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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING
COMMITTEE ON LAW AND GOVERNMENT

- - -

Room 696, City Hall
Philadelphia, Pennsylvania
Wednesday, April 23, 2003
1:25 p.m.

- - -

BILLS 020076, 020621, 030016, 030097, 030098,
020810;

RESOLUTIONS 020084, 030034, 030106, 020817.

- - -

PRESENT:

COUNCILMAN DAVID COHEN, Chair
COUNCILMAN ANGEL ORTIZ, Co-Chair
COUNCILMAN DARRELL CLARKE
COUNCILMAN FRANK DICICCO
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN MICHAEL NUTTER
COUNCILMAN FRANK RIZZO
COUNCILMAN JAMES KENNEY

- - -

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I N D E X

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COUNCILMAN MICHAEL A. NUTTER 27

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1 04/23/03 - LAW & GOVERNMENT

2 COUNCILMAN ORTIZ: Good afternoon. I'm
3 Angel Ortiz. This is the Committee on Law and
4 Government. Councilman Cohen is slightly delayed,
5 but we have a very big Calendar to take care of, and
6 we have present with us today Councilman Rizzo to my
7 right, Councilman Clarke is here, Councilman Nutter.

8 I would like the Clerk to please read
9 the titles of the Bills on the Calendar into the
10 record.

11 THE CLERK: Bill 030115, an Ordinance
12 providing for the submission to the qualified
13 electors of the City of Philadelphia of an amendment
14 to Section 8-200(2) and 8-201 of the Philadelphia
15 Home Rule Charter, relating to contracts and
16 concessions for which competitive bidding is
17 required, as approved by Resolution of the City
18 Council; fixing the date of a special election for
19 such purpose; prescribing the form of ballot
20 question to be voted on; and authorizing the
21 appropriate officers to publish notice and to make
22 arrangements for the special election.

23 Resolution 030119 is a Resolution
24 proposing an amendment to Section 8-200(2) and 8-201
25 of the Philadelphia Home Rule Charter, relating to

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2 contracts and concessions for which competitive
3 bidding is required, and providing the submission of
4 the amendment to the electors of Philadelphia.

5 Bill 020076 is an ordinance providing
6 for the submission to the qualified electors of the
7 City of Philadelphia of an amendment to Section
8 2-102 of the Philadelphia Home Rule Charter,
9 relating to the redistricting of the City to revise
10 the boundaries of the councilmanic districts after
11 each decennial census, as approved by Resolution of
12 the City Council; fixing the date of a special
13 election for such purpose; prescribing the form of
14 ballot question to be voted on; and authorizing the
15 appropriate officers to publish notice and to make
16 arrangements for special election.

17 Bill 020621, entitled an Ordinance
18 amending Title 2 of the Philadelphia Code, entitled
19 "City-County Consolidation," by abolishing the Board
20 of Revision of Taxes and reassigning its powers,
21 functions and duties to three newly created City
22 agencies to be known as the Board of Property
23 Assessment Appeals and Review, the Property
24 Assessment Oversight Board, and the Office of
25 Property Assessment; providing for submission of

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such amendment for the approval or disapproval of the qualified electors of the City of Philadelphia; fixing the date of a special election for such purpose; prescribing the form of ballot question to be voted on; and authorizing the appropriate officers to publish notice and to make arrangements for the special election; all under certain terms and conditions.

Bill 030016, an Ordinance providing for the submission to the qualified electors of the City of Philadelphia of an amendment to the Philadelphia Home Rule Charter relating to the composition of the Board of Pensions and Retirement, as approved by Resolution of the City Council; fixing the date of a special election for such purpose; prescribing the form of ballot questions to be voted on; and authorizing the appropriate officers to publish notice and to make arrangements for the special election.

Bill 030097, an Ordinance amending Title 17 of the Philadelphia Code, entitled "Contracts and Procurement," by adding a new Section 17-109, entitled "Local Bidding Preferences," providing for the establishment of a bidding preference on City

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2 contracts for Philadelphia businesses, under certain
3 terms and conditions.

4 Bill 030098, an Ordinance providing for
5 the submission to the qualified electors of the City
6 of Philadelphia of an amendment to the Philadelphia
7 Home Rule Charter to establish that a bid preference
8 can be allowed in the awarding of public contracts
9 to Philadelphia first, and that the extent and
10 nature of the bid preference shall be provided by
11 ordinance.

12 Resolution 020084, a resolution
13 proposing an amendment to Section 2-102 of the
14 Philadelphia Home Rule charter, relating to the
15 redistricting of the City to revise the boundaries
16 of the councilmanic districts after each decennial
17 census, and providing for the submission of the
18 amendment to the electors of Philadelphia.

19 Resolution 030034, a Resolution
20 proposing an amendment to the Philadelphia Home Rule
21 Charter relating to the composition of the Board of
22 Pensions and Retirement, and providing for the
23 submission of the amendment to the electors of
24 Philadelphia.

25 Resolution 030106, a Resolution

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2 proposing an amendment to the Philadelphia Home Rule
3 Charter to establish that a bid preference can be
4 allowed in awarding of public contracts to
5 Philadelphia firms, and that the extent and nature
6 of the bid preference shall be provided by
7 ordinance.

8 Bill 020810 is an ordinance providing
9 for the submission to the qualified electors of the
10 City of Philadelphia of an amendment to Section
11 6-400(c) of the Philadelphia Home Rule Charter,
12 relating to authorized audits by the Auditing
13 Department of certain agencies performing services
14 or receiving funding from the City, as approved by
15 Resolution of the City Council; fixing the date of a
16 special election for such purpose; prescribing the
17 form of ballot question to be voted on; and
18 authorizing the appropriate officers to publish
19 notice and to make arrangements for the special
20 election.

21 Resolution 020817, a Resolution
22 proposing an amendment to Section 6-400 of the
23 Philadelphia Home Rule Charter, relating to
24 authorization for City Controller audits of agencies
25 receiving appropriations from, or performing

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2 services for the City, and providing for the
3 submission of the amendment to the electors of
4 Philadelphia.

5 COUNCILMAN ORTIZ: Thank you. We will
6 hear first Councilman Darrell Clarke's Bill.

7 THE CLERK: That will be Bill 030115 and
8 Resolution 030119.

9 COUNCILMAN ORTIZ: Is there anyone to
10 testify for that from the Administration?

11 Commissioner, you know the drill.
12 Identify yourself for the record. I hope your
13 statement is not very long because we heard it this
14 morning already, right?

15 MR. GAMBLE: Yes, you did, Councilman.

16 COUNCILMAN ORTIZ: It's more or less the
17 same.

18 MR. GAMBLE: Yes, it is.

19 COUNCILMAN ORTIZ: Okay.

20 MR. GAMBLE: Good afternoon, Mr.
21 Chairman and Members of the Law and Government
22 Committee. My name is William F. Gamble,
23 Procurement Commissioner. I'm here today to offer
24 testimony for Resolution 030119, which would offer a
25 potential Charter change in place on the ballot in

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2 November, allowing the qualified electors to vote on
3 a ballot question to amend the Home Rule Charter to
4 exempt contracts involving expenditure of \$25,000 or
5 less from the open bid procedure as required by
6 Section 8-202A to 2F.

7 The Procurement Department is in
8 agreement with this proposed amendment. We view
9 this change as a step in the right direction.
10 Effective this past January 2003 in order to
11 increase the use of businesses and suppliers, the
12 Procurement Department developed a program to
13 provide bidding opportunities to small businesses.
14 The Department now limits solicitation of bids of
15 small purchases to small companies. Increasing
16 maximum amount of smaller purchases from 13,000 to
17 25,000 will assist us toward our goal of increasing
18 the number of small businesses receiving contracts.

19 This concludes my testimony. Thank you
20 for the opportunity to appear before you. I will be
21 happy to answer any questions you have regarding
22 this testimony.

23 COUNCILMAN ORTIZ: Commissioner, if I
24 may, before I turn it over to Councilman Clarke,
25 could you explain to me how increasing it from

1 LAW & GOVERNMENT - BILL 030115, RES. 030119
2 \$13,000 to \$25,000 will assist us in getting more
3 small business individuals and corporations to
4 receive contracts from the City? Is making it
5 bigger not a bigger impediment than a smaller
6 contract? I just want for the record for you to
7 explain that.

8 MR. GAMBLE: What we're attempting to
9 do, Councilman, is that we realize that when the
10 awards to small businesses and minority businesses
11 have actually decreased over the years, so we're
12 trying to find a way in which to increase that
13 participation number. So we devised a program that
14 allows small businesses to compete against small
15 businesses under 13,000, which the Charter now
16 requires. So we're looking to increase that to
17 25,000 which would -- we'll increase that amount so
18 that way we'll increase the dollar amount that we
19 make to these small businesses.

20 COUNCILMAN ORTIZ: How many contracts
21 right now do we have at the \$13,000 level that we
22 give out? How many \$13,000 contracts? And this is
23 with no bid contracts?

24 MR. GAMBLE: No, it's not a no bid.
25 What it is is that it's not an advertised bid. The

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2 process is that departments will solicit three
3 companies to do business with, get their prices --

4 COUNCILMAN ORTIZ: Without advertising?

5 MR. GAMBLE: Without advertising, that's
6 correct. And then they will go to the suppliers and
7 request a quotation. Then those quotations will
8 determine which will receive the award.

9 COUNCILMAN ORTIZ: Could you give me
10 some examples of the contracts that are included in
11 this category?

12 MR. GAMBLE: It's a wide range,
13 Councilman.

14 COUNCILMAN ORTIZ: That's why I'm saying
15 some examples.

16 MR. GAMBLE: For example, let's say that
17 the Department wants to buy a refrigerator and it's
18 between 500 and \$1,300.

19 COUNCILMAN ORTIZ: Sub-zero. Make it
20 good.

21 MR. GAMBLE: Let's say that someone --

22 COUNCILMAN ORTIZ: So you want to buy a
23 refrigerator that costs \$5,000.

24 MR. GAMBLE: What you would do is that
25 you will solicit from three small companies asking

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2 them what they would charge you for that
3 refrigerator. And then instead of opening up to
4 everyone, we're now limiting it to small businesses
5 only so that small businesses will compete against
6 small businesses, which we feel equitable and fair
7 in that when you have small businesses competing
8 with each other, then --

9 COUNCILMAN ORTIZ: How are the three
10 companies selected?

11 MR. GAMBLE: There's a bidders list that
12 we have. We require them to use that bidders list.

13 COUNCILMAN ORTIZ: Do you have a list of
14 that? Could we see that list?

15 MR. GAMBLE: I can provide it for you.

16 COUNCILMAN ORTIZ: Please do that.

17 MR. GAMBLE: It's basically our bid
18 list, the number of vendors. And also we have sent
19 out notice to vendors to ask them to re-certify it
20 or send us more information if they're small
21 companies so we make sure when the department
22 solicits from this company, they are using small
23 companies in their solicitation.

24 COUNCILMAN ORTIZ: Are most of the small
25 companies that we're using, are most of these

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2 companies African American, Latino? Are they
3 minority companies?

4 MR. GAMBLE: There are some minority
5 companies, but what we're doing is not race and
6 gender specific. But we would assume that a lot of
7 the small companies are minority companies, yes.
8 But it's not just for minority companies, but it's
9 for small businesses.

10 COUNCILMAN ORTIZ: Small businesses per
11 se, but I'd like to see if you have it available --
12 I would like to see how that has been distributed in
13 terms of the companies and so on; how many Latinos,
14 African Americans, and so on have received and have
15 made themselves available of these contracts that
16 have been accessible and a listing of the number of
17 contracts that are available in that area currently
18 and a list of the contracts under the new heading of
19 \$25,000. The list of contracts that will become
20 available under the new \$25,000 range, okay.

21 MR. GAMBLE: Okay.

22 COUNCILMAN ORTIZ: Thank you.

23 Councilman Clarke.

24 COUNCILMAN CLARKE: Thank you, Mr.

25 Chairman. Mr. Chairman I would just like to thank

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2 Mr. Gamble for bringing this issue to our attention
3 at a recent forum that we had in the community
4 meeting with small contractors. One of the issues
5 that continued to come forward was their inability
6 to receive small contracts interacting with larger
7 companies on competitive bids and they just simply
8 didn't have the wherewithal in terms of resources to
9 submit a reasonable successful bid solicitation.
10 And I want to thank Commissioner Gamble for working
11 with us on this. And hopefully, we'll get this
12 passed and give you the ability to enter into some
13 of these no bid contracts for our small contractors
14 out there and small businesses.

15 Thank you, Mr. Chairman.

16 COUNCILMAN ORTIZ: Do you have a
17 question, Councilman Rizzo?

18 COUNCILMAN RIZZO: Good afternoon. My
19 mind is racing here, so I have a couple questions.
20 I'm always concerned -- you know we have a problem
21 with the Charter saying that you're supposed to come
22 to Council with contracts beyond a year. Explain to
23 me the possibility of loopholes here. If you want
24 to purchase four items and the items are \$100,000, I
25 envision this contract will come back at 24,999 four

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2 times.

3 MR. GAMBLE: No, Councilman. That is
4 not true. That is not so.

5 COUNCILMAN RIZZO: How do you protect us
6 from that?

7 MR. GAMBLE: What happens is this,
8 before the use department can enter into agreement
9 or receive the merchandise, they must send it to us
10 to take a look at. We make sure that no one is
11 trying to -- first of all, we do not split awards
12 and we make sure that departments cannot use this
13 system to procure four different times. If that
14 happens, what we do, we will competitively bid that
15 because we realize that that skirts around what the
16 intent is. The intent is not to bypass the City
17 Charter.

18 COUNCILMAN RIZZO: Commissioner, with
19 all due respect, there's a lot of skirting around
20 going on.

21 MR. GAMBLE: That's correct.

22 COUNCILMAN RIZZO: The skirting around
23 on the issue that I mentioned when I started my
24 remarks. In my opinion, that's skirting around.
25 Some day when you're not the Commissioner and a new

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2 Commissioner comes in and wants to skirt around,
3 there's nothing there in writing, there's nothing in
4 the ordinance that specifically says that if Public
5 Property wants to buy 200 water coolers and they're
6 \$300 apiece, that there is the potential to buy
7 those water coolers without a contract, without
8 competitive bidding.

9 MR. GAMBLE: As I explained to
10 Councilman Ortiz, what we do is that it's a bidding
11 process. The only thing different is that we don't
12 advertise. We don't go out and advertise in the
13 newspapers. They have to receive at least three
14 quotes from small companies. So it's not where a
15 person just can go out and just arbitrarily decide
16 they're going to buy from this company without any
17 kind of competition.

18 COUNCILMAN ORTIZ: If I may, Councilman.
19 I think the question is, since you don't advertise
20 and you have a list, who selects them? And are they
21 rotated?

22 I remember Wilson Goode when he became
23 Mayor, because of the exclusion of minorities in the
24 area of bonds and work with bonds and all of that
25 area that we give huge contracts to, Mayor Goode set

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2 up a -- put out a call for minority firms to bid on
3 or subcontract on several different -- and demanded
4 that minorities be included in the bond work. And
5 then he made a list of minority firms and he put
6 them really in a rotation basis. So that almost
7 every minority that was certified and everything
8 else at one point or another became part of the
9 contracting process. I think Councilman Rizzo is
10 saying, how do you avoid that the same or a
11 favoritism emerges and some firms get preferential
12 treatment from others in this venture? Because
13 they're not publicly bid. You submit three and it
14 could be the same three every time.

15 MR. GAMBLE: Before they can procure
16 anything, those items must be sent to the
17 Procurement Department for the buyer to take a look
18 at and scrutinize. They have to show they went out
19 and solicited from vendors on the bid list to make
20 sure that everyone is given the opportunity in which
21 to compete.

