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COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON HOUSING, NEIGHBORHOOD DEVELOPMENT
AND THE HOMELESS

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Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, April 18, 2006, 10:35 a.m.

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PRESENT:

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COUNCILWOMAN JANNIE BLACKWELL
COUNCILWOMAN DONNA REED MILLER
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILWOMAN MARIAN TASCO

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15 Bill No. 050871

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COUNCILWOMAN BLACKWELL: Good

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morning. We thank you all for being

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here. This is a continuation of a

5

recessed hearing with regard to

6

Resolution No. 050871 on housing

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reorganization. We will ask the clerk to

8

read the title of the bill.

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THE CLERK: Resolution 050871

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calling on the Committee on Housing,

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Neighborhood Development, and The

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Homeless to hold public hearings on the

13

administration's proposed reorganization

14

of housing agencies.

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COUNCILWOMAN BLACKWELL: Thank

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you very much. All of us know why we are

17

here. We certainly want to thank all of

18

those represented who are here. We see,

19

of course, your president, Veronica

20

Pankey, Local 1971.

21

(Applause.)

22

COUNCILWOMAN BLACKWELL: We

23

want to thank our housing agencies.

24

They're always here, Tony McIntosh, PHDC,

25

PRDC.

1 Bill No. 050871 - 4/18/06

2 (Applause.)

3 COUNCILWOMAN BLACKWELL: Herb
4 Wetzel, RDA.

5 (Applause.)

6 COUNCILWOMAN BLACKWELL: We
7 want to thank Lawrence Rust, BIA, and all
8 of our other special guests who have
9 taken time out. We want to thank Sherman
10 Harris, DC-33.

11 (Applause.)

12 COUNCILWOMAN BLACKWELL: And
13 certainly all who are here. We're now
14 going to ask the administration in the
15 persons of Kevin Hanna, secretary of
16 Housing and Neighborhood Preservation,
17 and Catherine Califano, deputy secretary
18 of Housing and Community Development, if
19 they would come to the witness chair. We
20 note for the record that we have asked
21 for a comparison of the housing units --
22 the housing departments and benefits. We
23 have here in our presence a chart that
24 has the agencies, OHCD, PHDC, RDA, DC-33
25 and DC-47, and the issues listed on

1 Bill No. 050871 - 4/18/06
2 this -- we just got this last evening at
3 our request -- were bargaining units,
4 hours worked, compensation plan, vacation
5 leave, holidays, health insurance, life
6 insurance, and pension. And certainly we
7 are concerned about the whole issue of
8 housing reorganization, how these -- a
9 comparison between the departments and a
10 cost. And we call on Mr. Hanna to
11 respond with regard to this chart and how
12 it affects housing reorganization.

13 MR. HANNA: Councilwoman, my
14 name is Kevin Hanna. I serve as
15 secretary of the Office of Housing and
16 Neighborhood Preservation. As you said,
17 pursuant to your request, we provided a
18 chart which essentially outlines certain
19 aspects of the union contracts held with
20 OHCD, PHDC, the Redevelopment Authority,
21 along with DC-33 and DC-47 for certain
22 components of the contract. We're
23 prepared to answer any questions you
24 might have, any clarification questions
25 you might have on the contract, but I

1 Bill No. 050871 - 4/18/06
2 need to emphasize that we cannot on
3 advice of counsel and on instructions of
4 the Mayor, we cannot negotiate or discuss
5 in any real detailed terms what's
6 contained in this document. Those kinds
7 of discussions, those kinds of
8 negotiations are reserved for a specific
9 forum, which would include the union and
10 its negotiating team for RDA, PHDC, and
11 OHCD, and our negotiating teams. Those
12 discussions have, in fact, been taking
13 place all during these hearings over the
14 past couple of months or so.

15 COUNCILWOMAN BLACKWELL: Let me
16 say that we have continued each and every
17 hearing. And let me say that on
18 November 15, 2005, December 8, 2005,
19 February 9, 2006, March 16, 2006, this
20 committee has met, that is, the Committee
21 on Housing, Neighborhood Development and
22 The Homeless have held hearings on the
23 administration's proposal to reorganize
24 the City housing agencies. We have
25 continued to recess and to reopen these

1 Bill No. 050871 - 4/18/06
2 hearings to talk about the whole issue of
3 housing reorganization and never have we
4 proposed to negotiate for the union.
5 We've been very clear about that. We
6 know that Veronica Pankey and all the
7 union presidents understand how to do
8 their business and we understand our
9 role. Our role is to deal with the
10 housing departments --

11 (Applause.)

12 COUNCILWOMAN BLACKWELL: And we
13 have continued to say one question that
14 I'll begin this hearing with and one
15 question that I'll end this hearing with,
16 and that is, where is the report?

17 (Applause.)

18 COUNCILWOMAN BLACKWELL: We
19 asked for a copy of this chart on the
20 various issues because the administration
21 has declined to specify the impact on
22 labor and the issue of whether or not
23 there are layoffs involved, how employees
24 and residents of our city deal with being
25 transferred. Since the administration

1 Bill No. 050871 - 4/18/06
2 says they're trying to make sure that
3 everybody is provided for and protected,
4 we want to know in regard to these
5 departments if transferring them around,
6 how that impacts their benefits, how that
7 impacts their lifestyle, how that impacts
8 their salary. That is what we're doing.
9 We're not trying to negotiate the
10 contract because we understand our role,
11 but still this is the fifth hearing and
12 we'll have a sixth one after this if
13 we're not satisfied.

14 (Applause.)

15 COUNCILWOMAN BLACKWELL: But we
16 wanted to make sure that residents of our
17 city who live, who work here, and who are
18 committed to our city as are we are
19 protected. That's our job to do that.

20 The Chair notes that
21 Councilwoman Marian Tasco is here. We
22 thank her for being present this morning.

23 (Applause.)

24 COUNCILWOMAN BLACKWELL: As you
25 know, Mr. Hanna, at our last hearing we

1 Bill No. 050871 - 4/18/06
2 had someone who will be 55 next year who
3 has 36 years in and was worried about
4 being transferred from RDA to another
5 department and how that affects her whole
6 lifestyle. She was crying. I've had so
7 many people who have been crying about
8 the issue. And certainly we ask you to
9 respond as to the plans in terms of
10 housing reorg and how it affects people
11 who are here and people who are not here
12 and their job and their job protection.

13 MR. HANNA: First of all, in
14 response to your question a couple
15 minutes ago, that of when the report will
16 be made available or made available to
17 the Council and the public, we expect
18 that that report along with the year 32
19 consolidated plan will be made available
20 by the end of this week. As for how that
21 affects individuals specifically,
22 obviously I can't speak to that right
23 now, but the Mayor has. And I echo his
24 commitment to sit down and speak to each
25 individual who will be affected by this

1 Bill No. 050871 - 4/18/06
2 reorganization one way or the other,
3 first of all, to ascertain what their
4 individual situation is and to do what we
5 can to either soften or minimize whatever
6 the negative effects might be. That's
7 the Mayor's commitment. That's the
8 commitment he made I guess it was last
9 month or several weeks ago when he came
10 into our meeting downstairs. And that's
11 the commitment that I echo here this
12 morning.

13 COUNCILWOMAN BLACKWELL: But,
14 Mr. Hanna, how can the Mayor do it in
15 reverse? How can you bring us a report
16 Friday when it's already done without
17 talking in advance to the workers? We
18 all know about the meeting that happened
19 and we all know about the discord that
20 came out of that meeting. You can't
21 reorganize -- it doesn't help if you meet
22 with somebody and say even though you
23 have nine years in, we're going to
24 transfer you and you have to start your
25 benefits all over again. That doesn't

1 Bill No. 050871 - 4/18/06

2 help --

3 (Applause.)

4 COUNCILWOMAN BLACKWELL: It
5 doesn't help when you deprive people of
6 their benefits, their salaries when you
7 transfer them and say on Monday you have
8 to report X place at a lower salary at a
9 different job description. It's not
10 fair. It's not moral. And you can't do
11 that to the residents of our city.

12 (Applause.)

13 COUNCILWOMAN BLACKWELL: And I
14 certainly thank God that when you give
15 the report on Friday that goes before
16 finance committee even though we're in
17 the Committee on Housing, Neighborhood
18 Preservation and The Homeless, on finance
19 committee that's my committee as well.
20 And we're going to have something to say
21 about any report that does not include a
22 unified plan where everybody's included.
23 That's our job to do that.

24 (Applause.)

25 COUNCILWOMAN BLACKWELL: Is it

1 Bill No. 050871 - 4/18/06
2 true that the administration is then or
3 will be based on your report that you'll
4 have this -- that you will give us a copy
5 of all this finally on Friday, is it true
6 that the administration will be
7 requesting that unionized housing
8 employees resign their positions and
9 reapply for new positions under the
10 Office of Housing and Neighborhood
11 Preservation?

12 MR. HANNA: No, ma'am. I spoke
13 to that I think one of the last times I
14 was up here. The statement that I had
15 made in the negotiating session was
16 erroneous. That won't be a requirement
17 that people resign their positions.

18 COUNCILWOMAN BLACKWELL: Then
19 are we to assume if people won't be
20 required to resign their positions, are
21 then we to assume that they will be --
22 they will maintain their current
23 positions in their current departments?

24 MR. HANNA: I'm sorry. I just
25 want to make sure I understand your

1 Bill No. 050871 - 4/18/06

2 question. Will people be required to --
3 I'm sorry, Councilwoman. Would you mind
4 repeating your question?

5 COUNCILWOMAN BLACKWELL: You
6 just said that people will not be --
7 housing employees will not be asked or
8 required to resign their positions and
9 reapply for new positions under OHNP.
10 Will they be required to apply for new
11 positions under any other housing agency?

