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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING

4

COMMITTEES ON FINANCE and TRANSPORTATION

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Room 696, City Hall
Philadelphia, Pennsylvania
Wednesday, May 7, 2003
10:15 a.m.

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RESOLUTION 020607 - Resolution authorizing the City
Council Committees on Finance and Transportaion to
hold hearings to examine SEPTA's Market Street
Elevated Reconstruction Project in West
Philadelphia, its fiscal impact on local businesses,
and its overall effect on the community and the city
at large.

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PRESENT:

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COUNCILWOMAN JANNIE BLACKWELL, Chair
COUNCILMAN ANGEL ORTIZ
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN MICHAEL NUTTER

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2 COUNCILWOMAN BLACKWELL: Thank you all
3 for attending this hearing. This is a joint hearing
4 with Committee on Finance and the Committee on
5 Transportation to deal with SEPTA and the project on
6 Market Street that goes from 46th and 60th, how it
7 affects the businesses, as well as the residential
8 communities, and what impact in general it's having
9 on our City.

10 Before we begin we would like to note
11 that Steve Brookins passed. His funeral is this
12 morning at 10:00. The viewing was at 9:00 at Mount
13 Airy Church of God in Christ at 6401 Ogontz Avenue.
14 And so we tried to attend the viewing since we
15 needed to be here with all of you this morning. So
16 we might ask before we begin that we have a moment
17 of silence for Steve Brookins, who passed away.

18 (Moment of silence.)

19 COUNCILWOMAN BLACKWELL: Thank you.

20 Many of you know we have a lot of
21 battles with -- we remember a lot of battles, from
22 the subway to the hotels when SEPTA Transport
23 Workers Union, that is, was going through their
24 negotiations. But we have a long history with Mr.
25 Brookins, and he certainly deserves all the respect

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2 that he's getting this morning. People are lined up
3 in the streets to view and to pay their respects to
4 his family. We send them our condolences and hope
5 that this rash of people passing away will stop, so
6 many good people, and that their legacies will be
7 forever remembered.

8 What we'll ask now is that the Clerk
9 will please read the title of the Bill.

10 Before that, let me note that the Chair
11 of the Transportation and Public Utilities Committee
12 is here; to my left, the Honorable W. Wilson Goode;
13 and to my right, the Honorable Angel Ortiz. He is
14 on the Committee on Transportation and Public
15 Utilities, and we are very glad that they are here
16 this morning.

17 Before we hear any testimony, we would
18 like to ask the Clerk to read the title of this
19 Resolution.

20 THE CLERK: Resolution 020607, a
21 Resolution authorizing the City Council Committees
22 on Finance and Transportation to hold hearings to
23 examine SEPTA's Market Street Elevated
24 reconstruction project in West Philadelphia, its
25 fiscal impact on local business and its overall

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2 affect on the community and the city at large.

3 COUNCILWOMAN BLACKWELL: Thank you very
4 much.

5 And we thank all of you again who have
6 come from your communities to testify.

7 We'd like to give just a little bit by
8 way of background, and then we'd like to ask Mr.
9 Cecil Bond if he would come forward. He will be
10 testifying. We note that Frances Jones is here.
11 Then we'll take public testimony.

12 Let me note that we did ask Faye Moore
13 to be here this morning, but she has chosen not to
14 come. We believe that she should have respected the
15 request of this Committee to come forward. We have
16 many questions that we have continued -- and we
17 appreciate the Assistant General Manager, Business
18 Services Division, to be here, and we ask him to
19 take the witness stand. We appreciate, certainly,
20 Reverend Jim Baker for being here and Frances Jones.
21 I note Frances Jones is Community Relations -- Vice
22 President of Community Relations?

23 MS. JONES: Assistant General Manager of
24 Government Affairs.

25 COUNCILWOMAN BLACKWELL: Assistant

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2 General Manager of Government Affairs. I said that
3 all wrong.

4 We appreciate their input and certainly
5 we work with SEPTA -- we work with Frances Jones all
6 the time, so our issue is certainly not with her.
7 But we do have a serious problem with Faye Moore not
8 respecting this Committee and the residents and
9 business owners who are suffering by not coming
10 forward herself to testify. She could have done
11 that.

12 We believe -- and we take it as an
13 affront, as an insult to the efforts to try to help
14 businesses on the Market Street corridor and
15 businesses affected, as well as residents. And we
16 believe that everybody can come when you have only
17 positive things to say. If you have a serious
18 agenda, nothing to hide, if your agenda is positive,
19 that you can come certainly and face questions.

20 We want to say from the onset that we do
21 believe that, again, it is an insult for her to not
22 come forward. Certainly, we have a \$58 million
23 subsidy that the City is involved with for SEPTA.
24 We have the freedom to introduce an amendment to
25 hold up or even remove that subsidy. Those are

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2 always options we have when we have people who don't
3 respect us. Then we have to decide what it is we
4 think that our response should be.

5 A few issues that concern us are, one,
6 an action plan for the community. Residents and
7 business owners have felt that they have been left
8 out of the process. I said this during our SEPTA
9 hearings that we had a block captain in the 5500
10 block of Market Street, for example, who came to us
11 when those doing the work, contractors, were
12 urinating in front of their homes. They didn't have
13 a porto-toilet, and they were disrespecting people
14 by urinating on the street. And disrespecting the
15 community -- the workers on this project -- by not
16 having a dumpster to even clean up at the end of the
17 day. We've been complaining since the beginning of
18 this project about the cleanliness, about the
19 respect to the community. We want this project.
20 When government overall is spending almost a billion
21 dollars, to expect cleanliness, to expect people to
22 clean up at the end of the day, to expect just some
23 human decency is what a community has the right to
24 expect.

25 We're also concerned about -- and we

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2 would like certainly for you to respond today --
3 about decisions for closing Angora Terrace. We
4 have advertisements in my office I will have brought
5 up that talk about advertising. There were
6 advertising glitches. The train said one notice in
7 terms of closing Angora Terrace, and then the El
8 said another. So there was misinformation given on
9 that and we're hoping and requesting that that
10 closing be delayed because we didn't even have
11 consistent information given out on the closing.

12 Angora Terrace, that station, is in the
13 middle of a mall, a neighborhood business mall.
14 It's a block from a school, within a block of a
15 school and a public library. It will make a big
16 difference to that neighborhood. Albeit, we have a
17 trolley that can take you downtown, closing that
18 station and making that a wasteland really goes
19 against the whole nature and plan for neighborhood
20 transformation and certainly will adversely, greatly
21 affect that neighborhood. So Angora Terrace was
22 number two.

23 Number three was route consolidation.
24 People are complaining that it seemed to be random,
25 even though I know you have plans. They are

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2 absolutely complaining about the whole issue of
3 route consolidation.

4 Number four are contracts. We have
5 contractors who are here. Anthony Fullard, for one,
6 will speak for them. At the last meeting, many
7 contractors came out to say, albeit, you give
8 numbers like 34 percent during one aspect of the
9 project, they don't see that and are complaining
10 against neighborhood and minority inclusion. All of
11 us know that this is the time where minorities,
12 women, and disabled have to be included on projects
13 or they just won't go. So that's the fourth issue.

14 And the last issue that we want to
15 mention is a time line. We would like you to
16 respond to what's going to happen and when in terms
17 of this project.

18 And finally, we have been trying to talk
19 to everybody we can find to get business owners
20 help. Nobody can survive six years without a full
21 pay; not six weeks. None of us can do that. So we
22 are really concerned about -- we need a plan to
23 subsidize our businesses, and we have been -- I got
24 a call as recently as yesterday with some
25 consultants who want to work with us in the business

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2 community and commerce to see what we can do. We've
3 got to find a way to subsidize businesses because in
4 five to six years we won't have businesses left if
5 we don't find a way to give them some help around
6 this project.

7 There's also a meeting today with
8 SEPTA's marketing department, along with -- it's
9 called Clear Channel, a SEPTA proposal that will
10 deal with Power 99 and WDAS Unity Day, where there
11 is a plan to try to focus on maybe a trip to Disney
12 World for people who shop on the strip and try to
13 come up with a plan to focus interest on this
14 commercial corridor. So we've been working with
15 that, and we thank them for coming up with the idea
16 and letting us know about it. So we will be
17 reporting back to you about a meeting that is
18 called the Clear Channel SEPTA Proposal. And Clear
19 Channel is really trying to work with us to try to
20 focus attention on this neighborhood corridor and to
21 see what we can do to spur those interested to
22 participate.

23 Having said those things, I would like
24 to ask my colleagues if they would like to make an
25 opening statement.

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2 The Chair notes that Councilman Michael
3 Nutter is likewise here, and we thank him for his
4 attendance as well.

5 Mr. Bond, would you identify yourself
6 then for the record and begin your testimony.

7 MR. BOND: Good morning, Councilwoman
8 Blackwell and Members of the City Council. I am
9 Cecil Bond, Jr., Assistant General Manger of
10 Business Services at SEPTA. Today I'm representing
11 the General Manager, Faye Moore, and SEPTA. Ms.
12 Moore offers her regrets, as she is attending
13 meetings having to do with the recent announcement
14 of our budget crisis.

15 In addition, I'm here to provide
16 testimony on Resolution No. 020607, concerning the
17 Market Street Elevated Reconstruction Project in
18 West Philadelphia. Accompanying me is Frances
19 Jones, Assistant General Manager for Government
20 Affairs, and members of SEPTA's project team for the
21 Market Street Elevated Project.

22 We are undertaking the reconstruction of
23 the Market Street Elevated Line in West Philadelphia
24 and Delaware County as a part of a major capital
25 investment project to improve the Market-Frankford

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2 Subway Elevated Line between 46th Street and
3 Millbourne Street in eastern Delaware County.

4 Opened in 1907, the El in West
5 Philadelphia has been in active service for 96
6 years. The intent of the Market Street Elevated
7 Construction Project is to ensure the operational
8 reliability and safety of this portion of our
9 busiest line which transports more than 100,000
10 daily riders.

11 The current scope of work for this
12 project includes replacement and reconstruction of
13 six existing stations; 46th Street, 52nd Street,
14 56th Street, 60th Street and 63rd Street in
15 Philadelphia, and the Millbourne Station in Delaware
16 County; replacement of 11,000 feet of guideway
17 structure between Millbourne Station and 46th Street
18 with a new single column bent structure; the
19 construction of two new automatic train control
20 buildings and other related safety improvements.

21 The project is designed to open the area
22 surrounding the El in West Philadelphia to more
23 natural daylight and to ease the flow of traffic
24 along Market Street. The new Americans with
25 Disabilities Act compliant stations will be equipped

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2 with new elevators and escalators, improved
3 lighting, and new in-station communication systems.
4 With a budget of \$567 million, the project is
5 scheduled to be substantially complete in the year
6 2007.

7 In addition to four professional service
8 contracts, the project is divided into five major
9 construction contracts: The ATC Buildings at 52nd
10 Street and 63rd Street; the Foundations, including
11 ductbanks and utilities; the Cobbs Creek Project at
12 Millbourne and 63rd Streets and the portion of the
13 guideway between these stations; the guideway for
14 the remaining sections of track between stations;
15 and finally, the fifth package is the stations
16 package, 46th, 52nd, 56th and 60th Streets, and a
17 portion of guideway at each station.

18 Construction is substantially complete
19 on the two ATC buildings. The contracts for the
20 Foundations package was awarded and is 40 percent
21 complete, with a scheduled completion date of 2004.
22 The Cobbs Creek contract is currently 19 percent
23 complete, and work is scheduled to be completed in
24 the year 2005. The guideway package was recently
25 awarded at SEPTA's April 2003 board meeting. And

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2 the station package bids will be open on May 9th,
3 that's this Friday, the year 2003.

4 As defined by the regulation of the US
5 Department of Transportation 49 CFR Part 26, our
6 Small and Disadvantaged Business Utilization
7 Department, through its Affirmative Action program,
8 ensures equal opportunities for minorities, women
9 and construction area residents to participate in
10 the construction contracts and employment
11 opportunities associated with the program to
12 reconstruct the EI in West Philadelphia.

13 The contract goals for disadvantaged
14 business participation are established on a
15 contract-by-contract basis. The overall DBE goal
16 achievement for the MSE professional services and
17 construction contracts as of January 2003 was 23.8
18 percent.

19 In addition, each of the contractors
20 working on the MSE project must conform with
21 standard Federal Equal Opportunity work-hour goals,
22 set at 17.3 percent for minorities and 6.9 percent
23 for female. We added a voluntary construction area
24 residents EEO goal of 10 percent. We continue to
25 meet with the contractors, encouraging achievement

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2 of the expanded EEO goals established for the
3 project.

4 As of January 2003, the minority goal
5 achievement was 21.14 percent. The female goal was
6 .28 percent, and the resident goal achievement was
7 10.24 percent. In addition, the total number of
8 workers employed for all trades utilized was 558, of
9 which 136 are African American, or 24.37 percent.
10 Forty individuals employed on the project are
11 construction area residents.

12 Since the beginning of the project, we
13 have embarked on an aggressive outreach program for
14 minority and women-owned businesses that includes
15 technical assistance and advice concerning the DBE
16 certification process. We've held six contract
17 information outreach sessions, providing an
18 opportunity for potential prime bidders and DBE
19 subcontractors to network and discuss forging
20 business relationships.

21 We have also engaged in an intensive
22 community outreach component with community
23 residents and stakeholders. These tasks are
24 presently being accomplished with the combined
25 resources of SEPTA and its project consultants. To

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2 this end, we have assumed direct responsibility for
3 the staffing and management of a Community
4 Information Center, located at 5344 Chestnut Street.
5 By providing a daily presence, we are working to
6 enhance communications, the flow of information, and
7 improve coordination on matters demanding immediate
8 attention. In addition, we continue to hold
9 community meetings to provide project activity
10 updates and to inform the community about pertinent
11 project-related activities through comprehensive
12 communication efforts.

13 By the very nature of the construction
14 work, individuals who live and work adjacent to the
15 El structure are experiencing changes in their
16 lifestyles. While every effort is being made to
17 minimize these hardships, we recognize that the
18 business community in and around Market Street have
19 specific issues and concerns that must be addressed
20 throughout the life of this project.

21 We have identified in excess of 750
22 businesses within the larger project area, and
23 approximately 163 businesses located along Market
24 Street. Working through our consultants, we have
25 developed a comprehensive business outreach program

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2 designed to provide assistance to local businesses.

3 A business resource guide with
4 information about starting a business, developing a
5 business plan, business marketing, agencies and
6 organizations that can provide assistance and
7 technical advice was prepared and distributed to
8 area businesses. I think you have a copy of some of
9 this literature in your package.

10 Our consultants have also developed
11 special promotional programs, including "It's Cool
12 to Shop Around the El," and "Holiday Lights" to
13 encourage community residents and SEPTA riders to
14 support businesses within the project area.

15 As an extension of our business outreach
16 efforts, one member of the team has been assigned to
17 daily monitor project activity, which includes
18 walking the construction area, meeting with the
19 business owners and providing assistance in
20 resolving construction-related issues that might
21 impede the normal flow of day-to-day business
22 activities.

23 In response to concerns expressed by
24 businesses at 52nd and 56th Street and Market
25 Streets concerning impediments to vehicular traffic,

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2 we constructed two customer parking lots. In
3 addition, we've met with Councilwoman Blackwell to
4 discuss other possible locations for customer
5 parking lots to support businesses within the
6 project area.

7 Even with the best intentions, it is
8 difficult to complete a project of this magnitude
9 and complexity without disruption to customers,
10 community residents, and area businesses. However,
11 every effort is being made to resolve issues that
12 arise within the specific areas of construction.

13 In response to concerns about lighting,
14 we have replaced missing lights along the 5500 block
15 of Market Street that are on the existing structure.
16 Our MSE project team has been actively coordinating
17 with the 16th, 18th, and 19th Police Districts
18 concerning street closures, construction activity
19 locations and emergency vehicle access.

20 The Market Street Elevated
21 Reconstruction Project represents a major investment
22 for the City of Philadelphia and the future of the
23 citizens who live and work in West Philadelphia.

24 As a quasi-public agency, please be
25 assured that we are committed to addressing the

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2 concerns of this Council and your constituents. We
3 are prepared to collaborate with stakeholders and
4 other government agencies to mitigate present and
5 future issues.

6 Thank you for your indulgence and
7 continued support. That concludes my testimony.

8 COUNCILWOMAN BLACKWELL: Thank you very
9 much.

10 You mentioned that contract goals for
11 minority participation are established on a
12 contract-by-contract basis. Do you not have overall
13 goals, and then deal with it on a
14 contract-by-contract basis?

15 MR. BOND: We're required by the FTA to
16 submit an annual overall goal. I'm not sure exactly
17 what that number is, but I think it's about 15
18 percent this year. Every year the goal varies based
19 on available capital projects that are going to take
20 place during the ensuing year.

21 But when we review the contracts,
22 there's some contracts that do not offer
23 subcontracting opportunities for anyone. And so in
24 those case we would not set goals. There are some
25 contracts and most of the contracts on MSE project

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2 provide opportunities for subcontracting to minority
3 and other subcontractors. And so in those cases we
4 do set goals.

5 COUNCILWOMAN BLACKWELL: Would you give
6 us detailed information about that, the overall
7 goals and the goals for each contract? That is
8 going to be very important to the minority
9 contractors, some of whom are here.

10 MR. BOND: We have that information. I
11 think we submitted it in the past, but we'll get it
12 for you again. That's not a problem.

13 COUNCILWOMAN BLACKWELL: Thank you.
14 Councilman Nutter, do you have a
15 question on this area?

16 Part of the E1, as many of you know,
17 above 60th Street to Millbourne is Councilman
18 Nutter's, who's a Member of the Finance Committee,
19 is his area.

20 COUNCILMAN NUTTER: Thank you, Madam
21 Chair.

22 Madam Chair, I didn't understand the
23 response.

24 COUNCILWOMAN BLACKWELL: Mr. Bond, would
25 you repeat or clarify for us?

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2 MR. BOND: Your question was, I thought,
3 does SEPTA have an annual DBE goal. We do have an
4 annual DBE goal. It's sent off to the FTA every
5 year.

6 COUNCILMAN NUTTER: I thought the
7 question was, do you have individual goals on the
8 contracts related to this project. I thought that
9 was the question.

10 MR. BOND: I didn't understand that to
11 be the question. If I misunderstood --

12 COUNCILMAN NUTTER: I thought your
13 question was, are there goals for the project?

14 COUNCILWOMAN BLACKWELL: Absolutely.

15 On page 2, third paragraph of his
16 testimony, he states, and I quote, "The contract
17 goals for disadvantaged business enterprise
18 participation are established on a
19 contract-by-contract basis." And we needed
20 clarification.

21 COUNCILMAN NUTTER: Right. And I
22 thought your question was about that. And the next
23 thing I heard about was an annual goal.

24 MR. BOND: I misunderstood the question.
25 I apologize.

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2 Yes, there are contract goals set on
3 each of the contracts for the Market Street Elevated
4 Project. And we have the information on each
5 contract by goal -- well, the goal of each
6 particular project, on the MSE project.

7 COUNCILMAN NUTTER: And what are they?

8 COUNCILWOMAN BLACKWELL: But we also did
9 question the overall goal, as well as the
10 contract-by-contract, that we wanted that
11 information.

12 COUNCILMAN NUTTER: Exactly. I just
13 thought that the response was not responsive to the
14 question that was asked, and I didn't understand it.

15 MR. BOND: I apologize. I misunderstood
16 the question.

17 We have four professional services
18 contracts. The DBE goal for the four professional
19 services contracts were MSE Architecture and
20 Engineering Services for Inspection design and
21 construction-related Services, that was a 23 percent
22 goal.

23 On the MSE, Affirmative Action
24 Consulting Services was awarded in 1998. It was a
25 50 percent DBE goal.

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2 On the MSE Communications and Community
3 Relations Services, there was a 50 percent goal.

4 On the MSE Program Management Services,
5 there was a 17 percent goal. That's on the
6 professional services contracts.

7 On the construction contracts --

8 COUNCILMAN ORTIZ: Madam Chair, if I
9 may?

10 COUNCILWOMAN BLACKWELL: Yes.

11 Councilman Ortiz.

12 COUNCILMAN ORTIZ: As you state the
13 goals, and you say these are professional services,
14 could you also state what minority companies were
15 hired and their addresses and so on?

16 MR. BOND: We have that information.
17 Just hold on a second.

18 MS. JONES: We can provide you with that
19 information also.

20 COUNCILMAN ORTIZ: And why are the goals
21 so low? They're really low. In a City in which
22 we're close to 60 percent of the population, the
23 goals are very low.

24 MR. BOND: I'll try the first question
25 you asked first.

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2 On the first professional services
3 contract where the goal was 23 percent --

4 COUNCILMAN ORTIZ: Define what we mean
5 by goals and what was achieved out of that with each
6 category that Councilwoman Blackwell and Councilman
7 Nutter asked for.

8 MS. CLAITT: Good morning. I'm Lillie
9 Claitt with SEPTA. I work with the Small and
10 Disadvantaged Business Utilization Department. I
11 will do my best to answer the questions concerning
12 the DBE participation for the Market Street Elevated
13 project.

14 If I may please have the specific
15 question for right now, please, sir.

16 COUNCILMAN ORTIZ: You have to identify
17 yourself for the record.

18 MS. CLAITT: My name is Lillie Claitt.
19 I am with the Small and Disadvantaged Business
20 Utilization Department at SEPTA, and I work with the
21 goals for minority employment for Market Street
22 Elevated Project. I will do my best to answer the
23 questions regarding the minority firms or DBEs that
24 are participating on the contracts that we've just
25 informed you about.

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2 Could I please have the specific
3 question that you would like answered at this point
4 in time, please?

5 COUNCILMAN ORTIZ: I asked for, one, the
6 identification of those firms that were hired; and
7 also for the definition, and were the goals
8 realized, and then why are they so low.

9 If you reach this very low barrier, if
10 you reach this very low barrier, are we then just,
11 "Oh, well, we reached 15 percent, so let's forget
12 it, let's go on and do that"? If we reach that low
13 barrier, then why don't we have a greater
14 participation?

15 It is a very low barrier that we have in
16 terms of standards.

17 MS. CLAITT: In terms of establishing
18 the goal on a contract-by-contract basis, it's based
19 on not just the elements of the work that is
20 available for participation by minorities or any
21 other contractor, but it's based also on the number
22 or percentage of minority or DBE firms that we have
23 certified in our database in terms of setting the
24 goal.

25 The achievement for each of the

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2 contracts, if that's what you would like to know at
3 this time, I have available for each contract, each
4 contractor.

5 On the professional services contracts,
6 our achievement is 22.03 percent -- if I may correct
7 that, please.

8 On the architectural and engineering
9 professional services contract, we have an
10 achievement of, again, 22.03 percent. And that's
11 based on the monitoring percentage of payment by the
12 prime contractor to each of the subcontractors.

13 COUNCILMAN ORTIZ: Could you define
14 that, monitoring percentage of payment.

15 MS. CLAITT: Monitoring is the review of
16 monthly documents submitted by each contractor that
17 demonstrates to SEPTA that they are paying the DBE
18 subcontractors to achieve their goal. We monitor it
19 on a monthly basis to determine if there's any
20 deviation or if there's any problem or discrepancy
21 based on the percentage of the contract that's
22 complete and the percentage that has been paid to
23 each of the DBEs.

24 At that time, if a contractor is falling
25 short of their DBE goal, we are in a position to

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2 work with them to ensure that they do meet that
3 goal. So that's a monthly utilization report that
4 is submitted to us, together with canceled checks,
5 evidencing the payment to those DBEs.

6 Does that answer your question, sir?

7 COUNCILMAN NUTTER: Excuse me. Can I
8 have a microphone, please?

9 COUNCILWOMAN BLACKWELL: Councilman
10 Nutter.

11 COUNCILMAN NUTTER: Thank you, Madam
12 Chair.

13 I'm sorry, ma'am. I was distracted. I
14 didn't catch your name.

15 MS. CLAITT: My name is Lillie Claitt,
16 and I'm with SEPTA's Small and Disadvantaged
17 Utilization Department.

18 COUNCILMAN NUTTER: Okay. Ms. Claitt,
19 you were telling us about professional services
20 contracts; is that correct?

21 MS. CLAITT: Yes, sir.

22 COUNCILMAN NUTTER: Okay. Are there any
23 minority or female firms that are functioning as a
24 prime in the professional services area?

25 MS. CLAITT: Yes, there are. We have

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2 two.

