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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING
BEFORE THE COMMITTEE OF THE WHOLE

- - -

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, June 20, 2000
2:25 p.m.

- - -

RES. NO. 000325 - Resolution calling upon the Law &
Government Committee to hold hearings on the
question of public financing of new stadiums.

- - -

PRESENT:

COUNCILWOMAN ANNA C. VERNA, Chair,
Committee of the Whole
COUNCILMAN DAVID COHEN, Chair,
Committee on Law and Government

COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILMAN ANGEL L. ORTIZ
COUNCILMAN FRANK RIZZO
COUNCILMAN FRANK DiCICCO
COUNCILWOMAN JANNIE L. BLACKWELL
COUNCILMAN DARRELL L. CLARKE
COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILWOMAN DONNA REED MILLER

- - -

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2 PRESIDENT Verna: Thank you. This is
3 a Public Hearing of the Committee of the Whole. I
4 would ask Mr. McPherson to please read the title of
5 Resolution No. 325.
6 MR. McPherson: Resolution 325,
7 Calling upon the Law and Government Committee to
8 hold hearings on the questions of public financing
9 of new stadiums.
10 PRESIDENT Verna: Good afternoon,
11 everyone.
12 Because of the importance of the
13 issue of providing public funding for the
14 development and operation of sports facilities, I
15 have placed this issue before the Committee of the
16 Whole, rather than the Law and Government Committee,
17 to which it was originally assigned.
18 The purpose of this hearing is to
19 simply elicit information and opinions, which I
20 expect to be both positive and negative, regarding
21 the appropriateness for which and the extent to
22 which public funds should be considered for use to
23 finance stadium projects.
24 I want to make it perfectly clear
25 that the purpose of this hearing is not to vote for

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or against any particular stadium site or project, but it is merely an opportunity to have witnesses express their views and to educate the public and City Council on what has been done in other jurisdictions and on what might be feasible for the City of Philadelphia.

I want everybody to know that we do have a witness list of approximately 132 people. To that end, I want to establish certain ground rules regarding how the hearing will proceed.

Anyone who wishes to testify will certainly be given the opportunity to do so. If necessary, time limitations may be placed on the testimony of witnesses.

The audience will treat witnesses with respect and shall not be allowed to interrupt testimony.

If the audience does not maintain ordinance, any individual causing disruption will be asked to leave the chamber.

If the person does not leave of his own volition, the person will be escorted out of the chambers.

To my knowledge, there is no

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2 legislative body who allows disruption in their
3 chambers, and I will not tolerate any disruption
4 here in Council chambers.

5 With that being said, the Chair
6 recognizes Councilman Cohen.

7 COUNCILMAN COHEN: Thank you, Madam
8 President.

9 I agree very much that this is an
10 extremely important hearing. Because for the first
11 time the people of Philadelphia are going to have an
12 opportunity to speak to their elected
13 representatives here in Philadelphia and to state
14 their view about public financing for stadiums,
15 whether there ought to be; and, if so, how much; and
16 is it an investment or is it a contribution; how
17 will it be collected; how does the city deal with
18 the question of public financing for stadiums in
19 view of public financing needs.

20 The hope ultimately is that all the
21 facts will be placed before all the people of
22 Philadelphia so that they can help City Council
23 reach a sound conclusion when the matter finally
24 comes to us before a vote.

25 Today is, I hope, the beginning of a

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2 dialogue across all of Philadelphia. We want to
3 know what you think.
4 Most Council Members have heard from
5 their constituents in their local communities or at
6 meetings wherever they have occurred. Now is the
7 time to put your views out before us officially.
8 And I think all of Philadelphia welcomes the
9 opportunity.
10 Until now it has appeared that there
11 seemed to be only one question involved in the
12 stadiums, and that was the question of site, where
13 was it going to be.
14 Well, that's an extremely important
15 question, but that is not the only question.
16 The other very major question is, to
17 what extent, if at all, is it appropriate for public
18 financing for these stadiums.
19 So with that, Madam President, I
20 thank you. I think your initial statement was very
21 much in order. Because we want people to be able to
22 speak without any kind of interruption.
23 This is the beginning of putting
24 together the information that will contribute to a
25 final result.

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2 Thank you, Madam President.
3 PRESIDENT VERA: You are welcome,
4 Councilman.
5 Our first witness is Randy Albright,
6 Senior Budget Analyst for the Pennsylvania Senate
7 Appropriations Committee.
8 Is Mr. Albright here?
9 Good afternoon, sir.
10 MR. ALBRIGHT: Good afternoon.
11 PRESIDENT VERA: Welcome. Please
12 identify yourself for the record and proceed with
13 your testimony.
14 MR. RANDY ALBRIGHT: Welcome, and
15 thank you. Again, my name is Randy Albright. I am
16 here as a Budget Analyst from the Senate Democratic
17 Appropriations Committee in Harrisburg.
18 The analysis that I am about to speak
19 about was done by the Appropriations staff, at the
20 request of Senator Fumo, who happens to be the
21 Chairman of the entire Committee.
22 And by virtue of the fact that, at
23 least to date, all of the proposed stadium locations
24 happen to be within the Senate district, he has
25 asked us now on this second occasion to at least

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2 provide, from our viewpoint, a fairly detailed cost
3 analysis of locating the stadium this time at the
4 proposed 12th and Vine site.

5 COUNCILMAN COHEN: Mr. Albright,
6 before you go ahead with that detailed analysis, can
7 you tell us from the state perspective what the
8 original financing plans were for stadiums in
9 Philadelphia and in Pittsburgh, and anywhere else in
10 the state, if there were any?

11 MR. ALBRIGHT: The original financing
12 plans as they were discussed at the state level were
13 done in conjunction with providing the state Capital
14 Budget financing.

15 At the time that they were discussed
16 at the state level -- and this would have been
17 during the fall of 1998 and into the winter of
18 1999 -- the expectation was that both projects would
19 be financed with a third of the contributions coming
20 from the state, and a third of the contributions
21 coming from the teams, and a third of the
22 contributions coming from the local jurisdictions.

23 COUNCILMAN COHEN: When you said,
24 "both," to what were you referring to?

25 MR. ALBRIGHT: I was referring to two

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2 stadiums for both football and baseball in
3 Pittsburgh; and two stadiums, one for football and
4 one for baseball, in Philadelphia.
5 At the time of those discussions and
6 the Capital Budget authorizations that resulted, the
7 state provided a total of \$150 million for two
8 stadiums in Pittsburgh and \$170 million for two
9 stadiums in Philadelphia, or \$85 million per
10 stadium.
11 COUNCILMAN COHEN: In Philadelphia?
12 MR. ALBRIGHT: In Philadelphia.
13 COUNCILMAN COHEN: And in Pittsburgh
14 it was it was 75 million.
15 MR. ALBRIGHT: 75 million for each
16 stadium, a total of \$150 million.
17 And, again, there is an assumed
18 one-third share for total project costs that were
19 expected to be about \$450 million in Pittsburgh and
20 slightly higher in Philadelphia.
21 COUNCILMAN COHEN: So the thought of
22 the state was that it was contributing one-third of
23 the cost; is that right?
24 MR. ALBRIGHT: The total costs,
25 including both stadium construction and whatever

infrastructure costs were necessary as part of the project.

Can you tell us what has happened as far as Pittsburgh is concerned? Are they more advanced, or are they at the same stage we are at?

Now, as it turns out, the costs have in fact grown higher than were originally anticipated. But both of those stadiums will be constructed for what's now expected to be a combined cost of about \$550 million.

MR. ALBRIGHT: Yes. The Pirates just by reference, the Pirates' stadium is now anticipated to cost about 262 million, and that's total costs, again, including the infrastructure improvements.

COUNCILMAN COHEN: That's for the

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baseball?

MR. ALBRIGHT: That's for a
38,000-seat baseball stadium in Pittsburgh.

And the Steelers' stadium is a larger
stadium to accommodate football, and that's going to
cost approximately 284 million.

COUNCILMAN COHEN: And you undertook
this study as in your position on the Senate
Appropriations Committee?

MR. ALBRIGHT: That's correct.

COUNCILMAN COHEN: And would you tell
us what your study reveals.

MR. ALBRIGHT: Okay. Thank you.

Again, this is the second of these
analysis that we have completed.

The first one we did last summer,
when we were discussing a proposed site at 12th and
Broad.

And, again, the Senator asked that
the analysis be done because of the significantly
higher costs associated with one location as opposed
to another, given different circumstances around the
city.

The bottom line is that our analysis

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2 at 12th and Vine was drawn largely, or many aspects
3 of it were drawn, from the analysis that we had done
4 at 12th and Spring Garden.
5 But, in the end, the costs at the
6 12th and Vine Street location would be substantially
7 above even those at Broad and Spring Garden. So
8 that the total stadium costs, if we were to locate a
9 stadium at the 12th and Vine site, would approach
10 \$685 million.
11 (Audience reaction.)
12 COUNCILMAN COHEN: That's more than
13 both stadiums in Pittsburgh?
14 MR. ALBRIGHT: You asked the initial
15 questions about Pittsburgh, and it is a reasonable
16 comparison.
17 The fact is, a stadium at 12th and
18 Vine would cost more than \$100 million more than
19 both stadiums will cost to construct in Pittsburgh.
20 COUNCILMAN COHEN: Can you tell us
21 the basis of your study and your analysis?
22 (Audience reaction).
23 PRESIDENT VERNA: Mr. Albright,
24 before you answer that, I would like to make an
25 announcement.

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2 The Fire Code allows 265 people in
3 this room. Those that are standing, we have opened
4 our Caucus Room, which is directly across the
5 corridor. You will be able to hear the testimony as
6 it's being presented to us in here. So please feel
7 free to go into the Caucus Room.

8 And if you are a witness, we will be
9 more than happy to call you, your name, so that you
10 would be able to come in here to testify.

11 But we cannot allow people to be
12 standing. We can only have 265 people in this
13 room. So I would encourage all of you who are
14 standing to please go into the Caucus Room.

15 Thank you very much.

16 Mr. Albright, please proceed.

17 MR. ALBRIGHT: Okay. If I might --

18 PRESIDENT VERNA: You will hear in
19 the Caucus Room. You can hear everything that's
20 being said in the chamber.

21 Thank you.

22 MR. ALBRIGHT: Thank you.

23 If I might, what I would like to do
24 is simply provide a brief breakdown of how we
25 arrived at the approximate assessment of \$685

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million.

The first cost item is the actual construction of the stadium. We are currently expecting the actual stadium construction to cost around \$312 million.

What I will simply point out as significant about this number is to underscore the fact that time is money.

If you remember last year at this time, when we were talking about other stadium locations, the assumed actual construction cost of the stadium structure itself was expected to be in the neighborhood of \$285 million.

That cost, just due to the one-year delay in stadium construction, because we weren't able to come to a resolution about a site last year, is more than \$25 million.

So as I will get to later on in the report, one of the things that becomes more costly about the 12th and Vine location is the fact that other considerations will delay the ultimate construction of the stadium.

And for each year in delay in the project, the cost will escalate by a factor of more

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than \$20 million.

For the purposes of this report, we tried to conservatively use a 3 and a half percent inflation factor, or about 21 and a half million dollars a year, in additional costs.

But, again, to use the illustration of just the increase in the estimated costs for stadium construction alone, that cost from last year to this year has already escalated by more than \$25 million.

COUNCILMAN COHEN: Did the state, when it authorized \$85 million for each Philadelphia stadium to be built, did the state indicate in any way that if the costs ran higher, it would be willing to increase its share?

MR. ALBRIGHT: In fact, you rarely want to say something is etched in stone or something will be forever.

But the only information that we have received at the state level from anyone, in any caucus or from the Governor, is that the state has always been adamant that its share was \$85 million per stadium, and it was up to the teams and the locals if they were to exceed those costs, that the

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2 state's share was to be a fixed cost.

3 COUNCILMAN COHEN: So there is not
4 much hope in looking stateward for additional
5 funds?

6 MR. ALBRIGHT: That's correct.

7 Now, there are some transportation
8 and other infrastructure improvements that I will
9 again allude to a little later when I go through the
10 itemization.

11 Some of those costs, for example,
12 expenditures that SEPTA may make to upgrade transit
13 stations, may in fact be picked up with partial
14 state or even federal funding.

15 But those are miniscule costs of the
16 total cost estimates, as you will see when we go
17 through the itemization.

18 COUNCILMAN COHEN: Go ahead.

19 MR. ALBRIGHT: One of the big cost
20 factors for the 12th and Vine location is the actual
21 acquisition, demolition, and site assembly.

22 The proposed 12th and Vine site
23 involves more than 150 parcels of land, involves
24 about 15 acres, and involves dealing with more than
25 100 different property owners.

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2 That process is expected to be long,
3 there are legal impediments, there are process
4 impediments, there are environmental IMPEDIMENTS,
5 all of which COULD provide road blocks along the way
6 and could provide delays in the process.

7 And, again, I can't emphasize enough
8 throughout this discussion that time is money.

9 Our estimate conservatively is an
10 expectation that when it is all said and done -- and
11 we tried to optimistically assume that the site
12 assembly process could actually be completed within
13 a year -- that those costs won't exceed \$85
14 million.

15 I have to be honest and tell you that
16 many of the real estate consultants that we talked
17 to throughout our analysis have told us that that
18 cost could be significantly higher.

19 And, in fact, most of the estimates
20 that we have received were in a range between 85 and
21 100 million dollars. But we tried to take the
22 conservative end of that process in data gathering.

23 But the bottom line is that we are
24 doubtful that the site itself can be put together
25 for less than \$85 million in total costs.

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2 And when I say, "total costs," I am
3 including all of the real estate, relocation costs,
4 all of the machinery and equipment for any operating
5 business that has to be moved elsewhere,
6 environmental remediation that might be part of that
7 site acquisition process.

8 So I am trying to simplify this as
9 much as I can.

10 But the bottom line is, to put all
11 the parcels together, the costs at a minimum will
12 probably range about \$85 million.

13 PRESIDENT VERNA: Mr. Albright, would
14 that include the demolition?

15 MR. ALBRIGHT: Correct. Correct.
16 That's an all-in-one figure.

17 COUNCILMAN COHEN: What would the
18 time factor be?

19 MR. ALBRIGHT: The time factor, I
20 mean, I have to be honest, it is more guesswork at
21 this point than it is reality.

22 The only thing you can look to from
23 an historical basis here in the city is probably the
24 site assembly for the Convention Center.

25 And it is my understanding that that

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2 was probably more closer to a three-year process.
3 We, again, tried to be optimistic
4 here and assumed that you're talking about a one- to
5 a three-year period, and hopefully it can be done
6 closer to one year from now.
7 COUNCILMAN COHEN: What would that
8 mean as far as construction and use of the stadium?
9 When would it be built?
10 MR. ALBRIGHT: Again, we think that
11 minimally, there is going to be a two-year delay in
12 actually being able to begin construction.
13 Now, that delay could result from the
14 actual site assembly process, that delay could come
15 from dealing with some utility issues that I will
16 get to a little later, dealing with a PECO
17 substation that has to be worked around, in the best
18 case scenario, at the site.
19 But we don't think we can begin
20 construction at the 12th and Vine location for at
21 least two years, until those things are taken care
22 of.
23 COUNCILMAN COHEN: And what would
24 that bring the utilization date to?
25 MR. ALBRIGHT: The most optimistic

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2 assumption that we could make was that the stadium
3 would actually be ready for occupancy for the 2005
4 season.
5 COUNCILMAN COHEN: 2005?
6 MR. ALBRIGHT: Correct.
7 COUNCILMAN COHEN: That's the most
8 optimistic?
9 MR. ALBRIGHT: That's the most
10 optimistic scenario that we could come up with.
11 COUNCILMAN COHEN: Please proceed.
12 MR. ALBRIGHT: Now, there are a
13 couple other -- I alluded to some environmental
14 costs already that will likely be part of the site
15 acquisition process.
16 There are also some very -- some
17 other unique environmental issues that will have to
18 be remediated at the site. And I mentioned those
19 separately and have a separate cost itemization for
20 them.
21 The viaduct from the old Reading
22 Railroad that has to be removed from the site is a
23 \$10 million cost issue in and of itself.
24 SEPTA also has a viaduct that runs
25 through the site. And both of those via ducts would

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2 have to be removed and remediated, again, before any
3 construction can begin.
4 We have again conservatively
5 estimated those costs at \$17 million. And I will be
6 the first one to tell you, it wouldn't be the least
7 bit surprising that additional environmental
8 impediments are found once you are there.
9 All we can identify and put costs on
10 at this point are things that we are aware of.
11 But minimally you will have some
12 additional unique environmental issues that will
13 have to be dealt with and paid for. And we have
14 placed that cost at about \$17 million currently.
15 Parking, as it was at the proposed
16 Broad and Spring Garden location, is another big
17 cost factor at this site.
18 There are --
19 COUNCILMAN COHEN: Why is that?
20 MR. ALBRIGHT: There are currently a
21 number of parking garages around the site. And the
22 transportation, any transportation plan that's
23 viable, will certainly depend on, actually, a
24 majority of the people who are driving to the
25 stadium actually parking and using lots that are

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2 south of Vine Street, and then walking -- or even
3 west of Broad Street, and then walking from those
4 parking garages to the stadium.

5 However, there is going to have to be
6 some additional structured parking built, just like
7 was proposed at the Broad and Spring Garden
8 location, to accommodate staff, employees at the
9 stadium, as well as the premium-paying customers.

10 And if I might just say that those
11 customers are really the life blood for any stadium
12 project.

13 If this stadium were to be successful
14 anywhere in the city, and "successful" meaning that
15 we're able to attract in excess of 3 million fans
16 per year and the premium ticketholders that we are
17 talking about that will really bring revenue,
18 additional new revenue, to the city because of the
19 construction of the stadium, it will really depend
20 on the construction of additional structured parking
21 to serve those customers.

22 Now, the original Broad and Spring
23 Garden proposal assumed the need for between three
24 and four thousand additional parking spaces.

25 There's one difference in the site

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2 now as it's proposed at Vine and 12th. And that is
3 that the Broad and Spring Garden location was
4 located adjacent to the Philadelphia Community
5 College, as well as SmithKline and other commercial
6 users of parking facilities that could become shared
7 facilities for a stadium site.
8 In other words, the peak hours of
9 usage for the commercial users did not conflict with
10 the use of the stadium in the evening for paying
11 customers for baseball.
12 When you move the stadium down to
13 12th and Vine, you now don't have that same shared
14 arrangement that will at least work for
15 premium-parking facilities for the site.
16 So we have assumed in this estimate
17 that for the 12th and Vine location to work, you are
18 going to need, at a minimum, to build an additional
19 4,500 structured parking spaces.
20 We have estimated the cost of that to
21 probably total about \$20 million for site
22 acquisition, and then the cost of each structured
23 parking space is about \$20,000 per space.
24 That means that the total cost of
25 structured parking for the facility is an estimated

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\$110 million.

(Audience reaction.)

MR. ALBRIGHT: Some other costs associated with it. There will be some additional site improvements.

What those site improvements are, I can't really outline for you in great detail at this point.

What I can simply point out are that there are three essential needs that are going to have to be addressed at the site.

The first need will be to provide some sort of an atmosphere that will actually be able to recreate, those of you that may be familiar with the Camden Yards in Baltimore, the scene along the outside of that warehouse that abuts the outfield of the Baltimore stadium along Utah Street, where they have a lot of commercial and retail activity.

The assumption is that the Phillies would want to create some sort of similar atmosphere there to provide an area that looks both attractive and appealing to fans as they enter the baseball park.

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2 The second thing is that whatever
3 pedestrian access is provided to the stadium site,
4 something is going to be necessary to help move
5 pedestrian traffic across Vine Street.

6 And if we actually build a ramp, as
7 had been proposed, again, as we compare it to the
8 proposed Broad and Spring Garden site, that ramp
9 would have to go fairly high above Vine Street to be
10 able to cross it.

11 And since the stadium footprint
12 itself would locate the new stadium almost up
13 against the back of Vine Street, you'd then have an
14 architectural challenge to be able to bring that
15 pedestrian ramp back down to street level, assuming
16 you didn't want fans to enter the stadium directly
17 at the second or third level of the stadium, and
18 miss that whole Utah Street/Camden Yards sort of
19 facade that we're assuming they want to create with
20 the new Phillies ballpark. That will have to be
21 addressed.

22 And then the third issue is a PECO
23 substation that I will get to in more detail in a
24 little bit.

25 But addressing all of those concerns,

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we estimated minimally will present additional site challenges that will cost an additional \$15 million.

Utilities are a big issue at the stadium. One of the problems with the 12th and Vine site is the fact that PECO's main substation -- and I think it's commonly referred to as the Callowhill Station -- which serves all of downtown Philadelphia is currently located inside the footprint of the 12th and Vine site.

COUNCILMAN COHEN: Is that the station that the Mayor said we would design the stadium around, we would not have to deal with it?

MR. ALBRIGHT: That's correct.

There are several challenges associated with the substation.

For our analysis -- and let me say, first of all, for our analysis we assumed that the Mayor is correct, that we can build a stadium at 12th and Vine and figure out a way to build the stadium around the existing substation, and not have to move it.

I have to tell you that, in the end, if you do have have move it, the price tag for that

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2 would be minimally another \$100 million.
3 (Audience reaction.)
4 MR. ALBRIGHT: But assuming it is
5 feasible to build around the substation, you still
6 need to figure out a way to relocate 35, 13,000 volt
7 feeder cables and 138,000 volt transmission line
8 that comes into and out of the substation.
9 Now --
10 COUNCILMAN COHEN: Would you explain
11 what that would involve?
12 MR. ALBRIGHT: Let me just put it to
13 you this way, put it simply: The cost of relocating
14 those lines -- and let me first emphasize, to come
15 back to this point again of how time is money, the
16 time frame to relocate those lines around the
17 perimeter footprint is probably a two-year process.
18 The cost of that relocation process is minimally \$25
19 million.
20 And the biggest problem that still
21 may face this whole hurdle is that PECO may not own
22 enough right-of-way to relocate those lines around
23 the perimeter of the footprint.
24 If that's the case, and PECO would
25 need to acquire more right-of-way to provide, you

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1 know, some solution that keeps the substation
2 operating at the site, then you are talking about
3 additional costs, the costs that we haven't factored
4 into our cost analysis.

5 And, maybe most importantly, no
6 stadium construction can begin until these lines get
7 relocated.
8

9 So to once again go back to our
10 assumption being, a stadium can't be ready until the
11 year 2005, it is largely because, even in the most
12 optimistic scenario, we need that much time to
13 relocate these transmission lines before any stadium
14 construction can actually begin.

15 In addition to PECO, they are not the
16 only utility that has lines there that have to be
17 relocated.

18 SEPTA also has its own substation
19 that's located on the site that would have to be
20 relocated.

21 Now, SEPTA does have a Capital Budget
22 authorization to accomplish that in several years
23 from now that they may be able to expedite, but
24 there is a \$17 million line item in SEPTA's
25 long-term capital plan right now to relocate their

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2 substation facility.

3 There are other utilities that are
4 already operating that are located on site that
5 would also have to be relocated.

6 And, finally, there are backup
7 generators for a telecommunications center that
8 operates at 401 North Broad Street that would also
9 have to be relocated outside their existing
10 location, which is inside the proposed 12th and Vine
11 stadium footprint.

12 All of those costs combined will
13 minimally add up to \$45 million. And, again, I have
14 to emphasize that we have not dealt with the issue
15 of existing right-of-way if PECO doesn't have enough
16 to relocate those transmission lines, as currently
17 configured.

18 COUNCILMAN COHEN: Have you dealt
19 with each of the specific factors involved? Have
20 you dealt with each of the specific factors?

21 MR. ALBRIGHT: You mean for the
22 utility relocations?

23 COUNCILMAN COHEN: Well, for
24 everything.

25 MR. ALBRIGHT: I'm sorry. The rest

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2 of the cost factors are -- and I hate to use the
3 word "minimal" because we are talking in each case
4 about millions of dollars -- but they are less
5 dramatic.

6 There are some street improvements.
7 Callowhill, 12th Street, we would have to widen 13th
8 Street. There may be some improvements to ramps
9 that need to be addressed.

10 Street improvements would probably
11 cost an additional \$15 million.

12 There is a pedestrian walkway that
13 would have to be built. It is our assumption that a
14 minimum of one walkway would be necessary. And we
15 have included a 7 and a half million dollar cost to
16 accomplish that.

17 There have been many people that have
18 suggested more than one walkway may be necessary to
19 cross Vine Street.

20 There have been even those who have
21 suggested that some sort of pedestrian ramp across
22 Broad Street may be necessary, since, again, a
23 substantial amount of the vehicle traffic is
24 expected to park even west of Broad, and then walk
25 to the site.

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2 That may create too much congestion
3 along those highways, particularly realizing that
4 this is traffic coming to the stadium still during
5 the fringe of rush hour. Then another land bridge
6 would be built.

7 But we have only assumed one would be
8 necessary in this analysis.

9 Upgrades at some of SEPTA's --

10 PRESIDENT Verna: Excuse me. If a
11 ramp were to be built, do you have any cost estimate
12 for that?

13 MR. Albright: Yes. 7 and a half
14 million dollars was, again, based on the Broad and
15 Spring Garden proposal, was a real estimate at the
16 time, based on the construction of one pedestrian
17 bridge across Vine Street to the Broad and Spring
18 Garden ballpark.

19 PRESIDENT Verna: Thank you.

20 MR. Albright: Transit improvements
21 would involve upgrades to two of SEPTA's local
22 transit stations at an 8 and a half million dollar
23 cost.

24 There is an assumption right now that
25 we would spend a million and a half dollars to

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widen -- to add one additional lane along Vine Street.

There is also a payment to Comcast Spectacor, and this requires a minute of elaboration.

But when we built what's now the First Union Center, one of the ways we financed that is, we agreed that Comcast would receive all of the future parking revenue for all of the events that go on in South Philadelphia, including Phillies and Eagles games, with the promise to them that if the city ever allowed either of the teams to relocate elsewhere, that there would be a lump-sum payment to Comcast to make up for the lost revenue that would occur from that relocation.

I will say, this is the one unique cost factor. That the longer we delay the construction of the stadium, the cheaper this cost factor gets. But it is the only one that the cost goes down the longer we wait.

Again, assuming that what today is probably still a \$10 million liability, reaches closer to \$5 million if the stadium is not really built and ready until the Year 2005. But that still

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2 will be a \$5 million payout that would be necessary
3 to Comcast.
4 And the final two cost factors,
5 again, one I have alluded to earlier, and that's the
6 inflation factor for the number of years that we
7 have to delay the actual stadium construction
8 because of the other impediments that I have already
9 talked about.
10 We have used a three and a half
11 percent inflation factor, again, which is probably
12 fairly conservative, or a total cost of about 43 and
13 a half million dollars, assuming we can actually get
14 the stadium built by the Year 2005.
15 And, finally, we put close to \$20
16 million in here as a 3 percent contingency fund.
17 Again, I have already referenced
18 several cost issues that could drive these costs
19 much higher, the need to acquire additional
20 right-of-way to relocate those utility lines for the
21 PECO substation, if we determined in the end that we
22 truly did have to relocate the PECO substation
23 entirely, if additional environmental remediation
24 problems are found at the site once we get there and
25 begin construction, the transportation access.

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2 There are a lot of people that say
3 just the existing Vine Street ramps themselves would
4 have to be redone, that are simply not workable or
5 capable of handling the volume that we would expect
6 them to handle by combining stadium traffic on top
7 of the existing rush-hour traffic.

8 None of those additional costs have
9 been factored into this analysis. Any one of those
10 factors that I just alluded to could add far in
11 excess of \$20 million to the project, but we carry a
12 \$20 million contingency fund.

13 When you add all those numbers, you
14 get to \$685 million.

15 COUNCILMAN COHEN: And that's the
16 estimate the Mayor said the other day that he knows
17 the cost will exceed this estimate? So he seems to
18 be in agreement with you?

19 MR. ALBRIGHT: I really don't know
20 what his cost analysis may end up to be.

21 I have to be honest and tell you that
22 if you are asking me, is there a greater risk of the
23 stadium being more expensive or less expensive than
24 the numbers that I have just provided to you, I have
25 to say that the risk is much greater on the up

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1
2 side.

3 COUNCILMAN COHEN: Thank you.

4 PRESIDENT VERA: Thank you very
5 much, Mr. Albright.

6 The Chair recognizes Councilman
7 Clarke.

8 COUNCILMAN CLARKE: Thank you, Madam
9 Chair.

10 Good afternoon, Mr. Albright.

11 MR. ALBRIGHT: Hello.

12 COUNCILMAN CLARKE: Mr. Albright,
13 during the discussion on the Broad and Spring Garden
14 site, we had received some information about new
15 stadium construction across the country, both for
16 baseball and football.

17 And if my recollection is correct, a
18 substantial number of them were being financed based
19 on an impending termination of leases, particularly
20 in the decision-making process.

21 And as we talk about comparisons to
22 Pittsburgh stadiums versus the Philadelphia
23 stadiums, what's the story on the Pittsburgh
24 stadiums with respect to their leases between the
25 municipalities and the teams?

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2 MR. ALBRIGHT: I don't want to
3 pretend that I have any expertise beyond the stadium
4 analysis as in front of you.
5 I think in Pittsburgh's case, they
6 did have a lease that had to be broken and then
7 renegotiated. But I'm not here -- and I believe you
8 have some stadium consultants that are going to
9 follow me.
10 I think they are probably the more
11 appropriate people to answer that question and give
12 you any at least expert testimony in that regard.
13 COUNCILMAN CLARKE: All right. Well,
14 I will wait until the professionals come up on that
15 particular issue.
16 Thank you, Madam Chair.
17 PRESIDENT Verna: You are welcome.
18 The Chair recognizes Councilman
19 Goode.
20 COUNCILMAN GOODE: Thank you, Madam
21 Chair.
22 Good afternoon, Mr. Albright. The
23 original state appropriation for stadiums, what
24 percentage of project costs was being covered by the
25 state?

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1
2 MR. ALBRIGHT: Again, the original
3 expectation or assumption at the state level was
4 that we were providing \$85 million for each stadium,
5 and that \$85 million in Philadelphia would represent
6 one-third of the anticipated total costs of
7 construction.

8 COUNCILMAN GOODE: And what is the
9 percentage of project costs anticipated to be
10 covered now by the state?

11 MR. ALBRIGHT: The state's share, or
12 the state's contribution, is not expected to
13 increase.

14 In other words, it is \$85 million.
15 And the more expensive the stadium becomes, the
16 smaller the state's share becomes.

17 COUNCILMAN GOODE: Mr. Albright, on
18 March 2 this Council unanimously passed a resolution
19 establishing public benefit criteria for economic
20 development projects with an investment of more than
21 \$1 million.

22 Five days later, the state Senate
23 amended Bill 1169 establishing a prohibition that
24 reads as follows, "A contract for general contractor
25 work in redevelopment assistance capital project may

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2 not contain a provision which requires a specified
3 percentage of a contracting party's work force be
4 resident of a specific municipality."

5 Is it the intention of the state to
6 withhold state funding contingent upon Philadelphia
7 not requiring a percentage of jobs for Philadelphia
8 residents?

9 MR. ALBRIGHT: Again, I don't want to
10 hold myself out to be an expert in anything that I
11 am not. So I am not in a position to respond to
12 what the state's expectation was or was not with
13 that legislation.

14 COUNCILMAN GOODE: Are there any
15 contingencies in this funding?

16 MR. ALBRIGHT: Pardon me?

17 COUNCILMAN GOODE: We are here to
18 discuss public financing of stadiums, which includes
19 state financing.

20 There is an amendment to Bill 1169
21 that says that no municipality can require a percent
22 of jobs for that municipality.

23 You have already said that the
24 percentage of project participation is going down
25 for the stadium.

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2 Is the state going to withhold the
3 funding if Philadelphia decides to require a
4 percentage of jobs for Philadelphia residents?

5 MR. ALBRIGHT: Again, all I can say
6 is that I am not here as a representative of the
7 state to answer those types of questions.

8 I mean, I am here solely as a
9 representative of the Appropriations Committee staff
10 looking at the cost factors involved with the
11 construction.

12 COUNCILMAN GOODE: To talk about cost
13 without talking about public benefit is an empty
14 discussion.

15 MR. ALBRIGHT: I think the point that
16 you raise is a very valid one. But, again, as a
17 budget analyst for the Senate Appropriations
18 Committee, it would not be appropriate for me to
19 offer an opinion that would be representative of
20 that, of the Governor or the legislature.

21 COUNCILMAN GOODE: So you just know
22 that numbers are high. You still don't know whether
23 that is a good investment or not.

24 MR. ALBRIGHT: Again, I don't want to
25 even pretend that I am here to tell you whether the

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2 investment is a good one or a bad one. I am here to
3 simply tell you what the costs are.
4 And it is to others, particularly
5 people like yourselves, that have to decide whether
6 that's a worthwhile investment of state, city, and
7 team resources.
8 COUNCILMAN GOODE: But if this
9 project were to create 25,000 new jobs, which it
10 won't, we decided to require 100 percent of the jobs
11 to Philadelphia residents, those numbers might look
12 a little bit different, might they not?
13 MR. ALBRIGHT: Again, the only thing
14 I can tell you quantitatively is that the higher you
15 drive total stadium costs, the lower you drive the
16 state's participation.
17 COUNCILMAN GOODE: But we definitely
18 don't know the cost per job in terms of Philadelphia
19 jobs because the state Senate has decided not to
20 allow Philadelphia to require a percentage of the
21 jobs to Philadelphia residents?
22 MR. ALBRIGHT: Again, from the state
23 perspective, the state negotiated a state's share of
24 the stadiums. And that was done in 1998 and 1999
25 based on assumed total construction costs at that

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1
2 time.

3 But clearly, like the agreement that
4 Mayor Rendell brought before the city at the end of
5 last year, it simply said that cost overruns were
6 not going to be borne by the state.

7 COUNCILMAN GOODE: So should that
8 amendment to Bill 1169 --

9 PRESIDENT Verna: Excuse me.
10 Mr. Albright, nothing was brought before City
11 Council by Mayor Rendell. I would like the record
12 to be clear on that. I'm sorry.

