 Services Unit mainly concentrates on abandoned
5 autos, sanitation issues, that type of call.
6 As far as the responses to 911 calls,
7 responses to quality of life issues, that is
8 handled by the district captains.

9 COUNCILWOMAN KRAJEWSKI: Well, I
10 think I'd like the Police Department to submit
11 to the Chair a proposal on how to address
12 these issue and include all costs involved,
13 which police districts which would benefit the
14 most from the implementation of a plan, an
15 estimate of the cost involved of either
16 expanding the SNU to include the investigation
17 of these crimes, the creation of a new unit
18 that will be responsible for responding and
19 investigating these crimes.

20 MR. NESTEL: Yes, okay, we will do
21 that.

22 COUNCILWOMAN KRAJEWSKI: You have a
23 lot on your plate, believe me

24 MR. NESTEL: I certainly do.

25 COUNCILWOMAN KRAJEWSKI: Councilman

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2 Nutter.

3 COUNCILMAN NUTTER: Thank you, Madam
4 Chair.

5 The Chair is right in the area where
6 I think many of us would like to be. And I
7 apologize if I ask a question that the Chair
8 already asked because I was talking to
9 Councilman Clarke. You'll just tell me that
10 and you don't have to be tortured by it.

11 I've only relatively recently, I
12 guess, come in contact with this Police
13 Department Neighborhood Services Unit. So
14 could you tell us, when did this start?

15 MR. NESTEL: The Neighborhood
16 Services Unit was formed about, I would say,
17 three years ago when the Mayor started the
18 drive on the abandoned autos. That's when the
19 Neighborhood Services Unit was formed, when
20 that program was initiated.

21 COUNCILMAN NUTTER: And where are
22 they based?

23 MR. NESTEL: They are based at A and
24 Luzerne. They work out of an office there and
25 then they're deployed to the patrol districts.

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2 COUNCILMAN NUTTER: And who is in
3 charge of this unit?

4 MR. NESTEL: There is a captain in
5 charge of the unit and the Chief Inspector of
6 Special Operations would be the overall
7 commander of the bureau.

8 COUNCILMAN NUTTER: Who is that?

9 MR. NESTEL: That's DiLacqua,
10 Anthony DiLacqua.

11 COUNCILMAN NUTTER: He's the captain
12 or he's the inspector.

13 MR. NESTEL: He's the chief, Chief
14 Inspector.

15 COUNCILMAN NUTTER: Not that you can
16 keep track of all the 7,000 police officers,
17 but is this also the unit where -- is this
18 where Sergeant Bee (ph) is?

19 MR. NESTEL: Yes.

20 COUNCILMAN NUTTER: Who was the
21 Chief before him?

22 MR. NESTEL: Bullock.

23 COUNCILMAN NUTTER: He's still in
24 the Department?

25 MR. NESTEL: Yes, he is.

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2 COUNCILMAN NUTTER: He moved on?

3 MR. NESTEL: He's in the Human
4 Resource Bureau.

5 COUNCILMAN NUTTER: So what exactly
6 does this unit do? I didn't know them as this
7 name. I just knew Chief Bullock, Sergeant
8 Bee, you got an abandoned car, they disappear.
9 They've got that all under control. What else
10 do they do?

11 MR. NESTEL: There are actually two
12 components of the Neighborhood Services Unit,
13 the biggest component being those that deal
14 with the abandoned vehicles. They're in
15 marked vehicles throughout the City. In
16 addition to that, the Sanitation Unit is also
17 part of the Neighborhood Services Unit.

18 COUNCILMAN NUTTER: Back at that
19 time, you centralized both abandoned car and
20 sanitation, you draw them out of the districts
21 and centralized them; is that right?

22 MR. NESTEL: Yes.

23 COUNCILMAN NUTTER: But then the
24 Chair was asking you about either expansion or
25 how does it work in the different districts.

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2 Does every police district get service from
3 the Neighborhood Services Unit?

4 MR. NESTEL: Yes, absolutely.

5 COUNCILMAN NUTTER: How many people
6 are in this unit? If you can't say, I
7 understand.

8 MR. NESTEL: I believe it's about
9 60, but I can get you that number. And they
10 work predominately day work tour of duty.

11 COUNCILMAN NUTTER: Well, I know the
12 Chair asked you for a significant amount of
13 information. I'll wait until the data comes
14 and we'll probably have a follow-up or
15 something.

16 COUNCILWOMAN KRAJEWSKI: Absolutely.

17 COUNCILMAN NUTTER: Thank you,
18 Commissioner.

19 COUNCILWOMAN KRAJEWSKI: Councilman
20 O'Neill.

21 COUNCILMAN O'NEILL: Just a
22 follow-up on the Chair's question. The
23 frustration if you don't live in a district
24 that is having your calls prioritized on a
25 Friday or Saturday night primarily, you feel

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2 like you don't have a Police Department. If
3 you're at the top end of a district where a
4 lot of violent crimes occurring in the bottom
5 end, your crime isn't important if you hit 3,
6 4, or 5 instead of 1 or 2 on the list, because
7 the police are coming out four or five hours
8 after the call often times or never coming out
9 because it's too stale.

10 After a period of time, people stop
11 calling because, why bother? You've already
12 ben told that it's not going to get responded
13 to. So the people that are causing the
14 quality of life problems, usually younger
15 generation, have the free reign of things.
16 And until you get a captain who has something
17 peculator boil to the point where everyone
18 wants a meeting and then you get a special
19 detail, it stops during the period of the
20 special detail usually because the officers
21 know how to handle it.

22 Could I put an addition on what
23 Councilwoman Krajewski asked for, and that is,
24 if we were to have a mandate to make sure that
25 even though the crime in your neighborhood is

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2 a low priority of the scale of priorities --
3 and I understand part one crimes and
4 everything are first. What strategies could
5 be had or put in place? What would they cost?
6 So that those crimes would be recognized as
7 important to the people in those
8 neighborhoods. That's all, to me, what is a
9 major part of community policing. It's not
10 just people seeing a police officer, being
11 able to talk to him or her from time to time,
12 but feeling that their community needs are
13 being addressed and what's happening in their
14 community is just as bad for them -- maybe
15 oftentimes worse because the victim is never
16 even being helped. So if you could add that
17 to the request, I'd appreciate it.

18 MR. NESTEL: Yes, sir.

19 COUNCILMAN O'NEILL: Thank you.

20 COUNCILWOMAN KRAJEWSKI: Councilman
21 Mariano.

22 COUNCILMAN MARIANO: Thank you,
23 Madam Chair.

24 Commissioner, on what the two
25 Councilpeople were talking about, the quality

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2 of life crimes like, for instance, the 24th
3 District, depending who the captain is,
4 depending how it goes. We've got a guy named
5 Captain Mockus (ph) who's a good guy. He
6 works as hard as he can. The problem is -- I
7 live up in Juniata Park and that is per se the
8 less violent of the 24th District so a lot of
9 the calls -- and the same with Bridesburg
10 which I don't represent; I think Councilwoman
11 Krajewski does -- and Richmond, that's the
12 24th. They don't get the calls. When the
13 stuff shifts like Councilman O'Neill says in
14 Juniata, parts of Richmond, they feel that all
15 the other stuff's happening at the other end.
16 So depending who the captain is -- now, if he
17 doesn't have time there to prioritize --
18 prioritize is not the right word. He may have
19 done in his mind. Those nuisance quality of
20 life crimes. For instance, now as the
21 neighborhood has changed both racially and
22 economically -- which is a good thing. Don't
23 catch me wrong. Everybody brings a different
24 thing and all the cultures mix and it works
25 out. But then we have a different economic

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2 class of citizens. In Juniata, for instance,
3 there's a lot of truck drivers and a lot of
4 people that work as opposed to the people that
5 was an older constituency before. Everyone
6 was pretty much retired. We have a lot of
7 trucks parked. So I passed legislation no
8 trucks parked on these streets over half a
9 ton. But nobody ever goes around and tickets
10 these trucks. And they're a nuisance.
11 They're big giant tractors without the
12 trailers parked. Now people are selling on
13 the cars on the street. Not just one guy
14 selling one car; two cars a week, two cars
15 every couple weeks. It's not the captain
16 fault because he only has so much manpower to
17 put in those sectors and it works that the
18 serious stuff there, you know, robberies and
19 things like that as opposed to trucks parked
20 blocking the view. You can't pull out of
21 street because there's a big tow truck parked
22 there from 8 o'clock at night.