12 MR. HANNA: Well, the way I
13 envision the process working,
14 Councilwoman, is that the CDBG budget --
15 well, the consolidated plan as it has for
16 the past 31 years will outline our
17 proposal as to how to spend those federal
18 dollars, CDBG, HOPWA, and home dollars as
19 well as state and other financial
20 resources. We have less money this year
21 as I have been stating all along. We
22 have less money due to nobody's fault in
23 this room or in this state. We outline
24 how we intend to spend that money. Each
25 year we allocate so much money for

1 Bill No. 050871 - 4/18/06
2 programs, so much money for
3 administration, so much money for program
4 delivery. That consolidated plan will
5 specify how we propose that money to be
6 spent. Now, as far as the individual
7 agencies who are represented in this room
8 are concerned, there's less money and so
9 there will be less money going to each
10 agency. It will be up to the agency to
11 figure out and determine how they decide
12 to spend the administrative and program
13 delivery money that will be allocated to
14 them from the Office of Housing and
15 Community Development. That's always
16 been the way it's worked. It's just that
17 this time we'll have less money.

18 COUNCILWOMAN BLACKWELL: Does
19 that then mean that each department will
20 be required to deal themselves with the
21 personnel issues? Is that the plan?

22 MR. HANNA: Define department
23 because there's a personnel department or
24 are you defining RDA as a department?

25 COUNCILWOMAN BLACKWELL: RDA,

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2 PHDC, and OHCD. Will those department
3 heads be required to deal with their own
4 budgets in their own way?

5 MR. HANNA: Yes, to a large
6 extent. Remember, though, PHDC, RDC,
7 OHCD all do the will of the City of
8 Philadelphia. PHDC can't decide on its
9 own to start running a McDonald's
10 franchise or something. Each of those
11 organizations are designed to fulfill a
12 specific purpose as prescribed to them by
13 the City of Philadelphia and its chief
14 executive officer, the Mayor. So, yes,
15 to some extent they'll have some
16 discretion, but to a larger extent they
17 need to work within the parameters that
18 are -- that will be communicated to them
19 by the administration.

20 COUNCILWOMAN BLACKWELL: I
21 don't know what that means.

22 (Applause.)

23 MR. HANNA: That means, Madam
24 Chairwoman, that RDA, PHDC were created
25 for specific purposes. They need to

1 Bill No. 050871 - 4/18/06
2 continue to administer programs that were
3 assigned to them, that will be assigned
4 to them. The amount of money that's
5 provided to them to carry out those
6 specific purposes will be less. They
7 need to work with the administration in
8 an effort to figure out how best to
9 utilize the resources, the money that is,
10 in fact, going to be allocated to them.
11 They can't just by themselves go off and
12 decide to do A, B, and C when Council
13 might want them to do X, Y, and Z.

14 COUNCILWOMAN BLACKWELL: But
15 that's common sense. We have experienced
16 department heads. Each of the people who
17 heads our departments have been in office
18 almost, you know -- I don't know. What's
19 the least amount of time anybody's been
20 here? Maybe 15 years. They've been here
21 15 years, 20 years, 25 years. They
22 understand their jobs. And they
23 understand their role in communicating
24 with the Mayor and with his
25 administration. So I don't know what

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2 that means. I don't understand your
3 response. They've always worked with the
4 administration as has this Council.
5 We've always worked with the
6 administration. We understand the
7 administration spends money. We
8 negotiate. We're the legislators. We
9 make the laws. And we understand that
10 the Mayor has the authority to spend it
11 and they do too. Nobody works outside of
12 the framework of government. So I don't
13 understand your response.

14 MR. HANNA: I'm sorry. With my
15 limited vocabulary, that's the best I can
16 do to try to explain it to you.

17 COUNCILWOMAN BLACKWELL: I'll
18 defer to Councilwoman Tasco and then I'll
19 come back with additional comments and
20 questions.

21 COUNCILWOMAN TASCO: I'm just
22 going to stumble here because I don't
23 really know what I'm asking, so bear with
24 me. This whole discussion about the
25 reorganization began how long ago?

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2 MR. HANNA: Personally, it
3 started when I was hired.

4 COUNCILWOMAN TASC0: What day
5 was that?

6 MR. HANNA: December of 2002.

7 COUNCILWOMAN TASC0: At that
8 point was the financial consideration,
9 the cost, one of the reasons for the
10 reorganization?

11 MR. HANNA: Yes, that was one
12 of the reasons, not the only reason,
13 maybe not even the primary reason, but
14 that was one of the reasons for looking
15 at reorganizing.

16 COUNCILWOMAN TASC0: So what
17 was the primary reason?

18 MR. HANNA: There were a couple
19 different reasons. One reason was to try
20 to eliminate redundancy where it existed.
21 Another reason was to try to keep as much
22 money -- in fact, this was the primary
23 reason, to keep as much money in
24 programs, money on the streets as
25 possible, and try to I wouldn't say

1 Bill No. 050871 - 4/18/06
2 minimize but at least limit the amount of
3 money that was needed in the bureaucracy
4 so more money could be spent on programs.

5 COUNCILWOMAN TASC0: You gave
6 us a chart here that shows the various
7 hours and compensation and vacation and a
8 comparison with the department. Didn't
9 the unions, each department negotiate
10 their contracts themselves? I mean, it
11 seems here that it shows RDA supposedly
12 has a more liberal benefit package, but
13 wasn't that because of the leadership of
14 the union? They get punished because
15 they're able to negotiate a better
16 contract?

17 MR. HANNA: It's been our
18 practice in the past to have a different
19 negotiating team for PHDC, RDA, and OHCD.
20 What you have in front of you, what we're
21 dealing with in terms of the respective
22 union contracts is a result of those
23 individual and respective negotiations.

24 COUNCILWOMAN TASC0: So the
25 team who had RDA -- I don't know how to

1 Bill No. 050871 - 4/18/06

2 say this -- negotiated a stronger
3 contract?

4 MR. HANNA: The team who had
5 RDA negotiated that contract.

6 COUNCILWOMAN TASC0: So, now,
7 you said earlier about the employees
8 having to resign their positions. How do
9 you reorganize to reach your goal? In
10 the plan that you are going to submit,
11 how are you going to reorganize RDA
12 without some massive layoffs?

13 MR. HANNA: The reorganization
14 can't be looked at in a vacuum. The
15 reorganization needs to also be looked at
16 along with the fact that the federal
17 government will provide to us starting
18 July 1 \$7,818,000 less than they provided
19 to us July 1, 2005, to June 30, 2006, the
20 year we're currently in. Even if there
21 was no reorganization, we'd still have to
22 deal with a \$7.8 million cut in funding.

23 COUNCILWOMAN BLACKWELL: But,
24 Mr. Hanna, remember, your reorganization
25 you stated at previous hearing would only

1 Bill No. 050871 - 4/18/06
2 take care of 1.2 million, so you still
3 have some \$5.8 million deficit.

4 (Applause.)

5 MR. HANNA: Let me finish
6 responding to Councilwoman Tasco's
7 question. Even without reorganization,
8 we would need to deal with this huge cut
9 in our funding. I've said publicly, I've
10 said in negotiating sessions that it
11 would be very, very difficult to deal
12 with a \$7.8 million without there being
13 some layoffs of some kind somewhere of
14 some number, so you can't blame any
15 layoffs on reorganization. It's unfair
16 to blame layoffs on reorganization.

17 You know, to your comment,
18 Councilwoman Blackwell, referring to
19 the \$1.2 million that would be saved
20 through reorganization, that was only one
21 aspect of the savings. The other aspects
22 will be outlined by the end of the week
23 in the report that you'll receive.
24 Another way, however, to look at
25 that \$1.2 million is to say that if it

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2 weren't for that \$1.2 million that comes
3 as a result of reorganizing, then that
4 many more people would need to be laid
5 off. In other words, if we didn't fix
6 the phone system, if we didn't
7 consolidate the fleet, if we didn't take
8 these other nonpersonnel steps, then that
9 money would have to be saved someplace
10 else. And, again, the choices are take
11 it from programs or take it from
12 delivery.

13 COUNCILWOMAN BLACKWELL: But we
14 have a surplus in this year's budget.
15 Why can't we go to the general fund and
16 keep people working?

17 (Applause.)

18 COUNCILWOMAN BLACKWELL: It's a
19 matter of priorities for us. You know,
20 in a moral society people have to do the
21 right thing and that's what -- and the
22 final analysis, you can't say you have a
23 surplus and then have people who live and
24 work and have given their lives for the
25 city and lay them off. It's wrong. It

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2 still comes down to a matter of
3 priorities. We have to do the right
4 thing. And leaders have to lead. That's
5 from my level, from your level, and from
6 the administration level.

7 (Applause.)

8 COUNCILWOMAN BLACKWELL: I
9 don't know. We've asked on November 15,
10 December 8, February 9, and March 16, at
11 all four times we've asked for this
12 housing report and we haven't received
13 it. Now we're told we'll get it but
14 we'll get it after you have all the
15 changes in mind. That's wrong,
16 Mr. Hanna. And it's wrong for people who
17 have worked with this administration.
18 I've been around longer than I care to
19 name, but people who have been partners
20 in trying to establish a housing agenda
21 and tried to revitalize and refurbish
22 neighborhoods, it's wrong for you to
23 disrespect us in this way by not --

24 (Applause.)

25 COUNCILWOMAN BLACKWELL:

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2 Councilwoman Tasco, I saw you talking and
3 thought you were finished. Councilwoman
4 Tasco?

5 COUNCILWOMAN TASCO: No, I
6 hadn't finished. Let's say as you look
7 at the staffing of RDA, how many
8 employees would be leaving through the
9 DROP and through attrition and how many
10 dollars would that save? Has an analysis
11 been done of that?

12 MR. HANNA: How many people are
13 leaving RDA through --

14 COUNCILWOMAN TASCO: Have you
15 looked at DROP and looked at attrition in
16 terms of that and what financial impact
17 it would have on RDA's budget?

18 MR. HANNA: We know that
19 approximately eight people are expected
20 to leave the RDA either through DROP or
21 retirement over the next couple of years
22 or so.

23 COUNCILWOMAN TASCO: Has there
24 been --

25 MR. HANNA: I'm sorry. That's

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2 actually over the next couple of months.

3 COUNCILWOMAN TASC0: Has there
4 been an analysis of the number of people
5 who are leaving in the DROP program now
6 this year and how many vacancies you have
7 that you plan not to fill? Has that been
8 taken into consideration?

