

1

2

## COUNCIL OF THE CITY OF PHILADELPHIA

3

## PUBLIC HEARING

4

## COMMITTEE OF THE WHOLE

5

- - - -

6

Room 400, City Hall  
Philadelphia, Pennsylvania  
Tuesday, October 19, 2004  
11:25 a.m.

7

8

- - - -

9

BILL 040785 - An Ordinance amending  
Bill No. 040602...

10

11

BILL 040786 - An Ordinance amending  
Bill No. 040603...

12

13

## PRESENT:

14

15

COUNCIL PRESIDENT ANNA C. VERNA, Chair  
COUNCILWOMAN JANNIE BLACKWELL  
COUNCILMAN DARRELL L. CLARKE  
COUNCILMAN DAVID COHEN  
COUNCILMAN FRANK J. DICICCO  
COUNCILMAN W. WILSON GOODE, JR.  
COUNCILMAN RICHARD T. MARIANO  
COUNCILWOMAN DONNA REED MILLER  
COUNCILMAN MICHAEL A. NUTTER  
COUNCILMAN BRIAN J. O'NEILL  
COUNCILMAN JUAN RAMOS  
COUNCILWOMAN BLONDELL REYNOLDS BROWN

16

17

18

19

20

21

- - - -

22

23

24

25

V A R A L L O Incorporated  
Litigation Support Services  
Eleven Penn Center  
1835 Market Street, Suite 600  
Philadelphia, Pennsylvania 19103  
215.561.2220 215.567.2670

1

2

## I N D E X

3

|                                         |      |
|-----------------------------------------|------|
| BILL 040785, 040786                     | PAGE |
| MAXINE GRIFFITH, City Planning.....     | 5    |
| VICTOR RICHARD, Recreation Commissioner | 11   |
| RICHARD TUSTIN.....                     | 27   |
| DIANA REED, Budget Director.....        | 74   |
| LINDA HOWARD, Deputy Budget Director... | 76   |

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCIL PRESIDENT VERNA: Good  
3 morning, everyone. This is a public hearing/  
4 of the Committee of the Whole regarding Bill  
5 Nos. 040785 and 040786.

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

8           MR. MCPHERSON: Bill 040785, an  
9 ordinance amending Bill No. 040602, approved  
10 July 1, 2004, relating to Fiscal 2005 Capital  
11 Budget, by reenacting certain appropriations  
12 made in that ordinance for improvements to  
13 existing recreation facilities.

14           Bill No. 040786, an ordinance  
15 amending Bill No. 040603, approved July 1,  
16 2004, relating to the Fiscal 2005 through  
17 Fiscal 2010 Capital Program, by reenacting  
18 certain appropriations for improvements to  
19 existing recreation facilities for Fiscal Year  
20 2005, and by making certain technical  
21 amendments.

22           COUNCIL PRESIDENT VERNA: Ms.  
23 Griffith, would you please approach the  
24 witness table?

25           Identify yourself for the record and

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           proceed with your testimony.

3                   COUNCILMAN COHEN: Point of order.

4                   COUNCIL PRESIDENT VERNA: Councilman  
5           Cohen.

6                   COUNCILMAN COHEN: Could it be  
7           possible for the Clerk to summarize briefly  
8           the two bills so we know what we're talking  
9           about at the beginning?

10                  MR. MCPHERSON: Yes. The amendments  
11           to the Fiscal 2005 Capital Budget and the  
12           Fiscal 2005 through 2010 Capital Program are  
13           really one in the same.

14                  When Council adopted the 2005  
15           Capital Budget and the related Capital  
16           Program, Council put an amendment in there  
17           that added \$7 million to Line Item 67, which  
18           was improvements to existing recreation  
19           facilities. However, when Council did that,  
20           we did not have time under the Charter to get  
21           the Planning Commission's recommendation.  
22           Because we did not get the Planning  
23           Commission's recommendation, the City  
24           Solicitor, when he signed the Capital Budget  
25           ordinance and the Capital Program ordinance,

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           severed that \$7 million, indicating that we  
3           did not go through the proper procedure.

4           That's why in the title of these ordinances,  
5           we're stating that we are reenacting the  
6           appropriation.

7                   COUNCILMAN COHEN: Very good. Thank  
8           you.

9                   COUNCIL PRESIDENT VERNA: Ms.  
10          Griffith.

11                   MS. GRIFFITH: My name is Maxine  
12          Griffith, I'm Secretary for Strategic Planning  
13          and Executive Director of the Philadelphia  
14          City Planning Commission.

15                   Before I start my testimony, Madam  
16          President, I want to reiterate the comment I  
17          made in my recent correspondence to you. I've  
18          been invited -- and thank you very much -- to  
19          speak on behalf of the Planning Commission.  
20          However, we could not get a quorum of the  
21          Commission before this afternoon. We'll be  
22          meeting at 3 p.m., and we will convey  
23          immediately after that meeting the findings of  
24          that meeting to you. However, the Mayor's  
25          Chief of Staff had asked whether I would give

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           testimony on behalf of the Administration, and  
3           that's what I'm prepared to do today.

4                   COUNCIL PRESIDENT VERNA: Thank you.  
5           Please proceed.

6                   MS. GRIFFITH: Good morning, Council  
7           President Verna and honored Members of the  
8           City Council. I am Maxine Griffith, Executive  
9           Director of the City Planning Commission and  
10          Secretary for Strategic Planning. I am here  
11          this morning on behalf of the Administration  
12          to testify on Bill 040785 and 040786, which  
13          propose to amend the FY 2005 to 2010 Capital  
14          Program and the FY 2005 Capital Budget by  
15          adding 7 million to the Recreation  
16          Department's Improvement to Existing  
17          Facilities, ITEF Project, in Line Item 76.

18                   COUNCIL PRESIDENT VERNA: Excuse me.  
19          That's Line Item 67, I believe.

20                   MS. GRIFFITH: I apologize. We'll  
21          change that on our testimony.

22                   The proposed amendments would  
23          increase the appropriation for the  
24          Council-designated project from the  
25          Administration's recommended 4 million to a

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           total of \$11 million.

3                     The Administration opposes these  
4           amendments for several reasons. The proposed  
5           increase cannot be sustained in a period of  
6           increasingly limited resources and in view of  
7           other critical Capital City needs.

8                     Over the past several years, the  
9           Administration has sought to reduce City tax  
10          supported general obligation debt funding in  
11          successive capital budgets. This decision was  
12          made in response to both the restricted debt  
13          limit imposed on the City by Pennsylvania  
14          Constitution as well as the capacity of our  
15          Operating Budget to service the debt on these  
16          borrowed funds.

17                    Since FY 2001, City tax supported  
18          funding in the Capital Budget has been reduced  
19          from over 117.4 million to 67.6 million in the  
20          FY 2005 Capital Budget. Despite this dramatic  
21          overall decrease, until this year, FY 2005,  
22          the Administration has not recommended any  
23          funding reductions for this project which is  
24          designated for discretionary City Council  
25          district improvements.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           While the Administration has  
3           maintained higher ITEF Project funding levels  
4           in the past, FY 2005 represents a watershed  
5           year for allocating capital resources amongst  
6           critical municipal needs. In light of the  
7           City's current fiscal situation and with an  
8           eye towards increasing pressure on the City  
9           Capital and Operating Budget resources in  
10          coming years, substantially increasing the  
11          funding for this project cannot be supported.

12          With few exceptions, the projects  
13          included in FY 2005 Capital Budget address  
14          important economic and neighborhood  
15          development, health and safety and critical  
16          physical infrastructure needs. There are no  
17          superfluous projects and few additional  
18          Capital dollars to go around. While we would  
19          all appreciate having more capital funding  
20          available to make the many renovations,  
21          repairs and improvements needed at our  
22          municipal facilities, the increase proposed by  
23          these amendments are more than the current  
24          budget can bear.

25          In maintaining the City's fiscal

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           health, the Administration must consider our  
3           ability to incur and service additional debt,  
4           increasing the Capital Budget total would have  
5           an adverse effect on the City's  
6           debt-to-revenue ratio and place the City in  
7           increasing unfavorable position with bond  
8           rating agencies.

9                     In addition, because the City is  
10           nearing its debt capacity, the City cannot  
11           continue to issue bonds for non-essential  
12           capital projects. The current FY 2005 budget  
13           appropriation for this project, 4 million, is  
14           adequate to continue recreation facility  
15           improvements in close consultation with  
16           individual Councilmembers. In addition,  
17           substantial, unexpended capital funding  
18           carried forward prior budget years remains  
19           available for facility improvements.

20                    The Administration is always  
21           prepared to discuss with Councilmembers how we  
22           can more effectively use these available  
23           resources to accomplish important  
24           quality-of-life improvements in our  
25           neighborhoods.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Thank you for permitting me the  
3           opportunity to express the Administration's  
4           views on these proposed amendments. I'll be  
5           happy to take questions. But also, I'd like  
6           to point out that I am supported by our able  
7           -- I was going to new, but I don't think she's  
8           new anymore -- Budget Director Diana Reed.

9           COUNCIL PRESIDENT VERNA: Good  
10          morning.

11          MS. REED: Good morning.

12          COUNCIL PRESIDENT VERNA: Ms.  
13          Griffith, during our budget hearings, we were  
14          told that there would be savings from  
15          facilities being sold or leased or demolished.  
16          Can you tell me how many recreation centers  
17          have been sold, leased, and how many are  
18          proposed to be demolished? And to date, how  
19          much of this savings do we anticipate?

20          MS. GRIFFITH: If you will permit  
21          me, I would ask the Recreation Commissioner to  
22          come to the table, Commissioner Richard.

23          COUNCIL PRESIDENT VERNA: Ms.  
24          Griffith, somebody can just pull up another  
25          Chair, please. You can sit there.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Good morning, Commissioner. Please  
3 identify yourself for the record and maybe you  
4 can respond to my question.

5           COMMISSIONER RICHARD: Good morning,  
6 Madam President and City Councilmembers. My  
7 name is Vic Richard, Recreation Commissioner.

8           I want to make sure I have your  
9 question correct. How many facilities have we  
10 sold to date, leased; am I correct?

11          COUNCIL PRESIDENT Verna: Yes. And  
12 I think there's some talk about several of  
13 them possibly being demolished.

14          COMMISSIONER RICHARD: As of to date  
15 there's no sales that have taken as of yet.  
16 There is one lease, and no demolition as of  
17 yet. That one lease that has taken place so  
18 far is Island Road.

19          COUNCIL PRESIDENT Verna: In my  
20 district?

21          COMMISSIONER RICHARD: Yes, ma'am,  
22 that's correct.

23          COUNCIL PRESIDENT Verna: Is it  
24 anticipated that there will be a few that will  
25 be sold?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COMMISSIONER RICHARD: Yes, ma'am.

3           I want to say there's two properties, and I  
4           don't believe I have all the documents, that  
5           have just been evaluated and assessed that the  
6           School District is interested in. And I don't  
7           have that with me. That hasn't taken place as  
8           of yet. And there's talk with -- there's  
9           three facilities that are being negotiated  
10          right now with community groups to take over  
11          as well.

12          COUNCIL PRESIDENT Verna: Councilman  
13          DiCicco, I see your light is on. Apparently,  
14          you want to ask a question on this.

15          COUNCILMAN DICICCO: Thank you,  
16          Madam President.

17          Would the Commissioner -- could you  
18          give us the names of those facilities where  
19          the negotiations with community groups is  
20          taking place? And I think you mentioned one  
21          sale; has that been finalized or is that in  
22          negotiations or is that under consideration?

23          COMMISSIONER RICHARD: That's under  
24          consideration.

25          COUNCILMAN DICICCO: Is that

1 10/19/04 - WHOLE - BILLS 040785, 040786

2 Franklin in my district or is that --

3 COMMISSIONER RICHARD: I don't have  
4 my other real estate -- it may be Franklin.

5 COUNCILMAN DICICCO: The one that  
6 the School District has expressed an interest  
7 in?

8 COMMISSIONER RICHARD: That is  
9 correct. I'm not sure if that's the one that  
10 we just got the assessment on.

11 Lanier is one that is being in  
12 consideration with the community group.  
13 Another one that's being done right now in a  
14 community group is Schmidt in Mr. Mariano's  
15 district. And the other facility is Ford  
16 Recreation in your district, Councilman.

17 COUNCILMAN DICICCO: Ford?

18 COMMISSIONER RICHARD: Right.

19 COUNCILMAN DICICCO: Hasn't there  
20 been discussion ongoing with Queen Village  
21 Neighbors concerning the Weccacoe?

22 Weccacoe is a site where we  
23 developed a tennis court a couple years ago.  
24 A community organization has expressed an  
25 interest in using the -- for lack of a better

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           description -- the field house as their  
3           community headquarters.

4                   COMMISSIONER RICHARD: Yes, but  
5           nothing's change. All the service is still in  
6           place. To my knowledge, in the last two  
7           months, there haven't been any other further  
8           discussions. But I can follow up on that.