3 COUNCILMAN NUTTER: What are they?

4 MS. CLAITT: On the communications and
5 public relations, that's Portfolio Associates. That
6 is a certified women-owned business located in
7 Philadelphia. And on the Affirmative Action
8 contract, we have Contract Compliance, Inc., which
9 is owned by an African American male, with a home
10 base in Bethesda, Maryland.

11 COUNCILMAN NUTTER: I'm sorry?

12 MS. CLAITT: Contract Compliance, Inc.,
13 an African-American-owned consulting firm.

14 COUNCILMAN NUTTER: Based in Maryland?

15 MS. CLAITT: Yes, sir. They have a
16 project office in West Philadelphia.

17 COUNCILMAN NUTTER: Which was set up to
18 do this project. They're not based here; they set
19 up an office because doing work here?

20 MS. CLAITT: Yes, sir.

21 COUNCILMAN NUTTER: Okay. We'll get
22 back to that.

23 I guess what I was really asking on the
24 professional services side in terms of prime
25 contractors was related to the actual work of the

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2 project, like architects or designers or something
3 that's a little more directly related.

4 I'm glad that we have a communications
5 component. I'm not exactly thrilled about the
6 Contract Compliance. I'm glad we have it. I'm sure
7 we could have found someone who might have been
8 interested in that work who is based here in
9 Philadelphia, but we don't have to have that
10 argument at the moment.

11 What I'm trying to understand is,
12 directly related to the single bent column system
13 running down Market Street, is there any minority,
14 black, Latino, Croatian, or any other minority that
15 might be available, or a female firm, that is prime
16 contractor for professional services?

17 MS. CLAITT: No, there is not.

18 COUNCILMAN NUTTER: Why?

19 MS. CLAITT: I can't answer that
20 question, sir.

21 MR. BOND: All these projects with SEPTA
22 are professional services contracts.

23 COUNCILMAN NUTTER: Right. Which have
24 the maximum flexibility of any contract; is that
25 correct?

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2 MR. BOND: Which has the flexibility of
3 individual companies --

4 COUNCILMAN NUTTER: You can pretty much
5 pick who you want.

6 MR. BOND: -- responding to the RFP.
7 You cannot pick anyone you want. They have to be
8 responsive to the RFP. There is a technical package
9 that is submitted and there is a cost package that
10 is submitted.

11 COUNCILMAN NUTTER: Do any firms that
12 we've described here, whether minority, African
13 American, female, or any other classification,
14 respond to any of these RFPs?

15 MR. BOND: I don't have that information
16 at hand, but I can get the information on the number
17 of firms who did, the type of firms and the number
18 of firms.

19 COUNCILMAN NUTTER: Well, if none had,
20 given your length of experience and the expertise
21 that I know you've developed over the years, Mr.
22 Bond, if none had responded, you'd probably know
23 that, right? I mean, that would probably seem a
24 little strange to you?

25 MR. BOND: Yes, I probably would have

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2 known if they had not responded.

3 But what we do is, on all of our
4 contracts, when they've submitted proposals, we have
5 a list of the breakdown of all the firms who
6 submitted responses, and we would also have a list
7 of their ethnicity. And I have that information.
8 I just don't have it at my fingertips.

9 There may have been minority firms who
10 responded as prime proposals on professional
11 services contracts, on the architectural and
12 engineering designs. And we did have African
13 American firms performing as subs on those
14 architectural and engineering design projects.

15 COUNCILMAN NUTTER: Well, you know, I'm
16 always pleased to hear that. I mean, but the
17 question is, are you working in the field, or do you
18 own the farm? I mean, that's how you really start
19 to make your way. When do people make the
20 progression -- because everybody's got to start
21 somewhere, and I understand that. When do you make
22 the progression over the years from this sub status
23 to the prime status? How does that happen? And if
24 it doesn't happen in professional services, it's
25 much more likely that's not going to happen anywhere

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2 else because you have the greatest amount of
3 discretion and leeway on the professional services
4 side.

5 MR. BOND: Well, I would tend to agree
6 with you. What I'm saying is, I don't have it at my
7 fingertips. I can get the information on the
8 numbers --

9 COUNCILMAN NUTTER: Is it possible to
10 get it in the course of this hearing? Does somebody
11 else have it back at the shop?

12 MR. BOND: Yes. We can get that
13 information on the number of minority firms that
14 bided on all of the professional services
15 contracts.

16 COUNCILMAN NUTTER: And how is it that
17 -- increasingly what we seem to hear -- and this
18 came up during budget hearings and some of the
19 questioning by other colleagues -- it seems that
20 when SEPTA sets a goal, however it may be
21 established, the goal appears to be the ceiling, as
22 opposed the floor, and you are always -- for any of
23 the hearings that I've participated in, it sounds
24 like you have always been within less than one
25 percentage point of the goal. So at budget time, we

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2 heard you have an overall goal of 18 percent, and I
3 think the actual was, like, 18.2. We hear on
4 professional services the goal was 23 and your at
5 22.03. I mean, how does that happen?

6 MR. BOND: The exact numerical goal that
7 you have on one contract is not the same on every
8 contract.

9 COUNCILMAN NUTTER: I understand that.
10 But how does it always end up that you are always
11 just right there?

12 MR. BOND: I don't know that that's the
13 case. We can go through the numbers. But the goals
14 are set individually on each individual contract,
15 whether it's a Request For Proposal or a competitive
16 bid. Some of those goals are higher than others.
17 And on the professional services contracts, the
18 goals were higher obviously because, as you said,
19 more minorities are certified in those particular
20 areas. But I can't answer the question saying that
21 they're that close. We could have an annual goal of
22 18 percent, and we can have some contracts with
23 goals that go out that have 25 percent.

24 COUNCILMAN NUTTER: I understand that.
25 But when you add it all up, it's right there at 18.

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2 MR. BOND: Well, I can only add up the
3 numbers as they are.

4 COUNCILMAN NUTTER: The numbers are what
5 they are. I understand that. It just seems that
6 somehow -- we are starting to veer into mathematical
7 improbability, that every time a goal is set, you
8 are right there within less than a percentage point
9 of that goal on either side of it.

10 MR. BOND: Well, I can say as an agency
11 -- and I've been involved in working in and around
12 this area for the last 20 years -- we have
13 encouraged all of our contractors to increase the
14 goals. Some of them do. Some of them don't. I
15 would say the majority of them accept the goal for
16 what it is. Be it not for the federal guidelines
17 that allow us to be able to set goals, I'm not too
18 sure there would be minority contractors on many of
19 our contracts. It is the goal that drives the
20 engine here. And what we try to do is, we have
21 guidelines and regulations we have to follow. We
22 follow the regulations on how we set goals on
23 projects. It is not a special science that you sit
24 down and say on all those projects, because it's in
25 a special locale, we're going to set a 75 percent

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2 goal.

3 The other issue is, is that -- and I'm
4 sure you've heard this before. It doesn't make
5 matters any better. Is that the goal is made up of
6 minorities, and based on the federal government
7 standards, minorities include other than African
8 Americans, including white females, which also
9 hampers our ability to increase the goal from what
10 it is to the African American community.

11 COUNCILMAN NUTTER: That was a point of
12 information. I'll come back for regular
13 questioning.

14 Thank you, Madam Chair.

15 COUNCILWOMAN BLACKWELL: Thank you very
16 much.

17 We certainly would like a response to
18 these issues, other issues that I mentioned in my
19 opening testimony about routes and Angora Terrace,
20 et cetera.

21 What we would like for you to do is to
22 -- we want to permit some community residents who
23 are here, who have taken off, to have the
24 opportunity to testify, but we'll ask you if you
25 will come back to respond to their issues, if that

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2 is okay with the Committee.

3 Councilman Ortiz.

4 COUNCILMAN ORTIZ: On page 2, you have,
5 in addition to the total number of workers employed
6 for all trades utilized was 558, of which 136 are
7 African American, 24.37. Forty individuals employed
8 on the project are construction area residents.
9 Could you tell me if any of the 136 African
10 Americans are in the trades or are laborers? How
11 many of them are in the so-called skilled trades,
12 and whether any of them are?

13 MR. BOND: They're all in the trades.

14 COUNCILMAN ORTIZ: They're all in the
15 skilled trades?

16 MR. BOND: Right.

17 COUNCILMAN ORTIZ: Can you give me a
18 listing of those trades, and identify the 136?

19 MR. BOND: We have that information.

20 COUNCILMAN ORTIZ: Do you have that?

21 MR. BOND: Yes. We'll get that
22 information for you.

23 COUNCILMAN ORTIZ: They're members of
24 the electricians, the carpenters, the steel workers
25 and so on?

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2 MR. BOND: That's correct.

3 COUNCILWOMAN BLACKWELL: Thank you,
4 Councilman. And we ask that you get all information
5 to the Chair as well. We'll make sure Committee
6 Members get it.

7 Councilman Goode and then Councilman
8 Nutter.

9 COUNCILMAN GOODE: Thank you, Madam
10 Chair.

11 Good morning, Mr. Bond and Mrs. Jones.

12 To set the tone for the testimony from
13 the businesses and residents, I want to talk a
14 little bit or ask you about the Frankford
15 experience. Tell me about businesses lost, about
16 business retention plans you may have had there,
17 about any economic recovery that may or may not have
18 taken place.

19 MS. JONES: The Frankford Project was a
20 bit different than the project we're doing on Market
21 Street. The Frankford Project was the rebuilding of
22 the existing structure and the stations. Market
23 Street, we're doing a total --

24 COUNCILMAN GOODE: Before there's any
25 comparison, I actually just want to know the

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2 Frankford experience; how it went, how it impacted
3 businesses, how many businesses were lost; was there
4 a retention plan, was there any economic recovery
5 from whatever businesses were lost there?

6 MS. JONES: The specific data on the
7 businesses lost, I don't have that; but we can get
8 that information back to you. To be very honest
9 with you, there was no reimbursement for lost
10 revenues for the businesses in Frankford around the
11 project.

12 COUNCILMAN GOODE: My question is, how
13 bad was the problem? How much of an impact did it
14 have? Was there any retention plan and how much
15 recovery was there economically?

16 MS. JONES: We can get that information
17 back to you. It was quite devastating for
18 businesses in Frankford.

19 COUNCILMAN GOODE: Based upon that
20 analysis of what happened in Frankford, was there
21 any inventory of businesses around this project?

22 MS. JONES: The Market Street Project,
23 absolutely, which is why we have such an
24 ambitious -- sorry.

25 COUNCILMAN GOODE: How far did you

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2 inventory around the project? What businesses did
3 you consider to be impacted by the project?

4 MS. JONES: We determined the project
5 area to be a four-block radius, two blocks each side
6 of the project, from 46th Street to 63rd Street, and
7 including Millbourne Station in eastern Delaware
8 County, as well as two blocks going north and south.
9 So we consider that to be the project area.

10 We also inventoried and considered the
11 spoke streets, the numbered streets, 52nd Street,
12 60th Street, and 63rd Street, as well as all the
13 businesses on Market Street.

14 COUNCILMAN GOODE: How many businesses
15 are contained within that inventory?

16 MS. JONES: About 700. We determined it
17 to be about 700 businesses in the project area.

18 COUNCILMAN GOODE: How many were
19 expected to be lost?

20 MS. JONES: You're asking how many did
21 we anticipate losing?

22 COUNCILMAN GOODE: How many did you
23 project to be lost?

24 MS. JONES: I don't have that data in
25 front of me. Thus far, there have been closures of

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2 four businesses.

3 COUNCILMAN GOODE: Was there a
4 projection of how many businesses were going to be
5 lost among those 700 inventory?

6 MS. JONES: No.

7 COUNCILMAN GOODE: There's no projection
8 at all?

9 MS. JONES: We did not have a
10 projection.

11 COUNCILMAN GOODE: But you did have a
12 Frankford experience, although there is a different
13 project, you did know there was going to be some
14 businesses lost, so you did an inventory for what
15 purpose?

16 MS. JONES: We did an inventory to
17 determine who the businesses were, what type of
18 businesses they were to determine essentially what
19 their needs would be around technical assistance,
20 and to deal with their issues, and where they were,
21 the status of their individual businesses.

22 COUNCILMAN GOODE: Because you were
23 worried about the economic impact on those
24 businesses?

25 MS. JONES: Yes.

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2 COUNCILMAN GOODE: But you did no
3 projection of what was going to be lost?

4 MS. JONES: At this point, we did not.
5 We will take that into consideration, Councilman.

6 COUNCILMAN GOODE: Did you hold separate
7 meetings for businesses, separate from residents?

8 MS. JONES: Yes. And we're doing that
9 on an on-going basis. We've been doing that since
10 1998.

11 COUNCILMAN GOODE: How many businesses
12 participated among those 700 inventoried?

13 MS. JONES: Generally at the business
14 meetings we get anywhere from 25 to 50
15 businesses. I think we've topped out at about 50
16 businesses at the round table meetings, or the
17 technical assistance meetings.

18 COUNCILMAN GOODE: So, what outreach do
19 you do to those businesses beyond those meetings?

20 MS. JONES: We have a consultant, number
21 one, who is out there on a daily basis. We have two
22 staff people that walk the project area. They go in
23 and out of businesses to determine what their needs
24 are. If there's special needs around deliveries or
25 special needs around access to the business in the

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2 construction area, we're there to try to mitigate
3 those kind of issues. And we have a specific person
4 who's on board to provide technical assistance
5 around marketing, advertising, internal controls,
6 accounting procedures, those types of issues.

7 COUNCILMAN GOODE: So how many of those
8 700 have been individually contacted?

9 MS. JONES: All 700.

10 COUNCILMAN GOODE: Have been
11 individually contacted?

12 MS. JONES: Yes. I'm sorry, it's 750.

13 COUNCILMAN GOODE: How have they been
14 individually contacted?

15 MS. JONES: Personally. There's a
16 person that has gone door to door. When we first
17 brought the consultant on board, we wanted an
18 inventory to see who was there, how many vacant
19 properties were there, the businesses. On an
20 ongoing basis, we go back around promotions, if
21 we're doing special activities, we go back door to
22 door to each individual business. It's an arduous
23 and tedious process, but we go individually door to
24 door to every business in the corridor.

25 COUNCILMAN GOODE: So what do you know

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2 about the 700 businesses?

3 MS. JONES: We know what type of
4 businesses they are. We know what categories fall
5 into. We know what their needs are.

6 COUNCILMAN GOODE: I mean, beyond the
7 initial inventory, in terms of the follow-up and the
8 outreach to those 750 business, what do you know
9 about those businesses now, if there's continuous
10 outreach?

11 MS. JONES: We know as much as they will
12 provide us with, as far as information is concerned.
13 Do we know what their -- in some instances, we know
14 what revenues are, but in some instances, some of
15 them think that that's very private business. So we
16 know as much as they will tell us about their
17 individual business, other than the information that
18 we're able to get from them from site visits, the
19 condition of their property. But the information
20 that we're able to glean from them is the
21 information that they give us voluntarily.

22 COUNCILMAN GOODE: Thank you, Madam
23 Chair.

24 COUNCILWOMAN BLACKWELL: Thank you very
25 much.

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2 Councilman Nutter.

3 COUNCILMAN NUTTER: Let me refer to the
4 testimony first, and then I have some other
5 questions.

6 On page 2 you say that the work hour
7 goals were set at 17.3 percent minority. How do you
8 arrive at such a number?

9 MR. BOND: The 17.3 percent minority --
10 the 6.9 percent number is a federal standard that is
11 set for all public agencies with regards of those
12 agencies that are receiving federal grants.

13 COUNCILMAN NUTTER: Is that a minimum or
14 a maximum?

15 MR. BOND: That's the minimum that firms
16 are required to hire. And it's work-hour goals
17 only.

18 COUNCILMAN NUTTER: And after you meet
19 the minimum, the max is the sky is the limit, right?

20 MR. BOND: That's correct.

21 COUNCILMAN NUTTER: And you ended up at
22 21.14?

23 MR. BOND: January 2003, achievement has
24 been 21.14.

25 COUNCILMAN NUTTER: Councilman Ortiz

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2 mentioned how is it that you end up at that kind of
3 number, given the general population in
4 Philadelphia, and specifically out in West
5 Philadelphia, how do you end up with 21 percent?

6 MS CLAITT: For the Market Street
7 Elevated Project, based on the demographics of the
8 workers in the trades, we established a 26.4 percent
9 goal for minority participation. And as a result,
10 that's what we're working towards.

11 COUNCILMAN NUTTER: I thought it was
12 17.3?

13 MS. CLAITT: That's the standard goal,
14 sir. 17.3 is the standard federal goal.

15 COUNCILMAN NUTTER: Right. Where did
16 the 26 number come from?

17 MS. CLAITT: The 26.4 is the goal
18 established as a result of the demographics within
19 the construction area.

20 COUNCILMAN NUTTER: What's the minority
21 population in the construction area?

22 MS. CLAITT: I don't have that in front
23 of me at this moment, sir.

24 COUNCILMAN NUTTER: Have you ever been
25 to the construction area?

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2 MS. CLAITT: Yes, I have.

3 COUNCILMAN NUTTER: What's your sense of
4 what the demographic is of the construction area?

5 MS. CLAITT: Majority African American.

6 COUNCILMAN NUTTER: Probably, like,
7 about 98 percent?

8 MS. CLAITT: I would say yes.

9 COUNCILMAN NUTTER: So how do you end up
10 at 26?

11 MS. CLAITT: It's based upon the trades
12 that will be required for construction of the El.

13 COUNCILMAN NUTTER: So our problem is
14 not that there are so many African Americans in West
15 Philly; the problem is that not enough of them are
16 in the trades. Is that the issue?

17 MS. CLAITT: Yes, sir.

18 COUNCILMAN NUTTER: So what are we doing
19 about that?

20 MS. CLAITT: We've established a
21 training program identifying those individuals
22 within the community that are interested in trades.
23 We performed outreach since 1998 with lists that
24 totalled up to over 1,000 names. We've since purged
25 that list based on different interests of the

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2 people. We now have approximately 618 that have
3 expressed interest in this project. Of those, 193
4 are current union card holders. The balance, we're
5 working with to establish training programs.

6 COUNCILMAN NUTTER: 193 are already in
7 unions?

8 MS. CLAITT: Yes, sir.

9 COUNCILMAN NUTTER: Are they working on
10 a project?

11 MS. CLAITT: No, sir. Not all of them.

12 COUNCILMAN NUTTER: Why not?

13 MS. CLAITT: I don't have that answer at
14 the moment.

15 COUNCILMAN NUTTER: Well, I mean, that
16 would be the next natural question, right?

17 MS. CLAITT: Yes, sir.

18 COUNCILMAN NUTTER: What are we doing to
19 find out what those folks are up to?

20 MS. CLAITT: The workers that we have --
21 the 193 union card holders, the majority of them are
22 laborers. Each contractor as they come on board
23 provide us with a list of the labor force that they
24 will require at different phases of the work. We
25 provide them with the list of the workers that we

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2 have. From there, they go to the union halls to
3 request or to get workers in the trades that they
4 require. But they do have the list of our
5 applicants.

6 COUNCILMAN NUTTER: So do they pick any
7 of the folks from the list that you provided?

8 MS. CLAITT: There has been a few of the
9 names from our list that have been selected, yes.

10 COUNCILMAN NUTTER: Well, what's SEPTA's
11 ability to insist on the utilization of people that
12 you've identified?

13 MS. CLAITT: To extent that the
14 applicants are selected or are provided to the
15 contractors through the union halls.

16 COUNCILMAN NUTTER: Well, you're doing
17 that, right?

18 MS. CLAITT: No, sir.

19 COUNCILMAN NUTTER: You provided them
20 the names. You have 193 people that you've
21 identified as card-carrying union members, right?

22 MS. CLAITT: Yes, sir.

23 COUNCILMAN NUTTER: My question was,
24 what is SEPTA's ability to insist or request or
25 require that those people work on this particular

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2 project?

3 MS. CLAITT: To the extent possible, we
4 encourage the contractors when they got to the
5 unions halls to request those that are listed.

6 COUNCILMAN NUTTER: Let's hold on for a
7 second. Whose project is this?

8 MS. CLAITT: This is SEPTA's contract.

9 COUNCILMAN NUTTER: It's SEPTA's
10 contract, right?

11 MS. CLAITT: Yes, sir.

12 COUNCILMAN NUTTER: It's not the
13 contractor's project, right?

14 MS. CLAITT: No, it is not.

15 COUNCILMAN NUTTER: They're working for
16 you, right?

17 MS. CLAITT: Yes, they do.

18 COUNCILMAN NUTTER: So when you pay for
19 something, you demand a certain level of service,
20 right?

21 MS. CLAITT: Yes, sir.

22 COUNCILMAN NUTTER: Like, if I put my
23 \$1.60 or \$2.00, or whatever it's going to be, in the
24 box, if I'm trying to go east, I expect the train is
25 going to take me east, right? That's what I'm

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2 paying for.

3 MS. CLAITT: That's correct.

4 COUNCILMAN NUTTER: So it's SEPTA's
5 project, and you're paying people to perform a
6 service to get the El Project done as quickly as
7 possible, and you have some other goals, right?

8 MS. CLAITT: Yes.

9 COUNCILMAN NUTTER: So you've now gone
10 through the time and effort to identify certain
11 people as neighborhood people who are card-carrying
12 union members. And you're telling me that the
13 extent of your involvement here is provide the list
14 and ask them to please think about the possibility
15 of considering maybe picking up some of these folks
16 if you feel like it? Is that where we're at? Is
17 that where we're left here?

18 (Applause.)

19 MS. CLAITT: No, sir. I wouldn't say
20 that is accurate.

21 COUNCILMAN NUTTER: So take me to the
22 next step then.

23 MS. CLAITT: Unfortunately, SEPTA has no
24 control over the union and the workers that they
25 provide to the contractors.

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2 COUNCILMAN NUTTER: Let me go back. How
3 much is this project?

4 MS. CLAITT: \$567 million.

5 COUNCILMAN NUTTER: \$567?

6 MS. CLAITT: Yes, sir.

7 COUNCILMAN NUTTER: And it's your
8 project?

9 MS. CLAITT: Yes, it is.

10 COUNCILMAN NUTTER: And you have
11 contracts with people to provide a service. They're
12 card-carrying union members who you have identified
13 through your own efforts who will help you attain a
14 certain goal, if it is in fact a goal of the project
15 not to completely destroy and disrupt the
16 neighborhood, and provide some economic opportunity
17 for people out there. And you're telling me that
18 you cannot say to the contractors, "You have to hire
19 the X number of people to do the job. We want you
20 to hire this particular group of people because they
21 live in the project area, because they are union
22 card-carrying members, and that we want this group
23 of people, all things being equal, all skills being
24 the same, to work on our project in West
25 Philadelphia;" you're telling me that you don't

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2 have the ability to tell people that's what you
3 want?

4 (Applause.)

5 MR. BOND: My response to this is that,
6 you're certainly right. We have the right to do
7 that, and we do that. The issue is, what is the
8 penalty for not doing it. And my experience in
9 dealing with minority work-hour goals on all federal
10 and public work projects, is that it is the
11 responsibility of the Office of Federal Contract
12 Compliance to monitor work-hour goals and to ensure
13 that contractors who are performing on government
14 projects are adhering to these goals. The issue
15 is --

16 COUNCILMAN NUTTER: I agree with you.
17 But, unfortunately, I have to cut across you.
18 Because if meeting the goal was the only point,
19 they're probably doing their job. The standard was
20 17 point something. You're at 21 something, you're
21 trying to get to 26 something. If that's all of the
22 facts and the information that's available,
23 everybody's done their thing. Everybody's covered
24 their little behinds, and everything is great. The
25 problem here is, I think we have some other goals

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2 that we're trying to attain, which have nothing to
3 do with the Feds or the contractors or anyone else.
4 It should be a SEPTA goal and a public policy goal
5 to make sure that people who have been historically
6 locked out of these opportunities -- you're running
7 the thing right through their neighborhood,
8 disrupting their lives and their businesses --

9 (Applause.)

10 COUNCILMAN NUTTER: They should have a
11 right to expect a higher level of persistence and
12 insistence by the agency to say, "We're glad with
13 about the 17; 21 is wonderful; 26 is very nice.
14 Now, we've got a 193 people who live in the
15 neighborhood who are card-carrying union members.
16 Put them to work because you need people to work."
17 And that's why they should be working on this
18 particular project, because you know as well as I
19 know, that if you don't insist on it, no one else
20 will. The contractors are certainly not going to
21 insist on it because they've already identified who
22 they would like to work because they got their own
23 list of people, and most of those folks in West
24 Philly, their name ain't on it. So the only way
25 it's going to happen is if SEPTA insists on it and

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2 says, "You need 20 bodies to work today. We want
3 you to hire these 20 bodies. They've got union
4 cards. They passed the test. They're qualified to
5 do the work. Put them to work. And if you don't
6 put them to work on our project, you won't get
7 paid."

