COUNCIL OF THE CITY OF PHILADELPHIA

PUBLIC HEARING BEFORE THE COMMITTEE OF THE WHOLE

- - -

Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, March 14, 2001
1:45 p.m.

- - -

Bill 010001 - Ordinance to adopt Capital Program...

Bill 010002 - Ordinance to adopt Fiscal 2002 Capital Budget

Bill 010003 - Ordinance amending Chapter 19-1500...

Bill 010004 - Ordinance amending Chapter 19-2600...

Bill 010005 - Ordinance adopting the Operating Budget for Fiscal Year 2002

Bill 010011 - Ordinance amending Chapter 19-1800...

Bill 010012 - Ordinance amending Chapter 19-1800...

Bill 010013 - Ordinance amending Chapter 19-1800...

PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILWOMAN JANNIE BLACKWELL, Vice Chair
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN DARRELL L. CLARKE
COUNCILMAN FRANK J. DICICCO
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN MICHAEL A. NUTTER
COUNCILMAN FRANK RIZZO
COUNCILWOMAN MARIAN B. TASCO

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3/14/01 - COMM OF THE WHOLE - BILLS 010001/010002

COUNCIL PRESIDENT VERNA: This is a continuation from yesterday on the hearing of the Committee of the Whole regarding Bill Nos. 010001, 010002, 010003, 010004, 010005, 010011, 010012, 010013 and Resolution No. 010024.

Mr. Dubow, I think I saw you in the audience. Will you please approach the witness table?

Good afternoon.

MR. DUBOW: Good afternoon.

COUNCIL PRESIDENT VERNA: You may not have to see us for a while after today.

MR. DUBOW: That would be very sad.

COUNCIL PRESIDENT VERNA: Oh, I'm sure.

(Laughter.)

MR. DUBOW: The administration would like to propose amendments to Bill Nos. 010001, 010002 and 010005, and I have brief testimony on the amendments to 0001 and 0002.

Now, we propose to amend these measures to add additional appropriations necessary to carry forward all unobligated funding --

COUNCIL PRESIDENT VERNA: Excuse me, Mr. Dubow. Do you have copies of the amendments?

MR. DUBOW: Yes.

COUNCIL PRESIDENT VERNA: May we see them?

Mr. Dubow, we have one document. Would you please explain what covers Bill No. 010001 and 010002?

MR. DUBOW: Yes. Bill No. 0001 is the capital program which is '02 to '07, and 0100002 is the capital budget which is '02.

COUNCIL PRESIDENT VERNA: But both are in this one document?

MR. DUBOW: That's right.

COUNCIL PRESIDENT VERNA: Please proceed.

MR. DUBOW: We are proposing to amend these measures to add additional appropriations necessary to carry forward all unobligated funding from FY 2001 appropriations and to include additional appropriations from non-City sources unanticipated at the time the bills were introduced.

In the proposed amendment all unobligated capital appropriations have been carried forward from prior years with very few exceptions. These few exceptions fall into mainly two

categories: Unspent PICA or GO appropriations for which projects have been completed underbudget and projects that the PICA staff has indicated would likely not be approved by the PICA board.

In those few cases where general obligations have not been carried forward, the projects have been completed within budget, leaving a very small surplus balance.

There are a large number of projects that have been included in the carry-forward budget at the direct request of City Council members. I can assure the members of Council that all remaining funds for these projects have been included in the carry-forward amendment proposed today. This recommendation does not include the lapsing of any 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 Bill Nos. 010001 and 010002 as introduced January 23, 2001. These modifications have been recommended to include appropriations for federal and state grants which were unanticipated at the time the bills were

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introduced, to reallocate prior year appropriations for projects that were completed under budget, and for adjustments in PICA-funded projects.

As I testified at the capital budget hearing on February 7, we are anticipating PICA board approval for eight projects included in those projects in the carry forward. PICA staff has indicated that most likely the 5 million in FY00 appropriations for OHCD for Hope 6 projects and 1.27 million in FY00 appropriations for OESS shelter renovations would not be approved by the PICA board. Prior year loan authorizations will be used to supplement the funding gap and continue the projects.