9                   COUNCILMAN DICICCO: My  
10          understanding is -- and this is not for  
11          criticizing, but it's for the record -- is  
12          that there was some sort of an impasse as to  
13          the liability issue, should Queen Village take  
14          responsibility for the Weccacoe Center, would  
15          they be liable for insurance purposes. And we  
16          haven't been able to get any follow-up in that  
17          discussion. They're anxious to get the place.  
18          If we can find some common ground, since we  
19          would be relieving the City of a financial  
20          liability and we're self-insured City-wide,  
21          maybe there's an opportunity that the City  
22          would at least take the responsibility on the  
23          liability issue while they maintain that  
24          facility. But my understanding from my  
25          legislative assistant is it's been a couple

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           months. There's an impasse. And I don't know  
3           where it is. I don't know if the impasse is  
4           in the Department of Rec or whether it's at  
5           the Law Department. But it's certainly one of  
6           those situations where we've got community  
7           support to take over a center, which is what  
8           one the goals of the Administration is all  
9           about, but yet we never seem to be able to  
10          move forward. So if we can move on that, come  
11          up with an answer some way and then we can  
12          work from there, I'd appreciate it.

13                   Thank you, Madam President.

14                   COUNCIL PRESIDENT Verna: Your  
15          welcome.

16                   I'll get back to my original  
17          question. We were informed during the budget  
18          process that there would be a savings of at  
19          least a million dollars. And to date,  
20          Commissioner, we've fallen very short, I would  
21          think, of that number if we only are leasing  
22          one of the recreational facilities and none  
23          have been sold.

24                   COMMISSIONER RICHARD: That wasn't  
25          the entire process, Madam President, in order

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           to reach the 1 million.

3                   COUNCIL PRESIDENT Verna: What was  
4           the process?

5                   COMMISSIONER RICHARD: It's a  
6           combination of winterizing facilities,  
7           transferring employees, downgrading some of  
8           the facilities from full-time employee to  
9           part-time employee from the summer months to  
10          the winter months and then back into the  
11          summer months as well. So it's a combination  
12          of all of that along with some of the money  
13          that was saved with pool operations as well.  
14          So the entire million dollars just was not  
15          based upon sales or leases, Madam President.

16                   COUNCIL PRESIDENT Verna: So if  
17          we're winterizing some of the facilities, can  
18          I safely assume that those buildings will not  
19          be used?

20                   COMMISSIONER RICHARD: The buildings  
21          will be used whenever the community needs them  
22          during the winter months. If they need to  
23          have a community meeting or special event or  
24          what-have-you, they can just contact --

25                   COUNCIL PRESIDENT Verna: So they

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           will only be used upon request; is that what I  
3           understand?

4                   COMMISSIONER RICHARD: Some of them,  
5           during the winter months, that's correct.

6                   COUNCIL PRESIDENT Verna: And how  
7           many such facilities are there that you're  
8           winterizing?

9                   COMMISSIONER RICHARD: Five, Madam  
10          President.

11                  COUNCIL PRESIDENT Verna: How many  
12          recreation facilities do we have in the City?

13                  COMMISSIONER RICHARD: 153 rec  
14          centers.

15                  COUNCIL PRESIDENT Verna: 153?

16                  COMMISSIONER RICHARD: Rec centers,  
17          yes.

18                  COUNCILMAN MARIANO: Madam  
19          President, point of information.

20                  COUNCIL PRESIDENT Verna: The Chair  
21          recognizes Councilman Mariano.

22                  COUNCILMAN MARIANO: Could you ask  
23          the Commissioner what five that are going to  
24          be winterized?

25                  COUNCIL PRESIDENT Verna:

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Commissioner, can you indicate to us what five  
3           recreation centers will be winterized?

4                   COMMISSIONER RICHARD: Yes, ma'am.  
5           Schmidt, Fisher Park, Pleasant, Wissinoming  
6           and Holme.

7                   COUNCIL PRESIDENT Verna: What are  
8           you doing with Lanier? Is that being  
9           winterized or is it just being closed  
10          completely?

11                  COMMISSIONER RICHARD: Right now,  
12          it's closed. The small rec building is  
13          closed. And we're in the process of having  
14          conversation with the Grays Ferry community, I  
15          think the baseball organization -- I'm sorry,  
16          I can't recall the exact name of the four or  
17          five organizations -- to try to turn that  
18          facility over as well. The grounds are still  
19          being maintained and the playground, the  
20          fields, the basketball, all of that is still  
21          open to the public. The same with all the  
22          other facilities.

23                  COUNCIL PRESIDENT Verna: How many  
24          other facilities are there like Lanier that  
25          you'll be doing the same thing?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Do you have any other facilities  
3           that you will be literally closing?

4           COMMISSIONER RICHARD: Fonte Leone  
5           is one that has been down, from my  
6           understanding, for about six years. There's  
7           another one called Franklin that has been up  
8           and down for the last three years, and more  
9           down which is another facility that I'm aware  
10          of that we're looking at doing the exact same  
11          thing with, Madam President.

12          COUNCIL PRESIDENT Verna:  
13          Commissioner, while you're up at the table,  
14          what amount did your department request of the  
15          Planning Commission in FY '05 for improvements  
16          to existing facilities?

17          COMMISSIONER RICHARD: We normally  
18          don't make the request. We normally make the  
19          request through capital projects. And I can  
20          probably have that answered better by either  
21          Rick or either Eric from Capital.

22          COUNCIL PRESIDENT Verna: I'd like  
23          to know what was requested for FY '05.

24          Is there anybody here that can  
25          answer the question?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COMMISSIONER RICHARD: Yes, ma'am.

3           MS. GRIFFITH: They seem to be  
4           caucusing.

5           COUNCIL PRESIDENT VERNA: Very well.  
6           We'll wait.

7           COUNCILMAN DICICCO: Point of order.

8           COUNCIL PRESIDENT VERNA: Yes.

9           COUNCILMAN DICICCO: While we're  
10          waiting, the question about Fonte Leone pool,  
11          that was in response to?

12          COMMISSIONER RICHARD: Were there  
13          any other facilities similar to Lanier that  
14          would not open or may not open or had not been  
15          open.

16          COUNCILMAN DICICCO: Did we not make  
17          that transfer of that property from your  
18          department to Public Property? Did that not  
19          occur?

20          COMMISSIONER RICHARD: I believe  
21          that is complete.

22          COUNCILMAN DICICCO: It's no longer  
23          in your inventory?

24          COMMISSIONER RICHARD: Correct.

25          COUNCILMAN DICICCO: Your, meaning

1 10/19/04 - WHOLE - BILLS 040785, 040786

2 Department of Rec.

3 COMMISSIONER RICHARD: Yes, sir.

4 COUNCIL PRESIDENT Verna:

5 Commissioner, you can stay. We have plenty of  
6 room.

7 MS. GRIFFITH: Richard has indicated  
8 that he needs one more moment.

9 COUNCIL PRESIDENT Verna: In the  
10 meantime, I would recognize Councilman Cohen.

11 COUNCILMAN COHEN: Yes, I wanted to  
12 ask the Commissioner some questions. I'll be  
13 ready to wait until he finishes what he's  
14 doing.

15 MS. GRIFFITH: We're actually in a  
16 little bit of a lull, Councilman.

17 COUNCILMAN COHEN: Can I ask the  
18 Commissioner a question?

19 COUNCIL PRESIDENT Verna: The  
20 Commissioner of Recreation, sir?

21 COUNCILMAN COHEN: Yes.

22 COUNCIL PRESIDENT Verna: Yes,  
23 please do so.

24 COUNCILMAN COHEN: At whose  
25 initiation did activities begin concerning

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           these five installations?

3                   Was it an overwhelming request by  
4           the people in the community that led the  
5           Commission deciding that these places may be  
6           available for sale or lease or other disposal,  
7           or did the City initiate it?

8                   COMMISSIONER RICHARD:  You're asking  
9           me if the City --

10                  COUNCILMAN COHEN:  Who initiated the  
11           proposal about these five locations being shut  
12           or sold or disposed of?

13                  COMMISSIONER RICHARD:  It was an  
14           initiative through the Department with myself  
15           along with the Planning Commission when we  
16           began plotting the responsibility versus the  
17           budget and also usage of facilities and  
18           different types of facilities.

19                  COUNCILMAN COHEN:  Was there a  
20           demand by the people saying they no longer  
21           needed the facilities, they were useless, and  
22           therefore, they wanted to get rid of them,  
23           they were a blot upon the community?

24                  COMMISSIONER RICHARD:  Was the  
25           community saying get rid of the property?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCILMAN COHEN: Yes.

3           COMMISSIONER RICHARD: No, sir. Not  
4 to my knowledge.

5           COUNCILMAN COHEN: In none of the  
6 cases?

7           COMMISSIONER RICHARD: Not any of  
8 them that I'm aware of no, sir.

9           COUNCILMAN COHEN: Then what's the  
10 theory behind cutting it, some crazy financial  
11 theory that it's unimportant to take care of  
12 the needs of people?

13           There are lots of other places in  
14 the budget that can be cut and provide the  
15 money. One place that's easy to start with is  
16 just to stop campaign contributions and you  
17 cut immediately the cost of government because  
18 then the campaign do not have to be recovered  
19 in any bidding for new contracts.

20           So I don't understand. If it's  
21 allegedly money, there are certainly much  
22 better places to get the money than to take it  
23 away from kids and people in the community;  
24 that's if your proposal were to succeed. If  
25 they don't succeed, you're putting the

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           community at great disadvantage with other  
3           communities.

4                       Why should the youngsters have to  
5           play in the streets and be more subject to the  
6           sales of the drug dealers as to how to get  
7           along.

8                       COMMISSIONER RICHARD: Mr.  
9           Councilman, I agree with you a hundred  
10          percent, and I would like to be in a position  
11          where I am properly and fully funded so I can  
12          maintain the quality of service, enhance the  
13          quality of service, the facilities as well.  
14          So I'm agreeing with everything that you are  
15          saying. I'm not disagreeing.

16                      I'm also in a position where I do  
17          have to either render tough decisions or make  
18          either tough recommendations, and my  
19          responsibility to this body and to the  
20          taxpayers of the City is to substantiate and  
21          take a planned, organized approach. Will it  
22          all be perfect, will it all be right? No, but  
23          a very concerted effort. But I would love to  
24          be in a position to say that I can enhance or  
25          I can change or we can continue to improve the

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           quality, we can continue to address risk  
3           management factors, outdated play equipment,  
4           just as an example. So I appreciate your  
5           comments and thank you, sir.

6                   COUNCILMAN COHEN: Yes, but isn't it  
7           a fact that the reason you cannot do it is  
8           because the Administration doesn't permit you  
9           to do it? There isn't any other question --

10                   COMMISSIONER RICHARD: The  
11           restraints are around the Operating Budget  
12           that I have been presented, that is correct,  
13           sir.

14                   COUNCILMAN COHEN: So therefore, the  
15           suggestion I made on who ought to pare the  
16           cost of necessary reductions applies. It's  
17           the Mayor that makes the decision, and I think  
18           the Mayor makes the wrong decision and we  
19           ought to oppose it. That's why we have a  
20           two-bodied government in Philadelphia, why  
21           it's been decided originally by the Charter  
22           people and thereafter maintained all these  
23           years that both the Mayor and the Council, not  
24           just the Mayor, makes the decision in this  
25           matter. And when the Mayor says he's willing

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           to sit down and discuss at any time, let me  
3           suggest that I believe this Council would like  
4           to make the decision and then we'll take the  
5           same position that the Mayor takes; we'll be  
6           ready to sit down and discuss. But we want to  
7           be the ones to make the decision with respect  
8           to the people in Philadelphia as well as the  
9           Mayor. We don't see why only the Mayor has  
10          the right to decide who suffers during a  
11          budget crisis.

12                 As a matter of fact, the budget is  
13          the principal responsibility of the Council  
14          and not of the Mayor. So it seems to be clear  
15          under the form of government we have in  
16          Philadelphia, it would be up to this Council,  
17          first, to decide if budget cuts were  
18          necessary; and second, where they should be  
19          concentrated.

20                 So I'm opposed and wondered why when  
21          this was first disapproved -- did I understand  
22          from Mr. McPherson that the first effort by  
23          Council to replace the 7 million was turned  
24          down by the Administration on the basis of the  
25          City Planning Commission not meeting? Was

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           this reason also given at the time, or were we  
3           given just a one-sided version?

4                   MS. GRIFFITH: If I can be clear  
5           about that, Councilman, it was a technical  
6           problem, a logistical problem that had to  
7           do -- as you will remember, it was an  
8           anomalous process last time. It went on for  
9           quite a while. There was a lot of back and  
10          forth, and it was simply a technical issue  
11          that the Planning Commission did not vote and  
12          get that communicated to Council. And so  
13          that's why we're going back through the  
14          process.

15                   Let me also say that we concur with  
16          you that this is an issue that is jointly  
17          determined by the Mayoral Administration and  
18          Council, which is why we are here to at least  
19          give our views to Council about what should  
20          happen in this matter. We absolutely agree  
21          with you that there's a balance in government  
22          and that's why we're here.

23                   If I might, Mr. Tustin is here.

24                   COUNCIL PRESIDENT VERNA: Mr.  
25          Tustin.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           MR. TUSTIN: Good morning.

3           COUNCIL PRESIDENT VERNA: Good  
4 morning.

5           MR. TUSTIN: When we work with all  
6 of our client agencies in putting in requests  
7 for fiscal year budgets, what we always do is  
8 we go back to the prior year program. In this  
9 case it would have been FY '04 through '09  
10 Capital Program. And we look at the  
11 allocations that have been given to each one  
12 of our departments. We make sure that we  
13 adhere to those allocations so that the  
14 program -- the funding that gets requested  
15 actually is in line then with the Capital  
16 Program. I believe in this particular case,  
17 we submitted a request for \$7 million for  
18 existing facilities for recreation.