8 Now, that seems to attract people's
9 attention, when you're talking about their money.
10 Because then they've got to decide what's more
11 important to them, these 20 guys who can go and work
12 on some other job somewhere else, or this group of
13 20. Because if I don't put this group of 20 to
14 work, I'm not getting paid. I think that's a real
15 simple decision for them.

16 MS. JONES: Councilman, thank you.
17 We're going to do what we can to increase our goal.

18 COUNCILMAN NUTTER: Let her give an
19 answer.

20 I'm sorry. Finish your answer, please.

21 MS. JONES: Councilman, thank you for
22 your comments. And they are very well taken. We've
23 heard your comments of this nature before.

24 COUNCILMAN NUTTER: Right. This is not
25 a new conversation, and I appreciate you coming up

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2 to the table. But we have had this discussion in
3 the past. I mean, the question is whether the
4 agency is prepared to have that level of
5 conversation and relationship with its contractors.
6 I'm not trying to cause somebody else heartache and
7 dismay. All I understand is, the 193 people have
8 virtually no shot working on somebody else's
9 project. They're just not going to get the call.
10 You know that. I know that. They'll be sitting
11 around waiting for telephone call until Verizon
12 turns the phone off. The only way a call will come
13 now is if SEPTA says to the contractor, "we have
14 some other goals that we'd like to attain and we
15 appreciate you adhering to your contract and doing
16 all you're doing, but we have these people out here
17 not working. It's a problem for us. Because you'll
18 work on this job and you will go away. We have a
19 lifelong relationship with these folks out in West
20 Philadelphia. We'd like them to continue riding
21 that El when the El and buses are doing their thing.
22 So we have an additional goal, which is these 193
23 people. We'd like you to do something."

24 MR. BOND: I don't want you or your
25 constituents to believe that we have not had

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2 conversations with the contractors. Well, I've had
3 this conversation with the contractors. And I know
4 we've had conversation. The question is -- and I
5 think this is what we have to explore -- is what
6 teeth do you have, other than non-payment, to get
7 them to hire the employees that should be hired. I
8 hear what you're saying.

9 COUNCILMAN NUTTER: That's a fairly high
10 motivator for many people. And you probably have
11 other legal recourse.

12 MR. BOND: Well, I think that's what we
13 have to look at, and we promise that we will do
14 that. Because there are other things that go in
15 when you stop paying. The job stops. Everything
16 else stops. The project gets delayed, and there are
17 additional costs. I hear what you're saying --

18 MS. JONES: Councilman, we will go back
19 and have that internal conversation.

20 COUNCILMAN NUTTER: This is not a
21 project at any cost because the cost benefit on this
22 is in the negative already. What's another couple
23 weeks delay if you're already jammed up? If you're
24 on your way out of business, it really don't make
25 much difference. If you don't have work, you're

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2 ain't too worried about somebody else who ain't
3 working. So the real issue here is, what's the
4 agency prepared to do and how much are you prepared
5 to take to accomplish these other goals on behalf of
6 your ridership and the people who are here. There
7 are a whole lot of folks working on that project out
8 there who will never sit their behind on one of them
9 trains. It'll never happen. They ain't thinking
10 about being on the train. They wouldn't know where
11 to get on, and they wouldn't know where to get off.

12 MR. BOND: I hear you.

13 (Applause.)

14 COUNCILMAN NUTTER: Let me ask a
15 statistical issue. The testimony indicates -- you
16 say that 40 individuals employed on the project are
17 construction area residents. Is that 40 out of the
18 558?

19 MR. BOND: That's correct.

20 MS. JONES: Yes.

21 COUNCILMAN NUTTER: Well, my little
22 calculator told me that 40 out of 558 was 7.2
23 percent, but your document indicates -- you say you
24 have a resident goal achievement of 10.24 percent?

25 (Applause.)

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2 MS. CLAITT: Sir, if I may just explain
3 real quickly.

4 The goal is based on the work hours
5 that's performed by the workers. We have been
6 counting the heads for the purpose of being able to
7 say whatever number of workers have participated
8 together with those hours. So our goals are based
9 on the work hours alone.

10 COUNCILMAN NUTTER: Why do you do that?

11 MS. CLAITT: That is by law.

12 COUNCILMAN NUTTER: What's by law?

13 MS. CLAITT: That we count goals -- or
14 we monitor goals based on the work hours, hours
15 worked by the trades.

16 COUNCILMAN NUTTER: What's the purpose
17 of that? I mean, why would that be the measurement
18 as opposed to actual bodies?

19 Tell me how you end up with 40 out of
20 the 558, which is 7.2 percent of the actual
21 workforce, but you end up with 10.24 hours. Does
22 that represent overtime?

23 MS. CLAITT: No, sir. The heads are the
24 numbers of workers that have participated in the
25 different trades. You asked earlier, sir, that we

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2 provide you for the break out of how many African
3 Americans worked within the different trades, what
4 specific trade they worked in.

5 COUNCILMAN NUTTER: I understand that.
6 I didn't ask that question. Councilman Ortiz asked
7 that question. My question has to do with area
8 residents. Your testimony says you have a residents
9 goal achievement of 10.24 percent. Your testimony
10 goes on to say, "the total number of workers
11 employed for all trades utilized was 558." I take
12 that to be the total universe. You then say that 40
13 individuals employed on the project are construction
14 area residents. 40 out of 558 is 7.2 percent.

15 MS. CLAITT: People. Yes, sir.

16 COUNCILMAN NUTTER: Heads.

17 MS. CLAITT: Heads. Yes, sir.

18 COUNCILMAN NUTTER: I'm trying to
19 understand the distinction between the heads and the
20 hours.

21 MS. CLAITT: Technically, we would not
22 be calculating the goal achievement by the heads.
23 That is for the purpose, as I said earlier --

24 COUNCILMAN GOODE: Point of information.

25 COUNCILWOMAN BLACKWELL: Point of

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2 information.

3 COUNCILMAN GOODE: You're working fewer
4 people more hours to meet the goal? You're working
5 fewer residents more hours just to meet the 10
6 percent goal, rather than hire more residents?

7 COUNCILMAN NUTTER: Right. You have to.

8 MS. CLAITT: No.

9 COUNCILMAN NUTTER: That's the only way
10 to explain the discrepancy. That's the only way you
11 can explain the discrepancy. Otherwise, they would
12 be the same.

13 MS. CLAITT: No, sir. Our work hours
14 are based on the total hours worked by the
15 contractor and those hours by the minority, female,
16 or the residents.

17 COUNCILMAN GOODE: And the minorities
18 and residents you're hiring, you're actually working
19 them more hours in order to reach the goals, rather
20 than hiring more residents and hiring more
21 minorities.

22 MS. CLAITT: No, sir. The goal is based
23 on work hours only.

24 COUNCILMAN GOODE: I understand that.
25 Are you listening to me?

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2 MS. CLAITT: Yes, sir.

3 COUNCILMAN GOODE: Okay. You say you
4 are meeting your goals, and you're almost -- as
5 Councilman Nutter pointed out before -- just meeting
6 your goals. But when you count the bodies, there
7 are less bodies. And I know you're doing it by work
8 force hours. So you're actually working fewer
9 minorities and fewer residents more hours in order
10 to reach your goals, rather than hiring more
11 minorities and hiring more residents.

12 MS. CLAITT: I'm not sure -- I don't
13 understand.

14 COUNCILMAN GOODE: Obviously, you don't
15 understand.

16 COUNCILMAN NUTTER: How do you explain
17 the difference? Why are the numbers different? The
18 Councilman's point is the absolute point. You have
19 to work the workers more hours to meet the goals if
20 you're short on the bodies. You've got 7.2 percent
21 of the workforce doing 10.24 percent of the hours.
22 The only explanation is they're working more hours.
23 It's not a trick question. We're not trying to do
24 anything to you. We're just trying to understand
25 what's going on. It's the only logical explanation.

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2 MS. CLAITT: We'll have to get back to
3 you, sir, with an explanation.

4 COUNCILMAN NUTTER: Okay.

5 Madam Chair, I just have a couple last
6 questions.

7 Councilman Goode asked an excellent
8 question. It was one of the questions I had on my
9 list, which was about the number of businesses you
10 expect to go out of business, and I know you did
11 your inventory of how many businesses there are. It
12 is a little surprising -- we don't have to go back
13 through it -- that there wasn't some estimate on
14 total loss. But the Councilman covered that area.

15 The testimony indicated that there was
16 this benefit from the project for people in West
17 Philadelphia, and I'd actually like to better
18 understand, from SEPTA's perspective, what is the
19 benefit to the businesses and the residents of the
20 SEPTA El Project, from your perspective?

21 MS. JONES: Our goal is always to
22 provide the best transportation that we possibly
23 can. As we said in the testimony, the El structure
24 itself has been existence since 1906. And so
25 because we're concerned about the best

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2 transportation possible and because our interest is
3 state-of-the-art transportation, as far as our cars
4 are concerned and our structure, how we provide the
5 information relative to transportation, we wanted to
6 make sure that the El provided the best service
7 possible in West Philadelphia. And so the design of
8 the project, as well as the transportation --

9 COUNCILMAN NUTTER: I understand that.
10 Ms. Jones, I'm sorry to cut across you.

11 MS. JONES: Sure.

12 COUNCILMAN NUTTER: I understand that
13 those are SEPTA's long-term interests. It will take
14 us, I believe, to '08 --

15 MS. JONES: '07.

16 COUNCILMAN NUTTER: -- '07 or '08 to
17 achieve that particular goal. In the meantime, the
18 residents and the businesses are seeking to survive.
19 I took down -- not verbatim -- that there was a
20 benefit to the businesses and residents of West
21 Philadelphia from this project. So I'm not talking
22 about how we will all benefit from a beautiful
23 transportation system and a single bent column down
24 the middle of the street and lighting and landscape
25 and all that. That's on the other side.

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2 I'm trying to understand, while we're
3 living and breathing today, from SEPTA's
4 perspective, what is the benefit of current the
5 construction project -- which at the moment has
6 nothing to do with transportation -- it is a
7 construction project. What, from your perspective,
8 is the benefit to West Philadelphia residents and
9 businesses from this particular project, which is
10 going on through '07-'08? How will they benefit
11 directly? Before they get to ride on the new
12 system, how do they benefit directly from this
13 project?

14 MS. JONES: To be perfectly honest, at
15 this point it is a construction project. And as we
16 see it on the surface, it's an inconvenience which
17 is directly interpreted as no benefit at this point.

18 COUNCILMAN NUTTER: No. An
19 inconvenience would be if I stubbed my toe. If my
20 foot were taken off, that would be a tragedy.
21 Similarly, it's a inconvenience if the Water
22 Department has to do infrastructure work for a
23 couple days; that's a inconvenience. Having streets
24 closed for extended periods of time is tragic, if
25 not potentially fatal. There's nothing inconvenient

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2 about this. Some people will go out of business.

3 That's not inconvenient.

4 (Applause.)

5 COUNCILMAN NUTTER: So I think we have
6 to be very careful in how we have our conversations
7 with the public about what's going on here.

8 The issue is, how do people survive for
9 the next four-and-a-half to five years so that there
10 will be someone left to appreciate the beauty and
11 the wonder of this system? That is the fundamental
12 issue here, from how many lanes are open, to what
13 services are provided, to the financial losses --
14 you know, when we do what we do, if we destroy your
15 sidewalk in the course of doing work, if one of our
16 pieces of equipment falls on your building, people
17 make claims against us. They were sitting there
18 minding their business, and the next thing you know,
19 a piece of lumbar comes flying through the window.
20 They've been damaged. I don't know that anyone out
21 there asked for this. And this is one of those
22 tricky situation where everybody wants to go to
23 heaven, but nobody wants to die. So the El system
24 is a complete mess. We understand that. Everybody
25 wants it to look nice. Everybody wants it to work

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2 well. Everyone would like to have a new thing. But
3 the getting there -- I think that used to be one of
4 your slogans, "We're getting there." The getting
5 there could put a whole bunch of people out of
6 business. What's going to be left on Market Street
7 when this brand spanking new project cranks up in
8 '07, '08? Quite honestly, I think it's something
9 that SEPTA needs to be concerned about. Because if
10 there's nothing on Market Street, if there's nothing
11 on 56th Street or 60th Street or 63rd Street, who's
12 going to ride it?

13 MS. JONES: Councilman, we're very much
14 concerned. We're very much concerned. And there's
15 an ongoing effort at SEPTA working with different
16 public quasi and public agencies to identify
17 resources where we can provide businesses with
18 relief. We will continue to do that. We're looking
19 at and working with and calling -- we've talked with
20 and will continue to meet with our Congressmen to
21 try to identify federal resources, and on a state
22 level. I mean, we will not give up until we
23 identify resources to help the businesses. That's
24 our goal.

25 COUNCILMAN NUTTER: I understand that.

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2 We've heard a lot here about goals. Let's talk
3 about concrete stuff. You need a business relief
4 plan with the necessary funding behind it.

5 MS. JONES: We're working on doing that,
6 Councilman.

7 COUNCILMAN NUTTER: The folks out here
8 don't need anymore goals. They appreciate the best
9 efforts and all that. Identify a pot of money that
10 can be utilized for these folks.

11 (Applause.)

12 MS. JONES: We welcome the assistance
13 from the Council and from the other elected
14 officials to help us to do that.

15 COUNCILMAN NUTTER: I appreciate that
16 and will be glad to look after that. But we're not
17 the only game in town. Now, you know, I won't even
18 get into comparisons between our situation here and
19 the little activity going on halfway around the
20 world where folks are lined up knocking themselves
21 out to get all the contracts in the world to rebuild
22 a place that we just blew up. But we have no money
23 for people who are minding their business here in
24 the United States of America subject to a project
25 that it didn't necessarily ask for. Everyone

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2 understands the goal and the long-term benefit that
3 will come from it, but somehow now, we have no money
4 for them. That's one.

5 MS. JONES: We need your help.

6 COUNCILMAN NUTTER: Two, we need a lane
7 open on Market Street to allow the residents,
8 notwithstanding all the other promotions and
9 everything else, because most days I'm not sure
10 what's open, what's not open, and if anybody is
11 functioning halfway like me, which I don't
12 encourage. What you do is just say, "I don't want
13 to be bothered with that because I don't know what
14 I'm going to get into once I get down there. I
15 could be on this street. I can't be on that street.
16 I've got to swerve around this. I've got to get
17 around that. So let me just find somewhere else to
18 be."

19 You need a lane open so that the
20 customers and motorists understand how to get around
21 and what they need to do.

22 MS. JONES: Can I respond to that?

23 COUNCILMAN NUTTER: Go ahead.

24 MS. JONES: When it is at all possible
25 and it is not a safety hazard, we have opened up the

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2 streets. Where there is ongoing construction and
3 where we have heavy equipment, it is virtually
4 impossible for us to open the street, and it
5 provides the safety hazard. We're concerned -- it
6 may seem like we're not, but we're absolutely
7 concerned about the businesses on Market Street and
8 the impact that the construction is having. So when
9 it is at all possible, we have opened up a lane to
10 traffic, to thru traffic, as long as it's not a
11 safety hazard.

12 COUNCILMAN NUTTER: Ms. Jones, I think
13 the problem here is that -- and I'm sure you believe
14 in your heart and in your soul that the agency is
15 trying to do all that it can, that the agency is
16 committed to people. At the end of the day, it's
17 action that really makes the difference and the
18 demonstration of what those efforts are. And so
19 from the small to the large, from the simple to the
20 virtually impossible, the public needs to see what
21 those actions are. Again, the best efforts, not the
22 best of intentions. And so whether we're talking
23 about lights on Market Street -- now, I asked that
24 question at a budget hearing. The response was --
25 and we did the tour out there -- all the lights are

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2 working on the superstructure. They're all in the
3 outer area of the El. There are none down the
4 center. We know that it is dark there. And the
5 response that came back was -- the written response
6 -- "We did a survey, all the lights are on. It's
7 light enough out there."

8 Next question. Now --

9 MS. JONES: We have additional
10 information because we have been -- our program
11 manager and the City have been meeting on an ongoing
12 basis to determine how lighting can be installed on
13 the undercarriage of the El. So that is moving
14 along. There have been continued meetings on that.

15 COUNCILMAN NUTTER: Well, all I have is
16 the response I received a couple of weeks ago. I'm
17 not aware of that discussion. And it seems to me
18 that lights can be put directly under the El. And
19 it cannot be overly complicated. You already have
20 energy coming right onto superstructure with the
21 lights that are on the outside. Run a string of
22 lights down the center, similar to what they do on
23 many construction sites when they need temporary
24 lighting.

25 MS. JONES: That's what we're doing.

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2 COUNCILMAN NUTTER: Again, these kinds
3 of things need to be done on a quick-as-possible
4 basis, which also helps to demonstrate some
5 legitimate sincerity about getting things done.

6 We had a discussion about the escalator
7 at 60th Street. Now, the response was", Well, one,
8 it's old. We don't have any parts" -- although
9 there are escalators working at other places.

10 Two, "Why should we fix the escalator,
11 since two years from now we're going to tear this
12 station down?" Because for two years people can't
13 get up the steps. That's why you would fix the
14 escalator, and demonstrate again to the public that
15 you care about them in ways that you're willing to
16 take some extraordinary steps. These kinds of
17 things.

18 No one is expecting miracles out there.
19 But where there are things that can be done, they
20 should be done. And all we get is, "No. Can't.
21 Forget about it." That's not helpful to this
22 relationship here. And people are not going to
23 stand for it, and I'm certainly not going to stand
24 for it, because I'm not going to listen to this
25 noise for the next five, six years on things that

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2 don't make any sense.

3 (Applause.)

4 COUNCILMAN NUTTER: No one asked you to
5 take the entire superstructure and piece by piece
6 lift it out of there on a helicopter and do all
7 kinds of wild and impossible things. We're talking
8 about, give us some light. Open a lane. Fix the
9 escalator. The public didn't put the escalator
10 there; you put the escalator there. And now it's
11 not available for your riders. So, I mean, you're
12 sending, at best, mixed messages; and at worst, an
13 air of, "We don't really care. We'll just let all
14 that stuff sit out there. We'll get to it when we
15 get to it. And when it falls apart, we're not
16 thinking about fixing it because we're going to
17 change the whole thing anyway. And if you can't get
18 up the steps, tough." It's not helpful.

19 Mr. Bond, do you want to say something?

20 MR. BOND: I would say that on the
21 escalators -- in fact, I was through the area
22 yesterday. We have people working on the escalators
23 that are broken. There's at least one escalator
24 that I know of that we cannot get the parts for.
25 They don't make the parts anymore.

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2 COUNCILMAN NUTTER: Is that the one on
3 the southeast corner?

4 MS. JONES: It's 60th Street.

5 MR. BOND: It's on 60th Street. They
6 don't make the parts for it. So you either put in a
7 new escalator now, or you put it in in a year or two
8 when the new station is built. The question is,
9 maybe what we ought to look at is maybe trying to
10 explore, how do you make accommodations for those
11 people who use the escalator at that particular
12 location. The escalators that are in the other
13 locations --

14 COUNCILMAN NUTTER: What else are you
15 going to do with them? The platform is 30, 40 feet
16 up in the air. What are you going to get, a cherry
17 picker? Are you going to get, a crane?

18 MR. BOND: No, I'm just saying there are
19 other ways of transporting the individuals. If we
20 can't fix it because we can't get the parts, I have
21 no other solution other than to offer some other
22 form of transportation for these individuals.

23 COUNCILMAN NUTTER: Put another
24 escalator in. Did they stop making escalators or
25 something?

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2 MR. BOND: No. If you put a new
3 escalator in, then you take that out in a year or
4 two, to put a new escalator into the station that
5 you're building, you're going to build new stations
6 with new escalators and new elevators. That's the
7 issue. It is an issue of money.

8 COUNCILMAN NUTTER: You know, you guys
9 can make the relatively simple just incredibly
10 difficult. I mean, I am trying to be cooperative
11 here. I had a meeting with some of your folks I
12 shared with the Chair at nine o'clock this morning.
13 I'm still pissed about that meeting, which you
14 really don't want to hear about.

15 And then I've got to come up here and
16 listen to this mess. I've asked a bunch of
17 questions. I've got half answers, "Get back to you.
18 No."

19 Now, what do you want from me, and what
20 do you expect that I'm going to do? Do you think
21 that I'm just going to accept it? Do you think that
22 I should just be pleased? Do you think that I'll
23 just leave at some point in time today and say,
24 "Well, that's the way it goes, and I'll move on to
25 the rest of my day"? Do you really believe that

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2 about me? Do you really think that this is
3 acceptable?

4 (Applause.)

5 COUNCILMAN NUTTER: Do you think this is
6 the end of this?

7 MR. BOND: No, I do not. I don't think
8 anyone has ever questioned your persistence. We
9 will get responses to the questions that you raised
10 that we did not have at our fingertips this morning.

11 COUNCILMAN NUTTER: When should we
12 anticipate receiving this information? I'd really
13 like for it to happen during the course of this
14 hearing.

15 MS. JONES: Within the next five
16 business days.

17 COUNCILMAN NUTTER: There are some
18 issues that you should be able to address in the
19 course of this hearing. Mr. Bond said that some of
20 the information was back at the shop. You're going
21 to be here for a while.

22 MR. BOND: We understand we'll get as
23 much as we can for this hearing. And what we can't
24 get, we will provide within the next five business
25 days.

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2 COUNCILMAN NUTTER: Thank you, Madam
3 Chair.

4 COUNCILWOMAN BLACKWELL: You're welcome.

5 Since cleaning up the surrounding area
6 should be a priority, we're asking you if you can
7 use our West Philadelphia Mercy Health Special
8 Services to assist in that regard. We're asking you
9 to hire that service, since we have that service
10 through the partnership CDC. So we're asking you to
11 help us and use Community CDC to help clean up the
12 area. Would you respond to that, as well?

13 MS. JONES: Councilwoman, the contractor
14 is required, as a part of his contract, on a daily
15 basis to make sure that the area, the construction
16 area, is clean. And we are enforcing that on a
17 daily basis. In addition, once a week it is hosed
18 down.

19 (Audience responds.)

20 COUNCILWOMAN BLACKWELL: As you hear,
21 it's just not done. Anytime people would urinate in
22 front of other people's homes, obviously they're not
23 respecting our community. That's a major, major
24 issue. That's why we asked for the clean-up.

25 MS. JONES: We've also enforced that the

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2 contractor have port-a-toilets or toilet facilities
3 at each construction site also. And they're there.
4 At each construction site, there are facilities for
5 the contractor and the workers.

6 COUNCILWOMAN BLACKWELL: Were the
7 neighbors -- some neighbors in the immediate area of
8 the hearings we had on the 24th about Angora Terrace
9 were notified, but they complained of so many people
10 from the suburban areas being contacted, as well.
11 They said that their meeting -- I got there late. I
12 did talk to a gentleman who showed me the posters.
13 I have them. Two listing different sets of
14 information about the notification. Did we do
15 outreach primarily in the area? I know I did. But
16 in terms of SEPTA -- because they're complaining
17 they had more suburbanites than people in the area
18 at the meeting.

19 MS. JONES: Yes. We did outreach. We
20 had City Year (ph) helped make a flyer for us. As
21 well as I was in contact with a community resident,
22 Greg McKinley, who's here today and provided
23 information. And we worked through one of your
24 other community contacts, Pat Evans, through the
25 Turner School.

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2 COUNCILWOMAN BLACKWELL: And Pat Evans
3 is here and will be testifying.

4 The Federal Office of Small Business
5 Advocacy has recommended to the Commerce Director
6 for review by the President, that the federal
7 government procurement process reverse the trend of
8 bundling large contracts together and make them
9 smaller to encourage greater participation by small
10 local businesses. We are really interested in this
11 process and want to know how SEPTA will integrate
12 this trend reversal into their bidding?

13 MR. BOND: I haven't seen that
14 information, but if can get a copy of it, we'll
15 certainly explore the possibility of doing that.

16 COUNCILWOMAN BLACKWELL: In fact, it's
17 even been on the news and it's been out there for, I
18 don't know, maybe a month that that's a trend. So
19 that's pretty much public knowledge.

20 How does SEPTA generally coordinate
21 their services with other City departments and
22 agencies?

23 MS. JONES: Wherever possible, if it's a
24 project that we're doing or they're doing, we
25 generally coordinate, particularly around service,

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2 through the Managing Director's Office, the Special
3 Events Office, around service. If they're are
4 construction issues and it's our project and it
5 impacts service or it impacts any of the operating
6 departments of the City, for example, gas or water
7 or whatever, we work through those individual
8 departments, through Public Property or the Streets
9 Department.

