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2 COUNCIL OF THE CITY OF PHILADELPHIA

3 COMMITTEE ON RULES

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5 Room 400, City Hall
Philadelphia, Pennsylvania
6 Wednesday, March 14, 2007, 1:30 p.m.

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9 PRESENT:

10 COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILMAN DARRELL CLARKE
11 COUNCILMAN JACK KELLY
COUNCILMAN JAMES KENNEY
12 COUNCILWOMAN DONNA REED MILLER
COUNCILMAN BRIAN O'NEILL
13 COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN DANIEL J. SAVAGE
14 COUNCILMAN WILLIAM K. GREENLEE

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17 BILL NOS. 060957, 070005, 070006, 070008,
070009, 070010, 070011, 070012,
18 070013

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COUNCIL PRESIDENT Verna: Good afternoon, everyone. This is the public hearing of the Rules Committee. I apologize for the delay. I would ask Mr. McPherson to please read the title of Bill No. 07005.

THE CLERK: An ordinance establishing a neighborhood improvement district in an generally includes both sides of Germantown Avenue from 6300 to 7631 and certain blocks of streets that intersect that portion of Germantown Avenue to be known as the Mount Airy Business Improvement District.

COUNCIL PRESIDENT Verna: Who is here to testify?

Good afternoon. Please identify yourself for the record and proceed with your testimony.

MS. GLADSTEIN: Well, my testimony says good morning, but I'll say good afternoon. My name is Eva Gladstein. I'm director of neighborhood transformation for the City of

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2 Philadelphia and I'm here to testify on
3 behalf of the administration in support
4 of this bill. This bill will allow for
5 the creation of the Mount Airy Business
6 Improvement District, a district that
7 will include the Mount Airy commercial
8 corridor extending generally along both
9 sides of Germantown Avenue from the 6300
10 to 7631 and certain blocks of streets
11 that intersect that portion of the
12 Avenue. The creation of neighborhood
13 improvement districts, and this would be
14 one of them, is consistent with the
15 objectives of our newly launched Restore
16 Philadelphia's Corridor program, which is
17 designed to help reestablish neighborhood
18 commercial corridors as central places to
19 work, shop, and meet neighbors. The
20 Mount Airy Business Association and Mount
21 Airy USA have worked closely with other
22 community stakeholders in creating the
23 neighborhood improvement district. In
24 addition, Mount Airy USA has been
25 participating in the City's Main Street

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2 program for two years, which provided
3 \$25,000 in Main Street Facade Challenge
4 Grants for the Winston Commons Project.
5 In addition, ten businesses on the
6 commercial corridor have received facade
7 improvement funds through the City's
8 small business commercial improvement
9 program over the last 18 months.

10 NIDs are one of the best
11 examples of collaboration between the
12 City and our neighborhood commercial
13 corridors. Like their counterparts in
14 East Passyunk, Port Richmond, and
15 Roxborough, the Mount Airy business,
16 entrepreneurs, and property owner
17 recognize the need to improve the
18 environment within which they and their
19 customers live and work. Their efforts
20 to keep the commercial areas clean, safe,
21 and attractive will directly impact the
22 stability of the entire community and as
23 the neighborhood prospers the economic
24 vitality of the commercial center will
25 also be strengthened.

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2 The result of this will be a
3 dynamic neighborhood improvement district
4 that promotes long-term growth and
5 viability of the commercial areas in
6 Mount Airy. And we think this effort
7 deserves the support of the City.
8 Therefore, I urge your support of Bill
9 No. 070005, and thank you for your
10 consideration.

11 COUNCIL PRESIDENT VERNA:

12 You're welcome. The bill states that the
13 proposed budget for the district for the
14 first year of its creation is \$115,000.
15 Are there any other projected costs and,
16 if so, what might provide an additional
17 source of financing?

18 MS. GLADSTEIN: If I could
19 respectfully suggest, I believe there are
20 members of Mount Airy USA and the
21 business association present who have
22 created the budget who might be better
23 able to answer those kinds of questions.

24 COUNCIL PRESIDENT VERNA: Okay.
25 That's fine.

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2 Does anyone on the committee
3 have any questions of Ms. Gladstein?

4 (No response.)

5 COUNCIL PRESIDENT Verna: Thank
6 you.

7 MS. GLADSTEIN: I have copies
8 of my testimony. I'll hand them up.

9 COUNCIL PRESIDENT Verna: Thank
10 you.

11 THE CLERK: The next panel is
12 George Butler, David Young, and Ken
13 Weinstein.

14 COUNCIL PRESIDENT Verna: Good
15 afternoon. Please identify yourselves
16 for the record and proceed with your
17 testimony.

18 MR. WEINSTEIN: Ken Weinstein,
19 502 West Allens Lane. If I could, I'd
20 like to defer my testimony for a minute.

21 MR. LEVY: With your consent,
22 my name is Paul Levy. I'd like to offer
23 testimony.

24 COUNCIL PRESIDENT Verna:
25 Welcome.

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2 MR. LEVY: Thank you very much.

3 My name is Paul Levy. I am here to
4 testify in favor of Bill 070005. I'm
5 really here wearing two different hats.
6 One is a former resident of Mount Airy
7 and second is president of Philadelphia's
8 first business improvement district, the
9 Center City district. I have copies of
10 my testimony if people want them.

11 From 1987 through 2004, I was a
12 resident of Mount Airy and I initially
13 watched with concern, particularly in the
14 late '80s, a steady degeneration of
15 Germantown Avenue. But from the time
16 Mount Airy USA was fully staffed up, it
17 became clear the area was enjoying the
18 fruits of the very hard work of a
19 business and civic organization that was
20 committed to the revitalization of this
21 historic corridor in Philadelphia.

22 I obviously believe in the
23 benefits of business improvement
24 districts, but I volunteered to come here
25 today because I think this effort is

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2 being carried out in exactly the right
3 way. In Center City, we benefit
4 enormously from the dense concentration
5 of business and commercial properties
6 that gives us a strong taxable base that
7 supports a broad range of services. The
8 challenge that has emerged in many low
9 and moderate income neighborhoods that
10 have put in place business improvement
11 district is that the limited assessed
12 value in the area limits the ability of
13 that organization to raise sufficient
14 funds often to provide needed services.
15 But in the case of Mount Airy, we have a
16 highly successful community development
17 organization and business association
18 working with their residential
19 association with a proven track record in
20 raising funds and working in partnership
21 with government, and they're now
22 proposing to expand that partnership by
23 adding to their kit of revitalization
24 tools a Business Improvement District.
25 This formula of multiple funding streams

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2 for neighborhood commercial
3 revitalization is a formula for success.

4 Should Council approve this
5 bill, I would be pleased to welcome the
6 Mount Airy Business Improvement District
7 into the family of Philadelphia Business
8 Improvement Districts and am prepared to
9 offer any advice and guidance to this new
10 BID as we have done with all BIDS in
11 Philadelphia should they request it.
12 Thank you very much for this opportunity.

13 COUNCIL PRESIDENT Verna:
14 You're welcome.

15 Any questions or comments from
16 members of the committee?

17 (No response.)

18 COUNCIL PRESIDENT Verna: Thank
19 you, Mr. Levy.

20 I'm sorry. The Chair
21 recognizes Councilwoman Miller.

22 COUNCILWOMAN MILLER: Good
23 afternoon, Mr. Levy.

24 MR. LEVY: Good afternoon.

25 COUNCILWOMAN MILLER: I'm glad

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2 to see you today. I didn't know you
3 moved from Mount Airy.

4 MR. LEVY: They let me get
5 away. I had to come downtown. It was a
6 job obligation.

7 COUNCILWOMAN MILLER:
8 Certainly, you've been very supportive of
9 neighborhood improvement districts. You
10 worked with us in Germantown prior to me
11 coming to City Council and along with
12 Frankford establishing the first. Glad
13 to see you here today and thank you for
14 your testimony.

15 MR. LEVY: Thank you very much.

16 COUNCIL PRESIDENT VERNA: Thank
17 you.

18 Please identify yourself for
19 the record and proceed with your
20 testimony.

21 MR. WEINSTEIN: Thank you,
22 Council President. Council President
23 Verna, Council members, ladies and
24 gentlemen, I'm Ken Weinstein again. I
25 reside at 502 West Allens Lane. I'm

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2 co-owner of Trolley Car Diner and a
3 partner in Brinton Housing Partners,
4 which has several properties along
5 Germantown Avenue. I'm also cochair of
6 the Mount Airy Business Improvement
7 District steering committee. I do have
8 copies of my testimony.

9 I appreciate the opportunity to
10 appear today before City Council Rules
11 Committee to speak in favor of
12 establishing a Business Improvement
13 District along Germantown Avenue business
14 corridor in Mount Airy. I'd like to
15 introduce my fellow Mount Airy BID
16 steering committee co-chairs, George
17 Butler and David Young, who will join me
18 in describing the proposed Mount Airy BID
19 and answer any questions that you may
20 have.