13 Please proceed, Councilman.

14 COUNCILMAN GOODE: Should that
15 amendment to Bill 1169 just apply to the state's
16 share?

17 MR. ALBRIGHT: I don't know how many
18 times I can answer the question. I'm not the person
19 qualified to answer that question.

20 COUNCILMAN GOODE: You are just here
21 to talk about numbers?

22 MR. ALBRIGHT: I am a Budget Analyst
23 for the Senate Appropriations Committee.

24 COUNCILMAN GOODE: Thank you very
25 much.

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2 PRESIDENT Verna: Thank you.
3 The Chair recognizes Councilman
4 Kenney.
5 COUNCILMAN KENNEY: Thank you, Madam
6 President.
7 Mr. Albright, I would like to go for
8 a moment to the issue of stadium site orientation as
9 it relates to the PECO substation.
10 It has been reported and been agreed
11 to, apparently for purposes of this analysis, that
12 the PECO substation could remain, despite the fact
13 that the feeder cables need to be moved.
14 Is there not also issues of safety as
15 it relates to the continued existence of the PECO
16 substation and then, therefore, the orientation of
17 the stadium in particular?
18 And where I am going to is that, it
19 is my understanding that we wouldn't want a
20 situation where the stands that are filled with
21 people are within close proximity to the actual
22 substation.
23 So in order to avoid that, we would
24 have to really move, turn the stadium, rotate it, so
25 that the open end of the stadium, where less people

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2 were sitting, would be the area facing the existing
3 substation?

4 MR. ALBRIGHT: That's correct.
5 And, again, we aren't privy to what
6 the Mayor and his committee may be planning or not
7 planning at this point.

8 We had to make assumptions for this
9 cost analysis. And we had -- and we in every case
10 tried to assume the least costly alternative.

11 So what we assumed, as I alluded to
12 earlier, some additional site costs involved to be
13 able to allow the PECO substation to remain where it
14 is, but figure out some way to safely have a stadium
15 constructed on the site.

16 If the stadium were configured in its
17 original proposed location, that would place the
18 substation directly behind the stands behind home
19 plate.

20 And I think there could be some
21 concern that fans could literally be in a position
22 to throw things or have some access to the
23 substation from the stadium itself.

24 So that the suggestion has been made
25 to rotate the stadium 180 degrees, so it no longer

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faces downtown, but instead faces more towards the Northeast, so that the substation would then be placed in the outfield, and then you could safely come up with a site plan that safely protects the public from the substation.

And that's the assumed plan in this analysis.

COUNCILMAN KENNEY: Is not the aesthetic benefit to a downtown stadium, one of the issues of the aesthetics, is the ability to view the skyline of the city from the rear of the facility, therefore creating this urban feel -- and the city does have a beautiful skyline -- the skyline in the background that would be an attractive venue.

Where would we be looking now, if I were sitting along the first base line based upon your analysis?

MR. ALBRIGHT: Again, the assumption is that now you would be facing more in a north or northeasterly direction.

And, again, our committee is not suggesting that that's the preferable plan, but that is the least expensive remedy to figuring out how to build a stadium around the existence of the

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2 substation that otherwise to relocate is going to
3 cost \$100 million.

4 COUNCILMAN KENNEY: But most, if not
5 all, of the renderings that we have been shown and
6 have been exposed in the press will show the
7 orientation of the stadium with the beautiful city
8 skyline in the background. I am sure you have seen
9 these renderings.

10 MR. ALBRIGHT: And that's correct.
11 But at this point it is our assumption that you
12 can't actually build a stadium with that rendering
13 in mind, unless you actually assume the \$100 million
14 cost to relocate the substation entirely.

15 PRESIDENT VERNA: Councilman, I am
16 sorry. I don't mean to interrupt you.

17 And, Mr. Albright, would you stay
18 where you are. I know that you have to leave,
19 also.

20 But Cecelia Yep is here and has been
21 asked to be given the opportunity to testify. She
22 is being honored this evening, and I think she is
23 going to have to leave very, very shortly.

24 So with your permission, if we could
25 just hear Ms. Yep. Just stay where you are.

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2 COUNCILMAN KENNEY: Madam President,
3 I am through anyway. Thank you.
4 PRESIDENT Verna: Thank you.
5 Cecelia Yep, please.
6 (Applause.)
7 PRESIDENT Verna: Good afternoon and
8 congratulations on your award tonight.
9 MS. YEP: Thank you very much.
10 COUNCILMAN COHEN: It is a very
11 prestigious Philadelphia award; correct?
12 MS. YEP: Thank you very much.
13 PRESIDENT Verna: Yes.
14 MS. CECELIA MOY YEP: My name is
15 Cecelia Moy Yep.
16 As a founder of the Philadelphia
17 Chinatown Development Corporation, I have come
18 before City Council many times expressing the
19 concerns of Chinatown.
20 Most of you are aware that Chinatown
21 is one of the most stable neighborhoods in this
22 city, and it has been in existence for 130 years.
23 Since I live in Chinatown, I have
24 witnessed all the effects that Chinatown has
25 experienced from urban renewal projects for the past

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40 years.

Our neighborhood is a constant construction site, and we are always asked to sacrifice for the betterment of these institutional projects.

In the '60s, Chinatown faced urban renewal projects which tore down homes and businesses on the east side of 9th Street for Independence Mall Unit 4 and the proposed 9th Street ramp.

In the '70s we were confronted by the Vine Street Expressway, which caused displacement of more homes and businesses on the south side of Vine Street and, more importantly, the state threatened to demolish the Holy Redeemer Church and School for highway ramps.

In the '80s again more homes and businesses were demolished on 9th Street for the Center City Commuter Rail Tunnel.

In the '90s homes, businesses, and parking were lost on the west side of 11th Street for the Pennsylvania Convention Center.

As a result, the core of Chinatown has now been cut back to four blocks.

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When they built the Convention Center, the community was advised to expand to the north, across the Vine Street Expressway. And with little or no choice we went north.

PCDC took the giant step and crossed the Expressway and built a planned urban development at 9th and Vine Street with 51 new homes. This development took nine years to build.

Hin Wey Yu is now known nationally as a development that won the Maxwell Award for Excellence in community development from the Fannie May Foundation.

PCDC has a comprehensive plan for the growth and development of Chinatown. We are now ready to start construction of more housing at 9th and Wood Streets as Phase 2 of Chinatown North.

PCDC has started Phase 3, which is a community center at 10th and Vine Streets.

44 acres in Chinatown North has been rezoned by City Council from industrial to commercial and has been designated for the growth of Chinatown.

Building a baseball stadium across the street will impede the implementation of our

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1
2 plans.

3 This in direct conflict with the
4 Council's direction in rezoning this area.

5 When pCDC started development to the
6 north of the Expressway, it served as an impetus for
7 development of the entire area, developers already
8 investing in the area, with condo loft structures
9 and other investments taking place.

10 A charter school is planned for 1209
11 Vine Street.

12 If the city builds the stadium at the
13 proposed Vine Street site, one can easily understand
14 why our neighborhood's growth will be stunted.

15 We are not against building a
16 stadium.

17 (Audience reaction)

18 MS. YEP: The union will get the jobs
19 regardless.

20 But, remember, the Phillies don't
21 even want to be there. The community doesn't want
22 them there. The stadium will, without a doubt,
23 disrupt the community.

24 This project will also stunt the
25 growth of Chinatown and the traffic will be such

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2 that no one will want to come near the area.
3 Major street changes are planned.
4 Callowhill Street and 12th Street will be closed.
5 13th Street will be widened to become a two-way
6 street. Street closings and changes in traffic
7 patterns will affect our already congested area.
8 The cost figures we are hearing are
9 astronomical. They keep growing to the point where
10 they are double what they should be.
11 Extra costs incurred for the three
12 major factors involved with this site, the
13 acquisition, the relocation, the environmental
14 problems, and the Reading viaduct, and the PECO
15 substation, the SEPTA substation, add approximately
16 373 million additional dollars at this 11th Street
17 site.
18 Someone has to pay. We believe that
19 eventually the citizens of Philadelphia will end up
20 paying.
21 The average citizen is looking at the
22 basic needs of our communities. The ballpark is
23 icing on the cake for most people, as most families
24 cannot afford the luxury of frequently going to
25 games.

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City Council should take careful consideration what actual cost figures will be. They should also take into consideration the taxes lost from the displaced persons and businesses on the 11th Street site.

(Applause.)

MS. YEP: The displacement and relocation problems will also cause a minimum of a two-year delay, which has already been stated, adding additional costs to the budget. And at the same time costs of inflation will be also added to the budget and can easily amount to well over \$30 million more.

Chinatown is constantly told that we will benefit greatly from the spin-offs. We doubt this very much. We foresee more traffic congestion in this area.

The city must take into consideration that there are four new hotels in the immediate area and plans are underway for the expansion of the Convention Center on Race Street to Broad Street.

Chinatown will become an accessory parking zone for the stadium. And, incidentally, Garage C in the plan, south of Vine Street, will be

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2 built in Chinatown and cause more displacement.
3 This will do nothing for the
4 residents and businesses of our community and, in
5 fact, cause people to avoid the area, resulting in
6 an economic hardship on our businesses.
7 Moreover, Chinatown is more than a
8 collection of restaurants. Chinatown is a
9 neighborhood with families, churches, temples,
10 daycare centers, and more.
11 (Applause.)
12 MS. YEP: I as a taxpayer cannot
13 understand why the citizens of Philadelphia, with
14 all our needs and problems, should allow this to
15 happen.
16 I call on all Council Members to say
17 no, we are not buying anything we can't afford.
18 Furthermore, it should not be built
19 on the most expensive site, with the most expensive
20 price tag, that will cost the taxpayers twice as
21 much as it should.
22 We'd like to buy the Mercedes, but
23 the fact of the matter is we can only afford the
24 Ford. Thank you.
25 (Applause.)

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2 PRESIDENT Verna: The Chair
3 recognizes Councilwoman Brown.
4 COUNCILWOMAN BROWN: Thank you, Madam
5 Chair.
6 Mr. Albright, I want to take our
7 attention back to the parking discussion.
8 You mentioned that there would be
9 \$20,000 per space; is that correct?
10 MR. ALBRIGHT: That's correct.
11 COUNCILWOMAN BROWN: And the estimate
12 is 4,500 parking spaces total?
13 MR. ALBRIGHT: That's correct.
14 COUNCILWOMAN BROWN: Also an
15 estimate?
16 MR. ALBRIGHT: That's correct.
17 COUNCILWOMAN BROWN: Has there been
18 any conversation with the Phillies to determine
19 their specific or exact needs around parking
20 spaces?
21 MR. ALBRIGHT: Again, for purposes of
22 this analysis, all I can try to do is lay out for
23 you what the questions are. But that's what I say.
24 This is the life blood to the
25 Phillies. In other words, if they don't have

adequate onsite or near-site structured parking, they can't in the end provide the kind of attractive site to the premium-ticket payer that they are trying to attract. So you need to ask the Phillies what it is they really need.

COUNCILWOMAN BROWN: And assuming that the city makes the investment, where do those parking revenues go?

COUNCILWOMAN BROWN: Yes.

COUNCILWOMAN BROWN: Thank you.

Thank you, Madam Chair.

PRESIDENT Verna: You are welcome.
The Chair recognizes Councilman

DiCicco.

COUNCILMAN DiCICCO: Thank you, Madam

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Chair. I just have one question.

Mr. Albright, on Page 2 or 3 of your testimony under Site Acquisition and Demolition, at the bottom, total estimated costs would include demolition and environmental remediation costs of \$15 million, and business/residential relocation assistance another miscellaneous cost, an additional 7.5.

As it relates to the residential relocation assistance, is there a formula that is being used in addition to what I assume, when the adjusters -- or the appraisers go out, rather, they would typically use a fair market value as part of their analysis.

My experience with relocation mainly has to do with new housing construction in my district. And I know there is a government set of standards for what the property owners are entitled to do when it comes to relocation and how they are made whole.

Is that same criteria used in the scenario where it is a commercial development, as opposed to federal acts that we are bound by, or mandated by?

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2 MR. ALBRIGHT: The only thing I can
3 say is yes, but we were probably conservative.

4 And, again, I will be the first one
5 to admit that in the end of the day, these costs
6 will probably be higher than we anticipated them to
7 be. But we didn't want to at any time be accused of
8 overstating what the potential costs might be.

9 And this is probably one of the
10 biggest areas where we tried to -- if we were going
11 to error, error on the conservative side.

12 COUNCILMAN DiCICCO: So, again, if I
13 understand you correctly, those numbers were
14 gathered basically by doing strictly fair market
15 value based on assessment of what comparables are in
16 the community today.

17 MR. ALBRIGHT: Correct.

18 COUNCILMAN DiCICCO: Not looking at
19 what the potential for the development of that
20 community is if stadiums weren't being built.

21 MR. ALBRIGHT: That's correct. And,
22 again, the emphasis on today, not what they might be
23 one or two years down the road.

24 COUNCILMAN DiCICCO: Thank you.
25 Thank you, Madam Chair.

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2 PRESIDENT Verna: You are welcome.
3 Are there any other questions of
4 Mr. Albright?
5 Thank you very much, sir.
6 MR. ALBRIGHT: Let me thank you. You
7 have all been very kind.
8 PRESIDENT Verna: You are welcome.
9 (Applause.)
10 PRESIDENT Verna: Pete Matthews.
11 (Applause.)
12 PRESIDENT Verna: Please identify
13 yourself for the record and proceed with your
14 testimony.
15 MR. PETE MATTHEWS: Yes. Pete
16 Matthews, President, AFSCME District Council 33.
17 MR. WAYNE JOHNSON: I am Wayne
18 Johnson, Secretary/Treasurer of District Council
19 33.
20 MR. MATTHEWS: Thank you, Council
21 President Verna, members of City Council, for
22 allowing me to present testimony at this hearing.
23 As I stated in testimony before City
24 Council last March on this same matter, our unions
25 are not opposed to building stadiums. I want to

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2 make that clear from the start.

3 I also want to make it clear that we
4 are not here today to pick a fight with my brothers
5 and sisters in the building trades union.

6 I hope they get to build stadiums,
7 housing, hotels, and anything else that needs to be
8 built as a result of booming national economy and
9 Philadelphia's resurgence as a vibrant and growing
10 city.

11 Nor are we hear to pick a fight with
12 those who are opposed to building stadiums because
13 of what they see as a negative impact on their
14 particular neighborhood. These citizens also have a
15 right to be heard, and we should give them respect
16 by listening to their concerns.

17 I would also hope that at some point
18 in the future many more members of our union would
19 be able to afford the cost of attending events at
20 these sports facilities.

21 As it stands right now --

22 (Applause.)

23 MR. MATTHEWS: As it stands right
24 now, with the sacrifices in wages and benefits that
25 they have made over the last eight years, our union

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members are more concerned with feeding, clothing, sheltering, and educating their children than they are in watching sports teams compete.

(Applause.)

MR. MATTHEWS: No matter where you locate a stadium, it is something that I believe should be made with strong input from the communities within the city and which are most likely to be directly impacted.

Many of our union members live in the communities that are being discussed as possible locations. And I can tell you that there is little support for building a facility that will destroy the character of any neighborhood in the city.

I commend you for holding this hearing in order to hear from your constituents.

You probably will also hear testimony from stadium supporters about all of the economic benefits the city will derive from a new sports stadium.

I have no way of verifying the validity of those claims. I hope they are true, though. Because anything that adds to the tax base of this city is obviously going to be something that

our union favors.

The fact that the contract covering the members of AFSCME District Council 33 expires on June the 30th should be of concern to the citizens of Philadelphia and to City Council.

MR. MATTHEWS: Nobody, least of all our members, want to see garbage piling up in the streets or vital city services like water and sewer stopped as the result of a strike by city workers as we approach the start of the Republican Convention in July. Our members would much rather have a fair contract and a very calm summer.

So far I have seen no evidence of a

willingness on the part of the city's negotiators to
acknowledge the contributions made by our union
members.

(Applause.)

The Administration's negotiators presented us with their first wage proposal for the first time.

With the city enjoying a \$200 million budget surplus, and the Mayor trying to figure out a way to spend a billion dollars to build sports stadiums, all they had to offer the members of District Council 33 was two \$500 bonuses in the first two years and two backloaded raises of 2 percent in the last two years of the contract.

(Audience reaction.)

MR. MATTHEWS: That amounts to less

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2 than 1 percent spread out over four years.

3 This insulting offer comes after
4 months, literally months, of our union's willingness
5 to find a way to reach a settlement that would be
6 fair to our members and for the taxpayers of the
7 city.

8 Now, after several years of wages,
9 freezes, backloaded wage increases that are still
10 lagging behind the rate of inflation, and work rule
11 changes that save the city tens of millions of
12 dollars, this is what they offer as a fair contract
13 proposal.

14 They have the nerve to tell us at the
15 negotiating table that we can't ask for decent wages
16 because they need \$20 million for schools and
17 another \$18 million to solve management programs at
18 the Philadelphia Gas Works, and God only knows what
19 else. But a decent wage increase is out of the
20 question.

21 They must be crazy to think that I
22 would bring this offer to our membership, or, worse
23 yet, that our members would accept it.

24 (Audience reaction.)

25 MR. MATTHEWS: In addition to this

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2 insulting wage offer, the Street Administration is
3 still insisting that they want to take away our
4 health and welfare fund.

5 On a matter of turning over control
6 of our health and welfare fund to the city, I only
7 have three things to say; no, no, and hell no.

8 (Applause.)

9 MR. MATTHEWS: No, because in the
10 last eight years the city has already short-changed
11 our health and welfare fund by over \$50 million in
12 contributions. Turning over total control to the
13 city would only result in a cut of our benefits.

14 No, because our union has spent the
15 last three and a half years, since I took over as
16 President, getting our financial house in order,
17 solving the J.F. Kennedy Hospital problem so that it
18 won't be a part of these negotiations, and it is
19 not, and making sure that our members didn't lose
20 any benefits in the process.

21 And hell no, because we just don't
22 trust this Administration, not to mismanage the
23 funds to the point where our benefits our members
24 now have as a result of bargaining for benefits in
25 lieu of wages will be reduced our eliminated.

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Given their record so far on the School District, PGW, Disney project, the piers on Delaware, and the stadium deals, we have to be insane to agree to let our benefits plan be managed by this Administration.

(Applause.)

MR. MATTHEWS: Given the actions of the Street Administration this last week, I can't help but wonder if the Mayor is deliberately trying to provoke our union into a strike.

I can think of no other rational reason to explain his recent actions. We have said that we do not want a strike. What Mayor John Street evidently fails to realize, though, is that our union membership is united and we will strike if he continues to make these outrageous and insulting demands, instead of settling a fair contract.

I expect before the end of these negotiations, the Street Administration will try to pit our public employee unions against the building trades unions over who should get a piece of the budget surplus in our negotiations, if our negotiations continue to insist it doesn't really exist.

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Our members, through the sacrifices that they have made over the last eight years, have earned a right to a decent wage increase and a decent benefit package, just like our brothers and sisters in the building trades earned their wages and benefit.

That is all we are looking to get in these negotiations. We must not allow any employer, public or private, to pit one group of workers against another against another.

I was told early on in these negotiations --

(Applause.)

MR. MATTHEWS: I was told early on in these negotiations by Mayor John Street himself, in fact, that the city was interested in settling with a fair contract, and that no part of the city's budget surplus was going to be used for stadium financing.

I have wanted to believe the Mayor when he expresses the position. However, the demands that his negotiators have been making lead me to believe that he will say anything and do anything to get whatever he wants, and that his word

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2 is definitely not his bond.

3 (Applause.)

4 MR. MATTHEWS: I would caution my
5 brothers and sisters in the building trades and the
6 members of the business community who support
7 building stadiums to be very careful about making
8 Mayor Street's promises -- about taking Street's
9 promises at face value.

10 This is why I am here today to remind
11 City Council that they need to settle a fair
12 contract with city workers before committing to any
13 budget -- excuse me, before committing any of the
14 budget surplus to financing stadium construction.

15 As I told you back in March, our
16 members of District Council 33 sacrificed wages,
17 benefits, and work rule changes over the course of
18 the last eight years to produce the city's \$200
19 million budget surplus.

20 They have earned the right to a fair
21 contract. And that, above all else, should be a
22 priority for this city.

23 Our union is concerned that the
24 Mayor's rush to put a financing package together to
25 build sports stadiums will cause pressure on City

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2 Council to authorize committing funding from the
3 budget surplus for what appears to be a project that
4 is escalating in cost every day.
5 How can you rationally consider a
6 stadium financing deal, when you don't know where it
7 will actually be built and what the real figure for
8 building it will be?
9 The fact of the matter is, you
10 can't. It would be fiscally irresponsible to commit
11 any part of the city's budget surplus to a stadium
12 deal before the location and actual costs are
13 resolved, and our contracts are settled.
14 In my view, there is no reason beyond
15 the Mayor's self-imposed deadline for City Council
16 to rush into a decision to commit to building to a
17 funding plan for building a stadium.
18 With that in mind, I would ask you on
19 behalf of members of District Council 33 to hold off
20 on making any financial commitments until the Street
21 Administration has reached a fair contract
22 settlement with our union and with the other unions
23 representing city workers.
24 Thank you for this opportunity to
25 testify. And I would be happy to answer any

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2 questions. Thank you.
3 (Applause.)
4 PRESIDENT Verna: Are there any
5 questions from members of the committee?
6 Thank you, Mr. Matthews.
7 MR. MATTHEWS: Thank you.
8 (Applause.)
9 PRESIDENT Verna: Mr. Chung.
10 Is Mr. Chung in the audience?
11 Mr. Chung, may I ask you to wait just
12 a moment until the people who are leaving can do so
13 quietly, because we will not be able to hear you.
14 MR. LEUNG: Good morning.
15 PRESIDENT Verna: Just a minute,
16 sir.
17 Those who are leaving, please do so
18 quietly. Thank you. Any private conversations to
19 my left, please do so in the corridor.
20 Mr. Chung please identify yourself
21 for the record and proceed.
22 (Mr. Leung testified through an
23 interpreter.)
24 MR. CHEUNG PING LEUNG: My name is
25 Cheung Ping Leung. I am the President of the

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2 Chinese Benevolent Association in Philadelphia
3 Chinatown.

4 CBA is an umbrella organization for
5 ten family associations in Chinatown, as well as a
6 major organization representing Chinese businesses
7 in Chinatown.

8 I am also the main organizer of the
9 Philadelphia Chinatown Coalition to oppose the
10 stadium, a coalition of over 20 Chinatown-based
11 organizations s who have joined together to oppose
12 the destruction of our community.

13 On June 8, for the first time since
14 World War II, we called for a business shutdown of
15 Chinatown, and some 2000 of us marched to City Hall
16 to speak with one voice.

17 (Applause.)

18 MR. LEUNG: I choose to testify in
19 Chinese today because the process of this city has
20 made it almost impossible for those most affected by
21 those decisions to have any voice in these
22 proceedings.

23 Nothing has been translated for our
24 people, even though a large segment of the most
25 affected community speaks English as a second

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1 language.
2

3 But we refuse to be silenced. We
4 will claim our right to speak. We say no to the
5 stadium in Chinatown. We say no to the use of
6 public money in this way.

7 We are tired of the politicians and
8 the media who try and make it sound like the
9 businesses in Chinatown all support this insane
10 proposal.

11 Our community of 4,000 residents,
12 one-quarter of them children, has no public school,
13 no public park, no public library, no recreation
14 center, no public health services, yet we have
15 tax-paying businesses and taxpayers.

16 (Applause.)

17 MR. LEUNG: What public monies have
18 gone into Chinatown?

19 The only public money we have seen
20 spent in Chinatown has been used to build the Vine
21 Street Expressway, the commuter rail tunnel, the
22 Independence Mall, the Gallery, and the Convention
23 Center.

24 All these projects are designed to
25 make it more convenient for tourists and

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2 suburbanites to get to the city and also to leave
3 the city.

4 What have you done for those who have
5 stayed, put down roots, fought to maintain
6 businesses and raise families in the face of this
7 kind of onslaught?

8 Before you build a stadium anywhere
9 in Philadelphia, build a school for our children so
10 they do not have to travel over one and a half miles
11 simply to attend their so-called neighborhood
12 school.

13 Don't tell us that's different money
14 from different sources. We know that this is a game
15 of politics, of those with money making decisions
16 informed by how much profit they can make, but not
17 how much good it will bring this society, this
18 city.

19 (Applause.)

20 MR. LEUNG: I am a simple man. I
21 work in my restaurant about 14 hours a day, 6 days a
22 week. I know what it is to sweat and to struggle
23 and to dream.

24 I struggle now, not just for my
25 family or for myself, but for the entire community.

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2 And the same perseverance that the Chinese people
3 have always relied on to survive here in America
4 will be brought to this struggle.

5 To all the elected officials who must
6 look at themselves in the mirror every morning and
7 ask themselves have they done the right thing for
8 the people of this city, I ask you to think
9 carefully.

10 In Chinese we have a saying, a person
11 accused by a thousand people needs no disease to end
12 his days. If you decide to spend money in this way,
13 you will stand accused. Not by a thousand people,
14 but by hundreds of thousands of people whose health
15 and welfare you have been given the sacred charge to
16 protect and to serve.

17 The morale decision is clear. You
18 must never allow the stadium to be built in
19 Chinatown.

20 (Applause.)

21 PRESIDENT VERA: Excuse me,
22 Mr. Leung, please. Would you conclude your
23 statement. Because we have other witnesses that
24 would like to be heard, and they have to leave.
25 Thank you.

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2 I think everybody would like the
3 opportunity to be heard.
4 Please proceed.
5 MR. LEUNG: What we are trying to
6 fight for is not only going to impact Chinatown; it
7 is going to impact the rest of Philadelphia.
8 And we want support from all of the
9 rest of Philadelphians to stand up against this
10 stadium thing.
11 And I also want to mention that
12 10,000 signatures have been presented to Council
13 President. And this has all been collected, and we
14 are still collecting more.
15 So I encourage everybody to sign
16 those petitions. Thank you very much.
17 (Applause.)
18 PRESIDENT VERA: Professors
19 Zimbalist and Rosentraub.
20 Good afternoon, gentlemen. Please
21 identify yourself for the record.
22 PROFESSOR ANDREW ZIMBALIST: Andy
23 Zimbalist. I am an Economics Professor at Smith
24 College in Northampton, Massachusetts.
25 PROFESSOR MARK ROSENTRUB: Mark

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2 Rosentraub, Professor at the School of Public and
3 Environmental Affairs at Indiana University.
4 PROFESSOR ZIMBALIST: If we may, we
5 each have a brief introductory statement.
6 Can we proceed?
7 PRESIDENT VERNA: Thank you. Please
8 do.
9 PROFESSOR ZIMBALIST: I am here to
10 tell you that if your plan is to build a stadium
11 anywhere in the city in order to expand your tax
12 base or to create more jobs in Philadelphia, that
13 you are going to be sorely disappointed.
14 In the economics profession, it is
15 very rare that we can generate a consensus of
16 opinion amongst the people who have studied a
17 particular issue.
18 In the case of the economic impact of
19 stadiums, we have not only a consensus, but we have
20 a unanimity.
21 Every single empirical study that has
22 been done by independent economists has come to the
23 conclusion that you cannot anticipate a positive
24 economic kick from building a sports facility.
25 It is difficult for some people to

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2 accept that reality because sports, of course, plays
3 a very large part in our culture.

4 The fact of the matter is that sports
5 teams are small businesses. And having a sports
6 team in your city or having a new stadium in your
7 city fundamentally restructures the nature of
8 spending, it does not create new spending.

9 The vast majority of funds that will
10 be spent at a new Phillies stadium will be
11 substituted for other kinds of spending that would
12 happen in the greater Philadelphia area.

13 People will go to the Phillies park
14 and spend more money on more expensive seats,
15 instead of going to bowling alleys and restaurants
16 and movie theaters. It will be money spent in one
17 part of the city, rather than another part of the
18 city.

19 It will also be true that of the tens
20 of millions of extra dollars that go to the Phillies
21 from a new stadium, that something like 60 percent
22 of that money will go to the players, vast majority
23 of whom do not live in the Philadelphia area.

24 Another large chunk of the money will
25 go to the owners, who are very high-income

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1 individuals and spend a lot of money outside of
2 Philadelphia and also have very high savings rates,
3 where the money enters the world's money markets and
4 does not get respent in the Philadelphia area.

5
6 Therefore, the extra money that gets
7 spent at a new stadium will leak out in much greater
8 proportion, leak out of the Philadelphia economy,
9 than would that money if it were spent in locally
10 owned business activities, at bowling alleys, movie
11 theaters, and restaurants, and so on.

12 Finally, if the City of Philadelphia
13 is being looked at to contribute hundreds of
14 millions of dollars to this project, you also have
15 to face down the road that there is going to be a
16 budgetary hole created by the project.

17 If you bonded in the initial period,
18 you will have to finance that through sales taxes or
19 other revenue sources.

20 Those sales taxes and other revenue
21 sources take money away from the citizens and lower
22 their spending. That is offsetting any positive
23 impact that could occur because of the stadium.

24 On balance then, if you put these
25 factors together, you discover that in every single

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instance between the 1950s and through the 1990s, stadiums do not promote economic development.

They could perhaps be justified on other grounds. They could be justified on social or cultural grounds, but they cannot be justified scientifically on economics grounds.

It is also true that when there is a new stadium proposed by a team, invariably they assemble a coalition of people who want the stadium to be built.

And they go out and they hire a consulting firm to do an economic impact study. And those economic impact studies, which are hired out, always come to the conclusion that they will generate thousands of jobs.

Those studies invariably are flawed methodologically, they make unrealistic assumptions, and they are not to be trusted for a moment.

Finally, there is the issue of whether or not, if there is no net economic activity generated for the larger metropolitan area, there is the issue about whether you couldn't relocate economic activity from some parts of the city to another. And you can do that in certain instances.

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But you would have to bear in mind that when you are talking about building a baseball stadium, which is used 80 to 85 days a year, for 4 hours each of those days, and it takes up a large space, that's not the kind of area that somebody wants to place a restaurant next to or somebody wants to put a retail clothes store next to. Not a place that's being used for 4 hours a day, 80 or 85 days a year.

(Applause.)

PROFESSOR ZIMBALIST: You also have to bear in mind, in addition to the factors that have already been brought up this afternoon, you have to bear in mind the potentially negative consequences of congestion in an area.

People who might otherwise go to Chinatown for one reason or another on a Friday night will now say to themselves, "There's going to be terrible congestion, let's not go to Chinatown tonight." That can hurt local businesses.

(Applause.)

PROFESSOR ZIMBALIST: I am not a resident of Philadelphia, and I don't pretend to tell you where the best place is to build a

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2 stadium. And I don't even pretend you to tell you
3 whether you should use public subsidies to build one
4 or not. I only caution you that this should not be
5 done if your goal is economic development.
6 PRESIDENT VERNA: Thank you.
7 (Applause.)
8 PROFESSOR ROSENTRAUB: Madam
9 President, Council, I want to add a couple of points
10 to a few other issues related to how one finances a
11 facility in the value of a Philadelphia market.
12 One of the points that's being lost
13 in conversation is that Philadelphia is one of the
14 best markets for sports in the United States. Both
15 of the teams can earn more money in profits here
16 than they can elsewhere.
17 And before one even raises the
18 question about whether or not a subsidy is needed
19 from the City of Philadelphia, the issue has to be
20 raised in terms of how the teams can perform and
21 what their profits can be in this market.
22 Because it really is the fourth to
23 fifth largest market for professional sports in the
24 United States.
25 A great deal of what you hear from

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the teams frequently involves the averages of what goes on across America.

But you have to recognize that Philadelphia is not part of the average. This is not a city like Indianapolis or Nashville or Birmingham. This is one of the largest markets, with over 7 million people in the Metropolitan area, and this is where sports teams want to be.

I raise this because it is an important question that always comes up when cities negotiate with teams, for the fear is that the teams might leave the area.

I want to put to rest in a statement I prepared and left with Councilman Cohen's office that there is no market that the Philadelphia Phillies could move to that would permit them to earn as much money as they can earn in the City of Philadelphia.

So the issue about whether or not the team would ever leave here should be taken off the agenda. That won't happen.

And as regards the Eagles, if the lesson to be learned, for example, from the new England Patriot situation is, the Eagles themselves

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2 can't leave Philadelphia.

3 The bargaining doesn't have to take
4 place in the context that, if we don't meet their
5 demands and provide subsidies, that the teams
6 themselves will leave the area.

7 So that has to be --

8 PRESIDENT VERNA: Excuse me, sir.
9 Would you mind elaborating why the Eagles could not
10 leave?

11 PROFESSOR ROSENTRAUB: The markets
12 available right now for the NFL probably include,
13 for example, Birmingham, which has on various
14 occasions said that it would build a fully
15 subsidized facility, or Los Angeles, which, of
16 course, is the largest market without an NFL team.

17 You do know, of course, that the City
18 of Los Angeles refused to build a subsidized stadium
19 for the team, the Council voted that down. As a
20 result, the expansion franchise went to Houston.

21 There is an effort underway right now
22 being led by an individual to bring a team to Los
23 Angeles, on the condition that he would have some
24 role in the ownership of that team, because the
25 facility will have to be privately financed.

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2 That would mean, for example, if the
3 Eagles were to go and accept the invitation, that
4 would exists in Los Angeles, that Mr. Laurie would
5 have to sell a portion of his team to this other
6 individual, hence it wouldn't be as valuable to him
7 as staying in Philadelphia.

8 If he were to try to go to
9 Birmingham, we would expect what would happen would
10 be the same scenario that happened when the Patriots
11 tried to move to Connecticut. It is no in the media
12 interest for another NFL team to go to a very small
13 market.

14 The largest source of income to the
15 NFL is their media contract, which is \$17.9
16 billion. And the media partners, the networks that
17 purchased that, purchased that to have teams in the
18 largest area.

19 Moving from Philadelphia to
20 Birmingham would obviously, from their perspective,
21 be a loss of money.

22 And, again, we have think about the
23 question of the Phillies, the only markets open for
24 major league baseball teams are much, much smaller
25 than Philadelphia.

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2 If the team, for example, were to do
3 as the Minnesota Twins debated for some time, about
4 moving to North Carolina, North Carolina as a state
5 is smaller than the metropolitan area of
6 Philadelphia, and it also does not have the same
7 concentration of wealth. So there is just no other
8 market that the teams could move to.