10 COUNCILWOMAN BLACKWELL: What provisions
11 are being made for people with respiratory problems
12 who want to access the business community, given all
13 that's going on?

14 MS. JONES: I'm not understanding your
15 question, Councilwoman.

16 COUNCILWOMAN BLACKWELL: We have people
17 who are complaining that they have respiratory
18 problems or are in wheelchairs and are having
19 problems getting around this construction. Are
20 there any provisions being made for that group of
21 people?

22 MS. JONES: Let me speak about the
23 disabled, those that are disabled or physically
24 challenged. Where we find that the project area is
25 inaccessible, the person that we have out there on a

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2 daily basis makes provisions to make sure that that
3 is taken care of on a daily basis. So when we're
4 notified of it -- and we monitor it daily to make
5 sure that the area is accessible to the physically
6 challenged.

7 We've interacted with -- in fact, at the
8 meeting that Councilman Nutter had, there was
9 someone there from the Health Department. And our
10 contractors -- there's a monitoring component to
11 make sure that we are within the environmental
12 guidelines around the construction area. So we have
13 a person on the project management team that
14 monitors the air quality control.

15 COUNCILWOMAN BLACKWELL: We have been
16 particularly contacted about people with asthma and
17 respiratory problems who are having problems with
18 the construction, and who are in that area, who
19 can't breathe are being affected by the
20 construction.

21 MS. JONES: If you'll provide us with
22 that information, just call my office and provide us
23 with that information, and we'll take care of it.

24 COUNCILWOMAN BLACKWELL: And with regard
25 to the other, it's the Federal Office of Small

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2 Business Advocacy that you can contact with regard
3 to that federal provision.

4 MS. JONES: We'll get that information,
5 Councilwoman. And wherever we can do whatever we
6 can to encourage minority participation, we'll do
7 it.

8 COUNCILWOMAN BLACKWELL: Would you
9 describe your business outreach plan as referred to
10 in the testimony?

11 MS. JONES: Our business outreach plan
12 is extensive. We have a consultant on board that
13 works with us closely and we meet on a bi-weekly
14 basis to make sure that we're on top of everything.

15 Now, that includes, again, providing
16 technical assistance to individual businesses. And
17 by technical assistance, we mean helping them to put
18 together a business plan, to establish a business
19 strategy, to assist them with whatever areas they
20 are weak in their business, to also provide
21 alternative measures to getting customers or to
22 increase their business, their individual business,
23 as well as provide technical assistance to the
24 business associations on the corridors, i.e., 60th
25 Street and 63rd Street, in getting better organized

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2 or if they're interested in getting a 501(c)(3)
3 we're providing that technical assistance also.

4 We've also been available to go to the
5 business association meetings to address the
6 concerns of the business association as an
7 organization, as well as to address the individual
8 business concerns of the businesses within the
9 organization. So we have a very extensive and
10 aggressive outreach plan for the businesses in the
11 project area.

12 COUNCILWOMAN BLACKWELL: We've been
13 working closely with the Commerce Department and the
14 City to -- and certainly they have agreed to come up
15 with a 50 percent facade treatment for businesses,
16 but obviously that won't help while we're going
17 through this process.

18 In addition, for the business owners we
19 have been dealing with SEPTA to ask for the
20 permanent acquisition of lots where they do
21 temporary parking, so that after this is over, we
22 have that. That's something for later. Of course,
23 it doesn't get us through these hard times, which is
24 the reason for our hearings day. Now, we would
25 like, before people have to -- I know businesses,

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2 they're already struggling. We really would like to
3 get the community members on, and ask that you
4 remain.

5 MS. JONES: Sure.

6 COUNCILWOMAN BLACKWELL: Thank you.

7 Shirley Gregory. She's one of our fine
8 Ward leaders, the 49th Ward. She's representing
9 Congressman Robert A. Brady today.

10 Shirley, would you come forward?

11 We thank you very much for your time and
12 your patience. We want to get our community on.
13 We don't want to lose you because you don't get a
14 chance to testify. That always worries me. And we
15 appreciate you taking time out of your schedules
16 today. Busy, but not busy enough. But we
17 appreciate you being here.

18 Thank you, Ms. Gregory. Would you
19 identify yourself for the record. Thank you.

20 MS. GREGORY: Thank you. The pleasure
21 is mine, of course. I need to begin by thanking
22 you, Chairwoman Blackwell, Chairman Goode. I
23 congratulate you and the Members of these Committees
24 who have been in and out of the room for holding
25 this hearing on a problem many people have referred

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2 to as "the nightmare on Market Street."

3 My name is Shirley Gregory, and I am
4 Congressman Robert Brady's District Director. I am
5 here representing him today. Congress is in Session
6 today, so that Congressman Brady is not able to
7 attend this hearing.

8 This week, the House will be debating
9 the proposed Republican tax cut and much needed
10 benefits for America's brave troops. His major
11 committee, the Armed Services Committee, will be
12 holding hearings similar to this to consider
13 defense-related spending for next year. Because
14 there are several job-related measures in that
15 spending Bill, he could not miss those hearings.

16 I am sure you understand, however,
17 Congressman Brady believes that this is a very
18 important hearing about a project that is very
19 important to his constituents. He asked me to thank
20 you for seeking his testimony and to deliver a
21 statement on his behalf. I have provided that
22 statement, or it is being provided -- especially to
23 the press -- to committee staff, and ask that it
24 entered into the record.

25 Thank you.

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2 COUNCILWOMAN BLACKWELL: Thank you very
3 much. Can we have the Sergeant-At-Arms pick up
4 copies of her statement?

5 We thank you very much, Ms. Gregory.

6 MS. GREGORY: I'd be happy to read the
7 statement from Congressman Brady.

8 COUNCILWOMAN BLACKWELL: Thank you.
9 Thank you for all your service to our citizens.

10 MS. GREGORY: It's my pleasure.

11 COUNCILWOMAN BLACKWELL: Maybe we
12 better get that in.

13 MS. GREGORY: "Statement of Congressman
14 Robert A. Brady submitted to the Committee on
15 Finance and Transportation of the Council of the
16 City of Philadelphia, Wednesday, May 7th, 2003.

17 "I thank Chairwoman Blackwell and
18 Chairman Goode and the Members of the Committee on
19 the Finance and Transportation for your help and
20 deep concern about the welfare of our constituents
21 and the future of job-creating businesses in our
22 City. As a former Ranking Democrat on the
23 Congressional Small Business Committee Regulatory
24 Reform and Oversight Subcommittee, a former board
25 member of the Redevelopment Authority and as a

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2 lifelong resident of West Philadelphia, I am well
3 aware of the importance of Market Street corridor
4 businesses to the growth of the entire City. I also
5 know how crucial the Market-Frankford Elevated train
6 is to our constituents. The El is how our children
7 get to school, our neighbors get to work, and how
8 people from other parts of the City reach our
9 community to shop.

10 "There is no doubt that this nearly
11 100-year-old line needed to be improved. Our
12 neighbors deserve the most modern transportation. I
13 am pleased that SEPTA is doing this work. However,
14 I am deeply concerned about how SEPTA has proceeded
15 with this job. Since January of this year, when
16 sections of West Philadelphia became part of my
17 district, I have participated in numerous meetings
18 with local residents, business people and with
19 SEPTA. I have expressed my determination to see
20 SEPTA do a better job of coordination of this work
21 eliminating unnecessary inconveniences to residents
22 and businesses, and expand its hiring and
23 contracting programs for minority and local
24 citizens. Members of this Council have participated
25 in those meetings, and your hard work is much

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2 appreciated.

3 "I look forward to continuing to work
4 with you on this and other vital projects. I would
5 appreciate a copy of your findings and
6 recommendations so that I can do my best to bring
7 this situation to a successful conclusion. Thank
8 you for accepting this testimony."

9 COUNCILWOMAN BLACKWELL: Thank you. I
10 think the Congressman lists the problems very well
11 and very succinctly. Certainly, we will be in
12 touch. We really need help with subsidy for
13 businesses. We met with Congressman Fattah last
14 spring and asked him for such. But we really need
15 him to look into the congressional coffers and work
16 with us with a plan to do some subsidies for
17 businesses that are suffering.

18 MS. GREGORY: Thank you. And I shall
19 take that message to him.

20 COUNCILWOMAN BLACKWELL: Thank you very
21 much.

22 First Deputy Commerce Director, Mjenzi
23 Traylor.

24 After that -- is Mr. Connor here?

25 Okay. You're next.

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2 Thank you, Mjenzi. Please identify
3 yourself for the record and begin our testimony.
4 Thank you.

5 MR. TRAYLOR: My name is Mjenzi Traylor.
6 I'm First Deputy Director of the City Commerce
7 Department. Good morning, Chairwoman Blackwell and
8 Councilman Goode. I will present testimony on
9 behalf of the Administration. We appreciate this
10 opportunity to submit testimony on Public Hearing
11 020607, a Resolution authorizing the Committees on
12 Finance and Transportation to hold hearings on the
13 impact of the SEPTA Elevated Reconstruction Project
14 on businesses in West Philadelphia.

15 First, let me comment on the enormity of
16 the reconstruction project. This \$580 million
17 project is both complex and, inevitably, lengthy in
18 duration. The Commerce Department wants to
19 acknowledge the hard work of Frances Jones and the
20 many SEPTA employees who have worked with the
21 community to facilitate project implementation,
22 building a framework that will respond to community
23 needs and concerns.

24 I would also like to acknowledge that we
25 would have had with us today Robert Fulton who, as

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2 most of the business people and residents know, is
3 the representative from the Mayor's Business Action
4 Team that our department has had present at meetings
5 and trying to respond to community concerns. He is
6 hospitalized, doing well, and will be back with us
7 soon.

8 While careful thought has been given to
9 this outreach process, it is time to acknowledge
10 that there have been serious shortfalls in its
11 implementation. One does not need to read the
12 newspaper to recognize this project's destructive
13 impact on West Philadelphia. One needs only to
14 attempt to drive or walk to the normally bustling
15 commercial corridors of 52nd Street or 60th Street.
16 For more than a year, the Commerce Department has
17 worked to mitigate the impact of the reconstruction
18 process by serving as an intermediary between the
19 community and SEPTA, looking to solve problems as
20 they arise and seeking out ways to assist the
21 community in dealing with the impact of the project.

22 For example, representatives of the
23 Commerce Department have attended a majority of the
24 community meetings held on the project in order to
25 stay abreast of and keep in touch with community

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2 opinion. When interruptions or disruptions within
3 the community have occurred, such as blocked
4 streets, driveways, sidewalks, the Commerce
5 Department has worked with local businesses affected
6 to reach a quick and as effective solution as
7 possible to the issue. Commerce has also conducted
8 a comprehensive survey of the affected communities
9 and constituencies in order to determine the scope
10 and extent of potential issues raised by the
11 project, so that constructive recommendations could
12 be developed and made to SEPTA regarding those
13 issues. I will detail these recommendations later
14 in my testimony.

15 Additionally, Commerce has worked with
16 Congressman Chaka Fattah's office to seek out
17 federal funds that may be available to assist the
18 small business owners affected by the project.
19 Together, we have sought out emergency funds from
20 the Federal Transportation Administration,
21 including, but not necessarily limited to, seeking
22 out approximately \$500,000 from the MTCAP Program
23 in order to make loans and/or grants in the range of
24 \$5,000 to \$10,000 available to business owners. It
25 is estimated that with these funds, approximately 85

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2 businesses can be immediately assisted. Now, the
3 advantage of dealing with this, is that these are
4 funds that are already on deposit here in the City.
5 And so it's simply a matter of getting clearance
6 from FTA to use the funds for these emergency
7 purposes.

8 Notwithstanding the Administration's
9 efforts, there remains serious challenges.
10 Recognizing these shortfalls, the Commerce
11 Department urges urgent attention to three areas:
12 Reduced business interruptions, improved
13 communications, and additional financial assistance.

14 Business interruptions currently range
15 from the closure of entire blocks of Market Street,
16 including numbered through-streets, to a lack of
17 construction clean-up that impedes City trash
18 collection and is causing respiratory illnesses in
19 the community. We propose consideration of the
20 following remedies to these issues:

21 Open one lane of Market Street.
22 Shoppers are currently obstructed along Market from
23 44th to 63rd, and face detours that re-route them as
24 far as Walnut and Race Streets. SEPTA should seek
25 as quickly as possible to accommodate some level of

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2 automobile traffic, currently a major source of
3 corridor shoppers. We recognize that there are
4 safety issues, but we would like to see some
5 additional attention being given to this possibility
6 of opening a lane down Market Street.

7 Provide weekend and other flexible
8 responsive street openings when construction is not
9 underway. For example, 52nd Street was
10 unnecessarily closed the weekend of May 3rd,
11 impeding blocks of commercial traffic, despite
12 having no construction equipment on the roadway.

13 Next, fortify the SEPTA Community
14 Information Center. While the center seeks to
15 provide outreach and response to local complaints,
16 there is no substitute for having an accountable
17 SEPTA staff member with real decision-making power
18 staffing the satellite office. In addition, this
19 office should be accountable to the City, for
20 example, by disclosing business complaints by number
21 and type and tracking closures resulting from
22 business interruption.

23 Next, clean the corridor utilizing the
24 resources of the Mercy Special Service District,
25 which Councilwoman Blackwell has already recommended

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2 today. With oversight by Partnership CDC, the
3 district is committed to clean 300 block faces
4 weekly, removing graffiti, stickers and trash from
5 public spaces, particularly along West Philly's
6 major commercial corridors. This group can be
7 leveraged to assist SEPTA in providing more regular
8 clean-up in exchange for the purchase of the
9 appropriate cleaning equipment.

10 Now, we, of course, heard the response
11 earlier from SEPTA, that the primary cleaning
12 responsibilities rest with the contractors.
13 However, we suspect that there is a level of
14 cleaning that may be considered more cosmetic than
15 is usually associated with construction, but which
16 could serve the business, as well.

17 Next, communications between SEPTA and
18 businesses have been poor, ranging from failure to
19 provide notice prior to obstruction of ingress or
20 egress, to publication of a coupon booklet,
21 including business participants without their
22 consent. We propose consideration of the following
23 remedies to these issues:

24 Provide regular monthly business
25 outreach. Current business outreach is too broadly

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2 based and cannot respond to the specific issues
3 faced on the diverse commercial corridors. SEPTA
4 should provide a forum for each corridor to meet and
5 prepare for each phase of construction
6 implementation.

7 Give businesses one week notice.
8 Businesses should have at least one-week notice
9 prior to impeding, building ingress or egress, as
10 well as commercial street closings to automobile
11 traffic. This should be accomplished by written
12 communication that can updated at monthly corridor
13 meetings that were mentioned above.

14 Next, is convene a monthly roundtable
15 for City agencies. SEPTA outreach should
16 incorporate a monthly meeting with representatives
17 from City agencies, specifically Streets, the
18 Managing Director's Office, Council Offices,
19 Commerce, and other agencies as necessary to
20 expedite issue resolution with SEPTA decision
21 makers.

22 Next, communicate current community
23 outreach and bench marks. Two excellent consulting
24 firms have been providing community outreach and
25 business re-positioning services. SEPTA should work

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2 with the City to provide regular reporting for these
3 services, setting bench marks and evaluating
4 results. This coordination will enable the Commerce
5 Department to more appropriately respond to the
6 service gaps and assist SEPTA in filling these gaps.
7 For example, by providing access to business
8 financing. And there are programs in place to do
9 that.

10 Last, there appears to have been little
11 consideration for the inevitability of total
12 business dislocation and closure, an issue that was
13 raised earlier by Councilman Goode, particularly
14 along Market Street. While the Department
15 recognizes that SEPTA is facing a budget shortfall
16 and even financial constraints on the West
17 Philadelphia component of the Elevated
18 reconstruction project, current outreach funding may
19 not be sufficient, particularly if we continue to
20 pursue the same strategy. We propose that
21 consideration be given to the following measures:

22 First, audit community outreach
23 activities. SEPTA and the City should assess
24 whether current programs are being utilized to
25 maximize business survival.

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2 Next, set up a business relocation fund
3 for businesses that are permanently displaced by
4 construction, enable access to a funding source for
5 those that would continue to operate in one of the
6 neighborhood retail corridors. The City is
7 committed to coordinating its economic development
8 programs with SEPTA initiatives.

9 Next, fund a post-construction plan.
10 Given the reality of numerous documented business
11 failures, and those that will inevitably result from
12 the next four or more years of construction, we must
13 plan for the future. This will include funding a
14 market analysis and street scape improvement program
15 for project completion to revitalize a severely
16 impacted business corridor. SEPTA should provide
17 leadership and funding for this initiative. Of
18 course, it's at this point that our normal facade
19 and security programs could also kick in and be of
20 help in doing this.

21 If we do not address the concerns I have
22 outlined here, we will have spent seven years and
23 \$580 million on an Elevated reconstruction project
24 that wipes out the commercial activity and
25 negatively impacts residential users of this

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2 critical transportation. As sole proprietorship,
3 once they are bankrupt, many of these small
4 entrepreneurial endeavors, and the jobs they
5 provided, will not be returning. It is our
6 responsibility to provide the reduced business
7 interruptions, improved communications and
8 additional financial assistance that will enable
9 them to weather the next several years.

10 For the reasons I have outlined, the
11 Commerce Department supports the Resolution that is
12 before us, and I would be pleased to respond to any
13 questions that you have.

14 (Applause.)

15 COUNCILWOMAN BLACKWELL: Mr. Traylor, we
16 thank you for this excellent report. We're going to
17 ask Members of the Committee to recommend this, in
18 addition to any other suggestions that come out of
19 this hearing, from members of the business community
20 and interested persons. This is an excellent report
21 and it certainly takes us where we need to go.

22 Thank you very much.

23 MR. TRAYLOR: Thank you, Madam Chair.

24 COUNCILWOMAN BLACKWELL: Councilman
25 Goode.

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2 COUNCILMAN GOODE: Thank you for your
3 testimony.

4 City Council has already prepared a
5 budget amendment that would transfer SEPTA subsidy
6 to City Council until we're satisfied with this
7 issue and a number of other issues. Is the
8 Administration willing to support withholding the
9 subsidy until the Commerce Department's
10 recommendations are implemented?

11 MR. TRAYLOR: I would assume from
12 agreements that have already been made at the
13 administrative level, that there would be no problem
14 with that, and we will certainly be prepared to take
15 that back for the immediate approval.

16 COUNCILMAN GOODE: Thank you.

17 COUNCILWOMAN BLACKWELL: Thank you very
18 much.

19 (Applause.)

20 COUNCILMAN BLACKWELL: Mr. Chuck
21 O'Connor, owner of Bargain House on the corner of
22 52nd and Market Streets.

23 Also, while he is coming, the Chair also
24 notes that we have Vivian Miller, who is here.
25 She's Clerk of Quarter Sessions Court and also Ward

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2 Leader of the 51st Ward, so she's part of that
3 community and understands the problems. We thank
4 you for coming, and thank you for your support.

5 Mr. O'Connor, thank you for coming.

6 Please identify yourself and begin your statement.

7 MR. O'CONNOR: I'm Chuck O'Connor. I
8 own the Bargain House on the northwest corner of
9 52nd and Market Street. I've been involved in the
10 52nd and Market Street business corridor since 1969.

11 Over the course of time, we've had SEPTA
12 strikes, which have affected our business by 50
13 percent. Since the inception of this program, our
14 business has been off. And now that it seems to be
15 concentrating on the 52 and Market Street area,
16 we're off by about 50 percent. Over the years,
17 we've never laid anyone off. Over the last few
18 months, we've been forced to lay off two employees,
19 full-time and one part-time. You have fixed
20 expenses that you really can't do anything about.
21 The landlords want their rent. The City utilities
22 want their payments. Insurance companies want their
23 payments. And when you can't generate sales,
24 there's no money being generated in order to pay
25 these agencies.

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2 I'm right on the corner of 52nd and
3 Market. This project began March 17. There has
4 been no work done at the intersection, yet this
5 detour has been up since March 17th. We have no
6 buses running past our business, either on Market
7 Street or on 52nd Street. We're faced with
8 construction equipment all over the area, mounds of
9 gravel, mounds of dirt. It's certainly not
10 conducive to people shopping. And unless something
11 is done real soon, we're going to be forced out of
12 the community.

13 I came here today just to express what's
14 going on so that everyone can understand what we're
15 facing. I'm certainly hopeful that there can be
16 some kind of subsidies in order to keep not only my
17 business, but many of my fellow businessmen still
18 able to keep their businesses going.

19 Thank you.

20 (Applause.)

21 COUNCILWOMAN BLACKWELL: Mr. O'Connor,
22 thank you coming. We know we've communicated with
23 you many times in the past and we know of your
24 involvement. And it's a bus stop. It's a vital
25 place certainly for SEPTA, and certainly we would

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2 ask someone from SEPTA to respond.

3 Mr. O'Connor says they closed off the
4 area on March 17th, but he's seen nothing happen
5 that would justify him losing 50 percent of his
6 business and employees, two full-time and a
7 part-time employee. We're asking someone from SEPTA
8 to respond. And Mr. O'Connor explains exactly what
9 the problems are. All you business folks know.
10 It's just unfair. You can't help by hurting in the
11 process. We want a new El, but we don't want to
12 kill everybody in the process. So we're asking for
13 a response to that.

14 Thank you. Please come forward.

15 Thank you so much, Mr. O'Connor. We're
16 here to support you.

17 MR. SABATINI (ph): I'm Dom Sabatini,
18 and I'm Director of the Construction Program for
19 SEPTA.

20 First of all, we certainly are
21 understanding of the problems that the construction
22 creates to the local business areas. In terms of
23 52nd Street, the construction there is some major
24 underground utility work. Also, there's been some
25 problems with wash-out on the underground surface

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2 there, and it's been plated over. The concern is
3 that bus traffic in that plated-over area can
4 withstand the loading of the busing.

5 COUNCILWOMAN BLACKWELL: Say that again.

6 MR. SABATINI: The area is plated over.
7 However, the loading cannot sustain buses because of
8 the problem, the underground problems with wash-out
9 in that area.

10 MS. JONES: Councilwoman, the buses are
11 on detour. And the buses are on detour because we
12 anticipated construction in that area. During the
13 holiday season, we opened up the street to vehicular
14 traffic because we wanted to assist with the holiday
15 with the businesses. However, the street cannot
16 take the weight of the buses, and so we have kept
17 the buses on detour because of the utilities work
18 that's going on on 52nd Street. We are very much
19 afraid of the safety issue, and the weight of the
20 bus would be too heavy for the street because it's
21 just plated. And because of the utility work going
22 on underneath, the street cannot handle the weight
23 of the buses.

24 COUNCILWOMAN BLACKWELL: I see some
25 people complaining.

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2 Mr. O'Connor, please come forward.

3 MR. O'CONNOR: There are no plates at
4 the intersection of 52nd and Market. That area
5 hasn't been touched. They opened the streets up for
6 Easter for vehicular traffic, but yet they continue
7 the detour of the buses. That's our lifeline. The
8 buses are our lifeline. I mean, for them to take
9 the barricades down and to open the intersection for
10 vehicular traffic, it really doesn't mean anything
11 to us. We don't get that kind of traffic. Most of
12 our traffic is generated by SEPTA.

13 COUNCILWOMAN BLACKWELL: So you hear the
14 response, that SEPTA has done nothing, so the street
15 is no more weakened than it was before, since SEPTA
16 has not done any work on his side of the street.
17 You know, he's on the north side. So what is
18 SEPTA's response to that? You've done nothing, so
19 it's strong as it always was. Can you give us a
20 response?

21 MR. SABATINI: I think the issue is, in
22 that street intersection, there's, I believe, major
23 water lines that have to be relocated. Also, in
24 that area there's been an undermining of the
25 subsurface from wash-outs in that area. So the

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2 reason that the construction is taking longer than
3 anticipated is because, first of all, the resolution
4 of those wash-outs. And, secondly, those utilities
5 do have to be re-located in that intersection.

6 COUNCILWOMAN BLACKWELL: Where do buses
7 stop? Can't they stop a half a block or so many
8 feet away from his business? So maybe you can't
9 stop right in the middle of the intersection, but
10 can't you give him a few feet away so that people
11 are near his business? I mean, if it's one-quarter
12 of the way away from his business -- or either way,
13 so that he just has a matter of footage, so that
14 people maybe don't stop in the intersection, but
15 can't the buses stop right near there, so the
16 businesses don't loss everything? Since you're not
17 working there, since nobody is digging there,
18 there's nothing that's happened, can't you determine
19 exactly where -- if there's a danger, for the water
20 pipes or other construction where it is not
21 undermined, where that danger ends and give our
22 businesses a break?