19           COUNCILMAN COHEN: Perhaps you can  
20 explain one step further. Why did you give me  
21 that explanation? What was it relevant to?

22           MR. TUSTIN: Council President asked  
23 the Recreation Commissioner if he recollected  
24 what the request was for capital funding for,  
25 I guess, renovation to existing facilities in

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           the FY '05 budget, and that's why I'm  
3           responding, Councilman.

4                   COUNCILMAN COHEN: You're responding  
5           on behalf of the Recreation Department?

6                   MR. TUSTIN: I am.

7                   COUNCILMAN COHEN: Tell me, is it on  
8           record, did the District Councilmembers, the  
9           affected districts agree with this  
10          recommendation or not?

11                   We're always interested in that  
12          question at least. We don't always agree with  
13          them, but at least we want to know their  
14          position.

15                   What districts are involved in these  
16          five proposals?

17                   COMMISSIONER RICHARD: Ms. Verna,  
18          Ms. Tasco, Ms. Miller, Ms. Krajewski and Mr.  
19          O'Neill.

20                   COUNCILMAN COHEN: I would  
21          appreciative if the District Councilmembers  
22          involved would state their position. If a  
23          District Councilmember is ready to say he  
24          doesn't need it, I think that's important for  
25          the Council body to know. And if the

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Councilmembers say he or she does need it, I  
3           think that's also very important for us to  
4           know.

5                       COMMISSIONER RICHARD: I need to  
6           also let you know, Councilman Cohen, that  
7           those five facilities are not being closed  
8           down and are still accessible to the  
9           communities. So they're not being closed  
10          permanent. I just want to make sure that is  
11          on the record, that they're being winterized,  
12          and during the winter months they're still  
13          accessible anytime the community needs them.  
14          And then when the springtime comes back, a  
15          part-time employee will be reemployed by the  
16          City to reinstitute all of the spring and  
17          summer programing and summer camps as well.  
18          So I want to the go on record to make sure  
19          that the Council is not misled that these five  
20          facilities in discussion are being closed  
21          permanent. They're not being closed  
22          permanent.

23                      COUNCILMAN COHEN: Well, when are  
24          they being closed?

25                      COMMISSIONER RICHARD: They are

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           being winterized, your Honor.

3                   COUNCILMAN COHEN: And why are we  
4           talking about selling or leasing or otherwise  
5           disposing of them?

6                   COMMISSIONER RICHARD: Not these  
7           five facilities, sir.

8                   COUNCILMAN COHEN: Not these five?

9                   COUNCILMAN MARIANO: Point of  
10          information.

11                   COUNCILMAN COHEN: I'm sorry. I may  
12          be very confused. I thought we were talking  
13          about a saving proposed by the City of some  
14          \$7 million, that that's the reason this was  
15          being refused by the Administration as a  
16          recommendation is because the City found it  
17          too costly and that by taking certain action  
18          on these five facilities there would be no  
19          need to give this additional \$7 million.  
20          Isn't that what this hearing is about?

21                   COUNCIL PRESIDENT VERNA: No.

22                   COUNCILMAN COHEN: That's what I  
23          understood from what Mr. McPherson read and  
24          what his testimony was.

25                   MS. GRIFFITH: There are two related

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           but different issues. One issue is how we  
3           came about to our recommendation that the ITEF  
4           funds be less than Council's recommendation.  
5           The other issue has to do with winterization  
6           of specific centers -- five of them have been  
7           chosen. That would mean access to be  
8           restricted during the winter months. So  
9           they're related issues because they're both  
10          Recreation Department issues. And since the  
11          Commissioner is here, of course, we're going  
12          to take questions on a whole range of  
13          Recreation Department issues. But one has to  
14          do with the budget and the items directly  
15          before us, and another has to do with  
16          Councilmembers just trying to get more  
17          information and taking advantage of the fact  
18          that the Commissioner is here to answer  
19          whatever questions you might have.

20                 COUNCILMAN COHEN: Well, the two  
21                 bills that are before this body, what do they  
22                 deal with? Do they deal with winterization,  
23                 too?

24                 MS. GRIFFITH: No. Except perhaps  
25                 in the case of the fact that funds that were

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           available to an individual Councilmember, that  
3           Councilmember might choose to use it to  
4           winterize yet another facility. But these  
5           really have to do with the discretionary funds  
6           that have been traditionally conveyed to  
7           District Councilmembers.

8                   COUNCILMAN COHEN: I have a whole  
9           problem about that. I think the  
10          Administration participated in an illegal  
11          action to divide City Council into members  
12          that have special appropriating power and  
13          those that don't. But that's for another day.

14                   MS. GRIFFITH: That's not a planning  
15          issue.

16                   COUNCILMAN COHEN: Well, I don't  
17          know. It may well be a legal issue which I'm  
18          contemplated because I can't understand how 7  
19          or 9 or 10 District Councilmembers can be  
20          given special powers not given to other  
21          Councilmembers. And secondarily, I think if  
22          they were legitimately granted, those powers  
23          have been clearly abused in the way in which  
24          they've been used. But that's not -- any of  
25          that is not before us today.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Before us is a bill which I  
3       understand two bills were changed, were vetoed  
4       by the City because the Planning Commission  
5       has not had the opportunity to take action on  
6       them, and these bills have been introduced in  
7       order to take care of that situation.

8           MS. GRIFFITH: Correct. Not vetoed,  
9       but because of a technical matter, they were  
10      not allowed to move forward. Yes, you're  
11      correct, Councilman.

12          COUNCILMAN COHEN: I would find  
13      it -- this is a point of order, Madam  
14      President. I don't think we can go between.  
15      I'd like to first get the answer on the  
16      \$7 million. The winterization question may be  
17      a totally different one and it should be, in  
18      my judgment, handled separately.

19          COUNCIL PRESIDENT VERA: Councilman  
20      Cohen, Mr. McPherson is going to come over to  
21      explain to you about the \$7 million, sidebar.

22          Councilman Mariano.

23          COUNCILMAN MARIANO: Madam  
24      President, I just want to clear something up  
25      with the Commissioner.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           We spoke about two lists. We spoke  
3 about Franklin, Lanier, Schmidt, Ford, and I  
4 think Councilman DiCicco mentioned another  
5 one. But those four, Franklin, Lanier,  
6 Schmidt and Ford -- Schmidt is mine, and  
7 that's one of the ones that we talked about  
8 possibly giving to a community group and we're  
9 talking with a community group, but --

10           COMMISSIONER RICHARD: That lease  
11 right now is in the Law Department for review  
12 between two parties within the community, and  
13 it's looking well. It hasn't been  
14 consummated.

15           COUNCILMAN MARIANO: And also, you  
16 spoke about the winterized ones and Schmidt is  
17 one of the winterized ones.

18           Can you explain to this body a  
19 little bit? Schmidt is a very little  
20 playground. It consists of a pool, a set of  
21 swings, a couple of things like that and a  
22 little tiny room, smaller than my office, very  
23 small. When you say winterize, what do you  
24 mean? The pool is obviously closed. Nobody's  
25 going to do nothing there. The play area is

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           still going to be there. I'm sure if some  
3           youth wants, the gates will be open. And if a  
4           community group wants to use that tiny little  
5           office, they could probably use that, right?

6                   COMMISSIONER RICHARD: I appreciate  
7           the question. First of all, we would be as  
8           innovative as we could to maintain the full  
9           operation if we could without shutting them  
10          down, period.

11                   COUNCILMAN MARIANO: Commissioner,  
12          if I may. I think this winterize thing, when  
13          you say that, I think we just think like  
14          winterizing our car, making sure we have  
15          antifreeze and not water in radiator.  
16          Elaborate a little bit more on your  
17          explanation of winterization. To winterize  
18          Schmidt is obviously different than to  
19          winterize like Cione which is bigger or a  
20          big-sized one. Explain winterizing. Could we  
21          do that?

22                   COMMISSIONER RICHARD: In the five  
23          facilities that we're talking about, they're  
24          still accessible. The public grounds are  
25          open, the lot is still being cleaned, cut,

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           maintained if the basketball goal breaks or  
3           whatever. The small building where we were  
4           once hiring a full-time Rec Leader I and in  
5           maybe another case a Rec Leader II in a small  
6           building, we've relocated that person to a  
7           Class A big facility during the winter months.

8                     Now, during the winter months, if  
9           the community would like to have meetings or  
10          any access to the building, all they have to  
11          do is just contact the office or the district  
12          manager. We make the building open,  
13          accessible, whenever they need to anytime  
14          during the winter months.

15                    When the spring and summer comes  
16          back, we will hire a part-time seasonal summer  
17          employee that will come back in and embrace  
18          the neighborhood and begin the preparations  
19          for baseball, any sports in the spring, and  
20          then also to run and do summer camps again.

21                    So we may not have the building  
22          itself open every day during the winter  
23          months, but the accessibility to the property  
24          and the building is still there. And I  
25          believe we've done a pretty decent job of

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           still maintaining to keeping a facility if the  
3           budget won't allow us.

4                   COUNCILMAN MARIANO: Commissioner,  
5           if I may, that being said, I think part of my  
6           problem is I'm familiar with Schmidt and  
7           Franklin, even though Franklin is Councilman  
8           DiCicco's. That's probably a little bit  
9           bigger than Schmidt but not much. Now, these  
10          other ones like Lanier and Ford, I don't know  
11          where they are. That's a character flaw on my  
12          part, but I don't know where they are. I  
13          assume that these are all like Schmidt. Are  
14          they all small ones. None of them gymnasiums  
15          or anything like that?

16                   COMMISSIONER RICHARD: No, the big  
17          Class A and the Bs and the gym, this is where  
18          we're deploying --

19                   COUNCILMAN MARIANO: These four are  
20          just little ones like Schmidt and Franklin?  
21          That's a small one.

22                   COMMISSIONER RICHARD: But the  
23          property is still being maintained, it's still  
24          accessible to the community, correct.

25                   COUNCILMAN MARIANO: Councilman

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           DiCicco is saying Franklin is big but the  
3           house is little.

4                   COUNCILMAN DICICCO: The community  
5           room is small.

6                   COUNCILMAN MARIANO: It wasn't clear  
7           to me when you started -- like I keep going  
8           back to the analogy of changing the radiator  
9           and stuff. I wasn't sure what winterization  
10          meant.

11                   MS. GRIFFITH: That's perhaps the  
12          confusion because sometimes when you say  
13          winterization, it means putting up the storm  
14          windows. And here, we really mean it's a  
15          different mode of operation, a winter mode of  
16          operation.

17                   COUNCILMAN MARIANO: If I may,  
18          without insulting anyone, when you talk to  
19          this body, you have to be really clear because  
20          I think a lot of times people assume we know  
21          everything. I know very little about a lot of  
22          things and a lot about a few things. It's  
23          very confusing. I'm not sure what goes on at  
24          Ford, and I don't want to know. That's  
25          someone else's concern.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           MS. GRIFFITH: Even Einstein might  
3 not have been able to get the subtle  
4 differences here.

5           COUNCILMAN MARIANO: But don't take  
6 for granted we know what you're talking about  
7 because we're smart and we're here. Sometimes  
8 it's luck.

9           COMMISSIONER RICHARD: Thank you,  
10 Councilman.

11          COUNCIL PRESIDENT VERNA: Mr.  
12 Tustin, if I may get back to my question to  
13 you.

14           You said that you determined the  
15 allocation by the previous year. You don't  
16 really make the determination by need?

17          MS. GRIFFITH: If I can respond to  
18 that, because it's the Planning Commission,  
19 the Budget Office that actually shapes the  
20 call. We did that this past year and may do  
21 it again this year because the amount of money  
22 available in the Capital Budget is the same.  
23 So the starting place with all the agencies,  
24 including the ones that Mr. Tustin  
25 coordinates, since the amount of money we have

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           is the same as we had last year, the way we'd  
3           like to start the conversation is by your  
4           putting forward the same budget that you had  
5           last year and let's see where we are.

6                   COUNCIL PRESIDENT VERNA: I'll tell  
7           you, I think that when we approve our budget,  
8           we as District Councilpeople walk away from  
9           the budget hearings thinking that we have  
10          accomplished something for the recreation  
11          facilities in our district. And I think we  
12          delude ourselves in thinking that because -- I  
13          guess it's five years now that we've had money  
14          in the Capital Budget for certain projects,  
15          and we're still waiting for the projects to be  
16          completed. Why does it take so long?

17                   Mr. Tustin, I understand that you  
18          wait until you get X amount of roofs to be  
19          done before you put it out for bid. However,  
20          in the interim, if a roof is leaking,  
21          invariably that means that there's that much  
22          more water damage in the facility because the  
23          roof was not done. To me, it's such false  
24          economy. What are we doing?

25                   MR. TUSTIN: Let me try to answer

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           that question. As Councilman Mariano said  
3           just a couple minutes ago, many of these rec  
4           centers are C and Ds that are very, very small  
5           buildings. Some of the cost to do a roof, for  
6           instance, on those type of buildings could be  
7           fairly minimal compared to the other type of  
8           projects that we work on. The cost and the  
9           time to concentrate on each one individually  
10          would probably end up taking longer than what  
11          we're trying to do, which is package three or  
12          four of them together.