9 MR. HANNA: Talking overall for
10 RDA, for PHDC --

11 COUNCILWOMAN TASC0: Yeah, for
12 all of them.

13 MR. HANNA: Yes. We took all
14 of that into consideration in coming up
15 with the plan, the consolidated plan that
16 you'll be presented with by the end of
17 this week. All that's been taken into
18 consideration.

19 COUNCILWOMAN TASC0: Well, how
20 many employees are new employees in your
21 office, Housing and Neighborhood --

22 MR. HANNA: How do you define
23 new?

24 COUNCILWOMAN TASC0: The last
25 five years.

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2 MR. HANNA: I couldn't tell you
3 how many people. I don't know. I
4 couldn't tell you how many people have
5 been hired over the last five years. We
6 can provide that to you.

7 COUNCILWOMAN TASC0: But if you
8 were hiring new people in your office and
9 you knew you were going to have a
10 deficit, why were you hiring new people?

11 MR. HANNA: A number of people
12 that have been hired have been hired to
13 replace people who have retired or
14 otherwise left from the Office of
15 Housing.

16 COUNCILWOMAN TASC0: But we
17 knew last year the community development
18 grant dollars were being cut, so now
19 you've hired new people in your office
20 but some people in RDA may have to go
21 because of the decrease in the community
22 development block grant --

23 MR. HANNA: No, I think that's
24 something of a misrepresentation. At
25 OHCD, folks have been hired at OHCD.

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2 Over the past couple years, folks have
3 left. Not everybody at OHCD -- I'm just
4 using that as an example -- that left
5 have been replaced one for one. If you
6 look at the number of people at OHCD who
7 were at OHCD in 2004 and look at the
8 number of people at OHCD now, there are
9 fewer people net at OHCD now than there
10 were in 2004.

11 COUNCILWOMAN TASC0: But the
12 people who were hired, were they at a
13 salary level that may have equaled more
14 than those people who left?

15 MR. HANNA: No, no. The whole
16 purpose for releasing -- well, not
17 replacing certain people and releasing
18 certain people was that so OHCD -- and,
19 again, I'm just using that as an
20 example -- so that OHCD's administrative
21 number would be less.

22 COUNCILWOMAN TASC0: So we'll
23 see that when you submit your budget that
24 there will be a decrease in the
25 administrative costs of OHCD in terms of

1 Bill No. 050871 - 4/18/06
2 staffing over the last five years?

3 MR. HANNA: What you'll see by
4 the end of the week is how we propose to
5 spend the money that has been allocated
6 to the City of Philadelphia, which
7 obviously takes into consideration
8 the \$7.8 million less this year than last
9 year. What you'll see is how we propose
10 to spend that money, ma'am.

11 COUNCILWOMAN TASCO: Okay. I
12 don't know where the Chair went. Thank
13 you.

14 COUNCILWOMAN REYNOLDS BROWN:
15 Thank you, Councilwoman Tasco.

16 Good morning. I was trying to
17 get my arms around this upstairs. I just
18 need to ask a couple questions which may
19 have well been asked before, but I need
20 for the record. State for me the labor
21 organization most impacted and the name
22 of the locals most impacted for the
23 record to the labor representative at the
24 table.

25 MR. HANNA: Local 1971

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2 represents the employees at the Office of
3 Housing. When I say "Office of Housing,"
4 I include RDA, PHDC, and OHCD. Local
5 1971 represents all the employees at the
6 Office of Housing. Now, as to who will
7 be affected, each of the organizations,
8 RDA, PHDC, and OHCD, will be affected by
9 both reorganization and the cut in
10 funding.

11 COUNCILWOMAN REYNOLDS BROWN:
12 And of Local 1971, that's the umbrella,
13 if you will, the umbrella local?

14 MR. HANNA: I'm not sure I
15 understand the question.

16 COUNCILWOMAN REYNOLDS BROWN:
17 That's my reason for trying to get my
18 arms around the facts.

19 According to testimony here, it
20 also states that District Council 33
21 AFL-CIO will also be potentially impacted
22 by this new plan. Is that not so?

23 MS. METZLER: Just to clarify,
24 my name is Mary Theresa Metzler. I'm an
25 attorney at Ballard, Spahr and I have

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2 been involved in the contract
3 negotiations to some extent.

4 COUNCILWOMAN REYNOLDS BROWN:

5 Can you talk louder, please?

6 MS. METZLER: Yes. The
7 bargaining units are represented at --
8 there are various bargaining units at
9 RDA, PHDC, and OHCD, and they are all
10 represented by different collective
11 bargaining agreements, but they all
12 happen to be represented by AFSCME Local
13 1971, that's the local, and separate
14 bargaining units at each of the three
15 agencies.

16 COUNCILWOMAN BLACKWELL: I see
17 Ms. Pankey shaking her head. Would you
18 clarify who represents whom? Could you
19 come to the table a moment and clarify?
20 Thank you.

21 (Applause.)

22 COUNCILWOMAN BLACKWELL: Thank
23 you very much.

24 MS. PANKEY: Yes. Good
25 morning. I understand they have a

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2 limited vocabulary so I'm going to help
3 them a little bit. Our proper name, our
4 proper legal description is AFSCME Local
5 1971. We are an affiliate of not only
6 AFSCME but also that of District Council
7 33 and of the AFL-CIO. The only local
8 that will have -- I'm not going to say
9 the only local because we're limited on
10 how all will be affected. We know that
11 we will have the greatest impact on this
12 reorganization, that is, Local 1971.
13 Whether they choose to put us in any
14 other local within the city is rumor.
15 And the reason I state that it's rumor is
16 because not only the Mayor but members of
17 this administration have chose to have
18 conversation with all other union leaders
19 other than those who are affected as to
20 what's going to happen with the displaced
21 employees. I have yet to be -- we have
22 yet to be approached as to what is going
23 to happen to those of us who do not go
24 into the other -- who does not go into
25 this new entity. If, in fact, we are

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2 going to any other agency within the city
3 and if it's their intention to put us in
4 a unionized position, then, in fact, the
5 impact is not only going to be felt by
6 Local 1971, it would potentially be
7 affected by any other local within the
8 city which could fall under either
9 District Council 33 or District Council
10 47. But we haven't been given that
11 information. But when you look at the
12 reorganization as we see it today, as you
13 see it, the only local right now is Local
14 1971 that has a direct impact on the
15 reorganization. How we're going to be
16 dispersed, we will then be able to
17 determine what other locals and what
18 other councils will be affected as a
19 result of that placement.

20 COUNCILWOMAN REYNOLDS BROWN:
21 And when you say they will decide what
22 other locals we go to, who is they?

23 MS. PANKEY: The City
24 administration. They seem to be the ones
25 holding the cards. As you know, we

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2 always asked to be a part of this process
3 and have not been given an opportunity.
4 And I think from my position very seldom
5 in the business world does the
6 businessman get the opportunity to have
7 cooperation, especially from those that
8 are going to be directly impacted by what
9 we consider to have an adverse effect on
10 us. Recognizing from day one this would
11 have an adverse effect on us, we have
12 asked to be a part of this process. It
13 is this administration that chose to
14 limit us, pretty much not even include us
15 when they feel like they're backed into a
16 corner because they're being questioned
17 from other individuals, clearly not from
18 our own questions.

19 COUNCILWOMAN REYNOLDS BROWN:
20 Are you suggesting then that you will not
21 learn until the formal plan is released,
22 only at that time will you learn where
23 those other places those employees will
24 be placed to, shifted to? Is that what I
25 hear you saying?

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2 MS. PANKEY: I can assure you
3 not even when the plan is released this
4 week or next week or whenever it's going
5 to be released I will not know where the
6 individuals are going to be placed.

7 COUNCILWOMAN REYNOLDS BROWN:

8 Thank you for your testimony.

9 (Applause.)

10 COUNCILWOMAN BLACKWELL:

11 Councilwoman Tasco, were you still
12 raising questions? Thank you very much.

13 I believe that Mr. Hanna was
14 truthful when he said this started when
15 he was hired in '02. And, in fact, as
16 they say, hindsight's always 20/20, but
17 from reading the old Brophy reports and
18 these housing reorganization task force
19 documents that we've managed to come
20 across, it seems to us that I agree that
21 Mr. Hanna was probably hired under the
22 Office of Housing and Neighborhood
23 Preservation, under that title because
24 that was the plan from '02 to now to
25 reorganize in that way.

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2 Is that your opinion,

3 Mr. Hanna?

4 While he's coming forward, we
5 note that Councilwoman Blondell Reynolds
6 Brown is here.

7 (Applause.)

8 COUNCILWOMAN BLACKWELL: As
9 well as Councilwoman Donna Reed Miller.

10 (Applause.)

11 MR. HANNA: Councilwoman, when
12 I was hired back in December of '02, that
13 was the title. As I was interviewing for
14 the job back in '02, that was the title
15 of the position for which I was
16 interviewing. Now, as to the motives or
17 why that particular title was chosen, I
18 can't speak to that, but that was the
19 position for which I interviewed.

20 COUNCILWOMAN BLACKWELL: I
21 believe now that that was the plan for
22 these years why you were hired, to bring
23 us to where we are today, and I still
24 resent the fact -- I sat in the luncheon
25 on your interview. I sat on the

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2 luncheon --

3 MR. HANNA: I remember that.

4 COUNCILWOMAN BLACKWELL: --

5 where a couple candidates were
6 interviewed. And certainly it is very
7 disappointing to put it nicely to feel
8 that the whole plan was to bring us to
9 where we are now. It's just worse now
10 because of the Bush administration
11 cutting 7.8 million, but that the whole
12 plan from the beginning was to do housing
13 reorganization at this level. And I
14 don't know how many cuts they planned on
15 doing, but never to make us full partners
16 in the process but only to
17 administratively do what those at the
18 top, what the administration and
19 yourselves think should happen, and yet
20 we're out there in the neighborhoods
21 every day representing neighborhoods in
22 addition to the employees. And it's our
23 responsibility to try to rebuild
24 neighborhoods, but we're not partners in
25 the process. That's absolutely wrong.