22 COUNCILMAN RIZZO: Commissioner, would
23 you be open to a cap per business that after they
24 reach a certain dollar amount somebody else has to
25 have shot at this? Because, again, Commissioner,

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2 I've been around this City business a long time.

3 And you used the word "skirting around." I just
4 don't like what I'm hearing.

5 MR. GAMBLE: Councilman, let me say
6 this. We're not really doing anything that we
7 aren't currently doing now. The only thing is that
8 we're changing. Instead of opening it up to large
9 companies competing against small companies, we're
10 now saying that small companies will compete against
11 small companies. They have to still go through a
12 process, a process of making sure that the company
13 selected is giving you the lowest cost. Again, it's
14 still based on the lowest cost. It's not
15 professional services. It's still a procurement
16 item that they have to go to the lowest bidder.

17 COUNCILMAN RIZZO: So in order words, if
18 the Public Property, the electricians need to buy
19 circuit breakers, wires and things that they use for
20 maintenance presently today they can go out and
21 spend \$13,000 --

22 MR. GAMBLE: No. Items like that is on
23 the contract that we will competitively bid that.
24 The 13,000 limit 500 to 13,000, right now it allows
25 the departments the flexibility or allows them to

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2 procure or to go ahead and basically do the leg work
3 that we would have to do. From that standpoint,
4 then they will send it to us because they've already
5 done the leg work based on the bid list that they
6 have and based on all of the vendors that are
7 identified in that particular commodity. And then
8 we in turn will look at that. And then if we find
9 that -- if a company is not the lowest bidder, then
10 we're not going to make that award.

11 COUNCILMAN RIZZO: Commissioner, tell me
12 about another type of contract. Tell me if we have
13 this. Public Property needs to buy items,
14 maintenance items, where they have like an open
15 contract where they can just walk in and pick up 10
16 boxes of circuit breakers. Tell me about that kind
17 of contract where I know that there are various
18 departments that have contracts with automotive
19 parts or they have contracts with electrical
20 supplies or refrigeration supplies, janitorial
21 supplies where there's no limit of \$13,000, there's
22 just an open deal. What's the difference?

23 MR. GAMBLE: Well, first of all, those
24 type of items have been advertised and been publicly
25 -- they've been bidden. These are bid items that we

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2 will go out and solicit an invitation to bid for
3 those items. Public Property does not go out on
4 their own and solicit that.

5 COUNCILMAN RIZZO: But there are
6 contracts out there that have no dollar constraints.

7 MR. GAMBLE: No, that's not true. All
8 of our contracts that we issue, there is a dollar
9 limit on all of them. Keep in mind also that the
10 limit is basically based on a guesstimate because we
11 actually don't know what we're going to use until we
12 actually use it. So there's a dollar cap on all of
13 our contracts. So there is no contract that we
14 issue that has no dollar limit on it.

15 COUNCILMAN RIZZO: Okay. Thank you.

16 Thank you, Mr. Chairman.

17 COUNCILMAN COHEN: Councilman Clarke.

18 COUNCILMAN CLARKE: Thank you, Mr.
19 Chairman.

20 With respect to my colleague's comments,
21 I just wanted to mention the fact that the reality
22 of existing process as it relates to capping small
23 businesses under this particular provision, the
24 reality is that a lot of the larger companies
25 continue to get contract renewal year after year. I

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2 think the City of Philadelphia has been buying Ford
3 vehicles for the last -- for as long as I've been
4 here. So I'm more concerned if there's going to be
5 a cap on companies continuing to get contracts with
6 the City that we look at the larger contracts as
7 opposed to smaller contracts. Our intent on this
8 particular Bill was to give the small business
9 person more of an opportunity to, hopefully, build
10 capacity if they continue to get contacts, we assume
11 based on their performance. I, frankly speaking,
12 don't have a real problem with a small business
13 continuing to do business with the City of
14 Philadelphia and hopefully build the capacity that
15 one day they will no longer be able to receive one
16 of these no bid contracts and they will then have to
17 bid along with the big boys. So that's the intent
18 of this particular Bill.

19 Thank you, Mr. Chairman.

20 COUNCILMAN COHEN: Is there any other
21 member of the Committee that has any questions?

22 (No response.)

23 COUNCILMAN COHEN: If not, is there any
24 other witness on this Bill?

25 (No response.)

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2 COUNCILMAN COHEN: Hearing none, that
3 will end the public discussion on the Bill and the
4 Resolution.

5 Please identify yourself and spell your
6 last name so the reporter can have it.

7 MR. CRUZ: Louis Cruz, I'm the President
8 of the Hispanic Chamber of Commerce. I think this
9 Bill is great, as Councilman Clarke mentioned. Just
10 would like to be able to know a little bit more
11 information on qualifications because I think that
12 the businesses here in Philadelphia need to get the
13 information on these types of contracts. The
14 structure is great, but if the information isn't
15 given that these types of contracts exist for
16 businesses in Philadelphia to be able to qualify
17 themselves or to be able to apply for them, then
18 it's really not going to do any of our businesses in
19 the City any good. So whether the information is
20 given through the different Chambers or whether the
21 information is posted some kind of way that we could
22 have our businesses apply and note all the services
23 under the codes or how the classification may be.
24 But I think an important thing to put into that Bill
25 would be that there's sufficient advertisement for

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2 businesses in our City to be able to apply to
3 qualify for this.

4 COUNCILMAN COHEN: Commissioner, could
5 you address that question, please?

6 MR. GAMBLE: Yes, Mr. Chairman.
7 Currently, what we're doing is that all of our
8 advertisements is on-line. Phila.gov that will list
9 all of the planned activities or planned purchases
10 under 13,000 for the entire year. And this is
11 updated on a monthly basis. It lists the
12 departments, the contact person, and the item that
13 they will be procuring. So that does exist on our
14 Website.

15 COUNCILMAN COHEN: Doesn't the City take
16 some extra steps to make sure that all businesses
17 are notified of opportunities?

18 MR. GAMBLE: These opportunities,
19 Councilman, these are small orders so we don't
20 advertise per se, but we do list them on our Website
21 so that we tell vendors to go to our Website and it
22 will list all of the small order purchases that we
23 anticipate doing for the entire month. And so,
24 again, it will list the commodity, the person that
25 they need to contact, and how much we think we're

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2 going to spend, basically. But it's under \$13,000
3 though.

4 COUNCILMAN COHEN: But, sir, it seems to
5 me if the City were genuinely interested in
6 promoting the role of small business, it would go
7 out of its way, it would not say, "We do so-and-so
8 and it's up to small business to learn about it."
9 It would seem to me the City would take extra steps
10 to make sure that everyone in the City that might be
11 interested would know about the opportunity.

12 It's nothing personal, the criticism,
13 but the Mayor brags about this Business Action Team.
14 I know there's a Small Business Committee, yet we
15 continue to hear these refrains from small business
16 that somehow or other are left to scurry on their
17 own, and many of them are in no position to do that.
18 You know, a small businessman's got many problems to
19 think about just to maintain himself and in the
20 business of being a small businessman. So I think
21 everything the City can do to make it easier ought
22 to be done. And so I'm wondering what step could we
23 can take? Do you have any suggestion, sir?

24 MR. CRUZ: The one suggestion would be
25 if notifications could be sent out to the different

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2 Chambers.

3 COUNCILMAN COHEN: And have the Chambers
4 then accept an additional responsibility of
5 notifying their membership? Well, that would
6 certainly be one step.

7 MR. GAMBLE: And we do, Councilman. We
8 do that already.

9 COUNCILMAN COHEN: Do you get that
10 material?

11 MR. GAMBLE: We send it to the African
12 American Chamber.

13 MR. CRUZ: There also is a Philadelphia
14 Hispanic Chamber.

15 MR. GAMBLE: Okay. I was not aware.

16 MR. CRUZ: I'll make sure you get the
17 information.

18 MR. GAMBLE: We would be more than happy
19 to send it to anyone. You know, we're trying to get
20 the word out as much as we possibly can. We're
21 looking as a first step of trying to do that. In
22 the past, we didn't have it. So we are trying to
23 reach out, and any suggestions you have in order for
24 us to broaden that, it would be appreciated.

25 COUNCILMAN COHEN: See, small

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2 businessmen don't have the opportunity to be at the
3 large campaign affairs where word seems to get
4 booted about so you need special steps because small
5 businessmen often can't afford the ticket price of
6 the large campaign affairs. So I think you've got
7 to do something to compensate for that. And we know
8 that business generally is healthier the more we
9 promote small business, and in every way it's going
10 to afford the minority population and the population
11 in generally more job opportunities if we get small
12 business as healthy as possible.

13 Look, I'm sure the Commissioner will be
14 receptive to any other ideas you have.

15 Councilman Clarke, was there anything
16 you wish to add on that?

17 COUNCILMAN CLARKE: No. Thank you, Mr.
18 Chairman.

19 COUNCILMAN COHEN: Is there any other
20 witness to be heard on this matter?

21 (No response.)

22 COUNCILMAN COHEN: If not, the public
23 hearing on this Bill and Resolution will be
24 concluded. The committee will be taking action on
25 this matter later this afternoon.

1 LAW & GOVERNMENT - BILL 030115, RES. 030119

2 The next Bill before this committee
3 is -- would you read the number and title of the
4 next Bill.

5 THE CLERK: Bill No. 030016, an
6 ordinance providing for the submission to the
7 qualified electors of the City of Philadelphia of an
8 amendment to the Philadelphia Home Rule Charter
9 relating to the composition of the Board of Pensions
10 and Retirement.

11 And Resolution 030034, a Resolution
12 proposing an amendment to the Philadelphia Home Rule
13 Charter relating to the composition of the Board of
14 Pensions and Retirement.

15 COUNCILMAN COHEN: The first witness in
16 that matter. Councilman Nutter, do you wish to make
17 a statement on that?

18 You're going to undertake the
19 trepidations of being a witness, Councilman? We
20 offer you no quarter, you know, once you become a
21 witness.

22 Councilman Nutter, the Committee is
23 pleased to have you appear on behalf of the Bill and
24 Resolution you've authored.

25 COUNCILMAN NUTTER: Thank you, Mr.

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2 Chairman. My name is Michael A. Nutter,
3 N-U-T-T-E-R, Councilman for the 4th District. I do
4 appreciate the opportunity, Mr. Chairman and Members
5 of the Committee, to provide some testimony on this
6 Resolution and the Bill. I would say off to the
7 side, Mr. Chairman, that there are apparently a
8 growing number of people who have expressed an
9 interest in the opportunity to ask me questions. I
10 will do my best to get through this as quickly as
11 possible, but it is an unusual circumstance.

12 Mr. Chairman, very briefly, the original
13 Resolution and Bill as introduced would provide for
14 two new members to the Board of Pensions to be
15 appointed by the Council President. The primary
16 motivation behind this was twofold: One, as we know
17 from our recent budget hearings, our pension system,
18 not unlike almost all pension systems across the
19 country, have suffered as a result of a variety of
20 circumstances, severe decline in assets which
21 concerns all of us, as we are all public employees
22 and we're members of this pension system. The Board
23 of Pensions, I know, is very concerned about this
24 issue as well. The Council has multiple
25 responsibilities here, not only as members of the

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2 system, but also we are asked when the system
3 under-performs for whatever reason to make
4 additional contributions to maintain pensions for
5 current retirees as well as future retirees. So
6 Council has a clear interest in what goes on with
7 the pension system.

8 In addition, although we are a small
9 part of the government in numbers, certainly as a
10 Legislative Body we are an independent branch of the
11 government. And in that regard, we are actually not
12 represented directly on the Board of Pensions,
13 unlike members of the Executive Branch of the
14 government, as well as appropriately the four unions
15 that represent our municipal employees, as well as
16 the City Controller. And so it struck me at the
17 time that Council should increase its involvement
18 and concern about what goes on with our pension
19 system that serves all of us.

20 I've also had conversations with the
21 heads of the four municipal unions, Police, Fire,
22 DC 33, and DC 47, who expressed interest in this
23 legislation, wanted to know the motivation behind
24 it, which I shared exactly what I just said. They
25 had their own concerns, which were understandable

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2 and quite honestly, Mr. Chairman, their concerns had
3 not -- I had not anticipated their concerns.

4 I've had a meeting. I've talked to
5 every leader of the four municipal unions and I've
6 had a meeting subsequently with their
7 representatives just early this week. We have
8 reached, I believe, an acceptable compromise, which
9 I would propose in the form of an amendment to the
10 Resolution and naturally to the Bill. The Bill
11 contains the question that would go on the ballot.

12 And the compromise here is that the
13 Council President would appoint one non-voting
14 member to the Board who, other than the power to
15 vote, shall have all rights, powers, and duties of
16 other members of the board, including but not
17 limited to the right to attend any Executive Session
18 of the Board.

19 One of the concerns, Mr. Chairman, and I
20 certainly understand it, presently you have a
21 nine-member board perfectly split in terms of
22 representation between the Executive Branch and
23 unions and then an additional member as the City
24 Controller who often in many instances serves as a
25 tie-breaker. The concern with the original proposal

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2 was that adding two new members, increasing the
3 Board to 11 could significantly change the dynamics
4 of the Board of Pensions as well as some of the
5 votes, quite honestly, and how matters are decided.
6 And I think the primary concern by our municipal
7 unions was that in some instances on important
8 matters, they are faced with 5 to 4 votes on issues
9 that are important to the membership, and under this
10 proposal could find themselves in a situation where
11 the vote potentially could be 7 to 4.

12 Let me say clearly, Mr. Chairman, I have
13 no interest in interfering with those dynamics. And
14 I'm sensitive to our unions and the leadership and
15 the members on the very serious issue of pensions.
16 You've been the Chair in this Committee's hearings
17 around the pension issue, so we know how serious
18 this matter is.

19 So I think in the spirit of cooperation
20 and compromise and respecting the interests of the
21 unions, I would like to put forward this particular
22 amendment. A couple of the unions do have
23 representative here, but I would also, with the
24 Chair's permission, add to this record a letter of
25 support for this particular amendment from Mr.

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2 Robert Eddis, President of the Philadelphia Lodge
3 No. 5 Fraternal Order Police; Mr. Thomas Cronin,
4 President of AFSCME District Council 47; and there
5 is a correspondence from the Philadelphia Fire
6 Fighters Union. Mr. Reilly is here. He may also be
7 testifying. He and I have had a conversation. I
8 don't wish to characterize his position, although I
9 believe it is a positive one. And I've had
10 conversations and I am anticipating a letter of
11 support from Mr. Pete Matthews, President of
12 District Council 33, for this same measure. So
13 with that, Mr. Chairman, when we reach the public
14 meeting portion, I'll formally put forward the
15 amendments. They will be circulated during the
16 course of --

17 COUNCILMAN COHEN: Could you explain
18 simply what the amendment does?

19 COUNCILMAN NUTTER: Sure. The
20 Resolution as introduced, very simply, added two
21 members appointed by the Council President. The
22 amendment would strike that and add the following
23 language to Section 3-803 of the Home Rule Charter:
24 One non-voting member of the Board appointed by the
25 President of Council who other than the power to

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2 vote shall have all rights, powers, and duties of
3 other members of the Board, including but not
4 limited to the right to attend any Executive Session
5 of the Board.

6 The end result of that, Mr. Chairman, is
7 that the member appointed by the Council President,
8 while not having the right to vote, would be a full
9 participant and would have a right at the table of
10 the Board of Pensions and Retirement to participate
11 in all of the sessions and meetings, receive all
12 documents; data and information naturally would be
13 able to report back to the Council but have a
14 rightful seat at the Board of Pensions, which
15 certainly is an open entity and I'm sure in its
16 public sessions welcomes anyone to come, but we also
17 know, Mr. Chairman, that, first, there are a variety
18 of matters that are discussed in Executive Session
19 to which even a present Councilmember would not be
20 able to attend. And secondly, rather than having
21 our participation by way of professional courtesy, I
22 thought it important at a minimum to have our
23 participation as a matter of right in all the
24 discussions that take place around the Board of
25 Pensions.