21 One and a half years ago, we
22 pulled together a small group, including
23 Michael Moore from Councilwoman Miller's
24 office, and Jeanne Bethune, who is here
25 with us today from the Mayor's Business

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2 Action Team, to establish a BID in Mount

3 Airy. The BID was proposed to replace

4 the Mount Airy Ambassadors, which had a

5 major impact on the cleanliness in the

6 business district but had to fold due to

7 lack of funding. During the almost two

8 years that the Ambassadors existed, our

9 streets were clean, we had an additional

10 security presence along the Avenue, and

11 property owners, business owners, and our

12 customers were feeling very positive

13 about the directions of our business

14 district. The Ambassadors, run by Mount

15 Airy USA, were funded with Councilwoman

16 Miller's support and through voluntary

17 contributions by property owners. It

18 worked well, but as the commerce

19 department dollars were reduced and

20 voluntary contributions shrunk, the

21 funding to keep it alive was not there.

22 We knew that we needed a new mandatory

23 participation program with dedicated

24 funding such as a BID. We first

25 approached our elected officials in order

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2 to raise almost \$45,000 to hire our BID
3 consultant, Larry Houston, and to pay for
4 other expenses during the process.

5 Councilwoman Miller -- again we
6 appreciate her support -- through the
7 commerce department gave us 25,000.

8 State representatives Cherelle Parker,
9 John Myers, Rosita Youngblood, and State
10 Senator Leanna Washington provided us
11 with \$5,000 each through DCED. The
12 strong support of our elected officials
13 along with a lot of time and effort by
14 our 35-member steering committee has
15 helped us get this far and here today.

16 We're proposing the following:

17 Establishment of a Business Improvement
18 District from the 6300 block of
19 Germantown Avenue to the 7600 block of
20 Germantown Avenue and portions of several
21 commercial side streets along this
22 stretch. We're proposing that commercial
23 property owners in the district be
24 assessed 18 percent of annual real estate
25 taxes to pay for the BID projects and

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2 staff. And we're also proposing that the
3 Mount Airy BID be governed by a
4 nine-member board, all but one elected at
5 an annual meeting of all property owners
6 in the district. Eight members of the
7 board will be property owners actually
8 paying BID assessments. One member will
9 be from a nonprofit institution along the
10 Avenue, and that member will be selected
11 by the other eight members. Additional
12 nonvoting board members, including
13 representatives from Mount Airy Business
14 Association and Mount Airy USA, will be
15 selected by the board.

16 We ask that the City Council
17 Rules Committee approve the establishment
18 of the Mount Airy BID by voting this
19 resolution out of committee with a
20 favorable recommendation.

21 I'd now like to introduce
22 George Butler from the award-winning
23 Butler Prestige Photography, who will
24 explain some of the improvements and
25 services that a BID will bring to Mount

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2 Airy.

3 MR. BUTLER: Thank you very
4 much, Ken, and especially for that
5 award-winning in the introduction.

6 To Council President Honorable
7 Anna Verna, Council members, ladies and
8 gentlemen, I am George A. Butler, Jr.,
9 owner and operator of Butler Prestige
10 Photography located since 1988 at 6338
11 Germantown Avenue. This is also my
12 residence. In my capacity as a property
13 owner, business merchant, community
14 resident and active volunteer in the BID
15 and other community organizations, let me
16 first go on record in full support of the
17 proposed Mount Airy improvement district
18 as outlined in Bill No. 070005. My role
19 today as Ken suggested is to briefly, I
20 do underscore briefly, discuss the
21 following topics, mainly the proposed
22 budget and its services.

23 Based on the 18 percent
24 assessment via real estate taxes using
25 the Board of Revision of Taxes 2006's

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2 assessments for commercial properties and
3 apartment buildings with five or more
4 units within the district, it is our
5 expectation to raise approximately
6 \$115,000 for our year one Mount Airy BID
7 budget. To account for inflation, such
8 assessments shall increase 4 percent
9 annually of this 18 percent base amount.

10 What services are to be
11 procured with this \$115,000 budget?
12 Well, under maintenance and operations,
13 \$70,000 of this budget will be earmarked
14 to clean sidewalks and street gutters
15 from the 6300 block of Germantown Avenue
16 to that of the 7600 block of Germantown
17 Avenue. Appearance not only matters in
18 personal grooming, but it's equally
19 important in community appearance and
20 grooming. After all, a clean,
21 attractive, safe business corridor with
22 adequate parking and effective marketing
23 initiatives will provide a real economic
24 boom for our area. It will signal
25 community pride and unity in making a

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2 good neighborhood into a better one, if
3 not a great neighborhood to live, work
4 and/or shop.

5 Next, on the security, parking,
6 and marketing, some \$5,000 will be
7 earmarked for year one of the budget to
8 explore and develop plans for better
9 public safety, parking, and marketing.
10 Security services will include but not be
11 limited to establishing a district public
12 safety committee to work with local
13 police and business operators to improve
14 safety in the district. Parking services
15 will include a thorough examination of
16 all parking needs throughout the district
17 and finding suitable solutions. The
18 cornerstone of marketing will be to
19 effectively attract new businesses and
20 customers to the district by working
21 closely with realtors and by developing
22 appropriate marketing kits featuring
23 up-to-date demographics and business
24 highlights.

25 And finally we come to the

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2 worker bee glue that holds it all
3 together, which is the topic of
4 administration. As outlined in the
5 proposed ordinance, the budget allocation
6 for administration in year one will be
7 \$40,000. The administrative costs will
8 include, among other things, marketing
9 and production of regular e-mail
10 newsletter, the performance of an annual
11 audit, the preparation of an annual
12 report to be disseminated among
13 benefitting properties and tenants as
14 well as grant writing to expand programs
15 and to advance streetscape and parking
16 projects.

17 The marketing management
18 element will have the following
19 responsibilities, that is, producing
20 newsletters, conducting surveys, public
21 relations assisting the board and
22 committee, planning and overseeing
23 events, keeping marketing up to date,
24 cooperating with realtors and developers,
25 facade improvements, grant and

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2 sponsorship solicitation, contacting City
3 agencies overseeing board member
4 selection, contractor selection, and
5 oversight, and such additional duties as
6 may be determined from time to time by
7 the board.

8 That's probably the longest
9 sentence I've ever read in my life.

10 The district will contract
11 annually with Mount Airy USA to provide
12 these services. Given the experience,
13 expertise, and successful track record of
14 Mount Airy USA, it is no wonder that
15 we're optimistic in believing we will be
16 able to leverage additional dollars
17 through their grant and proposal writing
18 skills.

19 To reiterate, I'm in full
20 support of the proposed Mount Airy BID
21 since it offers the greatest real
22 potential of bringing together all of the
23 various community stakeholders in a
24 volunteer-driven, consensus-building
25 mechanism to bring about progressive

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2 growth and improvement to the Mount Airy
3 business corridor and in an equitably
4 financed manner. Thanks again for this
5 opportunity to address this issue.

6 COUNCIL PRESIDENT Verna:

7 You're welcome. Thank you.

8 Please identify yourself for
9 the record.

10 MR. BUTLER: Yes. I am George
11 A. Butler, Jr., of 6338 Germantown
12 Avenue.

13 COUNCIL PRESIDENT Verna: Thank
14 you.

15 MR. YOUNG: Council President
16 Honorable Anna Verna, ladies and
17 gentlemen, my name is David W. Young. I
18 reside at 6114 Wissahickon Avenue in
19 Germantown, Philadelphia. As I am
20 executive director, I represent my
21 organization, Cliveden, which is a
22 historic site of the National Trust for
23 Historic Preservation. And since 1967 it
24 has been located at 6401 Germantown
25 Avenue. This 240-year old national

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2 historic landmark was the site of the
3 revolutionary battle at Germantown which
4 occurred in Mount Airy in 1777. As a
5 cochair of the BID steering committee, I
6 have been at work with my neighbors and
7 colleagues for about a year to provide
8 information related to this process to
9 the property owners of the proposed
10 business improvement district. The
11 communication process has been organized
12 to be open and inclusive about how the
13 business improvement district will be
14 created, empowered, and managed. The
15 communications process has included a
16 variety of means to convey, collect, and
17 coordinate the information about creating
18 a new Business Improvement District on
19 the Avenue. Since last year, this has
20 meant nine full steering committee
21 meetings which were attended by between
22 25 and 30 people each, three open
23 community meetings where between 45 and
24 65 people attended each one, and a steady
25 stream of e-mails, newspaper reports,

mailings and other announcements. All meetings have been announced publicly well in advance and held at prominent locations easily accessible to those interested in the process. There have also been focused meetings among property observers and people interested in the BID to address specific concerns.