13                 We work very closely with  
14          Commissioner Richard and the Recreation  
15          Department on maintenance. A lot of times  
16          we'll go to the maintenance area and say,  
17          "This roof may have a particular problem in  
18          this one area. Can we do a patch, can we do a  
19          fix to hold it over until we can group enough  
20          of these facilities together?"

21                 COUNCIL PRESIDENT VERA: How many  
22          do you group at one time before you put it in  
23          for bid?

24                 MR. TUSTIN: It could be anywhere  
25          from two to seven, depending on the size of

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           the facilities.

3                   COUNCIL PRESIDENT VERNA: Then we  
4           must move very, very slowly if you have to  
5           wait five years for a roof to be done. I know  
6           we have 153 facilities. I think Councilman  
7           DiCicco is very familiar with Guerin  
8           Recreation. I don't know how long we had to  
9           wait for a new roof.

10                   And apparently, the contractor did  
11           the roof but did not complete it. He did not  
12           put the -- what do they call them -- flashers.  
13           And consequently, there was damage done to the  
14           bocce court, there was damage done to the  
15           electrical work, there was damage done to the  
16           gym area, the gym floor.

17                   Now, who's responsible for that?  
18           Will that be the contractor who will be  
19           responsible?

20                   MR. TUSTIN: Yes, it will.

21                   COUNCIL PRESIDENT VERNA: And when  
22           will all these improvements be made?

23                   MR. TUSTIN: Yes. Let me explain  
24           what happened in that particular case. The  
25           contractor completed most of the roof work

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           with the exception of the flashing and the  
3           detail work that had to be completed.  
4           Normally, when a contractor leaves the job the  
5           end of day, he needs to cover and protect the  
6           area that's still unfinished. If I remember  
7           properly, we had one heck of a storm that  
8           night, and part of the problem was whatever  
9           protection he tried to put on, it naturally  
10          didn't hold or didn't cover. There was damage  
11          done inside. The contractor is held fully  
12          responsibility for any damage not only to the  
13          work he's doing, but anywhere else within the  
14          facility that's a result of that and he's  
15          responsible to come back and to correct those  
16          situations.

17                   COUNCIL PRESIDENT Verna: When will  
18                   that be done?

19                   MR. TUSTIN: I believe the  
20                   contractor was actually on the site the  
21                   following day. I can follow up with the Rec  
22                   team.

23                   COUNCIL PRESIDENT Verna: Councilman  
24                   DiCicco.

25                   COUNCILMAN DiCicco: Point of order,

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           if I can interject.

3                   I am familiar with the conditions  
4           that took place because of the storm. But  
5           that facility goes back to the question that  
6           the President posed to you earlier.

7                   I'm on the bocce league and I play  
8           occasionally when I'm off on a Tuesday night,  
9           so I'm familiar with that facility. That roof  
10          for the last two years that I've been involved  
11          in that league has had a serious leakage. I  
12          mean, serious leakage. The guys go in there  
13          and do the best we can to maintain it. We  
14          have these big 32-gallon buckets that we place  
15          in various strategic places around the court  
16          from one week to the next in the event we have  
17          rain. So I know it took at least two years  
18          for that roof repair or replacement to get to  
19          the point where we did. Now, the storm  
20          obviously made a bad situation worse. No  
21          one's to blame for that.

22                   COUNCIL PRESIDENT VERNA: That's not  
23          a small roof.

24                   COUNCILMAN DICICCO: No. But it was  
25          two years that I know of. And I don't know

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           how much longer -- it may have been a year or  
3           two before I got there, but I'm familiar with  
4           two years that it took to get that roof  
5           contractor out there. And in interim, there  
6           was a lot of damage that was occurring at  
7           least during those two years. So I think it  
8           goes back to the question the President was  
9           addressing.

10                   COUNCILMAN COHEN: Madam President,  
11           I'd like to table this at the present time. I  
12           understand that these ordinances do not spell  
13           the whole -- all the facts about the usage of  
14           this money. And I understand there has been  
15           for a number of years known only to some  
16           Councilmembers and not others some kind of  
17           plan which separated District Councilmembers  
18           from the Councilmembers-At-Large and gave  
19           District Councilmembers certain appropriation  
20           rights of money unbeknownst to others. I've  
21           never heard of it, although I'm informed that  
22           it may have existed for a number of years.  
23           There's a hidden secret among District  
24           Councilmembers. I regard that as an illegal  
25           diversion of money, of taxpayer money. And I

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           want to make sure -- I'm for part of this  
3           bill. I think there ought to be more money  
4           for the Recreation Department, but I certainly  
5           don't think it ought to go to just District  
6           Councilmembers and have them vote in secret  
7           about this money.

8                   COUNCIL PRESIDENT VERNA: At the  
9           conclusion of the testimony, you could make  
10          that motion. But since we're all here and  
11          there are a number of Councilmembers that  
12          would like to be recognized, I think we should  
13          go forward.

14                  COUNCILMAN COHEN: Well, a motion to  
15          table takes precedence. If you want to vote  
16          it down, so do it, and continue the hidden  
17          game.

18                  COUNCIL PRESIDENT VERNA: Councilman  
19          Cohen is making a motion that the matter be  
20          tabled.

21                  Is there a second to the  
22          Councilmember's motion?

23                  (No response.)

24                  COUNCIL PRESIDENT VERNA: Sorry,  
25          Councilman, your motion fails.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Councilman DiCicco, I believe you  
3           were -- did you get a response to your  
4           question?

5           COUNCILMAN DICICCO: No. I was  
6           pointing that out as a point of information as  
7           it relates to your question.

8           COUNCIL PRESIDENT VERNA: But I  
9           don't understand. I mean, Mr. Tustin talked  
10          about when they have two or three small  
11          groups. Guerin is not a small group. Why  
12          would it take us years before we decide to  
13          address the issue?

14          MR. TUSTIN: Council President, I  
15          need to look into that particular issue on  
16          that particular roof.

17          COUNCIL PRESIDENT VERNA: Well, I  
18          will tell you, it's not only that roof, but I  
19          have a number of issues that I have had in the  
20          budget. It's five years and we're still  
21          waiting for something to be done. I just  
22          don't understand why it should take us so  
23          long.

24          MS. GRIFFITH: If I can interject,  
25          Councilwoman. This is not the first time,

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           obviously, we've heard these concerns.

3           Commissioner Richards has made some

4           suggestions about how to deal with these

5           matters a little differently. We haven't had

6           an opportunity to discuss them in-house. If

7           you would give us that opportunity, we would

8           appreciate that and we would get back to you.

9                     But we do acknowledge that -- and it

10          may be that we can divide these matters into

11          different classifications and deal with them

12          somewhat differently. But I don't want to

13          preempt the opportunity to discuss --

14                     COUNCIL PRESIDENT VERNA: I know

15          there are other Councilmembers that want to be

16          recognized, and I certainly want to give them

17          the opportunity.

18                     But as long as we're on this issue,

19          Commissioner Richards, do we have roofers,

20          carpenters, electricians that work in the

21          Recreation Department?

22                     COMMISSIONER RICHARD: Yes, ma'am,

23          we do.

24                     COUNCIL PRESIDENT VERNA: How many

25          roofers, how many electricians, how many

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           carpenters?

3                   COMMISSIONER RICHARD: I'll have to  
4           get that to you. I don't really recall all of  
5           that to memory. But, yes, we do that type of  
6           work and we do have the capacity to achieve  
7           that work. Yes, ma'am.

8                   COUNCIL PRESIDENT Verna: So the  
9           roofers, I'm sure, just go out and do patch  
10          work?

11                   COMMISSIONER RICHARD: The majority  
12          of the time they do go out and they do  
13          inspections. They do repairs. A major job as  
14          of the nature you're speaking of, we won't do  
15          unless we don't have any other means of doing  
16          it. Francis Myers in your district was an  
17          example of the interior that was done through  
18          the skilled labor of the Department.

19                   COUNCIL PRESIDENT Verna: Okay. I  
20          would still like to know how many roofers,  
21          carpenters, and electricians you have in your  
22          department.

23                   COMMISSIONER RICHARD: I'll get that  
24          for you, yes, ma'am.

25                   COUNCIL PRESIDENT Verna: The Chair

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           recognizes Councilman O'Neill.

3                   COUNCILMAN O'NEILL: Thank you,

4           Madam President.

5                   I just want to follow-up on a  
6           question that was asked of Mr. Tustin and make  
7           sure I'm clear on the answer.

8                   When you were making a  
9           recommendation for this line item, you said  
10          you asked the department heads and made a  
11          recommendation based on that input of  
12          \$7 million; is that correct? Fair?

13                   MR. TUSTIN: That's initially --

14                   COUNCILMAN O'NEILL: Is that  
15          basically what you said?

16                   MR. TUSTIN: Yes.

17                   COUNCILMAN O'NEILL: I just have a  
18          question because while Councilman Cohen may  
19          not be aware, it's only been 25 years that  
20          I've had one-tenth of the Recreation Capital  
21          Budget. I've always had Councilmen-At-Large  
22          confirm with me. I know about a need here at  
23          a district, and that's been going on for 25  
24          years. I try to put that input -- because  
25          that's community input, which is what I'm

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           looking for. But the Recreation Department  
3           and the Capital Budget Office certainly has  
4           known that District Councilmen are very active  
5           in programming these funds.

6                   COUNCILMAN COHEN: (Inaudible.)

7                   COUNCILMAN O'NEILL: I'm just  
8           limiting my remarks to what I know. But I  
9           don't dispute that. Because that actually  
10          enlarges my question, that the recommendation  
11          was made based on departments giving  
12          information to Mr. Tustin, when it seems to  
13          me, based on the practice of several decades,  
14          that Councilmembers should have been  
15          contacted. And I won't limit myself to  
16          District Councilmen, Councilman Cohen. But I  
17          certainly feel that I should have been  
18          contacted and I'm sure others feel the same  
19          way.

20                   Can you tell me why that wasn't  
21          done?

22                   MS. GRIFFITH: If I can respond in  
23          part to that question because it was a  
24          question that was asked of me by another  
25          Councilperson at the Capital Budget hearings

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           and I believe I had to apologize. We actually  
3           had thought -- and I later found out that  
4           there was a briefing given around this issue.  
5           It was not a briefing, however, that was only  
6           about this issue. It was, I believe, a  
7           general briefing to Councilmembers about some  
8           of the changes in the budget process. And  
9           apparently, this issue was not particularly  
10          underscored or highlighted. So it was  
11          certainly the intent of all of the folks  
12          working around Capital Budget to convey to  
13          Councilmembers and to get input from  
14          Councilmembers with regard to a change in the  
15          approach. Unfortunately, because of the  
16          unusual -- I'm assuming because of the unusual  
17          deliberations last year and the lengthy nature  
18          and the number of meetings and sidebar  
19          meetings that were held, this very important  
20          issue did not get the emphasis it should have  
21          in terms of pointing out the differences from  
22          previous years.

23                   COUNCILMAN O'NEILL: I understand  
24                   there's a difference in money.

25                   COUNCILMAN COHEN: Point of order,

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Madam President. I'd like the witness to tell  
3           us what she means by the differences this  
4           year. I don't know what she's referring to.

5                   COUNCILMAN O'NEILL: Councilman, I  
6           don't mind follow-up on my own question. I  
7           was going to ask the exact same thing.

8                   I don't understand the difference  
9           this year, other than the difference in money,  
10          the process being different. I mean, I just  
11          mentioned that we weren't consulted,  
12          department heads were, even though this is  
13          money that is our discretionary pot, if you  
14          will, for recreation facilities. And I don't  
15          see how that's being cooperative with the  
16          Council at all.

17                  So what did change this year in  
18          addition to the size of the pot shrinking?

19                  MS. GRIFFITH: Let me clarify my  
20          response, and then Mr. Tustin wants to  
21          follow-up.

22                  When I was talking about the  
23          difference, I was simply talking about the  
24          difference in the entire budget process last  
25          year which was -- I don't know if elongated is

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           the appropriate word, but it was a very long,  
3           complex process. And there were, as I  
4           understand it, a number of briefings held by  
5           the Department of External Affairs and others  
6           with Council about negotiation around the  
7           budget.

8                     Indeed, you're correct, Councilman.  
9           As far as I understand it, the only difference  
10          in the ITEF funding was the decrease in  
11          funding.

12                    COUNCILMAN COHEN: What does that  
13          mean, ITEF.

14                    MS. GRIFFITH: ITEF which stands  
15          for --

16                    COUNCILMAN NUTTER: Improvements To  
17          Existing Facilities.

18                    MS. GRIFFITH: Thank you, Councilman  
19          Nutter. Improvements To Existing Facilities.

20                    MR. TUSTIN: Councilman, if I can  
21          follow up on your question and try to be clear  
22          in my answer, every year usually starting in  
23          August, well before budget call, we work with  
24          a representative from each one of the  
25          departments that we represent to review with

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           them the work that needs to be done within  
3           their facility. Now, I'm not talking about  
4           the money that City Council gets to use on  
5           facilities, I'm talking about the whole  
6           Capital Budget in general. One of the things  
7           we use as a guideline to start off is the  
8           funding that was allocated for the previous  
9           year as part of that plan. And that's the  
10          purpose of the plan, is to try to adhere to it  
11          in some way so you can track and know what  
12          your funding is going to be going forward. We  
13          look at all the facilities that need work,  
14          what type of work needs to be done, we  
15          prioritize that work, what has to be done this  
16          year --

17                   COUNCILMAN O'NEILL: Mr. Tustin, are  
18           you talking in Recreation or are you talking  
19           broader?