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2 I'm sure that there may be a variety of
3 differences of opinion on this particular issue, but
4 I thought as at least a start --

5 COUNCILMAN COHEN: Well, let me ask
6 because I'm still not clear. Does the amendment
7 substitute in place of two voting members, it
8 substitutes one non-voting member?

9 COUNCILMAN NUTTER: Yes, Mr. Chairman.

10 COUNCILMAN COHEN: So there will only be
11 one member added instead of two and that member
12 would have all the rights of membership except the
13 right to vote?

14 COUNCILMAN NUTTER: Yes, Mr. Chairman.

15 COUNCILMAN COHEN: Thereby maintaining
16 the present voting strength of the different parties
17 that compose the Board now?

18 COUNCILMAN NUTTER: Yes, Mr. Chairman.

19 COUNCILMAN COHEN: Seems to me to be a
20 very interesting compromise.

21 COUNCILMAN NUTTER: I try. Not always
22 successful.

23 COUNCILMAN COHEN: And that means that
24 basically the change is more of permitting wider
25 participation and discussion rather than changing

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2 the dynamics of the voting forces.

3 COUNCILMAN NUTTER: Exactly. You would
4 at least have active participation in the discussion
5 around what's going on in the pension system from a
6 Council perspective. And whoever is appointed would
7 then naturally have the responsibility to report all
8 of that information back to us --

9 COUNCILMAN COHEN: I suggest that
10 whoever suggested that be proposed for a special
11 auxiliary membership on the United Nations. It took
12 a lot of skill and creativity to come up with that
13 proposal. Sounds very interesting to me.

14 COUNCILMAN NUTTER: Thank you, Mr.
15 Chairman.

16 COUNCILMAN COHEN: Are there any
17 questions by Members of the Committee?

18 (No response.)

19 COUNCILMAN COHEN: Does everybody
20 understand the effect of this amendment would be to
21 cut the number that the President would appoint to
22 the board from 2 to 1 and have that person be a full
23 member except not be able to participate in voting,
24 which would maintain the present voting strength and
25 dynamics of the different partisans?

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2 COUNCILMAN RIZZO: Mr. Chairman, are you
3 okay with that amendment?

4 COUNCILMAN COHEN: I think it sounds
5 very good because it gives us a voice which is what
6 we really want. I don't think Council at this stage
7 since we have a power to vote on pensions, we have
8 the ultimate word. I don't think we want to do more
9 than make sure we know what's going on and
10 participate and have an opportunity to present our
11 point of view. And that seems to me to be the
12 purpose of the amendment. It sounds very good to
13 me. We'll see how it is when it comes to votes.

14 COUNCILMAN NUTTER: That's always the
15 final test.

16 Mr. Chairman, while I'm here -- and
17 again this will be read into the record during the
18 public meeting. Naturally, with this proposed
19 amendment to the Resolution, the question as
20 originally introduced in the Ordinance was written
21 to comport with the Resolution. Naturally, the
22 question that the voters would be asked to vote on
23 would have to change as a result of the proposed
24 amendment. The new question in Bill 030016 would
25 read as follows: "Shall the Home Rule Charter be

1 LAW & GOVERNMENT - BILLS 030097, 030098, RES. 030106
2 amended to provide for one non-voting member of the
3 Board appointed by the President of Council who,
4 other than the power to vote, shall have all rights,
5 powers, and duties of other members of the Board,
6 including but not limited to the right to attend any
7 Executive Session of the Board?" That makes the
8 question in concert with the proposed amendment to
9 the Resolution.

10 COUNCILMAN COHEN: Very good.

11 COUNCILMAN NUTTER: Those will go into
12 the record during the public meeting.

13 COUNCILMAN COHEN: Any questions any of
14 the Members of the Committee have of Councilman
15 Nutter?

16 (No response.)

17 COUNCILMAN COHEN: I have none. Thank
18 you very much.

19 Are there any other witnesses to be
20 heard on this proposal?

21 (No response.)

22 COUNCILMAN COHEN: If not, that
23 concludes the public hearing on that Bill and
24 Resolution.

25 May we move to the next item on the

1 LAW & GOVERNMENT - BILLS 030097, 030098, RES. 030106
2 agenda?

3 THE CLERK: There's a Resolution and a
4 Bill coming up next. The Resolution is 030106, a
5 Resolution proposing an amendment to the
6 Philadelphia Home Rule Charter to establish that a
7 bid preference can be allowed in the awarding of
8 public contracts to Philadelphia firms and that the
9 extent and nature of the bid preference shall be
10 provided by ordinance.

11 And with that is Bill 030097, an
12 Ordinance amending Title 17 of the Philadelphia
13 Code, entitled "Contracts and Procurement," by
14 adding a new section 17-109, entitled "Local Bidding
15 Preferences," providing for the establishment of a
16 bidding preference on City contracts for
17 Philadelphia businesses, under certain terms and
18 conditions.

19 COUNCILMAN COHEN: Is there anyone here
20 from the City Solicitor's department?

21 THE CLERK: No. There's Jim Cuorato,
22 and we have an opinion on this particular Bill.

23 COUNCILMAN COHEN: I think it might be
24 well to advise the Law Department they ought to be
25 prepared to send somebody over on this matter. I

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2 think they ought to be prepared. I suspect I will
3 have a number of questions.

4 COUNCILMAN NUTTER: Mr. Cuorato is here
5 from the Commerce Department.

6 COUNCILMAN COHEN: Mr. Cuorato, would
7 you come forward, please? Identify yourself for the
8 record and then proceed.

9 MR. CUORATO: Good afternoon, Mr.
10 Chairman and Members of City Council. My name is
11 James Cuorato, and I'm a City Representative and
12 Director of Commerce. I appreciate this opportunity
13 to submit testimony in support of Bill No. 030097
14 and Bill No. 030098.

15 Bill No. 030097 is an ordinance that
16 would provide for local bidding preferences in City
17 contract awards.

18 Bill 030098 is a related Bill that would
19 allow for an amendment to the Home Rule Charter to
20 permit this bid preference.

21 Whenever we award contracts to firms
22 outside the City, the direct and indirect economic
23 benefits of these Public Works investments are
24 significantly reduced.

25 COUNCILMAN NUTTER: Mr. Cuorato, I

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2 apologize for interrupting. Do you have any copies?

3 MR. CUORATO: Yes, Councilman, I do.

4 I'm sorry. I thought they had been distributed.

5 COUNCILMAN COHEN: You may proceed.

6 MR. CUORATO: Mr. Chairman, I might note
7 that the testimony that's being distributed also
8 contained some language related to testimony that
9 had just previously been given by Commissioner
10 Gamble, so I will not repeat that. I'll just skip
11 over that in my testimony.

12 COUNCILMAN COHEN: All right.

13 Let me ask you as a point of
14 information. When you talk about City contracts,
15 are you being precise? You mean only those
16 contracts which carry the name City of Philadelphia?
17 How about Philadelphia Housing Authority? How about
18 PIDC, PAID, and every other agency which for all
19 purposes is the same as the City of Philadelphia
20 except the authorities were organized under a state
21 law instead of a city ordinance but otherwise are as
22 fully controlled by the Mayor of the City of
23 Philadelphia as are the City agencies? What do you
24 mean by we in the City of Philadelphia?

25 MR. CUORATO: Mr. Chairman, I am

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2 referring -- and I believe these ordinances refer
3 specifically to contracts issued by the City of
4 Philadelphia. So my understanding is they would not
5 cover contracts by the Philadelphia Housing
6 Authority. For some of the other departments that
7 you mentioned, I cover those in my testimony and I
8 can either answer the question now for you or just
9 state it as part of my testimony.

10 COUNCILMAN COHEN: Would someone else
11 have for the City of Philadelphia a breakdown in
12 volume? It's my understanding -- it may be
13 inaccurate or accurate -- that only about half of
14 the contracts that are let out are let out
15 technically by the City of Philadelphia. And I
16 think we ought to know whether or not half of the
17 volume is being permitted to remain in the
18 discretion of the Mayor. And then I would like to
19 know if that's the case, how do we intend to enforce
20 this provision or do we have some purpose in mind in
21 limiting this just to those that deal directly with
22 agencies defined as City of Philadelphia.

23 Because we have had the experience in
24 the past where authorities who are generally more
25 free with money than City agencies go and hire the

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2 most expensive lawyers in the City to explain why,
3 although their work is limited to City work, they
4 have a gilt edge covering wrapping them around and
5 immunizing them from control of ordinary City
6 agencies except perhaps the appointing authority who
7 in all these cases is the Mayor. So I would like to
8 have a full understanding as to the purpose of this
9 amendment.

10 COUNCILMAN NUTTER: Mr. Chairman, excuse
11 me.

12 COUNCILMAN COHEN: Yes. Councilman
13 Nutter.

14 COUNCILMAN NUTTER: Two things. Could
15 you possibly repeat that last phrase? What was
16 that, a gilt edge covering wrapped around -- I'll
17 have to check the notes of testimony on that one.
18 That was a good one.

19 COUNCILMAN COHEN: But you'll have to
20 remember what I said was copyrighted.

21 COUNCILMAN NUTTER: I'll give you credit
22 if I ever repeat it.

23 With regard to the initial question that
24 you had asked Mr. Cuorato first, Mr. Chairman, this
25 is not an Administration Bill. This is a Bill that

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2 I offered and am the sponsor of. Specifically, on
3 Page 3 of the Bill in 17-109(5), the Bill talks
4 about award of City contracts. So this Bill is
5 specific to this group of contracts. A, on any City
6 contract for which the City secures competitive bids
7 pursuant to Section 8-200(1) of the Home Rule
8 Charter. The Commissioner shall award a 5 percent
9 bid preference to any local business entity that
10 submits with its bid, and then it goes on. So I
11 believe, Mr. Chairman, that this Bill only applies
12 to those contracts that meet the requirement under
13 Section 8-200(1) of the Home Rule Charter which
14 require a competitive bidding process and procedure.
15 This Bill would only apply to those particular bids.
16 And I think what you were getting at, which is
17 certainly a very serious issue and we've had
18 concerns about that on many instances, are, one, the
19 professional services contracts which by definition
20 are not subject to competitive bidding; and then
21 your other question about PHA and other semi, quasi,
22 sounds-like-government, looks-like-government,
23 must-be-the-government, I believe that they are not
24 subject to Section 8-200(1) of the Home Rule
25 Charter. They may be subject to other requirements,

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2 but they're not subject to that section and,
3 therefore, I do not believe that those contracts by
4 those semi, quasi-governmental units would be
5 covered by this particular Bill.

6 COUNCILMAN COHEN: Well, I'm --

7 COUNCILMAN NUTTER: I was either
8 negligent or not smart enough to figure out how to
9 get those under this provision. But for the moment,
10 I was primarily looking at City contracts because
11 we're looking to amend the City Charter.

12 COUNCILMAN COHEN: All right. I
13 understand the limitation. And what you're saying
14 is, let's get a half of loaf if we can't by the
15 whole loaf.

16 COUNCILMAN NUTTER: Well, when you're
17 hungry, a half loaf ain't bad.

18 COUNCILMAN COHEN: I'm very much
19 interested. I think it's outrageous that the
20 various authorities are not covered by the City's
21 Ethics Board, for example. Because the authorities
22 say they're not City agencies. And if they're not
23 City agencies, I don't think we ought to recognize
24 them as having any rights to deal with City
25 problems. But that may be for another day.

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2 With the explanation of Councilman
3 Nutter, we'll go forward on this Bill today. But
4 the other issue remains a very live area of
5 questioning.

6 Go ahead, Mr. Cuorato.

7 MR. CUORATO: Thank you, Mr. Chairman.
8 Just continuing with my testimony, whenever we award
9 contracts to firms outside the City, the direct and
10 indirect economic benefits of these public works
11 investments are significantly reduced. I know that
12 you share this frustration, not just with
13 multimillion-dollar development projects, but also
14 with professional services, equipment, and supplies.

15 In addition encouraging them to locate
16 and remain in Philadelphia, creating local jobs and
17 increasing tax revenue, these bills help offset the
18 cost of doing business in the City. Philadelphia
19 businesses operate at a competitive disadvantage due
20 to the higher taxes, wages, and insurance burdens
21 they face. By providing for a local bidding
22 preference, these ordinances address those
23 additional costs that often force businesses to
24 relocate to outside the City limits to remain
25 competitive. Businesses that make a commitment to

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2 locating and doing business in the City of
3 Philadelphia deserve our full support when we make
4 purchasing decisions. It is for this reason that I
5 have implemented a policy that, all things being
6 equal, Philadelphia firms be given contracts for
7 professional services by agencies or departments
8 under my jurisdiction such as the division of
9 aviation and PIDC.

10 I should also note that local bidding
11 preference is not only a commendable policy for the
12 City of Philadelphia, it is a practice that has been
13 implemented in cities such as Washington, D.C.,
14 Boston, Detroit, and Miami, Dade and Clark Counties.

15 For these reasons, I would respectfully
16 urge you to support No. 030097 and Bill No. 030098
17 and the accompanying Resolution. And I thank you
18 for this opportunity to testify.

19 COUNCILMAN COHEN: Thank you. Are there
20 any questions?

21 COUNCILMAN NUTTER: Thank you very much
22 for your testimony, Mr. Cuorato. And I'm pleased
23 that we have an opportunity to work together on
24 something.

25 MR. CUORATO: I am as well, Councilman.

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2 Thank you.

3 COUNCILMAN COHEN: It sounded as if
4 something was intended that is not clear on the
5 record, that last comment.

6 COUNCILMAN NUTTER: Mr. Chairman, Mr.
7 Cuorato and I, the last time I think we were
8 together, had a bit of an intense back-and-forth on
9 another Bill of mine, which is the economic impact
10 statement. He had a very strong position, which I
11 respect. I had a very strong position, which he
12 respects. And we did not have an opportunity most
13 recently to work together on something. So I was
14 just expressing the appreciation to have a recent
15 matter to work on together.

16 COUNCILMAN COHEN: Okay. Very good.

17 Let me ask you one question. The issue
18 that I raised which -- would the City have any
19 objection to an amendment that would be proposed
20 that would require that in any contract arranged
21 between the City and an authority doing business on
22 behalf of the City will be required to abide by the
23 these kinds of provisions?

24 It's my understanding, for example, that
25 all the authorities in order to do their work have

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2 to enter into contracts with the City of
3 Philadelphia; is that correct?

4 MR. CUORATO: Councilman, I don't know
5 that that's the case all of the time. I can tell
6 you that I unequivocally support the concept behind
7 Councilman Nutter's Bills. I do, however, think
8 there may be legal questions in taking it that next
9 step further and having it apply to authorities. I
10 know even with these two Bills, and I think
11 Councilman Nutter will concur, they had to be very
12 carefully crafted and reviewed by the Law Department
13 to ensure that they were legal and fit within
14 Constitutional guidelines. And even with that, the
15 Law Department made it very clear that without an
16 amendment to the Home Rule Charter we could not
17 enact this legislation. So I think there are legal
18 issues. And I, again, will defer to Councilman
19 Nutter as the sponsor of the Bills, but I certainly
20 would like to see -- as you characterized it,
21 Councilman, I certainly would like to see the half
22 of loaf, see these bills approved, and then if there
23 are ways to take it even further, I think we can
24 certainly look at that.

25 COUNCILMAN COHEN: But you're not

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2 prepared to express an opinion as to whether you
3 think the second half would be as tasty as the first
4 half for the City's appetite?