Each member of the steering committee, especially the co-chairs with whom I am seated, have often gone door to door to follow up on discussions, information, or queries regarding the process of creating, empowering, and managing the BID. We have conducted surveys of the property owners and business operators as to the objectives and goals for the proposed BID and the level of support necessary to manage it. It's from this process that we learned of the percentage valuation assessment we would use.

The survey also identified four key areas of concern to the people of

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2 this district that the BID will address:
3 safety, sidewalk appearance, parking, and
4 customer attraction. At all times
5 throughout this process, we have
6 attempted to be totally open and
7 inclusive to people about the BID and
8 about how it can realistically bring
9 benefits to our community.

10 I favor the BID. Although I am
11 director of a nonprofit, not taxed, my
12 organization will contribute what its
13 assessment would be if it were to be
14 taxed. And as Cliveden occupies an
15 entire city block, it will be a
16 substantial donation. Cliveden will do
17 this because my organization believes
18 that an area of the city such as this
19 with beauty, history, and potential on an
20 avenue known the nation over for its
21 contributions to American history
22 deserves nothing less. The tourists and
23 school visitors we bring to events and
24 programs at Cliveden look to us to
25 provide safe clean sites to visit and

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2 lively amenities and attractions to go
3 along with it. Even though it may mean a
4 slight impact on our budget, its benefits
5 will be positive to the progress we
6 strive for within our community.

7 Thank you, Councilwoman Miller
8 for all your help. And thank you,
9 Council.

10 COUNCIL PRESIDENT VERA: Thank
11 you very much. Are there any comments or
12 questions of this witness or witnesses?

13 Councilwoman Miller.

14 COUNCILWOMAN MILLER: Thank
15 you, Madam President.

16 Ken, I have a question here
17 regarding the board makeup.

18 MR. WEINSTEIN: Yes.

19 COUNCILWOMAN MILLER: You said
20 you have a nine-member board and that
21 would be elected at annual meetings, but
22 it's the last sentence I just have a
23 question about, additional nonvoting
24 board members. What is the total number
25 in addition to the nine nonvoting

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2 members?

3 MR. WEINSTEIN: I think that's
4 an open question that will be up to the
5 initial BID board on how many nonvoting
6 members they want to have. I think it
7 could be a powerful tool that they can
8 bring on 5 or 10 or 15 other people who
9 have expertise in certain areas that can
10 really help us out.

11 COUNCILWOMAN MILLER: Right.
12 When we did Germantown, we had a
13 number -- I don't remember the exact
14 number -- of voting members, but we had
15 so many people interested we created an
16 advisory board that could include
17 everybody.

18 MR. WEINSTEIN: I think that
19 would be an excellent idea also, yes. I
20 think that's something that needs to be
21 formed by the board.

22 COUNCILWOMAN MILLER: I want to
23 commend the committee for its work. We
24 met a year and a half ago up at the diner
25 and since then -- has it been a year and

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2 a half?

3 MR. WEINSTEIN: We met about a
4 year and a quarter ago actually at
5 Cresheim Cottage Cafe, the other place.

6 COUNCILWOMAN MILLER: Where you
7 serve such great coffee. Anyway, I do
8 want to thank you for coming in today and
9 commend the steering committee for all
10 your hard work. I know it's not been
11 easy, but you had a goal and we're
12 getting closer to reaching that goal. So
13 thank you for your testimony. Thank you
14 for coming in today.

15 MR. WEINSTEIN: Thank you,
16 Councilwoman. If I may, a couple things,
17 one is I would like to introduce members
18 of the Mount Airy business community who
19 came here today to support the Business
20 Improvement District.

21 If you would all just stand up,
22 people in support of the Mount Airy
23 Business Improvement District. Thank you
24 very much for coming.

25 Also, we are asking for the

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2 removal of four properties that should
3 not have been on the initial resolution,
4 and those four properties are 6821
5 Germantown Avenue, 7413 Germantown
6 Avenue, 2022 West Nipon Street, and 6353
7 Germantown Avenue. We request these four
8 be removed from the Business Improvement
9 District.

10 COUNCIL PRESIDENT VERNA: Thank
11 you.

12 MR. WEINSTEIN: Thank you.

13 COUNCILWOMAN MILLER: I also
14 want to thank the other City departments
15 that have been very helpful and Jeanne
16 Bethune in particular and my staff from
17 my office, commerce, and the staff from
18 my office that's been working with you
19 guys. You're on the move. Thank you.

20 COUNCIL PRESIDENT VERNA: Thank
21 you.

22 Do we have anyone else to
23 testify on this bill? Please approach
24 the witness table.

25 While you're approaching the

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2 table, I would like the record to reflect
3 that to my extreme left is Councilmembers
4 Savage, Kelly, and Clark, to my extreme
5 right Councilman O'Neill, Councilman
6 Greenlee, Councilman Kenney, Councilwoman
7 Brown, Councilwoman Miller. Thank you.

8 Please identify yourself for
9 the record and proceed with your
10 testimony.

11 MS. FOSTER: Brenda Foster,
12 6373 Germantown Avenue. We have a travel
13 agency that we've been there for 20
14 years. And I just want it to be clearly
15 noted that I am not in favor of the BID
16 process. I've been on several of these
17 kinds of things. It sounds good on
18 paper, but when it comes down to
19 actuality, the money is usually used a
20 lot up in fees for administration and
21 never filters down to where it needs to
22 go. So I just want for the record to be
23 duly noted I am in opposition of it.

24 COUNCIL PRESIDENT VERNA: Thank
25 you very much.

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2 Do we have anyone else to
3 testify on this bill?

4 (No response.)

5 COUNCIL PRESIDENT Verna: The
6 Chair recognizes Councilwoman Miller.

7 COUNCILWOMAN MILLER: I just
8 wanted to make sure that people knew
9 before they left that we are right now
10 working on the cafe legislation. I know
11 that is of interest to some of the folks
12 here in the audience. So, again, thank
13 everyone for coming down. And for me, I
14 very seldom see lots of folks from our
15 district because we're so far away, so it
16 really feels good to see people from the
17 neighborhoods. Thank you for coming.

18 COUNCIL PRESIDENT Verna: Thank
19 you.

20 Since there was no one else to
21 testify, I would ask Mr. McPherson to
22 please read the title of Bill No. 060957.

23 THE CLERK: An ordinance
24 approving the Municipal Statement of
25 Revival of the Frankford Special Services

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2 District of Philadelphia and authorizing
3 the filing of such statement with the
4 secretary of the Commonwealth of
5 Pennsylvania for the purpose of
6 retroactively reviving and extending the
7 terms of the district, all under certain
8 terms and conditions.

9 COUNCIL PRESIDENT Verna: Good
10 afternoon.

11 Ms. Delaney: Good afternoon.
12 My name is Marie Delaney and joining me
13 is Tracy O'Drain.

14 Ms. Gladstein: Good afternoon,
15 Eva Gladstein, director of neighborhood
16 transformation for the City of
17 Philadelphia.

18 COUNCIL PRESIDENT Verna:
19 Please proceed.

20 Ms. Gladstein: Good afternoon.
21 Again, my name is Eva Gladstein. I'm
22 here to provide testimony in support of
23 Bill 060957. This bill will allow for
24 the approval of the Municipal Statement
25 of Revival of the Frankford Special

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2 Services District. Previous legislation,
3 Council Bill 00541, extended the term of
4 the special services district to
5 December 31, 2005. This bill allows for
6 the revival of an expired municipal
7 authority. As I testified on the earlier
8 legislation, we believe that neighborhood
9 improvement districts are consistent with
10 the objectives of the Restore
11 Philadelphia Corridors program that we
12 recently launched, which can help restore
13 neighborhood commercial corridors as
14 central places to work, shop, and meet
15 neighbors in our communities. The
16 Frankford CDC, which will provide
17 management services to the neighborhood
18 improvement district, has participated in
19 addition in the City's Main Street
20 program since 2005. They have assisted
21 businesses with receiving Main Street
22 facade challenge grants and leveraged
23 other resources. Again, NIDs are one of
24 our best examples of collaboration
25 between the City and neighborhood

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2 commercial corridors. They signal the
3 entrepreneurs and property owners
4 recognize the need to improve the
5 environment within which they and their
6 customers live and work. Their effort to
7 make the corridor clean, safe, and
8 attractive directly impacts the stability
9 of the entire community and as the
10 community prospers, it in turns promotes
11 economic vitality of the commercial
12 center. The result will be a dynamic
13 neighborhood improvement district that
14 promotes long-term growth and viability
15 of Frankford Avenue corridor.

