COUNCIL OF THE CITY OF PHILADELPHIA

COMMITTEE ON FINANCE

Remote location using Microsoft® Teams
Tuesday, February 9, 2021
2:30 p.m.

PRESENT:

COUNCILMAN DEREK S. GREEN, CHAIR
COUNCILMAN BOBBY HENON, VICE-CHAIR
COUNCILWOMAN CINDY BASS
COUNCILMAN ALLAN DOMB
COUNCILWOMAN HELEN GYM
COUNCILMAN DAVID OH
COUNCILWOMAN MARIA D. QUINONES-SANCHEZ
COUNCILMAN MARK SQUILLA

BILLS: 210004, 210006

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COUNCILMAN GREEN: This is City Council Finance Committee meeting that we will start for today, Tuesday, February 9, 2021. I understand that state law currently requires that the following announcement be made at the beginning of every remote public hearing as follows: Due to the public health emergencies, City Council Committees are currently meeting remotely. We are using Microsoft Teams to make these remote hearings possible.

Instructions for how the public may view and offer public testimony at public hearings of Council Committees are included in the public hearing notices that are published in the Daily News, Inquirer and Legal Intelligencer prior to the hearings and can also be found on PHLCouncil.com. I now note that the hour has come.

Mr. Iannuzzi, will you please call the roll to take attendance. And Members that are here in attendance, will you please indicate that you are present when your name is called. Also, please say a few brief words this fine Tuesday afternoon in February when responding so that your image will be displayed on screen when you speak.

THE CLERK: Councilmember Allan Domb.

COUNCILMAN DOMB: Good afternoon, Chairman Green and colleagues and the listening public.

THE CLERK: Councilmember Bobby Henon.

COUNCILMAN HENON: Good afternoon, Chairman. And good afternoon, colleagues.

THE CLERK: Councilmember David Oh.

COUNCILMAN OH: Good afternoon, Chairman. Good afternoon, colleagues.

THE CLERK: Councilmember Mark Squilla.

COUNCILMAN SQUILLA: Good afternoon, Mr. Chairman and colleagues. Present.

THE CLERK: Chair Derek Green.

COUNCILMAN GREEN: Present and thank you to my colleagues who are members of the Finance Committee here, for allowing us to establish a quorum which is present, and this hearing is now called to order. This is the public hearing on the Committee on Finance regarding Bill Nos. 210004 and 210006.

Mr. Iannuzzi, will you please read the titles of the bills.

THE CLERK: Bill No. 210004, authorizing and approving the execution and delivery of a Service Agreement between the City of Philadelphia and the Philadelphia Authority for Industrial Development relating to the refunding of certain bonds previously issued to finance and/or reimburse Alternative Funding Mechanisms for a portion of the unfunded actuarial accrued liability of the City of Philadelphia Retirement System implemented pursuant to the Municipal Pension Plan Funding Standard and Recovery Act, et cetera.

And Bill No. 210006, amending Chapter 19-200 of the Philadelphia Code, entitled "City Funds - Deposits, Investments, Disbursements, by amending Section 19-201, entitled "City Depositories," by authorizing the City Treasurer to deposit funds in Santander Bank, National Association, under certain terms and conditions.

COUNCILMAN GREEN: Thank you, Mr. Iannuzzi.

Before we begin to hear testimony from the witnesses we have for today, everyone who has been invited to the meeting to testify should be aware that the public hearing is being recorded. Because the hearing is public, participants and viewers have no reasonable expectation of privacy. By continuing to be in the meeting, you're consenting to being recorded.

Additionally, prior to recognizing Members for any questions or comments they may have for witnesses, I will note for the record at this time that we will use the chat feature available in Microsoft Teams to allow Members to signify that they wish to be recognized. In order to comply with the Sunshine Act, the chat feature must only be used for this purpose.

Before I call on the Clerk to call the first panel, would any of my colleagues like to make any opening comments?

(No response.)

COUNCILMAN GREEN: Okay. Seeing and hearing none, Mr. Iannuzzi, will you call the first panel we have to testify this afternoon on Bill No. 210004.

THE CLERK: Jackie Dunn, Acting Treasurer, City of Philadelphia.

COUNCILMAN GREEN: Thank you, Mr. Iannuzzi.

Good afternoon, Ms. Dunn. Are you connected and ready to proceed?

CITY TREASURER DUNN: I am. Thank you, Chair.

COUNCILMAN GREEN: If you could

please state your name for the record and proceed with your testimony. Also, I do understand that you for this bill and the next bill have people who are attending that can answer questions if need be. If you can just state who they are for this bill and then also for the next bill, so that way we can have their names and their positions identified in case members of Council have any additional questions for them after you conclude with your testimony.

CITY TREASURER DUNN: Sure. My name is Jackie Dunn, Acting City Treasurer. And for Bill 210004, we also have Suzanne Mayes with Cozen O'Connor, who is serving as bond counsel on this action, and Andre Allen, one of our financial advisors from Phoenix Capital Partners who's also serving on this transaction. Would you like me to proceed with testimony?

COUNCILMAN GREEN: You can proceed with your testimony.

CITY TREASURER DUNN: Great.

Good afternoon, Chair Green and members of the Committee. I'm Jackie Dunn, Acting City Treasurer and I'm here to testify in support of Bill No. 210004. Bill No. 210004 would authorize the City to enter into a service agreement with the Philadelphia Authority for Industrial Development or PAID, to finance a project consisting of the refunding of all or a portion of the Series 1999 and Series 2012 paid bonds for budgetary savings.

The bill approves the issuance of paid bonds or notes in one or more series. The bonds would be issued in an amount not to exceed 140 million plus related costs of issuance and any credit enhancement. The bonds would be secured by the City's obligation under the service agreement to budget in appropriate annually amounts necessary to pay the service fee, which would be sufficient to pay debt service on the outstanding bonds.

The refunding which result in a

restructuring, which is currently expected to provide approximately 99 million in budgetary relief across all funds in Fiscal Year 2021, consistent with the FY21 adopted budget. Given persistent economic conditions, the City has determined it is necessary and prudent to proceed with this restructuring in the spring of FY2021.

While the restructuring provides critical short-term relief to help the City navigate the COVID-19 economic crisis, the City would pay additional debt service in future years as a result of this transaction, resulting in a net present value cost of approximately 55,000 or 0.06 percent of the refunded par loss.

This ordinance also authorizes the City to restructure additional bonds to achieve Fiscal Year '22 debt relief of approximately 29 million in the event that future short-term relief is necessary. If the Fiscal '22 payment is also restructured as a part of this transaction, it would result in additional debt service in future years for a combined total net present value cost of 2.26 million or -2 percent of refunded par.

Thank you for your consideration and the opportunity to testify. I respectfully request that the Committee report the bill with a favorable recommendation and the suspension of the rules so as to permit first reading at the next session of Council. This concludes my testimony and I'm happy to answer any questions that you have.