5 MR. CUORATO: Well --

6 COUNCILMAN COHEN: Apart from the
7 Constitutional questions that may exist, that's a
8 separate area and, of course, we would want to make
9 sure that legally they pass muster. But my question
10 is, assuming they pass muster, would the City as a
11 matter of policy prefer to have the full loaf rather
12 than the half loaf?

13 MR. CUORATO: I would support the
14 concept of any contracts that are within our
15 jurisdiction to award go to Philadelphia companies.

16 COUNCILMAN COHEN: Thank you. Thank you
17 very much.

18 COUNCILMAN NUTTER: Mr. Chairman, just a
19 brief mention. There will be technical amendments
20 to both the Resolution and the Bill. Most of these
21 Charter measures that I have here today, Mr.
22 Chairman, when they were introduced, they were
23 written with the anticipation that the measures
24 would possibly be on the May ballot.

25 COUNCILMAN COHEN: Optimist.

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2 COUNCILMAN NUTTER: Yes, well, I'm the
3 eternal optimist. But time and reality took over,
4 and so there will be amendments to most of these to
5 change the date from May 20th to November 4th.

6 COUNCILMAN COHEN: Very good.

7 Are there any other witnesses to be
8 heard on the Bill and Resolution before us on that
9 particular Charter change giving Philadelphia
10 businesses a small preference to make up for the
11 disadvantages of their location in Philadelphia?

12 I think that's a crude but rough summary
13 of the amendment.

14 COUNCILMAN NUTTER: It is. And as I
15 indicated, Mr. Chairman, at your request, a member
16 of the Law Department who worked on this matter will
17 be coming over. And you know we have the --

18 COUNCILMAN COHEN: He's not here yet, is
19 he?

20 COUNCILMAN NUTTER: He's not here yet,
21 but I'm sure you'll put him on at the appropriate
22 time.

23 COUNCILMAN COHEN: All right.

24 COUNCILMAN NUTTER: And we do have an
25 opinion from the City Solicitor on these three

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2 matters laying out their legality, but also
3 indicating the kinds of hurdles that we had to get
4 over and why we did it this way.

5 COUNCILMAN COHEN: All right. Is there
6 any way of extracting the opinion with respect to
7 this particular Bill and Resolution?

8 COUNCILMAN NUTTER: It has been
9 distributed, Mr. Chairman. If this works for you,
10 if there were a question, I would certainly seek to
11 go to the appropriate section of the opinion and
12 seek to answer that question. But I'm reluctant as
13 a non-lawyer to try to make a full argument.

14 COUNCILMAN COHEN: Which Bills and
15 Resolutions does the opinion cover?

16 COUNCILMAN NUTTER: It covers Bill
17 030097 --

18 COUNCILMAN COHEN: And the accompanying
19 Resolution?

20 COUNCILMAN NUTTER: Well, there are two
21 Bills and there's one Resolution in this particular
22 situation. So the two Bills are 030097 and 030098,
23 and the Resolution is 030106.

24 COUNCILMAN COHEN: All right. I think
25 that would be sufficient at this point.

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2 THE CLERK: I could just explain why
3 there are two bills. One is the authorization for
4 the ballot question to be on the ballot on the
5 Charter change, and the other is the Bill which
6 would actually implement the Charter change which is
7 going to be the subject of the ballot question. So
8 you're seeking to actually implement the Charter
9 change.

10 Would that be effective as of the date
11 of the approval of a Charter change?

12 COUNCILMAN NUTTER: The actual ordinance
13 implementing the local bidding preference, Section
14 2, Page 5 of the Bill is "This ordinance shall
15 become effective 90 days after adoption of an
16 amendment to the Philadelphia Home Rule Charter
17 permitting local bidding preferences." So it's a
18 90-day lead-in time.

19 COUNCILMAN COHEN: All right.

20 THE CLERK: We're next considering Bill
21 020621. An Ordinance amending Title 2 of the
22 Philadelphia Code, entitled "City-County
23 Consolidation," by abolishing the Board of Revision
24 of Taxes and reassigning its powers, functions and
25 duties to three newly created City agencies to be

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2 known as the Board of Property Assessment Appeals
3 and Review, the Property Assessment Oversight Board,
4 and the Office of Property Assessment.

5 COUNCILMAN COHEN: Is this a proposed
6 Charter change?

7 THE CLERK: No.

8 COUNCILMAN COHEN: This is a straight
9 ordinance implementing the current provisions of the
10 Home Rule Charter?

11 COUNCILMAN NUTTER: It's a question.

12 THE CLERK: With a question, but it's
13 contained within the Bill.

14 COUNCILMAN NUTTER: Michael Nutter,
15 N-U-T-T-E R, Councilman for the 4th District. Mr.
16 Chairman, this is a slightly unusual situation.
17 There's one ordinance, and this involves utilization
18 of the City-County Consolidation Act which allows
19 City Council to legislate with regard to the Board
20 of Revision of Taxes as well as a number of other
21 agencies that are covered by the City-County
22 Consolidation Act. The requirement here is that in
23 order for City Council to be able to legislate with
24 regard to the Board of Revision of Taxes, the voters
25 have to approve a question giving us that authority,

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and that's required under the City-County Consolidation Act as passed by the State Legislature. Once the question is approved, Council is then within its legislative right to legislate as it relates to the Board of Revision of Taxes.

In this particular Bill, 020621, we've incorporated what the amendments would be to the Code as well as in the back of the Bill in a separate Section 2. We've also incorporated the actual question.

So it is not a Charter change. But the City-County Consolidation Act requires us to utilize the process and procedure of Charter change with regard to at least putting a question on the ballot. It's not something we do every day, but --

COUNCILMAN COHEN: The question would appear on the same ballot as that which may contain the proposed changes of the Home Rule Charter?

COUNCILMAN NUTTER: Yes, Mr. Chairman. So it would be a question, like all the other questions that are on the ballot. Those questions -- and you are right and you hit on the point. Those question would be asking voters for approval of actual changes to the Charter. This question is

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not asking for a change to the Charter; it's asking voters to give their approval to our ability to legislate as it relates to the Board of Revision of Taxes. And at that point, the BRT would then be covered by the Philadelphia Code.

COUNCILMAN COHEN: In other words, the Charter is already in shape enough to absorb this change without the voters having to specify that they're changing the Charter, but what is missing is one additional election step relating to the consolidation of County and City requirements? It comes from the fact that the City of Philadelphia geographically is the same area both for the County and for the City?

COUNCILMAN NUTTER: Yes, Mr. Chairman.

COUNCILMAN COHEN: But as of now, the Board of Revision Taxes is a County position rather than a City position?

COUNCILMAN NUTTER: In essence, yes. Although it only covers the same area as the City. It only provides services for the City. There were a series of offices, as you well know, that did not completely make it into the City's purview under City-County Consolidation Act. And we may have the

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2 Act handy. There are other offices. If at any time
3 we wanted to have those offices within our purview,
4 we would go through the same process.

5 COUNCILMAN COHEN: Councilman Nutter, I
6 don't know whether you know the answer or not; but
7 if you do, I'd appreciate it. Do the paychecks, for
8 example, received by the people who are in general
9 but not specifically covered by the Charter but are
10 authorized to be covered if Council ever takes the
11 Consolidation Act, what kind of paycheck do they
12 currently receive? Say, BRT employees, Board of
13 Revision of Tax employees.

14 COUNCILMAN NUTTER: I believe the BRT
15 employees are paid by the City of Philadelphia.

16 COUNCILMAN COHEN: Receiving the same
17 kind of check?

18 COUNCILMAN NUTTER: Receiving the same
19 kind of check.

20 COUNCILMAN COHEN: Even though they're
21 technically not yet fully part of the City of
22 Philadelphia to the same extent, at least -- I see
23 Mr. Fader is here. Perhaps he'll be able to give us
24 more official explanations. Thank you, though. I
25 think you're very clear on that.

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2 COUNCILMAN NUTTER: Thank you, Mr.
3 Chairman.

4 First, Mr. Chairman, there are a number
5 of items that I need to put in the record here.
6 This Bill comes as a result of a number of issues
7 that have been raised over the course of the past
8 year. You are well aware, and the entire Committee
9 is well aware that this City Council has been
10 involved in a process dealing with property
11 assessments for many, many years. This is not a new
12 issue. And there have actually been, prior to my
13 service in Council, discussions about bringing the
14 Board of Revision of Taxes closer to the government,
15 not for the purpose of inappropriately influencing
16 what they do, but ensuring that there is
17 accountability in how the system functions and
18 operates.

19 We all know many of the horror stories
20 from last summer's assessment process, which I think
21 is not -- at least from my perspective, is not so
22 much a comment on how the Board of Revision of Taxes
23 functions or the Board members or the staff, but
24 that there is a system that is slowly deteriorating
25 and somewhat out of control.

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The model for this particular legislation is primarily from Allegheny County and how they broke up administratively the different functions of their then similar Board of Revision Taxes agency.

What you have right now, Mr. Chairman, is a system where everyone works for the same entity under the same roof. The taxpayers are left with, certainly, the impression, wrong as it may be, that the Board of Revision of Taxes is in the revenue-generating business, which they are not. They're in the assessment business and evaluation of property business and the appeals business. Board members are presently appointed by the Board of Judges to ensure a certain level of independence, but as you even indicated, all of the members receive their paycheck from the City of Philadelphia. They are not strangers to us. They are not foreign to us. We know many of the members well, and we have extensive contact with them.

But out of last year's assessment process, the issue of how the Board functions and operates, should there been a separation, should there be greater lines of accountability between the

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Board and its functioning similar to almost every other department, board, or agency of the government was raised; and I started looking at this particular issue.

The Bill in front of us today comes as a result of discussions with the Board of Revision of Taxes and a variety of other people who are much more expert in this particular area than myself, although I've tried to learn as much as possible about these issues in a relatively short period of time. I have also a set of proposed amendments to this Bill which come as a result of more extensive conversations, input, advice, and suggestions actually from the Board of Revision of Taxes and specifically Chairman Glancey as well as Mr. Robert Nix.

What I would like to do, Mr. Chairman -- I believe the amendments have been circulated -- is to walk through the amendments, answer any questions in general on this particular provision or on any of the amendments and then, naturally, at the time of the public meeting seek to move these amendments.

If you look at Page 2 of the proposed amendments, some of these amendments are purely

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1
2 stylistic in nature or trying to keep a certain
3 level of order of the listing of what -- the Board
4 of Revision of Taxes would essentially be broken
5 into three different entities. There would be a
6 Property Assessment Oversight Board which would have
7 overall responsibility for how the system functions
8 and operates. There would be a Board of Property
9 Assessment Appeals and Review, which essentially
10 would be your appeal side of this issue. And there
11 would be an Office of Property Assessment, which
12 would be the people who actually conduct the
13 assessments and determine market values on the
14 property.

15 COUNCILMAN COHEN: In time, in the
16 chronological order that an assessment would take
17 place, could you place those three groups? Would
18 the Office of Assessment come into the picture first
19 to make the assessment subject to review by one of
20 the two other boards that would examine it before an
21 appeal, before the notice became official? And
22 would the final Board be the Board to which a
23 taxpayer would appeal if he or she were unhappy with
24 the result of the assessment?

25 COUNCILMAN NUTTER: Exactly. What would

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1
2 happen, Mr. Chairman, is naturally all of the
3 entities, should this be approved by the voters, all
4 of these entities would come into being
5 simultaneously. But what you were asking was the
6 order of things.

7 The Office of Property Assessment would
8 conduct the assessment process, send that
9 information to the Property Assessment Oversight
10 Board who would have to determine that the Office of
11 Property Assessment had conducted the assessments in
12 accordance with actually a standards ordinance that
13 this Council would have to approve to ensure that
14 the Office of Property Assessment actually conducted
15 the assessment process in the proper fashion. And
16 then there would be a certification process.
17 Property owners would receive their notice similar
18 to the way they do now. I believe that pretty much
19 the same cycling would carry forward where you would
20 receive your new assessment notice in the summer and
21 a certain date, which is actually set by statute --
22 it might be the first Monday in October -- by which
23 time you have to file your appeal. You would then
24 file your appeal with the Board of Property
25 Assessment Appeals and Review.

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2 So you would have the same cycling and
3 process, but it would be done by separate entities
4 which would be apart from each other, and you would
5 know that you were only dealing with one entity at a
6 time.

7 COUNCILMAN COHEN: And currently, the
8 three entities are all grouped together in the same
9 agency?

10 COUNCILMAN NUTTER: Yes. And what you
11 have in essence is the assessors making an
12 assessment as well as setting a market value which
13 is approved, in essence, by the same people, the
14 Board of Revision of Taxes, who have to also hear
15 your appeals. And so the same group of people are
16 setting the figures and also listening to appeals
17 all under the same roof. So it creates a certain
18 level of confusion within the taxpaying public on
19 the issue of how do you grade yourself under this
20 particular circumstance?

21 COUNCILMAN COHEN: It certainly sounds
22 like it's a more basic, fairer approach to have
23 different people involved. But we'll hear the
24 testimony on it. I just wanted to make sure I
25 understood the basic structure.

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2 COUNCILMAN NUTTER: Let me go through a
3 description of the Bill. I'm sure there will be a
4 variety of questions.

5 The main aspects of Bill 020621 are as
6 follows:

7 The BRT would be abolished after it has
8 made assessments in Calendar Year 2003 for the
9 purpose of the 2004 real estate taxes. And so the
10 current BRT would still do the assessments for this
11 summer, would issue the notices, would certify the
12 assessment process. Taxpayers would receive their
13 bills, appeals would be taken, and the BRT would
14 stay in business until the entire appeals process
15 was completed, which would be sometime in 2004.

16 Starting with the 2004 assessments,
17 which would generally be the summer of 2004 made for
18 2005, a new system would be established involving
19 three new entities: The property Assessment
20 Oversight Board, the Office of Property Assessment,
21 and the Property Assessment Appeals and Review.

22 The Oversight Board would be composed o
23 three members. One would be selected by the Mayor,
24 with the advice and consent of Council. The last
25 member would serve a four-year term.

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The Oversight Board would submit a proposed Assessment Standards and Practice Ordinance to Council, setting forth a recommendation for how Council should impose standards for application of assessment standards.

The Assessment Office would be created within the Managing Director's Office. The Managing Director would appoint a Chief Assessment Officer to run that office who would only be removable for cause, and all the other employees of the office. The ordinance also sets forth certain minimum qualifications of the Chief Assessment Officer and other employees of the office. The Assessment Office would make all property assessments in the City starting in 2004 for application in 2005 pursuant to the Assessment Standards Ordinance set forth in an ordinance to be adopted by Council.

The Assessment Office would make recommendation to the Appeals Board regarding the tax exempt status of property. It would also have certain other functions, including providing certain information to the Oversight Board and the public making recommendations to City Council, et cetera. After assessments are made by the Assessment Office,

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the Oversight Board would be required to certify that such assessments were made in accordance with the ordinance establishing assessment standards adopted by City Council.

The Appeals Board would be composed of seven members who would be required to have certain backgrounds and training. The members would be appointed by the Mayor with the advice and consent of Council. They would be removable by the Mayor only for cause. The Appeals Board would provide hearings in all appeals made from the assessments and decide the appeals in accordance with the Assessment Appeals Standards and Practices Ordinance adopted by Council. The Board would make a recommendation to Council regarding the contents of such an ordinance.

There's a provision in here, although not presently within our system that we could also have Hearing Examiners who would be required to have certain qualifications and would be required to provide findings to the Board which would then make a decision on the appeal.

Those are the basic descriptor items within the Bill.

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Mr. Chairman, with regard to some of the amendments, I'll detail or, at least, highlight some of the more important ones which I think will also be of concern to some Members and possibly other members of the public.