16 We believe that this again
17 deserves the support of the City and I
18 urge your support. Thank you very much.

19 COUNCIL PRESIDENT Verna: Thank
20 you very much.

21 Please identify yourself for
22 the record.

23 MS. DELANEY: My name is Marie
24 Delaney.

25 COUNCIL PRESIDENT Verna: Do

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2 you have testimony?

3 MS. DELANEY: Yes.

4 COUNCIL PRESIDENT VERNA:

5 Please proceed.

6 MS. DELANEY: We're here today
7 to offer testimony in support of Bill
8 No. 060957. This bill will allow for the
9 revival of the Frankford Special Service
10 District. Since 1996, the Frankford
11 Special Service District has served our
12 area's business community providing
13 services which create a clean, safe, and
14 inviting area for local businesses.
15 These services are essential for business
16 corridors such as Frankford Avenue.

17 In December of 2005, the
18 special service district changed
19 management, and during the transition
20 there was a lapse in services. Under new
21 management, the board of directors has
22 demonstrated a renewal and firm interest
23 in restoring the services to the
24 community. In order to do this, we need
25 a revival of this district. Under this

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2 revival, the special service district
3 will become a Business Improvement
4 District or a BID.

5 We thank you for your
6 consideration and encourage you to allow
7 us to once again perform this vital
8 service to our business community.

9 COUNCIL PRESIDENT Verna: Thank
10 you very much.

11 Are you going to be testifying?

12 MS. O'DRAIN: No.

13 COUNCIL PRESIDENT Verna: Thank
14 you very much.

15 Are there any questions of the
16 witnesses at the table?

17 (No response.)

18 COUNCIL PRESIDENT Verna: Thank
19 you very much for coming in.

20 Do we have anyone else that
21 wishes to testify on this bill?

22 (No response.)

23 COUNCIL PRESIDENT Verna: Thank
24 you. Seeing no one, I would ask
25 Mr. McPherson to please read the titles

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2 of Bill Nos. 070006, 070008, 070009,
3 070010, 070011, 070012, and 070013.
4 THE CLERK: Bill No. 070006, an
5 ordinance amending Section 14-1605 of the
6 Philadelphia Code entitled "Regulated
7 Uses" by adding licensed gaming
8 facilities as a regulated use, all under
9 certain terms and conditions; Bill No.
10 070008, an ordinance amending Chapter
11 14-1400 of the Philadelphia Code entitled
12 "Commercial Entertainment District" by
13 deleting the provisions authorizing the
14 City Planning Commission to approve
15 temporary facilities by removing licensed
16 gaming facilities and off-track betting
17 facilities as permitted uses and by
18 deleting any provisions that may
19 undermine Philadelphia local zoning
20 controls, all under certain terms and
21 conditions; Bill No. 070009, an ordinance
22 to amend the Philadelphia Zoning Maps by
23 changing the zoning designation of
24 certain areas of land located within an
25 area bounded by Reed Street, Tasker

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2 Street, Christopher Columbus Boulevard,
3 and the Delaware River; Bill No. 070010,
4 an ordinance amending Chapter 14-1400 of
5 the Philadelphia Code entitled
6 "Commercial Entertainment Districts," by
7 prohibiting districts within 1 mile of
8 one another providing additional
9 restrictions for gross floor area, open
10 area, and waterfront setback requirements
11 and providing for additional signage
12 controls, all under certain terms and
13 conditions; Bill No. 070011, an ordinance
14 amending Section 14-1600 of the
15 Philadelphia code entitled
16 "Miscellaneous" by adding a new section
17 entitled Prohibitions on licensed gaming
18 facilities prohibiting the erection,
19 construction, alteration, or use of
20 licensed gaming facilities and providing
21 that no variance may be granted from such
22 prohibition, all under certain terms and
23 conditions; Bill no. 070012, an ordinance
24 amending Chapter 14-1400 of the
25 Philadelphia Code entitled "Commercial

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2 Entertainment District" by providing that
3 no ordinance designating a commercial
4 entertainment district may be enacted
5 unless a neighborhood improvement
6 district has first been created that
7 includes within its service area the
8 proposed commercial entertainment
9 district, all under certain terms and
10 conditions; Bill No. 070013, an ordinance
11 amending Section 14-1605 of the
12 Philadelphia Code entitled "Regulated
13 Uses" by prohibiting regulated uses
14 within 1000 feet of any commercial
15 entertainment district and adding payday
16 lenders as a regulated use, all under
17 certain terms and conditions.

18 COUNCIL PRESIDENT VERNA: Thank
19 you, Mr. McPherson.

20 Do we have anyone that wishes
21 to testify?

22 Good afternoon. Thank you for
23 your patience.

24 MS. WILKERSON: Good afternoon.
25 My name is Joyce Wilkerson. I'm Chief of

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2 Staff to Mayor Street. With me today are
3 a host of City people. I'm the only one
4 offering testimony. I've distributed my
5 testimony. I have extra copies here.

6 While the Planning Commission
7 and the Law Department testified on
8 behalf of the administration last month,
9 I want to review the positive fiscal and
10 economic impacts of gaming on the City of
11 Philadelphia, an all-important fact in
12 considering the merits of the proposed
13 bills. The introduction of gaming
14 represents a significant economic
15 development opportunity in Philadelphia.
16 Developed well, gaming will add jobs,
17 increase our tax base, support schools,
18 diversify our tourism industry, and
19 support the expansion of the convention
20 center. I'd like to summarize the
21 specific aspects of each benefit.

22 During the Goode
23 administration, Philadelphia began to
24 focus on hospitality as a potentially
25 significant component of the City's

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2 economy with the commitment of
3 development of the Pennsylvania
4 Convention Center. Hospitality and the
5 leisure industry now ranks No. 4 in terms
6 of source of employment in the City of
7 Philadelphia. Adding to visitor
8 attractions, Sugarhouse in the late 2008
9 and Foxwood in 2009 will join the array
10 of theater, arts, museums, historic
11 attractions, nightlife, gaming events,
12 conventions, shopping, and other
13 hospitality offerings. Gaming venues
14 located convenient to the central
15 business district will strengthen the
16 critical mass and variety of offerings
17 available in Philadelphia giving visitors
18 to Philadelphia a reason to extend their
19 stay, spending the night, eating in
20 restaurants shopping, and the like.
21 Gaming provides our hospitality industry
22 another significant visitor attraction
23 that complements and supports planned
24 convention center expansion.
25 Gaming offers enormous

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2 employment opportunities for city
3 residents. Construction of the first
4 phase of the casinos will add
5 approximately 1,000 construction jobs to
6 the local economy generating an estimated
7 \$34 million in wages. The operation of
8 the first phase of developments will
9 create approximately 2,000 permanent jobs
10 with an increase in wage tax receipts for
11 the City of Philadelphia of up to
12 \$16 million annually with additional
13 indirect economic growth. As a result of
14 programs conducted by the OIC in
15 connection with the convention center,
16 the hospitality industry has become one
17 of those industries offering entry level
18 jobs to people in our neighborhoods. The
19 administration's goal is to implement
20 this model for entry level job creation
21 as well in connection with the growth of
22 a robust gaming industry in Philadelphia.
23 The economic significance of
24 gaming does not end with the creation of
25 jobs or construction-related tax revenue.

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2 Since 1994, the City has invested in a
3 tax reduction strategy to enhance our
4 economic competitiveness. A 2004 general
5 assembly provision has provided for
6 approximately \$100 million in revenue
7 annually to be applied to the reduction
8 of Philadelphia's wage tax. This revenue
9 will enable the City to accelerate
10 aggressively the rate of reduction of
11 this tax dropping the FY '09 tax rate
12 from 4.1 percent to approximately
13 3.7 percent.

14 Finally, as a result of the
15 legislation passed by the general
16 assembly last year, the first \$5 million
17 from host fees will be set aside for
18 School District funding. As recent news
19 stories have made abundantly clear to all
20 of us, our public schools are tragically
21 underfunded. Every dollar of support is
22 critical. The revenue support for the
23 city is no less critical. Just over a
24 week ago, I testified in Council in
25 support of the administration's five-year

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2 financial plan. That plan includes
3 approximately 70.1 million -- and the
4 number I have in my written testimony is
5 incorrect -- in gaming-related host fees
6 revenue for the City. These revenues are
7 projected to begin with \$9 million in FY
8 '09, \$15 million in 2010, and \$23.6
9 million in both 2011 and 2012. In
10 addition to host fee revenue assumed in
11 the five-year plan, the rate of growth in
12 tax revenue is supported in part by taxes
13 paid by gaming-related job growth. The
14 combination of these dollars support our
15 social service programs, our Police
16 Department, our Fire Department, as well
17 as other core city services.