COUNCILMAN GREEN: Thank you, Ms. Dunn. I know that both Councilmembers Oh and Domb have questions and will proceed with their questions in that order.

I wanted to ask you a question. It's my understanding that the transaction that's being proposed is similar to the transaction that was used last year from the perspective of as we were going into the end of our budget process, we learned that the City's revenue were off by I want to say close to 100 million looking at the May revenue numbers, and it was the Treasurer's Office that identified this type of restructuring as a way to provide some additional cash for the City, which enabled us to resolve our shortfall as we were going into the resolution of our budget process.

Can you provide some additional information on how this transaction is similar and/or different to that transaction that we used to pass last year's budget?

CITY TREASURER DUNN: Sure. Thank you, Chair. This is that same transaction that was brought to Council at the end of last year's session. When the City identified that the budget gap had grown by an additional 100 million, our office had been looking at alternatives and presented this to the Finance Director and Budget Director, and it was determined that this was an option that we would consider in the event that the economic crisis persisted and that there was no additional and timely federal stimulus, and we now find ourselves at that point. And so, we're coming to Council to recommend that we proceed with this restructuring this spring to provide that approximately 99 million in budgetary relief across all funds.

COUNCILMAN GREEN: And then can you also provide some additional perspective regarding how this ordinance will authorize the City to restructure additional bonds to achieve FY22 debt relief of approximately 29 million?

CITY TREASURER DUNN: Sure. So --

COUNCILMAN GREEN: And if I can -- hold on. And if you could state whether you believe that may be possible or needed. I know we're waiting to hear information regarding the presence of American Rescue Plan, the $1.9 trillion.

The Mayor pushed the budget address back to April 15th, and currently Congress is going through the reconciliation process as well. So if you can give some perspective on whether you may or may not use that additional debt relief of $29 million.

CITY TREASURER DUNN: Sure. So this ordinance authorizes as a part of that transaction that we recommend that we undertake in late March to include a debt service payment that the City would make next year of approximately 29 million. And so, if we were to include that as a part of this transaction, we would also have an additional 29 million in debt service relief in next year's budget.

And so, if we think that we need that additional relief and we're working closely with Finance and Budget, as this body is aware, the next quarterly report comes out later next week so we should have a better sense of how the numbers are shaping up for the

FY22 budget, but we think it's prudent to do those together if we believe that we need that additional relief rather than do separate transactions. So it's very important that it's part of a comprehensive strategy addressing a path forward of recovery to do these together if we believe that we need that additional budgetary relief.

COUNCILMAN GREEN: I know you said that the upcoming report would be next week. Do you have a sense of what our current fund balance is based on current data?

CITY TREASURER DUNN: So the end of FY21, our fund balance was 51 million. And in the quarterly report from earlier this year, we had shown that that had fallen to about 22 million, so less than 1 percent of our General Fund, it's very low. And we think that this transaction helps us to maintain some breathing room in this fiscal year and FY22, if we decide to include that additional debt service in the transaction.

THE CLERK: This is the Clerk. It appears that the Chair is frozen and may have to sign in.

Would Vice-Chair Henon be willing to acknowledge the Councilmembers who have to speak?

COUNCILMAN HENON: Yes. Yes. Is there a member that has their hand raised and that wishes to speak?

THE CLERK: I believe it was Councilmember Oh and Domb in that order.

COUNCILMAN HENON: Okay. Thank you for that, Frank.

Chair recognizes Councilman Oh.

COUNCILMAN OH: Thank you very much, Chairman.

Good afternoon. How are you?

CITY TREASURER DUNN: Good afternoon.

COUNCILMAN OH: Okay. So I'm not fond of the idea. I'm just putting that upfront because I do have some questions and I want to understand this better. At the beginning of COVID-19, we did do a bond restructuring and it's been 10 or 11 months I suppose since then. Revenues have continuously gone down. Estimates of revenue recovery have gone down. Joblessness has gone up. Health issues have continued to be problematic. Businesses are not reopening, many of them. There's all kinds of problems. Crime and violence in this City is causing people not to want to come into this City regardless of the fact that things are not open, so I don't see a good projection of better revenues.

In the meantime, the City government continues to borrow money, continues to spend large amounts of money on things that don't appear to be fundamental to the City's economy. We are borrowing lots of money and that would be counter to this bond restructuring. I'm concerned that we are just putting off today what another Mayor is going to have to deal with tomorrow in a manner that does not cause us to act with fiscal responsibility at this time. That's really a statement. But could you shed some light on this for me?

CITY TREASURER DUNN: Sure, Councilmember Oh. I think prior to COVID this would not be a transaction that we would bring to this body. We wouldn't have a need because the City has done a lot of hard work at building up a fund balance, building reserves and trying to provide service to all of those critical parties that you had mentioned in your statement. But I think given the economic crisis the City has first worked to tighten our belts and to reduce expenditures as best as we responsibly can to look to some revenue enhancements that we are able to and then also to draw down on reserves that we had built up for this very purpose.

And after all of those actions, there was still $100 million shortfall in the budget so we're left with difficult choices. And we believe that this transaction allows us to continue providing services to the population that critically need them and sets us up on a path to come out and emerge from this crisis and rebuild our finances.

So this transaction, the debt service that we would be restructuring would be part of our Five-Year Plan to the extent that it's within those years, and this is something that we've thoughtfully placed across our debt portfolio so that we're not, as you mentioned, pushing this off into a future date.

So we really tried to do this in the most thoughtful way that we could, but we are navigating a period of great uncertainty and we've taken all of the traditional recession management steps that we can and we're recommending this as the most responsible next step to help us get through this crisis.

COUNCILMAN OH: What gets us out of this problem? In other words, what is different about six months from now that brings revenues in?

CITY TREASURER DUNN: So I think there's a lot of unknowns and our Budget office and Finance are working closely with our revenue consultants that help understand what that future path looks like. But I think what our office needs to do is to help make sure we are responsibly managing our debt burden. And so, we think that this is an opportunity to make a short-term adjustment that still fits well within our ability to repay debt service but allows the City some breathing room we can maintain a fund balance. And as the vaccine distribution takes effect and as people start to come back to work and our economy recovers and we know better what those trends look like, we're better positioned to respond to that.

COUNCILMAN OH: We do know that the School District will face a huge fall-off, and we know that the PICA wage tax sunsets. And I've heard different things from different administrations about what they're going to do with the PICA tax. They're just going to extend to create a way to -- I may be wrong, but isn't the PICA portion of the wage tax enabled by state legislation? That's about 350 million a year that we won't get.

CITY TREASURER DUNN: So my understanding is that we are able to locally enact even if PICA were to sunset the wage tax. So whether or not PICA were here -- and that's not a comment from me as to the future of PICA -- but we would have the ability to generate that revenue to make up that shortfall that you're alluding to.

