COUNCIL OF THE CITY OF PHILADELPHIA

CONTINUED PUBLIC HEARING

COMMITTEE OF THE WHOLE

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Room 696, City Hall
Philadelphia, Pennsylvania
Tuesday, April 23, 2002
10:35 a.m.

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BILL 020001 - An Ordinance adopting the Operating Budget for Fiscal Year 2003.
BILL 020028 - An Ordinance to adopt a Fiscal 2003 Capital Budget.
BILL 020029 - An Ordinance to adopt a Capital Program for the six Fiscal Years 2003-2008 inclusive.

- - -

PRESENT:

COUNCIL PRESIDENT ANNA C. VERNA

COUNCILWOMAN JANNIE BLACKWELL
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN DARRELL L. CLARKE
COUNCILMAN DAVID COHEN
COUNCILMAN FRANK J. DI CICCO
COUNCILMAN WILSON W. GOODE, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILMAN W. THACHER LONGSTRETH
COUNCILMAN RICHARD T. MARIANO
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN MICHAEL A. NUTTER
COUNCILMAN BRIAN J. O'NEILL
COUNCILMAN ANGEL L. ORTIZ
COUNCILMAN FRANK RIZZO
COUNCILWOMAN MARIAN B. TASCO

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INDEX

4/23/02 - WHOLE - 020001, 020028, 020029

COUNCIL PRESIDENT VERNA: Good morning, everyone. This is the continued public hearing of the Committee of the Whole regarding Bill Nos. 020001, 020028, and 020029.

I would ask Mr. McPherson to please read the title of the bills.

MR. MCPHERSON: Bill No. 020001, an ordinance adopting the Operating Budget for Fiscal Year 2003.

Ordinance 020028, an ordinance to adopt a Fiscal 2003 Capital Budget.

Bill No. 020029, an ordinance to adopt a Capital Program for the six Fiscal Years 2003-2008, inclusive.

COUNCIL PRESIDENT VERNA: Mr. Dubow, good morning. Please identify yourself for the record and proceed with your testimony.

MR. DUBOW: Good morning. My name is Rob Dubow. I'm the City's Budget Director. I'm here today to offer testimony on Bills 020028 and 020029, which propose to establish the City's FY 2003 and Capital Budget and FY 2003-2008 Capital Program.

Today we propose to amend these measures to add additional appropriations necessary to carry forward all unobligated funding from Fiscal 2002 appropriations and to include additional appropriations from sources unanticipated at the time the bills were introduced.

In this proposed amendment, all unobligated capital appropriations have been carried forward from prior years with very few exceptions. These few exceptions fall mainly into two categories: Unspent PICA or GO appropriations for which projects have been completed under budget, and aviation projects that were funded with other sources. In nine cases, general obligation funds have not been carried forward and the projects have been completed within budget. Each of these projects have a surplus balance of less than $500, four of which were balances of less than 50 cents.

There are a large number of projects that have been included in carry-forward budget at the direct request of City Councilmembers. I can assure the Members of Council that all remanding funding for these projects has been included in the carry-forward amendment proposed today. This recommendation does not include the lapsing of any uneven unencumbered funding for projects of this nature, whether or not those projects have been completed.

Other than the addition of the carry-forward appropriations, there are further proposed modifications to the bills as introduced on February 5th. These modifications have been recommended to include additional funding for three projects. An additional 927,000 of private funds has been included in the Streets Department, Line 100Y for the Philadelphia Auto Mall. Additionally, 300,000 in private funds has been included for Hartranft Street improvements, Line 91E and 147,000 in private funds and 113,000 state appropriation has been included in the Free Library, Line 55, for renovations.

COUNCIL PRESIDENT VERNA: Just a moment please. The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: I'm sorry, Madam President.

Mr. Dubow, are you reading from something that we have a copy of?

MR. DUBOW: Yes. I gave copies to the Clerk this morning.

COUNCILMAN NUTTER: Okay. I'm sorry. I apologize for the interruption.

MR. DUBOW: 113,000 in state appropriations has been included in the Free Library, Line 55, for renovations to the George Institute Branch. No additional general obligation funds are required for these projects because previously appropriated general obligation funds will satisfy the match requirement.

That concludes my testimony and I'd be happy to answer any specific questions.

COUNCIL PRESIDENT VERNA: Are there any questions from Members of the Committee?

COUNCILMAN NUTTER: Madam President, I know we have a letter from the Mayor letting out a number of responses to issues that were raised. Is there any need to --

COUNCIL PRESIDENT VERNA: Place for the record changes that are being made?

COUNCILMAN NUTTER: Why don't we just go through a couple of these items. In the letter, Mr. Dubow, from the Mayor dated today, April 23rd, can you just give us a little explanation of, for instance, the first item, lead paint abatement for the Health Department?

MR. DUBOW: Yes. During the hearing there were questions about the City's lead program and there was particular concern that it appeared that the way the funding had been laid out in the budget, the backlog of untreated houses would increase. And what we're committing to in this letter is to identify funding to ensure that that backlog does not increase.

COUNCILMAN NUTTER: So just so I'm clear, the million and a half dollars -- my recollection at the hearing was that it was anticipated that we would know of or find approximately 600 houses that had a lead problem; is that right?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And that the present funding would cover a hundred of those 600, then leaving basically 500 to go into backlog of presently 1400 properties?

MR. DUBOW: The backlog would have increased to 1400. So 500 would have increased the backlog to 1400.

COUNCILMAN NUTTER: I thought my

recollection at the time was that there is presently a backlog of 1400.

MR. DUBOW: I don't think so. I think that's where the backlog would have gotten to.

COUNCILMAN NUTTER: So the $1.5 million is going to deal with the 500 properties so we don't increase the backlog?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And the million and a half dollars is just going to be found within the present Health Department budget, or you're anticipating other funding sources?

MS. RICHMAN: This is Estelle Richman, Managing Director. We're actually looking at several other funding sources. And depending on whether we can identify and get those grants in by July 1st, we will then look internal to the Health Department.

COUNCILMAN NUTTER: Okay. And lastly on this topic, what is our game plan going forward to deal with the backlog which, I guess, now we're saying is 900 properties?

MS. RICHMAN: The grants we're going after have the potential of giving us some new dollars for both. But looking at both the reallocation of funds within the Health Department and looking at grants and the ability to pull other kinds of dollars that we can use to cover both the backlog from forming and the backlog that exists.

COUNCILMAN NUTTER: On Page 2, the Fairmount Park Strategic Plan Facilities Assessment, it's my basic understanding that given the good work of Councilwoman Reynolds-Brown, I think in conjunction with yourself and possibly some others, that there is this opportunity to possibly receive funding to do the strategic plan.

MS. RICHMAN: That is correct.