9 And, again, this is a critical
10 element in bargaining. Because there really becomes
11 no reason to deal from the position of weakness or
12 blackmail, because the city is in fact the desired
13 location.

14 And I have some tables that will take
15 you through this, if you want to debate it.

16 The other question that I want to
17 make sure that people keep front and center here is,
18 how much money the teams can earn even if, in fact,
19 they don't receive any subsidy from the City of
20 Philadelphia. And I think that's critical.

21 There are two models that I present
22 for you, one for the Phillies and one for the
23 Eagles.

24 For the Phillies, with payrolls, if
25 they would elevate their player payrolls to as high

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as \$80 million, the models that I have developed still indicate that the team could earn in excess of 10 percent per year on operating expenses, not to imagine the capitalized expense, if they themselves financed \$275 million for a baseball stadium.

For the Philadelphia Eagles, they could handle in excess of \$215 million of the cost of the stadium and still generate a double-digit return.

So, in effect, if the City of Philadelphia helped the teams, because the teams are important assets, and facilitated the development of plans and programs to have the teams here and build two new stadiums, both could be built without any tax dollars whatsoever from the City of Philadelphia.

(Applause.)

PROFESSOR ROSENTRUB: And I want to underscore this to make sure that the Council keeps this mind. Both teams could still earn in excess of 10 percent per year returns on operations.

This does not deal with what the return would be and the value of the assets when the teams in fact are sold.

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1
2 Lastly, let me touch on one other
3 point. If you in fact go ahead and subsidize the
4 teams, based on the evidence that we have from what
5 took place in Cleveland and in Texas, where you have
6 had the sale of the Texas Rangers and of the
7 Cleveland Indians, for every dollar that you in fact
8 subsidize the team, you can figure on about \$1 to
9 \$1.25 that you have increased the profitability that
10 the owner of the team will realize when that team is
11 sold.

12 In other words, if in fact you
13 provide about \$85 million in cash subsidy to the
14 team, you can rest assured that that will mean about
15 a \$100 million increase in the value of the team
16 which will accrue to the current owners.

17 Both the Indians and the Rangers were
18 sold within five years of the subsidies that those
19 communities provided, and both of those owners
20 recognized gains well in excess of \$100 million as a
21 result of the subsidies provided.

22 When you realize, again, the strength
23 of the market of Philadelphia, you tie it together
24 with the points that Professor Zimbalist has made
25 about economic development, you realize how much

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2 return these teams are currently making, you add to
3 that the fact that the state has already agreed to
4 provide \$85 million in subsidy for each facility, if
5 you put any tax money towards it, which you are
6 simply doing is increasing the value of the
7 franchises for the owners, which will in turn create
8 new profits for some of the most wealthy individuals
9 in your community.

10 We would be happy to answer any
11 questions you have got.

12 COUNCILMAN COHEN: Just for
13 everybody's knowledge, I had a lot to do with
14 picking these two witnesses because I wanted to have
15 witnesses who were nationally and even
16 internationally recognized for their objectivity and
17 for their expertise.

18 And I wish, Dr. Rosentraub, why don't
19 you tell us a little bit about your background.

20 Why should the people of Philadelphia
21 be interested in your analysis?

22 PROFESSOR ROSENTRAUB: I have been
23 studying --

24 COUNCILMAN COHEN: I understand that
25 you are all very modest. Because Dr. Rosentraub

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merely referred to himself as a Professor. But I think he has written enormous amounts.

I was going to try to make a brief reference to it. I can't, because of the volume of it.

And I wanted everybody to know that with respect to both Dr. Zimbalist and Dr. Rosentraub, that they are recognized throughout the world as the premiere economists, and with special expertise in the stadium field.

And will you tell us a little bit about your background. How did you get interested in the sports stadium issue? What drove you to that?

PROFESSOR ROSENTRAUB: I have been studying the issue of relationship between cities and sports, unfortunately, for 25 years. I wish it wasn't quite that long.

I began as a sports fan, interested in it, tied it to my academic interests. I think between Professor Zimbalist and I, we can safely say we have published more books, probably about 50 articles, maybe more than that, on issues around the country.

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2 I have worked for several cities,
3 including Los Angeles, Indianapolis, St. Louis at
4 the current time in negotiations with the Cardinals,
5 had opportunity to work with Seidel here and his
6 staff. I have been involved in some national bids
7 in terms of the International Olympic Committee.

8 COUNCILMAN COHEN: Dr. Zimbalist.

9 PROFESSOR ZIMBALIST: I would just
10 say ditto. I have written a lot and consulted a lot
11 with cities, and I don't care to go into the details
12 of my publications.

13 COUNCILMAN COHEN: Well, I could
14 understand why, they are so voluminous and so
15 widespread in the substance they carry.

16 Thank you.

17 Councilman Ortiz.

18 COUNCILMAN ORTIZ: Yes. Professor
19 Zimbalist, I am very impressed by your speech.

20 And you said that usually the
21 proponents of stadiums go out and get consultants to
22 write studies that they make.

23 The Camden Yards Stadium has been put
24 forward as sort of a shining example of an economic
25 engine and contributor to the job mechanism and

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2 contributing to the tax base of the City of
3 Baltimore.

4 Is that the reality, or is that the
5 fiction?

6 PROFESSOR ZIMBALIST: There is a
7 study in a book that I did with Roger Knowell on the
8 Camden Yards situation, which concludes that it was
9 not a good economic development -- a good economic
10 investment.

11 One of the things that you should
12 bear in mind, if you hear anybody during the course
13 of your deliberations on this matter refer in rosy
14 terms to Camden Yards, is Camden Yards is the very
15 first example of the new genre of ballparks, the
16 retro ballpark with all of the new
17 revenue-generating accoutrements.

18 Camden Yards relocates the Baltimore
19 stadium from the north side, in an area where there
20 was no highway access at all, to the south side of
21 the city, right off of the main highway access and
22 artery to Washington D.C., a 40-minute drive from
23 Washington D.C.

24 By relocating the stadium from the
25 north side, to the south side, they essentially

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2 annex the sixth or seventh largest media market in
3 the United States.

4 That is not something that you are
5 going to be able to do in Philadelphia.

6 You are also not going to be able to
7 build the first example of a new architectural
8 genre; that was done by Camden Yards.

9 You are also not going to be able to
10 create the curiosity effect which brought thousands
11 and tens of thousands of people from around the
12 country to see Camden Yards as this new
13 architectural example.

14 And it was also done as part of a
15 much, much larger economic redevelopment investment
16 plan for the wharf area in downtown Baltimore.

17 So you put all of those things
18 together and you still find that Camden Yards wasn't
19 a good economic development, a good economic
20 investment.

21 You are not going to get a good
22 economic investment from a stadium, whether you
23 build it in Chinatown or elsewhere in Philadelphia.

24 And I repeat. If you want to do it
25 for cultural or social reasons, then that's one

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2 thing. Don't do it because you think it is going to
3 generate jobs.
4 (Applause.)
5 PROFESSOR ZIMBALIST: By the way, if
6 I might just piggyback quickly on something that
7 Mark Rosentraub said.
8 You know, Philadelphia is the fourth
9 largest media market in the United States. The
10 three largest ones in baseball all have two teams;
11 Chicago, New York, and Los Angeles.
12 Philadelphia is the largest media
13 market in the United States in baseball that has one
14 team. The Phillies are not going to leave
15 Philadelphia. They would never even contemplate
16 leaving Philadelphia.
17 And if they tried to, Major League
18 Baseball needs a three-quarter vote to permit them
19 to, and would never let them.
20 (Applause.)
21 PROFESSOR ROSENTRAUB: Let me add one
22 other point which I think sometimes gets lost when
23 you deal with the conversation with the Phillies and
24 the request for the subsidy.
25 Is that the Phillies, as Andy pointed

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2 out, are playing in the fourth largest market with
3 no competition. And, yet, among their colleagues,
4 other major league baseball teams, the Phillies are
5 the poorest performing franchise over a period of --
6 (Applause.)
7 PROFESSOR ROSENTRAUB: -- this is by
8 straight won/loss records -- over a 100 year
9 period.
10 Now, if you say that that's a
11 business that needs a subsidy, I want you just to
12 think it through in economic terms.
13 You are talking about a business that
14 is largely a cartel, has free access to the largest
15 market available to it, and has still been
16 underperforming now for 100 years, but argues that
17 it needs a subsidy to continue.
18 Something, in effect, doesn't make
19 sense.
20 (Applause.)
21 COUNCILMAN ORTIZ: And I know that I
22 may not get to both of you in terms of to answer all
23 the questions on here.
24 But it says here from this study that
25 was ordered by the task force of the Philadelphia

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Convention and Visitor's Bureau, it says that the total impact of a Center City ballpark will be 417 million, an 82 percent increase over the current impact of Veteran's Stadium according to a study by Arthur Anderson, LLPD. Center City ballpark would generate an additional 11.8 million annually in tax revenues and 8.3 million for the Commonwealth of Pennsylvania, compared with Veteran's Stadium.

Now, there is no sustaining data to this. They are just statements that be being made.

A Center City ballpark would generate 5,644 new permanent jobs, 1,172 more than the South Philadelphia sport complex, according to the same study.

Spending levels increase significantly in cities with downtown stadiums, as opposed to other locations. Baltimore, Denver, Cleveland, versus Arlington Texas.

Fans would spend over \$104 million annually outside the stadium in Center City, 35.3 million more than they would outside a new ballpark at the sports complex.

The hospitality industry, lodging, restaurant, and retail, would be the primary

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2 beneficiary of the 104 million in out-of-stadium
3 spending.
4 (Audience reaction.)
5 COUNCILMAN ORTIZ: PKF reports hotel
6 occupancy gains in Baltimore and Denver following
7 the opening of the downtown stadiums, officials from
8 Convention and Visitor's Bureau in Baltimore,
9 Cleveland, and Denver, clearly note the impact of
10 their new downtown stadiums on the industry.
11 Can both of you comment on those
12 statements?
13 PROFESSOR ZIMBALIST: The last thing
14 that you mentioned I think is noteworthy. You say,
15 "officials clearly note." These are the same
16 officials who sponsored the projects.
17 All they are doing is saying that
18 they were right to spend public money on them.
19 You know, what one would have to do,
20 Arthur Anderson is one of the main consulting firms
21 that gets hired to do another, Deloitte and Touche
22 is another, and Peat Marwick is another.
23 What one would have to do -- I have
24 done it in the case of Boston and I have done it for
25 some other cities -- is to go through the study and

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point out where they make assumptions that are unrealistic.

The methodology that they use is an input/output methodology. It uses affixed coefficients from technology that existed in the 1980s.

They make many assumptions along the way that produce these results.

It is very hard a priori to project, to build any kind of a model to project what's going to happen.

It is very easy, however, post hoc to look at a new stadium that's been introduced into a new city, control for other variables about the area of economy, and see whether or not, controlling for those other variables, the city received an economic boost from the stadium.

And as I said before, all of the empirical studies that we have from the 1950s forward unanimously conclude that there is no economic boost.

So if people and the City Council are persuaded by these public relations proclamations about thousands of jobs being created, it is

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2 possible to approach somebody like Mark or myself or
3 other people to do a critique and to explain to you
4 detail by detail why that study is unreliable.
5 COUNCILMAN ORTIZ: Go ahead.
6 PROFESSOR ROSENTRAUB: Let me add one
7 point also to what Andy is saying.
8 When you read your quote, I think the
9 critical element is that they used the word
10 "economic impact."
11 And what people have to realize is
12 that, in the business of economic analysis, the
13 words "economic impact" and "economic development"
14 are two very different things.
15 So, for example, the example I give
16 to my students, if you left this meeting today and
17 went down to your car, and somebody threw a brick
18 through the window, that's going to create economic
19 impact. But I don't that you are going to conclude
20 that it is economic development.
21 What you have to realize, when people
22 say, for example, if you build a downtown stadium,
23 there will be \$104 million in economic impact, a lot
24 of the impact that they are counting are the meals
25 that people eat.

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2 Well, if the stadium is not built,
3 the people are still going to eat those meals, but
4 they may not eat them at that specific location. So
5 it is a transfer of economic impact.

6 Unless you were all going to commit
7 to eating six meals a day, the fact that you are
8 going to have economic impact of buying a shirt,
9 eating a meal, spending money, it is moving it.
10 Movement is impact.

11 When I throw the brick through your
12 car window, I will move money from your wallet to a
13 glazier's wallet.

14 COUNCILMAN ORTIZ: I hope you are not
15 wearing a mask when you do that.

16 PROFESSOR ROSENTRUB: But I will not
17 create any economic development.

18 When you see in reports discussions
19 about people staying in hotels -- and we have done
20 these analyses -- there will be people staying in
21 hotels. But there are people staying in hotels in
22 Baltimore and in Cleveland all the time.

23 In all the analysis that we have
24 done, there will in fact probably be about a 10
25 percent rise in hotel occupancy.

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That's good. No one here is telling you that it is bad. We want people to stay in hotels.

What we are telling you is that, relevant to the tax money invested, this is a virtually negative return, it makes no economic sense.

Especially when you ask the first question, are the teams profitable, can they operate and generate a profit without a subsidy.

If the answer to that question is yes, they can, then why are we having this conversation? We ought to applaud -- (Applause.)

PROFESSOR ROSENTRAUB: We ought to applaud and encourage the Eagles and the Phillies to build new stadiums.

They ought to build them in Philadelphia because they can make a lot of money, and they will generate a lot of jobs. But it doesn't need to be subsidized.

And if you subsidize it behind the mythology of economic impact -- I go back to the point, look at the sale of the Cleveland Indians or

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2 the Texas Rangers -- will increase the wealth of the
3 current owners by approximately \$100 million.
4 We have the evidence. We know what's
5 going to happen. You don't have to do that
6 analysis.
7 COUNCILMAN ORTIZ: At \$685 million in
8 terms of stadium costs and climbing, as we have
9 heard from before, the witness we had from the State
10 Appropriations Committee, is that, in your
11 experience, the most expensive stadium in the land,
12 in the universe?
13 PROFESSOR ROSENTRUB: There is one
14 in China that's actually --
15 PROFESSOR ZIMBALIST: I think the
16 most expensive one build to date is in Seattle,
17 Safeco Field, is about \$540 million.
18 And there is a big struggle going on
19 right now because they signed -- the Mariners signed
20 a deal with the city that any cost overruns above a
21 \$440 million projection would be covered by the
22 team.
23 The price tag came in at 540, and now
24 the Mariners say they are not going to pay the \$100
25 million because it was mismanagement by the City

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2 Development Corporation, or its Stadium Corporation,
3 that created the \$100 million cost overrun.
4 COUNCILMAN ORTIZ: That would never
5 happen in Philadelphia.
6 PROFESSOR ZIMBALIST: It wouldn't
7 happen here, no.
8 So there is a litigation. That is
9 still up in the air.
10 That \$100 million cost overrun is
11 actually a \$200 million cost overrun because the
12 initial projections that were made about \$340
13 million.
14 You are at that initial stage. When
15 you hear \$685 million, you are at the same stage
16 that Seattle was at when they heard \$340 million.
17 COUNCILMAN ORTIZ: If you hear the
18 \$685 million amount, what increment or percentage
19 would it be at the end of the building process, if
20 there is --
21 PROFESSOR ROSENTRUB: Let me tell
22 you a story. I built a house. And the contractor
23 give me a certain price that it was going to cost.
24 And then at the end, I had to come up with about 12
25 percent more. I just use that as a case study.

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2 COUNCILMAN ORTIZ: In your experience
3 with stadiums, what --
4 PROFESSOR ZIMBALIST: 20 to 40 cost
5 overruns above the initial estimates.
6 PROFESSOR ROSENTRAUB: There have
7 been some that have come in under.
8 But I think Andy is right, you have
9 to figure, this is a Herculean price tag that would
10 be very hard to, under any circumstances, to
11 justify.
12 COUNCILMAN ORTIZ: Have you heard of
13 Philadelphia patronage?
14 Thank you, Madam Chair.
15 PRESIDENT Verna: Thank you.
16 The Chair recognizes Councilman
17 DiCicco.
18 COUNCILMAN DiCICCO: Thank you, Madam
19 Chair.
20 I would just like to discuss the
21 issue of stadiums, not necessarily location of 12th
22 and Vine.
23 Philadelphia, as you know, we have a
24 stadium known as the Veteran's Stadium. There is
25 some contractual agreements with the teams will have

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2 to stay somewhere to the Year 2011. We have some
3 obligations to continue to maintain that.
4 Best estimates are that it will cost
5 about \$80 million for us to continue to maintain
6 that.
7 Comparing that to the cost of a new
8 stadium, no matter where they are, it is relatively
9 small in comparison.
10 But I have heard some comments today
11 from you that I am a little bit confused about.
12 I think, Professor Zimbalist, you
13 made mention of the fact that if we are going to do
14 it for economic reasons, it doesn't really make
15 sense to subsidize stadiums.
16 But if you are going to do it for
17 social and cultural reasons, is that such a bad
18 thing to do?
19 Doesn't the city get some public
20 good, isn't there some public good that comes out of
21 having a city the size of Philadelphia having major
22 sports teams?
23 Not everything we do, we can really
24 put a price tag on, or to suggest that we will
25 always get a greater return for our investment.

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2 We subsidize many events in the City
3 of Philadelphia. We subsidized the Mummers Parade,
4 which I am a Mummer and I have been for 30-something
5 years.

6 I would venture to say that we
7 probably don't get the return on that investment.
8 But there is a certain amount of public good that
9 goes with that that allows us to have some bragging
10 rights, if you will, that we are a city.

11 And cities have so many things going
12 on all the time, that I think each of those
13 components make this city a vibrant place.

14 So cumulatively we may get a benefit,
15 but we can't just put our finger on it and say,
16 well, we got X amount of dollars because we did the
17 stadium.

18 It is the stadiums, it is the Academy
19 of Music, it is the Art Museum, most of all that
20 have some subsidies coming from us.

21 And if you look at Fairmount Park,
22 which I think it is the largest innercity park in
23 the world, we the taxpayers fund that park system.

24 (Audience reaction).

25 COUNCILMAN DiCICCO: It is not free,

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2 because the taxpayers are paying for it. But there
3 is some good, that public good that comes out of
4 that.

5 (Audience reaction.)

6 PRESIDENT VERNA: Please. We will
7 respect each other.

8 COUNCILMAN DiCICCO: There is some
9 public good that comes from having that park
10 system.

11 So the \$15 million a year or so that
12 Council appropriates for the Fairmount Park system,
13 we really don't get any economic return on it in
14 terms of saying it is profitable, but we get
15 enjoyment from it.

16 And if we are going to continue to
17 promote ourselves as a city that has all kinds of
18 things happening, cultural events as well as sports
19 events, I think we also need to factor that in.

20 And, again, it may not be a dollar
21 return for a dollar investment. It may be -- I
22 think there is a leak in a balloon around here.

23 But, anyway, there may be some
24 benefit to subsidizing sports facilities in general.

25 I am kind of making a statement. And

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I will ask you, one other thing, I heard you say earlier that it is draining money or taking money away from other activities by sports teams in general.

According to everyone's estimation, 80 percent of the people who come to the teams are nonPhiladelphians. And I don't mean this to be sarcastic. But I heard you use the term saying, well, this is money that people would use to spend in other places, like going bowling.

I just don't see somebody coming from Delaware County or Washington Township, coming to the City of Philadelphia -- and, again, I don't mean this to be sarcastic -- to bowl.

But if they come to a game, they may go to a restaurant, they may take in something else in the meantime or during the time that they are here.

I just don't see them not coming -- I don't see them coming to Philadelphia unless we have things to offer them. And I think sports facilities are another attraction for us to promote ourselves with.

And I would just like some comment

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2 on, do you take all of that into consideration when
3 you make the statements that we, the city, shouldn't
4 subsidize teams?
5 I don't think you don't mean we
6 shouldn't subsidize them at all.
7 PROFESSOR ZIMBALIST: I don't think I
8 ever made that statement. Let me address both of
9 the comments that you make.
10 I tried to be very clear that I was
11 saying, you shouldn't do this if you think it is
12 going to promote economic development. You might
13 want to do it for social or cultural reasons.
14 It is not for me as an economist to
15 come and tell you what kind of cultural benefit or
16 social benefit you get from the Phillies and the
17 Eagles.
18 I do think, however, it is important
19 to realize that there is a big difference between
20 the Art Institute and your parks downtown and a new
21 baseball stadium.
22 (Applause.)
23 PROFESSOR ZIMBALIST: And it has to
24 do with what Mark Rosentraub said a few minutes ago,
25 which is that, if you build a new baseball stadium

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2 for the Phillies, it is going to vastly increase the
3 value of that franchise.
4 And when it gets sold some day, it is
5 going to sell for another 100 or 200 or 300 million
6 dollars.
7 In other words, the subsidy that you
8 are making today is going to be privately
9 appropriated some time in the future.
10 That still doesn't say you shouldn't
11 do it, but there is a major difference with the Art
12 Institute because --
13 COUNCILMAN DiCICCO: Can't we make
14 the same arguments about hotels when we do TIF
15 financing, to say at some point they could be more
16 valuable than they were at the initial stage of
17 construction or when it was first built?
18 And I am not suggesting that someone
19 who goes to baseball games -- there are people that
20 go to baseball games who never walk into the Art
21 Museum, and vice versa. That's market driven.
22 People will choose where to go.
23 And I think this is about giving
24 people more choices to come into the city to spend
25 their money.

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2 And this is not about 12th and Vine.
3 And I know what you are all hissing about. This is
4 about sports facilities in general.

5 PROFESSOR ZIMBALIST: Look, you have
6 to be much more specific.

7 You talk about TIF financing, you
8 talk about tax credits that you might give to
9 private industry, you talk about subsidies that you
10 might give to some private industry.

11 Most of the private industry that you
12 referred to -- and we can go down it case by case --
13 is an activity that is going to actually generate
14 jobs and generate development in the area, because
15 they will produce things here that are sold
16 elsewhere, they will bring new money into
17 Philadelphia.

18 That is not going to be the case for
19 the Phillies. And I want to get to it that in a
20 moment. I just want to say one other thing.

21 When you are thinking about this
22 issue of cultural and social impact, you should bear
23 in mind that when you build a new stadium, you are
24 gentrifying the stadium environment, you are
25 creating a venue that will disproportionately cater

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2 to higher-income Philadelphians --
3 (Appause.)
4 PROFESSOR ZIMBALIST: -- and
5 corporate interests who will buy the club seats and
6 the luxury boxes.
7 Almost invariably -- we haven't
8 talked about financing yet -- but almost invariably
9 the main source of financing these ventures is sales
10 taxes. And sales taxes regress, they fall more
11 heavily on lower-income groups.
12 So what you are going to be doing is
13 engaging in a massive income transfer from
14 low-income groups to corporate interests, to
15 high-income Philadelphians, and to the baseball
16 players and the owners of the Phillies who will
17 profit handsomely from this.
18 I want to just quickly address the
19 last comment you made, because it ought to be very
20 clear.
21 First of all, with regard to this
22 claim that you say everybody makes, that 80 percent
23 of the money spent in Veteran's Stadium comes from
24 outside of greater Philadelphia, I'd like to see the
25 studies.

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2 The studies I have seen are all done
3 with very faulty methodology. I won't go into the
4 details at the moment. But usually they come out
5 with figures between 10 and 30 percent, not 80
6 percent. So I am very, very curious about this 80
7 percent figure.

8 But beyond that, I would not
9 maintain -- and I am sure that Mark Rosentraub would
10 not maintain -- that people don't come into the
11 greater Philadelphia area to see the Phillies. I'm
12 sure that they do.

13 And that is new money. And if that's
14 all that happened, there would be some promotion of
15 development.

16 But the other thing that happens is
17 that there are a lot of leakages. The money that
18 gets generated at the stadium goes to -- 60 percent
19 to the ball players, and a large chunk of the rest
20 goes to executives.

21 These are not normal Philadelphian
22 citizens. They either don't live here, or they live
23 here and have very high incomes; high incomes where
24 there is a larger tax bite that goes to Washington;
25 high incomes generating much higher savings rates,

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2 which means again that the money enters into the
3 world's money markets, it doesn't recirculate in
4 Philadelphia; and high incomes which means that they
5 own homes or live in fact outside of Philadelphia
6 and they vacation much more outside of
7 Philadelphia.
8 So there are a lot of leakages than
9 when the money is spent at --
10 (Applause.)
11 COUNCILMAN DiCICCO: But the one
12 thing we have going for us in this case is we have a
13 wage tax, and we at least get part of their wages.
14 Which is bad for everybody else, but good for us in
15 terms of --
16 PROFESSOR ZIMBALIST: Look, the point
17 is, first of all, you get the wage tax right now
18 from the ballplayers anyway.
19 COUNCILMAN DiCICCO: But we won't, if
20 they leave; that's the point.
21 PROFESSOR ZIMBALIST: The money is
22 being spent at the ballpark and not being spent at
23 restaurants. It means the restaurants have fewer
24 employees and, hence, smaller base for wage taxes on
25 restaurant employees and bowling alley employees and

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2 theater employees, and so on and so forth.
3 PROFESSOR ROSENTRAUB: Councilman,
4 let me go back to a point.
5 I agree with basically everything
6 that you were saying about the cultural benefits,
7 the value of getting people to come in.
8 And when you go through each of these
9 projects, you are right, it does get in a sense very
10 confusing about how one makes rules about how you
11 should make decisions.
12 Because there is a cultural benefit
13 about the Philadelphia Phillies and there is a
14 cultural benefit about the Philadelphia Eagles. And
15 that's where I tried to get public officials
16 thinking about.
17 The question is being, I think,
18 asked, I think you are framing it just a little
19 incorrectly, because I turn it around.
20 If we had a business in Philadelphia
21 that could earn as much as 95 percent profit on
22 investment, is that a business that needs to be
23 subsidized to generate income?
24 And based on documents that the
25 Philadelphia Phillies presented to the City of

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2 Philadelphia, it is possible to determine that the
3 rate of return that they make varies between about
4 22 percent and 95 percent.
5 So I would ask you this question,
6 Councilman: If a business can earn 20 percent
7 return per year, does it need to be subsidized
8 because it generates cultural benefits?
9 I think it is great. And let's take
10 it a step forward.
11 If the Phillies were to come forward
12 and say to you, "We want a subsidy. And in exchange
13 for the subsidy, on ten days a year we will admit
14 all fans from Philadelphia to the game for free,"
15 like a park --
16 (Applause.)
17 COUNCILMAN DiCICCO: But they do a
18 considerable amount of community and public --
19 (Audience reaction.)
20 PROFESSOR ROSENTRUB: I agree.
21 COUNCILMAN DiCICCO: You do agree?
22 PROFESSOR ROSENTRUB: I do agree
23 that they do that. All businesses do that.
24 COUNCILMAN DiCICCO: I just got 30
25 tickets for some senior citizens in district free.

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2 All of us get 30.

3 You don't understand what I am
4 talking about, unfortunately.

5 PROFESSOR ROSENTRAUB: And I agree
6 with you. I don't have anything negative to say
7 about that.

8 But if the Phillies are making 22
9 percent return per year, that is a responsibility
10 they have to the community.

11 And again, put this in context.
12 Councilman, this is a cartel that has received
13 antitrust exemption from the Congress.

14 And part of the question I have when
15 I sit down with major league teams, I say to them,
16 let's look at everything that you have been given by
17 this society.

18 You have got antitrust exemptions,
19 you have got special legislation that's been passed
20 by the Congress that creates, in effect, problems
21 for the state. What's your responsibility back to
22 the society?

23 And if any team owner could come in
24 and say, "I am losing money. I am literally losing
25 10 percent a year, 12 percent a year," I think your

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2 points are quite valid.

3 And, in fact, I would then probably
4 argue as a sports fan we ought to subsidize the
5 team.

6 But when, in fact, we can show from
7 the best data that we have got that the returns are
8 in double digits, when we know from the sale of
9 teams that these owners will recognize gains of in
10 excess of \$100 million, these are not activities
11 that need to be subsidized.

12 (Applause.)

13 COUNCILMAN DiCICCO: Somebody handed
14 me something. I will ask you the question if I can
15 read it right.

16 Can the city structure the deal to
17 realize a portion of any capital gains received via
18 a sale of the teams?

19 PROFESSOR ROSENTRAUB: That comes
20 from the ninth chapter of my book. Which, what I
21 have urged cities to do, is that if in fact you are
22 going to provide the subsidy -- I don't know who
23 planted the question. I thank you.

24 COUNCILMAN DiCICCO: I don't know,
25 either.

PROFESSOR ROSENTRAUB: But what I have called it is asset value. It is an increment asset value off of TIF financing.

If that were on the table, then it is a reasonable investment for the City of Philadelphia to look at, because you have an ownership interest.

I would like to thank both of you for your testimony.

PRESIDENT VERNA: Thank you.

Kenney.

Councilman Kenney.

Chair.

I just want to go to the issue of

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2 media market for a moment.

3 But prior to that, I think what
4 Councilman DiCicco was saying about the
5 out-of-towners, so to speak, is that the way
6 Philadelphia is set up, we have a great, as you may
7 know or not know, is a great exodus of people from
8 our innercity core into the surrounding suburban
9 world and excerpts around the city.

10 So that when we say out-of-towners,
11 it is not as if I go, like I used to go -- and that
12 was one of the points you made earlier -- to
13 Baltimore every year when the stadium first opened.
14 And now maybe I go every third year or every other
15 year.

16 These are people who you would
17 genuinely consider to be metropolitan residence;
18 however, because of purposes of county distinctions
19 are really not Philadelphians for governmental
20 accounting purposes.

21 So I think what Frank is saying is,
22 the numbers that come from the Eagles and Phillies
23 is about 60 percent to 75 percent of their season
24 ticket holders are in fact nonPhiladelphia
25 residents, suburbanites.

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2 And they are the people, again,
3 higher income, they can afford the tickets, and they
4 do come into the city.
5 Anecdotaly, I know many restaurant
6 owners in South Philadelphia, just going on the
7 issue of the Veteran's Stadium.
8 And the argument being made by the
9 Convention and Visitor's Bureau and others is that
10 somehow a downtown stadium will generate this great
11 synergy of spending in retail and other places, and
12 restaurants.
13 But the South Philadelphia merchant
14 restaurateurs that I am aware of do get some benefit
15 from the fact that Veteran's Stadium is in South
16 Philadelphia.
17 I mean, it is close to a place like
18 Medora's Mecca, which is right almost on the
19 grounds, to the Passyunk Avenue restaurants and
20 those places.
21 And I guess I think the same thing
22 occurred to me during your testimony, was that these
23 people are suburbanites who may be choosing, if not
24 coming to a ballgame, to spend, to go to the mall in
25 Deptford, and maybe patronize one of the restaurants

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there while they are shopping.

So while I agree with you that people are making leisure dollar choices, the fact that they come in on a Sunday for the game or come in on a Wednesday night for a game means that some of those leisure dollar choices are being made in Philadelphia, as opposed to in their own community. And I think that was the point.

The media market question I have is one that hypothetically -- and I know there is a lot of issues relative to lease requirements, and the teams have ten years to go on their leases, and they can't get out of them -- if hypothetically the Eagles, for example, could find a way legally because of incompetence on the part of the city or things the city didn't do, to break that lease, to have that lease made invalid, hypothetically, if Governor Whitman were to say to the legislature, "Do you know what? These guys want to go. Why don't we see what we can do to sweeten the pot here in Camden, for example, along the waterfront, relatively inexpensive ground. We will build a stadium for you."

I agree with you that the Eagles and

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the Phillies probably won't leave to go to
Birmingham, probably won't leave to go to
Indianapolis.

But could they not in fact leave to
go to Camden, and then still maintain the benefits
of this fourth or fifth largest media market?

And what happens with us is that,
then I think we do lose the players' wage tax, the
employees' wage tax, the sales tax, some of the
other ancillary revenue that's to the city as a
result of the fact that the stadiums, and more
importantly the practice and duty days are conducted
here in the city proper for wage tax calculation
purposes.

Couldn't they really move and have
the best of both worlds, lower tax, more subsidy,
and maintain the media market?

PROFESSOR ROSENTRUB: I think we
both might want to touch on it a little bit. Let me
take them in order.

For the Eagles it is a much -- it is
more possible than it is for the Phillies. And I
will get to that, why I conclude that.

But that is a slight risk. I mean,

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2 there is no question about it. They could in fact,
3 if New Jersey was going to be foolhardy and say,
4 "We'll do it."

5 But, Councilman, now what we have to
6 look at are some of the pragmatic issues that New
7 Jersey faces.

8 And when you analyze these questions,
9 you can't analyze them in sort of a political vacuum
10 like in a legal hypothetical.

11 New Jersey right now faces a
12 situation where the Jets and the Giants are both
13 looking at different facilities and commitments that
14 will have to be honored there. You are probably
15 aware that the Mets are looking at building a new
16 facility.

17 The magnitude of the commitments that
18 New Jersey is looking at relative to what they could
19 do politically in this situation, I think we would
20 fairly conclude that that's not really a very viable
21 option.

22 That, in fact, they might try to do
23 something in infrastructure. But for you to enter
24 into a negotiation with the Eagles saying, "Okay. I
25 will buy what these academics say, they are not

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going to pull out of here. I understand media contract," blah, blah, blah, but they are going to go to Camden without looking at all the pressures currently on New Jersey, and what the Governor in fact has said.

And, in fact, if you remember back about 18 months ago, she turned cold down the proposal with the Yankees simply because she couldn't deal with that and deal with current professional sports teams that she is dealing with.

So again we come back and we answer your question with regard to the Eagles. I don't see a viable option in the real political context. Because New Jersey now, having played with sports game with New York, has lost so badly, that now is in so deep with three teams, that they face a real problem that they are trying to deal with.

And they still have to deal with the Devils who you probably know have also asked for renegotiation and a new facility. So you bring the fourth team into it.

Then to say, now let's deal with the Eagles also, I think you are probably well beyond what New Jersey tax payers would swallow.

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2 Back to the Phillies for a moment.

3 The Phillies -- because, again, when you look at the
4 financing in professional baseball -- I know Andy
5 will want to touch on this -- they are far more
6 dependent on the luxury seating, access to that
7 crowd, the people who are going to buy the suites
8 and buy the club seats.