18 As you know, the fund balance
19 general fund balance is precarious with
20 the increase in labor costs, benefit
21 costs, prison and homeless population,
22 and other burdens of our county
23 functions. The City has only been able
24 to keep up the aggressive and increasing
25 pace of tax cuts by shrinking government

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2 to its smallest size in generations. But
3 these efforts to increase services while
4 cutting taxes will be in jeopardy if we
5 delay the implementation of gaming. To
6 the extent Council action or litigation
7 relating to these actions delays the
8 opening of Philadelphia casinos, there
9 will be significant impacts on revenue
10 projections in the five-year plan. This
11 is not to dismiss or minimize the
12 challenges casinos pose to directly
13 impacted neighborhoods. We must
14 appropriately address the concerns of
15 these communities.

16 This brings me to highlight one
17 additional impact the proposed bills may
18 have for the future. The administration
19 has worked diligently with casino
20 operators to assist them in complying
21 with local laws to address access,
22 traffic, provide employment, and
23 highlight community concerns. To the
24 extent that these bills work to prevent
25 the implementation of the state gaming

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2 act, the proposed laws may undermine or
3 even eliminate our current home rule
4 authority as outlined in the commercial
5 entertainment district development review
6 process. This would result in
7 developments that may be less responsive
8 to local conditions and less accountable
9 to the community.

10 I urge you to consider these
11 potentially serious fiscal implications
12 when considering changes to the CED
13 framework presented by Bills 070006 and
14 070008 through 12. The administration
15 supports Bill 070013 provided that the
16 definition of payday lender is addressed
17 in a manner consistent with the testimony
18 provided on February 21.

19 This concludes my testimony and
20 I'd be happy to answer any questions you
21 might have.

22 COUNCIL PRESIDENT VERNA: Thank
23 you.

24 Are there any questions from
25 members of the committee?

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2 The Chair recognizes Councilman
3 O'Neill.

4 COUNCILMAN O'NEILL: I direct
5 my question to the City solicitor.
6 Mr. Solicitor, it's the last chance I'll
7 probably have to see you in a public
8 forum before tomorrow's expected vote on
9 the casinos. I read through your opinion
10 and it appears to me that your conclusion
11 is that the proposal is not in accordance
12 with law. Is that a fair reading of
13 your --

14 MR. DIAZ: Well, the proposal I
15 think --

16 COUNCILMAN O'NEILL: I'm using
17 the charter language.

18 MR. DIAZ: Oh, the charter
19 language, not the seven bills before the
20 committee today. In terms of the charter
21 provision, that is correct. I believe it
22 is preempted by state law based upon the
23 factual review that was undertaken and
24 testified to by the planning director on
25 March 2 before the government and law

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2 committee -- law and government

3 committee. Sorry.

4 COUNCILMAN O'NEILL: Given that
5 opinion, you mention or you state in your
6 letter on the first page, your opinion
7 letter, the extraordinary remedy of
8 removing the proposal lies in your hands
9 either preventing it from getting to the
10 Council, which you mentioned why you
11 hadn't had the Planning Commission study,
12 or the electorate -- and I think there's
13 a fair inference that it could pass
14 Council and you could -- it doesn't say
15 and electorate. It says or. Or would
16 imply that the Council has approved
17 something on its way to the electorate.

18 Do you plan on removing it from
19 the ballot under this provision if
20 Council were to pass it with 12 votes?

21 MR. DIAZ: I am currently
22 reviewing that particular question at the
23 request of clients and have not yet
24 opined as to that.

25 COUNCILMAN O'NEILL: Let me ask

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2 you, do you believe you have discretion
3 given your conclusion? It says within
4 your discretion, but it would seem to me
5 that the discretion would be based on I'm
6 not sure. Your conclusion is a fairly
7 straightforward one. Do you believe you
8 still have discretion in that area?

9 MR. DIAZ: I believe,
10 Councilman, you're referring to footnote
11 2 of my opinion that was dated yesterday.

12 COUNCILMAN O'NEILL: Yes.

13 MR. DIAZ: In that opinion, I
14 basically indicated that the statute, the
15 Home Rule act, which provides for a
16 review of the petition of electors by the
17 clerk as to the minimum number of 20,000
18 electors and by the City solicitor with
19 respect to the legality of the question
20 and whether it is in intelligible form
21 for a ballot question, as to those last
22 two issues, I indicated in the footnote
23 that I believe that I had wide discretion
24 to make a determination whether, in fact,
25 those two tests were met. And in

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2 exercising that discretion, I looked at
3 the facial petition or I should say I
4 looked at the petition facially only
5 without the benefit of the factual
6 results of the Planning Commission's
7 review. I did not address the question
8 that I think you're trying to ask today,
9 which is whether I believe that that type
10 of discretion I have with regard to a
11 petition of electors under the Home Rule
12 act is the same as the discretion I have
13 with regard to a ballot question which
14 has been duly adopted by City Council. I
15 haven't opined as to that issue and would
16 not want that footnote reference in my
17 opinion of yesterday to somehow be
18 confused with that question.

19 COUNCILMAN O'NEILL: I just was
20 trying to read into the provision not
21 saying Council and the electorate, which
22 would indicate pre-introduction, or the
23 word "or" would indicate that Council
24 could do something like unanimously pass
25 it or pass it with more than 12 and you

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2 could still -- you still had the
3 discretion to keep it from the
4 electorate.

5 MR. DIAZ: It was not my intent
6 to address that particular question that
7 you are now posing, Councilman.

8 COUNCILMAN O'NEILL: Thank you.

9 COUNCIL PRESIDENT VERNA: The
10 Chair recognizes Councilman Kenney.

11 COUNCILMAN KENNEY: Thank you,
12 Madam President.

13 We've kind of been through
14 these discussions in the past relative to
15 other actions of Council, do we pass
16 ordinances, that kind of thing. And not
17 wanting you to speculate on what you may
18 decide, don't you think that the
19 consideration of that would be fraught
20 with an awful lot of problems relative to
21 our ability to represent people who live
22 in the city? I mean, if the clerk
23 determines or a court determines as it
24 has that the signatures on the petition
25 were not sufficient and 12 or 17 members

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2 of Council voted to put it on the ballot,
3 having a single appointed official of the
4 City, much as we respect you, make a
5 decision to keep it from the voters,
6 don't you think that would have a really
7 I guess echoing problem amongst the
8 electorate, amongst the taxpayers? I
9 mean, it seems a bit -- it would seem a
10 bit heavy handed.

11 MR. DIAZ: Well, I can only
12 respond this way, Councilman Kenney, and
13 that is that the charter responsibilities
14 of my office requires that I from time to
15 time make unpopular decisions in
16 connection with what I believe the law
17 requires of me and implicates in
18 connection with actions undertaken by
19 Council. But I also fully respect the
20 point of view that I am an appointed
21 official. I'm not an elected official.
22 And in making a decision which I thought
23 was in my sole discretion about whether
24 threshold tests had been met under the
25 Home Rule act, I thought that I should

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2 defer to the electorate, undertake only a
3 facial review, not attempt to make a
4 determination about whether the petition
5 should come before Council or not. I
6 think I discharged the responsibilities
7 of my office in a way that frankly I'm
8 proud of. But having said that, having
9 now been advised by the planning director
10 about the practical effect of the ballot
11 question that was under consideration on
12 March 2, it is my determination that
13 state law preempts the kind of effect
14 that the ballot question would have
15 insofar as it would remove essentially
16 all viable properties within the city
17 from gaming, which I think is in direct
18 conflict with the state gaming law and
19 the actions taken on February 1 by the
20 state gaming control board.

21 COUNCILMAN KENNEY: I guess we
22 come down to the discussion relative to
23 what's legal and what's correct. We've
24 had these discussions about trash pickup,
25 which is not I don't think as

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2 earth-shattering as this particular issue
3 is, and it would seem to me to come down
4 on the side of what's perceived to be
5 fairness as opposed to what may be a
6 threshold or a legal threshold would seem
7 to me to be the correct way to go and
8 have a court at some point say that it
9 wasn't the correct way to go as opposed
10 to being perceived as unilaterally trying
11 to keep people from expressing their
12 opinion.

13 MR. DIAZ: I understand there
14 is an easy way to do my job. I think I
15 have addressed the substance of your
16 question. I will stop there.

17 COUNCILMAN KENNEY: Thank you.

18 COUNCIL PRESIDENT VERNA: The
19 Chair recognizes Councilman DiCicco.

20 COUNCILMAN DiCICCO: Thank you,
21 Madam Chair. Good afternoon. My
22 questions I guess will be for
23 Ms. Wilkerson. In your testimony, you
24 describe the revenue benefits to the
25 City. When you did this breakout, was

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2 there any consideration or did you look
3 at the cost/benefits analysis versus --
4 gaming versus the revenues? There was a
5 certain cost that will have to be
6 incurred by the taxpayers if these
7 establishments are built, additional
8 police, sanitation, other types of city
9 services that I think everyone would
10 agree are certainly going to be needed to
11 supplement those communities where these
12 two sites are located.