COUNCILMAN NUTTER: And there was a discussion at some hearing not too long ago about the need for a facilities assessment, but I see from the letter, and I would agree, that you're going to look to do the full facilities assessment for Fairmount Park but subsequent to the strategic plan?

MS. RICHMAN: We actually want to make that part of the planning process, looking at assessments. We also had just finished looking at both facilities at Fairmount Park and the Recreation Department, as requested. We're about on our fourth iteration of this now, so it should be ready. But not making any decisions on what belongs where because all of it really needs to come out of a strong strategic planning effort as opposed to being done separately or independently.

COUNCILMAN NUTTER: So what I'd like to do is maybe kind of put a period at the end of that particular sentence and for the moment, at least, cease any further discussion about Council dollars or Council funding for any of these particular studies. We know what we're doing on a going-forward basis with regard to the William Penn Grant application. You're going to seek to have facilities assessment possibly as a part of a strategic plan, so at the moment there is no need for us to do anything with regard to funding any studies because of the decisions that we're talking about now.

MS. RICHMAN: That's correct.

COUNCILMAN NUTTER: You made reference to -- and it's probably not a part of this letter. At a budget hearing time a while ago, we had had Director Mifflin and Commissioner Richard and yourself at the table talking about this issue of who has what jurisdiction over what facilities. It's been an ongoing discussion certainly prior to your time as Managing Director. There had been a commitment at that time for a report or a preliminary report or something probably a little more than back of the envelope report by April 2nd. I have not called in Budget about that. We've been a little busy doing a couple other things. Could you give us an update on that?

MS. RICHMAN: I saw a draft this morning that I could sign off on so it's been prepared at this point for transmittal over to Council President and to yourself that begins to look at the various properties within both Recreation and Fairmount Park. We basically ended up beginning to describe the different kinds of facilities under each one and what should be considered possible to be transferred. I stayed short of making recommendations because I do believe it's a definitional issue what's a park, what's a rec center. That really needs to be part of the broader commitment to look at definitions within the strategic planning effort. Literally, I think, impossible to do a good strategic plan for Fairmount

Park without looking at some of those properties that cross both Fairmount Park and Recreation. So we're prepared to transmit, which becomes really a look at the kinds of facilities, whether they have activities in them, whether -- how they're being used and which department they currently are part of and the rationales of why we believe they may be candidates to be transferred. So you should be getting that within the next couple of days.

COUNCILMAN DICICCO: Madam President.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman DiCicco.

COUNCILMAN DICICCO: Thank you, Madam President. I need to be out of the Chambers about an hour. If a vote should occur, I'd like to have my vote on all bills and amendments to be recorded in the affirmative.

COUNCIL PRESIDENT VERNA: Thank you.

COUNCILMAN DICICCO: Thank you, Councilman.

COUNCILMAN NUTTER: Managing Director Richman, can you on this issue do me one last favor? Could you provide a certain level of reassurance -- and I'd like to make my position very clear. While

I was the person that has continually asked about this issue and you've made a commitment to work on the issue, if you could provide reassurance to the various Friends groups whether individually or the larger Friends of Philadelphia Parks or Pennsylvania Horticultural Society that this examination does not mean that transfer of jurisdiction is of an immediate nature. The only immediacy here, at least from my perspective, is that we look at this issue and try to get to the bottom of it, but that facilities or structures are not in some current process of moving anywhere. And as I said at the hearing back at that time, I think both Councilmembers as well as park groups and park stakeholders should have a role in this conversation and in any assessment of what facility should be where before any transfer is made. And so there is nothing imminent to happen here other than the fact that we are finally, quite frankly, starting to take a look at the issue.

MS. RICHMAN: Councilman Nutter, I have talked to these groups. That was part of the holdup in getting this completed. I assured them at that time that we would be working within the strategic planning process and nothing would happen without their involvement within the full strategic planning. Incidentally, they did come in my office preparing to chain themselves both to trees and to my desk for fear that we were going to be doing something precipitous and were assured that that would not happen and that we would be working through a process in which they would be included as community members. As you described, these are folks that have put in a lot of time and energy into the areas of either parks or recreation that they are very, very committed to. So we want to see a fair plan that takes in their opinions and the activities that they have supported. So they are anxious to take part in this, which is, again, part of the reason that we didn't want to go further than making some recommendations as to what we may see changing until after we have true definitions of what's a park and what's a rec center.

COUNCILMAN NUTTER: Thank you.

I have two last questions, Madam President.

With regard to the LEAP Program, you're saying that the six programs that are going to lose their private funding, funding is going to be provided for those libraries in FY '03 and on a going-forward basis?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And in your testimony earlier, Mr. Dubow, I guess your testimony was on the capital side, you're making a transfer for the George Institute branch of some state funding to finish the renovation work?

MR. DUBOW: There's some state funding and some Library Foundation money.

COUNCILMAN NUTTER: Can you tell us -- give me a sense of the timetable on youth access centers and team centers? I understand that you want to do it in a more strategic fashion, and I certainly understand that. When Commissioner Richard was in, I had conversation with him about both of these issues and I've had at least one tour of a recreation facility under consideration for, I believe, a teen center, although I could be wrong, and a possible other location in the 4th District for a youth access or vice versa. Do you have a sense of timing on that?

MS. RICHMAN: Councilman Nutter, we have

tried to do some strategic planning around where to place youth access centers and teen centers, and we've been doing it within both our Child Policy and Children's Investment Strategy. And that is basically lead by our entity Safe and Sound. Let me have Naomi Post address that issue.

COUNCIL PRESIDENT VERNA: Good morning.

MS. POST: Good morning. It's so good to be here back with you again. I am Naomi Post and I am the President and CEO and Philadelphia Safe and Sound, which is providing technical assistance to the City in connection with the Children's Investment Strategy.

Just as a refresher, the Children's Investment Strategy is the City's commitment to expand youth development opportunities and after school opportunities to a minimum of 100,000 children over the next three to five years. That will cost the City approximately $150 million. Some of that will be public redirected dollars, some of that will be private dollars, some of that will be federal and state funds that we access.

What Ms. Richman was referring to in connection with our strategic investment is the GIS mapping that has been developed by Safe and Sound for the City. We are at a point of sophistication now where we can take a look at risk factors, concentrations of population, resources, and other issues related to neighborhood. Our mapping has been developed to the extent where we can go down to a four- or six-square-block area. We can look at our census data for concentrations on numbers of kids in different age groups. We can look at our law enforcement data on felonies and crimes and shootings and homicides. We can look at issues related to early care such as prenatal care, lead poisoning, infant mortality, immunization. We can look at and overlay resources as well so we know where our family centers are, our after school programs, our libraries, our rec centers, our youth access centers. That is data that drives the decision-making in terms of where and how to strategically advance this effort.