9 They need a downtown location or a
10 location that has good access to where those workers
11 are located and where those businesses are located.
12 Camden moves them too far away.

13 They have 81 days. Not like
14 football, we have eight to ten, where they will
15 drive down on a Sunday afternoon so it doesn't
16 matter, they have 81 days to deal with, in some
17 cases 83, if they want to play an exhibition game or
18 two.

19 They need proximity to mass
20 transportation, other elements that are going to
21 bring this crowd in. Camden is not a realistic
22 option.

23 In fact, if we study very carefully
24 the financial situation of the Texas Rangers, the
25 most successful team that did not locate in a

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downtown area, they face some very difficult challenges getting the business community from the two Dallas and Fort Worth downtown areas to Arlington, which is still reasonably conveniently located.

So in that context, when I put the whole package together, what I would advise you in terms of your negotiations, realistically, no, not going to happen.

(Applause.)

COUNCILMAN KENNEY: Does there exist an academic formula to plug in -- it may sound simplistic.

Because one of the things, I believe, we are being asked to provide taxpayer subsidy. We need to look at this as any other business investment that we would provide subsidy to, and what this return on that investment is going to be to the taxpayers.

Whether it is equity ownership or equity opportunities when it comes to the sale, whether it is some way to quantify exactly what the other ancillary spending is going to be.

Is there some general formula to plug

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2 that you have to look at these things case by case.
3 There are so many variables that we
4 still don't know about in the proposal that you are
5 considering.

6 Not only the costs of the final
7 project, but we don't know what the lease agreement
8 is going to be. We don't know if the city is going
9 to take on any operating, maintenance, or
10 improvement expenses at the ballpark. We don't know
11 what kind of ongoing infrastructural maintenance
12 expenses are going to be.

13 We haven't heard yet estimates for
14 additional sanitation and security expenses around
15 the ballpark, what share of the rent that's
16 generated at the ballpark is going to come back to
17 the city, what kind of property taxes might or might
18 not be paid. There are all sorts of questions we
19 don't know about.

20 So the notion that at this point in
21 the game you could apply a formula, it is nice to
22 think that we might be able to simplify it that
23 much, but we can't.

24 COUNCILMAN KENNEY: Our problem is by
25 the time -- what I am fearful of, by the time we

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2 have some definitive idea of what the numbers
3 actually are, the time frame is going to be so
4 compressed that real due diligence analysis is not
5 going to be possible in any great way.

6 PROFESSOR ROSENTRAUB: You know, I
7 understand the pressures you are under. Again, I
8 have worked for a number of cities, as has Andy, on
9 these kinds of negotiations.

10 Let me come into, what the answer to
11 your question is, with a deal, with numbers, with
12 lease agreements, yes, the answer to your question
13 is, yes, you can actually -- I have done it for Los
14 Angeles, Andy has done it for others, if you have
15 all the variables.

16 The point I would say to you is, I
17 understand the time pressures one is under. And
18 what I am always amazed at is how much money in
19 taxes people will, in effect, expend, 50 million, 60
20 million, 100 million dollars, and, in some cases, as
21 Andy pointed out, we have King County Washington at
22 well over half a billion dollars, yet they won't
23 take the time and the effort to do exactly what you
24 just said, how do we structure it and how do we know
25 the rate of return.

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2 What we tried to get across to you
3 today is that there is nothing to fear that these
4 teams will be leaving. One is, they have leases.
5 And even if we assume that the leases can be
6 dedeclared null and void tomorrow morning, there is
7 no better place for these teams to go.

8 So relax. Take the time to get the
9 answers that you need.

10 And as Andy has just pointed out to
11 you, we could structure a lease. You already have
12 one involving the Flyers and the Sixers, which in
13 effect leaves the city at a point that I have
14 concluded is basically you are at a cash deposit
15 situation, if you function in any of the
16 Councilman's intangible benefits.

17 So when you say to me, can you do it,
18 I say, you guys have done it. When I go around the
19 country talking to cities about how to do this, the
20 two examples I use, I use Philadelphia and your deal
21 on the arena and Los Angeles and their deal on the
22 arena and their deal on the NFL, they worked the
23 numbers out. It didn't work.

24 COUNCILMAN KENNEY: But the First
25 Union public investment was miniscule compared to

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2 what is anticipated in this particular -- I am sure
3 Mr. Snyder would love to have had the level of
4 subsidy that these teams are asking for as it
5 relates to the building of Spectrum 2.
6 PROFESSOR ROSENTRAUB: Councilman,
7 take the time to answer the questions to your
8 satisfaction. You did it right before. You can do
9 it right again.
10 (Applause.)
11 PROFESSOR ROSENTRAUB: And as I have
12 said to you, based on the financial information that
13 we have on the operation with the Cleveland Indians,
14 based on the information that Fortune Magazine and
15 other sources put together, we have enough
16 information to ask the questions of the Phillies to
17 say, "On our models, this is what you are worth. If
18 our models are so bad, let's have the books."
19 (Applause.)
20 COUNCILMAN KENNEY: Thank you, Madam
21 Chair.
22 PRESIDENT VERNA: Thank you.
23 Gentlemen, thank you very much.
24 I would ask the interpreter for Mr.
25 Leung to please approach the please approach the

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witness table. Is Mr. Leung still here?

I did speak to you privately, but I want to say publicly, and certainly for the record, some people apparently thought that I was cutting Mr. Leung off when he was testifying. That was not my intent, nor did I want to be disrespectful to him.

I indicated very early on that we have 132 witnesses on our list. And I thought, to be fair, we would limit people, with the exception of the witnesses that came from out of town and had to take a plane back this evening, that we would actually limit all witnesses to three minutes.

So if you will -- INTERPRETER: Can I translate that?

PRESIDENT Verna: Would you please. And please convey my apologies. If there is any reason for me apologize, I do apologize.

MS. CHEUNG: Basically, we are used to being cut off, and --

(Applause.)

PRESIDENT Verna: Excuse me, dear. I don't mean to interrupt you, but the stenographer would like you to identify yourself, please.

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heard. We need to be heard. We are not going to be quiet.

And I think for the city's sake, this country is changing, the city is changing, and people have to accept it and accept that we are a part of it. We are just like you.

(Applause.)

MR. McPHERSON: John Vago.

MR. VAGO: Good afternoon.

PRESIDENT VERNA: Good afternoon.

MR. JOHN VAGO: My name is John Vago. I am a Mechanical Engineer in the Water Department and a shop steward in AFSCME District Council 47, Local 2187.

In considering the issue of financing for new stadiums, I think we need to consider the factors which affect all workers, regardless of their occupation or where they work.

My union and the others which represent city workers made sacrifices in past years to help the city's finances. Now we are being called upon to sacrifice so that city funds may assist the construction of new stadiums.

The issue should not be whether or

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2 not sports facilities should be built. What is the
3 issue is whether or not city's funds should be spent
4 to subsidize a private profit-making corporate
5 enterprise, to provide corporate Welfare.
6 (Applause.)
7 MR. VAGO: Many our new municipal
8 services are understaffed. What effect will further
9 sacrifice by city workers have on our ability to
10 compete with our employers to adequately staff our
11 operations?
12 Our city and its working class have
13 many unmet pressing needs; public schools, public
14 housing, mass transit, public health facilities,
15 neighborhood recreation and sports facilities, and
16 many others.
17 (Applause.)
18 MR. VAGO: Building facilities to
19 meet these needs would not only provide a great many
20 jobs to build them, but also jobs to operate and
21 service them.
22 As the parent of two young people who
23 went through the Philadelphia public schools, I
24 heard more times than I can remember, when we called
25 for improvements in the public schools, "There's no

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1 money."
2

3 The problem is not money; this is
4 still the world's richest country. But the
5 priorities for allocating it need to be changed.

6 (Applause.)

7 MR. VAGO: From all that I have heard
8 thus far, the financial aspects of the stadium
9 proposal are still quite unclear, its cost and the
10 anticipated payback. That kind of a gamble with
11 city funds, while other needs go unmet, would, in my
12 opinion, be irresponsible.

13 In addition, as the people in
14 Chinatown have indicated, a Center City location
15 would have disastrous effects on our city,
16 destroying jobs and communities and further
17 overloading already overloaded services.

18 In recent years we have seen many
19 major projects which were supposed to bring
20 prosperity to Philadelphia. For Philadelphia's
21 working class, where is that prosperity? It appears
22 to me --

23 (Applause.)

24 MR. VAGO: It appears to me that one
25 of the reasons why those who can are leaving the

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2 city is the inadequacy of basic public services.
3 What is this doing to the tax base?
4 If the professional sports teams feel
5 that they need new facilities, why shouldn't they
6 practice the self-reliance, the nondependence on
7 government handouts which we have all heard
8 advocated as virtues for us?
9 (Applause.)
10 MR. VAGO: All research and evidence
11 tells us that the teams can build the new stadiums
12 with their own revenue and credit, both of which are
13 very substantial.
14 The only reason they are seeking
15 local government money is because they feel they can
16 get it, and it will make them wealthier.
17 Finally, for us to subsidize stadiums
18 could create a dangerous precedent. It could
19 encourage other private corporate interests to
20 demand the same.
21 Thank you.
22 (Applause.)
23 COUNCILMAN COHEN: We can tell you
24 must be an excellent shop steward.
25 MR. VAGO: Thank you.

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2 COUNCILMAN COHEN: Thank you.
3 Rosita Johnson.
4 MR. MCPHERSON: Mr. Bihong Guan.
5 MR. BIHONG GUAN: My name is Bihong
6 Guan. I am the President of the Greater
7 Philadelphia United Chinese American Chamber of
8 Commerce.
9 The Chinese Chamber of Commerce is
10 strongly opposing the proposal of the stadium in
11 Chinatown. We think Mayor John Street's
12 recommendation is not acceptable, it is totally
13 wrong, must be taken back.
14 First, Mayor Street say there aren't
15 two people who are not happy with that decision.
16 That's not true. About 4,000 Chinese who live and
17 work in Chinatown and 100,000 Chinese living and
18 working in great Philadelphia area are not happy
19 with Mayor Street's decision.
20 We united and assured of a strong
21 opposition to the decision.
22 The May 19 and the June 8 rallies and
23 protests, we have a good manifestation of our strong
24 opposition to the stadium.
25 Secondly, Mayor Street say a new

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2 ballpark would attract about 45,000 people, again,
3 to 81 games a year. That's three point million
4 people bringing into the streets of Center City, and
5 that would have attract customers to downtown
6 eateries and the business. That's wrong.
7 The games will bring a lot of hazard
8 problems; such as, traffic, parking, trash, drink,
9 drugs, and much more.
10 The stadium will not bring any
11 economic development to Center City and Chinatown.
12 If the stadium built Vine Street,
13 that will destroy our proud heritage, Chinatown.
14 That will also kill our Chinese community.
15 Third, Mayor Street said nobody likes
16 a stadium. No community can agree to it. That's
17 bureaucratic, that is abuse of the power and
18 authority.
19 The football team has virtually
20 settled on South Philadelphia, just east of the
21 First Union Center. But John Street come to pitch
22 Chinatown after he met with some strong oppositions
23 in other communities. That's not fair.
24 In the past 30 years, the state and
25 the city have built Vine Expressway, prison, Gallery

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2 Convention Center to surround and block the
3 development of Chinatown. Our Chinese community
4 need space to expand business.
5 Now John Street is adopting a
6 policy to limit and narrow down the Chinese
7 development space. We are definitely say no.
8 In conclusion, stadium on Vine Street
9 is not viable and also is not feasible. We want
10 Mayor Street consider of our request, and change his
11 mind, and give up the recommendation and find
12 somewhere else.
13 We also sincerely request all City
14 Council Members pay attention to our concerns.
15 Stand up and speak for us. Fight against the Vine
16 Street stadium. Save Chinatown, with 130 years of
17 history.
18 As taxpayers, we don't want to pay
19 extra money to build a stadium in Chinatown area.
20 We need a school, library community health centers,
21 et cetera, but not stadium.
22 No stadium in Chinatown. Thank you
23 for your time.
24 MR. McPHERSON: Rosita Johnson.
25 Robert Meek.

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2 C'Anne Anderson.
3 MS. C'ANNE ANDERSON: My name is
4 C'Anne Anderson. I live on the 1300 block of
5 Nectarine Street, between Nectarine and Buttonwood.
6 COUNCILMAN COHEN: You have to speak
7 directly into the microphone.
8 MS. ANDERSON: This city was once
9 called the essence of the new world. And Athens was
10 the Greek civilization's defining peak.
11 This city, Philadelphia, has
12 resources that draw people from all over the world.
13 We have got art and architecture, we have historic
14 neighborhoods, we have got gorgeous parkways,
15 world-class restaurants, a seaport waterfront, and
16 we got four professional sports teams.
17 Yet, people who love this city leave
18 it. They leave it when their kids get to be school
19 age. That should tell us something.
20 (Applause.)
21 MS. ANDERSON: I can imagine the
22 building boom this city would be in if all those
23 people had stayed here.
24 People live their lives spending
25 their energy making products and services that other

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people pay for.

They take that money and more energy, and they put it back where they live and where they work. So are grown great neighborhoods and so are grown great cities, truly great cities.

City budgets come from taxing all that activity. And great cities prioritize spending in such a way that they get more people to come and want to live there, and there we get a big tax base and an increased budget.

I would like to know why we are starving this city by buying baubles for people who don't even live here.

(Applause.)

MS. ANDERSON: Philadelphia is at a crossroads. We have an awesome choice to make, a choice about real sustainable quality of life growth.

Our children need ballfields, but they need them on playgrounds, in safe neighborhoods.

(Applause.)

MS. ANDERSON: They do not need unaffordable downtown entertainment options.

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2 Our children need housing and they
3 need new school buildings; they need books and they
4 need computers.
5 (Applause.)
6 MS. ANDERSON: We have teachers in
7 the Philadelphia system buying pencils and papers
8 for their students just so they can teach their
9 class. That is not world class; that is
10 embarrassing.
11 (Applause.)
12 MS. ANDERSON: This is a city full of
13 committed and creative people who can do the job,
14 and we have a choice here.
15 Either we will fritter away our
16 resources fighting about whose responsibility it is
17 to fix the schools in the neighborhoods and playing
18 political shell games about separate budgets and
19 untappable revenue streams, or we will simply rise
20 to the occasion and solve the problems.
21 If we can find money for a stadium,
22 we can find money for a school system.
23 (Applause.)
24 MS. ANDERSON: We can't do both.
25 This is about priorities.

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2 Whatever else it is, building a
3 stadium, as you have just heard, is not about
4 economic growth for this city.
5 30 years of analysis on publicly
6 financed stadiums all over this country have made
7 economic gain a highly discredited rationale for
8 this kind of spending.
9 We do ourselves a disservice to
10 continue the rhetoric, much less spend money on that
11 decision basis.
12 City tax dollars should be spent for
13 city needs. All those people who left Philadelphia,
14 they went to the suburbs, where they spend a higher
15 portion of every single tax dollar on education.
16 They spend almost \$2,000 per child
17 more than we do, and their children get an
18 education, .
19 While 58 percent of our school
20 children cannot pass standard proficiency tests.
21 (Applause.)
22 MS. ANDERSON: We have a choice
23 here. And the quality of the life in this city is
24 what will define our status, world class or third
25 class.

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2 (Appause.)
3 MR. McPHERSON: Whittier Dow.
4 MR. WHITTIER DOW: Good afternoon,
5 Councilmen Cohen and other Council Members. My name
6 is Whittier Dow, from the Housing Consortium for
7 Disabled Individuals.
8 I am speaking from two perspectives.
9 I am speaking on behalf of my agency first, and as a
10 citizen of the city.
11 On behalf of my agency, and also on
12 behalf of myself, I am opposed to a new stadium in
13 Chinatown.
14 And I am opposed to a stadium in
15 Chinatown because in my job as a Fair Housing
16 Specialist, to put a stadium in Chinatown would have
17 a disparaging impact on the people in Chinatown.
18 And what that means in fair housing, means that the
19 housing options for their community would be
20 lessened.
21 As we have heard throughout the
22 testimony, for the last 30 years whenever Philly has
23 taken a hit, the Chinatown community has been the
24 main ones to take a hit. And I think it is time
25 that it stops.

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(Applause.)

MR. DOW: And as we also heard, that the economic development impact of the stadium would be less.

And Philadelphia is a city that should respect our communities more, and just not for a short-term economic boom.

And the people in Chinatown, and I am saying this as a private citizen, should not be sacrificed. Because if your community is sacrificed now, there will be other communities in the future that will be sacrificed.

(Applause.)

MR. DOW: I am a lifetime Philadelphian. Love this city. If you look at my shirt today, I have a picture of Muhammed Ali on my shirt. This is how I feel about Philadelphia.

We are the greatest city, but we should not sacrifice one of our communities for a supposed short-time image booster.

We should realize that our community in Chinatown, we have one of the greatest Chinese communities in the country. I have traveled throughout the country, and I have seen it.

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2 And if City Council is concerned
3 about what they do about the stadium, other options
4 might be possible, where there is more space at,
5 where traffic conditions are better.

6 Also, a stadium at 12th and Vine
7 would not benefit a lot of people in the disabled
8 community because of transportation concerns,
9 because of the ability to get in and out of that
10 area.

11 I know no one looks at the disabled
12 communities when they are trying to consider
13 building these stadiums and things like that, but
14 you should. You should. Because we are a factor
15 where you build the stadium.

16 (Applause.)

17 MR. DOW: And I came here today
18 opposed to a stadium at 12th and Vine. I think I
19 may be opposed to a stadium even moreso throughout
20 the whole Philadelphia region, if more is not put in
21 by other resources. That's not my decision.

22 But I am here to say to my City
23 Council and to the City Council IN Chinatown, before
24 you make decisions about where a stadium should be,
25 you should talk to all people in that community,

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2 take their concerns into being, and let them know
3 that you truly care about them, just not in the
4 short, run when every four years comes, but
5 throughout the time in City Council.
6 And I say to my friends in Chinatown,
7 fight on. If they try to put it there, fight on.
8 And I say to City Council, wherever
9 you decide to put a stadium, put a stadium in that
10 will benefit all Philadelphians, and just not
11 benefit certain interests.
12 Thank you very much.
13 (Applause.)
14 MR. MCPHERSON: The next witness will
15 be Mary Goldman.
16 COUNCILMAN COHEN: And before
17 Whittier Dow leaves, we have to say you are an
18 inspiration to us all, Whittier.
19 We thank you very much.
20 (Applause.)
21 COUNCILMAN COHEN: Mary Goldman.
22 MS. MARY GOLDMAN: Good evening,
23 Councilman Cohen and other Councilpeople. I thank
24 you for this opportunity to testify on behalf of
25 Americans for Democratic Action.

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While Americans for Democratic Action understands the need for improved stadium facilities, we cannot support the commitment of hundreds of millions of Philadelphia tax dollars for this purpose.

We oppose any additional local subsidy for stadiums in excess of the 80 million already contracted for repairs and improvements to Veteran's Stadium.

We recently held a forum on issues regarding the stadiums, attended by some 80 to 100 people.

Almost unanimously they opposed huge outlays of public funding for the stadiums, and the use of Vine Street as a location because of the impact on Chinatown, and the increased cost due to PECO substation.

Last week we witnessed the resignation of the Superintendent of Schools over the unwillingness of the state government to adequately help fund our schools, and this at a time when the state has a surplus of close to a billion dollars.

Instead, our schools will be forced

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2 to make cuts in vital educational programs such as
3 summer school, child care, professional development
4 for teachers, and all adult education to the tune of
5 some \$30 million.
6 Surely if this Council can even
7 contemplate spending our local taxes on the huge
8 amounts mentioned for stadiums, it could find more
9 than the 20 million, plus the already committed 15
10 million, for the very essence of our future, our
11 children.
12 Huge stadium subsidies only give
13 credence to the accusation by state officials that
14 we do not tax ourselves enough here in Philadelphia
15 for our schools.
16 How skewed could our priorities be,
17 and have become, if we even consider further
18 increasing the corporate welfare for stadiums.
19 We believe that San Francisco's
20 90-percent-team-financed stadium should be the model
21 for Philadelphia, but with our financial obligation
22 limited to the already committed \$80 million.
23 We support construction jobs, but do
24 not think the stadiums are the only source of such
25 jobs. How about making our decaying schools safe

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2 and sound.
3 How do we as a society build sky
4 boxes for the rich, while our kids eat their lunches
5 in decrepid surroundings?
6 (Applause.)
7 MS. GOLDMAN: At a time when
8 insufficient resources exist for our school
9 children, it is a perversion of civic priorities to
10 lavish scarce public resources on million dollar
11 enterprises.
12 (Applause).
13 MS. GOLDMAN: The most important game
14 in this town is education, not ball games.
15 (Applause.)
16 Thank you very much.
17 COUNCILMAN COHEN: Thank you very
18 much. Reverend Simms.
19 Loraline Jones.
20 MS. LORALINE JONES: Good evening.
21 My name is Loraline Jones. I am the Athletic
22 Director and the Coach at the University City High
23 School.
24 And I first wanted to say that I am
25 Philadelphia born, I am Philadelphia bred. And when

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I die, I will be Philadelphia dead.

I believe in the City of Philadelphia. I believe that we have a ways to go. And I am thankful that we have an opportunity to make a statement.

I represent, I feel that I am representing, the school children of Philadelphia.

When Mayor Street became the Mayor, the first words that came out of his mouth was that this is the city, this is the year of the child. And I want to go on record to let him know that I am going to hold him to that statement that he made.

(Applause.)

MS. JONES: I also want to say to District Council 33, as a member of the PFT, I feel you.

I am speaking on behalf of the school children of Philadelphia, but I am also speaking in particular for 6,000 kids who attend Overbrook, University City, and William Penn.

My question is, why should we pay for stadiums that are only going to be used for six months out of the year, and why are we paying for stadiums for multi-million-dollar athletes, who do

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not live in our community?

I also want to read a statement from -- and I had a couple of students with me, but they left to go to Fellowship Farm on a retreat.

But the editor of the Black and Gold newspaper wanted to make this statement. And it goes like this, "As I watch television and read newspapers, the issue of building a stadium for the Phillies and Eagles continuously comes up.

"When I first heard that the city was going to help with building stadiums, I was outraged because our school system is in desperate need of funding.

"Our school system is \$300 million in debt, and yet you want to build stadiums costing \$700 million. Something isn't right.

"How do we have the money for a new stadium and yet we don't have the money for schools?"

(Applause.)

MS. JONES: "Are the multi-million-dollar professional athletes and the big corporations more important than the children?

"These corporations pay these

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2 professional athletes millions of dollars a year,
3 and now they want to use taxpayers' hard-earned
4 money to build new stadiums.
5 "If they want new stadiums, then
6 they need to build it with their own money."
7 (Applause.)
8 MS. JONES: "It is not a taxpayers'
9 obligation to pay for a new stadium, but it is the
10 team's obligation.
11 "I can see the city building a new
12 state-of-the-art stadium that would benefit the
13 city, but the children must come first.
14 Mayor Street, keep your word.
15 Remember, this is the year of the child, not the
16 year of the stadium."
17 (Applause.)
18 MS. JONES: And this is written by
19 the editor of the Black and Gold newspaper,
20 Melsicurre Griffin Elm.
21 And I would like to continue on with
22 the statement that I wanted to make.
23 That I am aware that City Council has
24 concerns as to how the stadiums would impact the
25 community.

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2 For the most part, the average
3 Philadelphian would be unable to attend these events
4 because of parking, eating. And if they went to an
5 Eagles game, we are talking about for one day, for
6 one person somewhere in the vicinity of \$125.

7 I would like to offer a small
8 solution that may help to make this bill more
9 attractive, because I know the stadiums are going to
10 be built. How they are going to do it, I don't
11 know.

12 In Philadelphia, there are high
13 schools with rich sports traditions that have access
14 to know fields or tracks. These schools are
15 University City, Overbrook, and William Penn.

16 As a stakeholder in Philadelphia, I
17 feel that the athletes of Philadelphia should be
18 able to look forward in playing in these new
19 facilities.

20 I also strongly feel that the
21 professional sports organizations should give back
22 to the community in which they play and earn their
23 big salaries.

24 (Applause.)

25 MS. JONES: I would like to

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1
2 propose -- the proposal that I make WOULD be a
3 commitment to the young people of Philadelphia, and
4 it would also level the playing field for all
5 students.

6 Therefore, I would like to make the
7 following proposal: That all high schools in
8 Philadelphia without fields, tracks have a facility
9 provided and funded through this stadium bill; that
10 all existing fields be upgraded and that all tracks
11 become all-weather facilities; that funds be set
12 aside for the maintenance of such fields through the
13 revenue from ticket sales, approximately 25 to 50
14 cents tacked onto each ticket, as they do in the
15 City of San Diego and Sacramento; that all high
16 school championships, football, baseball, be allowed
17 to use these stadiums without costs; and that having
18 special games that the athletes and their families
19 in Philadelphia may attend at half cost or no cost.

20 Because right now most of the
21 students in Philadelphia do not see professional
22 games, indoors or outdoors, because of the cost.

23 I feel that this would be -- there
24 would be opportunities for community involvement and
25 community commitment to the school kids of

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2 Philadelphia from their multi-million-dollar
3 athletes that work in our city.
4 Thank you.
5 (Applause.)
6 MR. MCPHERSON: Reverend Jones.
7 REVEREND JONES: I have to say, first
8 of all, good evening to everyone.
9 PRESIDENT VERNA: Good evening.
10 REVEREND JONES: And I don't have a
11 speech in front of me. I just want to speak from
12 the heart.
13 COUNCILMAN COHEN: I'm sorry. You
14 have to identify yourself for the record first.
15 REVEREND KATHLEEN JONES: Reverend
16 Kathleen Jones.
17 Our constitution gives us freedom of
18 speech and also the right to liberty and pursuit of
19 happiness.
20 And Philadelphia does have
21 Philadelphia pride. We have pride in our Eagles,
22 our Phillies team, Pat's Steakhouse. We have pride
23 in so many things in Philadelphia, even in
24 Chinatown.
25 I've lived here in Philadelphia all

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2 my life. And I am now 50 years old, maybe a few
3 years over. But as long as I have lived here in
4 Philadelphia, there's been a Chinatown.
5 And, you know, we all have a heritage
6 that we want to preserve, and just like we preserve
7 4th and Chestnut, where the Betsy Ross House and
8 other things are preserved.
9 And the faces that are here today
10 from Chinatown and the Asian community are real
11 faces, and they have real concerns.
12 They are concerned for their
13 children, they are concerned for their community,
14 concerned for their heritage, concerned for their
15 families.
16 And as a clergy, as a minister of the
17 gospel, you know, just like when David went to slay
18 Goliath, to them their Goliath is the stadium.
19 And, you know, many people are -- I
20 have heard the testimony, and I agree with most of
21 them.
22 And I am really not opposed to a
23 stadium, per se. But those that want a stadium, do
24 you want it in your backyard? Why not take another
25 choice.

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2 You know, those that want a stadium,
3 why don't they call City Council and say, "Well,
4 build a stadium here in our community."

5 No, they don't want it in their
6 community because they don't want all the things
7 that it may bring.

8 But if that's the solution, why force
9 it on a people and a heritage that don't want it.

10 Like I said, there again, they have
11 faces, just like we have faces, and their concerns
12 and their wants and their desires.

13 And if they don't want a stadium
14 there in Chinatown, then we should consider that
15 concern and say, "Well, we will have to find another
16 site."

17 We have heard about economic
18 development, the things that it will bring, some say
19 the things that it won't bring. But let's consider
20 all these things that have been discussed today.

21 We come before this Council because
22 we believe that you are fair and that you are just.
23 And that's what this judicial system is all about,
24 being fair and just and hearing the concerns of the
25 people.

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2 And my concern is with the concerns
3 of the Asian community today, and that is not to
4 build a stadium in Chinatown. Let's preserve their
5 heritage.

6 Thank you.

7 (Applause.)

8 PRESIDENT VERA: I believe we have
9 the Executive Director of the Asian Americans
10 United.

11 (Applause.)

12 PRESIDENT VERA: Please identify
13 yourself for the record and proceed with your
14 testimony.

15 MS. ELLEN SOMEKAWA: My name is Ellen
16 Somekawa. I am the Executive Director of Asian
17 Americans United.

18 I would like to suggest that before
19 anybody votes to build a stadium in Chinatown, that
20 you first practice explaining it to your
21 constituents. Practice it out loud. See how it
22 feels.

23 (Applause.)

24 MS. SOMEKAWA: Say, "I took money
25 away from small children. I took money away from

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2 the public schools, the libraries, the recreation
3 centers, the parks, the playgrounds, and I gave it
4 the hotel owners. I gave it" --
5 (Applause.)
6 MS. SOMEKAWA: "I gave it to real
7 estate speculators. I gave it to the parking lot
8 magnets, and I gave it to multi-millionaire team
9 owners." Say it out loud.
10 Say, "I supported the stadium because
11 the sky boxes for the Phillies and Eagles owners are
12 more important to me than paying a decent wage to
13 our city workers."
14 (Applause.)
15 MS. SOMEKAWA: Say it out loud. See
16 if it sticks in your throat just a little bit when
17 you say, "I stand for subsidizing the construction
18 of more overpriced parking so that big campaign
19 contributors can earn more money and give more money
20 to our campaigns."
21 Does it stick a little bit in your
22 throat?
23 (Applause.)
24 MS. SOMEKAWA: While the Paul Levy's
25 and Tom Maloon's, the Zeritski's and the Grasso's

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2 attempt to make us believe that they are interested
3 in the well-being of this city, most Philadelphians
4 know only too well that they are interested in the
5 narrow interests of a very few rich.

6 (Applause.)

7 MS. SOMEKAWA: After 130 years of
8 neglect, we now hear politicians expressing their
9 concern for the well-being of the Chinatown
10 community.

11 Not one investment of city services
12 in this neighborhood for 130 years. Not a public
13 school, not a public library, not a public
14 recreation center, not a public park, not a public
15 playground, not a swimming pool.

16 And now, all of the sudden, these
17 expressions of concern, "If only the poor people of
18 Chinatown understood what was good for them, then
19 they would see that spending a half a billion
20 dollars on a baseball stadium, while their children
21 are out playing in the streets is good for them."

22 You know, the people of this city are
23 not stupid. They are going to see the stadium deal
24 for what it is. It is the simple transfer of wealth
25 from the hands of the working people of this city

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2 into the hands of a very few millionaires.
3 (Applause.)
4 MR. MCPHERSON: Reverend Simms.
5 John Chin.
6 PRESIDENT VERNA: We have two
7 gentlemen on the list for John Chin. One is the
8 Executive Director of the Philadelphia Chinatown
9 Development Corporation. Then we have another John
10 Chin, a Duck Chun Association.
11 (Applause.)
12 PRESIDENT VERNA: Good evening.
13 MR. JOHN CHIN: Good evening
14 everyone. I am John Chin, Duck Chun Association.
15 My name is John Chin. I represent
16 the Duck Chun Association, nonprofit family
17 corporation. I am President.
18 I live in our community over 40
19 years. Chinatown was established over 130 years
20 ago. We step by step are living and working to
21 build our community and business and neighborhood.
22 We have dream to expand our
23 community, to help more Asian people to come here to
24 invest, to be developed. Chinatown needs space for
25 additional commercial and housing land for our new

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generation. Our children is our future.

Unfortunately, our Mayor Street broke this dream. To close up our one and only remaining area to expansion to the north.

I am sure more surrounding community is more business, provide more job. For the past 130 years, population is over 2.2 million population, and now about 1.6, compares to New York City, population is increasing. But Philly is decrease.

We want city government to help our community for the public service and public school, park, library, and community activity center, not this stadium.

We strong to oppose this to build stadium in Chinatown.

Thank you very much.

(Applause.)

PRESIDENT Verna: Thank you.

MR. McPHERSON: Robert Sugarman.

MR. ROBERT SUGARMAN: Good afternoon, Madam President, Mr. Chairman, Members of Council.

I appreciate the opportunity to testify on behalf of the Chinatown Coalition in

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1
2 regard to this serious imposition on Chinatown which
3 we have identified as something that is not
4 something that should happen to Chinatown, as I am
5 sure you have heard already.

6 My purpose in being here today is to
7 provide Council with some of the reasons why a City
8 Council that's concerned about the rights that all
9 people have, and particularly minorities have, that
10 should not be impacted by this particular project
11 because this particular project will be, as you have
12 heard, a serious insult to Chinatown.

13 I have prepared a document in the
14 nature of an opinion letter for the Chinatown
15 Committee. Which, if it hasn't already been given
16 to you, I believe will be.

17 So that my purpose today in speaking
18 to you, rather than to read that document, is to
19 identify some of the highlights.

20 Chinatown is protected, first of all,
21 by the concept of equal protection of the law under
22 the Constitution of the United States.

23 And it so happens that one of the
24 most well-known and outstanding cases of cities
25 impacting on minorities in a way as to deny them

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2 equal protection under the law is a case involving a
3 Chinese community.
4 It is 120 years since the City of San
5 Francisco attempted to prevent Chinese people from
6 operating businesses, then it was laundries, by the
7 use of a subterfuge.
8 The subterfuge was to prohibit
9 laundries in wooden buildings. It was well known
10 that the purpose of this ordinance was to allow the
11 city to shut down Chinese laundries, which were all
12 wooden. And that's what happened.
13 And the Supreme Court of the United
14 States, that long ago, stated that the equal
15 protection clause protects not only explicit action
16 which denies the rights of a minority based on
17 ethnicity or national origin, but in fact bars the
18 misuse of apparently equal or nonintentional conduct
19 which is used, in effect, to deny that kind of right
20 to all citizens, including Chinese.
21 It is ironic that we are here 120
22 years later on the same type of issue.
23 Why would Chinatown be selected as
24 the site, when there's open lots at 16th Street,
25 17th Street, and Vine Street; when there's open

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space at Spring Garden and the Delaware River; when there's open space at Broad and Spring Garden, which was a site that was recommended by the previous Administration? Why would Chinatown be selected as the location of this stadium?

The answer is because there is not the type of respect for the ethnic group that the Chinese represent in our society.

(Applause.)

MR. SUGARMAN: And we are perfectly capable and willing of going to the Supreme Court of the United States, if we have to, to have that Court review the facts in the Year 2000 as it reviewed the facts in the 1880s.