20                   MR. TUSTIN: I'm talking  
21           departmental wide. I represent not just  
22           Recreation, but 15 different departments. So  
23           we do this with all 15 agencies that we do  
24           work for.

25                   We prioritize the work that needs to

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           be done: Does this project need to be done  
3           this fiscal year? Can it wait a fiscal year?

4                       We look at every one of the  
5           projects. We compare it to the funding that  
6           we were allocated from the previous year. If,  
7           in fact, we can complete the priority projects  
8           with that allocation, those are the requests  
9           we put in for. If we find there are one or  
10          two projects that we didn't know about the  
11          prior year that have come up this year that  
12          need to be done, we put them in as a special  
13          request over and above what our allocated  
14          budget stated to us was from the prior year  
15          for consideration when City Planning looks at  
16          the Capital Budget as a whole. That's the  
17          process we usually follow.

18                     As far as the Recreation Department  
19          is concerned, in addition to the funding they  
20          get for pools that is outside of the money  
21          that goes to City Council, our Department  
22          meets at least once a year with each Council  
23          District Councilperson and we review with them  
24          our spreadsheet of projects that we're working  
25          on for that Councilperson both from prior

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       years. We also ask whatever new projects they  
3       may be aware of through their constituents,  
4       through the people that they deal with every  
5       day and what they think needs to be done over  
6       and above what we have heard needs to be done  
7       through the Recreation Department --

8           COUNCILMAN COHEN: Do you meet also  
9       with Councilmembers-At-Large?

10          MR. TUSTIN: No, we don't meet with  
11       Councilmembers-At-Large.

12          COUNCILMAN COHEN: Why not? You  
13       think we have less of a vote?

14          MR. TUSTIN: Our --

15          COUNCILMAN COHEN: I think what  
16       you're doing is totally illegal because you're  
17       participating --

18          COUNCILMAN DICICCO: (Inaudible.)

19          COUNCILMAN COHEN: I can't hear what  
20       you're saying.

21          MR. TUSTIN: We meet --

22          COUNCILMAN COHEN: What gives you  
23       the right to select among Councilmembers and  
24       to decide that only some Councilmembers are  
25       worthy of a report?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           MR. TUSTIN: Councilman, we don't  
3           determine or decide what Council -- where the  
4           money goes in the Council as far as who gets  
5           the funding. We work with the Council  
6           Districts, 10 districts which represent the  
7           City.

8           COUNCILMAN COHEN: You have no right  
9           to work with the districts. You have to work  
10          with 17 members of City Council, 7 of whom are  
11          Councilmembers-At-Large. You need a vote from  
12          17, not just the 10 District Councilmembers'  
13          vote. And I never want to hear again you rely  
14          solely on District Councilmembers, because if  
15          you do that, you're participating willingly in  
16          an illegal enterprise. I'm startled to hear  
17          this, that you've gone along. So I enlarge my  
18          attack on illegal diversion of taxpayer money  
19          to include the Recreation Department as well  
20          as the 10 District Councilmembers.

21          You have a duty to meet with  
22          Councilmembers. If the District Councilmember  
23          has a question, of course, he can ask or she  
24          can and so can Councilmembers-At-Large. But  
25          if you've initiated an action aimed at

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Councilmembers, you've got to include all the  
3           Councilmembers and make available to them all  
4           the information.

5                     Councilmembers-At-Large, in my  
6           opinion, have a much greater burden than  
7           District Councilmembers because we've got to  
8           see to it that there's fairness between the  
9           different districts.

10                    Each District Councilmember  
11          apparently regards himself or herself as kind  
12          of a developer. Each one strives to make  
13          their district outstanding on development.  
14          Then they should stay out of Council and do  
15          development work if they want to be  
16          developers. That's why the District  
17          Councilmembers seem frequently to not have the  
18          interest of all the members at heart because  
19          they seem to be just worrying go about  
20          development issues.

21                    Councilmembers-At-Large have the  
22          responsibility for seeing that City services  
23          are equally provided to everybody in the City.

24                    COUNCIL PRESIDENT VERNA: Thank you,  
25          Councilman Cohen. I believe Councilman

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           O'Neill was asking a question.

3                   COMMISSIONER RICHARD: Excuse me.

4           If I may respond to that. I didn't make the  
5           statement that I meet with just the 10  
6           District Councilmembers. For the record, when  
7           I first took this position, I met with you and  
8           worked with you diligently to make sure that  
9           we brought Belfield in. At that time it was  
10          seven years in the making. I just recently  
11          had meetings and conversations on two  
12          different facilities with At-Large  
13          Councilmember Kelly and also Councilman Ramos.  
14          I frequently meet and interact with our Chair  
15          of the Recreation Department, Councilwoman  
16          Blondell Reynolds Brown.

17                  It's an open process. It's public  
18          record. And I want to go on record to correct  
19          the statement that you made. I do not meet  
20          with just the 10 District Councilmembers. I  
21          make sure that I inform each and every  
22          Councilperson whether they inquire or not and  
23          try to give the best possible service that I  
24          can. Thank you.

25                  COUNCILMAN COHEN: Well, I

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           appreciate that correction, but hope you would  
3           spread that throughout the department so that  
4           everybody knows your views and follow your  
5           practices.

6                   COMMISSIONER RICHARD: Thank you,  
7           sir.

8                   COUNCIL PRESIDENT Verna: Councilman  
9           O'Neill, can I recognize you so you can  
10          continue your line of questioning?

11                   COUNCILMAN O'NEILL: Thank you,  
12          Madam President.

13                   Mr. Tustin, are you saying that you  
14          did contact the Councilmembers in addition to  
15          the department heads when it came to the  
16          recreation before you made your \$7 million  
17          request?

18                   MR. TUSTIN: No, I didn't say that.  
19          What I said, Councilman, was as we deal with  
20          the individual departments, our office meets  
21          with Council representatives as well once a  
22          year at least. And in addition to that, Eric  
23          Iffrig who heads up the recreation team for  
24          our department has an open communication with  
25          all the Councilmembers and their staff. He

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           probably talks to them at least on a monthly  
3           basis on concerning projects. So we try to  
4           stay as current as possible with the needs.

5                   COUNCILMAN O'NEILL: Excuse me.

6           Let's focus on this series of discussions  
7           where you're trying to put together your  
8           recommendation. We're not part of that. Your  
9           department heads are. I speak with Mr. Iffrig  
10          as other Councilmembers do all the time. We  
11          talk about pipeline projects that are already  
12          funded. Once we know how much money is  
13          available, we talk about that year's project.  
14          It's no use talking about it until we know the  
15          amount of money because we can't hire any  
16          consultants or anything else.

17                   I, at least, have never had a  
18          conversation with Mr. Iffrig about what I  
19          thought the level should be of capital  
20          improvements in the Recreation Department, at  
21          least as the 10th District is concerned. It  
22          would be a totally different conversation if  
23          he were asking me for a proposal to have you  
24          evaluate.

25                   I can tell you -- and I don't think

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           anyone has that conversation because it's just  
3           never happened. If you're going to be the  
4           point of communication of the Planning  
5           Commission, I would hope in the future we  
6           could give a needs assessment for our district  
7           rather than responding to available dollars.  
8           Because you are giving a needs assessment, we  
9           haven't been consulted in that needs  
10          assessment.

11                 We can't go backwards, but we  
12          certainly can try to do a better job going  
13          forward.

14                 So you recommend 7 million. The  
15          Planning Commission recommends 4 million of  
16          the 7 that you asked for based on what I call  
17          an incomplete assessment because you didn't  
18          contact Council.

19                 But be that as it may, Ms. Griffith,  
20          how did you pare down the 7 million to 4  
21          million?

22                 MS. GRIFFITH: Well, as you know,  
23          Councilman, we take a global view of the  
24          budget. We frankly are less involved in the  
25          details of the individual agency budgets for

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           the operating agencies. Indeed it is a  
3           Capital Program Office and Mr. Tustin who does  
4           that. We are looking at the Capital Budget in  
5           toto along with the Budget Office and trying  
6           to get that budget in balance and moving  
7           forward. So we're not only looking at the  
8           Recreation Department, we're looking at the  
9           other operating agencies, we're looking at the  
10          requests of the economic development agencies  
11          for funds as well and simply trying to -- I  
12          don't want to use the word trade-off because  
13          that trivializes it. But we're trying to  
14          bring a budget into balance where there is  
15          much more need than there is funds.

16                 I've testified previously,  
17          Councilman, that according to my staff's  
18          analysis, we should really have about twice  
19          the amount of capital money as we do for a  
20          city of this size with this population to  
21          simply maintain our capital infrastructure.  
22          So we are always moving forward with less  
23          money than we need. And then it's a question  
24          not of choosing good projects over bad, but  
25          looking at a lot of good projects and trying

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           to -- and admittedly with the Administration  
3           priorities in mind -- trying to move forward  
4           with those projects.

5                     And in this case, especially because  
6           there was unexpended funds from previous  
7           years, for whatever reason a number of  
8           projects had not moved forward for some of the  
9           reasons that Rick outlined, it was our  
10          recommendation in conversation with Mayor's  
11          Advisors and with the Planning Commission that  
12          this was one place where this year we might do  
13          things a little differently and cut back the  
14          funding.

15                    COUNCILMAN O'NEILL: Given that  
16          global view, would you prefer that when  
17          Council, as we've done this year once already  
18          and are proposing to do again, increase the  
19          recreation center money that we instead of  
20          adding, for instance, \$7 million, take \$7  
21          million, delete \$7 million from projects that  
22          we differ in judgment with you over the  
23          critical aspect of them?

24                    In other words, you said in your  
25          testimony that in a period of -- "this

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           proposed increase cannot be sustained in a  
3           period of increasingly limited resources and  
4           in view of other critical Capital City needs."

5                     Well, you made a judgment differing  
6           with us as to critical capital needs. We  
7           think there are other critical capital needs  
8           in the Rec Department in the recreation  
9           facilities than you do. So given that this  
10          limited resources issue is in play with the  
11          Capital Budget, would the Planning Commission  
12          prefer that we delete \$7 million when we're  
13          adding 7 in disagreement with your assessment?

14                    You're nodding.

15                    MS. GRIFFITH: I'm nodding because I  
16          understand the question. I can't speak for  
17          the Planning Commission. I will certainly put  
18          that before them this afternoon. I can only  
19          speak for the staff, and will do that. And to  
20          be honest, we would prefer you do neither. We  
21          would prefer that you accept the budget as  
22          proposed by the Mayor.

23                    However, I think the context is  
24          correct, that if additional monies are added,  
25          they're going to have to be taken from

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           somewhere.

3                   To go back to Councilman Cohen's  
4           framework, which I think is correct, that is  
5           done, you know, in this democracy with kind of  
6           a give-and-take and a push-and-pull between,  
7           in this case, the executive branch and the  
8           Council. So if you're saying could we in some  
9           sort of Committee format sit down and look  
10          through the budget again especially looking  
11          forward to -- because we're almost -- because  
12          of this unusual year, we're just about ready  
13          to go to the next round of capital. Could  
14          there been a different kind of dialog or a  
15          different kind of discourse? I can certainly  
16          bring that back to the Commission members and  
17          to the Office of the Mayor and I'm sure the  
18          Budget Office would want to weigh in on that  
19          as well. But I can't deal with the kind of  
20          Sophie's choice you've put before me in terms  
21          of taking and giving in concept. I think it  
22          would have to be related to specific projects.

23                   COUNCILMAN O'NEILL: I sympathize  
24           very much with your position. I've only been  
25           here about 25 years, but while the Charter

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       puts a place for the Planning Commission in  
3       the Capital Budget, a very strong place of  
4       assessment, I have never once -- it can be a  
5       coincidence, but it's been 25 years in a row  
6       that the Planning Commission and the Finance  
7       Department, the Budget Office, the Mayor's  
8       Office have always agreed 100 percent on what  
9       the Capital Budget should be. The only  
10      disagreements have been when Council disagrees  
11      with the Mayor, Council disagrees with the  
12      Planning Commission. I've never seen an  
13      independent assessment that said,  
14      "Notwithstanding the Administration's  
15      assessment here, we think there is an extra  
16      million dollars for X, Y, or Z." It's just  
17      never happened.

18                So it's frustrating from our  
19      standpoint. Talk about Sophie's choice,  
20      push-and-pull -- there's a lot of pull,  
21      there's very little push going on here.

22                We're looking at a situation where  
23      if you gave us in the 60-some million dollars  
24      worth of recommendations that aren't  
25      recreation, that they're all critical but

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       you've categorized them as A, B, C level  
3       critical, and we would only look at the C  
4       level that we were going to exchange for, then  
5       obviously would make less of an impact on your  
6       initial judgment than if we went after all the  
7       A's, not knowing which they were. We don't  
8       have any tools like that to work with. So our  
9       only option is to use our best judgment which  
10      is that we feel the minimum we need is 11  
11      instead of 4. And we're out there every day,  
12      so we think we have some credit on that. And  
13      we know that we can't spend this money if the  
14      Administration eventually says no. But we  
15      also know that if the money isn't in the  
16      budget, it doesn't matter how much the  
17      Administration may change its mind later, it's  
18      never going to be spent because it was never  
19      approved. So we're in a catch 22. We'd like  
20      to know your priorities and go with your lower  
21      priorities if we're switching. But at the  
22      same time, not knowing them, the only way we  
23      can make sure we can have that discussion  
24      later, because the ballot question is coming  
25      up, we're trying to conform this Capital

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       Budget to the approved ballot question level  
3       that the Mayor signed. And we're also looking  
4       at it in the context of all this, there's a  
5       whole lot of deferred maintenance that we do.  
6       It would be great if we didn't have to do it  
7       out of Capital and we could do it out of  
8       Operating. But it was either Council  
9       President or the Majority Leader the other day  
10      said to me that they had heard that there were  
11      40,000 work orders backlogged in recreation  
12      maintenance. Now, I used to hear a number  
13      25,000 years ago, but 40 is even high for my  
14      level of -- I don't know what you call it --  
15      just accepting these wild numbers.