23 MR. SABATINI: Well, I think that the
24 operation of the buses, in terms of their turning
25 radius, is in that area, and the detour is probably

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2 the issue. I'm not absolutely positive of that, but
3 I think that could be the issue. We certainly could
4 take a second look at that to see if we could
5 accommodate that.

6 COUNCILWOMAN BLACKWELL: We're
7 absolutely asking before the end of the day, and
8 certainly before -- as one of our major issues --
9 that we try to restore bus service to the north side
10 of Market Street so that he doesn't lose everything.
11 We can't afford to lose him on that corner. He's
12 been struggling for years to stay there, and we need
13 that business. We can't afford to lose the
14 businesses we have. So we're going to ask you to
15 get back to us before the hearing is over as to the
16 ability of SEPTA to restore bus service to that
17 area.

18 MR. SABATINI: Okay.

19 COUNCILWOMAN BLACKWELL: Thank you.

20 Thank you, Mr. O'Connor.

21 (Applause.)

22 COUNCILWOMAN BLACKWELL: We have Denise
23 Garris President of the 60th Street Merchants'
24 Association, and we have Mr. Pak, who's President
25 of the Korean Merchants' Association on 60th Street.

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2 We thank you both. We saw Mr. Pak at an
3 affair on Saturday -- I can't remember.

4 MR. PAK: Friday.

5 COUNCILWOMAN BLACKWELL: Friday night.

6 Every day you have affairs. On Friday night, where
7 he certainly helped with awards at Walnut Park
8 Plaza, to give young people sports awards. He
9 contributed, as he always does, to the community,
10 and we thank you very much, Mr. Pak.

11 MS. GARRIS: And we also have Mr.
12 English.

13 COUNCILWOMAN BLACKWELL: Mr. English,
14 would you please come forward.

15 Then we'll get Reverend Barnes, you and
16 the others with you.

17 They have Deborah McGregor, Appleheart
18 CDC, and Denise Oh with you.

19 You're next.

20 Is that okay, Reverend Barnes?

21 Mr. English, we thank you as well. We
22 know that you have been in the office. You have
23 given us petitions, letters. You have tried to
24 work with the association, and you've done
25 everything you can to try to support having business

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2 open and viable on 60th Street. We thank you for
3 your commitment, and taking time. I know you come
4 down all the time, and I know it's sacrifice of your
5 time and energy, as well.

6 So we ask you two to identify yourselves
7 for the record.

8 And then, Ms. Garris, you can make your
9 testimony.

10 MR. ENGLISH: My name is Cliff English.
11 I'm the President of the West Market Village
12 Association, and I own A&R Beer Distributor and
13 Village Dollar Store.

14 COUNCILWOMAN BLACKWELL: Identify
15 yourself again.

16 MR. ENGLISH: My name is Cliff English.
17 I'm the President of West Market Village
18 Association. I own A&R Beer Distributer at 61st and
19 Market, and also Village Dollar Store in the 6100
20 block of Market Street.

21 COUNCILWOMAN BLACKWELL: Thank you. So
22 we have three presidents here; the 60th Street
23 Merchants; Mr. Pak, the 60th Street Korean
24 Merchants; and Mr. English, the West Market Village
25 Association. So we thank you all.

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2 Ms. Garris.

3 MS. GARRIS: Good morning, Congresswoman
4 Blackwell.

5 COUNCILWOMAN BLACKWELL: Ms. Garris,
6 would you hold -- oh, I'll take the promotion.
7 Thank you.

8 Can you hold on? Our stenographer has
9 to break for a moment. Thank you very much.

10 (Brief recess.)

11 COUNCILWOMAN BLACKWELL: Thank you very
12 much. We will now resume our hearing.

13 Ms. Garris, again, would you begin your
14 testimony?

15 Thank you all for your patience.

16 MS. GARRIS: Good morning, Councilwoman
17 Blackwell, Councilman Wilson Goode, Members of the
18 City Council, and fellow residents and taxpayers of
19 Philadelphia. My name is Denise Garris. I am
20 President of the 60th Street Merchants' Association,
21 and second generation business owner of Garris
22 Fabrics and Fashions. I'm located at 44 South 60th
23 Street.

24 I want to first thank everyone for
25 giving us this opportunity to speak on this very

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2 important matter. I have been involved with trying
3 to get information and giving feedback to SEPTA
4 representatives since the beginning of this project.
5 I want to review some of the things that have been
6 taking place in relation to this project.

7 Before construction began, I along with
8 other community representatives and with elected
9 officials, and Ms. Frances Jones of SEPTA met about
10 the upcoming project. And during that meeting, Ms.
11 Jones let me know that we didn't have to worry about
12 parking. We didn't have to worry about staging. We
13 didn't worry about anything. Those are the same
14 things we have to worry about today.

15 Later, there was a meeting with the
16 contractors to go over the construction schedule and
17 our proposal for change to the proposal, and how it
18 might impact the area businesses. I left the
19 meeting not knowing what would happen to our
20 proposal, with parking staging and signages. And
21 with the proposal -- I have the proposal right here
22 -- they did many mark-outs of our proposal, not
23 understanding what's going on. We also encompass
24 using the Misericordia Special Services District to
25 help with the clean up.

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2 Subsequently, I attended numerous
3 SEPTA-sponsored community meetings about the
4 project. We focused on employment opportunities and
5 the scope of the project and other issues. I also
6 met with Jim Baker and Company, who are consultants
7 to this project, providing technical assistance to
8 the businesses. And I must commend Mr. Baker and
9 Company because they helped the 60th Street
10 Merchants' Association with our 501(c)(3) and other
11 technical services. Any time that we needed special
12 services, Mr. Baker was there to help us. But
13 nobody else was.

14 I also asked to be on the board or a
15 part of the advertisement committee. And I think
16 they're formulating that now, but in the beginning
17 they had advertisements. And they were doing a
18 promotion last year on Mothers' Day that was
19 unsuccessful because \$500 was given to a first prize
20 winner, an American Express money order, where they
21 can spend anywhere in the world. And I said, how
22 does this benefit our area? I then asked them to
23 change it. Not only am I going to ask them why do
24 they do this, but I'm going to give suggestions on
25 how they can change it. And so they did.

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2 I am also proposing that we be a part,
3 as members and community leaders of West
4 Philadelphia, we be a part of all advertisements and
5 any promotional situation and any construction that
6 goes on in this area. Because we are adversely
7 affected.

8 There were walk-throughs in the area
9 around 60th Street by elected officials in June of
10 2002. We discussed the safety problems and the
11 problems of customers accessing businesses, and
12 other problems concerned. It seemed to be
13 productive. Ms. Blackwell and Senator Williams and
14 State Representative Ronald Waters and other elected
15 officials in our area, we did that first
16 walk-through in June. And we found a lot of things
17 that were very appalling, through non-accessibility
18 for handicapped people, along with just people in
19 general walking over trapped doors which were just
20 covered by wooden planks that were very degradable
21 due to rain and weather conditions. That was
22 helpful. Some things alleviated and then some
23 things were left alone.

24 With all the meetings and walk-throughs,
25 residents and business owners are not very happy

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2 with some of the outcomes. There are still places
3 where people cannot get through to merchants
4 properly. We were promised one lane of
5 drive-through traffic for deliveries. And when I
6 speak on deliveries, I have a merchant on Market
7 Street, Debonair Cleaners, Mr. David Taylor, he
8 received numerous parking tickets just because he
9 was actually taking garments in and out his car to
10 be dry cleaned because he owns the cleaners. In the
11 near future, the buildings next to him will be
12 demolished. And who is going to actually go to him
13 and have clothes cleaned with all this dirt and
14 construction going on? He has been in our community
15 for about 30 or 40 years, and this will be
16 devastating to him, as well as other business
17 owners.

18 The bottom line for us is, what can be
19 done to assist us in making sure we do not lose more
20 businesses and to attract more businesses to our
21 area. Because if we're not careful, this will end
22 up being a ghost town.

23 I also want to know, what will you do
24 about the vendors in the area who are setting up and
25 selling the same goods and services of those who pay

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2 taxes to the City? Because there are a lot more
3 vendors who are coming out there. We are devastated
4 already. We cannot go on letting other people sell
5 the same services without paying property tax or
6 business tax or licenses the way we do.

7 Is there any enforcement of licenses
8 requirements by the City related to the vendors?
9 And if so, we would like to understand how we can
10 enforce that.

11 Again, thank you for holding this
12 hearing and giving us the opportunity to share our
13 views.

14 COUNCILWOMAN BLACKWELL: Thank you very
15 much.

16 Before we -- if Mr. Pak or Mr. English
17 would like to speak, I can respond to the vendor
18 issue.

19 We don't have a vendor Bill there.
20 We're one of the last holdouts in the City. We have
21 tried to let the vendors regulate conduct and do
22 their own enforcements. Obviously, that has not
23 happened. What we need is, across the strip -- 60th
24 Street isn't as inundated with vendors as is 52nd
25 Street. But what we want to do is, when we get the

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2 lots from SEPTA at the end of the project, then we
3 can make the lots available. We're looking into
4 also making one side of 52nd and Ludlow available.
5 And once we have parking, then we can use the meters
6 that are already there, or see if that works best to
7 allow people to shop on 52nd Street to allow the
8 businesses to -- to allow people to shop, to allow
9 people to park, to open up the street. Then you can
10 have vending. Parking has been the issue. And now
11 that it looks like we'll get some lots, we can
12 regulate and organize vending.

13 We have told the vendors many, many
14 times we would do this. You will remember a few
15 years ago, we closed it down, got rid of the
16 graffiti and reopened it. We've asked the vendors
17 to make sure that they clean up at the end of the
18 day. It doesn't always happen. And so we are going
19 to end up with vendor regulation, but I don't think
20 we can do it until this project is completed. Once
21 the project is completed and we have the parking
22 lots, then we can introduce vendor legislation that
23 will clear up the area with the vendors and
24 obviously with the business community.

25 MS. GARRIS: I also want to inject that

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2 I'm concerned about the buildings on Market Street
3 with the structural foundation, with the magnitude
4 of construction that's going on, they have dug down
5 up to 50 feet and it does have some type of effect
6 on the structural buildings. I don't know what
7 SEPTA will do or has done to alleviate this problem
8 or fix this problem after the construction is over.

9 COUNCILWOMAN BLACKWELL: We want SEPTA
10 to respond to that, in terms of the foundations of
11 the existing businesses.

12 Thank you.

13 MR. TEPPER (ph): My name is Jack
14 Tepper. I work with SEPTA. I'm the Deputy Director
15 of the Blue Line Structures Project. I'm happy to
16 hear that we question. It's a very valid question.
17 The foundations that we are installing on Market
18 Street do go down as far as 45 feet. What we've
19 done is, we've taken a video survey before work
20 started of all the properties along Market Street to
21 try to get a pre-construction status or a record of
22 what's out on Market Street.

23 We will also be requesting individuals
24 to allow us to enter their property, if they so
25 wish, so that we would take pictures and also do a

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2 physical survey of their properties. In that way,
3 if there are any damages or any issues that arise
4 from the foundation installation, we would be able
5 to address them, either through insurance or through
6 our contractors.

7 COUNCILWOMAN BLACKWELL: So we've
8 learned if we can adopt the report made by Mr.
9 Traylor we will have a regular system for this. But
10 we hear today -- to all the business folks here,
11 that we can have our businesses inspected so that if
12 anybody's foundation has been undermined, then SEPTA
13 has to be responsible for that and all that that
14 implies. That is a legitimate question. We really,
15 really worry.

16 We hope that you will keep in touch with
17 me. Once we have this system in place that Mr.
18 Traylor outlined and the regular reporting back to
19 the businesses, it will be easier. Until that's
20 done -- and we're going to ask again that SEPTA
21 respond before the day is over to this, as well as
22 to Mr. O'Connor's issues. Please get in touch with
23 me, or this is Lisa Snead in my office, my Special
24 Projects Director. Make sure we have your address
25 and your number. Until we have a system in place,

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2 we will monitor it.

3 Thank you.

4 Thank you, Ms. Garris.

5 Mr. Pak, identify yourself again --

6 MR. PAK: Same history.

7 COUNCILWOMAN BLACKWELL: Thank you, Mr.

8 Pak.

9 He says his record in history is the
10 same, and he understands the problems.

11 Mr. English.

12 MR. ENGLISH: Good morning, Councilwoman
13 Blackwell, Councilman Nutter and the rest of City
14 Council. My name is Cliff English. I'm retired
15 from Verizon. I have businesses on Market Street.
16 I'm also the founder of the West Market Village
17 Association. I have a few points to make this
18 morning.

19 First, before I took my retirement
20 income and invested it into the second business,
21 which is Village Dollar Store, I asked SEPTA about
22 the impact of construction in the area. They
23 assured me that one lane each way would be kept open
24 for traffic, so I didn't that would be too big a
25 risk to go and invest my money into the business.

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2 When I then asked -- when they finally closed all of
3 Market Street down and business dropped in half, I
4 went to them and asked them why would do they do
5 this? Why would they intentionally mislead someone?
6 They said it wasn't intentional. They said they got
7 permission from the City to close the whole street
8 down. For their safety reasons, it's a lot more
9 convenient for them to work with no lanes at all.
10 And that's totally killing us. I don't know how
11 they expect any business to survive five, six, seven
12 years without any drive-by traffic. It's just too
13 much for any business to have to bear.

14 I'm so grateful and thankful for
15 Councilwoman Blackwell and Nutter for all the help
16 that they're doing to come to businesses' aid,
17 because it was looking pretty dismal to us. I don't
18 know what they expect. And the attitude I've been
19 getting from SEPTA has just been appalling too.
20 It's just like they don't care about things. The
21 only thing decent I've seen them do so far is with
22 the Baker Administration. They put them to assist
23 us and they try to do all they can with the limited
24 money that they seem to have. They don't seem to
25 have enough money to do what we consider even basic

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2 things for us. When we asked for flyers for
3 everybody, they had to consolidate that and do
4 something different. We need billboards and
5 posters. We need everything you can get when you
6 close a street down. We need everything that can
7 possibly be done for us because the only customers
8 you get now are the neighbors that have already been
9 to the store. They like your business and they want
10 to go out of their way and tread through this mess
11 to get to you. That's no way to have to run a
12 business, just counting on the neighbors. That's
13 why we put up the big signs, for all the traffic
14 that goes on Market Street. Before, you put a sign
15 up and they look and say, "Oh, there's a dollar
16 store, let me stop and get this. Or there's a beer
17 distributer, let me stop. Or I can get my hair cut
18 while I do this." I mean, we have all the services
19 there on Market Street and nothing is being able to
20 be realized because they totally cut the traffic
21 off.

22 And they say that we can't do it. We
23 can't do the one lane thing. I've taken pictures of
24 it where they had to leave a lane open, like for
25 Andy's shop, which is in the middle of the block,

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2 like mine is. They have skilled technicians.
3 They're not hiring no dummies and retards there. I
4 watched them work around their vehicles. They put
5 their vehicles inside this safety area and they work
6 the big equipment around and they drill all their
7 holes. But when it comes to our vehicles there,
8 it's a safety problem. It's this. It's that. I
9 say, they can do it. And I say we need them to open
10 one lane. Don't just kill us for some beautiful
11 project that we won't be there to see. I mean, who
12 is this supposed to be benefiting? Just keep the
13 businesses you have there. Let's work together. We
14 understand sometimes there may be a position where
15 you have to close one side or the other. But that's
16 not the case all the time. Any time the street can
17 be opened, we need it open. I don't think that's
18 too much to be asking.

19 The other thing that really bothers me,
20 and it doesn't directly affect me, it affects my
21 customers and the community at large. When they ask
22 them about the escalators at 60th Street, they said,
23 no, point blank, "We're not going to repair them.
24 At the end of the five-year project, we'll have a
25 new elevator."

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2 And I'm saying, "Well, how about seniors
3 now that can't get up the steps? They have to walk
4 the two blocks and then take the bus because the
5 escalator is not working."

6 "Well, it costs too much. It almost
7 costs \$600,000 to fix the escalator."

8 I don't care what it costs. You got
9 500-and-something million dollars. Fix the
10 escalators. Let the seniors be able to ride like
11 everybody else. They pay taxes here. They've
12 supported your system for all this time, and you're
13 just going to stick it to them with that kind of
14 stuff. It really gets me upset even dealing with
15 it, especially the way they talk to people. How do
16 you tell somebody you're just not going to do
17 something when you're taking out money? We're the
18 ones that are paying them.

19 Again, I thank all Councilpeople for
20 letting them know what we think about it, and I just
21 wanted to add that.

22 Thank you.

23 (Applause.)

24 COUNCILWOMAN BLACKWELL: Thank you very
25 much.

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2 Not only do we pay, but we pay more than
3 anybody else in country. We pay.

4 And let me say that we're back to Mr.
5 O'Connor and the issue of the escalator. So it
6 seems to me that SEPTA needs to either repair the
7 escalators or provide buses. You can't have it two
8 ways. And we need the buses anyway. That might be
9 one way you can accommodate both interests at one
10 time. So again, we're going to ask SEPTA to respond
11 to those issues before the end of the day.

12 Let me say to all who are here that we
13 introduced this Resolution on October 3rd. We have
14 tried to allow SEPTA time to try to reconcile some
15 of these problems. Obviously, it didn't happen, and
16 so we're having this public hearing to put them on
17 notice and to formalize all of this. All of the
18 times we've all walked through the community, we've
19 met at corners, we've talked with everyone, and here
20 we still are and we've got to do something to
21 improve what's happening out there on that project.

22 We thank you all. All of you
23 presidents, we thank you for all you do, all you
24 give, and we're going to try to get something done.

25 Thank you very much.

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2 (Applause.)

3 COUNCILWOMAN BLACKWELL: Reverend

4 Barnes, will you come forward? We thank you very
5 much. We know that you have been through a lot.
6 Your church is right there. You've worked so hard
7 to try to do so many outreach activities with the
8 youth, try to have food projects, try to have
9 programs. You close off the street every year,
10 clean the street, everything to try to accommodate
11 the community and try to assist SEPTA. But
12 obviously, we're still having these concerns. We
13 thank you very much. Thank you for all that you do.

14 Please identify yourself for the record
15 and begin. Thank you.

16 MR. BARNES: Good morning, Councilwoman
17 Blackwell, and all other City Council
18 representatives who are here. My name is Joseph
19 Dewitt Barnes. I'm the Pastor of the Christian
20 Faith Baptist Church. We're located at 6014 Market
21 Street. I've been the pastor of the church for the
22 past 10 years. I'm a charter member of the West
23 Market Village Association. I am also a supporter
24 of the 60th Street Merchants' Association. In fact,
25 we work with all of the business associations in the

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2 area. I have three points to make.

3 Number one, for the past 10 years at
4 that location, we have not had any break-ins or
5 burglaries in our church. In fact, we have enjoyed
6 a very good relationship with the surrounding
7 neighbors and neighborhood community groups.

8 Two months ago, in March of 2003, our
9 front door was smashed in, in an attempt to enter
10 the sanctuary. One day later, the second attempt
11 was successful when the burglars had to come in the
12 church by way of the bolted sidewalk trap door.
13 They had time to wheel heavy bolt cutters without
14 witnesses because construction fences obstructed the
15 view to residences and nighttime foot and vehicular
16 traffic, meaning that these young men or persons had
17 plenty of time to do what they needed to do to get
18 inside the church. Our computers, printer, fax
19 machines, scanners were lost, and the sanctity of
20 our house of worship was violated.

21 We believe that, as probably mentioned
22 earlier, that some type of strong halogen lighting
23 on the construction site at night and less
24 construction sprawl will improve the security for
25 the neighbors, businesses and the construction

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2 materials. We want SEPTA police or community-based
3 monitors to provide a presence that would deter
4 potential security breaches.

5 Now to a few more important matters.
6 When the construction is going on in the area, my
7 parishioners cannot get to church. Our current and
8 future work with those in drug and alcohol recovery
9 is severely compromised. Not only drug and alcohol
10 programs, but youth ministries, single ministries,
11 food ministries. All of the ministries of the
12 church are compromised because members of the
13 church, visitors or those who are affiliated with
14 the church have been used to driving up right in
15 front of the church along Market Street, parking
16 their cars and walking inside the church. Seniors
17 are dramatically affected by the construction.
18 We've had seniors who have tried to do every type of
19 -- made every type of alternative move to get to the
20 church. Folks have been dropping them off at the
21 corner, walking them to the church two blocks. But
22 after a few weeks or months of that, cousins, nieces
23 and nephews get a little tired of walking grandmom,
24 grandpop two and three blocks to get to church.

25 The church works to save people's lives

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2 more than any institution in the community. We do
3 not exist to save SEPTA money. We cannot sacrifice
4 our mission today or in the future for the sake of a
5 new train, because a new train does not save
6 anybody's life. That's the church's response. We
7 support everything that everyone on the block is
8 trying to do, business owners and community groups.
9 We support everyone. But the church is different
10 than the businesses. And at some level the church
11 has to be handled in a separate way. My hope is
12 that we can talk about how that can occur.

13 There was a response that came from one
14 of the SEPTA representatives saying that federal
15 dollars for assistance may not be available for
16 religious organizations. So I asked them to go back
17 and find out how we can get around that. Because
18 the church is the church. In the future when the
19 train is finished and work has taken its toll on
20 businesses and the community, we'll find that the
21 church's work has been delayed. What value is it
22 for me to put together a five-year growth and
23 development plan for the church for the increased
24 membership? In fact, what value is it to put
25 together any type of plan for the future in any of

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2 the ministries of the church, if we can't guarantee
3 that folks have access to get there? In fact, who
4 wants to drive to a church anyway that's bombarded
5 with dirt and noise and litter, loss of security and
6 decreasing membership? Yes, we have evangelism
7 efforts. We have outreach events. The church does
8 a lot to reach out to the community. But with
9 construction going on, the outreach efforts to
10 increase membership or to sustain the work becomes
11 in vain. We can do all of the evangelism. We can
12 stand on the streets and minister to people on the
13 corners all day and all night. But who's going to
14 come? If I'm outside of the neighborhood, and they
15 find out that there's no parking available. They're
16 not going to come to Christian Faith Baptist Church,
17 let alone come to any of the businesses on that
18 strip. We're not the only church in that area. I
19 don't know how much of a survey was done by SEPTA.

20 I've heard everything today talking
21 about how they surveyed the businesses. And most of
22 the responses meet the needs of businesses, and it
23 makes sense. But a lot of what they responded to
24 today, in terms of how they're going to fix the
25 problem, don't meet the religious community's needs.

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2 You have to deal with that differently. It must be
3 a different plan.

4 Now, I'm supposed to put on hold a
5 five-year plan until the construction is completed
6 four to six years from now. Someone said 2007.
7 Somebody else said 2008. Someone said that it might
8 be delayed even more than that. You never know what
9 they're going to find as they continue to build and
10 to dig in the ground. And a new train is not going
11 to solve all of the problems.

12 The only thing that grows a church is
13 strong, clear visions, a plan and evangelism
14 outreach efforts. Those efforts are minimized
15 without technical assistance from hired consultants.
16 The church has affiliates, organizations that they
17 associate with in the religious community. But
18 these issues of construction need technical
19 assistance from people who have the expertise to
20 deal with religious organizations. We can increase
21 membership. We can do those things with technical
22 assistance that's been given some real thought.

23 In closing, if you take a vote today
24 among business owners, I believe you'll find that
25 the efforts of the consultants have been good.

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2 They've been good, but the results have been dismal.
3 If the goal for businesses on Market Street is to
4 maintain a strong customer base, we expect to work
5 along with those business owners, community leaders,
6 politicians, the Commerce Department, to make that
7 happen.

8 Councilwoman Blackwell had mentioned
9 earlier that every year for the last four years,
10 from 1999 until now, the church has done an outdoor
11 evangelism festival. When we do that outdoor
12 event -- Councilman Nutter is familiar with that.
13 You talk about putting people on the street. We
14 organize that event each year with church leaders,
15 preachers and pastors, community leaders. All the
16 businesses on the strip donate to the event. Block
17 captains, ward leaders all come together every year
18 at the end of September, and we do this festival.
19 The first year was very successful. The second year
20 was very successful. Last year, less successful.
21 It was successful, but less because of construction.
22 The first two years we put a general estimate of 10
23 to 15,000 people came through that day for those
24 events. We start early in the morning and we go
25 until the sun goes down.