Turning to other legal protections. The impact on Chinatown will be, if this project occurs, another sad example of the use of public power by the City of Philadelphia to deny the rights of people to enjoy the protection of the rights of property under the Constitution of the United States.

There have been too many occasions when the federal courts have had to tell the City of Philadelphia that it cannot simply take away

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people's property rights, which includes the right of reasonable enjoyment of their property, for reasons that are arbitrary or capricious and not supported by reasonable facts.

I refer the Council to the cases of Midnight Sessions which established the principle, Parkway Garage where the city had to pay money, and the case that's less well known but involved Penn's Landing, where the same thing occurred.

Here we have a situation where the people of a group that are enjoying property rights which they have paid for, purchased, and own, and they're having those rights essentially destroyed -- the rights to make money, the rights to enjoy a quality of life in a residential area -- by virtue of a city action which is arbitrary.

To spend \$300 million more, or \$450 million more, or whatever it might be, to build a stadium in Chinatown is an arbitrary action which denies those rights to the people of Chinatown.

When you compound that rule with the doctrine and the concerns over environmental racism which are occurring, and you factor in the impacts that this project would have on the environment of

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2 Chinatown, which is a community which has already
3 suffered repeated demands, insults, and damages from
4 public projects, of which the Convention Center is
5 only the most recent and the Vine Street Expressway
6 is only the most obvious, but these things have
7 occurred over and over again.
8 The federal government has required
9 the environmental racism be identified and
10 eliminated. Is it likely that the state government
11 and state laws enforced by the state courts will be
12 any less clear?
13 And, by the way, is there or is there
14 not federal money involved in this project?
15 We have written to Mayor Street twice
16 now to find out what the plans are for this
17 project.
18 One of the questions that we have
19 been asking is, what is the financing? That's the
20 question before you here today, or one of the
21 questions before you here today. What is the
22 financing?
23 Where is the city going to get \$450
24 million? How much are the teams going to pay? Is
25 the city going to use federal block grant money,

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2 UDAG repayments, or any of the other federal sources
3 that the Council is familiar with?
4 If so, then the city is not only
5 going to comply with whatever the rules are for
6 environmental compliance under the state law, but
7 also with the federal doctrines involving
8 environmental racism.
9 I can go on to identify the issues
10 involved in eminent domain and the prohibition of
11 the use of eminent domain for private purposes, the
12 doctrines involving the prohibition on the use of
13 the governmental financing authority for the benefit
14 of private individuals. These issues and many more
15 are identified in my letter.
16 But I know you have a lot of speakers
17 to hear, Madam President, and I am not going to
18 impose on you any longer.
19 I am going to thank you for your
20 patience. I am going to say to you that the net
21 consequence of -- the aggregate consequence of all
22 of the issues that I have raised is that this
23 project, in my belief, will not be permitted to go
24 forward by the courts. But it shouldn't be to the
25 courts to enforce the law.

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In the first instance, it is for our elected, legislative officials to enforce the law. It shouldn't be necessary to go to court. We hope we don't have to go to court.

We look to our City Council, our elected officials, to vindicate the law, uphold the law, and ensure that legal doctrines are respected. And if this Council does so, then this Council will not approve this project.

And we thank you for considering it.
Thank you.

(Applause.)

MR. SUGARMAN: I didn't mean to be impolite. If there are any questions, Madam President.

PRESIDENT Verna: Councilman Cohen.

COUNCILMAN COHEN: I wanted everybody to know that 33 years ago, when Robert Sugarman was a young lawyer and I was running for my first position, not even then a young man, Robert Sugarman took up the cudgels on behalf of groups in Germantown.

There was then the Philadelphia Mayor who decided that Germantown should have a major

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2 highway cut through the heart of it, called the
3 Belfield Bypass.
4 Robert Sugarman, as a young lawyer,
5 took up on behalf of that community, was the
6 attorney on their behalf in the federal courts. The
7 Belfield Bypass was never built.
8 (Applause.)
9 MR. MCPHERSON: Nancy Dunno.
10 PRESIDENT VERNA: Please identify
11 yourself for the record.
12 MS. AMY HOOPER: My name is Amy
13 Hooper, and I live in a condominium building located
14 in the southeast corner of 13th and Callowhill.
15 It's known as Bow Arts Lofts, for those of you who
16 are unfamiliar with it.
17 There are 64 units in our condominium
18 building and over 100 residents who are in the exact
19 footprint of the stadium site at 12th and Vine.
20 Our building houses a variety of
21 people. We have professional athletes, members of
22 the media living there, physicians, artists, et
23 cetera.
24 We are a really tightly knit,
25 wonderful, vital community that has been in

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existence for about 15 years now.

What I want to say to the Council is, to have you carefully consider the idea of such an expensive proposition in a neighborhood that has been growing and changing.

I am a native Philadelphian. This city is very dear to my heart. I know that all of the people that live in the building with me feel very, very concerned about this issue.

Not only because we will be displaced. Members of our community are disabled, they won't be able to find new housing, they won't be able to get new mortgages.

We have watched our neighborhood change over the past 15 years. We are a neighborhood that's up and coming. We are exactly what Philadelphia is about. We are a community that has dug in, that has gone through a tremendous amount of change.

Right next door to us is the Wolf Building that houses several technology companies that are up and coming, other artists. We are right down the street from Diane Berka, who is an artist who did the murals in the Marriott.

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1
2 There are -- in the whole area
3 surrounding us, there are artists that live there,
4 vital members of the community that have dug in and
5 tried to rebuild an area that is unique to the
6 city.

7 And we understand the value of our
8 land and we understand why you would want to put a
9 stadium there.

10 But we want you to know that it is
11 not a good idea. And we find that it is the height
12 of hypocrisy that you would build such an expensive
13 stadium and let our public school system be in such
14 a state of shambles. I personally find that
15 absolutely amazing.

16 One of the best things that happened
17 since the Mayor has made the suggestion to put a
18 stadium in our neighborhood is that we have bonded
19 even closer with our neighbors in Spring Garden and
20 our neighbors in Chinatown.

21 And I can tell you firsthand that
22 Chinatown is one of the warmest communities. They
23 have done nothing but welcome us and our support.

24 And if for no other reason to save
25 Chinatown, you absolutely cannot put a stadium at

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2 12th and Vine.
3 It will absolutely strangle them.
4 And they are a wonderful group of people that do not
5 deserve this lack of consideration and lack of
6 respect that the Mayor has shown them.
7 Thank you.
8 (Applause.)
9 PRESIDENT VERNA: Please identify
10 yourself for the record.
11 MS. SHARON NITAGE: My name is Sharon
12 Nitage. I also live at Bow Arts Lofts.
13 And I am one of those people that
14 have chosen to come here. I come from the suburbs.
15 I moved to Philadelphia.
16 And as a person who is recently
17 married and about to start a family, I want to stay
18 here. I love Philadelphia. And I want to do
19 everything I can.
20 So I buy this property, and I am
21 making the decision to stay, while my friends and my
22 family are all moving to the suburbs because they
23 want to get away from the 1 percent wage tax and,
24 you know -- anyway, I would need to move for lack of
25 space. And I am trying to, with the schools, I am

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2 trying to figure out a way to stay.

3 So I buy this place, I figure it
4 out. And here you are pushing people who are trying
5 to stay and trying to build up Philadelphia and
6 trying to make the investments in the areas that
7 need developing, and we are being pushed out.

8 I can understand why my friends and
9 family have left. And I can understand why people
10 are leaving. Because they feel like they are being
11 pushed out, they feel like there is no alternative.

12 And this is another example of not
13 giving an alternative, pushing us out. And I am not
14 feeling a whole lot of brotherly love right now.

15 And that's all I have to say.

16 (Applause.)

17 PRESIDENT Verna: Good evening,
18 Mr. Palmer. Please identify yourself for the
19 record.

20 MR. WALTER D. PALMER: Good evening,
21 Madam President and Mr. Chairman. Also to my dear
22 friend Jannie Blackwell, and the other Councilpeople
23 who have been here.

24 I am here today to, although I don't
25 attend Phillies games or Eagles games, I am here to

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2 talk in favor of stadium, but I am also here to
3 advocate against it being in Chinatown.

4 I was talking to a news reporter, a
5 friend of mine, earlier. And he said to me, you
6 don't have the numbers. It can't stop.

7 And what he was talking about was the
8 fact there were not many African-Americans in
9 opposition to a stadium in Chinatown.

10 But I am here to tell you that the
11 African-American community is in opposition to a
12 stadium in Chinatown.

13 And I shared with you a letter that I
14 mailed to the Mayor and also every member of City
15 Council, as well as the Governor and every member of
16 the Philadelphia delegation. And I will summarize
17 it. I won't read it all to you.

18 And what it does, it makes an appeal
19 to people of African-American decent in this city.

20 Why should we support people in
21 Chinatown? As many white people begin to join the
22 Chinatown movement, Japanese, Koreans, Philippines,
23 Southeast Asians, there is a national movement
24 that's taking place here in the City of
25 Philadelphia. It is wonderful. There is a

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2 multi-cultural group that's coming forward.
3 But African Americans must recognize
4 the fact, notwithstanding the fact that we have an
5 African-American who sits on the second floor, that
6 the actions which are taking place today are as
7 racist and are biased and discriminatory as any I
8 have faced in the last 50 years of my life.
9 (Applause.)
10 MR. PALMER: On Sunday morning,
11 George Burrell of this Administration sat on
12 television with Mark Howard -- now, remember, we
13 have activist Mayor who sits in the City of
14 Philadelphia.
15 I am here to tell you that John
16 Street is not an activist, never has been an
17 activist. And if he were an activist, he would be
18 sitting in this room leading the charge.
19 (Applause.)
20 MR. PALMER: Councilman Cohen is an
21 activist. Angel Ortiz is an activist. Jannie
22 Blackwell is an activist. Historically people
23 called Americans, indigenous people, Native
24 Americans, Mexicans, Hispanics, Chinese, Asians, et
25 cetera, they have been systematically targeted to a

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privileged class of people and been exploited by them for their human and natural resources.

Calling it institutional greed in the name of progress, technology, and common good have marginalized the customs, values, social morays, have disrespected their values, cultures to achieve personal wealth and ambition.

Over the last 50 years in Philadelphia alone, a city which is known as the city of neighborhoods and communities, we have experienced a dispossession of people of color in this city.

In the 1950s, University of Pennsylvania did that to my neighborhood. You remember when I stood before you, and you in fact recognized my old community, West Philadelphia, I did something I never did publicly, I broke down and cried right here.

For 30 years of dispossession in my beloved neighborhood, 36th and Market Street, a community which was created in 1806 and was dispossessed by the University of Pennsylvania, which did not come into the community until 1873.

And now they brag about a university

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city, something that was nonexistent before the 1960s.

The 1970s, they moved northward and expanded. They went east and west.

In the 1960s, Jefferson University expanded into Mantua, all in the name of progress for a few.

During that same period, Temple University wanted to take over 25 percent of the land mass. And I said at this meeting when I stood here with you that only Frank Rizzo dared to help champion the cause.

Isn't that ironic. Frank Rizzo, who all of us as activists fought against between the '50s and '60s and '70s and '80s, up until his death, was the person who championed for the little guy. Not only in Port Richmond and in Bridesburg, and not only in Kensington, and not only in Whitman, but also in North Philadelphia and other areas because he believed that this was a city of neighborhoods.

Before the turn of the century, large population of blacks moved into South Philadelphia. But we will find in the 1960s that the renaissance

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would push them out.

Poor white people were being pushed out of Fairmount. Poor white people were being pushed out of Second Street, being pushed out of Queens Village.

The population of blacks in the 1930s had gone from very, very large, and by the 1960s they were a dominant population in South Philadelphia.

The 1970s, Philadelphia College of Pharmacy, located at 41st Street and Woodland Avenue, pushed black people further west out of Woodland Avenue.

In the '70s, Chinatown was targeted by the Vine Street Expressway. Chinese and Asian-Americans were forced to condense and restrict their living, working, housing, schooling, restaurants, culture within several narrow blocks.

Chinatown fell victim again. They fell victim again to Gallery I and II, Hahnemann Hospital, Convention Center, and now a baseball stadium?

In 1970s, La Salle College started to encroach further into the black community in Olney.

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During the same period, St. Joe's College was moving deeper into the black community of Wynnefield.

In the 1970s, Graduate Hospital was forced to build this hospital. It had the \$80 million Hilburton grant that it wanted to take into West Philadelphia and into University City.

Coming out of law school, my first act was to bring a legal action against Graduate Hospital, make them in fact live up to the commitment of helping that community.

But they still encroached and began to buy up all the neighborhoods around the surrounding area.

When we talk about mechanic impact and economic development, I think there is also another equation left out. It is the emotional impact. It is the emotional development and our retarding of that development that takes place when we dispossess people.

(Applause.)

MR. PALMER: Why should Philadelphia's people of color, and black people in particular, be asked to pay for and investment in expanding the corporate wealth of a privileged few?

You look at the Philadelphia stadium. And when the Phillies play, you seldom see a black person there; black people still smart from the racist behavior of Philadelphia Phillies going back to Jackie Robinson days in the early years of Philadelphia Phillies. Is that taxation without representation?

Which elected official will have the political will to say this is wrong; not just for Chinatown, but for all of Philadelphia? Who within the religious community will have the moral courage to speak up and speak out?

Which faith will recognize the contradictions within the scriptures of this political and corporate decision? Will it be the Baptist, the Methodist, the Apostolic, the Episcopalian, the Catholic, the Quaker, the Jew, the Moslem, the Buddhist, the Lutheran? Who dares to challenge the establishment?

Which politicians will speak out in the City Council, state legislature, state Senate against this injustice?

And, finally, in the absence of failure of those voices to speak up, it is

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imperative that people of color, and black people in particular, unite with those others uniting with Chinatown.

Rise up and fight with the Asian community and their broad-based coalitions that are against this morally reprehensible decision to once again marginize those perceived as the least amongst us.

I continue to say, we must fight this at all costs. And I suspect that Philadelphia will see a kind of movement that took place in the 1950s when the Civil Rights movement was at its peak.

Thank you so much.

(Applause.)

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COUNCIL PRESIDENT VERA: Andy Toy,
Shirley Young, Tim Lee, and Eileen Hing.
(Witnesses come forward.)

MS. HING: I am Eileen Hing, president
of the Hing Wah Yuen Homeowners Association. I am
speaking on behalf of 51 new homeowners of the
Hing Wah Yuen development who invested in the
expansion of Chinatown's boundaries, located in
the section classified as Chinatown North.

We are a part of the cutting edge in
expanding Chinatown's boundaries and endure
adverse surroundings in doing so. The development
is surrounded by an ugly abandoned smoke stack, a
loud nightclub bar, a truck staging area for the
Convention Center and the Vine Street Expressway.
We do not want a stadium two blocks away to add to
our adversity. We would much rather see our
public funding, our hard-earned tax dollars, be
spent on quality-of-life necessities such as
education and housing. It is unbelievable that
one has to choose between funding a stadium or
funding our schools.

This is so because the beast, the one
who preys on those who are politically weak or

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politically nonexistent continues to thrive.
Here, the beast continues to prey on Chinatown and the children of Philadelphia. Most immigrants and minorities have felt its sting and thought, This is so unfair. As we enter the 21st century, it is time to change its momentum and not allow it to perpetuate itself.

Using public funding to finance the stadium does not make economic sense. Our children are our future. When we invest in them, we invest in our future. Using public funding to finance a stadium in Chinatown will kill Philly's only physical portal into Asia. Does this make sound business sense? Not in these times of the Internet and our global emerging economies, especially when China alone has over one billion potential customers.

It is time for Philadelphia to remove its myopic lens and have the true leaders lead.

COUNCIL PRESIDENT VERNA: Thank you.

(Applause.)

MR. LEE: Madam President, Members of Council, my name is Tim Lee, and I am also here on behalf of the Hing Wah Yuen Homeowners

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1
2 Association.

3 There can be no dispute that the
4 housing stock for Chinese-Americans is sorely
5 lacking, with the current complement. What new
6 housing there has been developed over the past 30
7 years in Chinatown has been with the kind
8 assistance of local and State agencies, but it has
9 mainly been through the perseverance of Cecilia
10 Moy Yep, who is being awarded tonight and her
11 (unintelligible) PCDC. Don't get me wrong. The
12 units that are being developed are gladly
13 welcomed, but the supply does not even come close
14 to meeting the actual demand.

15 Hing Wah Yuen represents the
16 culmination of years of planning by PCDC and the
17 cooperation of various City and State officials.
18 Fifty-one units of mixed-income housing have
19 opened the gateway to further expansion north of
20 Vine Street, a community occluded from expanding
21 south, east, west has, as a method of last resort,
22 expanded north. We have 51 families with children
23 living there now. If you haven't had an
24 opportunity to look at it yet, I'd be happy to
25 give you a tour.

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1
2 I implore you to think about what would
3 happen if a stadium were built at 11th and Vine
4 Streets. Thousands upon thousands of people would
5 traverse the immediate areas surrounding the
6 development and perhaps even inside of the
7 development. Only two blocks away, we have Holy
8 Redeemer grade school.

9 While most game-goers are law-abiding
10 people out to enjoy a game with their family and
11 friends, there are always the hooligans, the
12 drinkers, the troublemakers, who, incidently, will
13 search out watering holes before but mostly after
14 the games. What happens is that the types of
15 businesses that will sprout are bars, nightclubs.
16 You get my point.

17 I remember, as a child attending Holy
18 Redeemer and living in Chinatown, that there were
19 go-go bars and many drinking establishments in the
20 area. I remember one particular place on the
21 northwest corner of Tenth and Race Street.
22 Dancers were on stage when. When we had our
23 annual candy drive, imagine the angst of the bar
24 keeper seeing an 8-year-old walk into the
25 premises. I'm not sure whether he was so much

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concerned that my presence was causing trouble with the cops or that even he understood that that was no place for a child or children in general or for families. I didn't sell any candy there.

Most of them are gone now, replaced by flower shops, restaurants, and professional offices. The seedy side of the once red-light district will undoubtedly return.

Proponents say that the stadium at any site will necessarily displace or impose upon some segment of the population. If that is the case, why not put it somewhere where it's mostly welcome, serves the public good, and not severely threaten an established and viable neighborhood and community.

Hing Wah Yuen is an example of urban renewal at its finest; there can be no question about that. The concept of public good vis-a-vis housing needs and plans to fulfill those needs clearly encompasses more than a scant perusal by the powers that be followed by a conclusion that it makes good business sense to place a stadium downtown. Good business for whom?

Think about the idea of people walking

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1 from their workplace to see a ball game; it's not
2 going to happen. Who dares to traverse the area
3 from 11th and Vine Streets, or any other Center
4 City location, to, let's say, 18th and Market
5 Streets at 10 o'clock night. It would have to be
6 some brave and foolish souls.

7
8 Sound public policy means utilizing
9 public funds to enumerate and implement a policy
10 plan that enhances and supports the public common
11 wealth. The concept of placing stadium in a
12 location whose economic feasibility is
13 questionable, which does not have the support of
14 the Phillies, so far as I can tell, and could
15 potentially severely jeopardize the fiscal
16 soundness of City finances makes no sense to me.
17 We have a school system which may not be able to
18 have a sound operating budget in the upcoming
19 year. We have police forces and fire departments
20 that obviously require more manpower to do their
21 jobs effectively.

22 If we all agree that a \$680 million
23 price tag is a fair ballpark figure, can we at
24 least agree that if this is an accurate assessment
25 that we can make a rational decision to build it

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elsewhere, at a reduced cost? No one wants a legacy of ballooning public debt, bankrupt schools, and deteriorating neighborhoods -- at least not the majority of citizens of this great city.

Thank you for your time.

COUNCIL PRESIDENT Verna: Thank you, Mr. Lee.

(Applause.)

COUNCIL PRESIDENT Verna: Mr. Toy, good seeing you.

MR. TOY: Good evening, Council President Verna and the other Councilpeople that are still here. My name is Andrew Toy and I'm here to testify in opposition to the proposal to finance and build a new baseball stadium at 11th to 13th and Vine Streets.

I'm a board member of Philadelphia Chinatown Development Corporation. As a former City Commerce Department official and economist by training, I would like to focus on some of the cost-benefit issues that should be important in your decision-making. Ultimately, even if we can raise all of the millions needed to pay for

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1 stadium at this site, does our investment here
2 make sense? What kind of return on investment are
3 we expecting if the stadium costs 650 million, 700
4 million or even \$800 million? And what are the
5 opportunity costs of investing our funds here
6 rather than on other critical needs such as
7 schools, economic development, tax reform,
8 housing, or neighborhoods? These are the
9 questions the Administration needs to answer
10 before spending such large sums on this vision.
11

12 To begin to answer these questions, I
13 would like to focus on important opportunity
14 costs, which have been overlooked in choosing the
15 Vine Street site over other alternatives. The
16 supposed benefits of a downtown stadium on Vine
17 Street must be weighed against what is lost by the
18 City by demolishing four blocks of a developing
19 areas.

20 First, the benefits. The Central
21 Philadelphia Development Corporation commissioned
22 report by Arthur Andersen in 1997 concludes that
23 the City might gain up to \$3 million a year -- as
24 we've heard, there are some real questions about
25 that -- in additional taxes at a downtown stadium

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1
2 versus South Philadelphia. Many assumptions go
3 into that number. As an example, the Andersen
4 report uses a very high economic activity
5 multiplier of 2.14. Last June, C.H. Johnson, a
6 consulting firm hired to make the case for the new
7 Red Sox Park at Fenway, used a multiplier of 1.76,
8 which was criticized as too high. But just this
9 18 percent difference in assumptions knocks the
10 yearly tax revenue amount down by half a million
11 dollars. If the City puts an extra \$300 million
12 into 12th and Vine, it would take well over a
13 hundred years or more to recoup the investment,
14 assuming the stadium lasts that long and that
15 there is no time value to money.

16 Even assuming that the study used to
17 support the stadium in Center City is accurate,
18 there are other costs that should be weighed in a
19 good public-policy decision. Beyond the crucial
20 quality of life in the Chinatown community and
21 business impacts are some quantifiable costs
22 regarding the site itself.

23 Our independent analysis totals the
24 lost real estate tax revenues from the stadium
25 footprint to be almost \$300,000 today, at today's

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1 taxes and assessments. If we add in the wage,
2 business, use and occupancy taxes, and water
3 billings, that number could easily double. If we
4 also use a multiplier of economic activity, as the
5 Andersen report does, we quickly reach well over
6 \$1 million per year of direct and indirect tax
7 revenues attributable to this site today.

8 But this number is actually an
9 understatement of opportunities lost because this
10 area is on the rise. In the western area of the
11 site, others will relate to you that buildings
12 like the Edwards Shoe building and the Laramie
13 building are in process of being filled with
14 e-commerce and artists' loft space, adding to the
15 already-vibrant Beaux Arts condominium. On the
16 east and north, the Asian residences and
17 businesses are taking hold, as the Philadelphia
18 Chinatown Development Corporation has recently
19 completed its first housing project and office
20 north of Vine and plans another development to
21 break ground this fall.

22 So even the total assessed market value
23 of properties within the site is currently -- so
24 even though the total assessed market value of the
25

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properties within the site is currently a little over \$11 million, this number will be rising significantly with these new developments. One example is a property with a Board of Revision tax value of just over half a million dollars, whose value today by many is believed to be seven times that number.

Given the development pressures already evident, the taxes generated just from within the site could easily double or triple in the next ten years. The irony is that after investing hundreds of millions of dollars in a stadium in the name of economic development, the net increase in revenues to the City per year could end up being nothing, or even a net loss if this area continues growing the way Old City did, as an example, 15 years ago. I know because I lived there then.

Obviously, Old City didn't need a stadium to succeed. A look at the time it has taken to develop and is still taking to develop Penn's Landing tells us that 15 years is not a long time.

A stadium at 12th and Vine will not only have direct tax consequences to the City; the other costs will be the loss of e-commerce jobs to

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1 the suburbs and the continued stunting of
2 Chinatown, one of the City's few growing
3 neighborhoods. If it hadn't been for the Vine
4 Street Expressway and other government projects,
5 Chinatown could easily be double in size today. A
6 look at New York's Chinatown shows how growth can
7 happen. In fact, New York City would have lost
8 population in the last decade if not for strong
9 immigrant patterns. By Chinatown finally
10 developing across Vine Street, there is great
11 potential for City population and tax growth in
12 the next decade. On the other hand, if a stadium
13 is built there, there will be a gaping hole
14 280-plus days a year and a sea of parking lots
15 surrounding the site instead of 365 days of
16 economic and community development moving forward
17 today.

18
19 One other development opportunity which
20 may be negatively impacted by the rush to put the
21 stadium at this terrible site is the ability the
22 ability of the City to obtain the Reading viaduct
23 under the best of possible terms from the Reading
24 Company. Obviously, it is more difficult to
25 negotiate under time constraints. This decision

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could cost the City millions here as well. The removal of this eyesore will open up the redevelopment of this whole sector of the City, just as the removal of the old viaduct did along West Market Street.

Has Mayor and his team investigated or revealed these and other opportunity costs to the public? Or is a stadium at 12th and Vine to be built at any cost, no matter how high? Or worse, will this become another hole in the ground, a moment to a monumental mistake?

Finally, if the opportunity costs are so high at this site, is the same true at other Center City sites or other sites in general? No. The City currently receives no tax revenues from either Spring Garden and Delaware or Amtrak's 30th Street Yard. Both also have the advantage of already having many visitors accustomed to traveling by and through them.

While I'm not advocating any other site specifically, this analysis shows that it makes poor economic and community development sense for the City to put the stadium at 12th and Vine Streets. As acquisition and construction costs

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and time estimates continue to rise, the picture becomes even clearer. Even setting aside many legitimate community issues, the 12th and Vine Street site is a terrible investment choice for the City's new stadium.

Thank you.

COUNCIL PRESIDENT Verna: Thank you, Mr. Toy.

(Applause.)

(Witness comes forward.)

COUNCIL PRESIDENT Verna: Good evening.

MR. INCOGNITO: Good evening. My name is Lou Incognito, and I'm a second vice president of the East Mt. Airy Neighbors. I was born in Philadelphia, raised and lived all my entire life in Philadelphia. And I love Philadelphia.

My testimony is as follows:

While building new sports facilities would provide trade union jobs for construction workers, objections are not raised to begrudge a single worker of the right to a decent livelihood, nor are there protests of cultural and sports activities.

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1
2 The two major points of contention are
3 funding and location. Public funds are proposed
4 under the specious argument that the City will
5 eventually gain, and the construction sites are
6 selected without regard to the affected
7 communities. The tens of millions of dollars of
8 proposed stadium subsidies should be spent for
9 housing, for public transit, for health care, and
10 for our severely underfunded public school
11 system.

12 Many, many more trade union jobs would
13 be created in building schools and repairing roads
14 than in stadium construction. Public works will
15 help rebuild our city. Boondoggles will not.
16 Democratic-minded folks will not allow public
17 funds to be spent at the expense of teachers and
18 City workers' contracts.

19 Not only funding, but also choice of
20 site is at issue. Neighbors in other proposed
21 locations have successfully fought off the designs
22 of profiteers. Now our Chinatown friends have
23 become unwilling targets. We stand with the shop
24 keepers and residents who demand to be consulted
25 before construction is attempted. When another

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2 site is chosen, let us make sure that no part of
3 the City is insulted.
4 As has been repeated many times --
5 (Applause.)
6 MR. INCOGNITO: As has been repeated
7 many times throughout the City, the current
8 funding and site proposals are against our best
9 interests. An East Mt. Airy Neighbors petition
10 demands that no public funds be used until class
11 size in every Philadelphia public school is
12 reduced to 15.
13 (Applause.)
14 MR. INCOGNITO: Chinatown pleads that
15 no stadium be built in its community.
16 If the sports teams' owners need new
17 stadiums, let them build the facilities
18 themselves.
19 (Applause.)
20 MR. INCOGNITO: Mayor Street should
21 take time to recall those who worked tirelessly to
22 ensure that Philadelphia would not fall into
23 Republican hands.
24 Thank you.
25 (Applause.)

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MR. MCPHERSON: I understand there are some high school students here and we're trying to get them out of here so they can go study. I hope I can say the names right.

Phally Chroy, Fung Wa Chung, Anh Ha, Wilfred Yip, Huot He, and Tan Nguyen.

(Applause.)

(Witnesses come forward.)

MR. CHROY: Good evening. My name is Phally Chroy. I live in South Philadelphia. I'm a resident of Philadelphia. I pay taxes, a lot of taxes.

(Laughter.)

MR. CHROY: I'm a student in the School District of Philadelphia -- well, I graduated this year. And what kind of struck me funny about financing the stadium is that the City had the ambition to raise \$650 million but they don't have the ambition to raise \$650 million for the schools.

(Applause.)

MR. CHROY: One thing that also struck me kind of funny was that I work in Chinatown, and the streets of Arch, they ain't getting any

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1 wider. I mean, if you're out there at 4 p.m. on
2 the weekdays, the cars don't even move. See, I
3 walk faster than some of the cars that go through
4 traffic.

5
6 Building a new stadium, you can see
7 what's going to happen. Cars are either going to
8 be stacked on top of each other just to move
9 across these streets, or they're going to have to
10 widen up the streets. And I don't think the City,
11 now knowing that it's going to cost over \$650
12 million is going to invest in, you know, changing
13 the streets of Chinatown.

14 Chinatown itself is shrinking and
15 shrinking and shrinking every time because the
16 area of Chinatown is prime development. And, I
17 mean, you think about, like, prime development,
18 there's other parts of the City who need
19 improvement -- there should be prime improvement
20 in Kensington and Northeast and South Philly,
21 where I live in.

22 You know, there's so much, like, focus
23 in this, you know, stadium, everything else is
24 forgotten. Like -- like -- stadiums bring money;
25 education doesn't, I think, the way it's going. I

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1 spent four years in high school. Seeing that I've
2 been reading the same books for four years -- it's
3 kind of funny, you know, how many times are you
4 going to read Inherit the Wind and stuff, you
5 know?
6

7 (Laughter.)

8 MR. CHROY: Also, it's like -- hearing
9 the other people speak for so long and being so
10 patient, it made me kind of realize that speaking
11 here today that I can change, like, the minds of
12 City Council. It's kind of like an empowerment
13 towards me. So I'm -- it's like, um -- if I could
14 change, like, you know, like, the minds of, you
15 know, City Council, it would be a great thing.

16 So we don't have much time, so I'm
17 going to pass it over.

18 COUNCILMAN COHEN: Do you want to state
19 your name first for the record.

20 MS. HA: My name is Anh Ha. I'm 17
21 years old and a resident in Northeast
22 Philadelphia. I am here today to express my
23 strong opposition of the stadium being built in
24 Chinatown.

25 Chinatown has been in existence for the

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past 130 years, and now they say that they want to place a stadium in Chinatown. How big do you really think Chinatown is?

People oppose the stadium because this is going to mean the end for Chinatown. Chinatown is not a big place. It's where children live, people build their lives, people open their stores there. Talking about an economic boost, for the past 130 years, people have established their lives there and opened their stores. Why shouldn't they have a say in where a stadium should be built. Taking taxpayers money out of their paycheck to build a stadium when our school system, the largest in the State of Pennsylvania, is \$300 million in debt.

Many, many times, I have been told we are the leaders of tomorrow. Well, the leaders of tomorrow don't even have books to bring home.

(Applause.)

MS. HA: I don't just speak because I oppose the stadium, because I'm of Chinese descent and don't want this community destroyed. I speak on behalf of the hundreds and thousands of people who send their children to Philadelphia public

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schools rather than leave Philadelphia and commuters that have to travel through the crowded streets of Center City. I really don't think it's right for their tax dollars to be spent.

And for those who don't know, the \$650 million project is going to destroy an establishment that has been here for the past 130 years, bringing culture and substance to this city and deprive the children money needed to recover from the large debt in the School District. And I don't think it's right for the money to be spent this way.

For you, the elected officials of Philadelphia, your job is to hear the voice of the people. And we say no stadium in Chinatown -- money for education.

(Applause.)

MR. YIP: Hello. My name is Will Yip, and I oppose the stadium being built in Chinatown.

I attend Central High School. I live in the Northeast, and yet, Chinatown has always been like my second home. I can see with my own eyes the ever-growing population of Chinatown.

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And now for sports to park itself into an area only so large.

Our voices have not been heard in prior development, such as the establishment of the Convention Center. And there are far too many other developments that are irrelevant to Chinatown.

Chinatown serves as a tourist attraction for people to learn about Chinese culture, and it also serves the purpose of uniting people of the Chinese culture together. As you understand, many people from Chinatown came to the United States from their native land. When they arrived to the U.S., they were at a disadvantage of not understanding or speaking the English language. So Chinatown was a place for these people to access their needs conveniently. The induction of the stadium would definitely hurt the capacity of Chinatown.

Despite the overcrowded conditions in Chinatown, the Chinese continue to be deprived and discriminated against. We're not going to stand for that. For years, the government has never given Chinatown a sufficient amount of money

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needed to construct housing and various public facilities. Now that Chinatown is beginning to expand, the government wants to plot a stadium on it.

The Phillies don't want it in Chinatown, the community doesn't want it in Chinatown, so why does the stubborn mayor refuse to consider different locations for a stadium.

(Applause.)

MR. YIP: The schools are in debt and the Mayor seems to be showing more concern for a stadium than school funding. There are still numerous financial issues that the public schools are still challenged with, not to mention the safety of our children. A school known as Holy Redeemer will reside less than 500 feet from the stadium. I mean, during the course of the ball games in session, children will be in a corrupted atmosphere of constant disturbance and danger. When traffic builds up, it is hard to preserve any precautions. When heaps of traffic develops, we cannot risk the safety of our children as they walk home from school.

Instead of building a stadium in

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2 Chinatown, I say -- no, we say, have Mayor John
3 Street ensure the City of Philadelphia
4 unconditional assurance of public safety and
5 education by establishing the stadium somewhere
6 else and save the money to compensate and resolve
7 all of our staggering problems.
8 Thank you.
9 (Applause.)
10 COUNCILMAN COHEN: Thank you for that.
11 I think maybe we heard not from the
12 leaders of tomorrow, but from the leaders of
13 today.
14 (Applause.)
15 MR. MCPHERSON: Hal Sawyer and Rita
16 Adessa.
17 (Witnesses come forward.)
18 MS. ADDESSA: That is absolutely an
19 impossible presentation to follow as eloquently.
20 I applaud you.
21 (Applause.)
22 MS. ADDESSA: I did bring testimony if
23 I may share it with you.
24 COUNCILMAN COHEN: First identify
25 yourself for the record and proceed.