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2 I'll continue to say that. And I'll
3 continue to resent it. There's no reason
4 why we should have to be here on a fifth
5 hearing. We started this process last
6 November. And I'll continue to say it.
7 It's unfair that we have to be here, that
8 people have to take off from work to talk
9 about their job security --

10 (Applause.)

11 COUNCILWOMAN BLACKWELL: --
12 when we have tried to be partners in the
13 process to revitalize the city. It's the
14 only way a city can move forward. In
15 other cities, I have documents from other
16 cities and they have programs where they
17 show in Boston and Pittsburgh and other
18 places, I have documents that show where
19 cities receive partnerships for millions
20 and billions of dollars to do housing
21 development. Why could we not have a
22 partnership with the administration where
23 we put on the table our partnership, the
24 amount of money we need to redo
25 neighborhoods, and not have to be in an

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2 adversarial position where the
3 administration, the executive and
4 legislative branches, are fighting and
5 the people are pawns, the workers are
6 pawns in the middle? Why does it have to
7 be this way?

8 (Applause.)

9 COUNCILWOMAN BLACKWELL: I
10 continue to believe that people who mean
11 well and want the best for the city can
12 work together. I don't understand why
13 we're here. I don't understand. We have
14 to continue to fight. I don't understand
15 why I have to plan another hearing, which
16 we've already done for May 2 at 10:000
17 because obviously we're not going to
18 allow ourselves to receive a report on
19 Friday and just assume we move forward
20 and that everything's okay. That's not
21 fair. We feel, Mr. Hanna, that in spite
22 of all of this that we're being smacked
23 in the face because you continue to move
24 full steam ahead. You know, from
25 November 15 to December 8 to February 9

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2 to March 16 to today, April 18, we've
3 said where's the report. We've continued
4 to say where's the report, where's the
5 plan, show us the documents, work with
6 us. We're your partners. We have
7 staffs. We're all in the same city. Why
8 can't we have worked together? Why would
9 you insult our intelligence by finally
10 giving us in your time frame and your
11 time table a report that will come out on
12 Friday? What do you expect -- how do you
13 expect us to view it and how do you
14 expect us to feel about you issuing this
15 report still at your time table? We're
16 already in April. We know we have the
17 hearings and the CDBG hearings that come
18 up. And we feel that you've just
19 continued along the same path and said,
20 well, in spite of their hearings, we'll
21 try to get people to stay away, you know,
22 it's kind of lonely up here, we try to
23 get people to stay away and we'll try to
24 make sure that no matter what happens
25 that things don't change. We'll just cut

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2 back. We'll just reorganize. They'll
3 find out when they find out. And because
4 they love their neighborhoods and want
5 funding so much, they're forced to go
6 along.

7 (Applause.)

8 COUNCILWOMAN BLACKWELL: I
9 don't know what you expect from us, but I
10 think that many people in this Council
11 have been telling me that they've kind of
12 had enough and they're willing to --

13 (Applause.)

14 COUNCILWOMAN BLACKWELL: And
15 I'm speaking about district councilpeople
16 as well. I represent a district, but we
17 district councilpeople have had enough as
18 well as those at large who have the whole
19 city to keep in mind. And we're willing
20 to put our concerns on the table. You
21 cannot treat our neighborhoods and the
22 people who work here this way. You just
23 can't do it.

24 (Applause.)

25 COUNCILWOMAN BLACKWELL: In the

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2 report we are to get on Friday, what will
3 you be asking of us? Just to give you
4 our opinion on what we think for it?
5 Will you be asking then for the public
6 hearings on CDBG? What do you view as
7 the next steps in this negotiation
8 effort?

9 MR. HANNA: What will be
10 provided to you is again through the
11 consolidated plan for year 32 our
12 proposed method of spending the federal,
13 state, and local dollars that are
14 available to the City of Philadelphia for
15 housing. In addition to the consolidated
16 plan, you'll be provided the consultant's
17 report, better term for it would be their
18 findings and the work that they've done.
19 Over the past -- this is April now --
20 three months or so, we've met with
21 various constituents, constituencies, to
22 include Council people, to share with you
23 the proposed reorganization. That was
24 the Power Point presentation. That
25 presentation, the reorganization that was

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2 contemplated with that presentation --
3 well, we had asked for input from folks,
4 all kinds of folks on that presentation
5 and on that proposed reorganization.
6 Over the past couple of months, we've
7 received input, to include from the
8 union. We've received input from various
9 folks on that proposed reorganization.
10 The elements of that proposed
11 reorganization are factored into the year
12 32 consolidated plan.

13 COUNCILWOMAN BLACKWELL: Mr.
14 Hanna, that Power Point that was very
15 long and very detailed didn't seem to
16 leave -- it was your report. It didn't
17 lend itself to input or elaborative
18 agreements by anybody. It was your
19 saying this is it and that's the way
20 we're proceeding in the future.

21 Councilwoman Blondell Reynolds
22 Brown, you had a question.

23 MR. HANNA: Before the
24 Councilwoman speaks, I need to respond to
25 that statement. In every single instance

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2 where I presented that Power Point
3 presentation, every single instance I
4 prefaced the presentation with this
5 statement that this is the, quote,
6 proposed reorganization. We're providing
7 it to you, whether you are City Council
8 people, whether you are BIA, whether you
9 are whomever. All the folks to whom that
10 was presented, I prefaced that
11 presentation with you're being provided a
12 version of the proposed plan. It's
13 proposed because the Mayor has asked me
14 to go out, make these presentations to
15 you all to get your input. The Mayor
16 reserves the right to tweak, to overhaul
17 the proposed plan based upon your input I
18 said at each and every one of those
19 presentations. People who have wanted to
20 provide their input, their comments on
21 the proposed plan have done that over the
22 past couple of months or so.

23 COUNCILWOMAN BLACKWELL: But
24 Mr. Hanna, you continued to say the Mayor
25 won't let me respond, the Mayor won't let

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2 me tell you, the Mayor won't, the Mayor
3 won't, the Mayor won't, the Mayor won't
4 make up his mind, so we've had no
5 opportunity to input because you have
6 given us nothing to respond to. We still
7 have never received a document, never.
8 Every time we raise the question, you
9 say, well, the Mayor says we can't say
10 this, we can't respond, the Mayor -- if
11 we push further, we've been told the
12 Mayor had not made his decisions.
13 Therefore, we've been at a disadvantage.
14 You need something to respond to. You
15 know, that Power Point, I don't know,
16 that Power Point was so long and detailed
17 I don't really know what it said yet.
18 And we wanted a document. We asked for a
19 document. We've been asking for a
20 document since November 15, December 8,
21 February 9, March 16, and April 18. The
22 questions have been the same. We believe
23 that we have a right to respect a copy of
24 the plan -- to receive a copy of the
25 plan, and we believe that it is

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2 intentional we haven't because now we'll
3 get a copy of the plan along with the
4 CDBG, the application. So we feel that
5 was the plan from the beginning to just
6 wait, drag it out, make it wait, and
7 force us to vote for it. That's wrong.

8 (Applause.)

9 MR. HANNA: Councilwoman, we
10 need to make a distinction between the
11 proposed reorganization plan -- that's
12 what was presented in the Power Point
13 presentation -- and the consultant's
14 report. The consultant's report is
15 what's going to be provided by the end of
16 the week. The consultant's report goes
17 into the detail as to their method for
18 gathering information. It goes into
19 detail as to the findings that they got
20 from the surveys that they did. It goes
21 into some detail as to the findings that
22 they got from talking to municipalities
23 outside of Philadelphia, outside of the
24 City of Philadelphia. That report
25 details their methodology for

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2 recommending what they recommended. The
3 proposed reorganization, that which
4 you've called very long and very
5 detailed, that's what was presented to
6 you via the Power Point. You're
7 certainly within your right to require,
8 to demand a copy of the consultant's
9 report, their methodology, their
10 findings. And we'll make that available
11 to you, but to represent that we have not
12 provided details of the proposed plan,
13 we've done that. You've just said that
14 we've provided that in some detail.

15 COUNCILWOMAN BLACKWELL: Mr.
16 Hanna, you have not. You have not.
17 Nobody cares more about the issue of
18 housing -- I don't know anybody who cares
19 more than I do. Lucien Blackwell started
20 the homeless program in the City of
21 Philadelphia.

22 (Applause.)

23 COUNCILWOMAN BLACKWELL: We're
24 committed. We believe everybody in this
25 city and certainly in this nation has a

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2 right to have a decent place to live.

3 MR. HANNA: Absolutely.

4 COUNCILWOMAN BLACKWELL: Nobody
5 comes in my office without someplace to
6 go. It may not be the Taj Mahal, but
7 nobody comes in my office without
8 someplace to go. That's my commitment to
9 God and to people.

10 (Applause.)

11 COUNCILWOMAN BLACKWELL: We
12 work with everybody. As you know, we
13 work with homelessness, the Mayor's
14 ten-year plan to end homelessness. We
15 established our own many years ago. We
16 work on everything available. No
17 consultant asked me my opinion on
18 anything.

19 (Applause.)

20 COUNCILWOMAN BLACKWELL: I
21 mean, there are those of us who care.
22 Why could not we be the partners that we
23 project? I've extended myself. I'm a
24 partner in this. You all just don't
25 accept us as such, but we are partners in

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2 this issue. We're partners in the area
3 and we are partners in the arena to
4 improve the quality of life for all
5 people. I learned a long time ago if the
6 bottom comes up, the top has to rise.
7 I'm clear where my commitment is and I'm
8 clear to whom I am committed. I'm clear
9 about my job and clear about my mission.
10 We deserve the right -- in a partnership,
11 it means we have full rights. That means
12 we're included. You know, you can't say
13 that it's okay for me to fight to get it
14 passed and after we pass it I don't have
15 anything else to say. You can't do that.
16 It's not right. It's not fair. It's not
17 fair to put us in this position. We
18 shouldn't have these people take off from
19 work. And now we're getting ready to go
20 into the same thing with biosolids in the
21 water department. Why are we having all
22 these union problems in our city with
23 civil employees?

24 (Applause.)