In connection with the teen centers in particular, because I think they are an extremely valuable resource, targeting a particular type of population. You know that there are two in North Central Philadelphia at this point in time and that the plan is to expand to the West Philadelphia area opening one new center in July of this year and a fourth center in September of this year. Part of the strategic investment relates to the data, part of it relates to the need within the community, part of it relates to the infrastructure that is critical to ensure a level of quality. I don't think anybody wants to support a proliferation of programs just to have more programs. We are building slowly and deliberately to ensure a level of quality and at the same time Safe and Sound has contracted with Public Private Venture to conduct evaluation. Our investments are designed to reduce risk behavior such as teen pregnancy and juvenile crime, but also to enhance academic improvement as well. So there's a very detailed evaluation for all of our after school teen centers to ensure that we're getting what we intend to get as a result of that investment, Councilman.

COUNCILMAN NUTTER: Thank you. The one center that we had some discussion about, I guess, two, maybe three weeks ago in a tour with Commissioner Richard out at the Shepard Recreation Center which was also the recipient of some funding from the National Basketball Association tied into the all-star game, that center was being looked at for the possibility, I guess, of a teen center. And I'm also aware that the Daroff School is proposed to be one of the beacon schools I guess starting up in September?

MS. POST: Well, the original start date was April 1st. We are prepared to go forward and have awarded the contracts. The dilemma is our negotiations with the SRC to get access to the building, which are ongoing.

COUNCILMAN NUTTER: You could not be having problems with the SRC. I'm amazed. I'm shocked.

I guess lastly, just from a location standpoint, I mean, optimistically hoping that things go forward with the beacon school at Daroff, Daroff is directly across the street from Shepard, and I'm going to mess these numbers up, but the center's tracks I think are like '93, '94, and '95, somewhere in that neighborhood, but in the 19th District and literally by -- well, anyway, by coincidence I saw a map of some crime issues that were actually in the Mayor's Office, that area, if you look at anything from about 54th Street up to maybe 60th, Market to about Vine is an area that, I guess in this circumstance, unfortunately probably meets some of the criteria that you would need. And all I can ask is that if some additional attention can be directed based on -- I understand you have criteria and we're not asking anybody to go outside the bounds, but it very well may qualify. And if there's an opportunity to do something at that particular center, given both its history, its size, proximity of Daroff School, there is a library down the street, the Haverford Library. It has a number of assets in that particular area that might work well in the framework of the program.

MS. POST: I certainly will take a look at that, Councilman. And just to make sure I have it right, you think that census track '93, '94, '95, 54th Street to 60th, Market to Vine, 19th District?

COUNCILMAN NUTTER: It's the 19th Police District, yes. That is an area that, as I said, has a lot of issues going on.

MS. POST: One of the things I do want to be clear about so that we're not mistaken about how the strategy is rolling out, certainly some of the areas that we're prioritizing are those areas which we might categorizes as most distressed. In other respects, we're looking to strengthen neighborhoods that have some existing resources. So we've tried to divide the investments between the most distressed and those where risk behaviors are beginning to encroach and we can build up and support those neighborhoods in a meaningful kind of way. So we certainly will take a look at that, Councilman.

COUNCILMAN NUTTER: Okay, I appreciate that. Thank you.

Madam President, I have one last question for Mr. Dubow, but there may be others who have questions for Managing Director.

Mr. Dubow, this is a Capital Budget issue. The question arose with regard to the Streets Department about a Lancaster Avenue streetscape revitalization project. It's my understanding that there apparently funding in what is essence the current Capital Budget FY '02 for design work. The question was, how would it get rolled over into FY '03 so that activity can actually go forward. Can you tell me what's going on with that?

MR. DUBOW: That funding was rolled forward to '03.

COUNCILMAN NUTTER: That's already been taken care of?

MR. DUBOW: Yes.

COUNCILMAN NUTTER: Thank you.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Mariano.

COUNCILMAN MARIANO: Has anyone been in touch with the child advocacy groups?

MS. RICHMAN: Not that I know of at this point, but I'm sure that we will. These decisions were made late yesterday afternoon so I just don't think anybody -- I haven't had a chance to talk to anyone in my office yet.

COUNCILMAN MARIANO: If I'm reading this right, they're putting the 150,000 that we wanted which makes it $300,000?

MS. RICHMAN: Right.

COUNCILMAN MARIANO: Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

I would like my colleagues to also note

that in the Mayor's letter, the Victim Neighborhood Services at testimony we did hear that they were seeking an additional $114,000. The Administration will provide that additional funding. I note many of you did share concerns about that.

At this time, the Chair recognizes Councilwoman Blackwell.

COUNCILWOMAN BLACKWELL: Thank you, Madam President. I visited one of the teen centers that are about to come. And certainly to Ms. Naomi Post Street and to the Recreation Department and all involved in that funding project, they're absolutely wonderful. It's certainly visionary for our City, and I wanted to say thank you, thank you, thank you.

Thanks, Madam President.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madam Chair. I want to thank the Administration for reconsidering the environmental educators positions. I know we got three, but it's not clear to me exactly what we've gotten here. Does this include salaries, equipment? Could you just make sure that we understand what has been plugged back in here?

MR. DUBOW: We've plugged back in the salaries number. The benefits number gets paid out of Finance so that we wouldn't need to go to the Fairmount Park budget. So we would plug back in the salaries.

COUNCILMAN RIZZO: Equipment, all of that is a factor?

MR. DUBOW: Yes, we'll provide equipment, too.

COUNCILMAN RIZZO: So there's basically no loose ends here?

MR. DUBOW: For those three positions, that's correct.

COUNCILMAN RIZZO: Thank you.

Thank you, Madam Chair.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Ortiz.

COUNCILMAN ORTIZ: During the hearing we spoke about eliminating the backlog. This first sentence that you have here doesn't speak about eliminating the backlog, but more or less that you're going to maintain the status quo. Are you going to let it grow any bigger? The backlog will not be diminished.

MS. RICHMAN: We did not commit to eliminate the backlog in one year. We said that we would prevent it from getting any larger and we would stay on top of it to the future and would continue to look for grant money to be able to cut into the backlog as much as we could.

COUNCILMAN ORTIZ: The backlog of lead paint -- we're constantly discovering new houses with lead paint problems in Philadelphia.

MS. RICHMAN: That's right. So we wouldn't add to it any longer. We would stay on top of whatever becomes to the future and we wouldn't let the backlog grow at all which means we need to be able to address the current 500 that would have been added to the backlog plus make sure nothing else ever gets in, and as money allows, begin to cut into the backlog.

COUNCILMAN ORTIZ: It was our sense, at least the sense of this Council, that we were going to add new teams to eliminate and really begin active elimination of the backlog. And that doesn't sound like -- it sounds like we're just trying not to let it grow and taking care of things but not going after it aggressively.