We have also removed two projects from the capital budget as originally proposed because we determined that neither was eligible for capital funding. We removed funding for $500,000 in curbs and sidewalk improvement and $250,000 for the mid-city wide. Both of these projects will be funded through other sources.

That concludes my testimony on Bills 010001 and 01002. I would be happy to take questions or move onto 01005.

COUNCIL PRESIDENT VERNA: With the curbs and sidewalk issue, are we going to be able to have curbs and sidewalks done in the future and under what --

MR. DUBOW: Not with City money.

COUNCIL PRESIDENT VERNA: OHCD?

MR. DUBOW: We are funding that project now through proposals funded through the neighborhood transformation initiative.

COUNCIL PRESIDENT VERNA: Okay. Would you please proceed?

MR. DUBOW: Yes. In 010005 we propose to increase the appropriation in the grants revenue fund to $994,346,000. That will allow us to increase appropriations in two line items, in 9.17, the Department of Licenses and Inspections. That would be increased to $40,988,891 to provide appropriation power for the demolitions to be carried out under the neighborhood transformation initiative, and in 9.19, the Director of Finance, 35 million to bring the total to 35,067,804 to provide appropriation power for repayments under the personal property tax program.

And that concludes my testimony. We

would also ask for a waiving of the rules so that the ordinances can be considered on first reading calendar at Council's next meeting.

COUNCIL PRESIDENT VERNA: And how about Resolution 010024? I'm sorry. We read that.

Does anyone have any questions regarding the amendments that have been presented to us by Mr. Dubow?

Councilman Nutter, your light is on. Did you want to be recognized?

COUNCILMAN NUTTER: Yes, Madam Chair.

Mr. Dubow, on the first page of your testimony from back in January, I would like to ask you a question about a couple of the items that we discussed two months ago. Do you have that testimony from back then?

MR. DUBOW: No, I don't.

COUNCILMAN NUTTER: You don't, okay. More seriously, can you give us an update on the current situation? There was kind of one outstanding issue with regard to the courts. I know that's an item of very current discussion. Can you give us the ten-minute to two --

MR. DUBOW: He's not leaving, is he?

COUNCILMAN NUTTER: Yes, I think Councilman Clarke is feeling compelled to leave the chamber. I suggest you talk very quickly.

COUNCILMAN CLARKE: I have to go to Fairmount Park Commission.

COUNCILMAN NUTTER: I understand, Councilman.

MR. DUBOW: As you know, the first judicial district requested extra funding for increases in counsel fee payments. While the administration supports improving the counsel fee payment structure, we also believe that counsel fees are covered under our zero growth agreement with the court and that the court has sufficient appropriations in its '02 budget to fund any increased costs of that program.

We have, however, said to the courts that if it would be helpful for them, we would be willing to move appropriation power from Class 100 to Class 200 so that they would have additional funding to cover the counsel fee program.

We also realize that if we do that it might reduce the amount of money that they can send to their court improvement project fund at the end

of the year, so we said to them if they got to the point where they had exhausted their funding in that fund and they needed additional funding for technological improvements, that we would help them get that funding.

COUNCILMAN NUTTER: And so that is still a current discussion. I guess we don't have a final answer on that, but what I took from your testimony was, one, a willingness to continue to try to work with the courts. There is at least one idea that's floating around, and while we may not have final agreement on it, we may -- what I want to try to establish here is if we don't have the answer to that question by the time we take action on this budget, the door doesn't close in terms of taking a subsequent action, if there is an answer to that question that comes --

MR. DUBOW: That's right. That proposal is still on the table.

COUNCILMAN NUTTER: Secondly, if that is the route that we take as it relates to the first part of the courts, if there is a subsequent problem of a funding nature related to their -- what is it? -- court improvement?

MR. DUBOW: Court improvement fund.