13 MS. WILKERSON: Yeah. We
14 incorporated some of the thinking in the
15 gaming task force, but more importantly
16 we usually discount the numbers. You
17 know, we've discounted the numbers to
18 take into account the fact that the
19 gaming won't start as quickly as we might
20 want. We discount the numbers to some
21 extent because we understand there are
22 going to be costs associated with it. As
23 we move forward in the coming months and
24 years, we'll be putting a finer point on
25 exactly what it's going to cost, exactly

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2 what it's going to cost for police
3 protection. We're also involved in
4 discussions with the providers or the
5 licensees about what part of the costs
6 that are generated as a result of gaming
7 they're going to bear as opposed to the
8 City, and something like the
9 traffic-associated costs come to mind.
10 So Mr. Diaz, our City solicitor, and
11 others are engaged in conversations and
12 others around these very issues.

13 COUNCILMAN DiCICCO: That's
14 what Mr. Diaz refers to as the client or
15 clients are the casino operators?

16 MS. WILKERSON: No.

17 MR. DIAZ: Certainly not my
18 clients, Councilman.

19 COUNCILMAN DiCICCO: When you
20 used the term quite often not only today
21 but in the past conversations our client
22 or clients --

23 MR. DIAZ: I was referring,
24 councilman, as I'm sure you're aware, to
25 the charter requirements that all

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2 officers and members of boards and
3 commissions of the City are clients of
4 the City solicitor. And it was in that
5 context that I was referring to clients,
6 certainly not outside city government.

7 COUNCILMAN DiCICCO: But
8 Ms. Wilkerson says you're testifying that
9 there have been discussions with
10 potential operators.

11 MS. WILKERSON: I meant
12 negotiations with them. The City team is
13 working to advance any number of City
14 goals. We have concerns about
15 transportation. We have concerns about
16 everything from having green buildings to
17 assuring that there's an appropriate
18 spinoff of opportunities for Philadelphia
19 residents and that the City team is led
20 by the City solicitor.

21 MR. DIAZ: And, Councilman, on
22 that point there are about a dozen issues
23 that we're negotiating with the two
24 licensees on, that is, the City team is
25 negotiating with the licensees. And

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2 certainly at the top of that list I would
3 put issues related to things like traffic
4 in connection with the water
5 infrastructure and flooding issues in
6 South Philly, issues related to jobs, the
7 issue related to tax abatement, which is
8 certainly important to keeping our bottom
9 line numbers as the Chief of Staff just
10 mentioned, as well as the opportunities
11 to create a connection to the riverfront.
12 Those are among the top issues, but we
13 have a full list. I'm happy to provide a
14 briefing to you or members of the City
15 Council on those issues and to advise as
16 we proceed. But certainly that is an
17 element of oversight that quite frankly
18 we are currently authorized under the
19 gaming, the state gaming act consistent
20 with I believe as I've testified before
21 the framework that we have developed with
22 your support on the commercial
23 entertainment districts.

24 And I have testified as well
25 that we put that oversight ability and

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2 our negotiating capacity at risk I
3 believe if we were to totally lose any
4 local land use controls either by a
5 contrary decision of the courts or a
6 preemption by the general assembly.

7 COUNCILMAN DiCICCO: Thank you
8 for your answers. I have a few more but
9 I'll just pass over them. I've said this
10 in a different context in the past. I
11 guess the frustration for me is you're an
12 appointed person to the administration as
13 is Ms. Wilkerson and Ms. Woodcock, but it
14 seems like we all just take -- the
15 administration has just basically
16 decided, well, you know, we got this bill
17 passed, Act 71. The state made a
18 decision. The gaming commission board
19 made a decision as to the two sites. And
20 that's the best -- it is what it is and
21 there's really nothing more we can do.

22 I think the frustration for me
23 and the people -- there's only a handful
24 of people here today, and by no means
25 consider that an indication that there's

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2 still not the opposition that there is
3 out there. I can guarantee you that
4 probably tomorrow this place will be
5 packed, not because I asked them to come
6 but because they're coming because they
7 think it's that important. But as an
8 elected official who represents the
9 citizens of the City, and even though
10 you're not elected, you're appointed,
11 we're all in this together, the
12 frustration for me is that the
13 administration has not taken a position
14 to say we have a problem here, we have
15 communities that are going to be
16 seriously impacted in a negative way. We
17 should be trying to work with our state
18 lawmakers to try to get some relief,
19 repeal Act 71, amend Act 71 or something
20 that gets us back into the process so
21 that maybe reasonable people can sit down
22 at a table and figure out a place or
23 places other than these two sites where
24 gaming may work. But outside of this
25 Council, which is the voice of the

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2 people, the administration hasn't taken
3 this position. They've accepted it as a
4 fait accompli and expect everyone else to
5 be impressed, if you will, with the
6 revenue numbers and the job creation when
7 there's a more human element to this that
8 is being ignored. And that is why you
9 have such anger and frustration out in
10 the communities is because people feel as
11 though they're going it alone. I don't
12 think they think that of me and my
13 colleagues who have been extremely
14 supportive of me on this somewhat of a
15 district issue as compared to some other
16 issues we have to deal with, but there
17 seems to be nothing from our side saying
18 there is opposition and it doesn't
19 necessarily mean -- and there are signs
20 that say no casinos and casino-free
21 Philadelphia, but I'm a reasonable
22 person. I think that we can come to a
23 point in this whole conversation where we
24 may be able to find two alternative
25 sites.

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2 So that's where I wish the
3 administration -- because I understand
4 these numbers. I worked here 11 years.
5 I understand the revenues that we
6 anticipate and some of the good that may
7 come out of the revenues, but I also
8 understand the negative impact to those
9 adjacent communities. And I'm not here
10 with the rhetoric, the doomsday theory.
11 I certainly really believe the more I've
12 been dealing with this for the last 16
13 months that there's going to be panic in
14 some of those neighborhoods and I think
15 we're going to see an exodus of people
16 moving away from those neighborhoods.
17 Hopefully, they don't move out of the
18 city, but that's maybe their only
19 alternative. And we may see an uptake in
20 our transfer tax but all for the wrong
21 reason.

22 So that is the message that I
23 think we've been trying to communicate
24 with all due respect to all these other
25 things. And you have a job to do and I

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2 respect and appreciate that, so it's not
3 a personal thing. Romy, you smile but it
4 isn't. We're all in this together I
5 thought, but we kind of feel like the
6 administrative and legislative branch are
7 2 miles apart, 3 miles apart, whatever it
8 is. We're too far apart. That's the
9 conversation I've been asking to have and
10 continue to ask until whenever that day
11 comes when there's no longer an
12 opportunity. And that's probably what I
13 will be talking to Senator Fumo about
14 tomorrow afternoon at 4 o'clock with
15 Representative O'Brien and Keller, let us
16 get back in the game, no pun intended,
17 and let's see if we can't come up with a
18 place or places that work.

19 That's my speech of the day I
20 guess. I don't know how else to explain
21 it. This is not about -- for me, it's
22 not about the personalities or the people
23 involved in either of the sites, whether
24 they're good guys, bad guys, or not.
25 This isn't about them for me at least.

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2 This is about the future of this City for
3 decades to come, not just Pennsport, not
4 just Queen Village, the neighborhoods I
5 happen to represent and hopefully I'll
6 still continue to represent for four more
7 years. It's much bigger than that.
8 That's the immediate impact. That's
9 where the rubber meets the road as they
10 say, but it goes beyond that.

11 And in one of my questions, you
12 know, we don't talk about -- at least I
13 don't think anybody's looked at the
14 negative impacts that are possible
15 towards the port industry and the impact
16 it will have there. We don't talk about
17 all these additional cars and will they
18 have a negative impact on the retail
19 establishments that we worked so hard to
20 bring to this city. In my opinion, if
21 these sites get picked -- that are picked
22 get built -- and it's only a prediction.
23 I'm not an engineer and I don't have a
24 crystal ball -- especially as far as the
25 Foxwood site is concerned, something will

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2 break, either the Foxwoods casino will
3 fail and then all the revenues that we
4 anticipated we won't realize, or the
5 retail and the port business will fail.
6 They are not compatible. No one is going
7 to ever prove to anybody that it will
8 work there. That's why we need that
9 other conversation. And it's getting
10 close to the 11th hour but damn it, the
11 next hour, whatever that is, for the next
12 several months I'm going to keep driving
13 that message home. We have to keep
14 talking about this. Thank you.