MS. RICHMAN: To be able to eliminate the current 500 that would have gone into backlog has cost us to add a sizable number of teams. I think we added six teams. We've added a large number of teams just to keep that 500 which normally would have gone into the backlog and to stay on top of all of the new ones that would come in we've taken a very aggressive approach, so adding a sizable number of staff to be able to do this.

COUNCILMAN ORTIZ: I think Councilman Nutter and myself were talking about perhaps adding three-some-odd million dollars into this in order to begin --

MS. RICHMAN: Our understanding was it was going to be 1.5 million. First time I've heard 3 million.

COUNCILMAN ORTIZ: That's the figure given that would take care of problem.

MS. RICHMAN: I'm not sure 3 million. I think it's more like 3 billion. But it's not 3 million --

COUNCILMAN ORTIZ: Would that add enough teams in order to be able to begin really putting a dent on this?

MS. RICHMAN: 1.5 billion is what we've planned for at this point in time.

COUNCILMAN ORTIZ: Thank you, Madam Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

Any other questions from Members of Council?

The Chair recognizes Councilman Clarke.

COUNCILMAN CLARKE: Thank you, Madam President.

Good morning. Just a couple of quick questions. I just want to get some clarity on this lead paint abatement issue. Is this 1.5 in reoccurring years or is it just for one year, one fiscal year?

MS. RICHMAN: Reoccurring.

COUNCILMAN CLARKE: So it's up to 1.5, right?

MS. RICHMAN: Yes.

COUNCILMAN CLARKE: I want to reference the letter that the Mayor forwarded to the Council President with respect to the $290 million in cuts in the budget over the next five years. You mentioned $118 million in a line item called "Future Government Efficiencies." Explain that to me, can you, please?

MR. DUBOW: Yes. There's a line in the plan -- there's a schedule in the plan that shows the City's expenditures, obligations and fund balance every year. One of the lines in that plan is called future efficiencies. And what it says is that as we go forward, we will find ways to either reduce our cost with minimum impact on service or enhance revenues. That line in last year's plan and in the plan that was originally proposed this year was $60 million. What we've done here is increased that line over four years to $178 million.

COUNCILMAN CLARKE: That's 118 on top of the 60 million.

MR. DUBOW: That's right. And what that means is that we have to go out and find those budget adjustments to make sure that we can afford the reduction in revenues.

COUNCILMAN CLARKE: Did the 60 million in the earlier projection include personnel decisions, reduction in personnel, or was it just simply doing things more efficiently with the same amount of personnel or other cost-cutting measures?

MR. DUBOW: It would include any type of cost-cutting measures that we can come up with. So it could be reducing work force size, primarily through attrition. It could be finding ways to cut the cost of contracts. It could be finding ways to do things with less materials. It's just a range of ways.

COUNCILMAN CLARKE: The 60 million could have included personnel?

MR. DUBOW: It could.

COUNCILMAN CLARKE: So more than likely the additional 118 will definitely include personnel?

MR. DUBOW: That's right.

COUNCILMAN CLARKE: Do we have a sense of the process? Will it be on a yearly basis or will it be projected over a five-year period in terms of personnel reductions or other efficiencies associated with the 290?

MR. DUBOW: We're in the process of trying to put together a list that would show those savings by initiative and show what they would do in their first year and what they would do over five years. So that would tell us what it would mean in terms of personnel, it would tell us what it would mean in terms of if we could find revenue enhancements. So it would break it out by type of initiative.

COUNCILMAN CLARKE: Will this all be an internal process with the Administration or will you work in conjunction with the labor organizations or other elected officials or other departments? How is this going to be done?

MR. DUBOW: We would like it to be an inclusive process so that while we're developing initiatives, we can consult with people to go through what we're planning to do and see whether people think it works or people have other ideas.

COUNCILMAN CLARKE: How are you going to initiate that inclusive type of a process?

MR. DUBOW: I think as we develop things, we'll reach out to the Council, for example, and say, "Look, here are the initiatives that we're thinking of" in an attempt to get feedback on them.

COUNCILMAN CLARKE: And other departments, labor union heads?

MR. DUBOW: Right.

4/23/02 - WHOLE - 020001, 020028, 020029

COUNCILMAN CLARKE: Will that be on a yearly basis or will that be projected over five years?

MR. DUBOW: We started off projecting over five years, and then update it quarterly as we go through.

COUNCILMAN CLARKE: Thanks.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Cohen.

COUNCILMAN COHEN: Thank you, Madam President.

There's been an increase agreement by the Administration to $300,000 from the original figure of $150,000 from the Health and Safety Fund; is that correct?

MR. DUBOW: That's correct.

COUNCILMAN COHEN: Where will that money come from? How many health centers are we closing in order to receive $150,000 extra?

MS. RICHMAN: Councilman Cohen, I can't describe to you right now exactly every place those dollars will come from. We will take them from within the social services area and we will look for whatever efficiencies that we can come with and where we can do that and not create any other problems.

COUNCILMAN COHEN: Somehow it seems that whenever the Administration is going provide money, nobody ever raises any questions about the difficulty for all other programs may exist. But whenever something is initiated by a Member of this Body, then immediately the question becomes, what are you going to shut down in order to provide the money. I think that's a totally nonsensical approach...

(Inaudible, not speaking in microphone.)

COUNCILMAN COHEN: What is the total Operating Budget effort?

MR. DUBOW: The General Fund Operating Budget is approximately $3 billion.

COUNCILMAN COHEN: And how much in the request being offered today is the total number? Tell me how much money is involved if the Administration were to say yes to every proposal amended today, how much money is involved?

MR. DUBOW: On the operating side, it's probably about $10 million.

4/23/02 - WHOLE - 020001, 020028, 020029

COUNCILMAN COHEN: Tell me what is the percentage of $10 million of $3 billion.

MR. DUBOW: I believe about .3 percent.

COUNCILMAN COHEN: How much?

MR. DUBOW: About .3 percent.

COUNCILMAN COHEN: .3 percent?

MR. DUBOW: That's correct.

COUNCILMAN COHEN: That's less than 1 percent?

MR. DUBOW: Yes.

COUNCILMAN COHEN: And yet the Administration sits here through its representatives and acts if a great calamity has struck because Members of City Council are asking, based upon their much greater knowledge in many cases than the Administration representatives because of the closeness of Councilmembers to the community, it just makes no sense to set off all these alarms what's going to happen and how hard it is to find the money. I think the Administration --

MR. DUBOW: I don't think we've said that today. I think we've come here and said that you have a list of requests we've gone through and said here are places where we're going to find money to meet your requests. I don't think we said anything today that anything in this letter will lead to any calamity.