Again, to ensure a certain level of independence, the members of the Board of Appeals shall be appointed by the Mayor with the advice and consent of a majority of all the members of the Council. The initial members of the Board of Appeals shall consist of the seven persons who serve as members of the Board of Revision of Taxes on the date this section becomes law. That will ensure, not only continuity with our present Board members in terms of making a transition, but also allows for the present Board members to serve out their present terms. They all have certain terms of office which actually start expiring in 2004.

Each initial member shall serve until his or her term as a member of the Board of Revision of Taxes would have expired had the Board been abolished pursuant to Section 2-113 and until his or her successor has been appointed and qualified.

The first seven members who are

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2 appointed to succeed an initial member, either upon
3 the expiration of the term of an initial member or
4 because an initial member failed to complete his or
5 her term, shall be appointed to terms ending as
6 follows -- and then there are a series of term dates
7 which, again, ensure a staggered and fixed term
8 provision -- January 1, 2009; January 1, 2010;
9 January 1, 2011; January 1, 2012. And the term of
10 the seventh such member shall end December 31, 2012.

11 The Mayor is also required to forward
12 proposed appointments to Council for its advice and
13 consent at 30 days before the expiration of any
14 term. Council will then be able to keep track of
15 where things are in the process.

16 The Board of Appeals shall retain an
17 Executive Director and such other employees as are
18 required to conduct the work of the Board. That
19 helps to ensure that the Board actually has the
20 staff that it needs to conduct its job.

21 The Board of Appeals shall perform such
22 administrative duties for the Board of Review as had
23 been performed by the Board of Revision of Taxes.
24 That provision ensures that Board of Review's duties
25 and responsibilities stay in place.

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An additional amendment is regarding the Chief Assessment Officer. Again, to ensure independence and a certain level of security in that particular position as well as lessening the subject to influence on that person, the following amendments are proposed:

The Managing Director shall appoint a Chief Assessment Officer who shall direct the work of the Office of Property Assessment for a term of five years and who shall be exempt from Civil Service but who may only be removed for cause. Additionally, before the Chief Assessment Officer may be removed prior to the expiration of his or her term, the Managing Director shall provide the Chief Assessment Officer with a written statement of the reasons for removal and shall give the Chief Assessment Officer an opportunity to a hearing before the Managing Director.

If the Managing Director, following such hearing, determines that the Chief Assessment Officer shall be removed from office, such decision shall be final unless the Chief Assessment Officer within seven days after being notified in writing of the Managing Director's final decision, appeal such

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2 decision to the Property Assessment Oversight Board
3 which shall, following a hearing, make a final
4 decision as to whether the Chief Assessment Officer
5 shall be removed from office.

6 Now, that's a somewhat circuitous
7 process, I will acknowledge. But the purpose of
8 that process is to ensure that the Chief Assessment
9 Officer is able to do his or her job not subject to
10 influence by anyone, including any of us presently
11 here or a Mayor or anyone else, and provides a
12 certain level of security in that job such that if
13 the Managing Director for whatever reason makes a
14 decision to try to fire that person for cause, they
15 have to be notified in writing, they have to have an
16 opportunity for a hearing before the Managing
17 Director. If the Managing Director reaffirms the
18 decision to terminate, the person has an opportunity
19 to then appeal to the Property Assessment Oversight
20 Board before any final decision is made. And all of
21 those decisions have to be detailed in writing. I
22 would like to think that all of those parties would
23 think very long and very hard before making such a
24 decision.

25 The other significant amendments or

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proposed amendments as follows:

On Page 9, Section 2-209, the transfer of existing employees. That provision was written in to give a level of security to the present employees over at the Board of Revision of Taxes, many of whom are Civil Service, some of whom are not. Those persons employed by the Board of Revision of Taxes on the date the Board of Revision of Taxes ceases to exist shall become employees of the Property Assessment Oversight Board if they are regularly occupied in connection with the functions and duties transferred to that Board; the Property Assessment Appeals and Review if they are regularly occupied in connection with the functions and duties transferred to that Board; or of the Office of Property Assessment if they are regularly occupied and in connection with the functions and duties transferred to that office.

What that all means is that wherever those employees work today and whatever function they're providing today, they are going to end up in one of those three entities and continue to perform the same job under the same circumstances in that particular unit. If you're an assessment person,

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you go with the Assessment Board. If you're an appeals person, you go with the Appeals Board. And if you are more administrative staff working with the current Board of Revision of Taxes in an administrative capacity, more than likely you're going to go with the Property Assessment Oversight Board.

Councilman DiCicco.

COUNCILMAN DICICCO: Thank you, Councilman Nutter. Does it have any impact on their pension benefits? Are they moving from the School District payroll to the City payroll or vice versa? Is there any impact on that?

COUNCILMAN NUTTER: There's a subsequent provision about that. Again, if a person is presently a School District employee, under this particular Bill, one, they will stay a School District employee and they will stay in that particular job classification and continue to receive that particular pay. If they're a City employee, they're going to remain a City employee in our pension system and the like. This does not change that. But there is an additional provision here now written in to the Bill.

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"Similarly any School District employees who are assigned to the Board of Revision of Taxes on the date the Board of Revision of Taxes ceases to exist shall be resigned to the Property Assessment Oversight Board, the Board of Property Assessment Appeals and Review, or the Office of Property Assessment, as appropriate."

So what that means is if you happen to be a School District employee who is now working over at the Board of Revision of Taxes, whatever your job is presently, you will go to one of those three entities and continue to perform that service.

Let me also take this opportunity, Mr. Chairman, to make mention of the fact that there has been some discussion in public and during School District budget hearing about the issue of the School District employees who are assigned over to the Board of Revision of Taxes. There has been a series of meetings and discussions around this issue and leadership provided on the issue by our Council President Anna Verna. It is my understanding that with regard to the School District employees assigned to the Board of Revision of Taxes that City Council will engage a -- for the purposes of a study

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1 of this particular issue and how to best utilize
2 these employees in their current function and also
3 analyze the financial impact to both the School
4 District and the City of Philadelphia on how we
5 ultimately deal with the cost factors associated
6 with their service, which is a dual service; they
7 work for the School District, but they're also
8 assisting in the collection of revenues for the
9 School District. I understand that there are fiscal
10 implications to the District and there is certainly
11 fiscal implications to the City of Philadelphia.
12 But that study will be conducted during the course
13 of the year to try to reach some decision with
14 regard to how these costs are covered or shared in
15 the future. But I believe for the moment, based on
16 that agreement for a study of this issue, that those
17 employees of the School District will continue to
18 work over at the Board of Revision of Taxes and
19 maintain their School District status.

21 Lastly, there was a need again for a
22 date change. When this Bill was introduced, it was
23 hoped that it might be on the May ballot. The dates
24 have been changed to make it ready for the November
25 election.

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2 I'm available for any questions, Mr.

3 Chairman.

4 COUNCILMAN DICICCO: I've got a feeling
5 there are no questions from the Committee here.

6 COUNCILMAN NUTTER: Thank you, Mr.

7 Chairman.

8 COUNCILMAN DICICCO: Thank you.

9 Is there anyone else here who wishes to
10 testify?

11 Good afternoon.

12 MS. KAMMERDEINER: Good afternoon. I do
13 have copies of testimony here if someone would like
14 to get them.

15 I'm Nancy Kammerdeiner, Revenue
16 Commissioner. I'm pleased to be with you today to
17 present testimony regarding Bill No. 020621. As
18 you've already heard, this Bill would abolish the
19 Board of Revision of Taxes and replace it with
20 several new boards and offices, subject to voter
21 approval by referendum.

22 On behalf of the Administration, I'm
23 here to respectfully convey our opposition to this
24 legislation. While I understand that many
25 Philadelphians were dismayed by the size of their

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recent assessment increases, I do not believe that this legislation represents an appropriate response to their concerns and would likely make the situation worse. Our greatest fear is that, if implemented, this Bill could profoundly politicize the tax assessment process in a manner that would lead to public mistrust of the entire assessment process. I believe it's fair to say that the BRT, particularly under its current leadership, has been largely immune to and free from outside political pressure that would affect either assessments or appeals from those assessments. Despite the recent outcry over this year's assessments, I believe that the public perception is still that the BRT'S fundamental processes are not politicized. This Bill would turn that perception on its head in two distinct but equally disturbing ways.

First, Bill 020621 would create an Appeals Board whose members would be appointed by the Mayor with approval of a majority of Council.

Second, the newly created Office of Property Assessment would be placed within the Managing Director's Office with the Chief Assessment Officer to be appointed by the Managing Director.

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With these structural changes, the Bill would dramatically increase the public perception and possibly the reality that the BRT would be subject to political pressures and persuasions in future years.

I recognize that the intent behind these provisions is to create enhanced accountability, but the unintended result is the opening of a Pandora's box of political opportunity to influence assessments and appeals. The people making initial assessments and the people hearing appeals from those assessments would be directly beholden to future Mayors or Members of Council for their jobs. This dramatically enhances the potential for political intervention in the assessment process. More importantly, it destroys the degree of independence that the BRT currently enjoys from both Mayoral and Councilmanic politics and insulates both the Mayor and Members of Council from responsibility for each and every assessment decision made.

I'm deeply concerned that the public will lose any remaining faith they have in the assessment process once it's clear that the people who do the assessments report to the Mayor and the

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2 people who review the appeals of those assessments
3 have their positions thanks to the Mayor and Members
4 of Council. This would far overshadow the benefits
5 from requiring that the incumbents in those offices
6 hold certain professional qualifications. Indeed,
7 requirements for professional qualifications
8 currently exist for the BRT evaluators and could be
9 added for some or all Board members without changing
10 the organizational structure.

11 No part of government can or should be
12 completely isolated from politics. But the current
13 system under which the BRT members are appointed by
14 the Board of Judges creates a degree of separatism
15 from executive and legislative politics that's
16 desirable and that has proven to be effective.

17 It is my impression that year after
18 year, the BRT calls them as they see them. You've
19 heard from David Glancey as he's testified here, and
20 I've heard him as well, say that during his tenure
21 he's never been approached by anyone in the
22 Administration with a request to increase or limit
23 assessments. Do we really want to risk surrendering
24 that element of independence from the real estate
25 taxation process?

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2 The current method of appointment, while
3 less visible than the one proposed in the Bill, has
4 been working effectively to neutralize
5 considerations that should have no impact on the
6 setting of assessment or the adjudication of
7 appeals.

8 I'm also concerned that the language of
9 Section 2-204 of the Bill opens up the possibility
10 of dramatically increasing the number of exempt
11 employees carrying out the assessment function.
12 Currently, employment at the BRT is subject to Civil
13 Service requirements, and the number of exempt
14 employees is limited to the Board and Executive
15 Director. That does not count the School District
16 employees who were referenced just a short time ago
17 by Councilman Nutter. And a concern that I had in
18 my original testimony that they weren't considered
19 in this legislation has been dealt with in the
20 proposed amendments.

21 However, under the wording of Section
22 2-204 and also because the new Office of Property
23 Assessment would be located in the Managing
24 Director's Office where additional exempt positions
25 are permitted under the City Charter, there's every

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possibility that assessors or other workers in the Office of Property Assessment would be exempt employees. In the realm of taxation governance, one must view this as a giant step backward, pulling us further away from desirable independence and professionalism into the potential realm of political pressure, or at least the perception of such politicization.

Next, I'd like to address the Bill's intention to separate the assessment function from the appeals function by creating two distinct entities, the Office of Property Assessment and the Board of Property Assessment Appeals and Review. If we were starting from scratch and without the benefit of past experience, it would arguably make sense to separate these two functions with the goal of ensuring a measure of public confidence that the appellate function would not somehow be contaminated by being too close to the assessment function. But we do have the benefit of experience. It's my opinion, based on years of observation and interaction with the BRT, that the appellate function of the Board is not biased or otherwise compromised despite its location within the BRT. On

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1 the contrary, for those of us who see the assessment
2 and appeals as part science, part art, the fact that
3 the day-to-day head of the BRT who's intimately
4 familiar with the assessment process also sits on
5 the seven-member Appeals Board has made it possible
6 for the kind of sensitive give and take that results
7 in the administration of justice. People walk away
8 from their appeals hearings before the Board of
9 Revision of Taxes feeling that they've gotten a fair
10 hearing before a knowledgeable entity. That is in
11 large measure a credit to Mr. Glancey personally,
12 but I think it's also a credit to a governance
13 arrangement currently in place. The current
14 governance arrangement works. Can it work better?
15 Yes, it can. In part by giving the BRT some
16 additional resources to continue the modernization
17 of thier processes and in part by continuing to
18 shine the bright light of public scrutiny on the
19 BRT.

21 Instead of abolishing the existing BRT
22 structure, this Council should consider enhancing it
23 by requiring the BRT to develop and implement
24 administrative regulations that establish assessment
25 standards and public reporting requirements and by

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2 requiring appropriate access to public records
3 regarding assessments in order to ensure that the
4 Website and other procedures adopted voluntarily by
5 the current Board continue in the future. Make the
6 current Board more accountable to the owners of the
7 properties they access. Don't change the structure
8 of the organization in ways that will make it
9 inappropriately vulnerable to politicians.

10 And let me add something that's not in
11 the printed testimony, and that's to say that I
12 think that a measure of this nature could and should
13 be considered by the Tax Reform Commission as they
14 look at the various issues relating to future
15 taxation in Philadelphia. They could take a look at
16 what's happening elsewhere, what's been successful,
17 what hasn't been, as they do their reviews of tax
18 rates and appropriate areas for taxation. And so I
19 would suggest that this matter be deferred at this
20 time to have some additional input from the
21 Commission as they go about their deliberations.

22 This completes my testimony, and I'd be
23 happy to answer any questions.

24 COUNCILMAN COHEN: Thank you very much,
25 Commissioner.

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2 We're told that the system proposed is
3 built on the structure of the one in Allegheny
4 County. Does the City have any experience with
5 that?

6 MS. KAMMERDEINER: The Board of Revision
7 may, but from Revenue, we have not had any direct
8 experience with that.

9 COUNCILMAN COHEN: Councilman Nutter.

10 COUNCILMAN NUTTER: Just a couple
11 things, Mr. Chairman.

12 First, Ms. Kammerdeiner, thank you very
13 much for your testimony. I do hear your concerns,
14 and I know you to be an experienced and
15 nowhere-near-naive person. Your testimony on Page 2
16 talks about the people making initial assessments
17 and the people hearing appeals from those
18 assessments would be directly beholden to future
19 Mayors or Members of Council for their jobs.

20 Who are the people accountable to at the
21 moment? I mean, they are on our payroll and the
22 Board of Revision of Taxes comes here for budget
23 hearings every year. How would their status change
24 as a result of this?

25 MS. KAMMERDEINER: As I said further on

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2 in the testimony, I see a potentially --
3 particularly in that Office of Property Assessment,
4 for an increased number of exempt employees where
5 they would serve at the pleasure of the appointing
6 authority.

7 COUNCILMAN NUTTER: And I knew you would
8 say that, so hold it right there. One, we don't
9 appoint anybody on the executive branch of the
10 government, so you can take us out of that part of
11 the process.

12 Two, are you saying that whoever is the
13 Managing Director at the time at the direction of
14 the Mayor is going to hire a whole bunch of people
15 in that office; is that what your concern is?

16 MS. KAMMERDEINER: It would be possible.

17 COUNCILMAN NUTTER: That sounds like a
18 Mayoral problem, right?

19 MS. KAMMERDEINER: The reason I included
20 Council in it as well, the Boards would be approved
21 -- I'm trying to think of which Board it is by name.
22 The Appeals Board would be appointed by the Mayor
23 with the approval of Council. And in the case of
24 the Oversight Board, one would be appointed by the
25 Mayor, one by the President of City Council, and the

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2 third with the approval of City Council -- by the
3 Mayor with the approval of City Council. So there
4 would be some direct role and relationship there
5 between the appointment and the approval of Council.