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2 MS. ADDESSA: I will be very brief. I
3 know it's been a long day for City Council.

4 I am Rita Addessa. I am the Executive
5 Director of Philadelphia Lesbian and Gay Task
6 Force. I am a parent --

7 (Applause.)

8 MS. ADDESSA: Thank you. I'm a parent,
9 I'm a grandparent, I'm a Philadelphia native, and
10 I am here to testify on behalf of myself and the
11 community against this new stadium.

12 (Applause.)

13 MS. ADDESSA: The essence of my
14 commentary is very simple. From our view, the
15 Administration's proposal represents nothing more
16 than another tax giveaway to the corporate elite.

17 (Applause.)

18 MS. ADDESSA: And it's a giveaway that
19 will further impoverish our city.

20 I encourage each member of City Council
21 -- and I notice that most members are not here at
22 this moment, but I do encourage them and have
23 provided copies of an excellent article on how
24 this form of corporate welfare works from a
25 magazine called Dollars and Cents, and the name of

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that article, for the record, is "Public Teams and Private Profits," the March and April 2000 issue.

The Administration is engaged in a reverse Robin Hood paradigm. It is particularly unconscionable when one considers the desperate plight of our children and of the public education system in Philadelphia. It is particularly unconscionable when one considers the myriad unmet needs of our community related to long-term employment at living wages, to quality and affordable child, elder, and health care, as well as decent housing and transportation.

I strongly encourage the City Council to take a strong stand against the new proposed stadium, and in contrast, argue for the reallocation, as everyone before me has probably spoken, of this billion dollars so readily available to corporate profiteers to be applied to the long-term needs of our communities and, most particularly, for a superior, as we need it, public education system.

I ask you, in closing, to consider a few central questions. These are apriori questions that this administration and mainstream

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media, who, I think, have largely left, have failed to address. And the apriori questions are: why a new stadium at all? who benefits? who decides? If private corporations and players want a new stadium, why should limited public tax dollars be used to subsidize private profit for a handful of elites off the backs of our children?

The invasion of Chinatown is -- though, at a different level, not particularly different -- from white Western Europeans invasion of this country. That within the concept is absolutely, absolutely unconscionable.

(Applause.)

MS. ADDESSA: Thank you, thank you.

And please note that the we oppose the invasion of any indigenous community, and we certainly, as well, oppose the use of public dollars for private profit and gain.

Thank you.

(Applause.)

MR. SAWYER: Thank you very much. My name is Hal Sawyer. I'm here representing several community groups in Germantown: The Concerned Neighbors of Greater Germantown, the West Side

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1
2 Neighborhood Council, and several other concerned
3 neighbors in Germantown. We're here to show
4 solidarity with the people of Chinatown who are
5 being subjected to an exploitive --

6 (Applause.)

7 MR. SAWYER: -- and abusive commercial
8 development.

9 Germantown has suffered similar
10 exploitive and abusive developments in its past,
11 and they are very damaging to both the commercial
12 and the residential fabric of the neighborhood.
13 It is anti-residential development that's going on
14 here.

15 In years from now down the road, one
16 thing will count in Philadelphia's economic
17 wholeness and development, and that is how it
18 retains its residents, how it retains its
19 population. If you look at cities around the
20 United States, they fall into two categories:
21 ones which have retained their population and
22 their residential base since 1950 -- they are
23 viable economic cities; and ones that have allowed
24 their economic base to deteriorate, which follows
25 when their residential base drops -- cities like

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Philadelphia, cities like Baltimore that built their famous downtown stadiums have lost population faster even than Philadelphia.

This is anti-residential development.

It impinges on one of the healthiest, most viable communities in the City, which is Chinatown.

Business is booming there. It does not need any help from stadiums, even if you believe that stadiums generate spin-off business, which they do not.

(Applause.)

MR. SAWYER: Look at the at Veterans Stadium, which will still not be paid off for years. They're going to tear it down and the City will still be paying off its investment, it's not paid off. It is a capital investment of City funds that has failed to realize its potential. It's not paid off yet, and they're scrapping it.

Look around Veterans Stadium. It's been there for 30 years. If there is spin-off business from a stadium for restaurants, for nightclubs, for bars, where are they down there? They've had 30 years to build them.

(Applause.)

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2 MR. SAWYER: Because the business does
3 not exist -- that is why it's not there.
4 (Applause.)
5 MR. SAWYER: The only business that can
6 succeed around a major sports facility is parking
7 -- the one thing that we don't have, okay?
8 So, it's very simple. If you want to
9 promote economic development in Center City, north
10 of Vine Street, the City can acquire the
11 properties and turn them over to the Chinatown
12 Development Corporation. They will do a better
13 job, okay?
14 (Applause.)
15 MR. SAWYER: They'll make money, and
16 money will be realized in taxes and benefits to
17 the City, okay?
18 At the same time, I don't think I even
19 have to address the issue of taxpayer money being
20 spent on these stadiums, okay? I think that we
21 have heard that eloquently spoken over and over
22 again, and I think that it's obvious to everyone
23 in this room that when rain is coming in through
24 the roofs of recreation centers, if you care about
25 sports, if you care about baseball, football, why

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1
2 don't we have leagues for those things in this
3 city for our kids to enjoy it?

4 (Applause.)

5 MR. SAWYER: If they're so important --
6 if these activities are such important cultural
7 components of our civic life, why are we not
8 providing them to our children, let alone basic
9 education?

10 And that's essentially all I have to
11 say. If you want to make sure that this city
12 remains viable, do things for the residents, keep
13 the residential base up, okay?

14 (Applause.)

15 MR. SAWYER: Do not displace them by
16 hemming them in, do not continue a policy that the
17 City has had for a decade now, that they will not
18 spend a dime anywhere except for Center City. The
19 outlying neighborhoods, where people actually
20 live, do not get any kind of scale development
21 that they can use. Everything is a big deal, a
22 big photo opportunity, and it's downtown. And I'm
23 sure that a lot of people in the Administration
24 would be glad if everything south of South Street
25 and north of Market -- or Fairmount, north of

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Fairmount would go away so that they could just keep spending money in the Center City area.

But it's not going to work in this case because this is one case where if it works, don't fix it. Chinatown works, okay? It doesn't need any help.

(Applause.)

MR. SAWYER: It's an obnoxious piggybacking of a failed economic concept onto a viable neighborhood. The stadium will not make money for anyone except its owners and the concessionaires in it. You know, when people come to a baseball from, let's say, South Jersey, do they go out for dinner? They're not going out to dinner in South Philadelphia now. What makes you think they're going to like Chinese food better than Italian food.

(Laughter.)

(Applause.)

MR. SAWYER: What they want is -- they want a hot dog and a beer for \$4 each in the stadium, and then they go home. Because after a three-and-a-half-hour baseball game, you don't want to do anything else but go home, okay? So

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that's what you do. So the purpose of concessions in the stadium is directly opposed to the idea of spin-off business in the neighborhood, business that the neighborhood doesn't need.

I come to eat in Chinatown once a week and I can't find a parking spot. Do you think I'm going to come down here for a Chinese dinner while there's a baseball game going on? Not a chance, sorry. Lee How Fook, you are the best Chinese restaurant, but I'm just going to have to go out to the suburbs and eat second-rate Chinese food from now on.

That's all I have to say. Thank you very much.

COUNCILMAN COHEN: Thank you.

(Applause.)

MR. MCPHERSON: Yat Sun Wen (ph.), Yat Sun Wen?

(No response.)

COUNCILMAN COHEN: Is Yat Sun Wen here?

(No response.)

MR. MCPHERSON: Grant Gulibon and Beth McConnell?

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2 (Witnesses come forward.)
3 COUNCILMAN COHEN: State your name for
4 the record so that you will be recorded.
5 MS. GABO: My name is Frances Gabo
6 (ph.). I'm a member of the communist party and
7 represent their position, and I've turned in a
8 statement here.
9 I do want to deal with a number of
10 questions off the cuff in addition to that
11 statement. I'm not going to read the whole
12 statement.
13 COUNCILMAN COHEN: We'll put it in the
14 record.
15 MS. GABO: Thank you.
16 (Copy of Ms. Gabo's statement not
17 submitted to stenographer for attachment hereto.)
18 MS. GABO: First, I want to greet all
19 of the Councilpeople here who have taken the time
20 and the effort to hear from the people of this
21 city. It is shameful that more have not been
22 here.
23 (Applause.)
24 COUNCILMAN COHEN: Let me say in
25 defense of the other Councilmembers, when the

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1 session started earlier this afternoon, most of
2 them were here, but schedules are very heavy,
3 particularly at this time of the year when we're
4 in our last week before the summer recess. Some
5 of them are in their offices listening when
6 they're not here, others are at other meetings,
7 but they will get full copies of all of the
8 testimony.
9

10 MS. GABO: Well, I do hope that Mayor
11 Street gets it.

12 (Applause.)

13 MS. GABO: He has stated, and
14 incorrectly so --

15 COUNCILMAN COHEN: I can't speak for
16 Mayor Street.

17 MS. GABO: He has stated that he has to
18 have respect from the people of this city as the
19 mayor of this city, and we certainly owe him that
20 respect. However he has to learn that respect is
21 earned, and it is earned by virtue of the fact
22 that he respects the people as well and hears what
23 we have to say.

24 (Applause.)

25 MS. GABO: And that has not always been

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1
2 true.

3 I feel very strongly that a city
4 government owes its people, first and foremost,
5 the service -- their services for being elected
6 means that we have confidence that they will serve
7 us well, and when they don't serve us well, we
8 should really stand up and respond, and that is
9 beyond respect.

10 This city has suffered terrible
11 losses. I was born and raised here. It has
12 suffered terrible losses -- losses in housing,
13 losses in people, losses in health and security,
14 losses in jobs. We were a major industrial city,
15 and that is gone; and with it, the people have
16 gone.

17 In order to just survive, the City --
18 yes, it needs its culture, it needs its sports
19 fields, but it needs, more than all else, the care
20 for its constituents, the care for the
21 neighborhoods, the care and the concern for the
22 neighborhoods.

23 When we will have enough to be able to
24 take care of the health needs of our cities,
25 imagine we have all of these health centers

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1 without a single mammogram machine sitting in any
2 one of them. That is an outrage in this day and
3 age when we talk about health care for the whole
4 population, when our children, as has been stated
5 here so well by so many people, do not have the
6 school books, when I know that nurses have to go
7 out and by Band-Aids when a child gets hurt in
8 school because there are no Band-Aids there.

9 (Applause.)

10 MS. GABO: When teachers -- and I would
11 love to ask, I really feel very badly about
12 building trades workers because I come from a
13 building trades family. My husband was a building
14 trades worker, my father-in-law was a building
15 trades worker, and I know the pain of seasonal
16 jobs when we are unemployed.

17 But I would like to ask every one of
18 them, how many apprentices could they teach at one
19 time -- 30 or more? -- under the jurisdiction of
20 one carpenter? They couldn't do it. Why should
21 we expect a school teacher to teach 30 or more
22 children in a classroom when they are unable to do
23 so? And then we will blame those teachers.

24 (Applause.)
25

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2 MS. GABO: I'm telling you, until we
3 fund the neighborhoods with enough services and
4 facilities, we cannot throw boondoggles into the
5 profit-making people.

6 Thank you. I'm through.

7 (Applause.)

8 MR. GULIBON: Good evening.

9 COUNCIL PRESIDENT VERNA: Kindly
10 identify yourself for the record.

11 MR. GULIBON: Sure. My name is Grant
12 Gulibon, I'm a senior policy analyst with the
13 Commonwealth Foundation, which is a statewide
14 public-policy research organization based in
15 Harrisburg.

16 Over the past several years, we've
17 written and commented extensively on the subject
18 of taxpayer financing sports stadiums within
19 Pennsylvania. The push for putting taxpayer
20 dollars on the table to finance stadiums is a
21 gamble, with those in power using other people's
22 money to bet that new sports facilities will spark
23 substantial economic development in Philadelphia
24 and in other cities. And they say that the payoff
25 will be shown in growth in population and jobs.

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1
2 The problem is that this never pays out. And, as
3 with most gamblers, the people in power are
4 looking for quick fix for the problems facing our
5 cities.

6 It's far easier to throw cash at
7 high-profile sports teams than it is to create
8 quality public schools, safe streets, low taxes,
9 and efficient public services. Yet till these
10 problems are addressed, Philadelphia's economic
11 challenges will continue, with or without new
12 stadiums.

13 That is the evidence that we at the
14 Commonwealth Foundation have found in examining
15 the examples of other cities that have subsidized
16 stadiums with tax dollars. Our conclusions mirror
17 those of other scholars across the United States,
18 such as Dr. Zimbalist and Dr. Rosentraub, who have
19 found that publicly financed stadiums have little,
20 if any, economic impact on the communities that
21 build them.

22 Cities such as Baltimore, where two new
23 publicly financed stadiums have opened in the past
24 decade, continue to struggle economically.
25 Baltimore has lost 250,000 residents since 1960,

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1 putting its population at its lowest level since
2 1915, and it continues to lose about 1,000
3 residents per month. And, also, in an April 1998
4 report by Greater Philadelphia First and the
5 Pennsylvania Economy League, it was found that
6 Baltimore ranked 44th among the nation's top 50
7 metro areas in employment growth, one spot below
8 Philadelphia.
9

10 The evidence also demonstrates that the
11 real winners in the taxpayer-subsidies-for-
12 stadiums game are team owners who, through
13 sweetheart lease deals, are guaranteed to receive
14 almost all of the income the new stadium
15 generates, while making little investment of their
16 own funds. Demands for such deals are leveraged
17 against the threat of moving the team, and
18 policy-makers face the prospect of caving in or
19 being tagged as the ones who lost the team for a
20 city.

21 We do believe that professional sports
22 teams, as private businesses, may still decide
23 that it's in their best interest to build new
24 facilities in order to compete more robustly with
25 other teams. But if that is the case, we believe

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that they should pay the cost of financing their own stadiums, not hard-working taxpayers.

(Applause.)

MR. GULIBON: Several major-league baseball and football teams have privately financed stadiums in recent years, including the San Francisco Giants, who, this spring, moved into the new \$262 million Pacific Bell Park after San Francisco area voters repeatedly rejected the Giants' demands for a new taxpayer-funded stadium. The Giants not only listened to those voters but went out and found innovative ways to raise enough private money to build the first privately-funded major league baseball-only stadium in more than three decades.

However, Pennsylvania voters have not been, to date, fortunate enough to have their elected officials heed their wishes regarding taxpayer-funding of stadiums. Taxpayers have not been bullied by the threats of local teams pulling up stakes and moving out of town. Poll after poll shows that Pennsylvanians oppose taxpayer funding of stadiums. And when given the chance to vote, an overwhelming number of southwestern

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Pennsylvanians rejected an initiative to fund stadiums and other projects with tax dollars in the fall of 1997.

The rejection of this initiative was loud and decisive, with citizens in 11 counties voting the initiative down by a margin of 2 to 1. And even in Allegheny County, where the new stadiums would have been constructed, the referendum failed by a margin of 58 to 42 percent.

Citizens are smart. They know that the private sector can build successful stadiums without relying on public dollars, but the voters' verdict in southwestern Pennsylvania was not honored. Local politicians responded by developing an alternative, "The Plan B," that relies heavily on local and State tax dollars. And early last year, despite statewide opinion polls again showing heavy opposition to State tax dollars for stadiums, Pennsylvania legislators approved funding for two stadiums in Pittsburgh in and two in Philadelphia, as well as an expansion of Pittsburgh's convention center.

Since that time, problems have

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1 developed with the Pittsburgh stadium projects.
2 The most serious of those is the federal
3 investigation into alleged improprieties in the
4 awarding of stadium construction contracts;
5 namely, the alleged existence of pass-through
6 schemes under which minority and women-owned
7 businesses would be paid not to work on a project
8 but would be listed as contractors or
9 subcontractors in order to meet Affirmative Action
10 requirements.
11

12 In addition, the two stadiums and
13 expanded convention center are expected to
14 eventually cost more than one billion dollars,
15 about \$350 million more than projected during the
16 regional renaissance initiative campaign of 1997.

17 The Pirates' new stadium, in
18 particular, will stand where, just two years ago,
19 there stood homes and businesses, a residential
20 neighborhood. Some of these homes, which dated
21 back to the early 19th century, were pushed aside
22 in the name of so-called progress.

23 Building new stadiums will not solve
24 Philadelphia's most pressing social and economic
25 problems. Census Bureau figures show that

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Philadelphia lost 11 percent of its population during the 1990s; other data show that the majority of those leaving are between the ages of 25 and 39, the prime demographic group that plans to start families, create business, and are most attractive to potential employers. And when those who have left were asked why they did, the answers were: poor public schools, a fear of crime, high taxes, and a lack of quality public services -- not because the Phillies and the Eagles don't have new stadiums.

If the teams and the community ultimately decide that new stadiums are in their best interests, then all parties should work together to find innovative ways to raise private funds for construction.

Thank you very much.

(Applause.)

MS. CONNELL: Hi, good evening.

COUNCIL PRESIDENT VERNA: Identify yourself for the record.

MS. MCCONNELL: My name is Beth McConnell, and I'm an advocate with PennPIRG, the Pennsylvania Public Interest Research Group.

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PennPIRG is a nonprofit, nonpartisan, public-interest advocacy organization representing close to 12,000 citizen members across the State. PIRG, as part of a national organization, has become well known for our efforts to cut wasteful and destructive government spending from the federal budget, and I thank you for giving me the opportunity to speak about this issue here in Philadelphia.

It's been called "A Field of Schemes" and "A Major League Steal." Opposition to it has caused conservative think tanks and progressive advocacy organizations to join together, and the subject has inspired vigorous debate in cities from Boston and Nashville, Seattle to Tampa, Baltimore to San Francisco.

Yet despite the overwhelming evidence against the economic benefits of public financing for sports stadiums, as well as overwhelming public opinion against public financing, decision-makers in our city are having a tough time saying no to wealthy special interests. It is time for our city officials to listen to the facts and the will of Philadelphians and stop corporate welfare

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2 for sports teams in our city.
3 Recent estimates put the cost of a new
4 baseball stadium in excess of \$627 million.
5 Public financing of this enormously expensive
6 venture is corporate welfare at its worst.
7 Wealthy team owners will reap the benefits while
8 the public will be left holding the bag. At a
9 time when our city is struggling to provide basic
10 critical services to its citizens, this corporate
11 welfare is unacceptable and must be stopped.
12 (Applause.)
13 MS. MCCONNELL: Claims made by
14 proponents for public financing that the public
15 will reap economic benefits as a result of
16 increased revenue brought by a new stadium are
17 tenuous at best. Numerous independent economic
18 studies demonstrate that sports stadiums almost
19 universally fail to generate statistically
20 significant economic benefits or increased
21 employment for the metropolitan areas they are
22 located in.
23 One study done by Robert Bade (ph.) of
24 Lake Forrest College studied 30 cities over 30
25 years and found that 27 experienced no significant

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1 economic impact from new stadiums, while 3 cities
2 actually experienced a negative economic impact.
3 Oriole Park in Maryland is a prime example. A
4 recent study shows that the net game to
5 Baltimore's economy in terms of new jobs and
6 incremental tax revenue from the new stadium is
7 only \$3 million per year. A measly return on a
8 \$200 million investment, this can hardly be
9 considered a gain.

10
11 PennPIRG believes that public dollars
12 should not be used to finance private gain. Due
13 to the fact that these numerous studies have shown
14 the public financing awards no benefits to the
15 public, we urge City Council and other decision-
16 makers on this issue to oppose public financing of
17 any sports stadiums in Pennsylvania.

18 (Applause.)

19 MS. MCCONNELL: Thank you for the
20 opportunity.

21 COUNCIL PRESIDENT VERA: You're
22 welcome.

23 MR. MCPHERSON: Robert Sklaroff, Robert
24 Sklaroff?

25 (No response.)

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MR. MCPHERSON: Irene Wright? John
Struble?

(Witness comes forward.)

(Applause.)

MR. STRUBLE: Thank you. My name is
John Struble. I own property at 1215 Wood
Street.

I think the Mayor has his priorities
backwards. If a new stadium is built, it should
be built at the proper cost, at a proper location,
and to the benefit of the taxpayers and the fans
-- not the Center City interests or the team
owners.

People leave this city because of the
poor quality of our schools, not because of the
age of our stadiums. Extra police and better high
school graduates would contribute more to the
economic development than stadiums would.

The Mayor says the area where the
stadium is going to go is blighted. This is not
true. I work there every day. Let me tell you
about this area. At the corner of 13th and Wood
is the Hyde Building, 8 stories, 80,000 square
foot, almost fully occupied; the Edwards Shoe

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building, 10 stories, 80,000 square feet, being converted into residential lofts; the arts space, 10 stories, 130,000 square foot, textile manufacturers, wood workers, and artists; the Wolf Building, right behind the corner, right behind me, 7 stories, 120,000 square foot -- in three years, this has been developed into a 90 percent occupied building.

So when the Mayor says this area is blighted, he is wrong. But why does he say it's blighted? He says it's blighted because that's the first step in condemnation under eminent domain. This is going to become a job for lawyers.

I want the City Council -- I ask the City Council to vote this down right away. This is not a job for lawyers; it is a job for you to do. And thank you very much.

(Applause.)

MR. MCPHERSON: Debbie Wei?

(Witness comes forward.)

MS. WEI: Oh boy, you guys got stamina, man.

(Witness speaks in foreign tongue.)

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MS. WEI: I am Chinese and I will not be silenced.

(Applause.)

MS. WEI: My statement says "good afternoon," but I think I have to change it to "good evening." My name is Debbie Way. I am with Asian-Americans United and the Philadelphia Chinatown Coalition to oppose the stadium.

I would like to speak to you today about the cost of this project, but I don't mean the economic cost, I mean the social cost; and I don't just mean the social cost to Chinatown as a community, but to the City, as it makes critical choices on how to rebuild and revitalize Philadelphia, and in those choices, creates a blueprint for the future and an example for our children.

The social costs of these stadium projects cannot be measured in dollars and cents. They are measured in spirit and hope and a vision for sustainable cities well into the 21st century. And what does this mean for Philadelphia?

As Jimmy Boggs said nearly 15 years ago

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as he reflected on the same question for the City of Detroit, to begin, we have to stop seeing the city as just a place to which you come to get a job or to make a living and start seeing it as the place where the humanity of people enriched because they have the opportunity to live with people of many different ethnic and social backgrounds.

(Applause.)

MS. WEI: The foundation of our city has to be the people living in communities. We have to see ourselves as responsible for our city and for each other, and especially for making sure that our children are raised to place more value on social ties than on material wealth, on the development of our neighborhoods and not on the lining of pockets of the rich.

(Applause.)

MS. WEI: We have to get rid of the myth that there is something sacred about developing industries based on visitors and transients who have no commitment to our city or our neighborhoods or our children.

(Applause.)

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MS. WEI: Such development renders our neighborhoods invisible. Our communities only become valuable as commodities, interesting stops along a tourist's way to entertain and amuse them.

City administrations across the United States support and are supported by outside developers who promise that luxurious sports complexes will replace the jobs once provided by industry. But for each so-called success story touted in the press, grassroots citizens have struggled because their major concerns -- living and raising their children in healthy, environmentally just, and sustainable communities -- are ignored.

Ask the neighborhood people of Baltimore or Cleveland if life has improved. Are the schools better? is housing better? are streets cleaner? are jobs more plentiful? are communities safer? are neighborhoods flourishing because of baseball stadiums?

(Applause.)

MS. WEI: Neil DuMause, in his book, *Field of Schemes*, said: "Unrestrained

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growth is the ideology of the cancer cell."

If we continue on this track, we will find that Philadelphia will come to resemble Atlantic City, a city whose fancy facades mask decaying neighborhoods, a city which teaches its children that the fast and easy is more important than the deep and meaningful.

This is a cultural and spiritual struggle as much as it is an economic and political one. Grace Lee Boggs asks, do we want our children to grow up to be passive consumers and spectators living only for their own pleasure and self gratification, only for the excitement of the moment, or do we want them to become productive, self-reliant, and self-determining citizens? These profoundly moral and spiritual questions are at the heart of this struggle.

In the wake of real and lingering concerns with Philadelphia's economic future, development continues to be defined by the needs of business and industry, and not by the socio-cultural needs of the communities who live here and have put roots here. Development has boiled down to a big publicly funded project of

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1 hundreds of millions of dollars to benefit
2 tourists and commuters. This is like keeping
3 count of the bodies which enter and leave the
4 City, without caring about whether or not there is
5 cultural and social breadth in the bodies which
6 make up the city itself.

7
8 True development in this city must not
9 only look at the body of the city, the shiny new
10 glass and the glitz of Center City's downtown
11 corridor, of which Chinatown is the last standing,
12 attached neighborhood of color. True development
13 must attend to the breadth of our city, to the
14 life of our many neighborhoods and communities,
15 lest the collective breadth of this city be
16 irretrievably lost.

17 And what does breadth look like? I saw
18 community breadth here tonight, breadth for us,
19 for Asian-Americans who have stood here in a place
20 that is very hostile to us. It was evident today
21 in our children and our youth who came out here
22 since 9 o'clock this morning, petitioning,
23 begging, pleading, hoping that they will be heard,
24 who stayed until they had a chance to have their
25 voices heard. Breadth to us is in our businesses

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and in particular the Ocean Harbor and Hong Kong Golden Phoenix restaurants who donated over 200 dinners tonight because the people here are defending our community.

(Applause.)

MS. WEI: The spirit in this room cannot be measured in dollars and cents. This is way beyond economic development. I realize now that when speaking of the choices behind this issue of stadium financing, I'm directly addressing three levels of marginalization:

First and most obvious is the question of class, where power and privilege assumes precedence over the lives of working and poor people, the common people, the little man, the people that the government is charged to protect and serve.

The second is race, where development consistently means a form of cultural and ethnic cleansing from the downtown core.

And, thirdly, there is the marginalization of gender, where there exists an unquestioned assumption that men's gains take precedence over women's, children's, and families'

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1
2 lives.

3 (Applause.)

4 MS. WEI: I raise the question of
5 gender equity involved in the jobs being created
6 by these proposals and the prime beneficiaries of
7 such proposals. This question must be put on the
8 table when considering such public expenditure of
9 dollars.

10 I wasn't going to say this -- I took it
11 out and everybody said that I should probably say
12 it anyway. But I realize that it takes balls to
13 play these games.

14 (Laughter.)

15 MS. WEI: In closing, though often
16 difficult to do, I ask that you look beyond the
17 shop window facade, look into your vision for a
18 city where decisions are made based on how they
19 promote relationships and interactions and where
20 sustainable development models are used as the
21 template for economic growth.

22 (Standing ovation.)

23 MR. MCPHERSON: Ida-Meri DeBlanc?

24 (No response.)

25 MR. MCPHERSON: Hele Gym?

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(Witness comes forward.)

MS. GYM: My name is Hele Gym. I come here today as a Korean-American and as an Asian-American resident of this city.

I do not physically live in Chinatown but I do consider it my home, and I will fight to protect it until this righteous cause is won. Chinatown is not only a neighborhood for 4,000 residents, it is also a psychological home for over 250,000 Asian-Americans in the Delaware Valley region, and it is one of the many Chinatowns nationally that are under watch by National Asian-American groups, because this Chinatown, like many others, is under assault by downtown revitalization projects that have threatened to destroy them.

Os while City Council considers the economic costs of this stadium, perhaps it needs to consider a cost which hits closer to home: the political repercussions of attacking this, the oldest, most established Asian community in this city and the political and reprehensible implications of such racial politics.

Chinatown is a symbol, a beacon of how

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Asian-American ancestors, no matter what their ethnicity, had to scrape, struggle and fight to build a future for Asian-Americans in this country. When they were shut out of jobs, when they were told they could not live in other neighborhoods, when they were told over and over again that they did not belong, they never gave up. They built a community for themselves, their children, for us and our children, a home that stood against time for 130 years and here, as it is now, will stand for centuries more.

Chinatown is our ground. It is sacred in a way only that people who are consistently marginalized from society can understand. That is why we as Asian-Americans, Chinese, Korean, Vietnamese, Cambodian, Indian, we will not deny our responsibility to unite and defend this home and the memory of a common history. This stadium and this city's dismissal of our voices is a symbol of how Asian-Americans have been treated as invisible throughout history.

Chinatown will not stand for it, Asian-Americans will not stand for it. We will fight back and we will always stand by

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Chinatown.

(Applause.)

MR. MCPHERSON: Mary Yee.

(Witness comes forward.)

MS. YEE: President Verna and members of Council, my name is Mary Yee. I am a member of Asian-Americans United and also a co-chair of the Technical Review Committee of the Stadium Out of Chinatown Coalition. I have been an active member of the Chinatown community for 30 years, and my affiliations have included: Philadelphia Chinatown Development Corporation, Yellow Seeds, and Asian-Americans Americans United. I have been involved firsthand in the struggles the community has faced to survive and thrive, despite government-sponsored Center City projects.

Through the use of public dollars again, the current stadium proposal threatens to destroy Chinatown. Given the current estimates of 650 million for the Phillies stadium at the 11th Vine Street site, this amounts to \$335 million more than the original city estimate for a facility.

What does this extra money really buy

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1 you? Well, if the stadium is built on the
2 Chinatown site, this extra \$335 million brings you
3 the gradual death of a dynamic, self-starting,
4 growing community of over 4,000 hard-working
5 residents and over 200 businesses. It will pay
6 for the deterioration in the quality of life and
7 the erosion of the cultural and spiritual center
8 for over a quarter million Asian residents in the
9 Delaware Valley. It will pay for the destruction
10 of an historic community of color in Center City.
11 The crowds, trash, and traffic \$335 million buys
12 will eviscerate Chinatown, draining its life as a
13 healthy Center City neighborhood where people earn
14 a livelihood, rear their families, worship, and
15 participate in their cultural organizations.

16 Instead, Chinatown will gradually turn
17 into a tourist shell of restaurants and stores
18 with a couple of pockets of subsidized housing,
19 like the ghost town that is DC's Chinatown since
20 the MCI Stadium got built. So these extra
21 millions buy a giant 40,000-seat tombstone for
22 Chinatown, a monument, which would appropriately
23 be silent for about 285 days a year.

24 If the Mayor and Bruce Crawley and
25

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1
2 their supporters are so able to raise this kind of
3 money, why don't they put their efforts towards
4 finding an extra \$335 million to pay for what the
5 people of Philadelphia really need.

6 I'm a parent of two children who attend
7 public schools. I work for the School District of
8 Philadelphia, and I know firsthand the educational
9 crisis we face. Are we making entertainment for
10 suburbanites, who constitute 88 percent of the
11 fans, according to the Phillies' own numbers, and
12 for the corporations who will rent the luxury
13 boxes a higher priority than the 200,000 or more
14 school children who desperately need a quality
15 education?

16 I would challenge someone from the
17 Mayor's Office to go to schools in clusters like
18 Martin Luther King, Strawberry Mansion, Olney, or
19 Audenried and tell students that the City can't
20 find money to pay for them to have a decent
21 after-school or summer program or to get them
22 enough computers and books, but it can build a new
23 stadium, which they're --

24 (Applause.)

25 MS. YEE: Maybe this as good a civics

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1 lesson as one can find to teach kids how adults
2 deal with issues of public accountability,
3 financial stewardship, and social responsibility;
4 that is, how you should not do as we do, but as we
5 say.
6

7 Well, what good stuff can you actually
8 get for \$335 million? Well, for starters, it
9 would pay for the Mayor, Bruce Crawley, and 15
10 other supporters of the 11th and Vine Street site
11 to spend a week in outer space on the Russian
12 spaceship MIR --

13 (Laughter.)

14 MS. YEE: -- at a cost of about
15 \$20 million round trip. Of if Council would
16 prefer, they could also have that extraterrestrial
17 experience.

18 (Laughter.)

19 MS. YEE: More to the point, however,
20 is that \$335 million will buy the citizens of
21 Philadelphia the following:

22 The construction and land for 16 new
23 community schools, like the state-of-the-art the
24 one being planned jointly by the University of
25 Pennsylvania Grad School of Education and the

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School District. Each of these schools could serve over 620 children from pre-K to grade 8 for close to 10,000 students.

It could also pay for the salaries of over 1,000 additional public school teachers for 5 years.

(Applause.)

MS. YEE: Given the 175 elementary schools in our district, this translates to 5 additional teachers in each elementary school for 5 years. This could help lower class size or be used to provide added support for literacy and math instruction.

\$335 million also pays for the purchase of over 275,000 computers for schools. Each kid could get a computer, and you would still have enough left over to give over 250 computers to each of our 260 schools.

(Applause.)

MS. YEE: This amount of money also pays for the cost of 20 programs like the Scholarship Builders, sponsored by Merrill Lynch and the Urban League. Each of these programs provides for full mentoring and full college

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tuition for about 220 children from 1st grade through college. This would mean that over 4,400 Philadelphia school children could have a promise of a bright future. In fact, \$335 million would pay for class of 25 in each elementary school in the City, or an average of 17 1st grades per Councilmatic district, to participate in the Scholarship Builders Program.

This money would also pay for the cost of preschools for 3- and 4-year-olds in the District for almost 4 years. This would be a boon for working mothers and parents who are trying to reenter the workforce. It also would provide much needed support to prepare children socially and emotionally and academically for elementary school.

\$335 million also pays the cost of subsidies for full-time day care for more than 7500 young children citywide for 5 years -- again, a huge benefit for working families.

Our discussion here has focused a lot on the dollars. There is no doubt that this is absolutely necessary as we decide how are public monies are going to be used and to what extent

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that use will benefit the overwhelming majority of citizens who center their lives in Philadelphia.

However, I also want to raise the issue of costs that are difficult or impossible to quantify. What about the social and emotional costs? Surely, if the stadium goes here, families and businesses will move to avoid the problems that masses of people and cars bring to an older inner-city working-class neighborhood.