25 COUNCILWOMAN BLACKWELL: And

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2 nobody can expect, neither you nor
3 anybody in the administration can expect
4 us to fight the very people who elect and
5 send us here. We're not going to do
6 that.

7 (Applause.)

8 COUNCILWOMAN BLACKWELL: You
9 should extend yourself to us as we do to
10 you all the time because we want to do
11 the right thing for the right reasons. I
12 believe in God. And job or no job, we're
13 going to be here to try to do the right
14 thing and try to help people and work for
15 people, but we shouldn't have to fight
16 you to do that, shouldn't have to do
17 that.

18 Councilwoman Reynolds Brown.

19 COUNCILWOMAN REYNOLDS BROWN:
20 To the Committee Chair's comment, the
21 consultant as best I understand it did
22 not meet with members of Council. Can
23 you share with us who they did meet with
24 in light of the fact Councilwoman Jannie
25 Blackwell chairs this committee and as

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2 already indicated has a long-standing
3 reputation with housing issues?

4 COUNCILWOMAN BLACKWELL:

5 Councilwoman Tasco.

6 COUNCILWOMAN TASCO: I'd like
7 to know who the consultant is.

8 COUNCILWOMAN BLACKWELL: She's
9 asking who the consultants are, and
10 there's another question asked with whom
11 they met. Would you release that
12 information who the consultants are and
13 with whom they met?

14 MS. CALIFANO: My name is
15 Catherine Califano. I'm deputy secretary
16 of the Office of Housing. The
17 consultants met with all of the
18 management -- managers of the three
19 agencies. They met with the boards of
20 PHDC and the Redevelopment Authority.
21 They also met with organizations that
22 work closely with the Office of Housing
23 and the Redevelopment Authority and PHDC,
24 including other City departments. They
25 met with the head of PHA and some CDC

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2 groups. They're all named in the report
3 that you'll see on Friday. The team was
4 led by public financial management, the
5 reinvestment fund, and there's four other
6 consulting groups that were also part of
7 the team, Lamar Wilson and his
8 organization, Allred Consulting, which
9 helped on our personnel assessment
10 issues. And we have two other consulting
11 team members and I'm forgetting -- Val
12 Piper from Piper and Associates.

13 COUNCILWOMAN REYNOLDS BROWN:
14 Were any members of the labor community
15 talked with about the type of information
16 the consultants were seeking? Were they
17 a part of the survey?

18 MS. CALIFANO: In addition to
19 doing one-on-one interviews, the
20 management team met with the labor
21 leadership and talked about the
22 reorganization process. It invited
23 members to participate in what we called
24 our process teams. Our process teams
25 allowed over 50 employees with a mixture

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2 from both the Redevelopment Authority,
3 PHDC, and OHCD to meet for six weeks with
4 the consultants to look at various
5 aspects of the work. So there were line
6 employees from all three agencies a part
7 of the process team activities.

8 COUNCILWOMAN REYNOLDS BROWN:
9 Friday we will get the consultant's
10 report and then the proposed
11 reorganization will be a part of the
12 budget testimony for our budget hearings?

13 MR. HANNA: That's correct.

14 COUNCILWOMAN REYNOLDS BROWN:
15 Thank you, Madam Chair.

16 COUNCILWOMAN BLACKWELL: Thank
17 you.

18 Councilwoman Miller.

19 COUNCILWOMAN MILLER: Hi. Good
20 morning. Thank you.

21 MR. HANNA: Good morning.

22 COUNCILWOMAN MILLER: I keep
23 hearing the union say and staff say at
24 the housing agencies that they really did
25 not have any input, and in the past when

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2 other administrations have attempted
3 reorganization, that they've had more
4 input, they worked together. Is there
5 some reason why that didn't happen this
6 time? To me, when we got the -- when we
7 saw the Power Point and nothing was
8 written, then I kind of felt like it was
9 all confidential and maybe that's why we
10 haven't seen a written document for us to
11 examine and have input. Now, I did send
12 a letter. Hopefully, you got copies of
13 that. I sent it directly to the Mayor's
14 office in terms of my input. But it
15 seems like there's a piece missing here.
16 Everyone from the union says they were
17 not a part of the reorganization plan,
18 got no input. I overheard some of the
19 workers talking when they left the
20 hearing one day on the way to the
21 elevator, and I don't know who but one
22 woman said that -- I guess she was
23 probably one of the 50. You said it was
24 50 employees?

25 MS. CALIFANO: Yes.

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2 COUNCILWOMAN MILLER: But once
3 she realized something was going on that
4 made her very uncomfortable, she stopped
5 participating. So it seems to me that
6 something has happened that turned people
7 off, made people not want to participate,
8 and felt that they were being excluded.
9 And I just don't think that's the way we
10 do a reorganization.

11 (Applause.)

12 MR. HANNA: Councilwoman, we
13 can provide you with the dates that we
14 met with employees, union officials, have
15 met with those folks over the past couple
16 of years since this reorganization effort
17 started in earnest. We can't right now
18 because we just don't remember them off
19 the top of our head, but I'll be more
20 than happy to provide you with them. As
21 to why certain folks decided to
22 participate or not participate,
23 obviously, like the young lady you saw at
24 the elevator bank, you'd have to ask them
25 specifically why or why not. Obviously,

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2 some folks are unhappy with the process,
3 unhappy with the way that the
4 administration has tried to reach out.
5 To say that we haven't tried, though, I
6 think is untrue. It's okay I think to
7 take a stand one way or the other as to
8 the extent to which we've tried to reach
9 out. That's okay. I mean, different
10 people with different opinions will have
11 varying opinions on how that process
12 worked, but the administration, to
13 include, well, me, the folks sitting
14 around me here, have, in fact, made some
15 effort to try to reach out to try to get
16 input from folks. Again, you can take a
17 stand as to whether or not you think it's
18 been legitimate or enough. Certainly,
19 people judge you all every day as to
20 whether you are doing enough no matter
21 how much you're doing in your respective
22 districts. So I take that criticism and
23 I'm not offended by it at all. But we
24 have, in fact, tried to reach out over
25 the past 18 months, two years or so. We

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2 have, in fact, offered opportunities to
3 folks in the Office of Housing to
4 participate in the process. And at this
5 point I think it's important for folks to
6 understand, to realize, folks all over
7 this room, no matter how you feel about
8 me, no matter how you feel about the
9 Mayor, what you need to understand, what
10 you need to remember is that we have less
11 money this year than we have in the past.
12 Given the pot of money, given the pot of
13 money, given the pot of money, given the
14 pot of money, given the pot of money that
15 we have to work with, some very difficult
16 decisions have to be made. As the
17 secretary of housing, it's my job to make
18 some of those decisions or at least make
19 recommendations for how those decisions
20 ought to be made. Ultimately, it's the
21 Mayor's decision, but it's my job as
22 secretary of housing to make these
23 decisions. Agree with them, disagree
24 with them, it depends on your perspective
25 obviously, but we've tried over this

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2 process, in this process to do the best
3 we can with what we have to work with.
4 We are at this point. We're going to
5 have to make certain decisions. Good or
6 bad, we are at this point.

7 COUNCILWOMAN BLACKWELL: Mr.
8 Hanna, could you tell us who you have
9 hired and their salaries since assuming
10 your position?

11 (Applause.)

12 COUNCILWOMAN BLACKWELL: We
13 know that you --

14 MR. HANNA: Madam Chairwoman,
15 I've been here since December 2002. We
16 have currently somewhere around 300, 310
17 employees. I'd be hard-pressed to tell
18 you all of the people who have been hired
19 over the past three and a half years.

20 COUNCILWOMAN BLACKWELL: I'm
21 talking about OHNP, Office of Housing and
22 Neighborhood Preservation, your
23 department only, your management level.
24 I'm not talking all the various housing
25 agencies, just yours.

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2 MR. HANNA: The only two people
3 that have been hired to the Office of
4 Housing and Neighborhood Preservation
5 have been Catherine Califano, my deputy,
6 and Madeline Massi, my executive
7 assistant.

8 COUNCILWOMAN BLACKWELL: I'm
9 told there are other people. Is it not
10 true that Mr. Gibson or someone named
11 Davenport were hired? They don't work
12 for OHNP?

13 MR. HANNA: Richard Gibson
14 works for the finance department. He's
15 been detailed to the Office of Housing
16 just as we have attorneys who work for
17 the City Solicitor who have offices at
18 the Office of Housing and Community
19 Development. Andy Davenport has been
20 hired to work for the Office of Housing
21 and Community Development, OHCD. Cathy
22 just reminded me Mr. Gibson is actually
23 funded out of the general fund. He's not
24 funded out of the block grant dollars.

25 COUNCILWOMAN BLACKWELL: So in

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2 your department you're saying you have
3 yourself and Ms. Califano only?

4 MR. HANNA: And my executive
5 assistant as far as OHNP are concerned.

6 COUNCILWOMAN BLACKWELL: So far
7 as OHNP. Is this your plan -- in the
8 information we will receive on Friday,
9 will it indicate that there is an
10 increase in your staff?

11 MR. HANNA: Yes. As we've been
12 providing in the Power Point
13 presentation, as I've been explaining to
14 everybody that I've presented that
15 proposed plan to, yes. The proposal is
16 to decrease the number of people who are
17 at RDA and PHDC and to consolidate
18 offices, consolidate departments into the
19 Office of Housing and Neighborhood
20 Preservation.

21 COUNCILWOMAN BLACKWELL:
22 Councilwoman Miller's asking for the
23 rationale and I'm asking about how it
24 affects where they are now and their
25 pensions and their benefit packages.

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2 Will these people in this plan receive at
3 least what they have now?

4 MR. HANNA: That's a
5 negotiating question, Madam Councilwoman,
6 and I can't get into it at this meeting.

7 COUNCILWOMAN BLACKWELL:
8 Councilwoman Miller has a question.

9 COUNCILWOMAN MILLER: I think I
10 remember in the Power Point that all four
11 housing agencies will still remain
12 intact: your office, RDA, PHDC, OHCD;
13 correct?