COUNCILMAN GREEN: And point of information to Councilmember Oh. I've introduced a resolution for hearings on that issue regarding PICA in 2023. We've had some engagement conversation with PICA and other entities as well as with Acting Treasurer Dunn as well as having conversations with Pew regarding the whole impact of what PICA and the sunset of that tax will impact the City of Philadelphia.

COUNCILMAN OH: Okay. I'm just going to say that I know that the Administration wanted lots of flexibility, and basically a lot of flexibility in removing the steps of governance and a lot of flexibility of receiving funds that they did not really clearly know what they were going to do that's over $150 million as far as I recall. And there is a lot of borrowing and there's a lot more borrowing and I don't see the revenues in, and there's a lot of taxing and I don't know where that money's coming from. I don't understand at this point the benefit, and I'll keep my ears open, about just borrowing more money and putting off the idea that this government needs to deal with the fact that there is not a lot of money and cannot just continue to do whatever it wants any time it feels like doing it and putting off the restructuring of government.

All right. Thank you very much, Chairman.

COUNCILMAN GREEN: Thank you, Councilmember Oh.

Before I recognize Councilmember Domb, I'd like to acknowledge that we've also been joined in this Finance Committee hearing by Councilmember Cindy Bass.

Councilmember Bass, if you could just say a few words so you could be acknowledged in reference to a microphone check.

COUNCILWOMAN BASS: Good afternoon, everyone. Thank you for hosting this hearing, Mr. Chairman. Look forward to today's hearing and all of the information. Thank you.

COUNCILMAN GREEN: Thank you for your attendance.

COUNCILWOMAN BASS: Absolutely.

COUNCILMAN GREEN: I now recognize Councilmember Domb.

COUNCILMAN DOMB: Thank you, Mr. Chairman.

And good afternoon, Treasurer Dunn. I have a few questions. In the past, the City has decided to take on long-term cost to realize short-term savings, which I think we're trying to accomplish now. And the effects haven't been great.

And I'm referring to the 1999 pension bond that we're talking about adjusting today was supposed to back then solve our pension problem. But here we are 22 years later and we still have a pension that is roughly just under 50 percent funded even though we're putting in like $750 million or $760 million every year out of our General Fund.

So today we're working on a much smaller scale, 130 million versus 1.3 billion, and I understand the reasons for it. But what kind of risks do we face in your opinion by deciding to prioritize the short-term savings in exchange for increasing long-term obligations, which I think is kind of what Councilman Oh is referring to.

CITY TREASURER DUNN: Sure, and we take these -- these are all questions that we asked ourselves as well when we had to make difficult choices this spring and then before recommending the bill to this body. But I think right now we're in an environment where we're trying to navigate a very uncertain and dynamic situation, and we are fortunate that interest rates are incredibly low. And so, if we have to pursue a restructuring after we've undertaken more traditional means of managing through an economic crisis, we are very fortunate that we are at a point where the dissavings or the cost to the City over the long-term is as minimal as it could ever be.

And so, I think in our view we're looking at this as a way to help us navigate as part of a broader path toward fiscal recovery at a point when the cost of doing so is very low. And just for clarity, this transaction is debt service. It's pension in name only, so there's no impact to the Pension Fund, to the actuarial valuation. This is completely a debt service restructuring.

COUNCILMAN DOMB: Just so I understand it completely, is this costing us roughly 2.26 million over the total cost?

CITY TREASURER DUNN: Yes, that's the net present value over the life of the transaction.

COUNCILMAN DOMB: And then the interest rate that we're putting on the bond today, what's the difference between that rate versus the one we had back in '99?

CITY TREASURER DUNN: The 1999 bonds, I believe the coupon is paying north of 6 percent. Unfortunately, we're not able to do a traditional refunding with those bonds, which is why they are still outstanding at that rate. But the all-in cost for this transaction will be 2.1 percent if we include the

FY22 debt payment service.

COUNCILMAN DOMB: That's attractive, 2.1 compared to it being 6. And is there any opportunity under the old bonds to also save some interest cost or is that not an opportunity?

CITY TREASURER DUNN: No, unfortunately there is not based on how they were structured and then a transaction that had occurred in the early 2000s. So unfortunately, there's no legal way to do a traditional refunding. This is purely for budgetary savings, which is why there's a cost to issuing this transaction rather than a net savings.

COUNCILMAN DOMB: When you mentioned 2.1 percent, did you include the 2.26 million in that overall cost?

CITY TREASURER DUNN: Yes. So the 2.1 percent is the all-in, sort of like the weighted average. As you know, we pay a different rate at each maturity.

COUNCILMAN DOMB: I guess the

other question I have is God forbid we have a worse year in 2021 versus 2020, are there other opportunities like this for us to basically fill those budget gaps if we have to? Not that we want to. Just would like to know if that opportunity is out there.

CITY TREASURER DUNN: This is the maximum that we would recommend restructuring. There are traditional refundings for savings that our office is very proactive with monitoring with our financial advisors so we're continuing to look for those as they come down the pike and they might provide some savings later this fiscal year or into FY22. So we would want to take advantage as that would be a true savings to the City.

COUNCILMAN DOMB: One last question, not to do with this bill, just a general question for you. Are we up-to-date on our reconciliations?

CITY TREASURER DUNN: So through November, which is the most recent month due of this fiscal year, we are -- 76 of 77 are up-to-date. And the one that is lagging, I believe, is two months behind. And I'm excited to report that we are very close to filling the two vacancies on our accounting team. The team has done an excellent job in trying to keep us up-to-date under very challenging conditions. So I just want to take that minute to give them some recognition.

COUNCILMAN DOMB: I think that's great. Okay. Thank you very much.

Thank you, Mr. Chair. Thank you.

COUNCILMAN GREEN: Thank you, Councilmember Domb.

I would like to acknowledge the presence of Councilmember Maria Quinones-Sanchez. If you could say a few words so your voice can be heard in order to do a microphone check and if you have any questions that you would like to ask.

COUNCILWOMAN QUINONES-SANCHEZ: Good afternoon. Thank you, Mr. Chair.

Thank you to our Acting Treasurer Dunn. Again, we've been talking about the inexpensive prices of interest and in the market, so I do want to credit the team for looking at this. What can you say to how the City intends on investing this money? Is there anything in particular that you want to say early on we're looking at to prepare for a delayed budget address?

CITY TREASURER DUNN: In terms of the bond proceeds, Councilmember Sanchez?

COUNCILWOMAN QUINONES-SANCHEZ: Yes, the savings. You're going to realize that $99 million in savings in the fiscal year. What are you guys looking at making sure that that gets invested appropriately?

CITY TREASURER DUNN: So this transaction is already included in the adopted budget so there would be no additional new savings in FY21. It would prevent the City from having to find approximately 99 million in additional cuts. And if we include Fiscal Year '22 payment into the transaction, that would provide an additional 29 million in budgetary relief for the upcoming budget, which has not yet been presented.