How do you count the anger and anxiety caused when your whole pattern of daily life must be disrupted to satisfy the pockets of others, or the sadness when relationships are broken between families and businesses and community institutions, or the loss of the place where your collective identity is centered?

How can you put a price to the unique, synergistic qualities of a unique neighborhood, that essence and soul of Chinatown that you can't possibly recreate elsewhere?

How can we attribute dollars amounts to the loss of a sense of community, loss of a sense of security in your own neighborhood, or the loss of faith in a purportedly democratic system which

1 RESOLUTION NO. 000325
2 is supposed to protect rights of minorities?
3 How do you count these in the proforma,
4 in the bottom line for the proposed stadium on the
5 Chinatown site?
6 Is the additional economic return of
7 maybe \$3 million, which is Jonathon Saidel's
8 figures, worth all of this? Who and what are
9 being sacrificed? And who is to gain?
10 I leave these questions as challenges
11 for the Mayor and members of City Council. We are
12 here to speak truth to power. We are counting on
13 you to hear our voices.
14 Thank you.
15 (Applause.)
16 MR. MCPHERSON: Guand Bi Hung, Brenda
17 Doyle, Gary Lee?
18 (Witnesses come forward.)
19 COUNCIL PRESIDENT VERNA: Brendan Doyle
20 is not here? Brendan Doyle?
21 (Witness comes forward.)
22 COUNCIL PRESIDENT VERNA: Good
23 evening.
24 MR. LEE: Good evening, Council
25 President Verna and other members who are present

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here at this late hour.

My name is Gary Lee. I respectfully request that City Council oppose the building of a baseball stadium at 12th and Vine Street. Building a stadium there would be bad for Philadelphia are, bad for the Phillies, and bad for Chinatown residents and businesses and other residents and businesses in the area.

The City Administration is asking City Council to focus on the wrong question. The City Administration is asking the question, is building a stadium at 12th and Vine Street possible in terms of cost, parking, traffic flow and access? The right question which City Council should be focussing on is, what is the best site for a baseball stadium in terms of cost, parking, traffic flow, and access?

Considering the enormous effect the location of a baseball stadium will have on the community in which it's located and the enormous amount of public funds which will be spent, a responsible government must consider which site is the best, not merely a sight that is possible.

The City Administration failed to use a

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process designed to select the best site for a stadium. This is abundantly evident by the fact that the City Administration selected 12th and Vine Street as the site, without even knowing the cost, the parking problems, the problems with traffic flow, and the problems with access. Indeed, it appears, from recent newspaper articles, that the City Administration has not yet completed an analysis of these issues.

It seems that the prime reason the City Administration has selected the 12th and Vine Street site is that the City Administration believes that if the stadium is located downtown, fans spending before, during and after the game will be greater than if the stadium would be located in the sports complex because the sports complex is relatively isolated from restaurants and other forms of entertainment.

However, Professor Andrew Zimbalist has submitted testimony today that directly contradicts this basic proposition and demonstrates that public economic benefits are not sufficient to justify the public subsidies in building a baseball stadium downtown.

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Therefore, I will not remark on this issue except to say that once again, the City Administration fails to ask the right question. The right analysis would compare all of the factors, costs, parking, traffic flow, and access at 12th and Vine Street with other sites which are close to restaurants and entertainment, such as the 30th Street Station or the Delaware and Spring Garden Street site.

Building a stadium at 12th and Vine Street will also be bad for the Phillies. The Phillies have stated that they don't want the stadium to be built at 12th and Vine Street. It will be more costly for them, and the delay of building the stadium there will significantly diminish the revenues that they will receive if the stadium were built at another location.

Building a stadium at 12th and Vine Street will also be bad for Chinatown residents and businesses and the other residents and businesses in the area. City Council has already heard from John Struble that building a stadium 12th and Vine Street will be bad for the other residents and businesses in that area, so I will

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not discuss this anymore.

But I will discuss some of economic effects on Chinatown. In considering the effects on Chinatown, one must know about Chinatown. Chinatown is not just a collection of restaurants. It's a home for more than 4,000 people, it's a center for more than 250,000 Asian-Americans in the Delaware Valley who worship, shop, play, attend school, receive day care, and participate in Asian cultural activities. Chinatown has three churches, two Buddhist temples, an elementary and middle school, three preschools, a senior citizen residence and center, medical facilities for western-style medicine, and medical facilities for eastern-style medicine. Building a stadium at 12th and Vine Street will have a devastating impact on the quality of life of the people who come to Chinatown and the people who live in Chinatown.

However, because this hearing is limited to the finance aspects of building a stadium, I will not discuss the quality-of-life issues, although they are very significant.

If City Council does not decide to

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reject the proposal to build a stadium at 12th and Vine, because of the enormous financial costs, I urge City Council to hold hearings regarding the other issues involved in building a stadium at 12th and Vine Street, including the effect on the quality of life, the parking problems, the traffic flow problems, the access problems, environmental problems from asbestos and PCBs, and the problems which would be felt by air quality.

Contrary to the belief of the City Administration, building a stadium at 12th and Vine Street will not have a positive economic effect on Chinatown; it will have the opposite effect.

(Applause.)

MR. LEE: Instead, factors like the loss of parking spaces, the increased cost of parking, and the loss of time from traffic congestion will cause a significant loss of business and economic hardship.

Like most other businesses, Chinatown's business success requires available and affordable parking. The existing parking in Chinatown is not adequate. If a stadium is built at 12th and Vine

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Street, the baseball fans will use the parking spaces which Chinatown customers currently use. The proposal for a stadium at 12th and Vine plans to include only 4,500 parking spaces. These parking spaces will be available to the people who buy or rent the sky boxes.

The stadium will have a capacity of 45,000 people. The proposed plan is for the rest of the fans to park south of Vine Street, which makes Chinatown the closest site for parking. Fans will use up the parking spaces which are now used by residents and customers of Chinatown.

Although it is possible that some of the fans will patronize some of the Chinatown restaurants, the net effect will be the loss of customers and the closing of some businesses.

(Applause.)

MR. LEE: Fans will be competing with Chinatown customers at what is usually the busiest time for restaurants -- dinner time. Moreover, when the baseball games are held on Fridays, Saturdays, or Sundays, which are usually the busiest days for Chinatown restaurants, the loss will be even more devastating.

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Chinatown restaurants need a successful dinner and weekend trade to survive, much like retailers need a successful Christmas season to survive. Furthermore, almost half of the businesses in Chinatown are not even restaurants. There are businesses such as beauty salons, travel agencies, Asian grocery stores, Asian video rentals, pharmacies, insurance agencies, physicians, accountants, and lawyers, whose customers are predominantly Asian, from all over the Delaware Valley. Their busiest time is the weekends.

It is highly unlikely that any of the fans will patronize these businesses. Unlike the restaurants, these businesses will only lose customers. They will not have any fans as customers. Baseball games, especially on the weekends, will cause a significant loss of customers to these businesses.

In addition to the loss of customers from the lack of parking spaces, Chinatown business will also lose customers from the cost of parking. The cost of parking on the day games are scheduled will significantly increase. For

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customers, one of the main attractions of Chinatown is the reasonable prices for food. If parking is significantly increased, the cost of patronizing Chinatown businesses will no longer be reasonable, and customers will go elsewhere.

Even if a potential customer can find a parking space and is willing to pay a higher price for parking, Chinatown businesses will still lose potential customers from the traffic congestion on game days. Fans will use the streets of Chinatown for parking or to go to the stadium and drop off their passengers. The result will be a traffic congestion nightmare.

Although other restaurants in Center City may expect to increase business from building a stadium at 12th and Vine Street, because fans will be competing with the potential restaurants, customers for parking south of Vine Street, Center City restaurants may lose their regular customers, and business may decrease, not increase. That they are not considering these impacts is to their peril.

In conclusion, City Council should reject the proposal to build a stadium at 12th and

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Vine Street. The selection of 12th and Vine Street was a rush to judgment that failed to consider all relevant issues. It also failed to compare all of the issues of the Vine Street site with all of the issues of the other sites.

This important decision should not be made by asking the wrong questions, by ignoring the right questions, or by making a rush to judgment. Responsible government must ask the right questions. Responsible government must take the time to carefully consider all of the issues.

The Phillies oppose the stadium site at 12th and Vine, the effect on the quality of life on the businesses and residents of Chinatown and the businesses and residents of the other areas of the site will be devastating and the effect on the company of Chinatown and the other areas around the site will be devastating. Please stop this now.

(Applause.)

MR. MCPHERSON: The next three witnesses are Jeff Lewis, John Nhan, and George Moy.

(Witnesses come forward.)

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COUNCIL PRESIDENT VERNA: Good

evening.

MR. MOY: My name is George Moy. I live in the Far Northeast. However, my wife thinks I live in Chinatown, given the amount of time I volunteer my time in Chinatown.

I tried my best to come up with a short statement, struggled with it, and came up with a two-thirds of a page long statement. However, while I was sitting here listening to all the other statements, I came up with just as much comments as I prepared.

To begin with, I want to just mention that Professor Williams mentioned the number of communities that were helped by Mayor Rizzo, and I wanted to add to that list that he was the first to help Chinatown in its struggle against the Vine Street Expressway. He provided the funding for a study of the problems that Chinatown was facing and provided the first grant to build -- for us to be able to sponsor the first 15 houses for relocating the people that were being displaced by the Vine Street Expressway and other developments.

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1
2 In fact, at that time, Chinatown lost
3 about one-quarter of its land, and we were forced
4 to live in a compacted four-square-block area.
5 Our only hope then was to expand north after we
6 worked on the core of Chinatown, and that's now
7 being cut off.

8 These are some of my random thoughts
9 that I just came up with. Chinatown is a cultural
10 center and a tourist attraction. Destroying
11 Chinatown is too high a price to pay. Is this
12 cost being considered? How does one measure such
13 costs?

14 Our community is not adamantly against
15 a new stadium, but it should not cost an
16 additional \$300 million to build, especially when
17 the public schools have to shut down meaningful
18 programs or the City employees are probably going
19 to be asked to eat crow in the coming contract
20 negotiations. The \$300 million additional cost
21 would go a long way to solving many of these
22 problems.

23 (Applause.)

24 MR. MOY: The City coffers have limited
25 funds. Senator Albright alluded to the adding of

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1 additional lanes on Vine Street. Does this mean
2 that Vine Street will be widened? Are we back to
3 square one when Chinatown fought the full-scale
4 expressway 35 years ago? Is this another added
5 cost that is not being considered?
6

7 In the past, promises were made to our
8 community, and broken in short order. The
9 Hawthorne Hotel promised to hire people from the
10 neighborhood, and I don't know of any of our
11 people who were hired. A promise made, a promise
12 broken.

13 Chinatown made sacrifices for the
14 Convention Center. Our only position then was
15 that those affected be relocated to replace the
16 facilities as near equal as they were -- as they
17 presently owned or lived in before being displaced
18 -- the building to be built before they were
19 displaced. Also, that the local shows, such as
20 the flower show, be kept out of the new center,
21 and that no food be prepared or served in the
22 center.

23 That was another promise that did not
24 last long. Before Chinatown knew it, the Civic
25 Center was closed and the flower shows were

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1 conducted at the new center. Parking and stopping
2 in Chinatown was prohibited at this time, and the
3 Chinatown businesses suffered. Is this what they
4 mean when they claim that -- is this what they
5 mean when the claim is made that Chinatown will
6 benefit? Another promise, another broken
7 promise.
8

9 I commend the Councilpersons present at
10 these proceedings who feel that it is important
11 enough to hear what is being said. I only hope
12 those not present will take their responsibilities
13 seriously and review all that is being said today
14 before making your decision.

15 At the present -- have you seen the
16 present raucous behavior of the Lakers fans as
17 they run amok? It was on the 12 o'clock news.
18 They destroyed an auto distributor nearby, the
19 showroom and eight cars in it were destroyed. A
20 police car was overturned and a TV van was also
21 destroyed. If the police can't protect their own
22 property, what will happen to Chinatown should the
23 Phillies win?

24 (Applause.)

25 MR. MOY: If a stadium is built at 11th

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and Vine Street, we pray that the Phillies will never win a pennant.

(Applause.)

MR. MOY: The proponents of a stadium at 11th and Vine Street were publicized in this morning's paper, and they aptly named themselves "BAT," B-A-T. Of course, a bat is often used to beat into submission anyone who gets in the holder's way. Also, a bat (unintelligible) descends on its victim and sucks their life blood.

(Applause.)

MR. MOY: Why are they not here today to testify? Is it because the stadium at 11th and Vine is a done deal? Is this democracy in action?

Now, for my prepared statement. Our Chinatown is the kind of neighborhood that should be replicated and not imposed upon. Much more tax revenues go into the City coffers than what is spent by the government in services. It is a neighborhood where businesses and residents coexist, where crime, juvenile delinquency, and graffiti are practically nonexistent. These are factors that do not come by just by chance but by

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a concerted effort of concerned citizens, the organizations that serve people, particularly the three churches, and the people themselves.

To say that the stadium is not in Chinatown is to ignore the negative effects and the impact that the stadium will have on the quality of life. Noise and air pollution, traffic and parking problem does not stop at the boundaries of the site. Otherwise, why do other neighborhoods oppose a stadium building built in their backyard? They would at least have hundreds of feet between their neighborhood and the stadium; whereas some of the residents in our community would be living less than 50 feet away, only across the street. Will they be protected by a 40-foot high noise wall? Will they be able to park their vehicles? How will they even be able to get home when they encounter gridlock?

Chinatown is a place where newcomers can find work, even though they may have difficulty with the English language. Although parents may be working long hours, by having their families in the vicinity, they are able to maintain a cohesive family structure. This is in

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1 contrast to the commuting public, where some
2 children have minimal contact with their parents.
3 Living in Chinatown is a must, for it would be
4 dangerous for working parent to take SEPTA to get
5 home after leaving work after 2 or 4 a.m. in the
6 morning.
7

8 COUNCILMAN COHEN: Mr. Moy, I -- I have
9 to ask you to summarize. Everybody here who will
10 be patient enough to stay will be heard. If
11 you're not on the list, you will still be able to
12 be heard if you wish to testify. Somebody's got
13 to be the last, so please don't feel bad if it
14 happens to be you. I'm saying that to maybe a
15 hundred people that are in this room. But
16 everybody is going to be heard, we think it's very
17 important.

18 But we're going to be asking everybody
19 to please stay if possible into a two-minute time
20 capsule and at the very most three minutes
21 because, otherwise, we may be here till 2 or 3 in
22 the morning. But if you're game, we're going to
23 be game, because we think everybody's voice is
24 important.

25 (Applause.)

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MR. MOY: Placing the stadium at 11th and Vine Street will surely stunt the growth of our community. The conflicting demands of property will tear the very fabric of the community. Undesirable elements will once again afflict our neighborhood. They are the bars, prostitution, drug pushers, and others. Property values will skyrocket and will be unaffordable, especially for those who need housing the most.

At the very list, an impartial impact study is needed for anyone to be able to make an informed decision regarding the location of the stadium. Please do not make a mockery of democracy by deciding before the all the facts are known.

Thank you.

COUNCILMAN COHEN: Thank you very much.

(Applause.)

MR. MCPHERSON: Mai Huynh, Lisa Cancelleri, and Dan McShane.

(Applause.)

(Witnesses come forward.)

COUNCILMAN COHEN: Please identify

1 RESOLUTION NO. 000325
2 yourself for the record.

3 MS. HUYNH: Good evening. Good
4 evening, Councilmembers. My name is Mai Huynh,
5 and I am a taxpayer and a registered voter. I
6 wish President Verna was here because I live in
7 Philadelphia and I work -- I'm sorry?

8 COUNCILMAN COHEN: She's listening in
9 the president's office.

10 MS. HUYNH: Oh, okay, good. Because I
11 live in the 40th Ward, 33rd Division, and my
12 Councilperson is Council President Verna Anna C.
13 Verna. So I want her to know that.

14 I am also a member of SOCC, which
15 stands for "Stadium Out of Chinatown Coalition."
16 The committee of SOCC had invited Mr. Neil
17 DuMause, who is a coauthor of Field of Schemes:
18 How the Stadium Swindle Turns Public Money Into
19 Private Profit, to testify. But due to a conflict
20 in his schedule, Mr. DuMause was unable to come
21 and testify in person. However, he was able to
22 send us his written testimony. On his behalf, I
23 will now read Mr. DuMause's written testimony.

24 "Thank you to the Councilmembers for
25 allowing me to submit this testimony and Mai Wen

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for presenting it, even though my schedule did not allow me to travel to this meeting in person.

"When the owners of the sports team and their allies in public office want to convince the public to spend public dollars for a new stadium or arena, they always say the same thing:

'Everybody else is doing it.' They point to the new stadiums going up in cities like Cleveland and Baltimore and Houston and insist that this is just the way of the sports world. If you want to play in the big leagues, you have to cough up the big bucks for a new facility.

"When I first started researching and writing about the stadium game five years ago, there was a kernel of truth to this. But after spending an estimated of \$2 billion a year on new sports facilities throughout the 1990s, cities are increasingly questioning what they get in return.

"In Minneapolis, Birmingham, Miami, New York City, Houston, and the (unitelligible) region of North Carolina, citizens and elected officials have said no to public money for private stadiums. In San Francisco, after the citizenry said no four times, the Giants baseball team

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1 finally agreed to build a stadium with private
2 money, a stadium, Pacific Bell Park, that is now
3 considered one of the finest new ballparks built
4 in recent years."

5 (Applause.)

6 MS. HUYNH: "And teams in Montreal,
7 Miami, Oakland, and Minnesota are all considering
8 building ballparks with private funds in the face
9 of growing opposition to public subsidies."

10 (Applause.)

11 MS. HUYNH: "One reason that cities are
12 increasingly saying no is that the claims of
13 economic windfalls from new stadiums just don't
14 pan out. I have yet to meet an independent
15 economist who believes that pro sports facilities
16 have any significant impact on their city's
17 economy. Lake Forest College Professor Robert
18 Body (ph.) said recently that in his research of
19 30 cities over 30 years, in no instance was the
20 economic impact of professional sports, either by
21 building a stadium, attracting a team or losing a
22 team, measurably different from zero.

23 "And as for new jobs, stadium projects
24 consistently come in at a cost of 250,000 per job
25

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created, one of the worst ratios ever seen.
University of Chicago economist Allen Sanderson
out that you could create more jobs by going up in
a helicopter over your city and throwing the money
out the window."

(Laughter.)

(Applause.)

MS. HUYNH: "Even the most
well-regarded new stadiums haven't paid off.
Baltimore's Camden Yards brings in 3 million a
year in taxes and costs the State of Maryland 14
million a year in bond payments. In fact, stadium
projects only serve to funnel public money into
the pockets of owners and players, many of whom
live far out of state, while bringing only traffic
and disruptions to the neighborhoods where they
are sited."

(Applause.)

MS. HUYNH: "In such cities as Chicago,
San Diego, and Newark, people have been displaced
from their homes and businesses to make way for
ballparks and arena projects that benefitted no
one but team owners.

"In Springfield, Massachusetts, earlier

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1
2 this year, a judge ruled that using eminent domain
3 to seize land for a private sports team was
4 against the law, since it was not a genuine
5 'public purpose.'"

6 (Applause.)

7 MS. HUYNH: "Yesterday in Boston, a
8 very similar public hearing as this one was held
9 to discuss whether or not the city and state will
10 spend upwards of \$275 million for a new stadium
11 for the Red Sox. This project, once considered a
12 near certainty, is now foundering as neighborhood
13 residents and their elected officials are asking
14 hard questions about just who would profit from
15 this immense public expenditure."

16 (Applause.)

17 MS. HUYNH: "Philadelphia, like Boston,
18 is now facing a choice. You can go down and
19 history as the city that spent the most public
20 money to displace the most people for the benefit
21 of a private sport franchise, or you can join with
22 Minneapolis, San Francisco, and the other cities
23 that are just saying no to sport subsidies
24 demands."

25 (Applause.)

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2 MS. HUYNH: "The decision is in your
3 hands."
4 I thank you for your time.
5 (Applause.)
6 COUNCILMAN COHEN: I would like to
7 suggest that you might repeat your initial
8 statement about President Verna. She's here.
9 MS. HUYNH: Oh.
10 COUNCIL PRESIDENT VERNA: It's not
11 necessary.
12 MS. HUYNH: I wanted you to know that I
13 live in your district and I am a taxpayer and I'm
14 a registered voter, and I voted for you because I
15 believed that you would do the right thing. And
16 I'm glad that you're here and I'm glad that it's a
17 -- never mind I won't say that.
18 COUNCIL PRESIDENT VERNA: Thank you.
19 (Laughter.)
20 COUNCIL PRESIDENT VERNA: Thank you for
21 your patience in waiting to testify.
22 Please identify yourself for the
23 record.
24 MR. MCSHANE: My name's Dan McShane and
25 I'm with Liberty Yards Association, an advocacy

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group for the Schmidts Brewery stadium site.

With all respect to the people who have come here to speak about taxes and stadiums, I am here to speak in support of a stadium, a stadium responsibly built, responsibly paid for. I have a different perspective on the tax debate. I am interested in how many City tax dollars are spent on a stadium. The current proposal has a dollar figure that will require too much in City spending, and if it doesn't require the City spending, it will price City residents out of the stadium that we are ourselves building.

A responsibly built stadium could draw sources from outside this community; the kind of sources that we can barely get to pay for school books could be brought in to do this development project. And if it's placed responsibly, it will have the kind of development, if it can be combined with already-in-place development concepts, one of them being the waterfront that we've all waited for 40 years.

We have distributed to Council a plan for the Schmidts Brewery stadium site, which shows its inclusion on the waterfront, with 7,000 spaces

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1 of onsite parking in place. What we're paving
2 over for parking, as opposed to, say, the Beaux
3 Arts building, is strewn industrial -- post-use
4 industrial sites and nuisance nightclubs. Some of
5 them have had shootings in the past, and it would
6 be a great relief for the neighborhood to have a
7 well-groomed parking facility. The parking
8 facility would be located across the street from
9 the incinerator and point extend up to the
10 Schmidts Brewery site and would allow for
11 development at the incinerator site.
12

13 The incinerator site is owned by the
14 City and could be utilized in this transaction to
15 obtain the Schmidts Brewery site at no cost to
16 City taxpayers in a tax-free -- a negotiable
17 tax-free exchange for Bart Blatstein (ph.),
18 because that incinerator site will be the most
19 valuable waterfront property, perhaps in the
20 world, because we'll have a stadium site directly
21 located -- it is directly north of the incinerator
22 site that an 18-story -- three 18-story high-end
23 condos and 200 townhomes will be built.
24

25 To move along, I'd just like to quickly
go through the politics of this issue. A couple

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1
2 myths. A 40,000-seat stadium can fit on the
3 Schmidts site. You can do 44,000 if you go over
4 Second Street. Why spend the money? They can't
5 put anybody in the Vet to begin with. And if it's
6 okay for San Francisco, Pittsburgh, Montreal,
7 Boston, and Chicago to do with 40,000 or less
8 seats, certainly it's okay for here in
9 Philadelphia. This stadium is based on a Wrigley
10 Field concept. If it's within community, it
11 should be 40,000. That's a bone that we could
12 send to the community and the (unintelligible.)

13 I've gotten into the neighborhood
14 discussions, so I'll quickly discuss the
15 neighborhood situation. We have a petition here
16 of close to a thousand names in support of the
17 Schmidts Brewery stadium site from the
18 neighborhoods of Fishtown and Kensington South,
19 Norris Square and Northern Liberties. We will, by
20 some time in July, have literally thousands, most
21 of them drawn from the Councilmatic district which
22 includes the Schmidts Brewery site. I will submit
23 this for the Council. We have run out of money;
24 we could only produce three today.

25 (Copy of petition not submitted to the

1 RESOLUTION NO. 000325
2 stenographer for attachment hereto.)

3 MR. MCSHANE: To move on, there is
4 great support for this stadium in the Hispanic
5 community. Dr. Sierra (ph.) of the Association of
6 Puerto Ricans (unintelligible), Carlos Matos
7 (ph.), a prominent figure, and thousands of names
8 and people who are signing petitions from the
9 Hispanic community support this stadium site.

10 Quickly, running down the politics,
11 Frank DiCicco is here, and I'm very happy that
12 he's here. This was Frank DiCicco's idea. It was
13 a visionary idea and it was the right idea then
14 and it's the right idea now, and I really thank
15 him for bringing it up and bringing it into play.

16 Anna Verna put us on the map by
17 identifying this site at something to be looked at
18 seriously at the first Town Meeting, and we thank
19 you for that.

20 Michael Nutter and Marie Lederer wish
21 to beautify Girard Avenue. This is one of the
22 most beautiful things about this plan: it just
23 doesn't develop a waterfront where a bunch of
24 suburbanites can come and spend their money; it
25 develops neighborhoods. It gives something to

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neighborhoods besides halfway houses and low-income housing. This is the way this kind of a project ought to be spent. We do deserve to rehab Girard Avenue, and these people -- Michael Nutter and Marie Lederer -- are already in the process of doing that. They need help our.

The unions should support this because this, unlike spending money on useless moving of major public systems, this would -- this project would have tens of millions of dollars in additional labor on the waterfront. That's where we should put it. Bob Borski thinks we should put it there; he took this administration on a river tour and he said, Let's develop the waterfront. Here's something that Bob Borski can support, Bob Borski's aware of this plan.

John Street opened up this process and he, we need to thank the most sound, and that may sound incongruous in this room, but we don't exist without John Street, our site does not exist without the process. We're going through the process, the process will determine that Chinatown is undoable.

I'll summarize -- I think I've overrun

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my time and appreciate your deference.

We think that if the Chinatown site -- when the Chinatown site goes down, the Center City Business District, including the Convention Center or Visitors Bureau and the Central Philadelphia Development Corporation, will line up in support of this site. It has the historic trolley line that runs from Penn's Landing across Girard Avenue and down to the Convention Center. It has six Market-Frankford el stops at every key destination in Center City, and it's eight minutes to the furthest stop. That's the kind of development Center City really does need.

And, lastly, I'd just like to again thank Anna Verna. Thank you, Miss Verna, for allowing us this opportunity, and please help us get the serious attention that this kind of a solution deserves.

Thank you.

COUNCIL PRESIDENT VERNA: Thank you very much.

(Applause.)

MR. MCPHERSON: The next three names are Robert Sklaroff, Vincent McAffery, and

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1
2 Reverend Betz.

3 (Witness comes forward.)

4 MR. SKLAROFF: Greetings. I'm Bob
5 Sklaroff, and promise I'll talk for only two
6 minutes. You have a copy of my testimony, nine
7 pages single-spaced, and I just want to give you
8 brief key points enclosed therein.

9 (Copy of Mr. Sklaroff's testimony not
10 submitted to stenographer for attachment hereto.)

11 MR. SKLAROFF: Number one, it is clear
12 that people do not want to bankrupt the City,
13 which has tremendous needs for health care and for
14 educational purposes, by trying to build a
15 mausoleum or two. So the bottom line point is,
16 what can be done to try to minimize the costs
17 thereof? And I think, looking at David Boldt's
18 column in the paper this morning, it is clear that
19 the business community is really not thrilled with
20 the choice at 12th and Vine.

21 People would be excited about a site
22 and people would flock to supporting it, I feel,
23 if 30th Street Station, northwest of 30th Street,
24 the Powellton Yards, is the way to go. I
25 testified twice on this issue at the two other

The focus on finances, which, I recognize already, listening to KYW, has been effectively discussed here, suggests that it's not a (unintelligible) that any time you have any kind of stadium that, if it's in Center City, is going to automatically generate synergy and pay for itself. So my feeling -- and I've done a lot of research on this again, which is documented with names and phone numbers. I think basically, if you end taking the 30th Street Station site, which is a underutilized railroad yard, according to the redistricting filing that was initiated by Councilwoman Jannie Blackwell last September, it was then rezoned from P-2 to C-5 high concentration industrial, that these lands, which are already cleared, could easily be utilized for

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1 the stadium. It's 70 acres -- you only need 13 to
2 17, according to some of the people with whom I've
3 spoken in the real estate business.

4 Therefore, I would like to strongly
5 suggest that you look at 30th Street Station
6 northwest, not where the post office is. And what
7 I did today was, I finally had a chance to speak
8 with a man named Steve Nelson, whose credentials
9 are, as cited, he works in the Montgomery County
10 Commissioner's Office. 'Cause I feel that if you
11 have as many as 83 percent of the people driving
12 to the stadium games and 60 percent or so come
13 from the suburbs, then the region has a role in
14 potentially creating a franchise to finance the
15 creation and construction and maintenance of a
16 parking garage, which would decrease the overall
17 cost, enhance regionalism, etc.

18 I went onto the Internet and downloaded
19 a couple of Web sites, which illustrate how there
20 can be regional cooperating when projects are
21 generated of quality and which excite the people
22 involved. So my strong suggestion is that these
23 issues be researched as much as possible.

24 And I'm willing to answer any questions
25

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1
2 you might have.
3 COUNCILMAN COHEN: Thank you very
4 much.
5 MR. SKLAROFF: Thank you very much.
6 (Applause.)
7 COUNCIL PRESIDENT VERNA: Brendan Doyle
8 was here and apparently had to leave. She did
9 leave a copy of testimony, which we will make a
10 copy available to the stenographer.
11 (Copy of Brendan Doyle's written
12 testimony attached hereto.)
13 COUNCIL PRESIDENT VERNA: Kindly
14 identify yourself for the record.
15 MR. DEIGHAN: I'm switching roles with
16 Vince McAffery. He's not here today, but we're
17 both on the same team. My name is Mitch Deighan.
18 I'm testifying today once again as a resident of
19 Northern Liberties, home of the old Schmidts
20 Brewery at Second and Girard.
21 Probably the greatest reason I'm proud
22 to call Northern Liberties my home is my
23 neighborhood's long-standing tradition of
24 tolerance and diversity. I often refer to
25 Northern Liberties' extreme degree of integration

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as futuristic. The Northern Liberties model is one which defines my neighborhood as truly reflective of William Penn's vision for Pennsylvania.

As we discuss the financial elements of our citywide stadium equation, we are here in this room of hopes and dreams and public discourse. Positioned high above us is the great and beloved statue of William Penn. I noted one bitter winter morning a few months ago that Mr. Penn, from high atop this remarkable building, is looking right at the old Schmidts Brewery site, which is in a direct line of vision from City Hall to Penn Treaty on the shores of the Delaware. The symbolism of Mr. Penn's gaze towards the Brewery site struck me as a kind of coincidence that had value to me as an artistic type of person.

But I would ask the Finance Committee, the City Council, the Mayor and the Phillies this: What is the value of setting a course of action on this baseball stadium issue that would be the most true to ourselves and our own traditions as a city that's known nationally, and perhaps internationally, as a city of neighborhoods?

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1
2 Let me ask you this: When each of us
3 goes out to buy anew pair of shoes, don't we first
4 and foremost choose a pair that fits? It goes
5 without saying that a shoe that doesn't fit has
6 little value, but the shoe that fits is the shoe
7 that's comfortable; and, thus, we get the full
8 value for our dollar.

9 Now on the threshold of a billion
10 dollars investment, we must certainly choose a
11 site that would be the perfect fit, a perfect
12 marriage of a development need and a site
13 opportunity. Our Liberty Yards Association team
14 has commissioned a new architectural rendering
15 which shows what a growing number of baseball
16 fans, architects and residents of the Delaware
17 Valley are learning: that a new retro stadium
18 built at Second and Girard would be in the rarest
19 category of American ballpark, a category referred
20 to as "the true neighborhood stadium." The most
21 loved ballparks in American history are in this
22 rarely accessed category.

23 Yes, the eastern boundary of Schmidts
24 relates directly to our burgeoning waterfront
25 district, like the Camden Yards ballpark site in

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Baltimore. But at Second and Girard, we have an urban fabric that has the feel of the era when baseball grew into the hearts of Americans of all walks of life and of every ethnic and racial heritage. A ballpark at Schmidts would tie in perfectly with Philadelphia's mammoth efforts to build on our history.

The old Schmidts Brewery is now owned by a member of the Mayor's Stadium Committee, who has stated publicly that if the City and Phillies decide to build our new ballpark on the Schmidts site, he'll be, quote/unquote, totally supportive. This is an exact quote as stated before a monthly meeting of the Northern Liberties Neighbors Association.

A stadium at Schmidts would not only save the taxpayers and Phillies hundreds of millions of dollars, but would also result in a place that would be widely acknowledged as a perfect fit of a need, a site, and an opportunity to promote growth in a part of old Philadelphia, which has already demonstrated a glowing dynamic for imaginative and progressive reinvestment. The Schmidts site is right on I-95 and the newly

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rebuilt Market-Frankford el. The trolleys, including historic trolleys, will be running along Girard Avenue again before too long.

As our two architectural renderings show, a stadium at Schmidts would relate superbly to Philadelphia's new Center City hotels, the Convention Center, and our preeminent historic sites. And since the Schmidts site is owned by a single person and a member of the Mayor's Stadium Committee, the entire development process would be expedited, assuming the City and Phillies would want to create a new American ballpark which has the potential to be assessed as one of the greatest in the history of our nation and at a fraction of the price it would cost to build elsewhere in the Center City realm.

Thank you.

COUNCIL PRESIDENT Verna: Thank you, thank you.

(Applause.)

MR. McPherson: The next three names Shirley Young, Frank Fortino, and Paul Uyehara.

COUNCIL PRESIDENT Verna: And we were just given a letter from Lois DiDomenico, which

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2 will also be made a part of the record. A copy
3 will be given to the stenographer.
4 (Copy of Lois DiDomenico's written
5 testimony attached hereto.)
6 (Witnesses come forward.)
7 COUNCIL PRESIDENT Verna: Good
8 evening. Please identify yourself for the record
9 and proceed with your testimony.
10 MS. YOUNG: Okay. My name is Shirley
11 Young, and I'm a homeowner in the Hing Wah Yuen
12 community, which is located two blocks away from
13 the proposed stadium site.
14 I oppose it because I believe that it
15 is detrimental to the neighborhood to build in
16 Chinatown. I grew up in Chinatown as a little
17 kid. By then, it was mostly consisting of
18 restaurants, maybe one or two beauty shops. Now
19 Chinatown has developed. It's growing, houses are
20 being proposed. I am one of the homeowners, I am
21 a part of the expansion of Chinatown. You know,
22 I'm dedicated to living in Philadelphia.
23 I don't believe that putting a stadium
24 at 12th and Vine would actually be helpful, being
25 that for economic reasons, something has to give

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1 way. You're going to put parking, accommodate for
2 the stadium. What happens to the businesses and
3 the residential people that live in Chinatown?
4 It's a neighborhood that is developing and still
5 developing that could be put to good use. There's
6 homeowners at that stadium site. Why get rid of a
7 good thing?