16               With 40,000 or 25,000, I don't care  
17      what number you throw on it once it gets up  
18      there, \$4 million, \$400,000 a center doesn't  
19      cover very much. And I'm quite sympathetic to  
20      somebody who pretty much has to tow the line  
21      and say there's got to be \$7 million less in  
22      this line item. So I'm not here to jump all  
23      over the Planning Commission or the Capital  
24      Budget Office, but we know that there was no  
25      starting point where there was an assessment

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           level that was given by the Council as to  
3           these recreation needs. It was just done from  
4           within the Administration.

5                       So I just hope you understand what  
6           we're doing and maybe in the future not have  
7           that assessment ahead of time, but we can also  
8           when we get to a situation like this where we  
9           walk into the budget, we differ on a certain  
10          line item, rather than having to add 7, we  
11          stay within the guidelines but we know your  
12          higher versus lower critical areas.

13                      I'll just leave it at that.

14                      MS. GRIFFITH: If I can respond just  
15          briefly. First, let me just say for the  
16          record, taking the Commissioner's tact on  
17          this, there is a robust conversation amongst  
18          the various elements that make up the group  
19          that come to closure on Capital Budget. And I  
20          would also say that Rick pointed out that  
21          there are conversations that happen with the  
22          Capital Program Office, with the Budget  
23          Office, and even in some cases with the  
24          members of our community planning staff  
25          ongoing. Those conversations play a big role

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           in our discussions. In every discussion that  
3           I have had around recreation facilities,  
4           someone has said, "Well, I've talked to this  
5           Councilperson. This is what they think. This  
6           is what they would prefer. This is the  
7           conversation they're having with their  
8           community."

9                        So although I'm not giving short  
10          shrift to your point, that's a very different  
11          kettle of fish than having that conversation  
12          directly with the Councilperson and having the  
13          facts and figures on the table. I take that  
14          point.

15                      I do want to say that the  
16          recommendations and the concerns of individual  
17          Councilpeople are taken tremendously seriously  
18          in those conversations.

19                      As to whether there can be some kind  
20          of modified process with regard to work  
21          orders, et cetera, I think I mentioned in  
22          response to the Council President that  
23          Commissioner Richard have made some  
24          suggestions and we have not had an opportunity  
25          to have that conversation not only with the

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Capital Program Office, with the Managing  
3           Director who is obviously very concerned and  
4           has purview over this matter. So I would  
5           hesitate even speaking to the specifics of  
6           that without having discussed it with him.  
7           But that is a concern.

8                     COUNCIL PRESIDENT VERNA: The Chair  
9           recognizes Councilman Nutter.

10                    COUNCILMAN NUTTER: Thank you, Madam  
11           President.

12                    Good morning -- or good afternoon at  
13           this point. I just have a couple items in a  
14           couple different places.

15                    So first, let me ask Ms. Reed.  
16           Welcome back to our little place. I think you  
17           were here the other day, but I missed you.

18                    The proposed Capital Budget was  
19           approximately 67 and a half, \$67.6 million; is  
20           that correct?

21                    MS. REED: That is correct, sir.

22                    COUNCILMAN NUTTER: What's the debt  
23           service on that?

24                    MS. REED: We'll have to get back to  
25           you on that. Sorry, we don't have that with

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           us.

3                   COUNCILMAN NUTTER: I'm sorry?

4                   MS. REED: We will have to get back  
5           to you on that. We do not have that number  
6           with us.

7                   COUNCILMAN NUTTER: Well, I  
8           appreciate your honesty. But if we were not  
9           here today for this hearing, this question  
10          would have worked its way to the ballot  
11          probably a long time ago if all these other  
12          issues had been resolved. And I know it  
13          started prior to your time, but it is  
14          unfathomable to me that a question would be  
15          going on the ballot in two weeks and the City  
16          does not have any idea what the debt service  
17          is going to be on \$67 million.

18                  MS. REED: We won't know the debt  
19          service until we borrow the money. We haven't  
20          borrowed the money yet.

21                  COUNCILMAN NUTTER: Well, I  
22          understand that. But, Ms. Reed, you can give  
23          me some estimate. We know what the number is.  
24          I know that it is quite possible that Alan  
25          Greenspan can say something this afternoon

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           that could send the financial markets into  
3           cataclysmic decline, but we must have some  
4           estimate on present interest rates of what it  
5           would cost to borrow 67 and a half million  
6           dollars.

7           MS. REED: We'll have to get you an  
8           estimate based on current interest rates.

9           COUNCILMAN NUTTER: You don't even  
10          have a ballpark figure?

11          MS. REED: Not with me.

12          COUNCILMAN NUTTER: No one in the  
13          Administration knows what this bond offering  
14          is going to cost?

15          MS. REED: We don't have that with  
16          us today.

17          COUNCILMAN NUTTER: Okay.

18          When do you anticipate going to the  
19          market with this bond offering?

20          MS. REED: May I have my colleague  
21          address this question, please?

22          COUNCILMAN NUTTER: Sure.

23          MS. REED: Linda Howard.

24          MS. HOWARD: Linda Howard, Deputy  
25          Budget Director.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           The next general obligation  
3 borrowing is expected in 2006. We did a major  
4 borrowing in 2004.

5           COUNCILMAN NUTTER: I'm asking about  
6 this borrowing.

7           MS. HOWARD: We don't -- Councilman,  
8 we don't know the debt service on money until  
9 we borrow it.

10          COUNCILMAN NUTTER: Right.

11          MS. HOWARD: So we haven't borrowed  
12 the 67.6 yet.

13          COUNCILMAN NUTTER: So then for our  
14 purpose -- I'm sorry, Councilman.

15          COUNCILMAN COHEN: My question is,  
16 when will you borrow it? You mentioned two  
17 possible dates. You mentioned a date in 4 and  
18 a date in 6.

19          MS. HOWARD: The borrowing is based  
20 on a cash flow analysis, not on a budget  
21 number.

22          COUNCILMAN COHEN: And that means  
23 what?

24          What kind of an answer is that when  
25 I asked when do you intend to borrow it?

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           MS. HOWARD: It's based on an  
3 analysis of the revenues coming in and the  
4 expenditures and the debt service payments.

5           COUNCILMAN COHEN: So we never know  
6 when the borrowing will take place?

7           MS. HOWARD: We do. We expect the  
8 next borrowing to take place in about two  
9 years.

10          COUNCILMAN COHEN: Is it going on  
11 the ballot now to authorize it two years from  
12 now?

13          MS. HOWARD: The ballot question is  
14 to authorize the spending, sir, not the  
15 borrowing. It authorizes you to borrow the  
16 money --

17          COUNCILMAN COHEN: So we're not  
18 going to borrow for two years, if at all,  
19 because things can change in two years, and  
20 you're asking for authorization to spend the  
21 money that won't be even borrowed for two  
22 years? What kind of planning is that?

23          MS. HOWARD: I don't have an answer.

24          MS. REED: This is subject to the  
25 conditions of the marketplace, Councilman.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCILMAN COHEN: It doesn't make  
3 any sense to me, Councilman Nutter.

4           I yield. Nobody knows anything.

5           COUNCILMAN NUTTER: Well, let me ask  
6 this question: What amount of capital dollars  
7 do we have available presently?

8           MS. HOWARD: We've carried forward  
9 approximately \$180 million in general  
10 obligation.

11          COUNCILMAN NUTTER: I'm sorry, what  
12 was that number again?

13          MS. HOWARD: We've carried forward  
14 approximately \$180 million in carry-forward  
15 funds of general obligation.

16          COUNCILMAN NUTTER: So that's what  
17 we have available now?

18          MS. HOWARD: Correct.

19          COUNCILMAN NUTTER: And how much of  
20 the 180 is designated for specific projects?

21          MS. HOWARD: 153 million.

22          COUNCILMAN NUTTER: And what's the  
23 other 27 for?

24          MS. HOWARD: That is non-project  
25 specific and it's reserved for the City

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Controller certification, some of which would  
3           be the ITEF money.

4                   COUNCILMAN NUTTER: The 27 is  
5           unspecified?

6                   MS. HOWARD: Correct.

7                   COUNCILMAN NUTTER: And you're  
8           waiting for Controller cert on that?

9                   MS. HOWARD: Correct.

10                  COUNCILMAN NUTTER: Okay. So what  
11           is the difference to the City other than the  
12           obvious subtraction but from a debt service  
13           perspective between a \$67 million Capital  
14           Budget and a \$74 million Capital Budget?

15                  MS. REED: Councilman --

16                  COUNCILMAN NUTTER: And is the 67  
17           presently anticipated to come out of the 180?

18                  MS. REED: That would be new  
19           authorization.

20                  The \$12 million that City Council  
21           has been receiving since Fiscal Year '99 was  
22           about 9.4 percent of the money that was  
23           authorized to be spent. At this point, with  
24           the authorization so much lower, about half of  
25           that, at 67, the Council amount has stayed

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       flat at 12. If it was proportional, which it  
3       probably should be, it should be a lower  
4       amount more in the range of 5. And that does  
5       make a difference to the bond rating agencies.  
6       They are concerned about the level of debt in  
7       relation to revenue overall, and we are  
8       already on watch with all of them. We have to  
9       be conservative about our debt obligations.  
10      And this is why there is some true rationality  
11      behind a decrease in that number. In addition  
12      to, of all the money that has been allocated  
13      to Council so far, there is a carry-forward of  
14      about \$41 million, and 10 million of that  
15      Council has not yet designated for projects.  
16      So we have a decent backlog and there are  
17      still projects that need to be named. And as  
18      we keep rolling, if we were to keep rolling a  
19      high number forward, that decreases the amount  
20      of money that's available for other kinds of  
21      projects. So it's just kind of a perspective  
22      on this numbers.

23               COUNCILMAN NUTTER: Ms. Reed, first,  
24      let me say thank you. I'm glad that you have  
25      arrived here and I am incredibly pleased that

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           someone actually gave an explanation as to  
3           why, purely from a fiscal perspective or a  
4           percentage of funds perspective, the bond  
5           rating agencies and their concerns perspective  
6           because I don't believe in all of the Capital  
7           Budget hearings earlier this year that  
8           explanation was offered. Now, my memory could  
9           be a little faded; there have been a few  
10          hearings since that time. But that kind of  
11          perspective had not been laid out, so I do  
12          greatly appreciate it. It is a new view.

13                 Having said that, I do want to at  
14          least put on the record so that we're clear  
15          with each other in speaking from the same  
16          perspective, whenever you state that money has  
17          been given to City Council, that Council has  
18          not allocated certain funds, that there are  
19          unspent or unspecified projects that City  
20          Council has, I want to be very clear that it's  
21          not like the Budget Office or the Planning  
22          Commission or the Capital Program people are  
23          giving City Council a gift or a grant or some  
24          fund from which we can just buy whatever we  
25          want and spend money in a, some might say,

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           willy-nilly fashion. It's not our money; it's  
3           the citizens' money, and it goes to support  
4           infrastructure or buildings or facilities that  
5           are owned by the City of Philadelphia and by  
6           the citizens and it is for these purposes that  
7           these dollars are spent. So they're not  
8           coming to us and we get to do whatever we want  
9           with them or buy in some frivolous kind of  
10          fashion. I have a book --

11                   COUNCILMAN COHEN: Point of order.  
12          I'm asking whether Councilman Nutter will  
13          yield for a question.

14                   COUNCILMAN NUTTER: Councilman, I  
15          was just getting up a head of steam here.

16                   COUNCILMAN COHEN: This is the first  
17          time I've ever heard that money's been ever  
18          made available to Council for any projects.  
19          Why is that? And who is it made available to?

20                   I have to dispute that, Councilman  
21          Nutter. I've never before known that money's  
22          been made available to Council. I never  
23          before until a couple weeks ago learned that  
24          there's a secret group of 10 Councilmembers  
25          who have access to millions and millions of

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           City dollars without it passing through the  
3           body of City Council and that this group, in  
4           my judgment, illegally makes decisions about  
5           use of the money and the City is fully  
6           complicit in that. So I have difficulty with  
7           your conclusion that this money is wisely  
8           spent or well spent. I had no idea it was  
9           being spent. I never knew it was available to  
10          City Council. I never remember being at a  
11          meeting at which it was decided there's 10  
12          million available, what do we think ought to  
13          be spent with it, here are a list of projects  
14          Council's been interested in.

15                 If there's been such meetings, I've  
16          certainly never been invited to them, never  
17          known they existed. I think there's been a  
18          second group operating illegally in City  
19          Council. And I've got to find out what that's  
20          all about. I never knew there was money  
21          available to City Council for projects.

22                 COUNCILMAN NUTTER: Will the  
23          Councilman yield back on my yield to him so  
24          that I can be somewhat responsive?