23 I mean, I made it very clear when I
24 did the legislation. The sign is there. I
25 was told you got to have the signs. I would

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2 love to know what the tab was for that. They
3 sent out an engineer who sits out there in his
4 car with a piece of graft designing paper and
5 writes 6 feet from this corner, 3 feet over.
6 Every street in Juniata Park because I went
7 from Erie up to end from the east to the west.
8 I got two sectors covered. Nobody gets a
9 ticket because it's just not a priority, and
10 understandably so.

11 If we can do what these other
12 Councilpeople and I are saying, somehow work
13 out something where those quality of life, not
14 a top of echelon of violent crime -- and I
15 think Sergeant Bee's and Inspector DiLacqua's
16 group is probably doing that. Every time I
17 call, they do pretty much as we ask. But they
18 can't be there constantly in the 24th doing
19 that.

20 Now, do we need patrol cars in the
21 24th just giving tickets? That makes the
22 citizens mad to. But these are the rules. We
23 make the rules, let's learn to live by the
24 rules and then we all work it out. If you
25 don't like it, vote against your elected

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2 officials four years from now. We got four
3 years to do what we gotta do.

4 You get what I'm trying to say?

5 MR. NESTEL: Yes.

6 COUNCILMAN MARIANO: I don't know
7 what the answer is, but I know you're smart, I
8 know you're up there and you've been around
9 and you know there's got to be a way. Maybe
10 that's the way. Maybe that same group could
11 handle the quality of life in Councilman
12 Nutter's, Councilman O'Neill's, hers and mine.
13 I don't know if that's how you do that.

14 My second question is -- and I read
15 this in the paper or there was a hearing on a
16 bill. What is happening with the police
17 overtime as far as -- remember we changed the
18 law where police could work for vendors or for
19 like businesses, and the business is supposed
20 to pay the City directly? Then I read
21 something that now they're not and we don't
22 really know who was out there and for how many
23 hours.

24 Can you enlighten me on that?

25 MR. NESTEL: I can tell you that

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2 there have been a lot of distortions in the
3 reporting that has been made. There is no
4 question there had been some people who have
5 not paid their bills. They have been turned
6 over to the Law Department. We are now
7 working with the Revenue Department and the
8 Finance Officer and Solicitor's Office and
9 Risk Management to come up so that our
10 collection system can be part of the Revenue
11 Department collection system, and then the
12 Police Department would be out of collecting
13 any bills.

14 But we do bill individuals we
15 provide service for. We try to get them to
16 pay. If they do not pay, we turn that over to
17 the Law Department.

18 COUNCILMAN MARIANO: If someone has
19 a club, for instance, say, like one of them
20 places on Delaware Ave -- by the way, I've
21 never been in any of them; just so you know.
22 I know Councilman Nutter has and he told me
23 about them.

24 (Laughter.)

25 COUNCILMAN MARIANO: But say they

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2 have someone there for four ours, and they do
3 it for two weeks and they don't pay. I mean,
4 somebody doesn't go back there in two months
5 when we know they're not going pay, right?

6 MR. NESTEL: We will not provide
7 service if there is an outstanding bill.

8 COUNCILMAN MARIANO: Is there a
9 captain at the 26th District making that
10 decision, or is that up --

11 MR. NESTEL: When the captain makes
12 an agreement with a private individual or with
13 a company to provide additional service, that
14 agreement is sent into our Finance Unit. The
15 Finance Unit will tell the captain if there is
16 an outstanding bill.

17 At one point, we recommended that
18 they not do it. Sometimes the Commander would
19 make a decision. We felt they had a reason
20 for making that decision. We have changed
21 that. Now they can not override if there is
22 an outstanding bill. One of the things that
23 has to be considered in that is if the bill
24 has not been paid within 60 days, we send a
25 notice to the individual telling them if we

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2 haven't received payment within 90 days of the
3 date that the service was rendered, then we
4 will turn this over for collection. So if
5 it's two weeks beyond, we wouldn't have them
6 on the list yet. But if they hit that list,
7 absolutely, we will not provide service.

8 COUNCILMAN MARIANO: So they could
9 probably -- I don't want to use this word so
10 I'll say cheat you once but they probably
11 won't go to cheat you second time.

12 MR. NESTEL: Hopefully not.

13 COUNCILMAN MARIANO: Thank you,
14 Commissioner.

15 COUNCILWOMAN KRAJEWSKI: Councilman
16 Nutter.

17 COUNCILMAN NUTTER: Thank you, Madam
18 Chair. Not to belabor the point, Commissioner
19 Nestel, but recovering from the scars of a
20 community meeting from last night, this issue
21 about the no truck parking in the whole scheme
22 of things may seem to be trivial, but after
23 about an hour of conversation and a lieutenant
24 and a sergeant were tortured about it, I know
25 the officers have a variety of things to do,

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2 but it doesn't help the City's image when
3 citizens actually see the officers ride past
4 what is clearly a truck with truck tags on a
5 residential street and a big sign up there
6 that says no truck parking 6 P to 6 A and the
7 officers don't even put ticket on it. I mean,
8 we're going to put some additional signage up
9 and probably go to a tow zone and that kind of
10 stuff. But these are the kinds of things that
11 in some neighborhoods people have a variety of
12 priorities. They're all taxpayers. They have
13 a right to make their complaint. And I think
14 that as we're paying attention to our more
15 worldly and global problems here in the City,
16 I think every now and then if citizens also
17 knew that they were getting some of the basics
18 taken care of, it would be very helpful and
19 the officers may have actually gotten out of
20 the meeting a little earlier last night.

21 MR. NESTEL: Councilman, I agree
22 with you. I will make sure that is brought to
23 the attention operations. And we should be
24 enforcing that law.

25 COUNCILMAN NUTTER: Thank you.

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2 Thank you, Madam Chair.

3 COUNCILWOMAN KRAJEWSKI: I also
4 would like to add too, I'm sure you're
5 familiar with these X box where they can't
6 park their car in order to go into the
7 driveway or to come out of the driveway. It's
8 constant where they're never ticketed either.
9 It's the same as the no truck parking. We've
10 had the same problem.

11 This has nothing to do with it, but
12 since you're sitting here, Commissioner, I'd
13 like to know for a fact one question. Is it a
14 policy of the Police Department or is it --
15 maybe Councilman Mariano can answer this.

16 I had a constituent's car that was
17 stolen the other night in the 8th District.
18 They found it a few hours later. She received
19 a call later that the car was on American
20 Street. They called her. She had to come
21 down.