15 MS. WILKERSON: As you know,
16 the administration worked for many, many
17 months in opposition to what was finally
18 adopted as the Commonwealth's approach to
19 siting these facilities. We've
20 maintained all along we're in a better
21 position to understand the impacts. The
22 City is in a better position to manage
23 the development process. We didn't
24 prevail in that. The approach we've
25 chosen to take is to work aggressively

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2 within the framework set out by the state
3 legislature. I think you and members of
4 the community have raised very real
5 concerns, particularly about Foxwood.
6 One of the things that I believe -- one
7 of the comments we made in our commission
8 to the gaming control board was the need
9 for an additional ramp. There is a very
10 difficult traffic situation that is
11 created in South Philadelphia with the
12 development of the Foxwood casino, and we
13 will be using the process moving forward
14 to get the developer and the Commonwealth
15 to the table to respond in a more
16 adequate way to the challenge. This is
17 not the outcome we wanted as a result of
18 the legislative process, but we believe
19 that we can work aggressively and make
20 this work for the community and the
21 entire city.

22 MR. DIAZ: I just wanted to
23 add, Councilman, in connection with the
24 administration's willingness to be
25 responsive to the concerns that you've

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2 raised, I think my letter today with
3 regard to the Foxwood site, which was
4 circulated to members of Council, was
5 intended to show that we understand that
6 these concerns are real. The
7 administration is taking them seriously.
8 And it's for that reason we have not
9 processed the application, the zoning
10 application that was filed by Foxwoods a
11 month or two ago. We want to use the
12 plan of development process and the CED
13 legislation opportunity to address these
14 community concerns and make sure that as
15 we are proceeding with our review of the
16 site that Council will have a full
17 opportunity to engage in that discussion
18 and to review the proposed bills for
19 adoption.

20 COUNCILMAN DiCICCO: Thank you
21 both for your testimony.

22 Madam President, just a couple
23 more minutes.

24 And I respect what you're
25 saying. I understand that, but I also

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2 think if the administration were to join
3 hands with us and support these bills, it
4 will send an even stronger message to our
5 state lawmakers that even the
6 administration is joining the people that
7 it represents, the citizens of this city,
8 in its fight and its attempt to try to
9 figure out a better solution. We're
10 somewhat divided on this. At least,
11 that's what the public thinks. I was at
12 a coalition meeting the other night.
13 Most people feel that the Mayor has let
14 them down. I understand what the Mayor's
15 concern is. I understand that he's
16 worried about the preemption and the
17 possibility we may lose all these
18 controls. That's a practical approach.
19 But I also think that it waters down what
20 we're trying to do because I think
21 ultimately the administration was against
22 the Foxwood. It was low on the list. It
23 was the least --

24 MR. DIAZ: The lowest.

25 COUNCILMAN DiCICCO: So why

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2 don't we continue that argument? Why are
3 we accepting it? Well, we did as best we
4 could. It's all over. I don't think
5 it's all over because in 12 months those
6 state lawmakers that gave us this are up
7 for reelection. And it should be the
8 administration and the citizens who they
9 represent holding their feet to the fire
10 and asking them and insisting that we go
11 back to the table in some fashion to
12 figure out a way in which we can find
13 alternative sites.

14 MR. DIAZ: Let me just be
15 clear. We have stated previously that
16 the authority of the City with regard to
17 land use is limited. We have a space.
18 We think it's an important space. It
19 gives us the opportunity to oversee these
20 projects, to make decisions we believe
21 are appropriate for the city and its
22 neighborhoods, but that authority is
23 limited. And I would also point out,
24 Councilman, that yesterday in Harrisburg
25 the governor when asked about this

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2 situation in Philadelphia noted that
3 previously he had been opposed to
4 preemption that was directed at
5 Philadelphia, but given the importance of
6 this issue statewide, it remains a
7 possibility.

8 And I think given these
9 realities, based upon the importance of
10 Philadelphia's contribution to the
11 economic agenda statewide, to the
12 property tax rebates statewide where
13 we're generating 40 percent or
14 anticipated to generate 40 percent of the
15 revenues that will be used by the state
16 for these projects and for the convention
17 center expansion, I don't believe with
18 all due respect that we should expect
19 that the Mayor if he were to join in
20 opposition would have the kind of
21 salutary effect that you're talking
22 about. Having said that, we remain
23 concerned about and are working toward
24 addressing the issues that you've
25 mentioned on numerous occasions and we

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2 take seriously.

3 COUNCILMAN DiCICCO: I
4 appreciate your comment again. The
5 governor, by the way, refuses to meet
6 with me on this issue. I requested a
7 meeting, turned me down flat. This may
8 sound a little bit over the edge, but I
9 just would wonder if for some reason the
10 Commonwealth of Pennsylvania decided to
11 put a nuclear power plant at Delaware and
12 Reed, would the administration's position
13 be the same? I think they would join
14 with us. For us this is a nuclear power
15 plant. This is ready to explode. I
16 mean, people are -- I've never seen this
17 intensity.

18 Madam President, I don't know
19 if you were in Council when the trash to
20 steam issue was --

21 COUNCIL PRESIDENT Verna: I
22 was.

23 COUNCILMAN DiCICCO: You were.
24 This to me is another trash to steam
25 issue that is steamrolling, no pun

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2 intended, across the city. So I
3 understand. You know, the relationship I
4 have with the Mayor at least up until an
5 hour ago has been pretty good lately. I
6 hope that doesn't change. He and I have
7 had some conversation. With your
8 support, I think it certainly gets the
9 attention of our state lawmakers who gave
10 us this in the first place. I rest my
11 case. Thank you.

12 COUNCIL PRESIDENT VERNA: Thank
13 you.

14 Are there any other questions
15 or comments from members of the
16 committee?

17 (No response.)

18 COUNCIL PRESIDENT VERNA: Thank
19 you very much.

20 Do we have anyone else to
21 testify on these bills?

22 Please approach the witness
23 table, sir. Good afternoon. Please
24 identify yourself for the record.

25 MR. KERLIN: My name is Ed

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2 Kerlin. I am a resident of the Pennsport
3 Civic Association.

4 COUNCIL PRESIDENT VERNA:

5 Welcome.

6 MR. KERLIN: I just wanted to
7 emphasize to Council that despite what
8 you have heard, the costs of the casinos
9 have not been fully explored. We have a
10 budget now of \$5 million to attract
11 convention and tourists to Philadelphia.
12 I want to emphasize to you that
13 regardless of what happens, if they go
14 ahead and build these casinos, do not
15 expect for the opposition to just die
16 away. They may think they're able to
17 mitigate the traffic and all the other
18 impacts, but one thing they're not going
19 to be able to mitigate is the opposition.
20 And I can tell you now that there are
21 people within the organizations opposing
22 the casinos thinking hard and targeting
23 the future customer base of Foxwoods. So
24 if we begin to go after the future
25 customer base of Foxwoods, meaning

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2 conventioners coming here, and ask them
3 not to come back to Philadelphia to
4 gamble, which is in essence just a
5 message do not come back to Philadelphia,
6 I don't think that that cost, that us
7 working a counter purpose to all these
8 agencies that are designed to bring
9 tourists here has been calculated. So I
10 just wanted to let you know that if they
11 do build the casinos, we are heading down
12 the road toward riot police opening day
13 and that the opposition in the
14 communities is that strong. And I think
15 it can be sustained. And I think that
16 there's evidence in our neighborhoods'
17 histories that we will continue this
18 fight. So I thank you for your listening
19 to us and your taking the matter
20 seriously. And in the end it may be a
21 really good thing because I don't think
22 you've ever had so much attention in the
23 city to one issue and it has meant so
24 much to so many people, and so thank you
25 for taking it seriously.

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2 COUNCIL PRESIDENT VERNA: Thank
3 you very much. And you can thank your
4 councilman who has been working very,
5 very hard for the community. I know you
6 all know that.

7 COUNCILMAN DiCICCO: I didn't
8 hear that, Ed. Did I hear you say I do
9 thank him?

10 MR. KERLIN: What was the
11 question, Councilman?

12 COUNCILMAN DiCICCO: The
13 Council president said you ought to thank
14 your councilperson.

15 MR. KERLIN: I did.

16 COUNCILMAN DiCICCO: Oh, thank
17 you. Ed, just for the purpose of the
18 committee, the coalition raised money to
19 hire an attorney to appeal the process in
20 addition to what City Council did. Could
21 you just explain to them where that money
22 came from and how much it was? I think
23 it's important they understand --

24 MR. KERLIN: I am not in a
25 position to be a spokesman for the

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2 coalition. I think we've agreed -- it's
3 Whitman, Pennsport, Society Hill, and
4 Queen Village.

5 COUNCILMAN DiCICCO: 20,000
6 each apiece?

7 MR. KERLIN: Correct.

8 COUNCILMAN DiCICCO: \$80,000
9 collected to date to hire attorneys to
10 fight this. That's what I was just
11 trying to get out.