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2 If you're looking to put people on the
3 street, I'm going to ask that City Council, SEPTA
4 and all three business associations become permanent
5 sponsors of the event, both now and in the future,
6 as a way of keeping people coming to Market Street,
7 not once a year, but maybe twice a year in the fall
8 and in the spring. It will take less dollars than
9 what you might be spending now on all of the
10 consultant fees. You talk about people on the
11 street keeping them coming to Market Street.

12 There are other concerns. I like what
13 I've heard today from Council. I like what I've
14 heard today from the Commerce Department in terms of
15 solutions. The only thing we are interested in
16 today is solutions. The problems have been there
17 for some time. I'm asking that Council and all who
18 are involved will take serious considerations to
19 some of the solutions.

20 Thank you for that time.

21 (Applause.)

22 COUNCILWOMAN BLACKWELL: Thank you very
23 much, Pastor Barnes. That was an excellent
24 presentation. Certainly we're happy to join with
25 you in this bi-yearly festival. We're always happy

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2 to be with you during that day. It's always a
3 great, great day. Last year, yes, in spite of all
4 of that, you all still cleaned the whole area and
5 everybody had a great time in spite of all the
6 construction. But certainly we will ask SEPTA. I'm
7 sure that they will join in partnership in
8 sponsoring this affair. And they say yes.

9 MR. BARNES: Councilwoman Blackwell, I
10 want to thank you for that. Because we had to move
11 down the street, if you remember last year.

12 COUNCILWOMAN BLACKWELL: I do.

13 MR. BARNES: So if there's an area --
14 and I'll be talking with the business associations,
15 because where there's an area where there's not
16 construction going on, we found that it was easy to
17 move down the street or up the street on Market
18 Street. The City Streets Department has been very
19 flexible with us in allowing us to get the permits
20 necessary to go either up or down. If the
21 construction was right in front of our building, in
22 the 6000 block, they allowed us to go to the 5900
23 Block. I think Brother Wadell from Councilman
24 Nutter's organization had suggested a couple years
25 ago that we do the festival at another level where

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2 we take some of the cross streets also. Denise
3 Garris does parades on 60th Street. We've worked
4 along with her on 60th Street. And if we have
5 something on Market Street, we've talked about
6 coming together and doing one larger type of event,
7 which would take in 60th and Market, and that way
8 you have more of an Odunde day type of celebration
9 going on. But I just want to thank you.

10 MS. JONES: I'd just like to add, if in
11 fact -- whenever there are events going on in the
12 community of whatever scale -- because generally
13 they're going on on weekends, Saturdays or Sundays.
14 And when we're notified in advance, we can
15 arrangements to make areas accessible, particularly
16 for Reverend Barne's event. So we are amenable to
17 working along with community-based organizations or
18 whomever is having an event in the community to make
19 sure that the area is accessible.

20 COUNCILWOMAN BLACKWELL: We're also
21 asking for Reverend Barnes -- he mentioned the
22 faith-based community having special needs, and
23 we're asking SEPTA to provide, as you said you did
24 for the community, the technical assistance they may
25 need, number one.

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2 MS. JONES: In fact, let me just say
3 that Jim Baker will take off his MBA hat and put on
4 his Reverend hat to be able to provide technical
5 assistance to Reverend Barnes, because he is a
6 pastor and has been trained and is able to provide
7 that technical assistance also.

8 We've been working with Reverend Barnes
9 on an ongoing basis with -- and have participated in
10 his events, his yearly events at some level. We are
11 not in a position to do a monetary sponsorship or
12 donation, but we provided in-kind services and have
13 worked along with his organization and will continue
14 to do so.

15 COUNCILWOMAN BLACKWELL: Speaking of
16 monetary assistance, we're asking -- he admitted
17 that never before have they had break-ins or
18 burglaries. Now, doesn't SEPTA have insurance or --
19 it seems to me that he's owed something, that the
20 church is having these problems due to this project.
21 Doesn't SEPTA have something in their contract that
22 makes him whole after the church having to endure
23 all of this?

24 MS. JONES: We will have Jim Baker talk
25 with Reverend Barnes after the hearing to get his

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2 information.

3 COUNCILWOMAN BLACKWELL: And we're
4 certainly making that one of the issues that we
5 would like a response to before the end of the day,
6 because it seems to me that, if the church
7 experienced these burglaries that have never before
8 happened because, obviously, we need lighting and
9 policing, that certainly Christian Faith and that
10 entire community is due something. And we're asking
11 that probably you can have your attorneys or
12 whomever respond to that so we have a legal response
13 as to what Reverend Barnes -- whether or not he can
14 be made whole. Because it's obvious that he should
15 be made whole because it's just too hard. People
16 are suffering. It's not their fault. It's just too
17 hard, and they deserve at least some kind of
18 remuneration for the suffering they've endured and
19 to help them with the church building.

20 MR. JONES: The last two community
21 meetings, prior to that, we heard from the
22 businesses on Market Street, that because it was so
23 dark and desolate, and that the lighting on the
24 structure was inadequate. And we determined that a
25 lot of light prior to the construction did come from

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2 the cars. So we put together -- and in fact,
3 Councilman Nutter at the meeting that he had
4 contacted the Police Commissioner and the captains
5 of all the district and had representatives at that
6 meeting so that we could hear the complaints and the
7 issues and the problems that were occurring in the
8 community.

9 In addition, the team meetings that
10 we've had, we've had the community relations people
11 from all of those districts in the property area
12 attend also, and they had presence also at your
13 meetings. So we're trying to coordinate with the
14 local districts to make sure that the captains are
15 aware of the problems that we're experiencing on
16 Market Street, as well as coordination with the
17 Transit Police.

18 COUNCILWOMAN BLACKWELL: Well, we don't
19 believe that's adequate. We have Mercy Health West
20 Philadelphia Special Service District. They're
21 community people you can hire who are able to be
22 there. Certainly SEPTA can make sure that it is lit
23 up enough so that people don't feel that they're in
24 danger. That affects shopping on the strip, as
25 well. But we have a special services district right

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2 there in the community. We don't understand why you
3 can't hire people to do that. Hire people to make
4 sure -- we all know that if it's lit and people are
5 there, crime doesn't happen. But if it's dark and
6 there's no accessibility, people have problems. So
7 again, we don't believe -- the police respond to
8 emergencies. They're always there for us. We have
9 an excellent relationship with them. But nobody
10 wants to pick up the phone and call 911 or call a
11 police district because they're in the process of
12 being burglarized. We have to have a preventive
13 arm because nobody here, none of the businesses
14 asked for all of these problems due to trying to
15 have a new El project. So we need a preventive
16 program in advance, which means we have to have
17 people who are there. And we already have a CDC
18 that has a special services district. We have a
19 vehicle through which we can hire people who live in
20 the community to try to protect it. So that is one
21 of the other issues that we will ask SEPTA to
22 respond to before we end.

23 Councilman Nutter.

24 COUNCILMAN NUTTER: Thank you, Madam
25 Chair and Mr. Chair. Councilman Goode is chairing

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2 the Transportation Committee.

3 On that particular issue I just had one
4 thing I wanted to ask, if it was okay.

5 The SEPTA representative, it's in
6 concert with the point that you raised. First,
7 whether it's with regard to the CDC or even West
8 Market Village Association, we did have a
9 conversation out at 63rd and Walnut and talked about
10 this whole issue of, kind of a different version of
11 community policing, where there should be discussion
12 and then implementation of an opportunity to hire
13 people in the neighborhood to monitor what's going
14 on down at the site, daytime and nighttime. Provide
15 additional level of service. Again, a lot of ideas,
16 a lot of conversation and no implementation leads to
17 frustration and a disbelief that anything is going
18 to happen. That meeting was two or three weeks ago.

19 MS. JONES: Two or three weeks.

20 COUNCILMAN NUTTER: Do you have results?

21 MR. JONES: No, we don't.

22 COUNCILMAN NUTTER: You talked about
23 community advisories and flyers and some kind of
24 newsletter to convey information, all of those kinds
25 of things. Councilwoman raised the issue about

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2 lighting. Well, we know that it's dark out there
3 and we you know that you check the lights and
4 everything that's out there is working.

5 Unfortunately, because of lack of traffic, it is
6 inadequate. The response I received two weeks ago
7 was, "We checked the lights. They all worked. Be
8 happy about it."

9 Now, you did put on the record earlier
10 today that there are continuing conversations. The
11 question is, again, when? I mean, this is not --
12 there's no incredible design element to running a
13 string of lights down the center of Market Street
14 and attaching them to the superstructure.

15 MS. JONES: And that's what we're
16 working with the Streets Department to do.

17 COUNCILMAN NUTTER: I understand that.
18 What we need is for these kinds of issues -- and I
19 think the only thing that's going to lead to any
20 repair, possibly, of a relationship is concrete
21 deadlines for when certain things are going to be
22 done. So we know that you're working on the
23 lighting issues, somebody needs to say, "By May,
24 whatever, they're going to be up and working." Then
25 people can -- they'll judge you based on that. And

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2 if you meet the deadline, they'll say, "Hey, they
3 said they were going to do it, and they did it."
4 And you can just keep going down the line with that
5 stuff.

6 With regard to -- the Reverend made
7 mention of the whole issue of the Church and whether
8 the Church can get money. You know, at least on the
9 national level, we certainly know that when the
10 federal government wants to give churches money,
11 they go through incredible gymnastics and jump every
12 hurdle and hoop to figure out how to support
13 faith-based initiatives when it's in their interest.
14 Now all of a sudden we can't do anything with
15 churches. So I think we need to re-examine that
16 whole issue.

17 But beyond that, have you determined any
18 estimates to -- we talked about financial relief for
19 the businesses in the community. Has SEPTA looked
20 at this issue from a "if we had the dollars
21 available, it would take X amount of money to try to
22 provide some amount of relief to the businesses out
23 there." Have you done any of that kind of work?

24 MS. JONES: Yes, we have. We started on
25 that probably about four or five months. We

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2 understood the issue with the businesses and we've
3 been having ongoing discussions with Congressman
4 Fattah's office to identify -- and it is a line item
5 in the appropriation, some dollars to provide.

6 COUNCILMAN NUTTER: What's your estimate
7 on what a pool of distress relief dollars would be?
8 How much?

9 MS. JONES: Somewhere around
10 \$4.5 million.

11 COUNCILMAN NUTTER: And what are the
12 efforts to get to that money?

13 MS. JONES: We're continuing dialog and
14 conversations with the Congressman's office to have
15 it included in the budget so that we can have
16 dollars available to provide relief to businesses.
17 But it's an ongoing process. And we've had meetings
18 and conversation with him in that regard.

19 COUNCILMAN NUTTER: Well, I understand
20 that. And I'm certainly no expert on the federal
21 budget process, but I think they're in October 1
22 September 30th cycle, so at best you'd be looking
23 something in the post-October time period --

24 MS. JONES: Yes.

25 COUNCILMAN NUTTER: -- I'm assuming,

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2 unless there's some other special dissertation.

3 MS. JONES: Yes. Or as soon as we get
4 the information.

5 COUNCILMAN NUTTER: What contact or
6 conversation has there been with our City Commerce
7 Department or PIDC or any of our other various
8 agencies? I mean, this is an economic development
9 issue. We're talking about the potential
10 termination of a variety of businesses. Now, when
11 we have businesses that we think are going to move,
12 we'll jump out of a second-story window to try to
13 put every possible package we can in front of them
14 to assist them in retaining those businesses. And
15 it seems to me that, at least from a City side, if
16 not from a State side, and given the fact that SEPTA
17 is actually a State authority, some combination of
18 City and State response to a business retention
19 problem. It's not that they're trying to move to New
20 Jersey. It's that they may just literally go out of
21 business. No one's playing a game here. We've
22 actually had people act like they were thinking
23 about moving. We give them what they want, and they
24 had never even contacted a moving company. These
25 folks won't need to contact a moving company. They

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2 just won't come back one day, and that's going to be
3 the end of the conversation. So I'm asking you,
4 what avenues have you explored? In a similar
5 situation, if we have distressed businesses, we
6 start putting dollars on the table -- I know the
7 City does. I know that this is a capital project.
8 What was that total again, \$567?

9 MS. JONES: \$567 million.

10 COUNCILMAN NUTTER: \$567 million. If I
11 know construction projects like you know
12 construction projects, one, you're not going to
13 spend \$567 million, because within that budget you
14 probably have, at a minimum, a 10 percent
15 contingency.

16 MS. JONES: We're probably going to
17 spend more than that at some point.

18 COUNCILMAN NUTTER: So you're at least
19 going to spend that. But all of those budgets
20 usually have a contingency in them, which you may or
21 may not actually use. So the total dollar amount,
22 whatever the total is going to be, there are always
23 some dollars set aside because some of the contracts
24 are going to come in a little higher, some are going
25 to come in a little lower.

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2 (Applause.)

3 COUNCILMAN NUTTER: And I understand
4 because they're capital dollars you may not be able
5 to do distress relief. On the other hand, SEPTA
6 does have its own operating budget. And you have to
7 anticipate in this project that you're going to
8 these issues. You also have no way of anticipating
9 -- although you can estimate -- for instance, how
10 many accidents you're going to have with buses and
11 trolleys and trains and other claims against the
12 system. It's all an estimate. And when you have to
13 pay, you pay. You're now in a situation where bad
14 things have happened or are in the process of
15 happening. And when people make their claims, you
16 always figure out how to pay them.

17 We're in the same kind of distress
18 situation. The system has got to identify some
19 amount of funding. And I appreciate you going after
20 the 4.5, and if we can get it all out of the Feds,
21 that's wonderful. But if that doesn't happen,
22 somewhere between the system, the State and the City
23 of Philadelphia, some pool of dollars have to be
24 identified for relief, and they have to be
25 identified soon. Because the federal process is

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2 long and generally convoluted.

3 MS. JONES: I need to say on the record
4 that we've had ongoing conversations with PCDC and
5 will continue to have ongoing conversations with
6 PCDC, Philadelphia Commercial Development
7 Corporation, because their charge is to deal with
8 small minority and female business owners, and
9 particularly on commercial corridors such as 52nd,
10 60th and 63rd. I think 52nd and 63rd -- I think
11 60th Street also -- are one of the corridors --
12 those corridors are corridors that they deal with.
13 It's my understanding that at some point there were
14 dollars that could be used for transportation-like
15 activities; however, at some point those dollars
16 frozen. We are working with PCDC currently to
17 figure out a way to have those Department of
18 Transportation dollars liquid so that we can have a
19 relationship with PCDC to help the distressed
20 businesses.

21 COUNCILWOMAN BLACKWELL: Councilman
22 Nutter, we don't want to interrupt, but we have a
23 lot of people testify. And Councilman Cohen has
24 judges in the hallway ready for his one o'clock
25 hearing.

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2 COUNCILMAN NUTTER: I'm about to exit
3 myself. But I did want to find out why they
4 couldn't do a contract with the CDC, for instance.
5 So if you could check into that, I'd appreciate it.

6 COUNCILWOMAN BLACKWELL: Okay. Yes.

7 COUNCILMAN NUTTER: Thank you.

8 Thank you, Madam Chair, and Mr.
9 Chairman.

10 COUNCILWOMAN BLACKWELL: Councilman
11 Nutter, thank you very much.

12 Thank you, Pastor Barnes. .

13 Please identify yourself. Thank you.

14 Thank you all for your patience.

15 MS. MCGREGOR: Good afternoon,
16 Councilwoman Blackwell, Councilman Cohen, Goode and
17 Councilman Nutter. My name is Deborah McGregor. I
18 am a retired physician with a masters in public
19 health. I live in West Philadelphia near the 63rd
20 and Market Station. I have companies that service
21 health needs statewide. I have one client that
22 deals with global nutrition. I do my work on the
23 Internet and by long-distance phone. I'm not
24 impacted directly by the obstruction of traffic.
25 However, my neighbors have allowed me to speak today

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2 because of a unique perspective I have.

3 In 1997, I was working as a physician at
4 Frankford Hospital when the El construction was
5 going on. I worked at Work Health. It was street
6 level. The construction project was in front of our
7 door. Our patients, our clients, were required to
8 come to the door of that facility by rail, car,
9 ambulance and by foot. For the entire year of
10 1997-1998 we had no problems servicing our
11 clientele.

12 I've also been the Commissioner of
13 Health of the United States Virgin Islands. In
14 1987, I had to assess the hospitals for contract
15 fraud. In doing so, we required a forensic
16 assessment of work done. That meant that all of the
17 subcontractors and the contractors had to report
18 their scope of service. We had the forensic firm
19 compare what they promised to do and what they did
20 and how much it cost. We found out we had
21 \$10 million worth of hospital for \$60 million in
22 funding. And I went after the \$50 million that
23 didn't show up in construction. So that word,
24 "forensic assessment," I'd like to be a major part
25 of my presentation.

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2 We've also recognized that if, in fact,
3 there were funds available, we would ask, as a
4 business community, for a different array of
5 services than are being provided by current
6 consultants. I commend the work of Baker Company,
7 their field team, Michael Tucker and Carol Smith,
8 and their president, James Baker. What we have
9 seen, however, in meetings is somewhat of a
10 flat-footed, tin ear approach to marketing, to
11 providing services specific to the business needs,
12 and we would like a review of the scope of services
13 of the communication companies that have been
14 providing services.

15 The final point is I have provided a
16 proposal to support any company providing services
17 to the businesses. And to this date, I have not had
18 a response to the proposal to assess the needs of
19 companies that may be either doing well and need
20 just a little help -- we put that in the green
21 category. Struggling, but may be able to hold on.
22 And then what we found out one consultant calls,
23 "obsolete businesses," meaning that somebody has
24 already made the decision that these businesses are
25 not worth saving. We don't want the cherry picker

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2 phenomenon, where the good businesses are held and
3 the others are kicked to curb by a construction
4 project that makes it easy for the land and the
5 "business of the week" business to be speculated or
6 to be purchased or to used by people waiting in the
7 wings.

8 We would like the City plan for West
9 Philadelphia to come to the table now so that any
10 dollar spent for signs, frontage, security can be
11 used as a beginning point for the next dollar that
12 will come at the next SEPTA project. So no dollar
13 would go wasted because someone doesn't have the
14 bigger vision. We would like that vision to reside
15 with Council or with a Council-determined commission
16 so that somebody keeps up with the plan that
17 involves both the businesses and the community.

18 In summary, we want a forensic
19 assessment of the work already done. We'd like to
20 know what was promised, what was delivered, what
21 they paid for it and how much is left in the budget.
22 For the next wave of contracts being given, we want
23 community involvement so that the community and the
24 businesses can determine their needs. This is not
25 an issue of loco parentis. These are mature

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2 businessmen who already have businesses who do not
3 need to have help with a beginning set of services.

4 And finally -- and I'm going to
5 represent the community by saying this -- there are
6 young people in that community who will ask for me
7 jobs this summer. They will want to sweep, clean,
8 paint, deliver brochures and the like. They are not
9 affiliated with a formal organization. But there is
10 no consideration for the seasonal needs of the
11 community, as it relates to the snow, when this
12 pregnant woman had to walk across snow drifts to get
13 to the ambulance to deliver her baby. There was no
14 consideration or any consideration for the trash
15 pick ups. When people who live in the middle of the
16 block cannot get their trash to the end of the
17 block, and it looks as though we don't care, and we
18 really do. And finally, for the children who will
19 want summer jobs who will be underage, who will not
20 be assigned to another organization, and the
21 neighborhood will have to pay them the \$5, \$10 or
22 \$15 it takes to keep them engaged.

23 I thank you for the opportunity to
24 represent a very honorable neighborhood, a very
25 honorable group of businessmen. Thank you, again.

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2 (Applause.)

3 COUNCILWOMAN BLACKWELL: Thank you very
4 much. We are happy to -- we are requesting that you
5 submit us a copy of your proposal. We will ask
6 SEPTA to respond to the forensic assignment portion.
7 We're happy to meet with the full community to talk
8 about the City's part of the plan. And also that,
9 if you get together for summer jobs, we'll meet with
10 SEPTA and we'll also ask the City Recreation
11 Department and any other area partnership. The West
12 Philadelphia Partnership is taking applications for
13 summer jobs, so we'll work with you on that. We'll
14 work with the partnership, West Philadelphia
15 Partnership and Recreation, for summer jobs. We'll
16 have a full meeting with the community to follow-up
17 on the City's part of the plan, and ask SEPTA to
18 respond to the forensic part. Thank you.

19 All right. Mr. Thurman, East Parkside.
20 And we have Anthony Fullard from the African
21 American Chamber of Commerce.

22 Identify yourself for the record.
23 Either one of you can begin.

24 MR. THURMAN: Councilperson Blackwell
25 and fellow Councilpersons, Mr. Thurman, East

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2 Parkside Residents Association.

3 The reason that we're here today is
4 because -- and I concur with all the testimony I
5 heard today regarding the 52nd Street El renovation.
6 We have a problem from 38th Street to Belmont Avenue
7 with the light rail construction of SEPTA for the
8 light rail trolley. It's a safety hazard in the
9 making. We've already had several crashes there.
10 Total regard for safety. Total regard for the
11 neighborhood. The only new signs they've put up is
12 in front of the zoo. Nowhere else on the 40th
13 corridor. As soon as someone gets killed there,
14 mauled -- and I have pictures of accidents that
15 already occurred there. It's improper lighting.
16 There's no markers there. The traffic needs to be
17 slowed down. There's 100,000 cars that pass that
18 corridor daily going to the suburbs. But nothing is
19 done. I've met with SEPTA several times. They
20 continue to do what they want to do.

21 In addition to that, over \$7 million in
22 capital subsidized assistance has come to that
23 project and not one job has been allocated for any
24 Section Three resident of the neighborhood. I'm not
25 talking about subcontractors that they have

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2 manipulated the numbers. I want to see actual Zip
3 codes stating that they're residents that have a job
4 there. Not one economically disadvantaged worker
5 has been placed on these job sites. And I think
6 with all this federal subsidized money that goes
7 into SEPTA through the City of Philadelphia -- and I
8 concur that, in fact, the CEO of SEPTA cannot even
9 address the public and the City Council. Why should
10 we subsidize these so-called improvements? In five
11 years we're going to get a rate increase. Most of
12 them don't even ride the buses.

13 (Applause.)

14 MR. THURMAN: We're talking improvement
15 for what? Standing in the bus line longer?
16 Ineffective transportation? It's not transportation
17 friendly. They talk about putting up canopies with
18 no rails. They talk about -- there's no access for
19 senior citizens, and we have a big senior citizen
20 population here. And I am here to put a notice to
21 the SEPTA that if federal government monies have
22 been allocated for the capital improvements for the
23 infrastructure and expansion of several SEPTA
24 transportation services, that I agree to veto all
25 that money. Let's put our teeth into it and stop it

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2 right now. Don't give them anything else until our
3 labor issues are satisfied, until our transportation
4 becomes transportation friendly, and we become the
5 users of a system that works for us. We work for
6 them now. They don't even want to show up to talk
7 to us about it no more. I feel insulted.

8 (Applause.)

9 COUNCILWOMAN BLACKWELL: Thank you, Mr.
10 Thurman. He represents East Parkside Residents
11 Association and Parkside Historic District
12 Coalition. Thank you very much.

13 The next gentleman is Anthony Fullard,
14 African American Chamber of Commerce. We work with
15 him regularly. He's always on the case, and we
16 appreciate his commitment in this area.

17 Thank you, Fullard.

18 MR. FULLARD: Thank you, Madam Chair and
19 Councilman Goode and also Councilman Cohen as well.
20 And also, Councilman Nutter, even though he isn't
21 here, but I really appreciate your efforts and
22 formulating this hearing, which I believe that is
23 long overdue. I don't know where do I begin. We've
24 been fighting this fight for, I will say about
25 two-and-a-half years, trying to bring some real

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2 tangible economic development with SEPTA to ensure
3 that African Americans and also minorities will be
4 able to benefit from this economic development.

5 Madam Chair, let me begin to say that I
6 feel the pain and also the insult to this Committee
7 and to our Council leaders for Faye Moore, who is
8 the General Manager of SEPTA, to not to be present,
9 no matter what her prior commitments were. We
10 received notices of this hearing well in advance,
11 and for her presence not to be here is unacceptable.