22 Now, why couldn't they have just
23 called her a couple hours later and said, "We
24 found your car. Come get it."

25 She had to go to American Street.

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2 Then from there, she had to go to the towing
3 place in order to get it. So she got fined a
4 hundred dollars she had to pay. Then she had
5 to pay three days the of towing company
6 because they were closed Friday, Saturday and
7 Sunday, she had to pay for those three days
8 plus a hundred dollars because the car was
9 stolen. Why should she be penalized or anyone
10 in this City be penalized when their car is
11 stolen?

12 Could you answer that? Is that an
13 internal or what?

14 MR. NESTEL: Councilwoman, if you
15 would give me the particulars on that one
16 afterwards, I will look into it.

17 COUNCILWOMAN KRAJEWSKI: Well, it's
18 not just me; it's a City-wide program.
19 Councilman Nutter had the same problem. I'm
20 sure other Councilpeople. And thousands of
21 people in this City that don't report it. Why
22 should they have to pay \$100 when their car
23 was stolen. And if the towing company is
24 closed, that she has to pay for those two or
25 three days until they open Monday when they

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2 were called Saturday and Sunday? Why
3 penalized the people?

4 MR. NESTEL: The people should not
5 be penalized.

6 COUNCILWOMAN KRAJEWSKI: But they're
7 doing it.

8 MR. NESTEL: Councilwoman, I will
9 look into it. I can't answer that question
10 because I don't know what the particular
11 instance was.

12 Normally, if a vehicle is found
13 stolen, we attempt to notify the owner, have
14 the vehicle removed. If it's necessary to
15 have it towed --

16 COUNCILWOMAN KRAJEWSKI: I'm sorry
17 to butt in, but I would like to know in this
18 particular case only because I know the
19 person, I know the area. It was right up the
20 street from where this people lived where they
21 had found the car, which they could have
22 walked up. But no, the District called her
23 later and said that she has come down to
24 American Street to get the car, plus pay a
25 hundred dollars.

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2 MR. NESTEL: I'll look into it. I
3 don't know the answer to that question.

4 COUNCILWOMAN KRAJEWSKI: I'm sure
5 you have stories, Councilman.

6 COUNCILMAN NUTTER: I do have a few.
7 I'll just tell you, Commissioner, my
8 experience with this is quite similar to
9 Councilwoman Krajewski's in terms of vehicle
10 stolen from the back. But my recollection is
11 that maybe somewhere in the past couple years
12 there was a change in policy that in the past
13 when the stolen vehicle was found, the person
14 was called and told where the vehicle was
15 literally. It seems that the change in policy
16 was possibly in an effort to protect the
17 vehicle because I think we've found in some
18 instances where the vehicle having been found
19 and identified, known to be stolen, may have
20 either been stolen again or stripped. So they
21 take the vehicles now to protect them to a
22 secure location. The end result is, as the
23 Councilwoman said, that person now ends up
24 paying a tow charge and if you don't get the
25 call at a certain time of day or the weekend

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2 or end of the week, whatever the case may be,
3 you could run up a pretty decent storage fee.
4 As opposed to direct identification, tell the
5 person, "this is where the car is and maybe
6 it's going to be there for the next hour and
7 then we will remove it. Or do you want us to
8 move it to a secure location?" Give them the
9 option. If they want to leave it out and
10 something happens to it, they got put on
11 notice and they know. But in many instances,
12 I think people would go and pick up their
13 vehicle. But it is a relatively new policy.
14 It makes no sense.

15 MR. NESTEL: I will look into it.
16 When the decision was made to remove vehicles,
17 it was exactly for what you had stated.
18 Vehicles were being damaged after we recovered
19 it or they were being re-stolen. So a
20 decision was made to remove those vehicles.
21 But I will look into that whole policy. I'll
22 discuss it with operations.

23 COUNCILMAN NUTTER: Somebody is
24 making a lot of money.

25 COUNCILWOMAN KRAJEWSKI: Sometimes

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2 they can do more damage towing the car. In
3 this case, it was a good car and they could
4 have just called the person up and said, "We
5 found your car." This was not in the middle
6 of the night. This was maybe 8 or 9 o'clock
7 in the morning and they could have walked
8 right over and got the car. It's not like it
9 was a few blocks or even a couple miles; it
10 was right up the street in the district.

11 Are there any other questions?

12 (No response.)

13 COUNCILWOMAN KRAJEWSKI: Thank you,
14 Commissioner.

15 I believe that we'll take the
16 testimony now on Bill 030771.

17 We have someone from the
18 administration?

19 Good morning.

20 MR. DUBOW: Good morning.

21 COUNCILWOMAN KRAJEWSKI: State your
22 name.

23 MR. DUBOW: My name is Rob DuBow and
24 I'm the City's Budget Director. I'm here
25 today to offer testimony on Bill No. 030771

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2 which makes FY 2003 budget appropriation
3 transfers between and among classes and
4 departments in the City's General Fund.

5 I've shown in Exhibit A, which is
6 attached, there are a total of 36 transfers
7 requested in the bill, including 21 involving
8 net change in departmental appropriations and
9 15 between classes within the departmental
10 budget that do not result in any net change in
11 appropriations.

12 The largest requested increase in
13 appropriation is 21.7 million in Class 500
14 contributions for the Director of Finance to
15 transfer 21.8 million in financing proceeds
16 revenue to the Philadelphia Gas Works. The
17 City entered into guaranteed investment
18 contracts on behalf of PGW in August 2002.
19 The contracts, which invested a portion of
20 PGW's Sinking Fund reserve was structured to
21 provide an upfront payment in lieu of future
22 interest payments. Of this increased
23 appropriation, 1.4 million is an internal
24 transfer from the Director of Finance's Class
25 100, 200, 300 and 400 appropriations. The

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2 City collected the upfront revenue on behalf
3 of PGW, and the Administration is now
4 requesting a corresponding transfer to PGW out
5 of the Finance Director's Class 500 budget.

6 The Administration also requests an
7 increase of 3.4 million Class 100
8 appropriations for the Police Department to
9 cover higher than expected overtime costs, of
10 which 50,796 is an internal transfer from it's
11 Class 200, 300 and 400 appropriations.

12 An increase of 4 million to the
13 First Judicial District's Class 200
14 appropriation is requested, of which 1.9
15 million is in an internal transfer from the
16 District's Class 100 appropriation. The
17 transfer will allow the First Judicial
18 District to increase funding for the
19 administrative office of the Pennsylvania
20 Court Improvement Fund.

21 The Administration also request an
22 increase of 3 million for the Class 800
23 appropriation in the Department of Licenses
24 and Inspections, of which 2 million is an
25 internal transfer from the Department's 200

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2 appropriation. This funding will be used for
3 lot greening programs through the City's
4 neighborhood transformation initiative.

5 An additional 1 million is requested
6 for the Streets Department's sanitation
7 divisions Class 100 appropriation to cover
8 overtime expenses incurred in snow fighting
9 and clean up late last winter. 164,172 of its
10 requested increase is a transfer from the
11 divisions 2, 3 and 400 Classes.

12 The administration also requests an
13 increase an increase of \$298,810 for the
14 Record Department's class 100, 300 and 400
15 appropriations for system improvement
16 projects, the cost of which is being offset by
17 increased fees. A portion of this increase is
18 an internal transfer from Department's Class 2
19 and 500 appropriations.

20 An increase of \$256,351 is requested
21 for the Fire Department Class 100
22 appropriation, of which \$163,315 is an
23 internal transfer.