12 MR. KERLIN: That is correct.
13 And I think the basis of that lawsuit
14 focuses on a multitude of errors of law
15 and of finding with regard to factors
16 that have been overlooked or factors that
17 have been ignored or factors that have
18 been misrepresented during the license
19 procedure.

20 COUNCILMAN DiCICCO: Thank you,
21 Madam President.

22 COUNCIL PRESIDENT VERNA: Thank
23 you.

24 Would anyone else like to
25 testify?

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2 Good afternoon. Kindly
3 identify yourself for the record.

4 MS. D'ANGELIS: Good afternoon,
5 Madam President. My name is Catherine
6 D'Angelis. I live in Pennsport. I'm
7 also a board member of the Pennsport
8 Civic Association. I lived in Pennsport
9 for 25 years. I didn't have remarks
10 today, but I just started bubbling over
11 and decided to speak to City Council.
12 You've seen our signs many times,
13 Delaware River Neighborhood Alliance.
14 It's a coalition. It's 17 civic groups,
15 the local government of our communities.

16 Solicitor Diaz today said that
17 the siting of the casinos were because of
18 the importance of Philadelphia's
19 contribution to the economic engine of
20 the state. And I want to say to City
21 Council we are the economic engine. The
22 civic associations, we are your current
23 economic engine. Years ago -- and I'm
24 actually outraged that the solicitor, the
25 city planner, that these folks have left.

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2 We are the people who gentrified the
3 neighborhoods 25 years ago when no one
4 wanted to live here in this city, no one.
5 And I moved here into my 1893 house,
6 which was uninhabitable. I contemplated
7 putting bars on the beautiful double
8 front doors. There are still no bars.
9 They have never been there. But that was
10 the neighborhood. As we rehabbed our
11 house, the city said we don't have any
12 money, we need your help, we need you to
13 adopt a park. Remember that? And we
14 adopted the park throughout the city and
15 we started many friends groups. I can
16 speak to, attest to, started Friends of
17 Dickinson Square, which is a viable today
18 friends group that protects the park at
19 4th and Tasker. It is so good that the
20 Horticultural Society in the past two
21 weeks just gave us the maximum \$5,000
22 grant to help us along because we were a
23 partner with the City. The City said the
24 lots are dirty. We don't have the money.
25 We don't have the manpower. We're broke.

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2 We need you to clean the lots. We
3 cleaned the lots. There's drugs on the
4 corner. We marched up and down saying
5 "Up with hope. Down with dope." How
6 many people remember that 20-plus years
7 ago? That's what was in our
8 neighborhoods. And then we continued in
9 the dead of night to stand on these
10 corners so the drug dealers could not
11 occupy them. We took back the
12 neighborhoods that nobody wanted. There
13 was no tax base there because people
14 weren't contributing because these were
15 empty and abandoned houses that the City
16 said to us, hey, we need help, help us
17 clean and seal these houses, and we
18 partnered again with the City. We
19 partnered with the City when they said
20 graffiti everywhere. Jim Kenny, Frank
21 DiCicco, did we walk up and down 4th
22 Street filling paint and with the unions,
23 volunteers painting graffiti off our
24 properties? And this is not just
25 Pennsport. This is up and down the river

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2 where we have gentrified the
3 neighborhoods. In that time -- and we
4 were young. We had good knees then.
5 From picking up all the trash, now the
6 knees are sore. But in that time, we
7 inadvertently became the leaders of our
8 communities. And when Foxwoods has the
9 audacity to say it's a fringe minority
10 that speaks in the neighborhood, we are
11 that minority. We are your civic
12 leaders. We now run these civic
13 associations. We are your local
14 government. That's the minority. And we
15 don't sit here as individuals. We
16 represent our members, which are hundreds
17 of thousands of people. We have
18 gentrified our streets. Our homes, our
19 streets are desirable. The corner of
20 Front and Dickinson, ugly lot, ugly.
21 \$500,000 houses on there. There are 16
22 of them. The builder wants to put
23 another eight, but he stopped pending
24 Foxwoods. They are ground zero in our
25 neighborhood. 480 feet from Foxwoods'

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2 front door. Foxwoods want to put a ramp
3 or should we way the City, right outside
4 their front door. This is the same thing
5 in Sugarhouse. It's 200 feet from
6 people's homes.

7 I want to say just in
8 conclusion you know us. We're your
9 neighbors. We're your government
10 leaders. We're your partners. There's a
11 program that we did for the police we
12 used to give out a brochure to the kids
13 that said "Stranger-Danger." You don't
14 know these casinos but you know us well.
15 You've known us for 25 years. We have
16 made this city livable, viable,
17 desirable. And now we don't have to
18 educate you as to the ripple effects of
19 what casinos bring in. I am not ready to
20 march in my street again to get rid of
21 druggies and crime out of my
22 neighborhood. We did that. It's all
23 right. And I urge you -- I know we're
24 testifying on the amendments today. I
25 urge you tomorrow to send a message. I

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2 want a unanimous vote tomorrow. I think
3 we deserve it. You are our partners.
4 We've painted graffiti together. We've
5 broken bread together. We fixed our
6 neighborhoods. We are not strangers. We
7 are the local government. We want a
8 vote. It's that simple. These are our
9 neighborhoods and we love them or we
10 would not be here. These people want our
11 money. We just want a good and wonderful
12 Philadelphia. We're not -- it's not
13 self-serving. We love our city. I thank
14 you very much.

15 COUNCIL PRESIDENT VERNA: Thank
16 you. Thank you very much.

17 Is there anyone else who would
18 like to testify?

19 (No response.)

20 COUNCIL PRESIDENT VERNA:
21 Seeing no one, this will conclude our
22 public hearing. We will now go into our
23 public meeting. Bill No. 070005 will be
24 recessed until April 25 at 10:00 a.m.

25 I'm sorry. The Chair

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2 recognizes Councilwoman Miller, who has
3 an amendment.

4 COUNCILWOMAN MILLER: Thank
5 you. I want to offer an amendment to
6 Bill No. 070005. This amendment takes
7 out the four properties that needed to
8 come out of this bill. And if you look
9 at your amendment, all four properties
10 have a line going through them. The
11 first one is 6353 Germantown Avenue, 6821
12 Germantown Avenue, 2022 Nipon Street, and
13 7413 Germantown Avenue.

14 (Seconded.)

15 COUNCIL PRESIDENT VERNA: It
16 has been moved and seconded that the
17 amendment be adopted. All in favor will
18 say aye.

19 (Chorus of "ayes.")

20 COUNCIL PRESIDENT VERNA: Those
21 opposed?

22 (No response.)

23 COUNCIL PRESIDENT VERNA: The
24 ayes have it and the amendment is
25 adopted. This will be recessed until

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2 April 25 at 10:00 a.m.

3 The Chair now will consider
4 Bill No. 060957 and recognizes Councilman
5 Clarke.

6 COUNCILMAN CLARKE: Thank you,
7 Madam President.

8 I move that Bill No. 060957 be
9 reported out of committee with a
10 favorable recommendation.

11 (Seconded.)

12 COUNCIL PRESIDENT Verna: It
13 has been moved and seconded that Bill No.
14 060957 be reported out of committee with
15 a favorable recommendation. All in favor
16 will aye say.

17 (Chorus of "ayes.")

18 COUNCIL PRESIDENT Verna: Those
19 opposed?

20 (No response.)

21 COUNCIL PRESIDENT Verna: The
22 ayes have it and the motion carries.
23 Bill No. 0600 --

24 COUNCILMAN CLARKE: Madam
25 President, I believe the sponsor did want

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2 a suspension of the rules. I'm sorry.

3 COUNCIL PRESIDENT VERNA: The
4 record will reflect that the rules have
5 been suspended regarding Bill No. 060957.

6 COUNCILMAN CLARKE: Thank you.

7 COUNCIL PRESIDENT VERNA:
8 You're welcome. Bill Nos. 070006,
9 070008, 070009, 070010, 070011, 070012,
10 and 070013, with the consensus of the
11 committee, the bills will be continued
12 until Thursday, March 22, at 1:00 p.m.

13 Councilman DiCicco, I'm just
14 being told that you have an amendment to
15 one of the bills?

16 COUNCILMAN DiCICCO: Yes, Madam
17 President. I have an amendment. I
18 believe all members of your committee
19 should have received a copy to Bill No.
20 070013. But if you're holding them,
21 we'll do the amendment on the 22nd.

22 COUNCIL PRESIDENT VERNA: Okay.
23 Thank you. This will conclude our public
24 hearing and public meeting. Thank you
25 all very much.

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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 upon on
March 14, 2007, and that this is a true
and correct transcript of same.

Kimberly A. Otherwise
Certified Realtime Reporter
Notary Public

(The foregoing certification of
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