14 MR. HANNA: OHCD will be
15 subsumed into OHNP, so there will no
16 longer be a --

17 COUNCILWOMAN BLACKWELL: Can't
18 hear you. Repeat that please.

19 MR. HANNA: OHCD it is proposed
20 to be subsumed into the Office of Housing
21 and Neighborhood Preservation, so OHCD
22 goes away.

23 COUNCILWOMAN MILLER: So then
24 the only one that won't be around then is
25 OHCD; correct?

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2 MR. HANNA: Correct.

3 COUNCILWOMAN MILLER: So
4 shifting people, though, from one --
5 basically, people will end up doing the
6 same tasks but maybe under OHNP or
7 whatever? What are those initials?

8 MR. HANNA: The Office of
9 Housing and Neighborhood Preservation.

10 COUNCILWOMAN MILLER: Well, you
11 know more about this than I do, but it
12 just seems very confusing, a little bit
13 redundant. The same people will be doing
14 the same work only under now a different
15 agency or maybe not, but it just doesn't
16 seem -- and maybe it's because I haven't
17 seen the consultant's survey --

18 COUNCILWOMAN BLACKWELL: Nobody
19 has.

20 COUNCILWOMAN MILLER: -- which
21 lays out the rationale for the plan.

22 COUNCILWOMAN BLACKWELL: Mr.
23 Hanna, you just said that the departments
24 would have to determine where -- if it's
25 not through attrition or for retirement,

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2 they would have to determine how they
3 shrink their departments. How does that
4 interplay -- interface with you still
5 trying to reorganize the departments? So
6 you want to reorganize the departments
7 plus cut them? I don't understand.

8 MR. HANNA: First of all, the
9 departments will find out the amount of
10 monies that are going to be provided for
11 them for general administration and for
12 program delivery.

13 COUNCILWOMAN BLACKWELL: I
14 mean, in other words, it sounds like you
15 want to reorganize the departments, take
16 their people from them or gut their
17 departments, and then say this is how
18 much money you have so they're done.
19 They can't do anything.

20 (Applause.)

21 COUNCILWOMAN BLACKWELL:
22 They're stuck. If you take somebody's
23 money away, naturally they can't
24 function. If you take their money and
25 their employees away, what can they do?

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2 And then you say it's your decision.

3 Well, they have no choice.

4 MR. HANNA: Certain

5 responsibilities, Madam Councilwoman, are

6 going to be consolidated into the Office

7 of Housing and Neighborhood Preservation.

8 This is what was shown on the Power Point

9 presentation. There are certain

10 departments that exist in each of the

11 existing groups. There are three human

12 resource departments, there are three

13 legal departments, and so on. Certain of

14 those responsibilities will be

15 consolidated into the Office of Housing

16 and Neighborhood Preservation and taken

17 out of RDA and PHDC.

18 COUNCILWOMAN BLACKWELL: So

19 what happens to the director position of

20 OHCD?

21 MR. HANNA: What happens to the

22 director? There will no longer be a

23 director of OHCD. That position, that

24 job responsibility goes away.

25 COUNCILWOMAN BLACKWELL: So

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2 what happens to that job then, for
3 example?

4 MR. HANNA: That job goes away.
5 There will be five deputies for lack of a
6 better term.

7 COUNCILWOMAN BLACKWELL: Five
8 deputies under OHNP?

9 MR. HANNA: Yes, ma'am. For
10 development, for administration, there
11 will be a CIO, legal counsel, and one
12 other, planning. The thing you need to
13 remember, however, is of all of the
14 management positions in the new
15 reorganized office of housing, if you
16 take all of those boxes, there will be
17 fewer of those than there are currently
18 if you took all of the boxes, all the
19 management positions at RDA plus PHDC
20 plus OHCD.

21 COUNCILWOMAN BLACKWELL: Mr.
22 Hanna, I really, really resent it. We
23 still -- we talk about assessors when we
24 try to get properties done. We have
25 basic level jobs that we need filled.

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2 And yet through all of this we've talked

3 about overlap, duplication. All the

4 departments are willing to deal with that

5 as an issue. Where we can consolidate,

6 where we can streamline, that's okay.

7 Everybody was willing to work in that

8 regard. We said this at our first or

9 second hearing. Everybody's always

10 willing to give. And when people mean

11 well, compromise is always possible

12 because everybody gives a little, but

13 here the administration's giving nothing.

14 You have given nothing. This is the

15 same -- these are the same fears that we

16 learned about last year. And what again

17 that you and the administration have

18 shown, you've shown us that you've just

19 kept full steam ahead, you're going to do

20 what you want to do, treat people the way

21 you want, deal with City Council however

22 you want to because we want to fund our

23 neighborhoods. It is the most shameful,

24 undermining, disgusting, disappointing

25 experience, one of the most that I've

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2 ever endured.

3 (Applause.)

4 Councilwoman Tasco.

5 COUNCILWOMAN TASCO: In 1993

6 you weren't here, but there was a
7 reorganization. So tell me, to your
8 knowledge, why are we reorganizing what
9 was reorganized in 1993? And I read this
10 someplace that there have been several
11 attempts to reorganize. It goes one way,
12 depends on this Mayor, and then in 2008
13 we're going to have another Mayor. It
14 just seems that we're so late in the
15 process. And this started in 2002. This
16 is, what, four years later. And so when
17 the next Mayor comes, he's going to look
18 at it maybe and maybe reorganize that and
19 we spend a lot of money with the
20 consultants and everybody, probably
21 spent \$1.2 million on the consultants to
22 get the job done. So what is the
23 difference in this reorganization and
24 that reorganization?

25 MR. HANNA: Lots of things have

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2 changed since 1992, '93. Technology, for
3 instance, technology allows us to do a
4 lot of things today that we couldn't do
5 back in 1992. To ignore certain
6 technology improvements and continue to
7 do things in 2006 the way we did them in
8 the early '90s speaks to the inefficient
9 or inefficiencies of the way we're doing
10 things right now. So technology has
11 changed. I have no idea how much money
12 we were receiving in 1992 or 1993. I
13 would imagine that in the late '90s,
14 earlier this decade we peaked in terms of
15 the amount of money that we get from the
16 federal -- from all sources, from federal
17 sources, state sources. We're probably
18 never going to see those levels again in
19 terms of funding. If we don't do
20 something to react to technology, to the
21 lack of funding, then -- well, in my view
22 if we don't do it now, I don't know when
23 it will get done. And as I said, when I
24 was hired, this was one of the
25 responsibilities that was given to me.

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2 COUNCILWOMAN BLACKWELL: Mr.

3 Hanna, you can't in '07 when this term is
4 up, you can't do this effective '07 and
5 then we all run in '07. You can't
6 organize the last year of a term. If it
7 had happened when you came in '02, we
8 could have some discussion, but you can't
9 do it at the end of a term, the last year
10 of a term and make other people think you
11 have their intentions in mind that you
12 want to do the right thing. You can't do
13 it the last year of an administration.
14 It doesn't make sense. We don't buy it.
15 We don't trust it. We don't believe in
16 it. Someone just gave me a note that
17 this reminds them of the creation of
18 Homeland Security and FEMA not --

19 (Applause.)

20 COUNCILWOMAN BLACKWELL: We all
21 know what happened with the Hurricane
22 Katrina. It's just unfair to expect that
23 in year '07 you reorganize, the last year
24 of this administration, and think that
25 any new Mayor or that anybody's going to

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2 have any faith in it. You don't do
3 business like that. Scripture says don't
4 let your good be evil spoken of. If this
5 is good, we don't see it. You can't
6 expect us to believe this is anything
7 that helps anybody.

8 (Applause.)

9 COUNCILWOMAN BLACKWELL: It's
10 so unbelievable that we could just do
11 away with departments and create -- the
12 only thing that I'm sure is not touched
13 is the Vacant Property Review Committee
14 because City Council created that one in
15 1976. So that's the only thing that's
16 salvaged, I assume. Am I correct?

17 MR. HANNA: VPRC is salvaged?

18 COUNCILWOMAN BLACKWELL:
19 Nobody's touching that? That's the one
20 we created.

21 MR. HANNA: That was created by
22 City Council. We couldn't dissolve it if
23 we wanted to.

24 COUNCILWOMAN BLACKWELL: That's
25 the only thing we end up -- that's the

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2 only thing that's salvaged because
3 Council created that, but it does not
4 mean we are happy to do away with various
5 departments, create these deputies. If
6 it is so good, Mr. Hanna, and I say again
7 to you, to all of you here and to the
8 administration, if it's so good, what's
9 the secret? What's been the secret? The
10 scripture says and I said before you
11 spread the good news. If it's been so
12 good, why has it been such a secret since
13 last year? Why haven't we been able to
14 buy in, to have a partnership, to be
15 co-creators, to be partners in a plan to
16 improve the way our city operates, the
17 housing departments, the way we deliver
18 services, all our neighborhood programs
19 that we enjoy, and to have a better
20 relationship in terms of employees of the
21 city? How can you not expect us to not
22 believe that you're operating in the best
23 interest of us, of the employees, and of
24 the city residents? How can you not
25 expect us to question it or to think that

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2 you're not working in our best interest?
3 How can you not expect it? I don't
4 understand it. I don't understand it.

5 COUNCILWOMAN TASCO: Madam
6 Chair?

7 COUNCILWOMAN BLACKWELL:
8 Councilwoman Tasco.

9 COUNCILWOMAN TASCO: A few
10 years back when we were in City Council
11 dealing with item pricing with Councilman
12 Cohen, we had three bills that we voted
13 on, sent three bills to the Mayor and
14 asked him to sign one. I think it was
15 three. Since we have to approve the OHCD
16 budget, you might want to think about
17 having two plans because you need nine
18 votes.

19 (Applause.)

20 COUNCILWOMAN TASCO: I suggest
21 you have one without the reorganization
22 and one with the reorganization because
23 you need to get nine votes. And I don't
24 know where people are, where they'll be,
25 but we always get this at the end of our

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2 term. And you have to have it passed
3 before I think October or sometime to
4 send to Washington and all of that. And
5 I don't intend to be here through July
6 like I was last year so I hope that you
7 all give it some thought and maybe the
8 Mayor will entertain having two bills.

9 (Applause.)