COUNCILMAN COHEN: Why environmental educators request seven positions that are being filled successfully, why does the Administration feel it's necessary to act very tough and say, Well, out of the goodness of our heart, we'll provide enough money for three, somehow we're not in a position to say where the money is coming from but by God we're going to labor long and hard to deal with the question of funding three positions when they're necessary and they're useful. Why doesn't the Administration embrace the entire seven people?

MR. DUBOW: Well, let me give a couple answers to that. First of all, it's not just three positions that we've given Fairmount Park this year. We've committed to funding the five volunteer coordinators that private funding was asking for. We've committed to funding the park ranger program on an ongoing basis. And we've committed to doing a strategic plan to see how the park should move going forward. The reason that we have three positions funded is that when people from the park testified, they said that that's what they needed to keep the program going.

COUNCILMAN COHEN: And the other four would be wasteful today? Is that what you're saying.

MR. DUBOW: Well, their testimony was to keep the program going they needed three positions. And we're funding three positions.

COUNCILMAN COHEN: Why environmental matters be funded in such a thin level of support while other problems and such are funded at overwhelmingly supportive amount? I just don't understand the priorities of the Administration.

MR. DUBOW: Well, I actually think that in this budget we've shown -- over the last couple of years we've shown a commitment to the park. We've increased tree removal by $3 million. We've agreed to fund a strategic plan to see what direction the park should go in.

COUNCILMAN COHEN: There's so many dead trees all over the City that haven't been begun to be dealt with yet.

MR. DUBOW: Well, given have begun to be dealt with. That's exactly what we're doing by increasing the funding for tree removal.

COUNCILMAN COHEN: They've begun to be dealt with, that's all. It's just a tiny beginning. We have resources.

MR. DUBOW: Actually, the way it's projected by the park, the whole backlog of dangerous trees will be gone in three more years.

COUNCILMAN COHEN: Tell me, is the lead paint poisoning problem less important than the blight program? Taking care of our kids making sure that given don't suffer from deformities attributable to lead paint poisoning less important so we've got to be satisfied with maintaining the present level of danger rather than making substantial progress? I don't know why we can't have the same vision on lead paint poisoning that we have on the blight program.

MS. RICHMAN: Councilman --

COUNCILMAN COHEN: Excuse me, Managing Director. You know the high regard with which I place you. But it just seems awful when I made my first speech in 1938 it dealt with -- it seems like 1938, but it was in 1968. My first speech in my first term in City Council was on lead paint poisoning and the answers were pretty much the same as given are today: "Well, we're working hard, we're going to cope with the problem, we're not going to let it get worse." That's true, but it hasn't gotten very much better either.

Why don't we attack lead paint poisoning that threatens our youth? We say this is the decade of the youth. Why don't we really go after this? We're going after blight. Why do we do pinch penny approaches whenever we consider the problems of poor people, the problems the children have and their needs, why do we always adopt such a pinch penny program? Why can't we find money to eliminate lead paint poisoning in one year? I don't understand why. We have plenty of unemployed workers around to do the job. Why can't we develop the same kind of program for handling all lead paint poisoning problems as we did on used cars?

Excuse me, Managing Director for interfering with your answer, but I thought you might want to incorporate in your answer some answers to this question I raise. Why can't we have a one-year program to eliminate every vestige of lead paint poisoning that exists in the City?

MS. RICHMAN: Councilman Cohen, we're trying to do both. Dangerous trees, as you know, can be just as deadly. We did have someone -- I think we had two people killed last year by trees falling on them that should be taken down. We hope to be able to remove dangerous trees in three years and we should be able to move the lead paint danger in three years. I wish we could do both all in one year. But we can't do both all in one year. But we're trying to aggressively tackle both of them as quickly as we can. And, indeed, part of the reason for the neighborhood transformation is to also bring down those houses that are continuing to poison children. It has to be get rid of the houses that are dangerous as well as just removing lead from a house that's dangerous. The lead becomes dangerous again. And if we can begin to eliminate those houses which the blight plan is geared to do and to bring down those dangerous trees that also create a life and death situation, the issues is to try to do both at the same time.

COUNCILMAN COHEN: I'd like to yield to Councilman Clarke.

COUNCIL PRESIDENT VERNA: The Chair

recognizes Councilman Clarke.

COUNCILMAN CLARKE: Thank you, Madam President.

Thank you, Councilman Cohen. Councilman Cohen, I just wanted to reference your point about having an aggressive strategy on lead paint removal. I was going to make this suggestion. My understanding in your reference to NTI because I think NTI should also include strategies on a social nature, on a health and welfare nature. My understanding is that under NTI that there's going to be a portion of funding provided for basic systems grants. I know neither of you are the NTI people, but there's going to be a section in that that will allow us to give basic systems grants and loans to facilities across the City private individuals. My understanding that there is currently a process in place where we actually do lead paint encapsulation as opposed to removal. And I would like for you all to investigate the possibility as a part of since we're doing encapsulation as a part of the NTI initiative, could we look into the possibility of as the NTI encapsulation include lead paint encapsulation in some of these facilities.

MS. RICHMAN: I believe it does include as we go into neighborhoods and have addressed those neighborhoods that we're looking as we look at blocks that those houses are not being demolished because they're dangerous, then we will be looking what it takes to preserve them. If that is removing the lead, then that will also be included.

COUNCILMAN CLARKE: So there's a possibility that we can access NTI funding to accelerate the lead paint issue?

MS. RICHMAN: Where we're working with those communities around those issues.

COUNCILMAN CLARKE: Thank you.

COUNCIL PRESIDENT VERNA: Do we have any indication at all as to the amount of properties that are occupied, how many of them will be demolished under the NTI program that have lead paint? We throw out figures and I just don't how we come to the figure.

MS. RICHMAN: You're outside of my knowledge base now, so I would need to go back and see if they have an estimate on the number. Let me make sure I have the question. The number of houses that are within the NTI designated communities that have lead?

COUNCIL PRESIDENT VERNA: How many of them are actually occupied. And I'm certain if they're vacant that probably the greater the majority of them under the NTI program would be demolished. So we get figures and I don't know how they calculate most of these figures.

Councilman Cohen, did you still want to be recognized?

COUNCILMAN COHEN: Thank you. I started a question and got enmeshed in other questions before I got an answer. That is, this increase from 150,000 to 300,000 for the Health and Safety Fund and the day care centers, when will the additional money be made available?

MS. RICHMAN: January.

COUNCILMAN COHEN: So that there can be adequate planning for the use of the money. When will the money be made available?

MS. RICHMAN: January 2003.

COUNCILMAN COHEN: January 2003. Is there any reason it could not be made available earlier than that?

MS. RICHMAN: We usually try to spread it across the entire year. So 150 would be made available in July, in the second half of it in January so it's spread throughout the year.

COUNCILMAN COHEN: As subject to later information indicating that that might not be satisfactory that otherwise would seem to be a fairly reasonable response.