6 COUNCILMAN NUTTER: Are you aware of any
7 department, board, or commission in the City of
8 Philadelphia that this City Council, the last City
9 Council, inappropriately influenced in the function
10 of their business, forced the Administration to hire
11 people, ran roughshod over what that organization
12 was legislatively or statutorily composed for?

13 MS. KAMMERDEINER: No, I'm not.

14 COUNCILMAN NUTTER: And on Page 2,
15 again, you say you're deeply concern that the public
16 will lose any remaining faith they have in the
17 assessment process once it is clear that the people
18 who do the assessments report to the Mayor and the
19 people who review the appeals have their assessments
20 have their positions thanks to the Mayor and Members
21 of City Council.

22 Commissioner, are you aware of any
23 person over at the Board of Revision of Taxes who
24 has received their job as a result of input,
25 influence, or request by me?

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2 MS. KAMMERDEINER: No, I'm not aware of
3 anyone.

4 COUNCILMAN NUTTER: Lastly, this is from
5 your testimony, "No part of the government can and
6 should be completely isolated from politics, but the
7 current system under which BRT members are appointed
8 by the Board of Judges creates a degree of
9 separation from executive and legislative politics
10 that is desirable and has proven to be effective."

11 Again, I certainly believe in a level of
12 independence which is one why -- I mean, the Mayor
13 would nominate, the Council would advise and
14 consent, and then we provide for terms of office and
15 removal only for cause. I mean, that's a fairly
16 high standard in the government. And I think you
17 really have to screw up badly -- which is in an
18 appropriate term for this record -- or do something
19 illegal to get removed.

20 MS. KAMMERDEINER: I think some of the
21 provisions that you --

22 COUNCILMAN NUTTER: I don't think you
23 enjoy the same level of either independence or
24 protection yourself, do you?

25 MS. KAMMERDEINER: No, I serve at the

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2 pleasure of my appointing authority.

3 COUNCILMAN NUTTER: And you've done an
4 excellent job and you actually survived transition
5 from one Administration to the next without, to my
6 knowledge, any complaint from anybody, right?

7 MS. KAMMERDEINER: Well, I'm still here.

8 COUNCILMAN NUTTER: Any other general
9 concerns?

10 MS. KAMMERDEINER: I think a couple of
11 the things that I've mentioned in here you are
12 dealing with in your amendments.

13 COUNCILMAN NUTTER: Let me ask you one
14 last question. Councilman DiCicco and I were
15 talking about this. Ultimately, though, in terms of
16 independence, accountability, who's doing what with
17 whom, how the system is functioning and operating, I
18 mean, isn't this the kind of decision that the
19 taxpayers should have an opportunity to decide for
20 themselves what kind of system they want and how
21 they want things to operate and function? I mean,
22 it's a question on the ballot. Aren't our citizens
23 smart enough to figure out all the vagaries here?

24 MS. KAMMERDEINER: It's difficult to
25 answer that simply because they get such a very

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2 short question on the ballot, and I'm not sure that
3 most voters when they actually go to the polls know
4 enough about the background and the issues relating
5 to any of the questions. I'm not just commenting on
6 this one when I say that. And so it can be
7 difficult for individual citizens to become well
8 enough informed to make a very good judgement about
9 an issue like that.

10 COUNCILMAN NUTTER: Well, we all have
11 our duties and responsibilities. We're having a
12 duly advertised public hearing. The bills were
13 introduced early this year. The voters knew enough
14 to send a Charter Commission that had extensive
15 hearings and 64 different items. They figured that
16 one out pretty quickly and sent it down in flames, I
17 think, 4 to 1. I mean, I think sometimes all of us
18 find ourselves in a situation where we can possibly
19 underestimate where the voters are and what they're
20 thinking about and what's important to them. This
21 is a serious pocketbook issue here.

22 COUNCILMAN COHEN: The measure went down
23 to defeat 6 to 1. It showed how much the people --

24 COUNCILMAN NUTTER: A few more people
25 figured it out than I had thought.

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2 COUNCILMAN DICICCO: And they also voted
3 to establish a Tax Commission.

4 MS. KAMMERDEINER: I'm not saying it's
5 impossible. We just need to be sure they have
6 enough information about the measure to be sure that
7 they can make the kind of informed judgment you are
8 referencing.

9 COUNCILMAN NUTTER: I understand. I
10 appreciate that. Thank you very much, Commissioner.
11 I do appreciate your testimony and I appreciate your
12 comment that we had sought to address some of the
13 concerns you had even by the amendments. Thank you.

14 COUNCILMAN COHEN: Any other questions
15 by Members of the Committee?

16 (No response.)

17 COUNCILMAN COHEN: I had one question.
18 I note that no where in your statement did you state
19 that this would be more expensive to the taxpayer.

20 MS. KAMMERDEINER: It's very difficult
21 to tell whether there would be more employees
22 required under this structure than the existing
23 number of employees. If that would be the case,
24 then it could be more expensive. It's difficult for
25 me to tell from what is here. It appears that the

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2 existing employees would transfer and that
3 additional staff wouldn't be required, but we didn't
4 comment on it because we weren't certain.

5 COUNCILMAN NUTTER: I'm sorry,
6 Commissioner, I didn't hear the first part. You
7 think that there would be a need for more staff?

8 MS. KAMMERDEINER: It was a question. I
9 said we really couldn't tell from what was here
10 whether there would be need for more staff than just
11 transferring the existing staff, and we hadn't
12 commented on any additional cost because we couldn't
13 tell if there would be any.

14 COUNCILMAN NUTTER: Well, I appreciate
15 your response, but the Bill is not a budget Bill.
16 The Bill is an organization Bill, and all staffing
17 decisions are made as a function of the budget
18 process and putting in the necessary requests.

19 MS. KAMMERDEINER: Which was why it
20 wasn't really commented on here.

21 COUNCILMAN NUTTER: Okay. I mean, no
22 one's getting anything more or less generally than
23 what they have today. If any of these entities
24 believe that they need more money, then God bless
25 them when they have a conversation with Rob Dubow

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2 and Ms. Davis about trying to get an increase to
3 their staff. I wish them well.

4 MS. KAMMERDEINER: We really weren't
5 treating it as a budget Bill and that's why it
6 wasn't addressed in the testimony.

7 COUNCILMAN NUTTER: Thank you.

8 COUNCILMAN COHEN: Commissioner, I've
9 never had more criticism as a Member of City Council
10 with respect with the way the City operated than I
11 had this past season with respect to the property
12 tax increases proposed. When I explain that the
13 Board members were named by the judges, people
14 looked astounded, what the judges have to do with
15 naming members of a board. People wanted to know
16 how this could happen without Council being fully
17 involved. I know efforts by Councilmembers,
18 including myself, to try to get information met with
19 no success. I think it was very clear that the
20 people of Philadelphia were very unhappy with the
21 action taken and with response to questions raised
22 by citizens. They were very unhappy with the
23 responses they were getting. It seems to me that
24 this seems to be an effort to move in the direction
25 of objectivity of putting responsibility where it

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1 belongs. I don't shy from responsibility where I
2 have a responsibility, but to be held responsible by
3 citizens and taxpayers for something that nobody
4 even knows about the process, such as the current
5 method, seems to me to be not a very responsible way
6 of having government operate.

8 So it seems to me that this system
9 which, as far as I know, has been criticized for
10 many years has suddenly found new support by the
11 Administration and you believe that this is the best
12 of all methods, the one that we now have?

13 MS. KAMMERDEINER: I'm not saying it's
14 necessarily the best of all methods, but I would
15 question whether the one that's been proposed would
16 really in the long run provide a better product.

17 COUNCILMAN COHEN: Well, we may not know
18 that finally until we get a number of years of
19 experience, of course. But on the surface, it would
20 certainly seem to give the appearance of forms of
21 objectivity. Mayors and Councilmembers are elected
22 by the public. If we do a bad job, the public has a
23 quick answer; every four years they go to the polls
24 and vote on us. They don't know how to do it to the
25 judges. I can be hardly accused of wanting to be

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2 unfair to the judges since I have a son who is one
3 of them. I'm not trying to hurt the group of which
4 he's a part. But it just seems to me that political
5 responsibility has to lie with those of us who are
6 politicians in the sense that we get elected by the
7 people and are expected to carry out sometimes
8 duties that are not only onerous but maybe
9 unpleasant, such as raising taxes.

10 I don't sense in your statements
11 anything of solid substance and objection to this
12 proposal to assist and which badly seems to need
13 change. I do agree with you, present members of the
14 Board have tried to use their system in as fair a
15 way as they could, but I think the difficulty has
16 been that they don't have what's necessary to work
17 with. And I believe that this amendment gives a
18 structure where people fit in well, where the public
19 can be assured that if the assessor was originally
20 misguided for some reason or unfair to them, they
21 have another objective group unconnected with the
22 first group that is reviewing it. And finally,
23 there's still the third group which is going to act
24 as judges. I think that's a pretty fair system, as
25 we view political systems in the United States.

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2 Don't you think that's fair to have different
3 independent groups considering whether an assessment
4 is appropriate?

5 MS. KAMMERDEINER: In many instances,
6 that is the most appropriate way to go. At the
7 Board of Revision of Taxes, they have actually
8 divided their duties into two different segments and
9 two different portions of the office actually
10 perform those functions. One feeds into the
11 another. So I think even within the same
12 organization you have much of the same kind of
13 separation, even though the final authority, the top
14 person, the Chairman of the Board, is responsible
15 for both. So you have some degree of separation
16 even within the current system.

17 COUNCILMAN COHEN: I think it's good to
18 have this kind of exchange. But I do feel that the
19 voters are going to have to be the ones that make
20 the ultimate decision.

21 Is there any other question by any
22 Member of the Committee.

23 (No response.)

24 COUNCILMAN COHEN: If not, is there any
25 additional witness on the subject?

Mr. Chairman, you might want to have the Law Department back up to talk about --

6 COUNCILMAN NUTTER: Yes. And Craig
7 Gottlieb.

10 Would you both introduce yourself and
11 spell your last names for the reporter.

19 COUNCILMAN COHEN: Mr. Feder, I asked
20 that someone from Law Department, I'm pleased it's
21 you, were here to explain a Bill and Resolution
22 proposing a Home Rule Charter change that we had
23 completed testimony on. I'm going to open the
24 record for purpose of including this testimony.

25 Would you state the Bill and Resolution,

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2 Mr. Shapiro?

3 THE CLERK: Bills No. 030097 and 030098
4 and Resolution 030106 dealing with local preferences
5 for bidders and contractors.

6 COUNCILMAN COHEN: They are bills
7 relating to the City of Philadelphia awarding of
8 contracts giving some form of a preference to
9 Philadelphia businesses to make up basically for the
10 disadvantage of additional costs that may be
11 involved in doing business in the City of
12 Philadelphia. I raise the question as to its
13 applicability to the agencies that do business on
14 behalf of the City of Philadelphia. Although, they
15 may be operating under laws that were passed by the
16 Commonwealth, and wanted to know whether the law
17 could be applicable to them. I was told that
18 probably not, that this would only cover the direct
19 City of Philadelphia agencies.

20 I then raised the question of whether or
21 not these agencies who are organized under state
22 laws entered into contracts with the City of
23 Philadelphia and whether such contracts could
24 contain contractual provisions requiring those
25 agencies as a condition of the contract with the

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2 City of Philadelphia to obey specifically the
3 provisions, say, if this Home Rule Charter amendment
4 were adopted. I was told that the Director of
5 Commerce, that he personally would support such an
6 action but did not know whether or not it would be
7 effective. And so I wanted to get the view of the
8 Law Department on that.

9 Do you have an opinion as to that? Has
10 anybody raised that issue with the Law Department
11 before?

12 MR. FEDER: I don't believe I've looked
13 into that issue specifically. I can definitively
14 answer some of your questions, and let me discuss
15 the other part.

16 As written, this Ordinance and Charter
17 change would not cover those agencies. As written,
18 this Ordinance and Charter change would only provide
19 for a local preference on City contracts,
20 competitively bid contracts which are directly let
21 by the City; it would not cover any of the agencies
22 that you're talking about.

23 Could we amend the Charter or could we
24 provide for that? I think the answer to that would
25 largely depend on each individual authority's

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2 enabling legislation. For example, there may be out
3 there some supervening state law which requires,
4 say, the RDA -- and I'm just using that as an
5 example -- which may require that the RDA
6 competitively bid all its contracts. If there is a
7 state law out there that says the RDA must
8 competitively bid its contracts, then nothing that
9 we could do could override that state law. If,
10 however, there is no preexisting state law that
11 imposing that requirement, then I would think that
12 the City could in a voluntary contractual
13 arrangement, the way you've described, Mr. Chairman,
14 could insist upon that as part of a condition of
15 doing business with the City.

16 COUNCILMAN COHEN: Well, what brought
17 this matter directly to my attention was that a
18 number of years ago the City imposed an ethics
19 requirement upon those of us who hold City offices.
20 Then a number of the authorities hired, I believe,
21 some of the most expensive and, therefore, in the
22 opinion of most people, the best lawyers in town.
23 And although they spend all their time on City
24 business, they were not City employees, were not
25 bound by the City ethics decision. Do you recollect

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2 that, Mr. Feder? I think you were probably working
3 for the City at time.

4 MR. FEDER: I actually do not recollect
5 it, but that may be because I am not one of the more
6 expensive lawyers that you're referring to. My
7 services are much cheaper than that. I don't recall
8 it, Mr. Chairman.

9 COUNCILMAN COHEN: You don't recall
10 that?

11 MR. FEDER: I don't.

12 COUNCILMAN COHEN: Well, how would we
13 get an opinion from the City Solicitor with respect
14 to all of the authorities whose business solely
15 deals with work involving the City of Philadelphia,
16 like PHA, like PAID, like PCDC, like all the
17 agencies that the Mayor usually controls through the
18 power of appointment to the Boards, sometimes with
19 City Council approval of nominees, sometimes without
20 that? Could we get the Law Department to issue an
21 opinion and indicate where that might be possible.

22 MR. FEDER: We could certainly look into
23 that. Yes, we could look into that and we will get
24 you an opinion on that.

25 COUNCILMAN COHEN: I would very much

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2 appreciate it if it were preferable you could
3 consider this as a request by me for such an
4 opinion.

5 Secondly, with respect to the current
6 Bill and Resolution before us introduced by
7 Councilman Nutter relating to the revisions in what
8 now constitutes the Board of Revision of Taxes.
9 It's been explained to us that what we're doing is
10 consolidating something which we have the power to
11 consolidate. Would that be the opinion of the City
12 Solicitor's Office? Is this action legally
13 permissible for us to take?

14 MR. FEDER: Yes, Councilman. I think
15 you could make an argument that there might be a way
16 to do it by Charter change, but we think there's
17 also a good argument that you could do it the way
18 that Councilman Nutter's proposal would do it, by
19 City-County Consolidation amendment.

20 COUNCILMAN COHEN: I have no other
21 questions.

22 Any Member of the committee here?

23 (No response.)

24 COUNCILMAN COHEN: All right. Thank you
25 very much for your courtesy and attending so

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2 promptly.

3 MR. FEDER: You're welcome. Thank you
4 very much.

5 COUNCILMAN COHEN: Is any other witness
6 to be heard on the Board of Revision of Taxes
7 proposal for change?

8 (No response.)

9 COUNCILMAN COHEN: If not, that
10 concludes testimony on that Bill.

11 Is there anything else before this
12 committee this afternoon?

13 Councilman Nutter, you have a Bill on
14 redistricting?

15 COUNCILMAN NUTTER: Yes.

16 COUNCILMAN COHEN: Is it prepared to be
17 heard?

18 COUNCILMAN NUTTER: Yes, Mr. Chairman.

19 Mr. Chairman, my name is Michael A.
20 Nutter, N-U-T-T-E-R. I'm here to testify with
21 regard to Resolution 020084 and the companion Bill
22 whose number I don't know or remember.