24 COUNCILWOMAN KRAJEWSKI: Excuse me,
25 Mr. DuBow. I don't think it's necessary to go

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2 through all this. Save your breath.

3 MR. DUBOW: Thank you very much.

4 COUNCILWOMAN KRAJEWSKI: We just

5 want the bottom line.

6 MR. DUBOW: There are

7 representatives of various departments here if

8 you have specific questions. I'd also like to

9 ask for a suspension of the rules so this can

10 be considered in Council's next session.

11 COUNCILWOMAN KRAJEWSKI: Thank you.

12 I think we'll probably bring the Police

13 Department again.

14 Mr. Nestel, Commissioner. You may

15 as well state your name for the record again.

16 MR. NESTEL: Thomas J. Nestel,

17 Deputy Police Commissioner.

18 COUNCILWOMAN KRAJEWSKI: Thank you,

19 Commissioner. Since its inception of May '02,

20 how much has the Police Department spent just

21 on Safe Streets overtime.

22 MR. NESTEL: Approximately

23 \$66 million.

24 COUNCILWOMAN KRAJEWSKI: Sixty-six

25 million?

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2 MR. NESTEL: Yes.

3 COUNCILWOMAN KRAJEWSKI: What is the
4 average overtime amount being spent per month
5 on Safe Streets? I would like you to have you
6 forward to this Committee in writing a
7 breakdown of crime cost associated with the
8 Safe Streets program by month.

9 MR. NESTEL: We spend about
10 \$3 million per month on Safe Streets.

11 COUNCILWOMAN KRAJEWSKI: Does it
12 increase in the summer?

13 MR. NESTEL: It is higher in the
14 summer, but the 3 million is taking into
15 consideration the reduced amount in the winter
16 months also, when vacations are over --

17 COUNCILWOMAN KRAJEWSKI: They're
18 both included?

19 MR. NESTEL: They're both included.
20 This is an average.

21 COUNCILWOMAN KRAJEWSKI: What other
22 overtime costs has the Police Department
23 incurred since last July 1st? I'd like you to
24 forward in writing again a breakdown overtime
25 costs by month by unit, including Safe Streets

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2 information; what our overtime costs have been
3 over the past three year, excluding Safe
4 Streets.

5 MR. NESTEL: Okay. I will do that.

6 COUNCILWOMAN KRAJEWSKI: One more
7 question, maybe two.

8 How many officers are currently
9 scheduled to retire within the next few years
10 due to the DROP Program.

11 MR. NESTEL: For Fiscal '05, it's
12 about 60; and Fiscal '06, about 50. The big
13 amount was this past year or the present year
14 Fiscal '04 where we had approximately 500.

15 COUNCILWOMAN KRAJEWSKI: How many
16 officers will the Department be hiring to
17 replace them? Will it be a one-to-one ratio?

18 MR. NESTEL: In Fiscal '03, we hired
19 additional officer so that we wouldn't be real
20 short when the wave hit in October. In Fiscal
21 '03 we were about 150, 157 officers over our
22 authorized strength. By the end of this
23 fiscal year, we expect to be back to our
24 authorized strength and the future budgets
25 will include replacing the people who leave.

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2 COUNCILWOMAN KRAJEWSKI: Well, could
3 you tell us how many officers you expect to be
4 on the force on July 1st of '04 compared to
5 the beginning of the last three fiscal years?

6 MR. NESTEL: We expect to have 6910
7 on the Operating Budget, 159 from Aviation,
8 which would be a total of 7,069 officers.

9 COUNCILWOMAN KRAJEWSKI: I'm sorry.
10 How many officers?

11 MR. NESTEL: 7,069. That is the
12 number that we have had starting each year
13 with the exception of this prior fiscal year
14 when we started with more as a result of
15 planning for the DROP.

16 COUNCILWOMAN KRAJEWSKI: Are there
17 any other questions for the Police Department?
18 Councilman Nutter.

19 COUNCILMAN NUTTER: Thank you, Madam
20 Chair.

21 Deputy Commissioner, I'm looking at
22 the testimony from Commissioner Johnson. Can
23 you just explain? The second paragraph says,
24 "The request for additional Class 100 funds
25 can be attributed to Operation Safe Streets,

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2 higher than anticipated holiday pay, and
3 increased terminal leave."

4 Can you explain the three components
5 of that sentence? How much of it is related
6 to Operation Safe Streets? Why do you have
7 higher than anticipated holiday pay? And what
8 is terminal leave?

9 MR. NESTEL: Two million of it is
10 related to Operation Safe Streets. We had
11 anticipated spending 35 million, and we spent
12 about 37.

13 COUNCILMAN NUTTER: Why is that?
14 That's just in additional overtime.

15 COUNCILMAN NUTTER: Yes, additional
16 overtime and meals related to Safe Streets.

17 COUNCILMAN NUTTER: I'm sorry.
18 Additional overtime and what?

19 MR. NESTEL: And meal money. The
20 holiday pay is --

21 COUNCILMAN NUTTER: Let's back up
22 for a second. The program, as I best
23 understand it, already anticipates a fairly
24 significant amount of overtime. And I think
25 in FY '03, the budget was \$35 million; is that

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2 correct?

3 MR. NESTEL: That's correct.

4 COUNCILMAN NUTTER: So why did you
5 go 2 million over?

6 MR. NESTEL: Well, the program very,
7 very closely monitored by Operations. And if
8 they see a need to put more officers or less
9 officers, they have that flexibility. The
10 Deputy Commissioner of Operations and the
11 Police Commissioner meet with all the
12 commanders every week that are involved in the
13 Safe Streets operation. They are a meeting
14 every Tuesday and they establish their
15 priority for that coming week at that time.

16 COUNCILMAN NUTTER: And was there a
17 particular quarter of the fiscal year when
18 there was a particular spike in the now extra,
19 extra overtime?

20 MR. NESTEL: During the summer
21 months there is a large spike. And that's
22 attributed to both the additional activity
23 that occurs on this street and the fact that
24 vacations of officers are also going on at
25 that time. So therefore, it becomes necessary

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2 to increase the overtime.

3 COUNCILMAN NUTTER: Well, would that
4 be the months of May and June because the rest
5 of the summer is in a different fiscal year?

6 MR. NESTEL: Well --

7 COUNCILMAN NUTTER: I mean, the
8 summer is like June, July, August for most of
9 us, right?

10 MR. NESTEL: Right. But July and
11 August are the beginning of the fiscal year.
12 So you're right they're different fiscal
13 years, but they are without a doubt the
14 busiest four months.

15 COUNCILMAN NUTTER: Well, this is
16 the FY '03 year-end transfer ordinance, right?

17 MR. NESTEL: Yes.

18 COUNCILMAN NUTTER: We're trying to
19 reconcile what happened in FY '03, right?

20 MR. NESTEL: Yes.

21 COUNCILMAN NUTTER: July and August
22 are in FY '04.

23 MR. NESTEL: Yes.

24 COUNCILMAN NUTTER: If all this
25 activity happened during summer, it happened

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2 in the current fiscal year. Why are we
3 dealing with it in last year's transfer
4 ordinance?

5 MR. NESTEL: I have to get you an
6 answer for that. I don't know.

7 COUNCILMAN NUTTER: Well, I mean,
8 there must be an answer. You're saying it's
9 higher than anticipated costs related to Safe
10 Streets because of the summer. My
11 understanding generally of the summer is it's
12 June, July, August. I don't know, maybe May
13 21st starts the summer. Whatever. I'm
14 assuming the bulk of the run-up is probably
15 more in the July, August time period which is
16 in the current fiscal year. This is the year
17 end of '03 transfer ordinance.