Now, there's in my area Dignity Housing has played a very important role, in fact, one of the finest new very small apartment houses that is serving as a model for private apartment buildings in our area. I'm referring specifically to the 17th Ward in Northwest Philadelphia. That property at the corner of 17th and Nedro has been available for occupancy since the beginning of the year, but it hasn't moved at all and we we'd like to understand why. We'd also like to understand why is it not possible to restore the $50,000 that was cut from Dignity Housing by OHCD, why can't that other $50,000 be made up? It's a wonderful program. It's creating stability in the housing market. Why is it necessary to deny the additional 50,000 to Dignity Housing? Seems to me that's one of the few programs in housing that literally over the years has shown that it works.

MR. DUBOW: I think this is actually a new issue for both of us, so we'd have to look into that. I didn't hear anything about before you just mentioned it.

COUNCILMAN COHEN: Could you look into it and could I request a response to that? That $50,000 additional for Dignity Housing would be repaid to the City and benefits over many years many, many times. And it seems very shortsighted -- OHCD may have financial problems because of their dependence on specific statutory funding. But it certainly seems to me that the City of Philadelphia ought to be able to make that up so that that program can go ahead. It seems wrong to permit this fine building that's built and that's a model to stand vacant when there's such a great need for housing. May I ask the Managing Director if she would look into that situation?

MS. RICHMAN: The Budget Director and I will look in. This is an area we just aren't familiar with. We will look at OHCD and the CDBG grant as to what the status of it is and where the problems are.

COUNCILMAN COHEN: All right, thank you. And will also, I hope, attempt to determine what the delays are that are preventing the building, this brand-new building from being occupied. There are all kinds of City problems that we've not been able to determine what they are, but all we know is that housing is desperately needed in the area and this wonderful building has been mightily improved but is standing vacant because of various administration impediments. Would you look at that, too, Madam Managing Director?

MS. RICHMAN: Yes, Councilman.

COUNCILMAN COHEN: Thank you very much.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: Thank you. Are there any other questions from Members of the Committee?

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Brown.

COUNCILMAN COHEN: Madam President.

COUNCIL PRESIDENT VERNA: Councilman Cohen.

COUNCILMAN COHEN: One final question.

I would like to know why the other four environmental positions are being rejected. I heard nothing in the Fairmount Park testimony. They may have -- Fairmount Park I'm sure is very sensitive to Administration feelings about the budget. But why is it seven useful positions are now determined to require only three positions? It seems to me Fairmount Park needs a lot of help in a lot of areas. It's the main vacation land, main recreation site for the vast majority of Philadelphians. And it seems to me that the poor mouth policy of starving Fairmount Park does not pay dividends, it hurts the City's stability, it hurts the City's chances of growth. So I would like to have the Administration reconsider and find a way to fund all seven existing positions absent the ability of the Administration to show that one or more of those positions are just wasteful. And so I ask the Madam Managing Director and the Budget Director to review the Administration recommendations in that area.

Is the answer yes or no that they will be reviewed or do I need to make another speech? And that's a threat.

MR. DUBOW: I don't think you need to

make another speech. But I will say while we will review it -- I want to go back to the question of treatment of Fairmount Park. I think that doing the strategic plan and looking at what the park really needs is really the important part of what we're doing in the long-term. Again, the reason that we settled on the three is that's what they said they needed to continue their program.

COUNCILMAN COHEN: But you're moving backward, you're not moving forward. When we say Fairmount Park needs help, we say continuing everything they now have, begin to add more. But what you're doing in this case is detracting from what they now have. That's why this is such a serious question.

MR. DUBOW: What we want to do is get a comprehensive understanding of what they need so we can look at it from a park-wide system. And that's what we're pledging to do.

COUNCILMAN COHEN: Madam President, I would request that as soon as that information is made available so we know whether there has to be a further hearing on the subject or not.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madam President. First, Managing Director Richman, if I can ask if you would after the hearing -- we don't have to try to figure it out today, but I do feel fairly strong in my recollection. I can't remember that much, but the little bit that I can remember I feel fairly strong about it. I would like to make sure that we have captured the universe on the number of houses in the backlog with regard to the lead paint issue. I do have a very strong recollection that it was 1400. But if you could touch base with both people in the Health Department as well as many of the advocates --

MS. RICHMAN: I'm trying to get hold of them.

COUNCILMAN NUTTER: Okay. I know that Shelly Yanoff and a number of people worked on this particular issue, so I quite honestly relied on their data. I don't personally know how many houses there are.

Secondly, with regard to the conversation we were having earlier about the facilities jurisdiction issue, given that there was a date that had been given, and I know you said you're on about your fourth iteration of the document, I would need to ask that whatever you have at the time, and I don't know what your current timetable is but originally we were looking at April 2nd, somewhere I'm assuming in the next couple weeks we're actually going to vote on the budget. Could you at lease ensure that some preliminary or draft document can be forwarded to us prior to passage of the budget?

MS. RICHMAN: You should have that possibly within 24 hours. I just need to go back sign the transmittal a bill at this point.

COUNCILMAN NUTTER: I don't need to be that quick.

Mr. Dubow, lastly, there's an item that you and I have had some discussion about over the years. And I know you've been trying to keep a handle on it. We've had a switch not too long ago in personnel directors. This is about the prospect of a tuition reimbursement program specifically for the Police Department. We've had a broader discussion about all public employee, and I know different departments have different programs. But this issue is about some level of parity between the Police Department and Fire Department. The Fire Department has a program. Obviously, they have fewer uniform personnel than the Police Department do. But if you could find out any additional information about that, I would appreciate it.

MR. DUBOW: Okay.

COUNCILMAN NUTTER: In the earlier questioning, we had some discussion about this much-discussed Appendix 3, Page 1, and I think maybe there's been a slight change in some of the terminology from past plans to the current plan, and I understand that. In the plan that was introduced, that item was called "future target reductions," and I believe the total for years '04, '05, '06, '07 was $60 million; is that correct?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And what were the future target reductions of the plan that was introduced?

MR. DUBOW: The future target reductions and it's now called future government efficiencies, are initiatives that we need to identify in future years to reduce the cost of the government or to enhance revenues.

COUNCILMAN NUTTER: And when the plan was introduced, was it your anticipation that those items or those -- again, at the time when you called it future target reductions, that that was going to result in a decrease or a lessening of service or was your plan to try to reduce the cost the government through various efficiencies?

MR. DUBOW: It was the latter.

COUNCILMAN NUTTER: You know, I was never completely good with former and latter, so why don't you tell me specifically what it is.

MR. DUBOW: It's always our intention to try to figure out ways to do more with less, to figure out how to run the government more cheaply so to find ways to reduce costs without impacting service.