25                 COUNCILMAN COHEN: I yield back.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCILMAN NUTTER: Councilman, all  
3 I can tell you is that prior to my arrival in  
4 City Council, as desperately as I've sought to  
5 get here in the mid-'80s, I have at least  
6 partially been aware that -- it may have had a  
7 different name. I think the name changed in  
8 '92 to the ITEF category, Improvements to  
9 Existing Facilities. It may have had another  
10 category prior to my arrival, not that I had  
11 anything to do with changing the name. But I  
12 was certainly aware in the mid-'80s when I was  
13 seeking office that Councilmembers had access  
14 -- at least District Councilmembers because  
15 that's what I was focused on, that's the  
16 office I was running on -- had access to  
17 capital dollars either through the Capital  
18 Budget process or through the Redevelopment  
19 Authority.

20           What I meant by my earlier comments  
21 if I wasn't clear is that there is, I believe,  
22 somewhere a line in the Capital Budget when  
23 it's submitted every year for either now  
24 improvements to existing facilities. I  
25 believe it has a number attached to it. In

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           most instances for those years, now speaking  
3           for myself, there is no particular anticipated  
4           project or projects for which those dollars  
5           are specifically allocated, but the reality is  
6           this is what happens:

7                       When the Recreation Department or  
8           the Fairmount Park Commission or the Water  
9           Department or any other of the various  
10          departments in the government have projects  
11          that they want to get done which may also be  
12          listed in the Capital Budget specifically as  
13          items, when those projects go out to bid,  
14          often the bids come back over the amount that  
15          they are authorized for. And you are then  
16          faced with one of two choices: You can either  
17          rebid it, which will add about 3 to 6 months  
18          to getting that project done in the hope that  
19          the bids will come back lower; most of the  
20          time they don't. Or you can add 20, 30,  
21          whatever the amount that was over and make  
22          sure that your project gets done and on time.  
23          Because with every respect to Recreation  
24          Commission or Fairmount Park or Rick Tustin,  
25          whatever that time is for it to get done, more

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           than likely it is a little behind what anyone  
3           would like it to be done.

4                       So these dollars -- and I'm prepared  
5           to go through some of them. When we needed  
6           new play equipment and safety matting out at  
7           Granahan Playground last year in the 34th  
8           Ward, through those dollars I was able to  
9           access money for that project, which was way  
10          over the Recreation Department's capacity.

11                      So what you have here is a system  
12          that was set up sometime ago and prior to my  
13          inglorious arrival at this incredible  
14          institution where you either get your project  
15          done now because you have some funding  
16          available -- and all the departments know that  
17          the dollars are available. There is a general  
18          belief that the departments sometimes may,  
19          unfortunately, have to short the amount of  
20          money available for projects because they know  
21          that the mid-management people are going to  
22          come right back to us and say, "I'd love to do  
23          your project, but I don't have enough money  
24          for it." And that's kind of the way it works.

25                      COUNCILMAN COHEN: It seems to me,

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Councilman Nutter, there will be no difficulty  
3           informing all the Members of City Council and  
4           gaining their support. But I see no  
5           justification whatever for having a kitty of  
6           cash available for District Councilmembers.

7                   COUNCILMAN NUTTER: I understand  
8           that and I think that is a slightly different  
9           debate.

10                   COUNCILMAN COHEN: The votes that  
11           take place, sometimes a District  
12           Councilmember's vote is a block.

13                   COUNCILMAN NUTTER: I don't know  
14           that this particular issue is involved in  
15           that.

16                   You asked me a question. What I can  
17           tell you is on Page 121 of the Capital Budget  
18           and Program that we passed earlier this year,  
19           there is a Line 67 that has 4 million for  
20           improvements to existing recreation  
21           facilities. That money has -- historically,  
22           that number, I believe, has been \$12 million  
23           and has been split up. Sometimes it's been  
24           10, sometimes 11, sometimes 12 in the better  
25           years, which Ms. Reed has made reference to.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           The debate about --

3           COUNCILMAN COHEN: It's never been  
4           split up by Councilmanic action. I've never  
5           participated --

6           COUNCILMAN NUTTER: The debate about  
7           who gets to decide which facilities or  
8           District Councilmembers versus At-Large  
9           Members, I would only suggest to you in an  
10          effort to get through some of my questions and  
11          then get to where I need to go is it's a  
12          legitimate discussion and debate. I cannot  
13          account for what information you may have or  
14          not have, but when I walked in here, that is  
15          the system that was in place 12, 13 years ago.  
16          And I've known about it at least going back to  
17          1984, 1985 time period.

18          Again, as I said to Ms. Reed, these  
19          dollars are only used for the benefit of the  
20          citizens. It's not like --

21          COUNCILMAN COHEN: Well, I doubt  
22          that, because if that were true, then there  
23          would be no reason to hide it.

24          COUNCILMAN NUTTER: Councilman, it's  
25          listed as an item in the Capital Budget. You

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           can't get much more open than that. I'm not  
3           reluctant to having a conversation about it.  
4           And the only reason, the only reason --  
5           because you know me, I love a good discussion  
6           and debate. The only reason I'd like to short  
7           circuit that part of the discussion is because  
8           I have four questions that I need to ask and I  
9           have a speaking engagement to go to. But it's  
10          been in the budget every year. We vote on it.  
11          We go through this budget, I think, pretty  
12          much in a line item kind of fashion. So I  
13          would have to slightly dispute any notion of  
14          something being a secret. It's right there in  
15          the book. And it's been --

16                 COUNCILMAN COHEN: Where does it say  
17                 in the book that the vote on this will be  
18                 determined just by District Councilmembers? I  
19                 don't see in that line item that it expresses  
20                 that opinion.

21                 COUNCILMAN NUTTER: That's not  
22                 mentioned in that line, you are absolutely  
23                 right about that.

24                 Why don't we do this? I really need  
25                 to ask my questions and then I really need to

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       go. So I do not want to be disrespectful and  
3       I don't want to short change this conversation  
4       because it's an important issue. I don't know  
5       how it got started. That is the system and  
6       that's what I understood when I got here. I  
7       didn't create it by myself. So can I -- I  
8       need to do this.

9           So since it isn't particularly clear  
10      what the debt service is on the 67 and a half  
11      million dollars -- because I need to ask the  
12      question -- then do you know what the debt  
13      service would be the 74 and a half million  
14      dollars, which is essentially the \$7 million  
15      difference that we're discussing here?

16           MS. REED: No. The answer would be  
17      the same. We are looking into that now as we  
18      speak.

19           COUNCILMAN NUTTER: What was the  
20      last thing you said?

21           MS. REED: I said we're looking into  
22      that now as we speak.

23           COUNCILMAN NUTTER: So I guess what  
24      I'm slightly perplexed at, if we don't know  
25      what the cost is, then why is it automatically

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           assumed that we can't afford it? How do you  
3           make the one statement and not know the answer  
4           to the question?

5                   MS. REED: I think that the issue  
6           has to do with an appropriate level of  
7           spending, given how much we have to spend  
8           altogether.

9                   COUNCILMAN NUTTER: I hear what  
10          you're saying about that. And I guess -- and  
11          I didn't hear all of Councilman O'Neill's  
12          discussion with the Planning Commission  
13          Director, but this is probably one of those  
14          situations where if there had been a little  
15          more discussion early on about this then maybe  
16          we wouldn't be having this discussion today.  
17          But since that kind of discussion never took  
18          place and it was just "this is what the number  
19          is, take it or leave it" without any of the  
20          benefit of the three or four items which, I  
21          mean very seriously, are important pieces of  
22          information that you laid out. I'm not going  
23          to sit here and say that because of that  
24          argument I now agree with you, but they are  
25          important pieces of information that could

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           have been helpful in the decision-making  
3           process back in January or February or March  
4           when the budget came in as opposed to in June  
5           or now October. So that's kind of that.

6                     Director Griffin, I've got just a  
7           couple questions for you and then put  
8           everybody out of their misery.

9                     What was the submission to the Mayor  
10          on the ITEF line?

11                    MS. GRIFFITH: I apologize,  
12          Councilman, you caught me chewing here.

13                    COUNCILMAN NUTTER: It's all right.  
14          We all do it from time to time.

15                    MS. GRIFFITH: As you know, the  
16          submission to the Mayor is a formal one from  
17          the Planning Commission and the submission to  
18          the Mayor was as it was presented to Council.

19                    COUNCILMAN NUTTER: So it went into  
20          the Mayor at 4 million; is that what you're  
21          saying?

22                    MS. GRIFFITH: That's my  
23          recollection. I will double-check that.

24                    MS. REED: Sir, if I might add, it's  
25          really 5 million all together. One million is

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           in the Managing Director's Office for projects  
3           as they arrive.

4                   COUNCILMAN NUTTER: I heard about  
5           the million over to the side there.

6                   MS. GRIFFITH: But I'm speaking from  
7           memory, but I will double-check that. But  
8           that's my recollection.

9                   COUNCILMAN NUTTER: If you went  
10          through this with Councilman O'Neill, then,  
11          please, don't go back through it. But how did  
12          you decide that 4 million was the number?

13                  MS. GRIFFITH: I did go over it with  
14          Councilman O'Neill.

15                  COUNCILMAN NUTTER: Then don't go  
16          back through it.

17                  Does the Planning Commission or do  
18          you as the Director -- how many Recreation,  
19          Fairmount Park facilities have you been to.

20                  MS. GRIFFITH: Oh, probably about a  
21          dozen.

22                  COUNCILMAN NUTTER: A dozen?

23                  MS. GRIFFITH: Yes. I'm not as  
24          active as I should have.

25                  COUNCILMAN NUTTER: How many do we

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           have between those two departments?

3                   MS. GRIFFITH:  Actually, I was  
4           specifically speaking about recreation  
5           facilities, not about parks.

6                   COUNCILMAN NUTTER:  Commissioner,  
7           how many facilities do you have?

8                   COMMISSIONER RICHARD:  We have 87  
9           pools, 153 rec centers, we have another 72  
10          passive parks, Fort Mifflin, 3 museums, Camp  
11          William Penn --

12                  COUNCILMAN NUTTER:  Why don't we say  
13          300 plus?

14                  COMMISSIONER RICHARD:  Yes, sir.

15                  COUNCILMAN NUTTER:  Director, you've  
16          been to a dozen?

17                  MS. GRIFFITH:  I would say  
18          approximately a dozen.

19                  COUNCILMAN NUTTER:  And out of that  
20          exhaustive review of just the recreation  
21          facilities -- and I think I understand  
22          Fairmount Park has approximately 400-some-odd  
23          facilities.  One year they had 300 and then  
24          the next year they actually found another  
25          hundred.  So between the two departments, 700

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2 facilities, you've been to -- let's throw in a  
3 few for Fairmount Park. I'll give you the  
4 same dozen. What's that like, 3 percent? And  
5 you guys made a decision that \$4 million was  
6 enough?

7           MS. GRIFFITH: Well, now that I  
8 understand the premise of your question, as  
9 you know, I have a huge staff of 50 folks.  
10 And the Capital Budget is coordinated by our  
11 planning and policy division along with our  
12 community planning division. In no case, not  
13 only with the Recreation Department but in any  
14 of the activities, do I count on personally  
15 visiting or reviewing every situation. So I  
16 would say if you're talking about the staff  
17 that works on the Capital Budget, certainly I  
18 would think that within the four-year period  
19 of my tenure, the majority of the facilities  
20 have been seen and reviewed by my staff; and  
21 not only that, but we rely a great deal on  
22 Director Tustin's staff and on the Recreation  
23 staff's input and review. So certainly, where  
24 there are conflicts, where I am told that  
25 there is special Council concern or a

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           difference of opinion between Council and  
3           staff members of the Recreation Department or  
4           where there's an unusual situation or a  
5           troubling situation, and since I come up and  
6           testify before Council on Capital, I'm  
7           especially attuned to situations where I've  
8           been inquired before. So it is not simply the  
9           12 or 15 or 20 facilities that I get to see  
10          personally; it is, as with any agency, the  
11          accruing of all the input of all of my staff.

12                 COUNCILMAN NUTTER: Now, who from  
13          your office talks to Councilmembers about  
14          their either interest or needs or concerns  
15          with regard to the Capital Budget?

16                 MS. GRIFFITH: Primarily the  
17          community planning staff. Since the NTI  
18          process has sort of taken precedence over the  
19          community planning process, that is done  
20          primarily in the context of outreach for the  
21          NTI plans. And we now have a situation  
22          where --

23                 COUNCILMAN NUTTER: NTI doesn't have  
24          anything to do with rec centers, libraries,  
25          Fairmount Park facilities or anything else, as

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           far as I know.

3                   MS. GRIFFITH: I apologize,  
4           Councilman, that is not the case. When we do  
5           our planning, it is comprehensive. So we do  
6           rec centers, bus routes, cobblestones in  
7           streets --

8                   COUNCILMAN NUTTER: I understand  
9           that. As far as I'm concerned, at least from  
10          my perspective, it has nothing to do with any  
11          of the money that we put into any of these  
12          facilities. I don't remember anybody having a  
13          NTI conversation with me when we needed to put  
14          new rec equipment at Granahan or fix the steps  
15          in Manayunk or do a ball field somewhere else.  
16          It has nothing to do with NTI whatsoever.