18 MR. NESTEL: But there was a July
19 and August in '03. July and August 2002 are
20 in the '03 budget.

21 COUNCILMAN NUTTER: I think July and
22 August of '02 were probably within the first
23 three months of the start of the program.
24 Didn't this program start last year?

25 MR. NESTEL: The program started in

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2 May of '02, May 1st of '02. And when the
3 program initially started --

4 COUNCILMAN NUTTER: Well, wouldn't
5 we have dealt with the increase summer costs
6 from the summer of '02 in the mid-year
7 transfer ordinance for '03.

8 MR. NESTEL: Yes. But Councilman,
9 maybe I misunderstood your question. My
10 answer to the increase is related to the
11 evaluation that's done by Operations every
12 week. I thought you asked me if it normally
13 does occur in the summer and my answer was
14 yes.

15 COUNCILMAN NUTTER: No. My question
16 was quarter of fiscal year did you see a spike
17 in the overtime cost. Your response was, in
18 the summer. If you're talking about last
19 summer, two-thirds of last summer is in the
20 current fiscal year. If you're talking about
21 summer of '02 you had a run-up of cost in that
22 summer, I would think that those additional
23 costs would have been dealt with mid-year
24 transfer ordinance that we did last year. So
25 what summer are we talking about? And either

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2 one of them shouldn't be in front of us right
3 now.

4 MR. NESTEL: Councilman, that
5 increase -- there are higher costs during
6 summer periods. But the increase above what
7 we had anticipated doesn't necessarily have to
8 relate to that summer higher cost.

9 As I stated, the Operations has a
10 meeting every Tuesday morning to discuss what
11 needs have been added and can be deleted. And
12 it's a result of that activity, that close
13 monitoring that the cost went above what we
14 had anticipated.

15 COUNCILMAN NUTTER: Well, I don't
16 want to quibble with you, Deputy Commissioner,
17 but I guess in the whole scheme of things, if
18 there was close monitoring going on, you
19 probably wouldn't have gone over your overtime
20 budget. I probably would have rather you
21 said, "We were not monitoring it as closely as
22 we should have which is why went \$2 million
23 over the \$35 million that we had budgeted." I
24 mean, they're either monitoring it or they're
25 not. What I'm hearing you saying is they made

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2 a conscious decision to go \$2 million over
3 their already allocated \$35 million in
4 overtime. I think that's what happened,
5 right. They made a strategic decision based
6 on deployment that we need more officers and
7 we're consciously go over our overtime budget?

8 MR. NESTEL: They did make an
9 operational decision to increase the number.
10 Whether or not their purpose was to go over
11 the overtime amount, I don't think they did
12 that purposely.

13 COUNCILMAN NUTTER: I mean, nobody's
14 trying to waste money around here. I don't
15 think they purposely went over the overtime
16 budget because they don't have anything else
17 to do with themselves. I think they went over
18 the overtime budget because they felt they
19 needed more officers at certain periods of
20 time and said, "We're going to spend the money
21 because that's what we need to do."

22 MR. NESTEL: Exactly.

23 COUNCILMAN NUTTER: Why don't you
24 provide to the Chair a monthly chart of
25 expenses. Show us the regular General Fund

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2 budget, show us where the \$35 million dollars
3 in allocated overtime was spent by month, and
4 then show me where the \$2 million came from
5 that was additional to your already allocated
6 overtime budget.

7 MR. NESTEL: Okay.

8 COUNCILMAN NUTTER: What's the
9 higher than anticipated holiday pay?

10 MR. NESTEL: The higher than
11 anticipated holiday pay is based on two
12 factors. The officers have a choice each year
13 whether or not to save their holiday time or
14 to be paid for the time. We had some
15 additional officers this time above the
16 average who made the decision to be paid. We
17 also quite a few hours that were related to
18 attendance at court. If an officer is working
19 4 to 12 tour of duty and the officer goes to
20 court, in addition to getting overtime for
21 going to court, that officer is given two
22 hours vacation time until the vacation reaches
23 560, which is the maximum number. Then it
24 goes to holiday time.

25 COUNCILMAN NUTTER: 560 what?

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2 MR. NESTEL: 560 hours. So once
3 they've reached that maximum, then they get
4 two holiday added to their accumulation. And
5 we had a lot of --

6 COUNCILMAN NUTTER: What's terminal
7 leave?

8 MR. NESTEL: The terminal leave is
9 the money that is paid to the officers when
10 they retire. We miscalculated that by
11 \$100,000.

12 COUNCILMAN NUTTER: My last question
13 is, again, in the testimony. It says,
14 "Operation Safe Streets objectives are
15 eliminating open air street corner drug sales,
16 disrupting the drug trade market, and
17 discourage drug customers from seeking to
18 purchase narcotics in Philadelphia. Success
19 of this program is reflected in the positive
20 response from citizens in the neighborhood."

21 Do we have any other measurements of
22 success with regard to the program? Are there
23 less drugs being sold in Philadelphia? Are
24 there fewer people buying drugs in
25 Philadelphia? Has the price of heroin gone up

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2 or has the quality level gone down? Is there
3 less drug activity actually and people using
4 in the City as a result of the program? How
5 do you measure what success is?

6 MR. NESTEL: There are several
7 measurements of success in this program. And
8 one, of course, is the quality of life in
9 those areas and the reaction of the citizens.
10 Another is the number of people who are going
11 into treatment programs. The number of
12 out-of-town people who are arrested in trying
13 to purchase narcotics. And I know that
14 they've seen a decrease in that number of
15 out-of-town buyers. They's also seen an
16 increase in the number of people who have been
17 seeking treatment.

18 COUNCILMAN NUTTER: Okay. I'm sure
19 we'll talk a little more about that next year.
20 Thanks.

21 Thank you, Madam Chair.

22 COUNCILWOMAN KRAJEWSKI: Any other
23 questions?

24 (No response.)

25 COUNCILWOMAN KRAJEWSKI: Thank you,

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2 Commissioner.

3 Can you explain, Mr. DuBow, a little
4 bit further about the PGW appropriations
5 transfer?

6 MR. DUBOW: Yes. That was
7 essentially a financing deal for PGW that
8 allowed them to take an interest earnings
9 benefit up front instead of over a number of
10 years. We're actually getting revenue from
11 them and putting an appropriation back out to
12 them. There's no impact on our expenditures.
13 It's really a PGW transaction that we're
14 running through our appropriations at the
15 suggesting of Council technical staff..

16 COUNCILWOMAN KRAJEWSKI: Thank you.

17 How about Fleet Management reduction
18 in expenditures. Does it have anything to do
19 with the City cutting down on the use of the
20 SUVs?

21 MR. DUBOW: In part. It really is
22 part of our who fleet reduction strategy. And
23 as part of that strategy, we'll be spending
24 less money on acquisition of vehicles and also
25 on the maintenance of them.

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2 COUNCILWOMAN KRAJEWSKI: Under the
3 Public Property transfer, you site the reason
4 as being higher than anticipated inter-fund
5 charges. What is inter-fund charges?

6 MR. DUBOW: Inter-fund charges
7 primarily in this case are payments to the
8 Water Fund mostly to the water bill. We
9 reconcile with the Water Fund at the end of
10 the year. Sometimes the numbers are slightly
11 higher than we thought they were going to be.