COUNCILWOMAN QUINONES-SANCHEZ: Can you speak to anything in particular that you're looking at this kind of -- I know we have debts all over. I would just like to see us look at this money as an opportunity to do another kind of investment and it is a return on investment.

CITY TREASURER DUNN: I cannot, but I think that's a question that the Finance Director will be discussing with the Mayor's Office, so I can take that back.

COUNCILWOMAN QUINONES-SANCHEZ: And so, you're saying that the initial realization, the 99 million was already factored in. Was that presented to us?

I don't recall that being presented to us previously. I know there were discussions around refinancing whatever we can, money is cheap, we know the Feds are going to bail us out on some stuff so we can be a little bit, you know, we can stretch ourselves a little bit because we won, right. We have a President more willing to look at some of the structural financing complications of big cities like Philadelphia.

CITY TREASURER DUNN: So if you recall late in the spring when there was an additional 100 million gap that had emerged while this body was in deliberations, this was presented maybe in May or early June before the final budget adoption and it was included as part of the adopted budget, and the discussion was that we would monitor the need to do the transaction. And so, we're coming before you now because we still believe we need to do so given where the economy is.

COUNCILWOMAN QUINONES-SANCHEZ: Okay. Thank you.

Thank you, Mr. Chair.

COUNCILMAN GREEN: Thank you, Councilmember Sanchez, for your questions. And I think you raised a good point. Because if the Biden Administration is able to pass the $1.9 trillion American Rescue Plan, that will provide dollars to cities like Philadelphia. Of course, there will be a formula in reference to how much money we receive. But if you look at that as well as this pension restructuring, it's going to provide additional cash and the question is how would those dollars be allocated, will it be allocated in reference to enhancing the fund balance or will it be allocated for other initiatives that the Administration is trying to achieve.

So based on that information and as we anticipate the Mayor's budget address, we will see how these savings are anticipated to be allocated as well as revenue that we may receive from the federal government based on the American Rescue Plan.

Ms. Dunn, I have a question in reference to some of the things that were raised earlier. Can you provide in what I will say a straightforward plain English distinction between a pension obligation bond versus a pension refunding versus this transaction which is a pension bond restructuring?

CITY TREASURER DUNN: Sure. So the transaction in the late '90s that Councilmember Domb referred to was issuing debt to put the proceeds into the Pension Fund with the hope of improving the funding status, so to reduce the Pension Fund unfunded liability.

Normally, those transactions are coupled with other reforms because you want to address any structural issues in the Pension Fund. And so, as this body is well aware we've in more recent years undertaken a number of those reforms that are seeing results from that. This transaction is also a refunding, but it's a restructuring for budgetary relief. So we're issuing debt to help us make the payment that would be due this year and potentially next year and then paying that cost in future years.

COUNCILMAN GREEN: And then if you can provide a little more context to what is a refunding in reference to the restructuring that you just talked about.

CITY TREASURER DUNN: Sure. A refunding or a traditional refunding that we most frequently bring to this body is essentially refinancing our debt where we're paying higher interest rates for lower interest rates to achieve budgetary or to achieve savings over our debt service payments. In this case, we're borrowing money to help us make a payment, which is a short-term cash flow relief transaction to help us navigate through this recession.

COUNCILMAN GREEN: Thank you, Ms. Dunn.

Councilmember Oh.

COUNCILMAN OH: Thank you very much, Mr. Chairman.

So my questions were on the same lines. And so, a lot of it has been answered. I wanted to clarify that I do understand that restructuring at lower interest rates is a good opportunity depending. I am concerned however, as was mentioned by my colleagues, the 99 million goes into creating a fund balance that reduces our interest rates and gives us stability or it's going to be used to basically keep government going the way it's been going without any governmental restructuring or it's going to be used for more things that we would like to do if we weren't in such a bad financial situation that increases the risk to the citizens and that risk will be handled by some other mayor in the future.

It to me is very much about

what is going to be done with this money. We are restructuring to save this money for cash use, and that is a little troubling to me because we are spending a lot of money at a time where we don't have money. We are borrowing a lot of money and I don't know where that money is going to come in from.

So is that what this money is for? It's basically to keep government going and/or to initiate new projects that are felt important by the Administration as opposed to dealing with our fiscal situation?

CITY TREASURER DUNN: So this transaction allows us to proactively try and improve our fiscal situation. Without doing this transaction, we would need to find $99 million by April 15th to make a debt service payment, and that would involve I imagine very painful choices in a budget that has already been reduced to respond to the recession, and we're a city with a lot of needs. So this is our way to help us navigate this fiscal year and next fiscal year and hopefully emerge as the economy starts to recover stronger and allow us to build back reserves and allow us to continue providing services to critical populations.

COUNCILMAN OH: All right. I appreciate your explanation. Thank you very much.

Thank you, Chairman.

COUNCILMAN GREEN: Thank you, Councilmember Oh.

I would like to acknowledge that Councilmember Gym is also present. Councilmember Gym, if you can say a few words so that your voice can be heard in case we need to do a microphone check for any questions that you may have.

COUNCILWOMAN GYM: Thank you very much, Mr. Chair. I apologize for being late. Thank you.

COUNCILMAN GREEN: Thank you for being present for the hearing.

Also, to let members of the Committee know, we recirculated the briefing document from the Treasurer's Office via email, but we're not able to put that information into the chat feature. This document was circulated a little while ago. I think it was January 28th, giving some additional background on this transaction, this Pension Bond restructuring transaction that is before us today.

Before I ask if there's any other questions from members of Council, Ms. Dunn, if you could say some of the professionals that are on this transaction and the diversity of those professionals. I know you mentioned Ms. Mayes from Cozen and Andre Allen as well, but if you can kind of give a breakdown of the firms that are part of this transaction and how this continues to meet your diversity goals in your transaction within the Treasurer's Office.

CITY TREASURER DUNN: Sure. So in terms of underwriters, Bank of America is the senior underwriter on the transaction and Ramirez, a certified M/W/DBE is the co-senior, but small syndicate given the size of the transaction, so it's just those two firms as far as underwriters go. In addition to Cozen O'Connor, co-bond counsel Zumol Doffries(ph), which is a certified M/W/DBE. We have two disclosure counsels. One of which is also a certified women-owned firm and two financial advisors, Andre Allen with Phoenix Capital Partners who's on the call today, certified M/W/DBE and Public Financial Management.

COUNCILMAN GREEN: And the disclosure counsel, can you state the names of those firms for the record?

CITY TREASURER DUNN: Sure. So we used Hawkins and Ann Lebowitz.

COUNCILMAN GREEN: Okay. And then also who is the lead banker at Bank of America as well as Ramirez for this transaction?

CITY TREASURER DUNN: In terms of individuals?

COUNCILMAN GREEN: Yes.