COUNCILMAN NUTTER: And so in the plan before us, just to make sure I understand, in that $60 million, you had not identified what those reductions or efficiencies were going to be; is that correct?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And I guess the

purpose of it is to some extent set a goal for the government to try and figure out how to meet that figure and, in your words, always seeking to do more with less but trying to maintain a certain base level of service.

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And what would we have, if anything, anticipated seeing different by way of service delivery when this plan was introduced in Fiscal Years '04, '05, '06, '07? Would we have noticed a decrease in government service?

MR. DUBOW: No, no, we would not.

COUNCILMAN NUTTER: And the efficiencies or the reductions had not been identified?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: Now, in earlier questioning I thought I took down a statement by you that in the $60 million, again in your words, did you say that some of those reductions would definitely include personnel?

MR. DUBOW: Yes.

COUNCILMAN NUTTER: What does that mean?

MR. DUBOW: That means that one of the

ways that we'll reduce the cost of government is finding out how to do things with fewer employees.

COUNCILMAN NUTTER: Does that mean you have less service?

MR. DUBOW: No. But -- I mean, we don't anticipate having less service. There comes a point where if you reduce your spending by a certain amount then there could be reductions in service. Our goal is to figure out how to make reductions without having an impact on service.

COUNCILMAN NUTTER: Well, in the plan that was introduced on January 25, 2000, on that same line in FY '92 you anticipated that the future target reductions would be $12 million; do you recall that?

MR. DUBOW: Yes.

COUNCILMAN NUTTER: And have you been able to meet that target?

MR. DUBOW: Our budget situation has changed completely since '00, so expenditures are different, revenues are different. But the bottom line is that, yes, we're able to have a positive fund balance at the end of this year.

COUNCILMAN NUTTER: Have we reduced

services since that plan was introduced back in 2000?

MR. DUBOW: No.

COUNCILMAN NUTTER: Have we reduced personnel?

MR. DUBOW: We've reduced personnel during the course of this year, yes, we have.

COUNCILMAN NUTTER: During the course of the current Fiscal Year.

MR. DUBOW: Yes.

COUNCILMAN NUTTER: What was that the result of.

MR. DUBOW: We imposed a hiring freeze in November. And since the hiring freeze was imposed -- I don't have the exact number now. I think we have about 200 fewer employees than we did before the hiring freeze began.

COUNCILMAN NUTTER: Has there been a noticeable decrease in service as a result of the hiring freeze?

MR. DUBOW: Not a noticeable decrease.

COUNCILMAN NUTTER: Some decrease?

MS. RICHMAN: Just to use this as an example, the Managing Director's Office, we have not replaced some of staff that have left which means some things take a little bit longer. If you have fewer people doing the same amount of work, the amount of time that work takes is a little bit longer. I'm not sure that is a reduction in service, per se, but on something that you would want to see done, you have fewer people, it takes more time. And I think that as we begin to look at more cuts there will be more of those kinds of activities, I think, that take place which we will try to absorb as administratively as we can so there isn't a cut in service. But there has to be some ability to do those kinds of cuts.

COUNCILMAN NUTTER: I understand.

Now, Mr. Dubow, are you anticipating any service reductions in FY '03 as a result of the budget or the five-year plan in front of us or as the five-year plan is proposed to be amended today?

MR. DUBOW: We don't project any decrease in service in FY '03. The challenge over the long term is to continue shrinking the size of the government without affecting service. And it's one of the things we're pledging to try to do that, we're not guaranteeing it.

COUNCILMAN NUTTER: Have we ever guaranteed it?

COUNCILMAN NUTTER: I think we were more confident of it in years past.

COUNCILMAN NUTTER: Are you anticipating any service reductions in FY '04?

MR. DUBOW: Again, our goal is not to have any service reduction in any year of the plan, but as we go out that gets harder and harder.

COUNCILMAN NUTTER: In previous five-year plans, what has been the general size of Line 20.

MR. DUBOW: Is Line 20 the future cuts?

COUNCILMAN NUTTER: Formerly future target reductions, now future government efficiencies.

MR. DUBOW: It's been 60 million over the life of the plan.

COUNCILMAN NUTTER: And you've been able to meet that challenge?

MR. DUBOW: Yes.

COUNCIL PRESIDENT VERNA: Councilman Nutter, excuse me, please. I believe Councilman Goode had a point of order.

COUNCILMAN GOODE: Thank you, Madam President. Madam President, I need to leave the chambers. I'd like to be voted in favor of the Administration's to 020028 to 020029. I'd also like to be recorded as voting in favor of all three bills, 020001, 020128 and 020129.

COUNCIL PRESIDENT VERNA: Thank you. I would also remind my colleagues that we have a bill signing ceremony at 12:00 noon and I see there are a number of Councilmembers that still want to be recognized. If you're not going to be concise with your questioning, I would suggest then that we recess this hearing until Thursday morning.

Councilman Nutter, would you proceed with your questioning?

COUNCILMAN NUTTER: Thank you, Madam President.

COUNCIL PRESIDENT VERNA: Excuse me, Councilman.

Councilman Rizzo.

COUNCILMAN RIZZO: Madam President, if you don't recess I have to leave, so I would like record my vote as voting yes on all bills and amendments in the event that you don't recess it.

So I'm leaving now.

COUNCIL PRESIDENT VERNA: Well, it would appear that just maybe three or four of us are going to be here because everybody is asking to be excused. Councilman Rizzo, you can be excused.

COUNCILMAN RIZZO: Thank you.

COUNCIL PRESIDENT VERNA: Councilman Nutter, please proceed with your line of questioning.

COUNCILMAN NUTTER: Thank you, Madam President. This is my last question.

Mr. Dubow, any projected or proposed cuts, do you make those cuts based on what's listed in the five-year plan or from the actual budgets that are produced on a year-to-year basis? As best I can tell, we live in a current budget, not in the future.

MR. DUBOW: Well, we live in both because, for example, there are implications for things we do in a budget year for the out years. So we want to make sure that our budget's balanced and that our plan is balanced.

COUNCILMAN NUTTER: But notwithstanding what it might be in a five-year plan, the budget is what governs what actually happens in the government, how much money we have?

MR. DUBOW: In the current -- that's right.

COUNCILMAN NUTTER: So there are projections or schedules of, for instance, proposed tax cuts both with regard to wage taxes and gross receipts tax?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: And in the budget we will have a particular rate set for the gross receipts tax. Any future tax reductions are a function of the receipt by this body in a budget year or at a budget message of new tax bills; is that correct.

MR. DUBOW: That's correct. But we're also required to have a balanced five-year plan.

COUNCILMAN NUTTER: I understand that. And you've maintained a schedule that shows what you anticipate doing on a going-forward basis?

MR. DUBOW: That's correct.

COUNCILMAN NUTTER: Thank you.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilwoman Brown.