12 COUNCILWOMAN BLACKWELL: We totally
13 agree.

14 MR. FULLARD: And so I just wanted to
15 ensure that the African American Chamber of Commerce
16 was on record in saying that. We've had similar
17 problems with her before when we had devised
18 meetings with the Mayor, as well. We've had about
19 three meetings with the Mayor, with SEPTA at the
20 table. And I don't want to undermine the efforts of
21 Lillie Claitt, Frances Jones and also Cecil Bond,
22 who have been really receptive to all the things
23 that we have tried to do, but we are -- but we know
24 well that they can only do but so much because this
25 whole thing is steered by the board of SEPTA. This

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2 is where a lot of these issues -- and they are not
3 sensitive to the concerns of West Philadelphia.
4 They are not concerned about what our issues are.
5 And this has started from the very second bid with
6 Driscoll, when we had went to the board and when
7 they got reports back from their staff of how
8 Driscoll was reluctant to come to the table with
9 some tangible participation goals. They had to
10 almost pull Driscoll's teeth in order for them just
11 to reach those goals.

12 Now, I just want to add this here --
13 because I have a few points here, and then I have
14 some things that I would like to put on the table
15 for SEPTA to do.

16 First thing, you had about -- you had
17 the switch gear building package come out, you had
18 the ductbank package come out, and then you had two
19 guideway packages come out. All of these packages
20 have been awarded thus far. There's only one more
21 package left to be awarded, and that is the station
22 package. So I just want everybody to be clear on
23 that, that this station package which is set to be
24 let on the 9th, there are no more packages left to
25 be awarded. So SEPTA is moving on with their

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2 agenda. Out of the packages that have been awarded,
3 I know of about two packages that have had change
4 orders added to their packages once it has been
5 awarded. I know of one package, when they bid
6 the package, it was \$68 million. There was only one
7 bidder that bid this project, and it was 20
8 percent over the budget bid for that package. And
9 SEPTA still accepted that bid. So now they have to
10 pay 20 percent more for that. Then the Driscoll
11 package was added a change order and they received
12 extra money for whatever that change order was to
13 cover.

14 So we have to also be mindful, when they
15 say that they don't have money for our businesses, when
16 they don't have money for the accessibility for our
17 senior citizens and all, but they can always find
18 money to ensure that they get their project done.
19 They can always pay change orders for when these
20 contracts are let to ensure that they get their
21 project done. So I have a problem with that.

22 Also, we have been working with SEPTA,
23 as I said, for over two-and-a-half years -- but to
24 no avail -- to ensure that we have the right amount
25 of participation in West Philadelphia, to ensure

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2 that we have local businesses.

3 Now, another fact is, all of these
4 packages that were let are all owned by white male
5 contractors. Every last one of these prime
6 contracts went to white males.

7 Secondly, that a large amount of the
8 subcontracting work that is let out on these
9 projects goes to everybody else except local firms,
10 as far as Virginia. They go and find subcontractors
11 all the way outside of the City limits. So now
12 Philadelphia is not even -- they don't even benefit
13 from the economic development that is even being
14 spent inside their own City. And you have other
15 people from other places, other cities benefiting
16 from this economic development here. People that
17 even live here, have their businesses here, do not
18 even benefit from that. And this is in a large
19 scale. They will all the way as far as Maryland,
20 Virginia, down to -- I believe we even had some
21 contractors North Carolina doing work here in
22 Philadelphia. So we cannot even benefit from that
23 aspect. So that's a major concern.

24 To add to that, as far as the unions and
25 the labor. When we hear numbers about them meeting

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2 their goals, number one is, when you say union, when
3 you say union in this City, and you're saying that
4 this is a union job, number one, this is not a union
5 job. This is a prevailing wage job. But when you
6 say union, you are saying that this is exclusively
7 white males. Because white males make up the whole
8 constituency of the union labor. So when you say
9 that this has to be a union company, you are saying,
10 on the other hand, that this is only for white
11 males. Because African Americans and minorities
12 only make up about four or five percent in the
13 unions. So you are going to employ the majority of
14 white males. That's what you say when you say that
15 you have to go to the unions and you have to do this
16 with the unions. But that is not so, because this
17 is not union job. This is prevailing wage job. So
18 a subcontractor does not have to be union. He would
19 have to pay the prevailing wage on that job.

20 Also, when they bring forth numbers to
21 our Council leaders, and they say that we have
22 reached these goals, the large goals -- especially
23 when they're dealing with African American labor --
24 we are only speaking about just the labor trade,
25 which is the lowest paid trade on the whole union

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2 scale. So any other trade, such as electricians,
3 plumbers, mechanical workers, et cetera, none of
4 them represent any African Americans in those
5 trades. When they say that we have reached these
6 numbers, they are only speaking about the labor
7 trade, because that is approximately -- the labor
8 union has about 85 percent African Americans.
9 That's why. So there's another concern as well.

10 Now, you have the lighting problem
11 there, which as we see it that that is a prime
12 opportunity for one of our local electrical
13 companies that could solve that problem for SEPTA.

14 As far as the escalator problem, there
15 are many ways of how that can be resolved. They
16 have project lifts, elevator lifts, that could get
17 our people up to that level. They do that on all
18 job sites when they have multi-storied levels. They
19 have a specific elevator lift for that purpose.

20 Also, when -- there was mentioned that
21 the escalator parts could not been found. I really,
22 really would like to see those facts, and I would
23 really like to see which of those parts could not
24 either remade. There are machinists throughout this
25 whole tri-state area here that probably can make

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2 anything that you need made. So I really would like
3 to see more facts on that.

4 But as I have brought up, Madam
5 Chairwoman and our Council leaders that are before
6 me, there are a lot of concerns, these concerns.
7 And we were trying to head off these concerns
8 two-and-a-half years ago with SEPTA. I went to
9 Atlanta myself to bring a reputable African American
10 company here that would have been sensitive to all
11 of these concerns here. They did a Power Point
12 presentation two-and-a-half years. SEPTA said that
13 they could not consider that. They had people in
14 place. But here we are this day having hearings to
15 an ineffective operation that is going to include
16 people that should be included into this process.

17 What I ask from this Council right now
18 is for, number one, for us to really consider that
19 the El is a vital part of SEPTA, of how they
20 generate their money. The people that ride the El,
21 especially our African American women, ride that El
22 day in and day out, all weekend long, as well. We
23 do not have any representation on the board level
24 and we are the ridership that is on that system
25 there. I really think that the City really needs to

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2 look at what your legal rights are as to claim the
3 El and that system there of what you can use to say,
4 hey --

5 COUNCILMAN GOODE: Just to tell you, we
6 own the Frankford side. They own the Market Street
7 side.

8 MR. FULLARD: Okay. All right. Well,
9 whatever we own, we can claim that.

10 COUNCILMAN GOODE: We own the Frankford
11 side. They own the Market Street side.

12 COUNCILWOMAN BLACKWELL: Thank you. I'm
13 sorry that I'm rushing everybody, but they've got
14 people from out of town for another meeting. I'm
15 sorry. I didn't realize we were so tight in time,
16 but we've got to give everybody their respect.

17 MR. FULLARD: Councilwoman, I just have
18 two more things and then I just would like to --

19 COUNCILMAN GOODE: Mr. Fullard, can I
20 ask a couple questions?

21 MR. FULLARD: Yes, sir.

22 COUNCILMAN GOODE: Is there any formal
23 relationship between the African American Chamber
24 and SEPTA with regard to this project, in terms of
25 monitoring compliance? Are they formally involved

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2 in the African American Chamber in any way?

3 MR. FULLARD: No. All of this that the
4 Chamber has done thus far is volunteer. All of the
5 work, all of the going back and forth talking, we
6 don't receive one dime.

7 COUNCILMAN GOODE: I'm asking, is there
8 any formal share of information? Are you involved
9 in the pre-bid process, bid process, monitoring
10 compliance process?

11 Mr. Bond, can you approach?

12 COUNCILWOMAN BLACKWELL: Let's all try
13 to move forward quickly. We're really under
14 pressure.

15 MS. JONES: Probably three or four years
16 ago we set up an African American Chamber SEPTA
17 taskforce to determine and to review the issues
18 around small business and small business
19 development. In fact, that occurred in 1997. And
20 out of that we determined that there were some
21 concerns and some things that we could do; i.e.,
22 when the bids were let, that the African American
23 Chamber would be a part of the mailing that would
24 automatically get bids that come out.

25 We also determined at one point that

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2 they would get the bids electronically, by fax,
3 also. And that we would keep a communication going
4 with the African American Chamber to ensure that, as
5 much as we possibly could, that the playing field
6 would be level; i.e, making sure that they did get
7 the bid information. In fact, two-and-a-half years
8 ago when the contractors did come into Philadelphia
9 and we met with them regarding the Market Street
10 project, at that particular point in time, we gave
11 them the information about subsequent contracts and
12 bids that were coming down the pike. However, at
13 that point that company was more or less interested
14 in the program management contract, which had
15 already been let, since that was their area of
16 expertise.

17 COUNCILMAN GOODE: Thank you.

18 MS. JONES: Just one more point.

19 In fact, based upon conversations and
20 dialogs we had with the African American Chamber, we
21 did extend the bid for the most recent package that
22 is expected to come in on May 9th. And so we've
23 tried as much as possible, understanding the climate
24 and conditions, to work along with the African
25 American Chamber. I don't want to in any way taint

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2 Mr. Fullard's testimony in any way, but we'll
3 continue. We will have conversations and will
4 continue to work with groups to make sure that we do
5 what we need to do in a way that would be
6 representative of SEPTA and the community.

7 MR. FULLARD: Yes. And we do receive
8 notices. We are also plan holder that we do receive
9 plans from SEPTA. And we did ask for an extension
10 of the bid, and I would also request that before
11 this last bid package -- because it is the final bid
12 package -- is for that to also be held up one more
13 time so that we can do whatever we can to ensure
14 that this package represents the local contractors
15 and also prime contractors to give them the
16 opportunity to bid on this package here, okay.
17 Because I do get calls to extend it. But because
18 there are so much concerns, because there has been
19 so much money being let out with nine local firms, I
20 think that we need to do our due diligence to ensure
21 that we have done everything that we can to ensure
22 that our firms locally benefit from this package.

23 Also, we also would like for the
24 Committee to -- well, that was my request, that we
25 hold up that station package because that is the

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2 last final package.

3 And that will conclude my testimony,
4 Madam Chair.

5 (Applause.)

6 COUNCILWOMAN BLACKWELL: Thank you so
7 much, Mr. Fullard. I'm sorry to rush everybody.

8 Pat Evans, Mr. McKinley, we thank you
9 all for your patience. This has been excellent
10 testimony. We are going to ask SEPTA to be prepared
11 at the conclusion of these hearings, which will be
12 shortly, to look into these various issues and to
13 consider the report submitted by the Commerce
14 Department.

15 Thank you so much. These are my great
16 friends and community leaders. Thank you for you
17 work at Turner. Thank you for Bernice Arms, named
18 after my mom, for all you do.

19 Please identify yourself and begin your
20 testimony.

21 MS. EVANS: Can I defer to my
22 collaborative, and then I'll wind it up after his
23 statement?

24 COUNCILWOMAN BLACKWELL: Absolutely.
25 Mr. McKinley.

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2 MR. MCKINLEY: I'm Gregory McKinley.

3 I'm a member of the Angora Station Riders
4 Association, which is a small group of riders that
5 SEPTA identifies as the loyal riders of the Angora
6 Train Station.

7 The issue around closing the Angora
8 Station is very sensitive, and Ms. Pat will get into
9 that in more detail around our development issues
10 that we have in the community.

11 I'd like to thank this Committee and
12 this Council for inviting us here to speak on behalf
13 of our community.

14 The Angora Train Station is the number
15 one hub and the fastest piece of transportation that
16 we have around the 58th and Baltimore Avenue
17 transportation hub. It allows us to get into the
18 City within 17 minutes. There's no other way to get
19 into the City by taking the G Bus over to the El
20 when we have the El lying right in our own in
21 neighborhood. It's under-ridden, but it's
22 under-advertised by SEPTA. The key to the
23 advertisement was addressed in an earlier attempt to
24 shut down the train station in 1996 by SEPTA. They
25 claim that they did a marketing door hanger in the

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2 neighborhood in, I think, 2000 or 2001. A one-time
3 attempt to market something in the neighborhood is
4 really not an attempt at all. No one in the
5 neighborhood I know of actually will admit receiving
6 anything, because I'm not sure that it actually
7 happened. I haven't been able to receive the
8 materials upon request from SEPTA or the individual
9 at SEPTA, Harry Garforth (ph), who claims that this
10 was done. So I would assume that it really wasn't
11 done because somewhere along the line there would be
12 materials lying around that would represent what was
13 allegedly hung on these doorknobs. One other thing
14 that came up here today, Ms. Frances Jones mentioned
15 that she has worked with us in the neighborhood.
16 And she has, and I will commend her as a person.
17 But I couldn't give the same compliment to this
18 company called SEPTA. I think maybe we are closely
19 approaching the time that we may need to have SEPTA
20 sell itself off. They don't have the wherewithal
21 and they are steadily decreasing the ridership and
22 cutting stations and closing rails when we are
23 entitled parid to rail transit the same as everybody
24 else here in this region when we ultimately
25 subsidize it at our fare box.

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2 What we need from SEPTA is a commitment
3 to partnership with our neighborhood, partnership
4 wholeheartedly and not come to us at a last minute
5 necessity.

6 The hearing that we had in our
7 neighborhood was a last minute thought for the most
8 part because they didn't have a location and we
9 didn't receive any of the materials. For a hearing
10 that was on the 24th of April, we got the materials
11 on the 9th. That's basically when we got the notice
12 that the transportation was going to be cut at that
13 station. They want to close that station so they
14 can go by rapidly.

15 I have some material here that are
16 examples of flyers that -- I only got them off the
17 Internet when I became aware that the transportation
18 was going to be stopped at the Angora Train Station.
19 Everybody in our neighborhood is not going on the
20 Internet looking out for what's going to happen or
21 supposedly happen in our neighborhood under these
22 proposals.

23 One of the main things I would like to
24 say is, they allege that they do surveys and they
25 count people's heads as they ride on the train

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2 station. They had listed in the service plan as 25
3 riders with s 50 ridership as a minimum. I question
4 some of the counting and some of the techniques that
5 they used. It came out at the hearing that we had
6 37 riders. So that's very close to 50. With a
7 little bit of marketing, we could probably exceed
8 the minimum. The community is willing to do the leg
9 work. But some of the ideas have to come from the
10 community on how to market to our community. I
11 think SEPTA falls short in actually talking about
12 what it is that they have as a system here to serve
13 our communities. They really don't want to blend
14 ridership, I was told in 1996, so we couldn't
15 advertise on the G Bus that rides over the train
16 station, which does not stop at the train station.
17 People are riding to get to the El when the train
18 station is right there and could facilitate all of
19 their needs and probably accomplish their needs even
20 more effectively, if they knew about the ridership.

21 One of the other under-advertised facts
22 is that when they rezoned the station from being a
23 Zone One station to a City zone station, you could
24 use the transpass. And we did petitions -- which we
25 have over 400 signatures. And along with out

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2 petitions, we surveyed each signer of the petition
3 and asked them, did they know they could a
4 transpass. We increased our number of petition
5 signatures to reflect 100 percent more than
6 ridership. So we went from 300 petitions to
7 400-plus signatures. And we asked the people did
8 they know about the transpass issue. 90 percent of
9 the people who signed our petition did not know they
10 could ride that with a transpass. They thought they
11 would use their transpass and would have to pay an
12 additional fare, along with whatever transit they
13 would have to take. That lack of marketing no way
14 in that hub, that transportation hub, you can
15 effectively advertise. You can't put it on the
16 trolley. You can't put it on the G Bus. You can't
17 tell people any other way. There's a large
18 billboard. We have poor signage addressing where
19 the train station is. People didn't even know a
20 train station was there. People assumed it was only
21 there for our convenience during a SEPTA City
22 transit strike.

23 I will submit 400 signatures and the
24 Power Point presentation into the record today.

25 COUNCILWOMAN BLACKWELL: Thank you.

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2 We will also note again that we have
3 both posters that advertised some new and some old
4 advertising between the El and the SEPTA buses. We
5 would ask SEPTA to consider that. We will also make
6 that part of the record and ask them to not close
7 Angora Station due to all these various reasons,
8 from the 400 names to the false advertising, that
9 is, advertising different things on different SEPTA
10 vehicles. And we're asking them to also respond to
11 not closing Angora Terrace Station.

12 Ms. Evans.

13 MS. EVANS: Councilwoman Blackwell, what
14 I'd like to do now is -- after the meeting of the
15 24th, basically the same things were said at our
16 meeting that were said here. We took it and put it
17 in writing as a letter to you. But after I read the
18 letter, there's some things that I heard here today
19 that I would like to particularly address myself, if
20 that's possible.

21 Dear Councilwoman Blackwell, if allowed,
22 the shutting down of the above train station, which
23 is the Angora Train Station, would shatter the
24 dreams and hopes of a community on the rebound from
25 decades of neglect. It is not just a train station

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2 that would be closed. It would destroy the
3 community's vision of revitalization.

4 As you know, the supporters of our
5 Community Civic Association Incorporated, also known
6 as Socca CDC, are on the threshold of redeveloping
7 parts of two vital gateways in Southwest
8 Philadelphia. Known as Project BARD, the Baltimore
9 Avenue Revitalization District, begins at 53rd and
10 Baltimore Avenue, west to 61st and Baltimore Avenue,
11 the county line or gateway one. Project BARD also
12 incorporates 58th Street and Baltimore Avenue, and
13 Cobbs Creek Parkway south to Kingsessing, gateway
14 two. Beginning at 57th Street to 58th and Baltimore
15 Avenue, we have the Cobbs Creek Shopping Mall, and
16 the back of the entire mall is adjacent to and
17 connected to the Angora Train Station, separated
18 only by a cyclone fence. Through the RDA, Socca was
19 able to secure the rights to 1135-37 South 58th
20 Street, the old Club 51, for economic development.
21 This building, too, is adjacent to and connected to
22 the Angora Train Station on the southeast side.

23 In the fall of 2002, as part of Project
24 BARD, and thanks to you and Mayor Street, a junk
25 yard at the rear of 1135-37 South 58th Street, Club

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2 51, was cleaned up after years of neglect. This
3 land, too, is also adjacent to and connected to the
4 Angora Train Station. The Angora Train Station,
5 operated by SEPTA, accesses a connection between
6 Philadelphia and our surrounding counties. We
7 believe this resource is not fully utilized because
8 of a general ignorance of its existence. When
9 various members of the community were polled, they
10 cited lack of security, lighting, signage, seating,
11 antiquated steps, lack of parking and aesthetics as
12 valid reasons as to why they do not ride the train.
13 These same issues were also cited almost seven years
14 ago when the issue of closing of the Angora Station
15 first emerged.

16 The proposed closing of the Angora
17 Station has led the community to the question, how
18 serious is SEPTA's commitment to our community, our
19 concerns and our values. The model of SEPTA we
20 thought was better than driving, not driving
21 communities to lose their vision.

22 A new market owner with a new commitment
23 to our community all hinge on the Angora Train
24 Station being revitalized. Partnership with our
25 community is paramount. It benefits SEPTA and its

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2 ridership. Therefore, it is our sincerest hope that
3 SEPTA will reconsider its position to close Angora
4 Station, and it will partnership with the Angora
5 community, as it has done with others. For example,
6 the University City and 49th Street Chestnut Avenue
7 Railway Station, have certainly demonstrated that
8 reinvestment in our communities certainly benefit
9 SEPTA, its riderships, our communities and the City
10 of Philadelphia.

11 Thank you.

12 COUNCILWOMAN BLACKWELL: Thank you so
13 much. We appreciate all you do, and for coming
14 here. We agree with you, and we will ask SEPTA to
15 respond. Thank you both.

16 MS. EVANS: I would like to ask some
17 further questions that I heard brought up today.

18 Coming from Councilman Nutter, who
19 questioned minority participation and who was
20 monitoring that. SEPTA said it allows its
21 contractors to do that. Well, I thought that quite
22 strange, because when we took on the Bernice Arms
23 Apartment Building in partnership with the
24 developer, it was incumbent upon Socca to monitor
25 the minority participation. We too worked with

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2 union cardholders, non-employed members on the
3 streets. So what we would like to propose, since we
4 are thoroughly experienced in that area, that Socca
5 commit to a partnership with SEPTA, and SEPTA with
6 us, to allow us to recruit and get them the people
7 that they need, since we have experience in doing
8 it.

9 Now, another thing I don't understand
10 is, for years I thought it was just the communities
11 that SEPTA never gave answers to. But what I found
12 out here, from being here since early this morning,
13 they don't give you answers either. So who has the
14 answers? Where is the president, the CEO or whoever
15 she is? Who can give the answers? Where is the
16 board? Where is the board that comes into our
17 community from suburbs? And when we get up to
18 speak, they've got the nerve to say, what building
19 are you talking about? They don't even know what
20 we're talking about. So who are they to sit back
21 and dictate the policies of how our lifestyle should
22 be adjusted to fit SEPTA's needs? All along it's
23 the land value that was involved. They see no worth
24 in our communities, except when they feel it's worth
25 revitalizing.

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2 Now, in fairness to Frances Jones --
3 now, we'll go back to that meeting of the 24th.
4 Socca knew nothing about it. Yet still we have a
5 resource center right in the school they gave the
6 meeting at. I called you. You were shocked. If it
7 hadn't been for Greg, I wouldn't have known.

8 But now, in fairness to Frances, Greg
9 had a meeting with her that following week, and I
10 asked her, would she please come out and see what we
11 are trying to do with our area, because it's
12 actually the radius of four blocks. She walked it.
13 She liked it. She talked it. But the bottom line,
14 she couldn't do it. So then we're saying once
15 again, why are we all here? If there are going to
16 be no forthcoming, then I have to be in agreement
17 with some of the people who testified at our
18 community hearing, which is that SEPTA needs to be
19 investigated. We're is the money? We're not
20 getting flyers. We're not getting jobs. We're not
21 getting contracts. So who's getting all the money?

22 I'd like to thank Charles Gibbs. He's a
23 member of our community. This young boy stood up.
24 All we're asking for is a chance to live our own
25 dreams in our community, but to be a part of the

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2 system, not used by the system.

3 Thank you.

4 (Applause.)

5 COUNCILWOMAN BLACKWELL: Thank you very

6 much.

7 Ms. Bazemore.

8 Mr. Jerry Jordan, owner of Jerry Jordan

9 Restaurant.

10 Joseph Lee, owner of AQ 1 Hour.

11 Dave Pak.

12 Would you please come forward.

13 Then we will have one other group, and
14 then we are done. While they're coming forward, let
15 me say that Jetty Newkirk on the board, works with
16 our community, as does Mr. Babcock. They are
17 members of the SEPTA board who have been responsive
18 to us, and we want the record to reflect that.

19 Thank you very much.

20 Mr. Jordan.

21 MR. LEE: Mr. Jordan is not here. He
22 had to get going.

23 COUNCILWOMAN BLACKWELL: Thank you.

24 We're very happy to have you. You can, in any
25 order, identify yourself and speak.

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2 And we thank you for your patience.

3 MR. LEE: My name is Joseph Lee. I'm
4 here on behalf AQ 1 Hour Photo, which is located at
5 5213 Market Street on the north side.

6 MR. PAK: My name is Dave Pak, 52nd and
7 Market Street.

8 COUNCILWOMAN BLACKWELL: Thank you, Mr.
9 Pak, for all you do in the community. You've been a
10 blessing.

11 MR. KOH: My name is Vincent Koh,
12 representing 52nd Street Korean Business
13 Association.

14 COUNCILWOMAN BLACKWELL: Mr. Koh is head
15 of the 52nd Street Business Association. We thank
16 him. Thank you for staying all day.

17 Mr. Pak, these are people who give over
18 and over, who support their community, who are
19 business owners and a blessing on the strip.

20 And we thank you, Mr. Lee, for being
21 here for 1 Hour Photo.

22 You can begin your testimony.

23 MR. LEE: Basically, I'm not here to
24 speak for a long time. A lot of the points that I'm
25 about to say are things that were already addressed

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2 earlier by Mr. O'Connor, and are also the same
3 concerns of Mr. Jordan, who had to leave due to
4 prior engagements. He happens to also be our
5 next-door neighbor, at 5211. All we ask for as
6 business owners, and our fellow business owners, is
7 that -- 52nd and Market is a major hub. It's a very
8 fertile when watered by the El, and the passengers
9 can produce an enormous amount of revenue for
10 everyone there, as well as the people buying things
11 of that nature. All that we ask -- we realize that
12 this project is going to affect business. You would
13 be stupid to think othererwise. We realize that.
14 We're not asking for anyone to move heaven and
15 earth. All that we ask is that, if at all possible,
16 when there is no construction going on, that we have
17 some kind of lane opened or some kind of traffic to
18 feed the area where the businesses can flourish,
19 people can get to buy what it is that they need, and
20 things of that nature.