CITY TREASURER DUNN: Sure. Tony Griffin from Bank of America and Sarah Snyder from Ramirez.

COUNCILMAN GREEN: That's what I figured.

Are there any additional questions for members of this Committee for Ms. Dunn for this bill?

(No response.)

COUNCILMAN GREEN: Seeing and hearing none, if we can move into the next bill. And, Mr. Iannuzzi, I believe you have read the title of that bill as well.

Ms. Dunn, if you could once again state your name and title for the record and proceed. Also, I understand that you are accompanied by representatives here regarding this bill. Can you just state their names for the record and then proceed with your testimony.

CITY TREASURER DUNN: Sure. Jackie Dunn, Acting City Treasurer. And we have several representatives from Santander Bank as well on the call, Natalia Dominguez Buckley, Seth Goodall, forgetting the last -- Patricia Packard and I will let other individuals introduce themselves if I missed anyone.

Hearing none, would you like me to proceed with my testimony?

COUNCILMAN GREEN: Yes. If you could proceed with your testimony.

CITY TREASURER DUNN: Great. Good afternoon, Chair Green and members of the Finance Committee. My name is Jackie Dunn, Acting Treasurer, and I'm here to testify in support of Bill 210006, which amends Chapter 19-200 of the Philadelphia City Code, by amending Section 19-201, entitled "City Depositories" to add Santander Bank, N.A. to the list of approved depositories.

Bill 210006 authorizes the City Treasurer's Office to deposit funds in Santander, under certain terms and conditions. Santander Bank meets the requirements to become an authorized depository and the Administration supports this bill. Santander has also affirmed to the City that it will participate in the Annual Lending Disparity Study. This concludes my testimony and I'm happy to answer any questions that you have at this time.

COUNCILMAN GREEN: Thank you, Ms. Dunn. If we can maybe have a representative from Santander to just give an overview of some of the initiatives within the City of Philadelphia as well as their commitment for meeting the goal regarding lending practices with the City of Philadelphia.

MS. PACKARD: Sure. Thanks so much, Acting Treasurer Dunn, and thank you, Chair Green and other members of the Finance Committee. We really appreciate it. My name's Patricia Packard. I'm the Managing Director of Government and not-for-profit at Santander Bank and I'd just like to introduce the members of my team and their role. With me today is Natalia Dominguez Buckley and she covers our Philadelphia area for our government team. And we also have Seth Goodall, who's the Executive Director of our Corporate Social Responsibility, and thank you both for joining me here today. We are happy to be here today and really appreciate your consideration for becoming an approved depository for the City of Philadelphia.

And, Seth, if I can turn it to you, if you would like to just say a few words about our commitment in the Philadelphia community.

MR. GOODALL: Thank you, Pat. And good afternoon, Chairman Green and members of the Committee. Santander Bank's commitment is strong for the City of Philadelphia and the region. I can provide a quick overview of our commitment going forward, but also importantly demonstrate what we did in 2020.

From a few key areas in terms

of philanthropy, we did nearly $900,000 in Philadelphia alone, $1.4 million in Pennsylvania helping over 59 grants to charitable organizations to really impact lower- to moderate-income individuals in communities, volunteer in our colleagues over 812 hours in the City of Philadelphia, and nearly 1400 in Greater Philadelphia, Pennsylvania.

In terms of a few key areas that we're very passionate about of course is accessing affordable home ownership through mortgage, as we in 2020 provided over 250 mortgages. We have a strong team of community development mortgage officers. We have products to help borrowers, opening doors to homeownership and to lender-paid mortgage insurance as well as a robust financial education program as well as closing cost assistance.

In terms of small business, we have a growing SBA program along with a strong commitment to Paycheck Protection Program in working with our nonprofit partners, originating over 2,000 loans in Pennsylvania for over $200 million. And also, we're very committed to our nonprofit partners. Just to name just a few in Philadelphia, including FINANTA, the Greater Philadelphia Hispanic Chamber of Commerce, Ceiba, Esperanza as well as Enterprise Center who, in fact, we're working with on PPP.

One thing to note that we're continuing to look at is how we can increase access to capital, both for homeowners as well as small businesses. And just this year for Round 3 of PPP, we launched an innovative program, specifically opening doors through PPP for minority- and women-owned small businesses. I would be happy to answer any questions.

COUNCILMAN GREEN: Thank you for that presentation.

I see Councilmember Domb has a question.

COUNCILMAN DOMB: Thank you, Mr. Chair.

And thank you everybody from Santander. I have two questions for you: Back in 2013, Santander got a needs-to-improve rating on its Community Reimbursement Act performance of the evaluation. Santander was only I think 6 out of 200 large banks in 2013 to receive the needs-to-improve rating that year. But more recently, positively you got a high satisfactory rating on your community investment activity which is great. What has Santander changed about its approach to community and investment lending between 2013 and now? What are you doing differently?

MS. GOODALL: Councilman, if I might, thank you for sharing that. In 2017 we launched an inclusive communities plan. It's a five-year public $11 billion commitment across community lending, small business, mortgage, volunteering, philanthropy and doubling our CRA commitment during that time.

To note is that this commitment

has also Community Advisory Boards. We have 7 regional Community Advisory Boards and one national Community Advisory Board that's populated by the regional boards. These boards have members and then one in Pennsylvania, and members from Philadelphia and other communities. We report to them regularly, share best practices with them, have very constructive dialogue to make sure they're meeting the needs of the community. And as a result, our bank-wide rating was satisfactory. And we are currently waiting on our next CRA performance, which we had this fall and waiting, so we feel very positive about our overall impact and growth and recognizes the challenges, but continue to look forward and actually speaking today about what Inclusive Communities 2.0 could look like once this plan comes to a conclusion at the end of this year.

COUNCILMAN DOMB: Let me ask you a specific question which maybe you can answer or maybe you can't answer:

But in the City of Philadelphia, how much would you say you have in deposits in your bank branches throughout the City, ballpark?

MR. GOODALL: I'm going to defer to Pat or Natalia, if you can maybe answer that question. If not, Councilman, we can get you that answer. We can follow up.

MS. PACKARD: Yeah. I would say, Councilman Domb, we can take that away and follow up on that.

COUNCILMAN DOMB: I tell you why I'm asking that question. I'm going to assume it's a lot of money. Okay. And the reason why I'm asking that question is because I'm curious how Santander can help us through this crisis in helping our local Philadelphia businesses get back into business basically. And that means products aimed specifically in helping really the small businesses that have been crushed by this pandemic and helping them recover.

And I'm talking about could you set up a fund that's $3 million, $5 million or $10 million to lend to small businesses and maybe even 1 percent interest rate, some really low interest rate to really help them recover and get back into business.

MR. GOODALL: Councilman, I can add that and building on my comments around Payroll Payment Program, there's a couple of things that we're focused on. One is that we're relaunching really focusing on SBA lending to make sure that we increase access to capital, especially those smaller dollar loans, those express loans that are critical for our main street businesses.