12 COUNCILWOMAN KRAJEWSKI: What is the
13 status of the security measures that are due
14 to be implemented by the Public Property in
15 City Hall?

16 MR. DUBOW: The biggest portion f
17 that will be done around February of 2005.
18 That will include security cameras, card
19 access. There are a couple of smaller things
20 that have already been done like the bollards.

21 COUNCILWOMAN KRAJEWSKI: We'll go to
22 the First Judicial District. In the First
23 Judicial District testimony, it states that
24 there will be a deficit of 2.9 million in the
25 courts improvement account after certain

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2 projects are completed. What was the original
3 amount of the money in this account?

4 MR. DUBOW: The account actually
5 started with no money and grew over time as
6 the First Judicial District achieved savings
7 in its budget against original appropriation,
8 so it was able to take the difference between
9 that appropriation and what it actually spent
10 and put it in the court improvement fund. I
11 think it eventually grew to 30 million -- 14
12 was it's highest?

13 COUNCILWOMAN KRAJEWSKI: Please come
14 up. I think the question was how much money
15 in the account.

16 (Pause.)

17 MR. DUBOW: The highest that the
18 fund got was 14.9 million. The budgeted
19 amount of items that the court anticipates to
20 fund through there was 32.9.

21 COUNCILWOMAN KRAJEWSKI: What was
22 it, 32?

23 MR. DUBOW: 32.9.

24 COUNCILWOMAN KRAJEWSKI: Well, what
25 was the highest amount before this?

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2 MR. KIRONE: Madam Chairperson, my
3 name is Joseph Kirone (ph). I'm the Court
4 Administrator for First Judicial District. In
5 our previous testimony that covered Fiscal
6 Years '01 and '02, dated December 31, '01, we
7 showed a balance as of the December 31st of
8 \$7.2 million.

9 COUNCILWOMAN KRAJEWSKI: What was
10 that amount?

11 MR. KIRONE: \$7.2 million. With a
12 projected Class 100 and 200 savings for Fiscal
13 Year '01 of \$7.6 million approximately. And
14 then we showed an anticipated balance of \$14.8
15 million. The account never reached those
16 levels, but it showed what we anticipated. As
17 spending went along, the account never reached
18 that specific figure. But funds were
19 available in the amount that Mr. DuBow
20 suggested and were spent for differing
21 expenditures.

22 COUNCILWOMAN KRAJEWSKI: Well, how
23 do you plan to address the deficit in future
24 years? Why did the project move forward
25 knowing that it would lead to \$3 million

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2 deficit? And the testimony specifically
3 states that your ability to generate savings
4 for future years is greatly diminished.

5 MR. KIRONE: Well, if you recall in
6 our testimony for settlement of the FY '03
7 mandamus action that was brought by the court
8 against the City and as part of our FY '04
9 budget we agreed to forego the FY '02 surplus
10 of \$5.6 million that was generated as a result
11 of savings by the First Judicial District.
12 Those monies were to offset deficits in the 4D
13 Child Support Grant Fund over the course of
14 approximately seven years. As a result,
15 expenditures or projects that were formerly
16 contracted with the anticipation of the
17 \$5.6 million transfer were expenditures that
18 totaled sums greater than the revenues that
19 then came in. What we anticipate is that the
20 \$2.9 million transfer for in the savings that
21 we generated in Class 100 savings from the
22 Fiscal Year '03 budget and the additional
23 revenues that we created through the civil
24 bill filings will go to pay the deficits that
25 currently exist in the court improvement

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2 account totalling \$2.9 million. So that when
3 the transfer occurs, the account will be at a
4 zero balance or approximately that amount
5 unless additional sums are generated.

6 COUNCILWOMAN KRAJEWSKI: Well, my
7 question is, how will this deficit affect the
8 City's budget?

9 MR. KIRONE: It does not. With this
10 transfer we intend to settle the deficit that
11 currently exists. We're paying bills from the
12 FY '04 budget currently. And what we will do
13 is reimburse the Class 200 FY '04 budget when
14 the transfer occurs from the surpluses
15 generated in FY '03.

16 COUNCILWOMAN KRAJEWSKI: Thank you.

17 MR. KIRONE: You're welcome.

18 COUNCILWOMAN KRAJEWSKI: L&I. Under
19 L&I's testimony you referred to the City-wide
20 Lot Greening Program. Could you forward a
21 list to the Committee of the number of the
22 greened by Council districts so far?

23 MR. DUBOW: Yes, we can do that.

24 COUNCILWOMAN KRAJEWSKI: Greetings,
25 Councilwoman. You have a question?

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2 COUNCILWOMAN BLACKWELL: Yes, I sure
3 did. Where you talked about the greening, we
4 would also like to know what's the process for
5 inclusion for that. I had like to know, my
6 lot -- maybe you can do it for other areas as
7 well -- for the removal of or pruning trees,
8 what's the process for that?

9 Also -- I can ask all three
10 questions now, right?

11 Also, although I missed part of the
12 testimony. Forgive me. I have other
13 questions under DHS. We wanted to know the
14 status of the family support centers. I know
15 I have them in my area at McMichael and Huey
16 Schools and Monica Washington and they've been
17 threatening closing. I've been hearing that.
18 We're interested in the answer for the family
19 support centers.

20 And finally -- I'll ask all three at
21 once. We've been told that -- in fact, we
22 have an experience where a member of the
23 vacant lot crew didn't have medical benefits.
24 So if they're cleaning a lot and somebody gets
25 hurt, what happens? What happens if they're

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2 harmed on their job?

3 Those are my three questions. I'm
4 happy to have them respond to the Chair.

5 MR. DUBOW: Okay, we'll respond to
6 the Chair. We'll get your answers in writing.

7 COUNCILWOMAN BLACKWELL: Thank you.

8 COUNCILWOMAN KRAJEWSKI: Thank you.

9 Councilman Nutter.

10 COUNCILMAN NUTTER: Jut a couple L&I
11 related questions. I did not completely
12 understand this testimony because I either
13 cannot figure out where this money is going or
14 why it's going where it's going or what the
15 department has to do with it in the first
16 place. So you've got, "The Department
17 requires a transfer lot cleaning
18 appropriations in the amount of \$2 million and
19 is a transfer of surplus contracted services
20 funds of 62.9 to the Department's payments to
21 other funds appropriation. This transfer will
22 allow the Department to make a General Fund
23 contribution of \$3 million to the City-wide
24 Lot Greening Initiative."

25 MR. DUBOW: This is money that's

1 12/3/03 - APPROPRIATIONS - RES. 030771
2 going to go Grants Fund to go over to OHCD to
3 use for the Lot Cleaning Program and it will
4 be contracted with the Horticultural Society.

5 COUNCILMAN NUTTER: Why is L&I
6 involved in this? Why are any of their funds
7 involved in this?

8 MR. DUBOW: It was money that was
9 originally shown in their budget so we're
10 moving it out of their budget over to OHCD.

11 COUNCILMAN NUTTER: Because L&I has
12 so much money that they don't in any more
13 service to provide to anybody and they have
14 excess money to send to other places?

15 MR. DUBOW: This was money that was
16 put in here that was intended to be used for
17 this purpose. It just did not get used
18 through L&I; it's getting used through OHCD.

19 COUNCILMAN NUTTER: Because L&I is
20 not in the vacant lot business anymore?

21 MR. DUBOW: Because the contract --
22 the most appropriate place for this contract
23 was OHCD.

24 COUNCILMAN NUTTER: But that is my
25 question is L&I in the vacant lot business

1 12/3/03 - APPROPRIATIONS - RES. 030771

2 anymore?