23 THE CLERK: 020076.

24 COUNCILMAN NUTTER: 020076. Mr.
25 Chairman, this is a proposed changed to the method

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2 of redistricting and actually, I believe, Mr.
3 Chairman, creates for the first time an actual
4 process and procedure that Council would follow in
5 conducting the redistricting process.

6 As you know, Mr. Chairman, the City
7 Charter is silent on the issue of how Council should
8 conduct redistricting. And the Charter simply says
9 that it shall be the mandatory duty of the Council
10 to redistrict the City within six months after the
11 publication by United States Census Bureau of the
12 population at each decennial census. It further
13 tells us that it must consist of a ward or
14 contiguous wards or divisions of wards containing as
15 nearly as possible the population factor obtained by
16 dividing the City's population at the proceeding
17 decennial census by 10.

18 There's also a provision that says that
19 at the expiration of the six-month period, if
20 Council shall have failed to redistrict the City as
21 herein required, the Councilmen shall not receive
22 any further salaries until the Council shall have
23 passed and the Mayor shall have approved a
24 redistricting ordinance as herein required or until
25 such ordinance shall have become law without the

Mr. Chairman, your experience is longer

This Bill, Mr. Chairman and Members of

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2 the Committee, does at least three things: One, it
3 removes the no-pay provision from the City Charter.
4 And so Councilmembers in the future -- and none of
5 this will affect of the current Mayor to the best of
6 my knowledge and ability because there should be a
7 different person in office by the time the next
8 redistricting process takes place. So from my
9 perspective, at least, this Bill has nothing to do
10 with current Mayor Street. It removes the
11 withholding of the salary provision from the Bill.
12 It also ensures, in accordance with what I believe
13 the Charter was designed to do when it says, "It
14 shall mandatory duty of the Council," this Bill
15 ensures that the redistricting process is within the
16 Council's purview and authority and removes the
17 Mayor from direct involvement in the redistricting
18 process because the redistricting would be
19 accomplished by a plan through a Resolution as
20 opposed to an Ordinance.

21 My office has conducted a survey, Mr.
22 Chairman, of the 10 largest cities in the United
23 States of America and their redistricting processes.
24 I believe the chart has been distributed. And what
25 you will find on the two points that I raised, Mr.

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2 Chairman, or at least the three points that I
3 raised, both a process, the issue of the Mayor's
4 role, and the impact of what happens if you don't
5 pass a redistricting Bill within a required time
6 period.

7 First, in most other cities in the
8 United States of America, these 10 top cities, they
9 accomplish redistricting either through a commission
10 or an ordinance of the Council but over which, with
11 the exception of one city, the Mayor has no veto.
12 And so when you look at New York, Los Angeles,
13 Chicago, Houston, Phoenix, San Diego, San Antonio,
14 Dallas, and Detroit, almost all of those cities have
15 a commission made up of a variety of people normally
16 appointed by the Council, either a majority of them
17 or a significant number. In only one other City
18 does the Mayor have veto power, that is in Los
19 Angeles. Our research indicates that that veto has
20 never been exercised in modern times. There is only
21 one city in the United States, one city of the top
22 10 cities in the United States of America that has a
23 penalty directly to the Members of Council for not
24 passing a redistricting Bill within a set time
25 period. That would be the City of Philadelphia. No

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2 other City in the top 10 in the country has such a
3 provision, with the exception of us.

4 Let me do an overview of the Bill and
5 then walk through it and be prepared to answer any
6 questions.

7 Under this proposed Charter change,
8 there would be a Council Redistricting Committee and
9 the development of a Redistricting Plan actually
10 modeled after a process that our Council President
11 Verna sought to establish in the last redistricting
12 endeavor. Within 30 days after publication of the
13 decennial census by the Census Bureau, the Council
14 President must convene a Council Redistricting
15 Committee. This committee consists of the Council
16 President, the Majority Leader, the Majority Whip,
17 the Minority Leader, and one At-Large Member
18 appointed by the Council President. Of course,
19 there is no prohibition if any of the members of the
20 four leadership posts happen to be a member
21 At-Large. That does not affect the requirement to
22 have at least one member At-Large appointed by the
23 Council President.

24 The Redistricting Committee is charged
25 with developing a proposed Redistricting Plan. In

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2 performing this task, the Committee shall seek
3 suggestions from all Members of Council and make all
4 technical assistance and computer services available
5 to any Member of Council. Also, at least one public
6 hearing is required to solicit comments from the
7 public. After that, the Committee prepares a
8 proposed Redistricting Plan in the form of a written
9 report which must include a proposed Redistricting
10 Resolution with a listing of the wards and divisions
11 for each proposed new district, a map depicting the
12 proposed new districts, and any other data or
13 material that will assist Council in reviewing and
14 evaluating the proposed Plan.

15 The proposed Plan is transmitted to each
16 Member of Council and filed with the Chief Clerk.
17 Upon its filing with the Chief Clerk, the proposed
18 Redistricting Resolution will be deemed as having
19 been introduced and referred automatically to the
20 Committee of the Whole.

21 Then there is a separate process for the
22 Committee of the Whole. The Committee of the Whole
23 process involves an approval or disapproval of the
24 redistricting Resolution. After introduction and
25 referral, the Committee of the Whole must hold a

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2 public hearing on the proposed redistricting
3 Resolution for which a 15-day notice is required.
4 The Committee reports the Resolution out of
5 Committee with a recommendation to either adopt or
6 reject the plan. No amendments can be made in
7 Committee. The Committee report is read at a
8 Council meeting and a Resolution must lay over for
9 at least five days. The full Council then votes to
10 approve or disapprove the Resolution. No floor
11 amendments can be made.

12 If approved by two-thirds vote of the
13 full Council, the Redistricting Plan automatically
14 becomes law. If disapproved, the Redistricting
15 Committee reconvenes and prepares a revised
16 Redistricting Plan and Resolution similar to the
17 process that was already laid out. Councilmembers
18 may make recommendations which must be considered by
19 the Redistricting Committee in the form of a
20 Resolution. Such Resolution requires a two-thirds
21 vote of Council and must contain the same
22 information that is required for the Redistricting
23 Plan and report. That naturally goes back to the
24 Redistricting Plan Committee. The Redistricting
25 Plan Committee in sending out its report must be

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2 signed by at least three members of the
3 Redistricting Committee as a recommendation to the
4 full Council.

5 That in shorter version, Mr. Chairman,
6 are the provisions of the proposed Charter change
7 creating a new process which has a start and an end
8 to the redistricting process, but becomes a Council
9 process because, at least from my perspective,
10 redistricting is a legislative matter as it is
11 conducted by, again, at least all of the rest of the
12 top 10 cities in the country, as it is conducted by
13 the General Assembly and as it is conducted on
14 behalf of the Congress. In normal circumstances,
15 the Executive is not involved in the redistricting
16 process because generally the Executive is not
17 affected by a redistricting process. It is a
18 legislative process and purview, at least by my
19 belief.

20 Mr. Chairman, I'd be certainly prepared
21 to respond to any questions that members may have.

22 COUNCILMAN COHEN: Thank you. First, I
23 just have a few comments.

24 When the Home Rule Charter was created
25 late in the '40s and put into effect in the early

1 LAW & GOVERNMENT - BILL 020076, RES. 020084

2 '50s, it was a document aimed at correcting what

3 appeared to be excesses by former Councilmembers or

4 Council bodies. So that Council was a villain and

5 that's the reason we went in the direction of having

6 a working government controlled largely by the

7 Mayor. That's the foundation of a strong Mayor form

8 of government. And as so often happens, it seems to

9 me happened in this case, the over-correction was

10 made because it was assumed the Mayor would always

11 be a non-political soul while the Councilmembers

12 were just going to be political beings who could not

13 be trusted, even in your own sight of the

14 electorate, you still couldn't be trusted.

15 Therefore, this very arbitrary provision was

16 inserted which punished Councilmembers, even though

17 it could be the Mayor who would be the main source

18 of the problem in redistricting. So the Mayor free,

19 under our Home Rule Charter, to have the penalty of

20 non-payment of salary, creating all kinds of

21 problems for Councilmembers, not limited to their

22 lack of funds in the current period when they were

23 not paid, but which could extend to their tax

24 liability into the future. The Mayor was free to

25 continue to veto until finally Council was forced to

1 LAW & GOVERNMENT - BILL 020076, RES. 020084

2 capitulate or otherwise found a way of agreement.

3 I think any change would be better than
4 the current change because, in my opinion, the main
5 difficulty in this situation occurred in this recent
6 period of time was that of the Mayor as use of the
7 veto to create a situation in which he maintained
8 his salary. At least fairness would have required
9 the Mayor to have voluntarily abstained from
10 accepting his salary during the same period he was
11 opposing it upon the Councilmembers. But that did
12 not happen. Therefore, I think the recommendations
13 you're making are aimed at, at least, correcting
14 that unfairness.

15 It also sets forth a procedure. I have
16 one question about the procedure. Does successful
17 redistricting require at some point the approval
18 two-thirds of Members of City Council?

19 COUNCILMAN NUTTER: Yes, Mr. Chairman.

20 COUNCILMAN COHEN: What happens if
21 Council is so split that it's just impossible to get
22 two-thirds over a continuing period of time? Is
23 there a safety clause which says that after the
24 third or fourth or fifth time or whatever time
25 chosen, if Council is still split that there may be

1 LAW & GOVERNMENT - BILL 020076, RES. 020084

2 some other method other than the two-thirds
3 requirement? Or does the old redistricting just
4 continue in effect?

5 COUNCILMAN NUTTER: Redistricting would
6 continue, but we are also faced, of course, Mr.
7 Chairman, with the prospect of if we don't conduct
8 the redistricting certainly by the election, there
9 are remedies provided at law to ensure that the
10 redistricting is conducted properly under various
11 State statutes. Certainly, anyone could take this
12 matter to court. The ultimate result there would
13 actually be the courts would determine what the
14 redistricting boundaries would be, and would seem to
15 me, unless Council had completely lost its
16 collective mind, we would certainly not want the
17 courts -- no disrespect to the courts. Since we've
18 demonstrated the ability to go without pay for four
19 and a half months, I think the jury is come in on
20 that one.

21 COUNCILMAN COHEN: We might regret it if
22 we leave it to the courts.

23 COUNCILMAN NUTTER: Right. Well, at
24 least they'd actually do something. So the ultimate
25 remedy in this particular situation is that there is

1 LAW & GOVERNMENT - BILL 020076, RES. 020084

2 a requirement under the Charter to conduct the
3 redistricting by a certain date. The taxpayers
4 would have the same remedy as they have for any
5 other violation of the City Charter. In this
6 particular provision, Mr. Chairman, the section
7 reads, "It shall be the manditory duty of the
8 Council to redistrict the City in accordance with
9 the procedure set forth in this section within the
10 calendar year that follows the calendar year of
11 publication of the United States Census."

12 At that point, if we have violated that
13 particular provision of the Charter, any taxpayer or
14 Councilmembers could seek redress in the courts
15 because you then have a violation of the Home Rule
16 Charter.

17 COUNCILMAN COHEN: Very good. If there
18 are no questions by Members of the Committee, is
19 there any other witness who wishes to be heard on
20 the subject? Any questions?

21 (No response.)

22 COUNCILMAN COHEN: Thank you very much,
23 Councilman Nutter.

24 COUNCILMAN NUTTER: Thank you, Mr.
25 Chairman.

1 LAW & GOVERNMENT - BILL 020810, RES. 020817

2 COUNCILMAN COHEN: That concludes the
3 public testimony on the Bill and Resolution.

4 Are any other matters before the
5 committee?

6 COUNCILMAN COHEN: The Committee will
7 stand in recess for two minutes so a determination
8 is made on the best method of handling the proposal
9 by Councilman Kenney.

10 (Brief recess.)

11 COUNCILMAN COHEN: The Law and
12 Government Committee now is now in Session again for
13 the purpose of hearing Bill No. --

14 THE CLERK: 020810 and Resolution No.
15 028177.

16 COUNCILMAN COHEN: They both cover the
17 same matter because it's a Home Rule Charter
18 amendment?

19 THE CLERK: Yes. Councilman Kenney is
20 going to explain.

21 COUNCILMAN COHEN: Councilman Kenney,
22 would you be good enough to give us an explanation
23 of the Bill and Resolution?

24 COUNCILMAN KENNEY: Thank you, Mr.
25 Chairman. This Bill is an ordinance providing for

1 LAW & GOVERNMENT - BILL 020810, RES. 020817
2 the submission to the qualified electors of the City
3 of Philadelphia an amendment to Section 6-400 of the
4 Philadelphia Home Rule Charter relating to
5 authorized audits by the Auditing Department, which
6 is the City Controller, of certain agencies
7 performing services or receiving funding from the
8 City as approved by Resolution of the City Council,
9 and it also fixes the date of the special election
10 for such purpose proscribing the form of ballot
11 question to be voted on and authorizing the
12 appropriate officers to publish notice and to make
13 arrangements for this special election.

14 We had previously had scheduled a
15 hearing for this. It was, I think, the day of or
16 the day after one of our many snowstorms this
17 winter; and for that reason, the Controller was not
18 able to appear. The Controller is not here today,
19 but has sent a letter which we will give to the
20 stenographer for the record which indicates his
21 support for the measure. And let me read one
22 pertinent paragraph from the Controller's response
23 which I think is one of the reasons -- I know it's
24 one of the reasons why I've decided this ballot
25 question or this Charter change to be considered by

1 LAW & GOVERNMENT - BILL 020810, RES. 020817

2 the voters. It says, "The framers of our Charter
3 could not have imagined the degree to which ordinary
4 municipal functions had been shifted over time from
5 government to quasi-government. The proposed
6 legislation seeks to bring needed scrutiny to this
7 reality."

8 As a matter of fact, as many of us know,
9 over time we've had many quasi-governmental agencies
10 throughout the City performing functions that were
11 formerly formed by City departments. And because of
12 the lack of approval or the lack of authority for
13 the Controller to audit certain quasi-governmental
14 agencies like PIDC, PHA, and other organizations
15 that had been set up through the course of time to
16 facilitate government or to move the functions of
17 government from a department to a quasi-government
18 agency, the Controller has been rebuffed in his
19 attempts at trying to audit those agencies. We felt
20 that it would be appropriate since tax dollars are
21 being used and being transferred on a regular basis
22 to these quasi-governmental agencies that the
23 Controller have the ability to make sure that the
24 taxpayers' dollars are being spent in appropriate
25 fashion. It just allows the Controller to shed some

1 LAW & GOVERNMENT - BILL 020810, RES. 020817

2 light and to do some auditing for these agencies so
3 that we could make sure the taxpayer is being
4 treated fairly and these agencies are performing the
5 functions that they say they're performing for the
6 dollars that are being sent over there.

7 So there are a number of minor
8 amendments which were worked on by Mr. Shapiro and
9 tech staff, also with the City Solicitor's Office.
10 And those amendments have been circulated to the
11 Members of the Committee. Basically, the amendments
12 tighten up some of the language, make it clear which
13 specific quasi-governmental agencies are intended to
14 be -- have the potential of being audited by the
15 City Controller. So that's basically all I have to
16 say. I'm hoping that the Committee -- I'm not a
17 Member of the Committee -- that the Committee will
18 support this attempt to bring more scrutiny and more
19 accountability to these agencies on the part of the
20 taxpayers.

21 COUNCILMAN COHEN: Thank you, Councilman
22 Kenney.

23 Are there any questions?

24 (No response.)