In our effort toward PPP, as you heard me mention, we launched an innovative program focused on minority- and women-owned businesses to help them get access to PPP. In addition to that, we want to make sure we're working closely with our community partners, especially our CDFIs, to help them with the financial education and we're expanding programs in that area, also specifically around the food entrepreneurs, how important those are and how they've been impacted to a great degree from PPP. But this is an ongoing conversation and one that we want to make sure that we're responsive not only to our customers but our communities and stakeholders and elected officials such as you.

COUNCILMAN DOMB: And I guess what I'm referring to is whether it's the small businesses at 52nd and Market, Germantown and Erie or our Chairman's backyard when he was a banker. If I recall, Mr. Chairman, at Broad and Glenwood; is that correct?

I mean all of those areas where these really small businesses, they're getting killed, they are getting crushed by this. So if there is something that you guys can do in a way of a very low interest rate over a 5- or 10-year period based on credit or whatever. But if you could extend yourselves and help these small businesses recover in every neighborhood in our City, that would be great for the City and we really appreciate it. So it's something that I want you to think about and maybe come back to the Chairman on that.

MR. GOODALL: And we will. And I'd be remiss if I just didn't close by saying, in the summer we launched a $25 million commitment to CDFIs for lending to provide them low access to capital for relending to the community through organizations that you may be familiar such as Axcel and others, that really helped these small businesses that may not be bank ready but need that mission-focused capital to grow and sustain their businesses.

COUNCILMAN DOMB: Have you had conversations with our Commerce Department and worked with them in this area?

MR. GOODALL: We work regularly with our government and local stakeholders. I know Natalia and Pat work closely with organizations, so I'll defer to Natalia on that one.

MS. BUCKLEY: Councilman Domb, how are you, Councilman Green and all City Councilmembers. I just want to say that I sit also on the Board of the Hispanic Chamber of Commerce and Community First Fund. As part of Santander, our mission is also to work very closely with the Commerce Department and I know that there is a fund right now of $12 million to support small business corridors throughout the City of Philadelphia.

COUNCILMAN DOMB: Okay. I know that Councilmember Maria Sanchez is on this call. I can tell you probably in her District she can give you a list of businesses that would love to talk to you and need help. And --

MS. BUCKLEY: Yeah. We're working really hard actually to help Councilwoman Quinones' District, and she's fully aware of the work that the

Hispanic Chamber of Commerce and FINANTA and Esperanza and all the other organizations that Santander is actually providing funds, but also loans to these organizations in order to provide those funds back into the community.

COUNCILMAN DOMB: Can I ask you a general question and it will be the last one and I'll let you go after this: In today's world, what is your cost of funds when you go to borrow money from the government?

MS. BUCKLEY: Pat, I think you want to answer that.

MS. PACKARD: Our cost of funds, it depends on the situation. You know, so we work closely internally with our treasury area with the bank. So if there's a particular situation, we price it out and try to put our best foot forward for clients. Did you have a particular thing in mind?

COUNCILMAN DOMB: I'm looking at what do you get charged for the money you lend? Is it at 1 percent, half a percent? What is your charge?

MS. PACKARD: It depends on the term. It depends on the type of loan and that type of thing so --

COUNCILMAN DOMB: Let me tell you why I'm asking, because I do want you to look at this for the idea --

MS. PACKARD: Sure.

COUNCILMAN DOMB: A small funding for some of these businesses that is at a very low interest rate so it doesn't crush them and help them recover. And right now, now is the opportunity to do it because rates are so low. They're the lowest in my lifetime. I've never seen rates this low.

I can tell you that back in 1980, I'm older, right, the home you paid $200,000 for is the same payment today basically that you can buy a home for $1.8 million. That shows you the affordability. So I'm just saying this is an opportune time to help these small businesses. And if you can help on the interest rate, that will be a great help for us.

MS. PACKARD: Yup. We can definitely take that back and follow up.

COUNCILMAN DOMB: Okay. Thank you very much.

Thank you, Mr. Chair.

COUNCILMAN GREEN: Thank you, Councilmember Domb.

Before I go to questions from Councilmember Bass as well as Councilmember Gym, Councilmember Domb, you made reference to Broad and Glenwood, which was a former Meridian branch. It is now a Santander branch, and it's been a Santander branch from my recollection from the time of the merger with Meridian/CoreStates and Wells Fargo, so they maintain that branch in North Philadelphia, the Garment Square part of North Philadelphia, that entire Santander branch.

I just had a quick question. How many Santander branches are in the City of Philadelphia?

MR. GOODALL: So --

MS. PACKARD: There's a -- oh, go ahead, Seth.

MR. GOODALL: Yeah, I can answer that if you want me to, Pat. So currently we have 20 branches in the City of Philadelphia and six of those are low- to moderate-income branches to being recent openings, one in Plaza Allegheny as well as one on Parkside. That's the current state of our branch network in Philadelphia.

COUNCILMAN GREEN: Thank you. With that, I would like to have Councilmember Bass ask her question.

COUNCILWOMAN BASS: Thank you, Mr. Chairman.

Good afternoon, everyone. Can you hear me?

COUNCILMAN GREEN: Good afternoon.

MS. PACKARD: Yes.

COUNCILWOMAN BASS: Good afternoon. Number one, I want to thank you all for being here today. I have a great amount of concern around the banking industry and community investment and the requirements versus what is actually done, because I feel that so much of the time what is done is really just sort of a surface stuff thing, you know, just really enough to get by.

And so, I'm very intrigued when you say that you have an $11 billion national effort around the Community Reinvestment Act. So I'm wondering if you can tell me who's on your Community Advisory Board locally. I know you said it was a national and regional organization. But can you tell me who from Philadelphia sits on our Regional Board.

MR. GOODALL: Sure. So I'll do my best on the Regional Board. Natalia can also assist, because we were fortunate Natalia formerly worked in corporate social responsibility before joining Pat Packard's team on banking. I would say our National Board, we have two members. We have Will Gonzalez who is from Ceiba, is on our National Board. And we just formerly, and I just want to mention, had Luis Mora who is the CEO from FINANTA who retired and stepped down from the Board.

In the Regional Board, Will serves on that as well as Dan Cortes for Esperanza. And I'm trying to think of other individuals specifically from Philadelphia. Natalie, can you help me -- Natalia, excuse me?

MS. BUCKLEY: Sure. No problem. Della Clark from Enterprise Center. Then we have John Chin from Chinatown Corporation. We have Dan Betancourt that is now the merge between FINANTA and Community First Fund, and I think those are the ones from Philadelphia. From Pennsylvania, it's an Advisory Committee of about eight members, if I'm not mistaken.

COUNCILWOMAN BASS: Okay. Can you do a breakdown in terms of men, women, African-American, Latino, Asian?

Can you give a breakdown in that regard?