COUNCILMAN NUTTER: -- program, which often they use for technology --

MR. DUBOW: That's what it is designed for, yes.

COUNCILMAN NUTTER: If in the course of the next fiscal year, if there are financial difficulties or shortfall related to technology issues or court improvements, is it also generally agreed that we will keep the door open in terms of seeing what those issues are and at least being willing to discuss them and trying to find solutions to any of those particular problems?

MR. DUBOW: That's correct, yes.

COUNCILMAN NUTTER: Thank you.

COUNCIL PRESIDENT VERNA: You're welcome.

COUNCILMAN NUTTER: Thank you, Madam Chair.

COUNCIL PRESIDENT VERNA: The chair recognizes Councilman Clarke.

COUNCILMAN CLARKE: I didn't know if there were any other questions because I have to leave. As your representative on the Fairmount Park

Commission, we have a couple of very important issues on today's agenda.

COUNCIL PRESIDENT VERNA: We understand.

COUNCILMAN CLARKE: So I would request a leave of absence.

COUNCIL PRESIDENT VERNA: Would you like to leave your vote?

COUNCILMAN CLARKE: I would like to leave my vote as voting aye on all bills and resolutions.

COUNCIL PRESIDENT VERNA: And amendments?

COUNCILMAN CLARKE: And amendments. Thank you very much.

COUNCIL PRESIDENT VERNA: You are excused. Thank you.

The chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madam Chair.

Could you elaborate when you indicated that some of these projects were being pulled, were going to be funded from other sources, what are the other sources?

MR. DUBOW: You have two projects. One

is curbs and sidewalk improvements that we are going to fund -- we are proposing to fund through the neighborhood transformation initiative, and one was funding for an environmental study at the midcity wide, and we are proposing to fund that through the general fund.

COUNCILMAN RIZZO: Because of this change in strategy, does this delay any of these projects? Do we have any curbs and sidewalks that are going to be delayed because of this -- because you just started off by saying -- there was a little doubt in your statement there, the proposed change. I forgot exactly how you said it.

MR. DUBOW: Oh, I said proposed because whatever we do with neighborhood transformation has to come to Council.

COUNCIL PRESIDENT VERNA: Isn't the answer, Mr. Dubow, that it was not eligible through (inaudible).

MR. DUBOW: It is not capital eligible.

COUNCIL PRESIDENT VERNA: -- and the capital budget?

MR. DUBOW: That's correct.

COUNCILMAN RIZZO: So the answer is that

there is not going to be any delay in the environmental study, there is not going to be any delay in curbs and sidewalks?

MR. DUBOW: That's correct.

COUNCILMAN RIZZO: Thank you, Madam Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

Any further questions from any members of the committee?

(No response.)

COUNCIL PRESIDENT VERNA: Do I have anyone else that would like to testify on this?

Seeing none, this will conclude the public hearing of the committee of the whole. We will now go into --

COUNCILWOMAN MILLER: I have one question.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: I just want to be -- I have one question as it relates to the curbs and sidewalks. What curbs and sidewalks, citywide or the ones that go along with the new projects?

MR. DUBOW: This was part of a model program, and I forget the specific location. It is not citywide. It was one specific pilot that was going to be done through the capital program that we determined isn't capital eligible.

COUNCIL PRESIDENT VERNA: I think everyone's question, Mr. Dubow, is, are we going to be able to do curbs and sidewalks in the future and will that program be citywide?

MR. DUBOW: No, we will not be able to. We won't be able to do it any differently from how we have done it in the past, which is as part of PHA projects.

COUNCIL PRESIDENT VERNA: PHA projects?

MR. DUBOW: If they were part of larger housing projects, we have done curbs and sidewalks on occasion. This was different in that it was separate. It was not part of any other project.

COUNCIL PRESIDENT VERNA: Who pays for that? Under what funding does it come under?

MR. DUBOW: We have used GO funding when it has been part of a larger project, a larger PHA project, but never when it has been something by itself.

COUNCIL PRESIDENT VERNA: Does that clarify?