25 COUNCILMAN COHEN: Seems like an idea

1 LAW & GOVERNMENT - BILL 020810, RES. 020817

2 that should have been done many years ago.

3 COUNCILMAN ORTIZ: I think it's a very
4 good idea and that's why I would sponsor the Bill.

5 COUNCILMAN COHEN: Very good, Councilman
6 Ortiz.

7 COUNCILMAN KENNEY: Thank you.

8 COUNCILMAN COHEN: Any questions from
9 any Members of the Committee of Councilman Kenney or
10 any comments?

11 (No response.)

12 COUNCILMAN COHEN: If not, the hearing
13 will be closed on that Bill and accompanying
14 Resolution.

15 Does that complete the business of the
16 Committee today of the public hearing part of the
17 Committee?

18 THE CLERK: Yes.

19 COUNCILMAN COHEN: Then I will adjourn
20 the public hearing.

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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC MEETING
COMMITTEE ON LAW AND GOVERNMENT

- - -

Wednesday, April 23, 2003

- - -

Public Meeting conducted by the
Committee on Law and Government, held in Room 696,
City Hall, Philadelphia, Pennsylvania, on the above
date, to consider action on the following:

BILLS 020076, 020621, 030016, 030097,
030098, 020810;
RESOLUTIONS 020084, 030034, 030106,
020817.

- - -

PRESENT:

COUNCILMAN DAVID COHEN, Chair
COUNCILMAN ANGEL ORTIZ
COUNCILMAN DARRELL CLARKE
COUNCILMAN FRANK RIZZO
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES KENNEY

- - -

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 COUNCILMAN COHEN: And we will go into
3 public meeting session of the Law and Government
4 Committee to consider the various bills. This would
5 be the time for the various amendments that have
6 been announced as being ready for proposal to be
7 given at the time the Bill and Resolution is called
8 up, or the Bill, whichever may pertain.

9 COUNCILMAN COHEN: The Committee has a
10 quorum, Councilman Rizzo, Councilman Clarke,
11 Councilman Ortiz, Councilman Goode, Councilman
12 Nutter.

13 We will now consider the bills.

14 COUNCILMAN COHEN: Councilman Nutter.

15 COUNCILMAN NUTTER: Mr. Chairman,
16 there's a proposed amendment to Bill 020076. It is
17 a technical amendment that requires the dates to be
18 changed in the Bill which contains the ballot
19 question. This is regarding the redistricting Bill.
20 This Bill had dates in it that were incorrect. So
21 in Section 1, it actually reads November 5, 2002.
22 That needs to be changed to November 4, 2003.

23 COUNCILMAN COHEN: That proves the
24 deliberative process works in this Council; it took
25 us year.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 COUNCILMAN NUTTER: But with no penalty,
3 Councilman.

4 In Section 2 the sentence after the
5 question, the proposed amendment is contained in
6 Resolution 020084 approved by Council on -- we don't
7 have that date yet, but the 2002 should be stricken,
8 replaced by 2003. And in Section 4, the date
9 presently reads November 5, 2002. That should be
10 replaced by November 4, 2003.

11 I move the adoption of that amendment.

12 COUNCILMAN COHEN: Is there a second?

13 (Duly seconded.)

14 COUNCILMAN COHEN: Any discussion?

15 (No response.)

16 COUNCILMAN COHEN: If not, all in favor
17 of proposed amendment will say aye.

18 (Aye.)

19 COUNCILMAN COHEN: Those opposed?

20 (No response.)

21 COUNCILMAN COHEN: The ayes have it.

22 The amendment is ordered.

23 The Chair entertain a motion with
24 respect to Bill No. 020076, as amended.

25 COUNCILMAN NUTTER: Thank you, Mr.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 Chairman. I move that Bill 020076, as amended, be
3 reported out of this Committee with a favorable
4 recommendation, a further recommendation that the
5 Rules of Council be suspended so as to permit first
6 reading at our next Session.

7 (Duly seconded.)

8 COUNCILMAN COHEN: The Bill, as amended,
9 has been moved and seconded. Any discussion?

10 (No response.)

11 COUNCILMAN COHEN: All in favor, please
12 say aye.

13 (Aye.)

14 COUNCILMAN COHEN: Any opposed?

15 (No response.)

16 COUNCILMAN COHEN: The ayes have it, and
17 Bill No. 020076, as amended is adopted together with
18 the recommendation for suspension of the Rules to
19 permit first reading at the next Session of City
20 Council.

21 Is there an accompanying Resolution on
22 that Bill?

23 COUNCILMAN NUTTER: Yes, there is, Mr.
24 Chairman. It's 020084, and I would move that this
25 Resolution be reported out of the Committee with a

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 favorable recommendation.

3 COUNCILMAN COHEN: Is there a second?

4 (Duly seconded.)

5 COUNCILMAN COHEN: Moved and seconded.

6 All in favor, please say aye.

7 (Aye.)

8 COUNCILMAN COHEN: Any opposed?

9 (No response.)

10 COUNCILMAN COHEN: The ayes have it, and
11 the Resolution is adopted.

12 THE CLERK: Next Bill to be considered
13 is 030115, which relates to contracts and
14 concessions.

15 COUNCILMAN COHEN: Was there amendment
16 to be offered?

17 COUNCILMAN NUTTER: Yes, Mr. Chairman,
18 there's an amendment being offered. This Bill had
19 the primary date of 2003 in it, and we need to in
20 Section 1 of this Bill delete May 20, 2003, replace
21 it with November 4, 2003. And in Section 4, delete
22 May 20, 2003 and replace it with November 4, 2003.
23 I move the adoption of these two amendments.

24 (Duly seconded.)

25 COUNCILMAN COHEN: Is there any

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 discussion?

3 (No response.)

4 COUNCILMAN COHEN: Seeing none, all
5 those in favor of the amendment, please say aye.

6 (Aye.)

7 COUNCILMAN COHEN: Any opposed?

8 (No response.)

9 COUNCILMAN COHEN: The ayes have it, and
10 the amendment is adopted.

11 COUNCILMAN NUTTER: Mr. Chairman, I move
12 that Bill 030115, as amended, be reported out of
13 this Committee with a favorable recommendation, and
14 a further recommendation that the Rules of Council
15 be suspended so as to permit first reading at our
16 next Session.

17 (Duly seconded.)

18 COUNCILMAN COHEN: A motion has been
19 made to adopt a Bill, as amended, and it's seconded.

20 All in favor, please say aye.

21 (Aye.)

22 COUNCILMAN COHEN: Any opposed?

23 (No response.)

24 COUNCILMAN COHEN: The ayes have it, and
25 the Bill, as amended, will be reported out with a

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 request suspension of Rules for first reading next
3 meeting.

4 THE CLERK: There is accompanying
5 Resolution with that which is 030119.

6 COUNCILMAN COHEN: Is there a motion to
7 adopt the Resolution?

8 COUNCILMAN NUTTER: So moved.
9 (Duly seconded.)

10 COUNCILMAN COHEN: The Resolution has
11 been moved and adopted.

12 All in favor, please say aye.
13 (Aye.)

14 COUNCILMAN COHEN: Any opposed?
15 (No response.)

16 COUNCILMAN COHEN: The ayes have it, and
17 the Resolution will reported out with a favorable
18 recommendation.

19 COUNCILMAN COHEN: The next item on the
20 agenda.

21 THE CLERK: That will probably be the
22 Board of Revision of Taxes.

23 COUNCILMAN NUTTER: Mr. Chairman,
24 amendments were put forward and circulated during
25 the public hearing and they are now available in the

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 public meeting. I move the adoption of the
3 amendments to Bill 020621.

4 (Duly seconded.)

5 COUNCILMAN COHEN: The amendments have
6 been moved and seconded. Any discussion?

7 (No response.)

8 COUNCILMAN COHEN: If not, those in
9 favor, please say aye.

10 (Aye.)

11 COUNCILMAN COHEN: Those opposed?

12 (No response.)

13 COUNCILMAN COHEN: The ayes have it.

14 The Bill is amended.

15 COUNCILMAN NUTTER: Mr. Chairman, I move
16 Bill 020621, as amended, be reported out of this
17 Committee with a favorable recommendation, and a
18 further recommendation that the Rules of Council be
19 suspended so as permit first reading at our next
20 Session.

21 (Duly seconded.)

22 COUNCILMAN COHEN: Any discussion?

23 (No response.)

24 COUNCILMAN COHEN: If not, all in favor,
25 please say aye.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 (Aye.)

3 COUNCILMAN COHEN: Any opposed?

4 (No response.)

5 COUNCILMAN COHEN: The ayes have it and
6 the Bill is reported, as amended, as approved,
7 together with the request for suspension of the
8 rules for first reading at the next Session of City
9 Council.

10 COUNCILMAN NUTTER: Mr. Chairman, there
11 were amendments proposed during the public hearing
12 and they've been circulated during the hearing and
13 the public meeting to Bill 030016. I move the
14 adoption of the amendments, as circulated, to Bill
15 030016.

16 (Duly seconded.)

17 COUNCILMAN COHEN: Any discussion?

18 (No response.)

19 COUNCILMAN COHEN: If not, all those in
20 favor, please say aye.

21 (Aye.)

22 COUNCILMAN COHEN: Any opposed?

23 (No response.)

24 COUNCILMAN COHEN: The ayes have it, and
25 the Bill is so amended.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 COUNCILMAN NUTTER: Mr. Chairman, I move
3 that Bill 030016, as amended, be reported out of
4 this recommendation with a favorable recommendation,
5 and a further recommendation that the Rules of
6 Council be suspended so as to permit first reading
7 at our next Session.

8 (Duly seconded.)

9 COUNCILMAN COHEN: The Bill, as amended,
10 will be reported out favorable together with a
11 request for suspension of the Rules.

12 All those in favor of the Bill, as
13 amended, please say aye.

14 (Aye.)

15 COUNCILMAN COHEN: Those opposed?

16 (No response.)

17 COUNCILMAN COHEN: The ayes have it, and
18 the Bill, as amended, is report out together with
19 the suspension of Rules for first reading at the
20 next Session of City Council.

21 COUNCILMAN NUTTER: Mr. Chairman, there
22 was amendment offered in the public hearing and it
23 has been circulated in our public meeting to
24 Resolution No. 030034. I move the adoption of the
25 amendment to Resolution 030034.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 (Duly seconded.)

3 COUNCILMAN COHEN: The amendment has
4 been seconded following being made. Any discussion?

5 (No response.)

6 COUNCILMAN COHEN: If not, those in
7 favor, please say aye.

8 (Aye.)

9 COUNCILMAN COHEN: Those opposed?

10 (No response.)

11 COUNCILMAN COHEN: The ayes have it, and
12 the amendment is adopted.

13 COUNCILMAN NUTTER: Mr. Chairman, I move
14 that Resolution No. 030034, as amended, be reported
15 out of this Committee with a favorable
16 recommendation.

17 (Duly seconded.)

18 COUNCILMAN COHEN: The Resolution, as
19 amended, has moved and seconded. Those in favor,
20 please say aye.

21 (Aye.)

22 COUNCILMAN COHEN: Those opposed?

23 (No response.)

24 COUNCILMAN COHEN: The ayes have it, and
25 the Resolution, as amended, has been adopted

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 together with the request for suspension of the
3 rules to permit first reading at the next Council
4 Session.

5 COUNCILMAN NUTTER: Mr. Chairman, there
6 are no amendments to this particular Bill which is a
7 part of the bid preference package. I move that
8 Bill 030097 be reported out of this Committee with a
9 favorable recommendation, a further recommendation
10 that the Rules of Council be suspended so as to
11 permit first reading at our next Session.

12 (Duly seconded.)

13 COUNCILMAN COHEN: Any discussion?

14 (No response.)

15 COUNCILMAN COHEN: If not, all those in
16 favor of the Bill please say aye.

17 (Aye.)

18 COUNCILMAN COHEN: Any opposed?

19 (No response.)

20 COUNCILMAN COHEN: The ayes have it and
21 the Bill is reported out Committee with a favorable
22 recommendation, together with the request for
23 suspension of Rules.

24 COUNCILMAN NUTTER: Mr. Chairman, there
25 were amendments circulated for Bill 030098, and I

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 favor of the Bill, please say aye.

3 (Aye.)

4 COUNCILMAN COHEN: Any opposed?

5 (No response.)

6 COUNCILMAN COHEN: The ayes have it, and
7 Bill, as amended, is reported out favorable together
8 with the request for suspension of the Rules to
9 permit first reading at the next Session of Council.

10 COUNCILMAN NUTTER: Mr. Chairman, I move
11 that Resolution 030106 be reported out of this
12 Committee with a favorable recommendation.

13 COUNCILMAN COHEN: The motion has been
14 made to report out the Resolution. Has it be
15 seconded.

16 (Duly seconded.)

17 COUNCILMAN COHEN: Any discussion?

18 (No response.)

19 COUNCILMAN COHEN: If not, all those in
20 favor, please say aye.

21 (Aye.)

22 COUNCILMAN COHEN: Any opposed?

23 (No response.)

24 COUNCILMAN COHEN: The ayes have it, and
25 the Resolution is adopted.

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 THE CLERK: The next Bill is 020810 has
3 an amendment.

4 COUNCILMAN COHEN: Councilman Nutter
5 will offer the amendment on behalf of Councilman
6 Kenney.

7 COUNCILMAN NUTTER: Mr. Chairman, there
8 were amendments circulated on Bill 020810 during the
9 public hearing. I move the adoption of the
10 amendments to Bill 020810.

11 COUNCILMAN COHEN: Is there a second?
12 (Duly seconded.)

13 COUNCILMAN COHEN: Made and seconded,
14 any discussion?

15 (No response.)

16 COUNCILMAN COHEN: If not, all in favor
17 of the amendment, please say aye.

18 (Aye.)

19 COUNCILMAN COHEN: Any nays?

20 (No response.)

21 COUNCILMAN COHEN: The ayes have it, and
22 the Bill is amended.

23 COUNCILMAN NUTTER: Mr. Chairman, I move
24 that Bill 020810, as amended, be reported out of
25 this Committee be reported out of this Committee

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 with a favorable recommendation, and a further
3 recommendation that the Rules of Council be
4 suspended so as to permit first reading at our next
5 Session.

6 COUNCILMAN COHEN: Is there a second?

7 (Duly seconded.)

8 COUNCILMAN COHEN: The Bill, as amended,
9 is up for discussion. Any discussion?

10 (No response.)

11 COUNCILMAN COHEN: If not, those in
12 favor, please say aye.

13 (Aye.)

14 COUNCILMAN COHEN: Any opposed?

15 (No response.)

16 COUNCILMAN COHEN: The ayes have it, and
17 the Bill, as amended, has been reported out
18 favorably together with a request for a suspension
19 of the Rules.

20 COUNCILMAN NUTTER: There were
21 amendments circulated for Resolution 020817. Mr.
22 Chairman, I move the adoption of the amendments to
23 Resolution 020817.

24 (Duly seconded.)

25 COUNCILMAN COHEN: Is there any

1 04/23/03 - LAW & GOVERNMENT - PUBLIC MEETING

2 Committee. And the public meeting is therefore
3 terminated.

4 The Chair thanks all the members for
5 their cooperation during this slow and extensive
6 hearing full of amendments and bills, and we
7 appreciate everybody's cooperate. Thank you very
8 much.

9 COUNCILMAN NUTTER: Thank you, Mr.
10 Chairman.

11 COUNCILMAN COHEN: The session is
12 adjourned.

13 (Council adjourned at 4:20 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 April 23, 2003, were reported fully
and accurately by me, and that this is a correct
transcript of the same.

RE: COMMITTEE ON LAW AND GOVERNMENT

Lisa C. Bradley, RPR
and Notary Public