COUNCILWOMAN BROWN: Thank you, Madam President. I do have one comment in response to Councilman Cohen's concerns regarding the Health and Safety Fund and I just wanted to state this as matter of record. Given the strong and consensus message with regard to our interest in seeing the Health and Safety Fund do all it can do, Members should be advised that a team of individuals have come together, namely, from the Office of Child Care and my office to talk through and develop a strategy on how we can stabilize the Health and Safety fund for the long-term so that we're not back at this place next year trying to figure out where we can get the necessary dollars to do what's required for the program. So I did want to share that with my colleague so that he's aware that the interest is high and we got to get better at thinking long-term and how we fix this particular problem. Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome. The Chair recognizes Councilman Cohen.

COUNCILMAN COHEN: Thank you, Madam President.

As we get toward the end of the budget process, it strikes me that we only do half the job. We consider the budget as presented by the Mayor and we take it as if the only of concern are those presented by the Mayor. I would suggest a second procedure that follows the regular analysis of the budget and that is to begin questioning about different problems that exist. They may be small, they may be major. For example, we're told in today's Inquirer in the business section that whatever we did on the wage tax, even if we were to eliminate it entirely, would not be enough to make Philadelphia a growing City, that in order to have Philadelphia prosper as a City that people want to come to live to and businesses want to come and work in, we have to deal with many other problems. So I'd just like to raise one or two of those because I think that maybe we need a second round on budgets dealing with the problems that begin to arise in our mind as to whether they've been dealt with in the budget. For example, I'm very concerned about a number of things. Philadelphia, like the rest of the nation, pretty much operates on the theory, and I believe correctly, that small businesses are where the jobs grow. If you read the news reports day by day, you understand that big business is where you lose jobs by the thousands all at one time. Lucent which originally was part of AT&T, I think, is announcing for almost a third year in a row that it's going to cut about 6,000 workers. Where these workers come from that they cut, I don't know. But it certainly creates havoc. But the growth occurs in small businesses.

One of the problems in Philadelphia is that small businesses feel terribly unwelcome in Philadelphia because of the repetitive paperwork, because of the repetitive and often contradictory regulations that exist. And like lead paint poisoning, it was an issue when I first entered in 1968 and grows increasingly as an issue how we respond to the needs of small businesses.

What in this budget is going to make it possible for the City of Philadelphia to grapple with the problems of small business so that they feel welcome so that they have less paperwork to file so they can concentrate on growing rather than trying on trying to figure out how do we avoid spending a day or two across the street waiting to be served by somebody in L & I or some other department of government? What are we doing to help small business in this budget and how does it compare with what was done last year?

MR. DUBOW: There are a few years. One, the Department of Licenses and Inspections is actually in the middle of a review of fees and licenses to see how that process can be simplified so that there would be far fewer licenses for businesses to need.

We also did a survey of businesses, large and small, 300 businesses, to reach out to see what it was that they wanted. So the Commerce Department is looking at the results of that study and then we'll look to see how we can implement that.

The other thing that we've done in the plan is proposed accelerating the reduction in the gross receipts tax which is particularly harmful for small businesses.

So those are some of the things that this budget and plan does for small businesses.

COUNCILMAN COHEN: Well, tell us when the Administration would expect to be able to give a report to the Council and the people of Philadelphia with respect to the improvements that have occurred in the landscape small businesses.

MR. DUBOW: We really need to talk to the Commerce Department about that. But the L & I portion is probably going to be done sometime this summer.

COUNCILMAN COHEN: Is that a promise?

MR. DUBOW: Yes. We'll promise you'll have something by the end of the summer.

COUNCILMAN COHEN: And the summer ends I understand around September --

MR. DUBOW: December 31st.

COUNCILMAN COHEN: Then let's go to other things. In my area where I have a political responsibility other than just being Councilmember-at-Large, there is beautiful block called Kemble Avenue, K-E-M-B-L-E Avenue. Kemble Avenue begins one block north of Olney Avenue and just joins Olney Avenue at Chew -- I'm sorry, it joins Ogontz not Olney Avenue. It's a beautiful block, series of blocks. Because of a number of reasons which I won't enumerate now, the City reached the conclusion that it was necessary to tear down two houses right in the center of the block. Everybody on that block is concerned by fact that various City engineers at times have reported that by removing those two center houses they're going to weaken the whole block both to the south and to the north. The people in the community have been unable to get any protective action from the City to do anything about supporting the rest of the homes. That's one of the problems of row houses. If you separate something from the center, you may weaken both sides to the north south or east west. Tell me, does the City have any program? Is that going to be included in NTI, how you stabilize already stable blocks which are being threatened, say, by the removal of one or more houses in the block? Is there any special attention being given to that problem? Where so in the budget? Where can we in City Council go to, what agency, to find out what's happening? We can't do everything by calling the Managing Director's Office. She would love that.

MS. RICHMAN: Unfortunately, Councilman, that's what you have to do. You call my office and I'll assign someone to look at it and to try to work with L & I to do it. That's what we got right now.

COUNCILMAN COHEN: Well, we would like to know, though, isn't there an organized approach, because I assume that Kemble Avenue in the 17th Ward is matched by similar streets and avenues probably in every ward in the City. And I'm using Kemble Avenue not just to fight for the 17th Ward area, but b because it's symbolic of a problem, I think, exists everywhere.

Similarly, for example, I have raised for a number of years the practice that the City has had, at least in the past, of permitting steps to exist where homes once existed so that you have a nightmarish feeling sometimes as you drive along you find steps to a house but there is no house. Yet it doesn't seem to be anyway of getting relief, although I've been told that contracts of the City always require the removal of the steps. But apparently there's nobody that's in the City assigned to the job of seeing that contractors really perform their duties and scheduled.

MS. RICHMAN: The department that's assigned to do that, Councilman Cohen, is the Managing Director's Office.

COUNCIL PRESIDENT VERNA: Councilman

Cohen, if you have many more questions that you would like to ask, we're going to recess the hearing until Thursday. As I said earlier, many people have committed to the signing of the bill ceremony. So if you're going to be much longer we're going to have to continue this hearing.

COUNCILMAN COHEN: I agree with your comments. I agree with the concept of a recess.

COUNCIL PRESIDENT VERNA: I'm sorry, sir. I did not hear a word you said.

COUNCILMAN COHEN: I said I agree with what you stated and am agreeable to the idea of a recess to Thursday morning.

COUNCIL PRESIDENT VERNA: The Committee will stand in recess until Thursday morning precisely at 9 o'clock. And the same will hold true for the Committee on Fiscal Stability. Thank you all so very much.

(Council adjourned at 12:00 noon.)

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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 April 23, 2002, were reported fully and accurately by me, and that this is a correct transcript of the same.

RE: COMMITTEE OF THE WHOLE

Lisa C. Bradley, RPR
and Notary Public