MR. GOODALL: We can. What I will say is that our Community Advisory Boards are very representative of the communities that we serve and we can provide that. I'll have to follow up with those specifics.

COUNCILWOMAN BASS: Well, my thought is that if you're saying the Community Advisory Board is representative of those that you serve, but you said you only have two branches in low- to moderate-income but this is an Advisory Board that advises on giving in those same communities, then it doesn't sound like the Board overall is diverse.

Now, I'm guessing that the names you just gave me, that there is diversity there. But I would really like to have an idea of what the breakdown is. For example, Della Clark is the only person that I recognize who is a woman, and actually the only person that I recognize who is

African-American, even though that might not be the case but that's just of the group that you mentioned of what I know. So if you could be specific on that, I would really appreciate having an idea.

MR. GOODALL: Yes. So --

COUNCILWOMAN BASS: And I think I'm stuck on that because so often I feel you'll have a lot of folks who want to advise communities of color as to what's best for them without being them, if you know what I mean. And I think it's important to have representation from the communities that you are trying to put a dent in the issues that exist in those communities. You want to put a dent in not having homeownership opportunities and access to capital and access to small business loans and all those sorts of things and understanding financial literacy and encouraging the opening of bank accounts and not using check cashing. All those kinds of things you want to make sure that you have representatives from that community that say what it is that you need.

MR. GOODALL: Yes, and we agree with you. And we also are confident that our Community Advisory Boards while represent the communities that we serve, including communities of color, the low- and moderate-income communities as well as the immigrant communities and we really seek their feedback not only for philanthropy and charitable giving but also products and services to make sure that we continue to strive to have inclusive banking products and services that help individuals build wealth in banks and become successful. Also just to clarify, we also have six LMI, low- to moderate-income branches in Philadelphia, not two, just to clarify.

COUNCILWOMAN BASS: Okay. I may have been incorrect on that, so thank you for the clarification. Can you get that information to the Chair, specifically of who's on these boards and what the diversity makeup is?

MS. BUCKLEY: Yeah.

Councilwoman Bass, just to also clarify the names that we have mentioned are just for the City of Philadelphia. These Community Advisory Council is for the whole entire state of Pennsylvania. So we have about four people from Philadelphia alone and then the other four people are from the rest of Pennsylvania. So we have someone from Lehigh Valley, someone from Reading, someone from York County. For example Mr. Sam Cooper, he's also an African-American, and Mr. Mike, he's from York, he's also African-American. So we do have a diverse pool of members in this Advisory Committee. I just wanted to make clear of that, that it's not just --

COUNCILWOMAN BASS: Thank you.

MS. BUCKLEY: Sure.

COUNCILWOMAN BASS: I appreciate that and I look forward to reviewing the list. When the names were given out, they were just names that I didn't recognize so I have no idea other than the one or two or three that I might know from that list. So if you could get that information to the Chair, I think that that would be very help.

The other question that I had was, you said that nationally there was an $11 billion commitment, that was the difference in terms of what propelled Santander to go from the recommendation that you needed to do better to the actuality of doing better. And so, there was an $11 billion commitment I believe you said in your testimony.

Can you talk a little bit further about that? And you listed several categories that covered that $11 billion in commitment. And I'd like to see or hear more about how that breaks down.

MR. GOODALL: Sure. So our five-year $11 billion commitment first was built through significant community engagement and feedback, including listening sessions across our footprint, from New Hampshire through Pennsylvania, New England through the Mid-Atlantic and Greater New York region. In terms of key components, there's 9.1 billion in lending to underserved communities, so community development lending, mortgage lending, small business lending.

There's $1.9 billion in community development in investments, so equity investments both in the small business but importantly in the affordable housing space. There's $55 million a year in charitable contributions across our footprints. A commitment of 10 retail low- to moderate-income branches across our footprints as well as a goal of 60,000 community development volunteer hours by our colleagues for our communities that are focused on CRA service-qualifying hours. And one of the learnings that we've had and through the Community Advisory Boards and through a partnership as we look to the future is how can we be responsive and really take the feedback and implement modifications to our programs, launch new products.

And I just want to give two examples of how we're being responsive. One is as you heard me say really opening up access to the Paycheck Protection Program in this third round. That was a request from our Community Advisory Boards, and we launched as you heard me say a special purpose credit program for minority- and women-owned borrowers, as well as for assisting our nonprofit grantees over 300 of those across the footprint.

In addition to that in response to COVID this summer, we are very targeted to make sure that we can help address immediate needs as well as expediting our funding over our $12 million a year this year to help nonprofits who really need it just as small businesses did, the cash flow, as well as we also launched a commitment this summer, a $5.2 million racial equity and social justice initiative focused on entrepreneurship as well as

CDFIs, to really help CDFIs that are focused on communities and entrepreneurs of color. These really intentional focus areas are ones that we hear and we work with our Community Advisory Boards to make sure we're addressing the needs of our community.

COUNCILWOMAN BASS: Okay. Well, thank you very much for the information.

Thank you, Mr. Chairman.

COUNCILMAN GREEN: Thank you, Councilmember Bass.

I just wanted to provide a point of information. I think you said it was eight people on the statewide Advisory Board. Some of the names that you had mentioned like Della Clark or Gonzalez from Ceiba, John Chin from the Philadelphia Chinatown Development Corporation but as well as individuals like Dan Cortes from Esperanza and I think you said Dan Betancourt. For those who may recall, he along with Jim Burnett from the West Philadelphia

Financial Service Institution were very instrumental in working with Senator Hughes in providing that $250 million fund for CDFIs from around the Commonwealth to go directly for grants for businesses, principally businesses of color as well as low-to-moderate businesses in the Commonwealth of Pennsylvania.

And then Sam Cooper is also an attorney for Paxson based in Harrisburg is a partner there and is also the past Chair of the Minority Attorney Association for the Pennsylvania Bar Association. So I just wanted to put that information on the record.

Councilmember Gym, I believe you have a question as well.

COUNCILWOMAN GYM: Thank you so much, Mr. Chair.

Thank you all so very much. Have you provided to the City your statement of the plan? I think you mentioned the $5 million on the contributions to CDFIs and to Black entrepreneurs. Have you provided what that looks like to the City?

MR. GOODALL: I don't believe we provided specifically to the City, but we can. This is all in the public domain and we're proud of our commitment, so we can forward that after this meeting.

COUNCILWOMAN GYM: My understanding is that City depositories are supposed to annually provide the City with a statement on financial reparations which includes descriptions of new financial products or programs. So has that been requested of you and are you able to provide that?

CITY TREASURER DUNN: Councilmember Gym, this is Jackie Dunn, Acting City Treasurer. Santander, if they are approved through this process, they would be among listed depositories and we would reach out to them so that they provide that information. We're happy to request that proactively as well.