10 COUNCILWOMAN BLACKWELL: Thank
11 you, Councilwoman.

12 I've been checking with our
13 colleagues and they seem to feel as we
14 do. Nobody likes a secret plan. Nobody
15 likes to be left out of the process. And
16 I don't know anyone who says I support
17 housing reorganization. I haven't talked
18 to one Councilperson who says I'm for it.

19 (Applause.)

20 COUNCILWOMAN BLACKWELL: I
21 haven't talked with anybody who's willing
22 to accept something blindly and be told
23 we have to vote it out immediately. It's
24 not fair. We just had enough. It's not
25 fair for the administration to expect us

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2 to do that. And it's not fair to think
3 that we who have tried our best to work
4 in concert with you could be treated like
5 this and expect to support a plan that we
6 know nothing about that reorganizes, that
7 guts everything, and we're not going to
8 do it. We're just not going to do it.

9 (Applause.)

10 COUNCILWOMAN BLACKWELL: I
11 believe we tried to make our position
12 clear. I assume that you've heard us.
13 This is a serious issue. And it's
14 serious when you deal with the
15 livelihoods of people who live and work
16 in the city. It's serious when you
17 threaten the programs that we fought so
18 hard for. It's serious when we have to
19 fight all the time year in and year out
20 for decisions on programs and where we
21 don't feel that we've been dealt with
22 honestly and forthrightly.

23 Let me ask, is there anyone
24 else here who would like to testify?
25 We're going to now ask Veronica Pankey,

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2 President of 1971, to come forward and
3 testify.

4 (Applause.)

5 COUNCILWOMAN BLACKWELL: I hope
6 as you take your seats that you have
7 heard us. We're serious about this
8 issue. It's one to which I have a
9 commitment and I've heard nothing to
10 convince me otherwise. We have no
11 intention to give up or to give in when
12 it comes to housing reorganization and
13 how it affects our people.

14 (Applause.)

15 COUNCILWOMAN BLACKWELL: As I
16 say whenever I'm in tough battles, I
17 always say I'm not afraid to lose, I'm
18 only afraid not to do the right thing.
19 We're going to try to do the right thing.
20 We're going to fight. We can win or we
21 can lose. And we pray to God that we
22 win, but we're going to stand for what's
23 right. We're not afraid to do that.
24 Thank you for your patience.

25 Please identify yourself to our

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2 record again, Ms. Pankey, and begin your
3 testimony.

4 MS. PANKEY: Good morning. My
5 name is Veronica Pankey. I'm president
6 of AFSCME Local 1971. This is Joseph
7 Wills. He's vice president of AFSCME
8 Local 1971. We don't have prepared
9 written testimony today, but we just
10 wanted to respond to some of the comments
11 that was presented by the administration
12 regarding this reorganization.

13 Since last testimony on
14 March 16, there has been two meetings
15 which we have reported out to you at that
16 hearing on the 16th that was scheduled
17 for the 21st, 22nd, and 23rd of March.
18 On the 21st of March, we were asked by
19 Mr. Hanna -- and let me just preface this
20 by stating he did all the speaking at
21 this meeting. No one from the -- no one
22 else from the administration had any
23 participation. I know Mr. Herrin had a
24 few comments he wanted to add, but
25 Mr. Hanna clearly demonstrated that he

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2 would take responsibility for handling
3 this meeting. And in this meeting on the
4 21st, Tuesday the 21st, the question by
5 the administration, Mr. Hanna directly,
6 was, what is Local 1971's concept on the
7 restructure? I don't want to know what
8 your feeling is on the restructure, on
9 this reorganization. I just want to know
10 your concept on the chart, the
11 restructure. And what the union did on
12 that particular day is we went through
13 that 15-page Power Point and we presented
14 him questions and concerns that we had
15 with each page starting with Page No. 1
16 and the \$7.8 million deficit. We asked
17 for detailed information as to how much
18 was program and how much was
19 administrative cost of this deficit for
20 each one of the three housing agencies.
21 We couldn't get the information. They
22 didn't have that information. We
23 asked -- went into the structure of the
24 chart and asked them a question. Their
25 concept which they talked about today,

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2 three finance departments, three
3 personnel departments, in their structure
4 that they presented to us, they show that
5 there will be remnants left back at PHDC
6 and the Redevelopment Authority. And our
7 question was based on the structure that
8 you're presenting to us, how do you
9 expect that the personnel transactions
10 and the fiscal transactions are going to
11 be done back at these particular
12 agencies, and his response to us was we
13 have to rethink that. There was several
14 questions that was presented that we
15 haven't gotten an answer at this point.
16 And our hope is that we're going to have
17 a followup meeting.

18 Those meetings were extended to
19 all three agencies to participate, OHCD,
20 PHDC, and the Redevelopment Authority.
21 When we got to the meeting on the 21st of
22 March, the Redevelopment Authority
23 representatives were there. David Thomas
24 and Herb Wetzel and the union
25 representatives were there. We were

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2 waiting for Mr. Hanna and his team to
3 come in. While we're sitting there,
4 Redevelopment Authority is getting up and
5 leaving. We asked them why aren't they
6 staying and they told us the new
7 technology, the Blackberry, just received
8 a message they were uninvited with no
9 explanation. So Mr. Hanna and his team
10 comes in and we asked for an explanation
11 of that. And they stated -- he stated
12 they wanted to deal with us on an agency
13 by agency basis and the first was dealing
14 with OHCD issues. We accept that because
15 based on the contract, we have joint
16 labor management committees and they are
17 dealt with on the agency as it pertains
18 to their issues. So that was fine with
19 us, but we also made it clear that we do
20 expect to have meetings with the other
21 two agencies as it pertains to their
22 issues. We don't expect that the
23 concepts and the issues that we discuss
24 at OHCD is going to be the same for that
25 of PHDC and the Redevelopment Authority.

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2 Each agency has their own issues, but to
3 date we have not gotten any followup
4 meetings scheduled nor have we finished
5 conducting the business as pertains to
6 OHCD.

7 On the 22nd of March, we went
8 into the meeting and the meeting was
9 opened by Mr. Hanna again and this was
10 still dealing with just OHCD issues. And
11 his question to the union was, what does
12 the union want to see happen in this
13 reorganization? And we stated to him
14 that's our exact same question. How do
15 you plan to have this transition take
16 place? And the response was we don't
17 know. We're three months away from the
18 end of the fiscal year. You talk about
19 a \$7.8 million deficit. You don't know
20 the breakdown of this deficit as it
21 pertains to program and administration
22 cost, as it pertains to Redevelopment
23 Authority, OHCD, and PHDC. You don't
24 know how you're going to get the
25 individuals over to the new agency. You

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2 have no concept. And this is his
3 response to me -- to us was we don't know
4 what level of staffing we will need at
5 the new entity. They did state to us
6 that the Mayor has intentions to want to
7 sit down with each one of the individuals
8 and discuss with them the impact that
9 this would have and what it is they
10 currently do in their positions.

11 We made it clear then and I'm
12 going to make it clear again if it was
13 not understood. Individuals in the
14 positions that they held were hired based
15 on the job specs that they currently
16 have. There is no need to ask and they
17 will not be permitted for this
18 administration, be it the Mayor,
19 Mr. Hanna, or any other individual to
20 meet with any member of this union
21 regarding the work that they do. It is
22 clear. We were hired based on an
23 agreed-upon job spec, agreed by both
24 management and the union. That is the
25 position that we currently hold. That is

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2 the position that they need to look at in
3 terms of filling the level of employment
4 at this new entity and anywhere we intend
5 to go. And if we choose, if we choose to
6 have to take a position below based on
7 our layoff rights to demote in lieu of a
8 layoff, that is something we would
9 consider. What this administration is
10 stating is they want to revise our job
11 specs prior to filling our position in
12 this new entity. We can't agree to that.
13 We don't have a contract so how can we
14 agree to any revisions of our current
15 contract language, which our current
16 contract language clearly says that we
17 must agree on any revisions to a current
18 job specification. And if we can't
19 agree, we go to the Civil Service
20 Commission for them to make a
21 determination. That has not even been a
22 consideration by this administration. It
23 is their choice, their desire to want to
24 meet with the individuals and make a
25 determination based on the feedback they

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2 have gotten and assumptions they have --
3 they the administration have made in
4 order to determine what job fits these
5 individuals along with what benefit
6 package is going to go with that and what
7 salary. And that we cannot and will not
8 agree to.

9 As it pertains to these
10 committees they formed, yeah, they met us
11 with us back in February of 2005 when we
12 had the Power Point and they told us at
13 that point that they were at phase two of
14 this whole consultant process. And they
15 stated that they wanted to form these
16 committees and they said that the
17 committees would be comprised of
18 employees on a volunteer basis. Members
19 of labor, yes, they did join while some
20 of them -- some who did not join, they
21 were solicited by Cathy Califano. They
22 were called on the phone and asked to
23 join and those members declined joining.
24 Most of the members that did join, they
25 wind up pulling out of the committee.