21 Like we said, we realize that we have to
22 take a hit, and everyone is going to have to take a
23 hit and everyone has to work together to get this
24 thing done, and we're not ignorant of that. We just
25 ask that maybe, if there's a better way to

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2 reorganize sometimes the flow of traffic or the
3 recircumventing of traffic, if that's at all
4 possible, that that can be done to allow the
5 passengers and the commuters and people looking to
6 purchase things, or just to get to school or
7 whatever it is, to do so.

8 Thank you.

9 COUNCILWOMAN BLACKWELL: Thank you. We
10 agree. We want SEPTA to respond today to opening
11 one lane.

12 (Applause.)

13 COUNCILWOMAN BLACKWELL: Thank you.

14 Mr. Pak.

15 MR. PAK: I have been there almost 18
16 years, on Market Street. I understand this is a
17 SEPTA project. I understand, really understand. A
18 couple years ago, with the construction that time,
19 that is almost the same station. I understand this
20 project is to be one year, two years long, maybe six
21 years, this project. As Mr. O'Connor said for his
22 association, for our association too. Why can't the
23 president of SEPTA get new programming? We need to
24 have it.

25 Thank you.

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2 COUNCILWOMAN BLACKWELL: Thank you, Mr.
3 Pak.

4 Mr. Koh.

5 MR. KOH: Our Korean Association has 55
6 members. Two-thirds of them are located nearby,
7 within one block from the construction. Today I
8 came here to introduce how that construction is
9 affecting us. We all heard how bad influence to
10 each of the merchants around Market. We at 52nd,
11 two-thirds of them lost 50 percent or more daily
12 visitors. Some of them lost 70, 80, 90 percent. As
13 of the end of last April two business merchants
14 closed their doors. He was letting three employees
15 go. When he was leaving, with tears in his eyes.
16 That merchant has been there more than 20 years.
17 That is located right at the intersection of 57th
18 and Market.

19 While we all understand SEPTA's
20 modernization plan is very important, that we need,
21 the problem is ongoing and inevitable that we are
22 all aware. However, we would like to see our
23 suffering minimized, so today's I have a couple of
24 proposals to City Council, especially Councilwoman
25 Blackwell. She's covering our district.

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2 I strongly urge SEPTA to extend the work
3 in shifts. Currently they are working Monday
4 through Friday, 7:30 to 3:00 pm. That's it. I know
5 that there's a certain of work to do. If they
6 extend the shift, our ordeal will be overcome
7 sooner. That's what we are strongly proposing.

8 Secondly, since all traffic and delivery
9 trucks, they are all prohibited from there. Not
10 only are merchants, those people are equally
11 suffering too. So we'd like to have more eased up
12 parking regulation nearby on 53rd. They require a
13 parking permit number two and three for residential
14 only. I'd like to ask that that regulation be eased
15 for other people too.

16 We also badly need of lighting after
17 sunset because of bad conditions on walkways and so
18 on, and the lighting is dim. Many people are chaos
19 out during the daytime because of noise and dust
20 flying. In the afternoon, many people can come, but
21 the area is so dangerous and hazardous and dark,
22 dim, they are scared to. So please install more
23 lighting and also more signs, detouring signs. Some
24 businesses are open at a late hours, so kind of more
25 visible signs, we'd like to have. So I have just a

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2 few proposals to Council this morning. Thank you
3 very much.

4 COUNCILWOMAN BLACKWELL: Thank you, Mr.
5 Koh.

6 We've heard you, as all of the other
7 business leaders have said, that your business is
8 off by 50 percent. You mentioned more detour signs
9 and more lighting. And you're saying the easing of
10 parking regulations. So there are "No Parking"
11 regulations that are hurting you, as well, in that
12 block, in your community; is that right?

13 MR. KOH: Yes, ma'am.

14 COUNCILWOMAN BLACKWELL: So we are SEPTA
15 to respond to these issues as well. We can deal
16 with it from the Streets Department's side, but
17 we're asking SEPTA to respond to these issues, as
18 well. We thank you and we totally support you.

19 Yes, Frances?

20 MS. JONES: Again, we've been working
21 with the Parking Authority and the district, the
22 police district that represents 52nd Street, but we
23 absolutely would welcome your assistance in working
24 with the Parking Authority and the Police Department
25 in easing ticketing on 52nd Street. But I would be

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2 remiss if I didn't say that Mr. Baker and Baker and
3 Associates have made several attempts to meet with
4 both these gentlemen, and we will continue to --

5 COUNCILWOMAN BLACKWELL: They're the
6 presidents of our association leaders there. And
7 we're happy to work with you with the Police and the
8 Parking Authority.

9 MR. JONES: Yes. And we will continue
10 to make attempts to meet with them to deal with
11 their issues. But where there are problems with
12 getting deliveries, that's not a problem. We have a
13 staff person that is there and is available to do
14 mitigation, to assist with deliveries and all the
15 other issues that they have on 52nd Street. But we
16 need to have a working relationship and have them
17 agree to meet with us. We're fine with getting
18 their issues taken care of.

19 COUNCILWOMAN BLACKWELL: Thank you.

20 Finally, since I know my colleague --
21 we asked him for a half-hour, 45 minutes ago. We
22 have Ms. Bazemore, Ms. Tate and Mr. Gibbs. And then
23 we'll ask SEPTA to respond, hopefully to agree to
24 what we've asked to do. And then we will let the
25 next hearing go on. I see some of my friends in the

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2 D&A community back there.

3 Ms. Ruth Bazemore, please identify
4 yourself.

5 She's block captain from Haddington.

6 MS. BAZEMORE: Thank you Councilperson
7 Jannie Blackwell.

8 COUNCILWOMAN BLACKWELL: Thank you.
9 Thank you for all you do as committee person, as
10 well, and block captain.

11 MS. BAZEMORE: I represent the
12 Haddington Block Captain Coalition. Basically, we
13 formed about four years ago, and our boundaries are
14 52nd Street, from Market over to Race, and 52nd
15 through really through 56th Street now. And all of
16 our block captains basically formed the Coalition
17 because we understood that, basically, working
18 together, we all have our same problems. Within our
19 boundaries we have made coalitions with Adath (ph)
20 Church, which is Reverend Sherman, Pastor, and the
21 Salvation Army, which is Lieutenant Lewis. So when
22 -- and I have also been a very active member of,
23 basically, the El project. And my biggest problem
24 that happened was, when I was over at Haddington and
25 we first talked about the El project, it was really

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2 welcomed because it was told that it was going to
3 bring economic development into our community, and
4 that it was going to basically hire a 27 percent
5 black minority in our Zip codes. And then there
6 have been meetings and meetings and meetings, and
7 all the good positive things -- I have folders, I
8 have training guides, et cetera, et cetera. I am
9 very disappointed to find out basically that these
10 goals have not been met.

11 And I also would like to put on record
12 that I went to the board meeting when they gave the
13 contract to Driscoll. And we were there, a small
14 group of community people, and the meeting was
15 postponed by the SEPTA board three times. And we
16 finally met, and it was to give the rewarding of the
17 contract to Driscoll. And I would like to go on
18 record to say, at that time, there was a controversy
19 about them going forward with the contract because
20 it seems like he was not basically in compliance.
21 And with all the things that are going on and what
22 not, I think there should be more of a study to find
23 out basically how some things that we are told that
24 SEPTA cannot do to our black minority as far as jobs
25 and constructions, and when we know that when the

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2 awards of the contract, there was only two people
3 from Philadelphia that was awarded the contracts.
4 And the other contractors came from Virginia,
5 Delaware, Washington, and New Jersey, which means
6 that, in those terms, those people were allowed to
7 bring their own people. So we have no black. And I
8 would like to go on record as to say, I support any
9 progress that's going to enhance, but I do not
10 support us being victimized in a sense when we see
11 and we have to go through all these things that
12 we're going through as a community, and we see no
13 future for us as employment or anything, and that's
14 not going to be permissible.

15 When I saw in the paper that they were
16 going to re-route the buses through our
17 neighborhood, and we were not even advised, I was
18 outraged. And so I made several phone calls. And
19 then I contacted our Councilperson. And I called
20 all the different departments in the City, and I was
21 amazed to find out that the City was not in control
22 of what SEPTA did. Like I said, that cannot happen,
23 because we have to hold the City responsible. So,
24 therefore, the City has obligation to put SEPTA or
25 anybody else that really comes into our City to work

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2 on notice, that they have to be accountable and we
3 also must know exactly what they're doing and when.

4 The problem with rerouting the buses,
5 they called a meeting one day, and four days when we
6 voiced our concerns and all the different things
7 that rerouting the buses would have an impact upon
8 us, March 17th, they ran the buses. And it has been
9 a disaster. And I thank our Councilperson, Ms.
10 Blackwell, because she called a town meeting so that
11 we would have basically the City people there, plus
12 SEPTA, to really come together because it's
13 something that the community, SEPTA, and the City
14 must work together, but we all must know and respect
15 each other on what is going on. And what we are
16 finding out is that we have to make the solutions on
17 problems that really shouldn't even be problems in
18 the first place. Had there been meetings and
19 plannings of different things, there could be some
20 things that -- the project itself would work a lot
21 more smoother. We find that the contractors don't
22 know about our City, so they don't even understand
23 when we were telling them that blocking off a street
24 would not allow the people to go and have trash
25 collections, even some of the City people didn't

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2 understand what blocking off the street meant
3 because they don't know the area, and there should
4 be basically surveys and people actually walking
5 through the neighborhoods, talking to the people and
6 understanding exactly what it curtails.

7 Now, one of the things that happened at
8 the last meeting. I talked about an open sewer
9 that was there where they put up the emergency bus
10 stop. I called. I called. I called. Finally I
11 was able to get Mr. Ferraro from the Water
12 Department, he came out right away and he fixed the
13 problem. He's still fixing the problem, but the
14 problem still exists. Because at 53rd and Arch, the
15 buses -- which has never been a bus stop -- they
16 have to make a turn, and because they haven't seen
17 fit to put no parking buses, then the cars are
18 parking there, so the buses cannot make the turn.
19 So they're running over the man hole and breaking
20 it. And then when buses cannot go and make the
21 turn, they're coming through my block, which is the
22 100 block of North 53rd. We told them at a prior
23 meeting, that in the middle of our street is an
24 indent, that the street is going to collapse. They
25 did not adhere to that. They ran the buses on the

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2 unit block of 53rd Street. What has happened is, in
3 the middle of the block, that block has collapsed,
4 but they're still running the buses.

5 And then we have the problem with
6 parking and streets closed and vehicles coming in,
7 and it's just a little bit of sitting down, talking,
8 putting up parking signs. It don't cost a lot of
9 money. But it does cause insight on what the
10 problem is, but everybody doesn't seem to really
11 want to take responsibility. They blame it in each
12 other, and it has to stop. Because we want to know
13 exactly when the project is going to start, how are
14 we going to be impacted by it, and when it's going
15 to be finished. If it's going to be finished in six
16 weeks, fine. But we don't want six weeks to be six
17 months. Because there's a credibility thing. And,
18 like, it's not being run as a business. All I'm
19 saying is, we have to basically all come together
20 and basically try, try very hard, because we're all
21 going to be either losers or winners. But we need
22 to make this transition as basically where we
23 respect each other, welcome what we can do, and say
24 to each other, and basically try to resolve our
25 problems together.

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2 Thank you.

3 COUNCILWOMAN BLACKWELL: Thank you, Ms.
4 Bazemore. And for start, impact and finishing in
5 that area, we are going to ask SEPTA to respond to
6 that, as well, when they respond.

7 Ms. Tate, Urhuru Restaurant.

8 MS. TATE: Hi. My name is Sherri Tate.
9 Councilwoman Blackwell, good afternoon. I'm here
10 representing my family's business. I'm at 12 North
11 52nd Street. We've been in the 52nd Street corridor
12 for 26 years, on 52nd Street. We're not a new
13 business. We're a business that has a lot of
14 experience in conducting our business. And we don't
15 need technical assistance, you know, which is really
16 the only thing that SEPTA is offering us. Of
17 course, any business can use more advertisement, but
18 the problem is, that first the barriers, you know --
19 or the barricades on 52nd Street, that whole
20 intersection has been blocked off since March 17th.
21 There's been no work that's been done there.
22 There's no reason traffic can't flow up and down
23 52nd Street, going north to south. There's no
24 reason one lane can't be open going east to west.
25 It's possible for it to be done, and SEPTA needs to

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2 listen and to be considerate of the businesses that
3 there are.

4 To be quite honest, I don't know if
5 we're going to be able to stay in business
6 throughout the duration of this project. And the
7 reason I'm saying that is, just based on these last
8 couple of months, we've lost over 60 percent of our
9 business. I can tell you, I closed out April's
10 books this week. We threw away \$1,300 worth of
11 food. That's just waste. That's not even a profit
12 that could have been made. That doesn't even
13 reflect lost profits. We're losing money big time,
14 and I don't see any way we're going to be able to
15 sustain these types of losses for more than a year,
16 tops. And it's not fair to black businesses, to the
17 African American community in general. It's really
18 not fair. This the second business. I was on
19 Lancaster Avenue a few years ago. I lost my
20 business on Lancaster Avenue. At that time there
21 were only four businesses; myself, the lumbar yard,
22 the beer distributor across the street, and the
23 plumbing business. And we had meetings with
24 lawyers, not SEPTA. SEPTA didn't come to the
25 meetings. SEPTA's approach towards the business

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2 community on Lancaster Avenue a few years ago was
3 totally arrogant. They didn't respond to us all.
4 We ended up hiring lawyers who got very little
5 accomplished. This situation is a little bit
6 different in that it's such a busy financial
7 corridor in West Philadelphia that it forces people
8 to take a look at SEPTA's -- the only thing I can
9 describe is an anti-people, anti-community approach.
10 They have the attitude that they could really care
11 less whether we lose everything. And that's just --

12 (Applause.)

13 COUNCILWOMAN BLACKWELL: Let me say
14 thank you. We know of your business and businesses
15 throughout the City. Lancaster Avenue is coming up
16 again.

17 MS. TATE: Yes. But unfortunately I
18 lost my business.

19 COUNCILWOMAN BLACKWELL: I'm sorry to
20 hear that. And we agree that you shouldn't have to
21 lose 60 percent of your business. Certainly that's
22 what we're all about. We really really hope that
23 you can try to hang in there while we try to work
24 out something, because we know the businesses have
25 to be subsidized to survive.

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2 MS. TATE: We need subsidy, absolutely.

3 It's only way we're going to survive.

4 There's other things in addition to
5 subsidy. There's things that can be done now to
6 prevent businesses from being lost and to try to
7 help those of us that are struggling in there to
8 make it. Our customer's are very loyal during this
9 process. People have been patronizing us on a
10 consistent basis for many, many years. The thing
11 is, we're getting complaints about parking. Our
12 phones are ringing off the hook now because a lot of
13 our customers call to order their food, and then
14 they run outside and we have their food ready.
15 We're having a -- as soon as they run in the store,
16 the Parking Authority is there giving them a ticket,
17 or the police are trying to beat them back to their
18 car to give them a ticket, to generate additional
19 funds for the City. It's not fair. We're being
20 sucked dry here. It was the parking.
21 Advertisement. We can always use more advertising.
22 And it needs to be on the radios. People need to be
23 encouraged to participate. BLL, they're doing as
24 much as, I believe, they can do with the resources
25 they have available. They need more resources.

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2 They need more resources.

3 Also, just in terms of general economic
4 development in the community, to keep the African
5 American community, at least moving forward. We're
6 already underdeveloped. We're already
7 underdeveloped. We need all the help we can get.
8 The amount of work, the amount of resources that are
9 being given to the African American community are
10 virtually none. I live there every day. I don't
11 see these African American companies benefiting from
12 this project, which is a huge project. I don't see
13 any benefits to the African American community at
14 all by this project. SEPTA really needs to be held
15 accountable for that.

16 Thank you.

17 COUNCILWOMAN BLACKWELL: Thank you.

18 (Applause.)

19 COUNCILWOMAN BLACKWELL: And her
20 testimony is similar to that of Mr. O'Connor about
21 existing work there that's hurting the businesses
22 when nothing is going on there.

23 Mr. Gibbs. Thank you.

24 MR. GIBBS: Good afternoon. My name is
25 Charles Gibbs. I'm a Committeeman for the 3rd Ward

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2 16th Division. I'm one of the Democratic state
3 committee people for the 8th Senatorial District.

4 SEPTA, when it first began this project,
5 I was excited that \$400 million would be invested
6 into our neighborhoods. However, as time has went
7 on, I am not excited anymore. It has been tragic
8 for the businesses and our community. I walk up and
9 down 52nd Street and 56th Street and 60th Street and
10 talk to the business owners, because I don't have a
11 car. My only means of transportation is SEPTA.
12 These business owners, their spirit is broken.
13 They're suffering. We cannot -- we must not -- sit
14 back and let this happen. I'm not going to go on
15 and on, Councilwoman, and Councilman Cohen, about
16 the things that you've heard already. The business
17 people are hurting. They're young people who -- as
18 a committeeman, I'm asked to go out and to bring
19 home the party's ticket. When I've gone, I'd ask
20 these young people to come out and vote. They would
21 say, Charles, on that side of the fence, that
22 eight-foot cyclone fence, there are people with New
23 Jersey that that don't look like me, that come into
24 this community, collect a pay check, and leave. And
25 I sit here, and I watch them. Why should I vote?

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2 Will those politicians help me get on the other side
3 of that fence? I don't have an answer for them. I
4 don't.

5 We have our senior citizens, who I ride
6 the bus with every morning, who have to get off at
7 Chestnut Street and walk a full block to get to the
8 El, and then when they get there, they have to walk
9 up 40 steps because it's not economical for SEPTA to
10 fix the escalators. That is absurd. That is
11 absurd.

12 (Applause.)

13 MR. GIBBS: Councilwoman, SEPTA will
14 come before you in a moment and they will answer the
15 questions that have been placed before you. And
16 today I submit a suggestion.

17 The City appropriates from the General
18 Fund \$56.5 million towards SEPTA. The state
19 government has cut their subsidy. I'm asking you,
20 if SEPTA does not do what you ask them to do, to
21 direct the Director of Finance to not give them
22 their money. We have a voice. We have a voice and
23 we can use it, Councilwoman, and Councilman Cohen.
24 We have to hold their money. Because it's a
25 republican-controlled board, and we all know that.

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2 We all understand that. They're not here today, but
3 they will be here when they don't get that \$56
4 million. If they don't have that \$56 million, I
5 guarantee you that they will go out and find some
6 more minority contractors. If they don't have \$56
7 million, I guarantee to those young people that ask
8 me all the time, Charles, can I get on the other
9 side of that fence, they'll be on the other side of
10 that fence. If they don't have that \$56 million
11 that they are so expecting from us, our children
12 will be able to have free school tokens, because
13 SEPTA will understand our issues. They have ignored
14 us for too long. Now is the time for us to stand up
15 and make our voices heard. Councilwoman, Council
16 Cohen, I beg you to hold their subsidy if they don't
17 meet the terms and conditions that you set forth.
18 Thank you for your time and attention.

19 COUNCILWOMAN BLACKWELL: Thank you very
20 much.

21 Thank you all very much.

22 We'd like to ask SEPTA to come forward.

23 As they do, we want to thank Mr. Milton
24 Montgomery for being here.

25 Greg Spearman for his role on the strip,

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2 and working hard to get everybody notified. We have
3 these folks here.

4 We thank you all for being here.

5 Councilman Cohen's hearing was due to go
6 on at 1:00. It's 2:35. People came from out of
7 town. I owe him big time.

8 I'm sorry, Councilman.

9 We want to say among other issues
10 mentioned, were foundations of properties, lighting,
11 policing, having the special services work in these
12 areas, as well as in cleaning, about the escalator
13 at 60th and Market, or about buses near the Bargain
14 Store. We heard from Urhuru and Bargain Store with
15 regard to those issue. About delaying closing or
16 rescinding the closing of Angora Terrace, because of
17 false advertising, among other issues. About
18 advertising, about parking and parking regulations.
19 We're willing to work with you on that, to contact
20 the Parking Authority and the Police. About
21 minority participation and the monitoring thereof by
22 Socca and Pat Evans and her group. About a forensic
23 report. And about the parking regulations overall
24 being eased, et cetera, et cetera.

25 Those are just some that I happened to

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2 note. And we wondered what you can respond to
3 today, and what you need five days to respond to.
4 In addition to which, when we leave this hearing, we
5 will try to have another hearing shortly, and we'll
6 advertise. We'll give you three days notice to
7 advertise, and we'll take just an hour and a half to
8 have a response to those issues that are not
9 responded to today. So we'll ask all who can to
10 come back to receive a public response on issues not
11 responded to today.

12 MS. JONES: What we did provide was a
13 list of professional services contracts, and the
14 list of the proposers and their ethnicity. So that
15 information is here for distribution to the entire
16 Council today.

17 Those other issues that you specifically
18 asked, we will get that information back to you
19 within the next five business days.

20 Some of the issues are issues, of
21 course, that we've heard before, and issues that we
22 will address and have addressed in the past. Again,
23 we will continue to work with the businesses on the
24 corridors and those that are impacted in the project
25 area. The technical assistance will occur. But let

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2 me just reiterate and underscore that we are working
3 along with our Congressional delegation and,
4 particularly Congressman Fattah to identify
5 resources so that we can provide some relief to the
6 businesses that are within the project area. We
7 have grave concerns about economic development
8 because we know that when the project is done, of
9 course it will be an economic development spur.
10 However, in the interim, we know that the businesses
11 in West Philadelphia are hurting, and are hurting
12 badly. I am not out there every day, but our
13 consultants are out there every day. I am out there
14 on a regular basis, and please be assured that I see
15 these people on weekends in the supermarket. I get
16 notes slipped at church. I see them at civic
17 events. And understand that the problem is a dire
18 problem and we're concerned about it, and we're
19 committed to do what we can to assist the businesses
20 that are being impacted, as well as the residents
21 and our riders. We're concerned out every
22 constituent that is impacted by this project. So we
23 want to go on record and say that there is a
24 commitment on our behalf to continue to work with
25 the community.

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2 COUNCILWOMAN BLACKWELL: Thank you. And
3 with regard to the report from the Commerce Director
4 that gives the City's position, we ask you to
5 consider that as well with response in five days.

6 Councilman Cohen.

7 COUNCILMAN COHEN: I've been sitting
8 here now for a couple of hours listening to a tale
9 of economic destruction, not economic rebirth. What
10 I'm hearing is that this is not a program in which
11 SEPTA cares even the slightest bit about the health
12 of businesses. It seems to me that SEPTA said,
13 whatever we're interested in is going to be the
14 reconstruction of the EL. We don't give a hoot what
15 happens to the business or to the community.

16 (Applause.)

17 COUNCILMAN COHEN: If Septa care the
18 slightest bit, they would have a team working
19 constantly to deal with the traffic problems, to
20 deal with all the problems, and make the
21 interference as little as possible. I think what
22 SEPTA has done in this case has been to destroy a
23 community, to destroy a business center. I think
24 it's unforgivable. And I don't pay the slightest
25 bit of attention to the words that are being spread

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2 here about SEPTA's concern. I think all SEPTA is
3 concerned is building something, and they don't care
4 about the nature of the workers. They don't care
5 about employing Philadelphians or employing
6 minorities. They go out of town and run their own
7 show. I think what SEPTA's done has been an
8 absolute disgrace to the whole City of Philadelphia.

9 (Applause.)

10 COUNCILWOMAN COHEN: And if and when
11 Councilwoman Blackwell proposes that we take the
12 SEPTA budget and put it in the City Council budget
13 and only permit withdrawals from it when SEPTA
14 proves to us that they've changed. I will be
15 strongly in support of that motion. Very, very
16 strongly.

17 Thank you, Councilwoman Blackwell.

18 (Applause.)

19 MS. JONES: Your points are well taken,
20 Councilman. Thank you very much.

21 COUNCILWOMAN BLACKWELL: Thank you. And
22 again I apologize to Councilman Cohen. He had
23 people from out of town and judges here to talk
24 about the health issues that we also face, another
25 big issue in this City.

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2 So we will be in touch with you by
3 flyer. Greg Spearman will help us with that, and
4 we'll also advertise.

5 So this hearing is now recessed, subject
6 to the call of the Chair.

7 Thank you all.

8 (Council adjourned at 2:40 p.m.)

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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 May 7, 2003, were reported fully and
accurately by me, and that this is a correct
transcript of the same.

RE: COMMITTEE ON FINANCE AND TRANSPORTATION

Lisa C. Bradley, RPR
and Notary Public