3 MR. SOLVIBILE: Bob Solvibile, First
4 Deputy Commissioner of Licensing and
5 Inspections. The Department still supports
6 all the vacant lot cleaning programs by the
7 issuance of violations. We support the MDO's
8 lot cleaning program. And also our employees
9 in our Clean and Seal unit will do some lots,
10 but the majority are done, in fact, by the
11 Managing Director's Office.

12 COUNCILMAN NUTTER: So how many
13 different departments or how many different
14 units are doing lot cleaning in the City now?

15 MR. SOLVIBILE: Lot cleaning, the
16 basic cleaning of lots, removing of trash,
17 two.

18 COUNCILMAN NUTTER: A citizen calls,
19 says, "I got a vacant lot down the street; I'd
20 like somebody to clean it up." Who do we
21 call?

22 MR. SOLVIBILE: They complain the
23 Department of Licenses and Inspections. We
24 issue a violation, and the Managing Director's
25 Lot Cleaning Program would handle the removal

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2 of the trash and the cutting of the woods.

3 COUNCILMAN NUTTER: And how does the

4 MDO's office know that there's trash to be

5 removed?

6 MR. SOLVIBILE: We work with them

7 constantly. We have a program where we go

8 ahead of where their crews are going to go and

9 ensure that the violations are written. And

10 then through coordination the MDO's office,

11 they will then follow in our inspector's

12 footsteps and then clean the lots that debris

13 laden that we have already written the

14 violations for. That's basically how it

15 works.

16 COUNCILMAN NUTTER: So L&I has a

17 team of people that clean lots and then the

18 Managing Director's Office has a team of

19 people that clean lots.

20 MR. SOLVIBILE: Our lot cleaning,

21 Councilman, is very, very limited at this

22 point. If we're on a block cleaning and

23 sealing a house which we're still doing and

24 there's a lot next door, we will clean that

25 lot versus having them come. We cooperate

1 12/3/03 - APPROPRIATIONS - RES. 030771
2 with the MDO on a daily basis to accomplish
3 the task.

4 COUNCILMAN NUTTER: And does NTI
5 have people that clean lots as well,

6 MR. SOLVIBILE: I believe that the
7 MDO's Lot Cleaning Program is under
8 Neighborhood Transformation Initiative, but
9 that would have to be asked of either Mr.
10 Conway or Ms. Jones.

11 COUNCILMAN NUTTER: Okay. With
12 regard to fences, who's the appropriate entity
13 to contact about fences? L&I used to be in
14 that business. It seems not to be in that
15 business anymore. Who's in that business now?

16 MR. SOLVIBILE: The Neighborhood
17 Transformation Initiative program involves the
18 placing of fencing when we demolish buildings.
19 Any request for additional fencing would still
20 be -- I believe, the ordinance passed by
21 Council calls for a letter to the Commissioner
22 of Licenses and Inspections making the
23 request. Then the Commissioner makes the
24 determination if fence can be placed.

25 COUNCILMAN NUTTER: But I thought

1 12/3/03 - APPROPRIATIONS - RES. 030771

2 L&I wasn't in the fence business anymore.

3 MR. SOLVIBILE: We're not, but the
4 ordinance states the Commissioner of L&I, and
5 then what we're doing is putting that request
6 through the NTI to Mr. McCullough saying
7 there's a request for a fence to be placed and
8 seeing if their funding can handle that
9 problem.

10 COUNCILMAN NUTTER: You're talking
11 about Jay McCullough.

12 MR. SOLVIBILE: Yes, sir.

13 COUNCILMAN NUTTER: He's at NTI now,
14 he's not at the RDA.

15 MR. SOLVIBILE: Yes, sir.

16 COUNCILMAN NUTTER: So he's in
17 charge of fences.

18 MR. SOLVIBILE: He's a Deputy
19 Managing Director. He manages the
20 Neighborhood Transformation Program for the
21 Managing Director. It's basically Jay --

22 COUNCILMAN NUTTER: I thought Pat
23 Smith was in charge of the NTI Program.

24 MR. SOLVIBILE: Well, the day-to-day
25 operations for lot cleaning and demolitions,

1 12/3/03 - APPROPRIATIONS - RES. 030771

2 Pat Smith is overall in charge of NTI. But
3 Jay is managing the day-to-day operations of
4 the NTI Program.

5 COUNCILMAN NUTTER: Maybe this is
6 more appropriate to Ms. Jones representing the
7 Managing Directors Office. Could you to the
8 Chair an organizational chart?

9 MR. SOLVIBILE: For?

10 COUNCILMAN NUTTER: NTI, L&I,
11 fences, lots, who to call, who interacts with
12 whom. It gets a little difficult over time to
13 keep track of who's responsible for whom. We
14 shift around responsibilities to these
15 different units.

16 MR. SOLVIBILE: Absolutely. I will
17 put together an organization chart and give it
18 to the Chair.

19 COUNCILMAN NUTTER: That would be
20 great. Thank you.

21 So who's the contracting agency --
22 this is Pennsylvania Horticultural Society?

23 MR. SOLVIBILE: Yes.

24 COUNCILMAN NUTTER: So would we ever
25 have occasion to call them directly or we call

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 someone else and then they contact them? How
3 does this work?

4 MR. SOLVIBILE: There's a planning
5 process that I'm not really involved in,
6 Councilman, with the district councilpeople to
7 plan what will happen in the district using
8 the proceeds, of the bond proceeds. That's
9 all the information I can give you. Anything
10 beyond that would have to come from, I guess,
11 Ms. Smith's office.

12 COUNCILMAN NUTTER: Thank you.

13 COUNCILWOMAN KRAJEWSKI: Thank you.

14 Are there any other questions?

15 (No response.)

16 COUNCILWOMAN KRAJEWSKI: I believe
17 now we'll go into Bill 030656.

18 Do we have someone from SEPTA?

19 (Pause.)

20 COUNCILWOMAN KRAJEWSKI: I believe
21 that we have three people here who are willing
22 to testify on SEPTA. Mr. Anthony Hong, Kwang
23 Pak, and Charles O'Connor.

24 Good afternoon, gentlemen. Please
25 state your name for the record.

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 MR. PAK: My name is Kwang Pak, 60th
3 Market Korean American Association President
4 and my secretary.

5 MR. HONG: My name is Anthony hong.
6 I represent Mr. Pak, the president, speaking
7 on behalf of 60th Street Korean American
8 Business Association.

9 MR. O'CONNOR: My name is Charles
10 O'Connor. I own Bargain House on 52nd and
11 Market and I'm representing the 52nd Street
12 Businessmen's Association.

13 COUNCILWOMAN KRAJEWSKI: Thank you.
14 You can go ahead.

15 MR. HONG: I'm speaking on behalf of
16 60th Market Korean American Business
17 Association. Because of SEPTA construction,
18 we lost -- they lost so many business down to
19 50 percent their income has been gone and
20 there's no actual plan -- a lot of empty
21 promises about what they're going to be doing
22 for the business but nothing is happening. We
23 don't see anything done about it. So we need
24 some kind of resolution. We need some kind of
25 answer. We need to -- because everybody is

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 losing their job. Business is closing.