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2 And as Councilwoman Miller stated, she
3 wonders why. And I'll make it clear.
4 They found out that they were being used,
5 that these consultants were stealing
6 their knowledge in terms of how they do
7 their job. It was clearly not because
8 they were interested in making this a
9 smooth transition, in making this not
10 have any adverse effect on their position
11 but clearly how they currently do their
12 job and how they were going to
13 incorporate this in their new agency and
14 make any revisions to it that they see
15 fit. And as a result of that, we later
16 found out that, in fact, that's exactly
17 what they were doing, that the
18 administration was meeting with their
19 attorneys to revise job specs and even
20 abolishing this bargaining unit. That
21 was information that we discovered. This
22 administration has never even to this
23 date allowed us to be a part of the
24 process just as Council. It's been after
25 the fact. They have their package

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2 already bundled up with the ribbon on it
3 and then they ask for our input. In our
4 opinion, they're just going through the
5 formality. They have no interest in what
6 it is is needed in this process, none
7 whatsoever. We continue to ask to be a
8 part of the process. It's clear that --
9 it's clear to us that they're
10 bottlenecked to some point because if, in
11 fact, they had all their ducks lined up
12 in a row in order for this to take place,
13 it clearly should have been implemented.
14 This has been going on based on our notes
15 for eight years, eight years and nothing
16 is in place. When Mr. Hanna came in in
17 2003, there already had been distributed
18 in December 2001 a reorganization based
19 on NTI. And if you look at the structure
20 that's in this 2001 point, it is the same
21 restructure chart that was in the Power
22 Point that we got in March. It's nothing
23 different. It's nothing different. His
24 explanation might be different, but when
25 you look at this structure, it's nothing

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2 different. Five years later and it's
3 still not in place. What is the problem?
4 The issue from the union's position is
5 just then as it is now they chose not to
6 want to deal with labor. And they
7 realize now that they have to and they're
8 doing as little as possible to deal with
9 us. We will not sit down. We will not
10 lay down and die and roll over and be
11 ignored. We are the backbone. We are
12 the nuts, the bolts of getting the jobs
13 done in this city. The developments that
14 are happening, the emergency repair
15 programs that's going on, anything
16 pertaining to housing for the most part
17 is dealing mostly with that of the
18 Redevelopment Authority, PHDC, and the
19 Office of Housing and Community
20 Development. We will not be ignored. We
21 have never said no to a reorganization.
22 We're not saying no now. But we are not,
23 we are not going to commit to anything
24 that we do not have knowledge of. We
25 cannot and we will not, and we will not

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2 allow this administration to continue to
3 disrespect us, to continue to treat us
4 unfairly, and to continue to give us
5 limited participation in this process.
6 I'm certain that this Council has seen
7 and this administration has clearly seen
8 that we have been demonstrating,
9 vocalizing our position and we will
10 continue. And the bottom line is that if
11 you take us down, we will not go down
12 without a fight.

13 (Applause.)

14 COUNCILWOMAN BLACKWELL: Thank
15 you very much.

16 We're going to ask Mr. Hanna to
17 come back. We have just another few
18 questions to ask you.

19 Thank you very much.

20 MS. PANKEY: Thank you.

21 COUNCILWOMAN BLACKWELL: Mr.
22 Hanna, the 1991 report and/or the 1992
23 Brophy reorganization report, based on
24 the 1991 report, I have one, is this how
25 the housing agencies will be reorganized

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2 in terms of the report we receive on
3 Friday?

4 MR. HANNA: I don't have a copy
5 of the Brophy report or the report that
6 Ms. Pankey just alluded to.

7 COUNCILWOMAN BLACKWELL: You
8 don't have a copy of that. Can you tell
9 us --

10 MR. HANNA: Madam Councilwoman,
11 the proposed plan -- Ms. Pankey has
12 pointed out a couple of very good points,
13 that as a result of input from folks we
14 saw the need to -- human resources is a
15 good example. Fiscal is another example.
16 There is the need to maintain some
17 element of those two departments, at
18 least those two departments in RDA and
19 PHDC. She accurately alluded to the fact
20 that at that meeting we said, well, we
21 acknowledge that and are going to adjust,
22 modify the proposed plan accordingly.
23 But having said that, the proposed plan,
24 the one that again I've shown to a bunch
25 of different people, the proposed plan

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2 does a pretty good idea of outlining what
3 the administration wants to do and how we
4 plan to try and get it done. Again, I
5 haven't looked at the Brophy plan for a
6 while because I've been focused on this
7 plan for the past couple years or so so I
8 can't really tell you whether or not this
9 looks like, a lot like the other one. I
10 can say that this plan is based on
11 current information, not information that
12 the Brophy report was dealing with back
13 in the early 1990s.

14 COUNCILWOMAN BLACKWELL: Can
15 you tell us how many people will be cut
16 from each department?

17 MR. HANNA: No, I cannot tell
18 you that right now.

19 COUNCILWOMAN BLACKWELL: Can
20 you tell us how much money will be cut
21 from each agency?

22 MR. HANNA: No, I cannot tell
23 you that right now.

24 COUNCILWOMAN BLACKWELL: Can
25 you tell us with regard to job

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2 descriptions how they interact with the
3 reorganization?

4 MR. HANNA: At the Office of
5 Housing and Neighborhood Preservation,
6 there will be some new positions created.
7 Yes, we need to create job descriptions
8 for those positions. At the Office of
9 Housing and Neighborhood Preservation,
10 there are going to be some
11 responsibilities that are going to be
12 brought in from RDA and PHDC. Those jobs
13 will not be exactly what they are at RDA
14 and PHDC.

15 COUNCILWOMAN BLACKWELL: Can
16 you tell us how you can -- and we know
17 that the union hasn't gotten a contract
18 in years and it was to get to this point
19 when this could happen. But having said
20 that, can you tell us how you can
21 reorganize when people are hired under
22 one job description and how you can
23 transfer them to another, if they're
24 hired under one job description now, how
25 you intend to transfer them to another

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2 job with another job description?

3 MR. HANNA: That's something
4 we're going to have to negotiate with the
5 unions -- well, the union.

6 COUNCILWOMAN BLACKWELL: Given
7 the fact that you said we'll get these
8 reports on Friday, how can you give us a
9 report with people with job descriptions
10 that have changed without having
11 negotiated it with the union?

12 MR. HANNA: No. What you'll
13 get by Friday, not on Friday but by
14 Friday is the consultant's report in
15 addition to the consolidated plan. We've
16 never in the consolidated plan gone into
17 detail as to people's job descriptions
18 with a consolidated plan. What we say to
19 you, Council, is here are the resources
20 that we have available, here is how we
21 propose to spend that money.

22 COUNCILWOMAN BLACKWELL: Yes.
23 You talk about in the consolidated plan
24 various programs.

25 MR. HANNA: Correct.

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2 COUNCILWOMAN BLACKWELL:

3 Various city programs. But obviously if
4 you are -- well, what will the consultant
5 report include then?

6 MR. HANNA: The consultant
7 report will include the methodology for
8 coming to the conclusions that they came
9 up with, how they went about doing the
10 survey, the results of the survey.

11 COUNCILWOMAN BLACKWELL: So
12 then the consultant report will include
13 all these cuts and all this transfer --

14 MR. HANNA: No.

15 COUNCILWOMAN BLACKWELL: Where
16 will all that be?

17 MR. HANNA: All that will be
18 included in the consolidated plan. I
19 mean, we've got to present to you how we
20 propose to spend the money that we have
21 available to us. That as always is going
22 to be presented in the consolidated plan.

23 COUNCILWOMAN BLACKWELL: So, in
24 other words, we'll get a consultant
25 report that will say we decided to

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2 reorganize and then we'll get the
3 consolidated plan with all of it
4 reorganized and the rub is in the middle,
5 we got to figure out who's cut, where
6 they work, where they're transferred to,
7 and all of that, so we still won't be
8 given a breakdown of how what has
9 happened?

10 MR. HANNA: In the consultant's
11 report, you'll get essentially the logic
12 for the reorganized office of housing.
13 In the consolidated plan, you'll receive
14 our proposed way to spend the money. The
15 consolidated plan will also include the
16 reorganized office of housing, how we
17 propose to reorganize, meaning what
18 positions we plan to bring in under the
19 Office of Housing and Neighborhood
20 Preservation from RDA and from PHDC, what
21 departments are going to be consolidated
22 from RDA and PHDC into the Office of
23 Housing and Neighborhood Preservation.
24 As far as job descriptions are concerned,
25 again, that's something we need to

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2 negotiate, we plan to negotiate with the
3 union.

4 COUNCILWOMAN BLACKWELL: The
5 question is when will you be meeting with
6 them and negotiating with them if you're
7 going to give us by Friday reports of
8 everything already done? So when will
9 this happen? Under the guise of what
10 kind of meetings or plans will this
11 happen if you give us reports by Friday
12 with everything done?

13 MR. HANNA: If we were to try
14 to negotiate job specs before we give you
15 the plan, the reorganized plan, in my
16 mind that's putting one before the other.
17 If we were to negotiate the job specs
18 with the union, firm those up, and then
19 come to you, Council, and say this is a
20 fait accompli, this is the way we want to
21 reorganize, these are the job specs, in
22 my mind again that's backwards. It makes
23 more sense for us to come to you to
24 propose the way we're going to spend the
25 money and based on that proposition go

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2 back to the union and negotiate those
3 jobs that are created by the proposed
4 plan. If we were to try to negotiate the
5 jobs before we had a plan, again, that's
6 counter-intuitive.

7 COUNCILWOMAN BLACKWELL: Well,
8 we believe that we've been given a fait
9 accompli already and that it's pretty
10 obvious that in the spirit of cooperation
11 and negotiations there's been a violation
12 from the beginning. Again, we say we're
13 very disappointed in all that we have
14 heard. It has been apparent that as
15 chair that I've been ignored. It's been
16 apparent that this committee has been
17 ignored and that this Council has been
18 ignored in this whole process of housing
19 reorg. We deeply regret it and we feel
20 it is unfortunate that we have to be put
21 in a position of fighting the
22 administration in this plan. We
23 understand the parameters of our
24 authority, but we also realize that this
25 is wrong. It's wrong the way it was

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2 done. The spirit of it has been wrong.
3 The plan is wrong in its lack of
4 inclusion. We think it's wrong the city
5 residents have to fight their own
6 government. We're not a party to that.
7 We don't agree with it. And what we're
8 going to do as we end this hearing is we
9 will say that we will look for that
10 report. We're going to recess this
11 hearing until May 2 at 10:00 when we will
12 begin this issue again. After we have
13 received it, after we've had a chance to
14 review it, certainly we hope that all of
15 those here will be able to come back
16 again. And we hope, Mr. Hanna, that you
17 will let the Mayor and the administration
18 know how deeply we regret and more than
19 that we resent what has been happening
20 and we resent not being included in the
21 process and we resent any housing
22 reorganization that does more to divide
23 than it does to bring us together.
24 Having said that, then this hearing is
25 recessed until May 2 at 10:00. We thank

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2 you all for coming and God bless you.

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CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence, and objections are
contained fully and accurately in the
stenographic notes taken by me on April
18, 2006, and that this is a true and
correct transcript of same.

Kimberly A. Otherwise
Certified Realtime Reporter
Notary Public

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