COUNCILWOMAN MILLER: I know if there is a larger project, I know the curbs and sidewalks -- I think I'm clear. I just wanted to know if -- I know that curbs and sidewalk money is not -- we can't use it to capital neighborhood, curbs and sidewalks by itself, and I wasn't -- I just wanted to make sure if there was $500,000 that was going to be available to do curbs and sidewalks in neighborhoods, I wanted to know more about it. That's all.

COUNCIL PRESIDENT VERNA: I know. I was very eager too when I saw that.

COUNCILWOMAN MILLER: Okay. Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman DiCicco. No?

Councilman Nutter?

COUNCILMAN NUTTER: Thank you, Madam Chair.

I thought we got -- the little bit of information we received from John Karma yesterday seemed to indicate that at least conceptually the housing director had planned to try to have some

capital money available for there is a program called the model blocks program, which the Office of Housing Community Development supports with CDBG dollars in conjunction with foundation dollars through an organization called the Philadelphia Neighborhood Housing Services.

I think what Mr. Karma was trying to share with us yesterday was that he was looking to have that $500,000 pot available for that kind of program. I think where we run into the problem is whether or not you can use capital dollars for that particular purpose. There is no question that you can use CDBG dollars for that purpose.

I don't know if Mr. Karma got a little ahead of himself or was being creative, but that raised a whole lot of flags around here based on what historically has been the policy. I mean I love curbs and sidewalks as much as anyone else, but it doesn't make sense to put dollars up for something you will never be able to spend them for.

COUNCIL PRESIDENT VERNA: Right.

COUNCILMAN NUTTER: Thank you.

COUNCIL PRESIDENT VERNA: You're welcome.

Any other questions or comments from members of the committee?

(No response.)

COUNCIL PRESIDENT VERNA: Seeing none, this will conclude the public hearing of the committee of the whole.

We will now go into our public meeting, and the Chair recognizes Councilman Nutter regarding Bill No. 010001.

COUNCILMAN NUTTER: Thank you, Madam Chair.

Madam Chair, I move that Bill No. 010001 be reported out as --

COUNCIL PRESIDENT VERNA: We have to vote on the amendment.

COUNCILMAN NUTTER: The amendment as put forward by the budget director? I'm sorry, Madam Chair.

Madam Chair, I move for the adoption of the amendments as put forward by the budget director related to Bill No. 010001.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that the amendments as proposed

by the administration be adopted on Bill No. 010001. All in favor signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the amendment has been approved.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madam Chair.

I move that Bill No. 010001 as amended be reported out of this committee with a favorable recommendation and a further recommendation that the rules of council be suspended so as to permit first reading at our next session.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010001 be reported out of committee with a favorable recommendation as amended; also a recommendation that the rules of Council be suspended so as to permit first reading at our next session of City Council. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and Bill No. 010001 will be placed on the calendar for our next session.

The Chair recognizes Councilman Nutter regarding Bill No. 010002.

COUNCILMAN NUTTER: Madam Chair, I move that the amendments as put forward by the budget director related to Bill No. 010002 be adopted.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that the amendment as proposed by the administration be adopted. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the amendment has been approved.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madam Chair.

I move that Bill No. 010002 as amended

be reported out of this committee with a favorable recommendation and a further recommendation that the rules of Council be suspended so as to permit first reading at our next session.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010002 be reported out of committee with a favorable recommendation as amended and further that the rules of Council be suspended as to permit first reading at our next Council session. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it.

We will now consider Bill No. 010003, and the Chair recognizes Councilwoman Blackwell.

COUNCILWOMAN BLACKWELL: Madam President, I move that Bill 010003 be reported out of committee with a favorable recommendation and also that the rules of Council be suspended so as to permit consideration at our next session of Council.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. --

COUNCILMAN NUTTER: Madam Chair, when you're finished.

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010003 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended so as to permit first reading at our next Council session. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion has been carried.

Councilman Nutter?