17                  MS. GRIFFITH: Let me make sure I  
18          understand your question because I might have  
19          jumped ahead. Are you talking about the  
20          discretionary --

21                  COUNCILMAN NUTTER: I asked who from  
22          your staff goes to each and every  
23          Councilmember and talks to them about the  
24          Capital Budget in their respective areas.

25                  MS. GRIFFITH: No.

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCILMAN NUTTER: No one?

3           MS. GRIFFITH: There is no formal  
4           codified process of that kind of outreach.  
5           For that kind of outreach, we rely on the  
6           Recreation Department and Capital Program  
7           Office. There is, however -- and I'll take  
8           the phrase NTI out of it -- as part of our  
9           community planning process, intensive  
10          discussion with Councilmembers about what  
11          facilities in toto they want in their  
12          district. And that information is funneled to  
13          our Capital Program staff which is why  
14          sometimes there are disagreements, frankly,  
15          between Capital Program Office and my staff.  
16          And those are often the cases where I  
17          personally go out and see the facility.

18          COUNCILMAN NUTTER: I'm going to  
19          leave this and go to my last thing because  
20          nowhere in any of that, even when there's a  
21          dispute between Capital Program or your staff  
22          people, there still does not appear to be  
23          anyplace in that discussion or that dispute or  
24          that debate for us in this body.

25          MS. GRIFFITH: Maybe I should have

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           used the phrase gentle disagreement.

3                   COUNCILMAN NUTTER: It's like a  
4           wake, everyone wants to talk about the person  
5           who's over in the thing while they're there.  
6           The only problem is we're not dead.

7                   MS. GRIFFITH: You're absolutely  
8           right. I think I should restate it. I did  
9           respond to Councilman O'Neill's similar  
10          inquiry. And you're absolutely right. We get  
11          opinion that is forwarded to us from folks who  
12          have spoken to you, but in the process there  
13          is no provision for us to sit down with the  
14          data with perhaps an ABC list or some other  
15          prioritization and discuss those directly with  
16          you, you're correct.

17                  COUNCILMAN NUTTER: So in '03, this  
18          is now again about the dollars that have been  
19          spent, when we put the money in Granahan or at  
20          the Mann Music Center or at the Memorial Hall  
21          Dome or Germany Hill or Fountain Street,  
22          spending thousands of capital dollars for  
23          those types of projects, which of those would  
24          fit your definition of superfluous projects?

25                  MS. GRIFFITH: I don't know the

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2       projects well enough to speak off the cuff.

3           COUNCILMAN NUTTER: Which projects  
4       from last year's Capital Budget, because you  
5       know last year's Capital Budget -- which of  
6       those would meet the superfluous projects  
7       definition?

8           MS. GRIFFITH: I'm perhaps not  
9       understanding your question and where the  
10      phrase superfluous comes from.

11          COUNCIL PRESIDENT VERNA: It's your  
12      testimony.

13          COUNCILMAN NUTTER: Page 2 of your  
14      testimony says, "With few exceptions, the  
15      projects included in the 2005 Capital Budget  
16      address important economic and neighborhood  
17      development, health and safety and critical  
18      physical infrastructure needs. There are no  
19      superfluous projects and few additional  
20      capital dollars to go around." That's from  
21      your testimony.

22                 Did you write that?

23          MS. GRIFFITH: I certainly reviewed  
24      it. I don't get --

25          COUNCILMAN NUTTER: Don't answer

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           that question then.

3                   MS. GRIFFITH: I don't get from

4           that --

5                   COUNCILMAN NUTTER: I asked you not

6           to answer the question yet.

7                   Who wrote the testimony?

8                   MS. GRIFFITH: I don't remember

9           which staff member drafted the testimony, but

10          I certainly reviewed it, modified it, changed

11          it and stand by it.

12                  COUNCILMAN NUTTER: Very good. So

13          tell me what superfluous projects we have in

14          last year's budget.

15                  MS. GRIFFITH: That's not the way I

16          read that sentence. And I'm sorry if it's

17          unclear. I don't read the sentence to say

18          that there were superfluous projects last

19          session. I just don't.

20                  COUNCILMAN NUTTER: Well, what's the

21          purpose of the phrase?

22                  MS. GRIFFITH: The purpose of the

23          phrase is to simply to say -- perhaps not as

24          well said as it should be -- that there is no

25          additional funds to go to projects that are

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           not core, absolutely necessary projects.

3                   COUNCILMAN NUTTER: Who gets to  
4           decide what are core, absolutely necessary  
5           projects?

6                   MS. GRIFFITH: Well, I think that's  
7           the core of this discussion, this debate.

8                   COUNCILMAN NUTTER: I'm asking the  
9           question. Who gets to decide that, from your  
10          perspective?

11                  MS. GRIFFITH: From our perspective,  
12          when it comes to what we suggest is a  
13          \$4 million distribution of discretionary funds  
14          to Councilmembers, it would be Councilmembers  
15          who would decide which projects were core.  
16          And where it comes to the primary capital  
17          dollars, it would be the Recreation  
18          Department, the Capital Program Office in  
19          concert with Councilmembers.

20                  COUNCILMAN NUTTER: Okay.

21                  In this year's budget, there was a  
22          major project cut out. Can you get back to  
23          me -- part of the Philadelphia Zoo, not the  
24          big part but a small part, is in my district.  
25          The bulk of the zoo, obviously, is in

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           Councilwoman Blackwell's district. Could you  
3           get back to me with an explanation as to why  
4           the zoo was taken completely out of the '05  
5           budget?

6           MS. GRIFFITH: Yes, sir.

7           COUNCILMAN NUTTER: I'd appreciate  
8           it. Thank you very much.

9           MS. GRIFFITH: Thank you.

10          COUNCIL PRESIDENT VERNA: Thank you.

11          Are there any other questions from  
12          Members of the Committee?

13          Councilman DiCicco.

14          COUNCILMAN DICICCO: I don't know if  
15          it's appropriate at this time, but I just want  
16          to bring up an issue that has been discussed  
17          and I brought up many times. Is there any  
18          movement on Camp William Penn? Have we  
19          explored the options that we talked about,  
20          selling all of it, some of it? Any further  
21          discussion since last spring, I think?

22          COMMISSIONER RICHARD: Yes. There  
23          was an appraisal done by Public Property. I  
24          don't have that information. We are putting  
25          together a request for interest on outside

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           operations of the camp, as was asked by the  
3           body as well as the Managing Director Office  
4           as well. And we're 's still moving forward.

5                   COUNCILMAN DICICCO: Could you share  
6           that information with the Chair, whatever  
7           information you have relating to the  
8           appraisal?

9                   Has there been a consensus, an  
10          agreement, an understanding, between the  
11          Department of rec, Department of Public  
12          Property, Managing Director's Office that this  
13          is something they even want to pursue? I  
14          mean, I don't want to spin my wheels and waste  
15          everybody else's time when we have these  
16          meetings to talk about this issue if it's  
17          something that they're really not even  
18          considering. I mean, is it something that  
19          you're seriously looking at the possibility of  
20          either selling it entirely or a portion of it?

21                   COMMISSIONER RICHARD: Not the  
22          entire property. The possibility of selling a  
23          portion of it and maybe having an outside  
24          developer to look at commercial development as  
25          far as a corporate style retreat that would

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           bring revenues back it maybe self-sustaining  
3           of the pre existing camp, yes, sir. But not  
4           total sale of the property.

5                   COUNCILMAN DICICCO: So presently,  
6           that camp is now in the -- I don't want to use  
7           the word winterization, but it's closed for  
8           the season and we still have two employees  
9           that are full-time employees working and  
10          maintaining that property?

11                   COMMISSIONER RICHARD: Yes, sir.  
12          Roofing work was just completed. An overlay  
13          was just completed. I was there the weekend  
14          before last. Mess hall, rec hall was stripped  
15          down, total floors re-varnished and sealed.  
16          The boys' side camp is almost totally  
17          winterized, lines blown, pressure washing and  
18          sanitizing with Lysol and high pressure.  
19          We're working on the girls' side.

20                   COUNCILMAN DICICCO: I really  
21          appreciate the answer and you know,  
22          Commissioner, you and I work very well  
23          together, both professionally and socially  
24          we're pretty good friends. But I'm hearing  
25          all these improvements that are taking place

1           10/19/04 - WHOLE - BILLS 040785, 040786  
2           in on a facility that gets used six weeks a  
3           year, and we have some problems in our  
4           facilities that are used year round. And I  
5           think that's the rub is. This is not  
6           personal, obviously, as you know. This is  
7           where the rub comes in with me and some of the  
8           other members about this camp site that is a  
9           hundred miles or 80 miles away from  
10          Philadelphia, and we have facilities in our  
11          districts that we're waiting weeks, months, in  
12          some cases years to get these improvements and  
13          necessary repairs to.

14                 So I'll just end with that. I'll go  
15          on, I'm sure, a long dissertation about my  
16          concern for why we even keep that place. But  
17          I appreciate your honesty. And hopefully you  
18          can get some information to the Chair. Thank  
19          you.

20                 COMMISSIONER RICHARD: I'll forward  
21          it.

22                 COUNCIL PRESIDENT VERA: Thank you.

23                 Are there any other questions from  
24          members of the Committee?

25                 (No response.)

1           10/19/04 - WHOLE - BILLS 040785, 040786

2           COUNCIL PRESIDENT VERNA: Do we have  
3 anyone else who would like to testify?

4           (No response.)

5           COUNCIL PRESIDENT VERNA: Seeing no  
6 one.

7           Would you get us the recommendation  
8 from the Planning Commission today, please?

9           MS. GRIFFITH: You'll have as soon  
10 as the meeting is closed.

11           COUNCIL PRESIDENT VERNA: Thank you.

12           This concludes the public hearing of  
13 the Committee of the Whole.

14                               - - - -

15

16

17

18

19

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

COUNCIL OF THE CITY OF PHILADELPHIA

PUBLIC MEETING

COMMITTEE OF THE WHOLE

- - - -

Tuesday, October 19, 2004

- - - -

Public meeting conducted by the  
Committee of the Whole, held in Room 400, City  
Hall, Philadelphia, Pennsylvania, on the above  
date, to consider action on the following:

BILLS 040785, 040786.

PRESENT:

COUNCIL PRESIDENT ANNA C. VERNA, Chair  
COUNCILWOMAN JANNIE BLACKWELL  
COUNCILMAN DARRELL L. CLARKE  
COUNCILMAN DAVID COHEN  
COUNCILMAN FRANK J. DICICCO  
COUNCILMAN W. WILSON GOODE, JR.  
COUNCILMAN RICHARD T. MARIANO  
COUNCILWOMAN DONNA REED MILLER  
COUNCILMAN MICHAEL A. NUTTER  
COUNCILMAN BRIAN J. O'NEILL  
COUNCILMAN JUAN RAMOS  
COUNCILWOMAN BLONDELL REYNOLDS BROWN

1                   10/19/04 - WHOLE - PUBLIC MEETING

2                   COUNCIL PRESIDENT Verna: We will go  
3 into our public meeting.

4                   The Chair recognizes Councilwoman  
5 Blackwell regarding Bill No. 040785.

6                   COUNCILWOMAN BLACKWELL: Thank you,  
7 Madam President. I move that Bill No. 040785  
8 be reported out of Committee with a favorable  
9 recommendation, and also recommendation for  
10 suspension of the Rules so as to permit first  
11 consideration at our next Session of Council.

12                   (Duly seconded.)

13                   COUNCIL PRESIDENT Verna: It has  
14 been moved and seconded that Bill No. 040785  
15 be reported out of Committee with a favorable  
16 recommendation, also a recommendation that the  
17 Rules of Council be suspended.

18                   All in favor will signify by saying  
19 aye.

20                   (Aye.)

21                   COUNCIL PRESIDENT Verna: Those  
22 opposed?

23                   (No response.)

24                   COUNCIL PRESIDENT Verna: The ayes  
25 have it and the motion carries.

1                   10/19/04 - WHOLE - PUBLIC MEETING

2                   Again, the Chair recognizes  
3                   Councilwoman Blackwell regarding Bill No.  
4                   040786.

5                   COUNCILWOMAN BLACKWELL: Thank you,  
6                   Madam President. I move that Bill No. 040786  
7                   be reported out of Committee with a favorable  
8                   recommendation, and also a recommendation that  
9                   the Rules of Council be suspended so as to  
10                  permit first reading at our next Session of  
11                  Council.

12                  (Duly seconded.)

13                  COUNCIL PRESIDENT Verna: It has  
14                  been moved and seconded that Bill No. 040786  
15                  be reported out of Committee with a favorable  
16                  recommendation, also a recommendation that the  
17                  Rules of Council be suspended.

18                  All in favor will signify by saying  
19                  aye.

20                  (Aye.)

21                  COUNCIL PRESIDENT Verna: Those  
22                  opposed?

23                  (No response.)

24                  COUNCIL PRESIDENT Verna: The ayes  
25                  have it. The motion carries.

1                   10/19/04 - WHOLE - PUBLIC MEETING

2                   This concludes the public meeting of  
3                   the Committee of the Whole. Thank you very  
4                   much.

5                   (Council adjourned at 1:25 p.m.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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

I HEREBY CERTIFY that the foregoing  
proceedings of the Council of the City of  
Philadelphia of Tuesday, October 19, 2004,  
were reported fully and accurately by me, and  
that this is a correct transcript of the same.

RE: COMMITTEE OF THE WHOLE

---

Lisa C. Bradley, RPR