COUNCILWOMAN GYM: Okay. I think it's helpful in part because it sounds like it's something that should be alerted to and I just wanted to make sure that the requester knew that that was a requirement and also that it should be specific.

And I think we had some conversation about small business, which is particularly helpful. But in particular, there should be a description of new financial products that specifically address racial disparity and lending and investment activities. And I'm curious about what work you've already done in that area, if you've done it in other places.

MR. GOODALL: So one core component of this initiative is really assisting entrepreneurs of color and also growing through our Cultivating Small Business program. Our Cultivating Small Business program is a food incubator, in essence a mini MBA, a four-month achievement program and deep dive to help these entrepreneurs grow and sustain their businesses. We expanded it this year from Boston to two locations in New Jersey and we have plans to continue its expansion in years to come.

In addition to that, we are already implementing efforts to make sure that we have greater impact through our CDFI initiatives, to make sure that we are working with CDFIs that are working in communities of color and also that are led by individuals of color so that they can have greater impact and responsiveness to our communities.

COUNCILWOMAN GYM: Yeah, I think --

MS. BUCKLEY: Can I just add to that, Councilwoman Gym. We also have provided a grant to the Hispanic Chamber of Commerce for an initiative that was launched last year, 2019 to 2020, and it is with Enterprise. It's a mini MBA program for small minority-owned businesses and entrepreneurs. And from that, we got about 16 small businesses that graduated from the program and now we're in the process of providing another funding for Round 2.

COUNCILWOMAN GYM: Okay. Thank you very much. I'll look forward to seeing that and just hoping that it's recognized that it should be somewhat City-specific as opposed to just a general thing. So I would be interested in hearing more about your work here in Philadelphia to address racial disparity around lending and investment practices, but thank you very much.

MR. GOODALL: You're welcome.

COUNCILMAN GREEN: Thank you, Councilmember Gym.

Are there any other questions from members of Council?

(No response.)

COUNCILMAN GREEN: All right. Seeing and hearing none, there being no further questions from members of the Committee, are there any other witnesses to testify on Bill Nos. 210004 or

210006? And I will also ask if anyone is present in this hearing whose name we have failed to call and that wishes to offer testimony on these bills, if they would like to offer testimony?

(No response.)

COUNCILMAN GREEN: Okay. Hearing and seeing none, I want to thank the witnesses for their participation today. The information that was requested by various members, if you can send that to me so that can be distributed to the Committee. We also value your opinions.

I would now like to invite all panels of witnesses to please disconnect from the meeting before we go into our public meeting. We will now pause the proceedings briefly as the attendees who are not members of Council leave the hearing.

CITY TREASURER DUNN: Thank you, Chair.

MS. PACKARD: Thank you, everyone.

MS. BUCKLEY: Thank you.

COUNCILMAN GREEN: Thank you. Okay. We will now reconvene the public meeting.

Mr. Iannuzzi, will you please call the roll to take attendance. Members that are in attendance, will you please indicate that you are present when your name is called and also say a few words like you're having a great day when responding so your image will be displayed on screen when you speak.

THE CLERK: Councilmember Cindy Bass.

COUNCILWOMAN BASS: Good afternoon. I am present. Thank you very much, Mr. Chairman, for this very informative hearing.

THE CLERK: Councilmember Allan Domb.

COUNCILMAN DOMB: Good afternoon, Mr. Chairman and colleagues. Thank you.

THE CLERK: Councilmember Helen Gym.

COUNCILWOMAN GYM: Chair requests -- Council Chair, I'm on video. Good afternoon, everybody. I'm present.

THE CLERK: Councilmember Bobby Henon.

COUNCILMAN HENON: Thank you, Mr. Chair. Thank you for chairing this Finance meeting and all the members participation.

THE CLERK: Councilmember David Oh.

COUNCILMAN OH: Good afternoon, Chairman and colleagues. I am still present. Thank you.

THE CLERK: Councilmember Maria Quinones-Sanchez.

COUNCILWOMAN QUINONES-SANCHEZ: Good afternoon, everyone. Thank you, Mr. Chair, for running this hearing. And I look forward to moving forward. Thank you.

THE CLERK: Councilmember Mark Squilla.

COUNCILMAN SQUILLA: Thank you, Mr. Chairman. Present. Looking forward to voting on this proposal.

THE CLERK: And, Chair Derek Green.

COUNCILMAN GREEN: Yes, I am still here and present here at Microsoft Teams. I will now recognize Councilmember -- well, one, I will say we do have a quorum for our public meeting. I would like to now recognize Councilmember Henon for a motion on Bill No. 210004.

COUNCILMAN HENON: Thank you, Mr. Chair.

I move that Bill No. 210004 be reported from this Committee with a favorable recommendation and further move that the rules of Council be suspended as to permit the first reading of this bill at our next session of Council. We need a second.

COUNCILMAN GREEN: Is there a --

COUNCILWOMAN BASS: Second.

COUNCILMAN GREEN: I would like to acknowledge and record that

Councilmember Bass has seconded the motion. It has been moved and properly seconded that Bill No. 210004 be reported from this Committee with a favorable recommendation and further move that the rules of Council be suspended to permit first reading of this bill at the next session of Council.

All those in favor of the motion will signify by saying aye.

(Aye.)

COUNCILMAN GREEN: Those opposed?

COUNCILMAN OH: I oppose.

COUNCILMAN GREEN: Okay. I have it, and the motion carries.

The Chair now recognizes Councilmember Henon for a motion on Bill No. 210006.

COUNCILMAN HENON: Thank you, Mr. Chair.

I move that Bill No. 210006 be reported from this Committee with a favorable recommendation and further move that the rules of Council be suspended to permit the first reading of this bill at our next session of Council.

COUNCILMAN GREEN: Is there a second?

COUNCILWOMAN BASS: Second.

COUNCILMAN GREEN: I hear Councilmember Bass. I would like to note that she has seconded the motion. It has been moved and properly seconded that Bill No. 210006 be reported from this Committee with a favorable recommendation and further move that the rules of Council be suspended to permit first reading of this bill at the next session of Council.

All those in favor of the motion will signify by saying aye.

(Aye.)

COUNCILMAN GREEN: Those opposed?

(No response.)

COUNCILMAN GREEN: The ayes have it and the motion carries.

I want to thank everyone for being here. This concludes the business before the Committee on Finance today. Have a wonderful afternoon and enjoy the rest of your day. Thank you.

COUNCILMAN SQUILLA: Thank you, Mr. Chair.

COUNCILMAN DOMB: Thank you, Mr. Chair.

COUNCILWOMAN BASS: Thank you.

COUNCILMAN GREEN: Thank you.

(Committee on Finance concluded at 3:50 p.m.)

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

I, hereby certify that the proceedings and evidence noted are contained fully and accurately in the stenographic notes taken by me in the foregoing matter, and this is a correct transcript of the same.

____
TANEHA C. CARROLL
Court Reporter - Notary Public

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