COUNCILMAN NUTTER: It was an inadvertent request, Madam Chair. I'm sorry.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Tasco regarding Bill No. 010004.

COUNCILWOMAN TASCO: Madam President, I

move that Bill 010004 be reported out of committee with a favorable recommendation and a suspension of the rules so that we will have first reading.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010004 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended so as to permit first reading at our next session of Council. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion carries.

The Chair recognizes Councilman DiCicco regarding Bill No. 010005.

COUNCILMAN DICICCO: Thank you, Madam Chair.

Were there amendments to that bill?

COUNCIL PRESIDENT VERNA: Yes.

COUNCILMAN DICICCO: I thought so.

I move that the amendments to Bill No.

010005 as recorded into the record be adopted.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that the amendment as proposed by the administration be approved. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion carries.

The Chair recognizes Councilman DiCicco.

COUNCILMAN DICICCO: Thank you, Madam Chair.

I move that Bill No. 010005 as amended be reported out of this committee with a favorable recommendation and that the rules of Council be suspended so as to permit first reading at our next session of City Council.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010005 be reported out of committee with a favorable recommendation as amended and that the rules of Council be suspended

so as to permit first reading at our next Council session. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it. The motion carries.

The Chair recognizes Councilwoman Krajewski regarding Bill No. 010011.

COUNCILWOMAN KRAJEWSKI: Thank you, Madam Chair.

I move that Bill 010011 be reported out of this committee with a favorable recommendation with the suspension of rules as to permit first reading at our next session of Council.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010011 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended so as to permit first reading at our next Council session. All in favor will signify by saying aye.

Councilman Nutter?

COUNCILMAN NUTTER: It was the school bills that I wanted to speak on. Obviously I'm going to vote in favor of these bills, but as the discussion has continued with regard to the school district and at least one particular matter involving the parent, property nursing program, I do at least want to know for the record that that issue remains to be resolved. We won't actually vote on this bill until next Thursday.

I make no suggestion that we would take any adverse action, but I do wish to encourage and note for the record that that matter is unresolved. It is the Council's responsibility to reauthorize taxes to the district. It's certainly my hope that in good faith the district will work with City Council in getting a resolution to that particular issue. We have many more issues to deal with with regard to the school district, but at least I would like to note that at the time of the vote on reauthorization of the taxes that the district needs to bring closure to this particular issue.

COUNCIL PRESIDENT VERNA: Thank you.

COUNCILMAN NUTTER: Thank you, Madam Chair.

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COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010011 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion carries.

The Chair recognizes Councilman Goode regarding Bill 010012.

COUNCILMAN GOODE: Thank you, Madam Chair.

I move that Bill 010012 be reported out of committee with a favorable recommendation and that the rules of Council be suspended to allow first reading at our next session of Council.

(Duly seconded.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010012 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended so as to permit first reading at our next

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Council session. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion has been carried.

The Chair recognizes Councilman Rizzo regarding Bill No. 010013.

COUNCILMAN RIZZO: Madam Chair, I move that Bill No. 010013 be moved from this committee with a favorable recommendation.

COUNCIL PRESIDENT VERNA: Suspension.

COUNCILMAN RIZZO: And suspension of the rules.

(Duly second.)

COUNCIL PRESIDENT VERNA: It has been moved and seconded that Bill No. 010013 be reported out of committee with a favorable recommendation; also a recommendation that the rules of Council be suspended so as to permit first reading at our next Council session. All in favor will signify by saying aye.

MEMBERS: Aye.

COUNCIL PRESIDENT VERNA: Those opposed?

(No response.)

COUNCIL PRESIDENT VERNA: The ayes have it, and the motion carries.

(Adjourned at 2:05 p.m.)

CERTIFICATE

I HEREBY CERTIFY that the foregoing proceedings of the Committee of the Whole of the Council of the City of Philadelphia of March 14, 2001, were reported fully and accurately by me, and that this is a correct transcript of same.

_____

Cynthia A. Whyte, RPR

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