3 There's no more foot traffic.

4 For example, Ms. Rhea (ph) has a
5 newsstand for 20 years on the northeast corner
6 of 60th Market Street. Last year, April 15th
7 L&I came even though she had a business
8 license, they forced her to relocate her
9 business. And because of that, the stand has
10 been destroyed and nothing has been done
11 since. Now it's almost 20 months now and
12 there's nothing is happening. And we need
13 somehow -- now is holiday season and we need
14 some answers from this. We need some help, I
15 guess.

16 COUNCILWOMAN KRAJEWSKI: You need
17 help.

18 MR. HONG: Yes.

19 COUNCILWOMAN KRAJEWSKI: Thank you.
20 Anyone else who wants to testify?

21 MR. O'CONNOR: What he's saying is
22 pretty accurate.

23 COUNCILWOMAN KRAJEWSKI: Mr.
24 O'Connor?

25 MR. O'CONNOR: Yes.

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 COUNCILWOMAN KRAJEWSKI: State your
3 name for the record again.

4 MR. O'CONNOR: Charles O'Connor from
5 the 52nd and Market businessmen's Association.
6 We've lost numerous businesses. People just
7 got disgusted with the lack of business and
8 they've closed their businesses or attempted
9 to sell them.

10 Speaking just for my own business,
11 the first year of the SEPTA project, I lost
12 \$75,000 in sales. And projected to December
13 31st of this year, I'm probably going to lose
14 \$125,000 this year. And we just can't stay
15 unless we get some type of assistance.

16 COUNCILWOMAN KRAJEWSKI: We're going
17 to have Councilwoman Blackwell make a
18 statement. Right now I think we should hear
19 the other gentleman.

20 MR. PAK: Same. Talk to my
21 secretary.

22 MR. HONG: I spoke on behalf of Mr.
23 Pak.

24 COUNCILWOMAN KRAJEWSKI: Okay. I
25 think we'd like to hear from Councilwoman

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 Blackwell.

3 COUNCILWOMAN BLACKWELL: Thank you,
4 Madam Chair. I would like to thank all these
5 gentlemen for coming and I'd like to Greg
6 Spearman and other members of the community,
7 Mike Tucker here and folks from SEPTA and all
8 who are here assembled.

9 Madam Chair, we've had several
10 meetings in the last year to bring together,
11 along with the Finance Committee and the
12 Transportation Committee had joint hearings to
13 talk about what we could do to try to provide
14 help, especially a business in trouble. In
15 spite of that, we want to thank Mr. Pak who
16 still helped out needy families at the last
17 holiday at Thanksgiving with turkeys even in
18 spite of his great loss and we thank him for
19 his commitment to his community and to people
20 in need. We've had Mr. O'Connor testify as
21 well at all of these hearings.

22 And Madam Chair, we view this
23 Committee as one where we come up with a solid
24 way to begin a process to help businesses
25 financially. And after this, we would still

1 12/3/03 - APPROPRIATIONS - RES. 030656
2 have to have a Committee meeting to come up
3 with the process about what we do and how we
4 spend a little stipend, but we wanted to come
5 up with some way to help businesses and we
6 wanted this to be the final part of a joint
7 Committee report that the Finance and
8 Transportation Committees are formulating to
9 try to help businesses affected by the SEPTA
10 project.

11 Madam Chair, it's been impossible
12 for me to walk down the street and it's
13 impossible a couple years later when we know
14 this project won't be finished until '07 to
15 even look at people, knowing that these are
16 neighborhood businesses. The people who shop
17 in their business don't come from the suburbs
18 or from Center City. They are neighborhood
19 businesses and they've been suffering so
20 direly since the advent of this project.
21 That's not to say we don't want a new SEPTA
22 project, but as you know, it requires tearing
23 down the tracks, new train, new construction,
24 new everything. And it is just severely
25 negatively affected these businesses.

1 12/3/03 - APPROPRIATIONS - RES. 030656

2 So we have been so concerned about
3 them that we wanted to try to come up with
4 some way that we can help. Again, this would
5 be part of a report that we want to put
6 together where SEPTA and the City agree on
7 where we go from here and certainly how we
8 help neighborhood businesses.

9 So I wanted to thank you, I wanted
10 thank the Committee and thank the members who
11 are here as well as Town Watch and the SEPTA
12 folks, Greg Spearman who are here to certainly
13 to lend their support to making life better
14 for these suffering businesses and especially
15 during this holiday time. Thank you

16 COUNCILWOMAN KRAJEWSKI: Thank you
17 very much.

18 Are there any other questions?

19 (No response.)

20 COUNCILWOMAN KRAJEWSKI: Hearing
21 none, that ends our public hearing.

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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC MEETING

4

COMMITTEE ON APPROPRIATIONS

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Wednesday December 3, 2003

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9

Public meeting conducted by the
Committee on Appropriations, held in Room 696,
City Hall, Philadelphia, Pennsylvania, on the
above date, to consider action on the
following:

12

BILLS 030656, 030771.
RESOLUTION 030575.

13

14

15

PRESENT:

16

COUNCILWOMAN JOAN KRAJEWSKI

17

COUNCILMAN MICHAEL NUTTER

18

COUNCILMAN DARRELL CLARKE

19

COUNCILWOMAN JANNIE BLACKWELL

20

COUNCILMAN BRIAN O'NEILL

21

COUNCILMAN RICHARD MARIANO

22

COUNCILWOMAN DONNA REED MILLER

23

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25

1 12\3\03 - APPROPRIATIONS - PUBLIC MEETING

2

3 COUNCILWOMAN KRAJEWSKI: We will now
4 go into our public meeting.

5 Councilman Nutter, for the purpose
6 of the three bills.

7 COUNCILMAN NUTTER: Thank you, Madam
8 Chair. I move that Bill 030656 be reported
9 out of this Committee with a favorable
10 recommendation, a further recommendation that
11 the Rules of Council be suspended so as to
12 permit first reading at our next session.

13 (Duly seconded.)

14 COUNCILWOMAN KRAJEWSKI: All those
15 in favor?

16 (Aye.)

17 COUNCILWOMAN KRAJEWSKI: Opposed?

18 (No response.)

19 COUNCILWOMAN KRAJEWSKI: Therefore,
20 Bill No. 030656 will be reported out of this
21 Committee with a favorable recommendation with
22 the suspension of Rules as to permit first
23 reading at the next Session of Council.

24 Councilman Nutter.

25 COUNCILMAN NUTTER: Thank you, Madam

1 12\3\03 - APPROPRIATIONS - PUBLIC MEETING

2 Chair. I move that Bill 030771 be reported
3 out of this Committee with a favorable
4 recommendation, a further recommendation that
5 the Rules of Council be suspended so as to
6 permit first reading at next Session.

7 (Duly seconded.)

8 COUNCILWOMAN KRAJEWSKI: All those
9 in favor?

10 (Aye.)

11 COUNCILWOMAN KRAJEWSKI: Opposed?

12 (No response.)

13 COUNCILWOMAN KRAJEWSKI: Councilman
14 Nutter.

15 COUNCILMAN NUTTER: Thank you, Madam
16 Chair. I move that the Resolution 030575 be
17 reported out of this Committee with a
18 favorable recommendation.

19 (Duly seconded.)

20 COUNCILWOMAN KRAJEWSKI: That ends
21 our public meeting. And therefore, the
22 Committee on Appropriations is over. Thank
23 you.

24 (Council adjourned at 12:45 p.m.)

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C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of December 3, 2003, were
reported fully and accurately by me, and that
this is a correct transcript of the same.

RE: COMMITTEE ON APPROPRIATIONS

Lisa C. Bradley, RPR