8
9 I believe that the stadium should be
10 put elsewhere, not at 12th and Vine. It's too
11 congested.

12 That's all I have to say.

13 COUNCIL PRESIDENT VERNA: Thank you
14 very much.

15 (Applause.)

16 COUNCIL PRESIDENT VERNA: Good
17 evening. Kindly identify yourself for the
18 record.

19 MR. UYEHARA: Good evening. My name is
20 Paul Uyehara.

21 COUNCIL PRESIDENT VERNA: Excuse me,
22 sir. Before you start to testify, we do still
23 have a number of people that wish to testify, so I
24 think, in fairness to everyone, perhaps we could
25 time everyone for three minutes. I think if you

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can't say something in three minutes, it's not worth saying.

Okay, thank you please proceed.

MR. UYEHARA: Good evening. My name is Paul Uyehara. I live in University City and work in Center City. I have lived and worked in the City of Philadelphia for the last 23 years. I have two kids who have always attended public schools in the City.

I took my time today to come and tell you, President Verna and Councilwoman Blackwell, Councilman DiCicco and all the at-large representatives in particular my position on stadium financing. It is very simple. I do not want \$1 of my taxes going to build a stadium in Chinatown.

(Applause.)

MR. UYEHARA: I don't care if you take it from my wage taxes, my real estate taxes, my license fees, my sales taxes, my parking fines, or my business taxes. I don't even care if you take it from taxes I don't even have to pay -- not one dollar.

(Applause.)

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MR. UYEHARA: I don't go to Chinatown, I'm not Chinese. In fact, I'm the immediate past president of the local chapter of the Japanese American Citizens League, a national civil rights organization. I'm also a member of the SOCC Coalition and a member of Asian-Americans United.

I think the proposal to place a stadium at 12th Vine is one of the most ill advised decisions I can remember of the City. It ranks right up there with dropping a bomb on a house.

(Laughter.)

(Applause.)

MR. UYEHARA: I can tell you ten reasons why the decision is bad public policy, racially discriminatory, and doomed to fail, but we're here to talk about financing.

I'm not the only person today who will tell you that the School District is more deserving of financial support than a bunch of rich guys who plan to make more money one way or the other off this billion-dollar trough. I'd rather spend the money to give City workers a well-deserved raise -- at least they'll spend it in the City.

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(Applause.)

MR. UYEHARA: The cheerleaders pushing the Chinatown site claim that it is the best way to bull up the City and create excitement, more business and more revenues, but let's face it, people are leaving the City -- and it's not to seek excitement in the suburbs.

Ask any Realtor, any Realtor, to identify the most common reason for homeowners to sell property and leave town. I have no doubt what the answer will be. It's because they have a child just about old enough to either start school or move up from elementary school. If that kid cannot get into a school that the parents perceive to be a good one, they'll pack their bags and leave town if they can't afford a private school. It happens every year in every part of the City.

(Applause.)

MR. UYEHARA: And the loss of population that goes along with that is one of the key problems in the City of Philadelphia. It's eroding our tax base, the schools, our housing stock, the neighborhoods, and everything else. None of those families with kids will stay because

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they can see the Phillies play a game in Chinatown.

(Applause.)

MR. UYEHARA: They will be able to stay if public schools are able to provide a sound education. The truth of the matter is that if you took a billion dollars and spent it on education, that would build up the city, create excitement, more business, and more revenues. It would also increase the population here and increase the tax base here. That is a real return on investment, that is sound public policy.

If you really believe that a ballpark merits taxpayers' support, you still should reject the Chinatown site. It is by far the most expensive. And I can assure you that it will cause the most delay, the most protests, the most litigation, and the most acrimony such that it if ever gets built, John Street will not be the mayor because he won't be able to run again by that time.

(Applause.)

MR. UYEHARA: Chinatown is a strong and vibrant community and must continue to grow and

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needs space to do so. Isn't it strange that someone on the fourth floor could threaten a good neighborhood based on mere conjecture and suppositions?

The cheerleaders say that all the benefits of the stadium will spread all across Center City to the hotels, the restaurants, and to all of us. The cheerleaders also say that all the bad things about the stadium will stay inside of its walls. Just ask the good people of South Philly if that is true when you live next to a stadium. You can't build a city by wrecking a viable neighborhood.

I ask that you ignore the cheerleaders, listen to the people, listen to the economists, listen to the neighborhoods, do the right thing. We will be watching you.

Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

(Applause.)

MR. MCPHERSON: Zahkiyyah Abdul-Raheem, Tsui Yip, and Harry Hyde.

MS. ABDUL-RAHEEM: Good evening.

COUNCIL PRESIDENT VERNA: Good

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1
2 evening.

3 MS. ABDUL-RAHEEM: I'm Zahkiyyah
4 Abdul-Raheem, and I represent East Mt. Airy
5 Neighbors.

6 First of all, I would like to thank our
7 sisters and brothers from Chinatown for the food,
8 it was delicious and it was very much needed.
9 Thank you so much.

10 (Applause.)

11 MS. ABDUL-RAHEEM: East Mt. Airy
12 Neighbors is a 35-year-old civic association that
13 has been fighting for 35 years for the rights of
14 the individuals, of people, of residents. We want
15 to go on record as saying that we wholeheartedly
16 support our Chinatown neighbors in protesting the
17 stadium being built in Chinatown.

18 I was part of the March on 12th and
19 Vine, and I did sit in, and I'm proud to have been
20 a part of that march.

21 (Applause.)

22 MS. ABDUL-RAHEEM: East Mt. Airy is
23 composed of 18,000 households, and in each
24 household is at least one voter and one taxpayer.
25 And we want to go a little further by saying we

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want not one dollar, not one tax dollar spent on stadiums in Philadelphia until our schools are adequate for the children.

(Applause.)

MS. ABDUL-RAHEEM: No one has ever moved in and out of a city based on a stadium, but they will leave a city based on inadequate schools, based on unaffordable housing, and based on crime.

(Applause.)

MS. ABDUL-RAHEEM: Councilmember DiCicco spoke about the benefits of a stadium, about entertainment, and about enjoyable things for children to go to, better facilities, but what good are they if Johnny can't read?

(Applause.)

MS. ABDUL-RAHEEM: The plight of our homeless is something we can no longer afford to turn our backs on, especially since most of our workers in Philadelphia are not earning a living wage and are one paycheck away from being homeless.

(Applause.)

MS. ABDUL-RAHEEM: Crime speaks for

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1
2 itself. We continuously say that drugs are
3 destroying the fabric of our families, of our
4 neighborhoods, of our communities, and of our
5 nation. Well, I'm here to say that there's a new
6 cartel, and it's not cocaine or crack. The new
7 cartel is greed.

8 (Applause.)

9 MS. ABDUL-RAHEEM: The new cartel will
10 only produce poverty, will only produce
11 homelessness, and, worst of all, will only produce
12 continued ignorance if our schools are not
13 improved.

14 Thank you very much.

15 COUNCIL PRESIDENT VERNA: Thank you.

16 (Applause.)

17 COUNCIL PRESIDENT VERNA: Good evening.

18 MR. HYDE: Good evening. I'll be brief
19 'cause I concur with most of what's been said
20 already, why repeat it.

21 I am Harry Hyde, Jr. of Swarthmore,
22 Pennsylvania, on behalf of Concerned Citizens of
23 the Delaware Valley, at P.O. Box 561, Swarthmore,
24 PA, 19081. Although I'm not a resident of
25 Philadelphia, I represent an organization of which

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more than one-third are members and a plurality among counties in the metropolitan area are Philadelphia residents. The majority of our meetings are held in Philadelphia.

Incidentally, I was born in this city. And since we had Father's Day a couple days ago, I'd like to mention that my dad was the man who created the slogan "Philadelphia, The World's Workshop," back about 70 years ago. Philadelphia, The World's Workshop.

Concerned Citizens of the Delaware Valley, CCDV, is a small but broad-based and broad-scoped, nonpartisan, nonprofit, and non-sectarian citizens group founded in 1974. While we're small in numbers, our membership is interfaith, interracial, and intergenerational. Our Philadelphia members include residents of various sections of the City.

CCDV has taken a position opposed to public funding of commercial sports facilities. The City has many other needs -- education, health and human services, law enforcement and public safety, public transportation, quality of life, housing and community development, and quite a

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number of other things that are more important than baseball stadiums or football stadiums, for that matter.

We respectfully urge Council to consider these needs, along with information that we've already heard from expert testimony. And an important consideration to look into is how many Philadelphia residents actually attend commercial sports events, particularly of the Philadelphia Phillies, because that's apparently the big-ticket item expense-wise, and what percentage of those attending the events are actual residents of Philadelphia.

When I wrote this testimony, I was of the mistaken understanding that the Chinatown site was not an issue and all we would be talking about would be funding, so I did not include it in my write-up. However, I would like to say very briefly that our organization also wants to go on record as definitely being opposed to the Chinatown site.

Thank you for your time and attention.
(Applause.)

COUNCIL PRESIDENT VERA: Thank you.

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Is Lois DiDomenico in the audience?
She did leave a letter, and that will be made a
part of the record.

MR. MCPHERSON: The next three names
are Harry Chin, Sara McEneaney, and Tony
DeSantis.

(Witnesses come forward.)

COUNCIL PRESIDENT VERNA: Again, I'm
going to request that every speaker be considerate
of the others that want an opportunity to
testify. And, again, we will be timing you three
minutes.

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

MS. MCENEANEY: My name is Sara
McEneaney.

President Verna, Councilmembers, thank
you for the opportunity to speak today. As I
said, my name is Sara McEneaney. I'm an artist
and a member of the Stadium Out of Chinatown
Coalition. I have lived and worked 11th and
Hamilton Streets for 21 years.

As a Philadelphia resident and
taxpayers of 27 years, who has never missed an

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election or a primary, I am totally opposed to any tax dollars being spent on stadiums for wealthy professional sports teams. The Phillies and the Eagles have the resources to build their own stadiums. The Flyers and the Sixers did it with minimal subsidy at the First Union Center, the Giants did it in San Francisco after taxpayers voted down a publicly stadium four times. Those examples should be the model, not the corporate welfare schemes that were pulled off in Baltimore, Cleveland, Denver, and Detroit just to name a few. Unless teams are publicly owned, they should not be receiving public tax dollars.

(Applause.)

MS. MCENEANEY: If new taxes are going to be levied, the revenues raised should go to the City and not to stadiums. Don't think a tax on car rentals won't affect City taxpayers. Many residents do not own cars because of the high cost of insurance and parking. These taxpayers do the City a service by not having a car in the street on a daily basis and renting cars when they need them.

Philadelphia's current resources and

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any future ones raised are desperately needed for our schools, public health centers, libraries, recreation centers, and police and fire departments.

To be more specific, I'd like to refer to the Philadelphia Coalition for Kids newly released study, Report Card 200, the Well-being of Philadelphia's Youth and Children. In a Philadelphia Inquirer editorial on June 15th, Naomi Post, Co-Chair of the Coalition, said: "I am sorry to report that Philadelphia is not doing particularly well by our kids. Our purpose is to point out where we are not doing well and illuminate where we are making progress in hopes of replicating successful strategies."

Here are just a few of Ms. Post's stated priorities:

Reach U.S. government goals for low birth weight babies, infant mortality, and immunizations;

Remove barriers to enrolling children in subsidized child care;

Learn more about the relationship between declining temporary assistance for needy

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families enrollments and increasing rates of
homeless children and families;

Ensure that savings from welfare reform
are used to strengthen families and address the
unmet needs of low-income communities;

Consider expanding programs, such as
the Youth Violence Reduction Project and Operation
Sunrise, that appear to reduce youth violence and
crime;

Address public school needs, such as
competitive teachers' salaries, capital
improvements, smaller class size, early childhood
education, new books and technology.

No one needs to remind Naomi Post that
his is "The Year of the Child." Hopefully, she'll
remind her husband, Mayor John Street.

To sum up, I ask all of you to refuse
to use hard-earned tax dollars for
private-interest stadiums.

Councilman DiCicco, I live and work in
your district. In the past, I have found you to
be an intelligent and reasonable representative,
especially when you worked with Chinatown and the
north of Vine community where I live for the

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2 zoning changes. And now I don't understand what's
3 happening when it seems like you're trying to stop
4 that progress.
5 So please --
6 COUNCIL PRESIDENT VERNA: I'm sorry.
7 Your time has been up. I'm giving you latitude,
8 please summarize.
9 MS. MCENEANEY: All right. Please do
10 not support the use of public funds for wealthy
11 sports teams stadiums, especially at the most
12 expensive site, 12th and Vine Street.
13 COUNCIL PRESIDENT VERNA: Thank you
14 very much, thank you.
15 (Applause.)
16 COUNCIL PRESIDENT VERNA: Please
17 identify yourself for the record and proceed.
18 MR. DISANTIS: Hi. My name is Tony
19 DeSantis.
20 First off, I'd like to thank you for
21 the opportunity to speak today. I'd also like to
22 thank you, Mrs. Verna, for responding to my
23 letter. Thank you.
24 I speak today as a Pennsylvania
25 resident and as a taxpayer. Normally, as a Bucks

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County resident, I'd consider it inappropriate for me to tell the City of Philadelphia how to spend its money, but since the Governor has committed \$85 million for stadium construction in Philadelphia, I suppose I have a stake in this now.

I am troubled by the 12th and Vine preliminary choice because it's troubling enough to consider spending almost a half a billion dollars to construct two entertainment complexes, which is essentially what a sports complex is. I'm also troubled by the possibility that the cost of condemnation, relocation, and demolition on the assorted parcels could approach \$200 million. Furthermore, I do not agree that the City of Philadelphia would actually benefit from a downtown ballpark.

I would ask the Committee of the Whole to look at the stadium issue from a different perspective, which is, should we even consider building a ballpark in Center City?

I oppose the placement of a ballpark in Center City for the following reasons:

First, a ballpark would be used only 81

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1 days a year. The rest of the time it would be
2 empty.

3
4 Second, the placement of a ballpark
5 downtown, as presently conceived, would require
6 the closing of 12th Street, further disrupting the
7 normal traffic flow.

8 Finally, the substantial infrastructure
9 improvements solely to accommodate stadium access
10 and parking would be required.

11 I suggest it would be better for the
12 City to consider the placement in Center City of a
13 year-round sporting facility, a facility that
14 would accommodate no more than 20,000 people,
15 require neither the amount of land or substantial
16 infrastructure of a ballpark, and possibly on
17 property that the City already owns.

18 While everyone's focusing on the
19 replacement of Veterans Stadium, there is another
20 sports facility in Philadelphia older than the
21 Vet, that also happens to be one of the ugliest
22 sports' arenas ever built, and it's located in a
23 prime location for a ballpark. It's at the
24 southwest corner of Broad and Pattison, between
25 the Vet and the First Union Center. Yes, the

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1
2 Spectrum.

3 In an era of single-sport arenas, it is
4 inevitable that the NBA and NHL will demand and
5 get for their teams their own arenas. The process
6 of stadium relocation will be repeated five to ten
7 years from now, when the Spectrum is due for
8 replacement and the when Sixers and Flyers demand
9 their own arenas. I suggest get ahead of the
10 curve on this.

11 I would propose that the City of
12 Philadelphia replace the Spectrum, not the Vet,
13 with a facility downtown. The Phillies can then
14 take the Spectrum site and build their stadium
15 there. This would accomplish a couple of
16 objectives:

17 First, it would reduce the impact of
18 stadium attendance on the neighborhoods in South
19 Philadelphia. It would also reduce the ancillary
20 costs to the City and enhance Center City. If the
21 cost of building the First Union Center was
22 \$80 million, even allowing for some inflation,
23 that's still 100 million. For the rest of the
24 parking lot, with a quid pro quo, it would
25 probably cost you 120 million. You're still 85

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2 million ahead if you do that.
3 Above and beyond that, the Flyers,
4 Sixers, and the Phillies would benefit in the
5 following ways: The Phillies would get what they
6 want, the Sixers would have a place to call their
7 own, and the Flyers and the Phantoms could have
8 their own ice surface. It's easier to maintain
9 one ice rink than two ice rinks. It's easier to
10 maintain one floor than two.
11 Now, I realize that this all depends
12 upon what the final cost for the relocation and
13 demolition and acquisition are, but I'm saying
14 that if it's getting to cost that much to acquire
15 the land, you might as well consider building
16 another arena.
17 Of course, all this raises other
18 questions, like why should the City and State
19 invest \$600 million, \$50 million in the
20 construction and entertainment venues when some
21 high schools don't even have playing fields?
22 (Applause.)
23 COUNCIL PRESIDENT VERNA: Excuse me,
24 Mr. DiSantis, your time really has run out.
25 Please start to summarize.

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2 Thank you.
3 MR. DISANTIS: Oh, okay. What I'm
4 saying is that I hope that this current
5 administration and this Council is not rushed into
6 a decision. Remember, these teams cannot leave
7 until 2011. We don't need to build them anything
8 by 2003, despite what they tell you. If it's not
9 a good deal for us, don't go for it.
10 That's it.
11 COUNCIL PRESIDENT Verna: Thank you
12 very much, thank you.
13 (Applause.)
14 MR. MCPHERSON: The next three names
15 are Jack Trinsey, Linda Plummer, and Jack Butler.
16 (Witness comes forward.)
17 COUNCIL PRESIDENT Verna: Is Linda
18 Plummer here?
19 (No response.)
20 COUNCIL PRESIDENT Verna: Good evening,
21 gentlemen.
22 MR. BUTLER: Good evening. My name is
23 Jack Butler, and I want to thank Ms. Verna and
24 City Council for holding these hearings. I think
25 they've shown that the population in Philadelphia

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1 is becoming very, very much involved, politically
2 involved, and is looking out for the best, you
3 know, that -- for the future of Philadelphia.

4 I'm really here speaking for myself,
5 but I would like to think that I represent all
6 concerned citizens of Philadelphia who love this
7 city. I've lived here all my life, and I was -- I
8 went to the public schools of the City and I
9 taught in the public schools of Philadelphia.

10 There is no doubt that there is
11 certainly some economic benefit to having any kind
12 of entertainment venue, but I think we need to
13 stop focusing on the economic benefit of a stadium
14 and look to the economic damage that a failed
15 school system has caused our city to suffer. For
16 years and years, you know, we've had people who
17 have been jobless, homeless, on welfare. You
18 can't even begin to imagine the social costs of
19 that.

20 I would like to think that this
21 administration, unfortunately, unlike many
22 previous administrations, really has its
23 priorities in place. I think that we have lived
24 through many administrations where the priorities
25

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2 have been misplaced. Please, I urge you to have
3 your priorities well-placed. I am opposed to
4 spending any public money whatsoever on a sports
5 stadium.

6 (Applause.)

7 MR. BUTLER: Or on a new stadium.

8 If any of the major-league teams want a
9 new stadium badly enough, they can raise the money
10 themselves, as has been shown in other cities.

11 I feel that if any public money is to
12 be spent at all, it would be to -- if it could be
13 done, renovate Vets Stadium. Here's a stadium
14 that's not even 30 years old. It could be
15 renovated and made better, suitable for both
16 baseball and football, since it would be used only
17 a fraction of the year. The parking is already
18 there. We could think about developing -- you
19 know, if we think of restaurants and clubs, we
20 could develop that in that area.

21 If money is to be spent by the teams
22 for a stadium, a new stadium, I strongly oppose
23 the Chinatown site. It does not belong there, and
24 I don't have I don't think I have to belabor the
25 points anymore. I think you, as members of City

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Council, are intelligent enough to be aware of those reasons that it does not belong there.

If a new stadium will be built, I strongly favor either the Schmidts Brewery site or the site at the Delaware River and Spring Garden. It would be a beautiful site for a ballpark, a very exciting site, accessible to public transportation, to highway transportation, and that is where I think a new stadium should go, if one is to be built at all.

Our mayor seems to be concerned so much about having a stadium in Center City because it would be within walking distance. I don't know of many people -- and I know I'm included -- who would walk from 11th and Vine to Rittenhouse Square or to many of the venues on the Avenue of the Arts. We would certainly feel, Well, to promote that, we would want to provide shuttle transportation of some kind, if we want to get people into Center City. If you're going to do that, then you might as well -- if you can get the Phillies to build a ballpark, build it at the riverfront, at the Schmidts Brewery site, and provide shuttle transportation from there. You'd

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2 have to anyway. We have a great Phlash bus
3 service, which, I'm sure, could be better
4 utilized. Let's go for that.
5 Anyway, thank you very much for your
6 time and attention.
7 (Applause.)
8 MR. BUTLER: I strongly urge City
9 Council to please listen to the people of
10 Philadelphia and not spend any of our tax money on
11 stadiums. Spend it where it belongs -- on
12 schools.
13 COUNCIL PRESIDENT VERNA: Thank you,
14 Mr. Butler.
15 (Applause.)
16 COUNCIL PRESIDENT VERNA: Good evening.
17 Thank you for your patience. Please identify
18 yourself for the record.
19 MR. TRINSEY: Jack Trinsey, Council
20 President and Councilmembers.
21 May I put these two exhibits up,
22 because I'm going to leave them here. I don't
23 need an easel. They could just be put on either
24 side there.
25 COUNCIL PRESIDENT VERNA: Sure.

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2 MR. TRINSEY: Council President, I sit
3 before you with 50 years of construction
4 experience and 40 years as a developer. I have
5 the third proposal for an alternate stadium. And
6 as you can see, I'm proposing to put both stadiums
7 together in, I think, a unique idea, whereby there
8 would be -- and avoid a motel -- or I sent around
9 to Council copies of that last week, and I have
10 submitted a written proposal today.

11 What I'm proposing is that this be
12 built in West Conshohocken, Pennsylvania. And the
13 reason for that is that all of the highways
14 converge at West Conshohocken. If you were to
15 take a look at the Delaware Valley Planning
16 Commission maps, they show a dot for every
17 thousand in population.

18 The center of this whole -- we talked
19 about a 7 million people regional area. The dot
20 is not really in City Hall, it's in West
21 Conshohocken. And a lady that I told that I was
22 going to propose the stadiums to go into West
23 Conshohocken, she said, Oh, boy, that would be
24 wonderful. I would take my children there to that
25 stadium.

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2 So some of the things that are proposed
3 are to meet your budget proposals nowhere near
4 what it costs. There -- the most important
5 ingredient in building your stadium, as a
6 construction man, I can tell you, is your
7 concrete. And if those concrete trucks sit in
8 traffic for a while, they have to be rejected. I
9 watched the Denenhower (ph.) Bridge, where Buckley
10 and Company had to take down a whole pier because
11 it wasn't measured right, 'cause concrete goes
12 stale. I watched the Norristown 202 bridge tear
13 up materials, and they reject them because the
14 State inspectors -- there's something unique about
15 concrete. If it stands too long in a truck, it's
16 rejected, because they don't want the concrete to
17 come down and kill people and so forth. So
18 there's a very strict thing, and I'm sure that
19 that's not taken into consideration with a lot of
20 those costs. So that could be staggering because
21 staggering because of the traffic.

22 But the most important thing is, I have
23 asked the Montgomery County Commissioners to their
24 office to allow me to speak to them on the 29th of
25 this month to support the -- first of all, support

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1 the Chinese, Chinatown situation. I've been going
2 there since I was a boy. And, I tell you, they're
3 the sweetest people. They talked about it earlier
4 today. A young lady got up and said they're the
5 sweetest people -- they are. They're the
6 sweetest, gentlest, kindest people. They make you
7 feel good -- besides having spectacular food, but
8 they're so gentle and kind and try to be helpful.

9 So I was asked by them if I would come
10 and propose these ideas 'cause I've only been in
11 this now two weeks. I was doing other things, but
12 I put my head in this two weeks ago.

13 What desperately is needed is for
14 somebody for me to talk to. I went to the Mayor's
15 Office, I went to the Phillies, and went to the
16 Eagles' office. They were very kind and gave me a
17 pat on the back and said, Listen, we can't do
18 nothing until we hear from the Mayor.

19 COUNCIL PRESIDENT VERNA: What would
20 the cost of the stadiums at this location be?

21 MR. TRINSEY: I would say that from my
22 estimate -- for instance, the parking garage, I
23 heard testimony, at \$20,000 a car. I've got a
24 first-class contractor, a union contractor say
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2 that those garages up on the site would cost
3 \$10,000 a car. I believe that that would be in
4 your original budget of \$3 million or so for the
5 two stadiums, or \$3.5 million, but it needs work,
6 it needs work. You can't expect a 73-year-old guy
7 to stay in here and tell you what this is going to
8 cost. I've only been in it now ten days or two
9 weeks.

10 If I had some cooperation from Council,
11 that I could talk to people, or they would give me
12 plans, or that I was allowed to go to the Eagles
13 and to the Phillies, I would be able to come up
14 with those costs. I would donate my time. I'm
15 not asking for any money. In fact, I'm starting
16 to get funded. My children gave me on Father's
17 Day \$100. Next Tuesday, I'm going to Chinatown,
18 at 12th and Market, with cello, playing the cello,
19 with a tin cup. Maybe I need a bucket, but I'm
20 going there with a cup. So I'm willing to help.

21 The most important thing you need now
22 is, if not Chinatown, where? Because I'm very
23 experienced in the court, and the court is going
24 to say to the Chinatown people, All right, we
25 agree with you, we're not going to build that in

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Chinatown. But where are you going to put it?
And somebody has to have the answers for that.

And I'm saying I heard two other
proposals tonight -- the Schmidts and the 30th
Street Station. So would you allow a third horse
in the race because you could share in the profits
there. It's all wide open. You could get money
from --

COUNCIL PRESIDENT Verna: Is this in
the Philadelphia area, sir?

MR. TRINSEY: It is not in the
Philadelphia area, but that doesn't stop -- that
doesn't stop your cooperation. It's just minutes
away from the Philadelphia area, but a -- a --
there's no question that the State subsidy would
be transferrable there if the City agreed to it,
and I'm going to go see the Montgomery County
Commissioners.

What we're trying to do is, can't we
all get along together? This is a beautiful spot,
which has all the major transportation arteries
that takes care of it -- public transportation,
the Blue Route, everything is there. Both
stadiums could handle it, and with it tying the

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two stadiums together, nobody's tried that before, and I feel very confident that something could be worked out. The City would own a part of it, could own all of it, and you could share in it, in the profits. And there's going to be other office buildings to go up there.

I've brought these two -- these are my last two exhibits to show you that there are buildings going up in there, and there's enough property around there for the buildings.

And here's another map I did of the -- I scribbled this map myself to show you the area of roadways.

Now, there's one thing more that I want to take as a developer. You're sitting on one of the most valuable pieces of real estate in America with the area around South Philadelphia where all of the land is concerned. Now, I'm not an expert in that --

COUNCIL PRESIDENT VERA: What land?

MR. TRINSEY: I'm not --

COUNCIL PRESIDENT VERA: What land are you referring to?

MR. TRINSEY: The stadium lands and all

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1 that ground right down to the Delaware River,
2 there's an issue of dredging five more feet from
3 the Delaware River so the big ships can come in
4 here for docking, which is a major, major function
5 in this world for Philadelphia because of the
6 world trade that is going through now. And that
7 area -- I worked seven years with the DEP, and I
8 got an approval. I worked three-quarters of a
9 mile of riverfront in the past seven years, and I
10 got approval from the DEP.

11 The thing that's in the bottom of the
12 Delaware River should be tested on a small basis
13 to see if it's contaminated, whatever it is. And
14 it may be able to be spread on those flat lands
15 that you have down there and the sun would kill
16 that maybe, because you see on that picture, there
17 are beautiful industrial parks up in King of
18 Prussia, and you could make that place down there
19 a gold mine because all the ships could come into
20 Philadelphia at that area, you could have
21 industrial buildings go up there.

22 You're sitting on really one of the
23 most valuable pieces of real estate in the whole
24 world from the stadium down there, all the way
25

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2 down to the river, and all of that flat ground
3 down there, it could be made into one of the most
4 beautiful industrial parks.
5 So what I'm saying -- in three minutes,
6 I can't give it all to you.
7 COUNCIL PRESIDENT Verna: Your three
8 minutes is long gone.
9 (Applause.)
10 MR. TRINSEY: Well, I'm Irish, you
11 know, I can't stop talking.
12 But if the Council would -- I left my
13 messages, and I left with Mr. Kearney in
14 Councilman Cohen's my phone number. If we could
15 get together, I mean, you should have a good look
16 at it. And that's why I'm here tonight.
17 COUNCIL PRESIDENT Verna: Thank you for
18 your patience and thank you for coming in to
19 testify.
20 (Applause.)
21 MR. MCPHERSON: Is Delores Cortizas
22 here? Timothy Hannah, Dr. Sheri Grasmuck,
23 Roseanne Adams, Jean Pan, Ron Hankin.
24 (Applause.)
25 (Witnesses come forward.)

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COUNCIL PRESIDENT Verna: Ron, you too have been extremely patient. Thank you.

MR. HANKIN: Thank you. And you have, as well. You have done very well for us.

COUNCIL PRESIDENT Verna: Thank you.

MR. HANKIN: My name is Ron Hankin. And I live in a historically certified building at 13th and Callowhill. The building is known as "the Beaux Arts Lofts."

I am concerned that the expenditure of funds of more than \$200 million in excess of the amount needed to build a stadium in other locations is a financial mistake, as well as a moral lapse.

Mayor Street says that the 13th to 11th Street location is obviously the best location. By that same theory, one might say a stadium that costs such an excessive amount is obviously the wrong choice.

There are quality-of-life issues that are difficult to put a dollar amount on. Perhaps putting a miniature golf course on the lawns of Independence Hall would be a financial plus for the City, but what a price to pay.

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(Applause.).

MR. HANKIN: There is also the potential costs that would arise due to the loss of revenues, should additional taxes be placed on rental cars and hotel rooms. This approach is in direct contradiction to enterprise zones, where tax credits are given to generate business. Taxes and more taxes may be too much.

This project has the potential of becoming a dinosaur of a stadium with destructive economic and social results. The Chestnut Street return to a normal use may be a warning to all of us of the potential dangers that may occur as a result of planning missteps. Philadelphia is not a walking city. The 40,000 abandoned cars were not left there by pedestrians.

The Mayor would have you believe that this is a blighted area. And, indeed, one may find some properties in need of renovation. However, there is a surge of investment and growth in and around this site. One must ask the question, If this is a blighted area, why then is the most expensive location?

(Applause.)

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2 MR. HANKIN: When I spoke to my
3 attorney concerning the potential condemnation and
4 reimbursement costs, he told me that there was no
5 case law established on the destruction of a
6 condominium complex. The loss of revenues from
7 these properties and the potential future
8 development must be calculated into the cost of
9 this location, as well as a loss of prestige to a
10 city that turns against some, and in so doing,
11 perhaps all of its taxpaying citizens.

12 In Los Alamos, government officials
13 started fires that resulted in the destruction of
14 250 homes. With all due respect to Councilman
15 DiCicco, Councilman DiCicco has started, with
16 Mayor Street, a chain of events that may result in
17 the destruction of our homes. There is a
18 difference between a tragedy in New Mexico and
19 that which is about to happen in Philadelphia.
20 The victims in Los Alamos will get their insurance
21 money and their government money, and they will
22 return to rebuild their homes. If you take our
23 homes, you will also be taking our history, as we
24 will have no place to return.

25 And we turn to you, you who have the

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2 power to save our homes and Philadelphia from this
3 13th Street stadium, an unlucky stadium --
4 (Applause.)
5 MR. HANKIN: An unlucky stadium that
6 brings it costly social and economic
7 consequences.
8 Thank you.
9 (Applause.)
10 MR. MCPHERSON: The next three names
11 are Johansen Liong, Joe Morgan, and Linda Chung..
12 COUNCIL PRESIDENT Verna: While they're
13 approaching the witness table, a number of people
14 were here and did have to leave. However, they
15 did leave copies of their testimony, which will be
16 circulated to the Members of Council, and a copy
17 will be given to the stenographer, and the
18 testimony will be transcribed in full.
19 MR. MCPHERSON: Dom Giordano, Leona
20 Smith.
21 (Witness comes forward.)
22 COUNCIL PRESIDENT Verna: Good
23 evening. Please identify yourself for the record
24 and proceed with your testimony.
25 MR. GIORDANO: Dom Giordano, talk show

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host at 1210 AM radio in Philadelphia, WPHT.

(Applause.)

MR. GIORDANO: Thank you. 3 till 5 in the afternoon.

It's a great honor to see -- a pleasure to see so many people still here and to see the diligence particularly I know that Councilman Cohen is involved with in these hearings today and President Verna.

I came down here, didn't go home and change, at the behest of Shoshana Bricklin, to kind of make a statement in my sweat and filth, coming from a baseball game at Mt. Airy Little League, where we won tonight in quite a game, to make the statement that this is where we believe sports in the City should be.

(Applause.)

MR. GIORDANO: Where our kids, my kids and, as you know, my father in South Philadelphia, with some resources from the City, have been able to raise generations of children.

Now, on my radio show both at WWDB and WPHT, I've had on the experts that Councilman Cohen brought in earlier today, and I have found

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1 these men to be brilliant in their assessment --
2 maybe because agree with me -- that without a
3 doubt, the stadiums -- or "stadii," as I call them
4 -- are not about economic development. And I
5 would tell everyone here assembled, I have not
6 seen, in the 12 years I've been doing talk radio
7 in Philadelphia, an issue where we begged to get
8 someone to call in that would be pro-stadium to
9 fund this, and this is way before what we started
10 to hear in the last few days and the testimony
11 today. It was running literally 100 to 1.

12
13 Now, I am not an expert in stadiums,
14 stadium economic development, and all of that, but
15 I've kind of educated myself and I have a big
16 mouth so I've talked about it on the air, and
17 after listening to the experts, after hearing
18 public opinion on this, I would tell you
19 point-blank that members of Council are running a
20 real risk if they go forward with some of the
21 plans that we've heard discussed at 12th and
22 Vine.

23 (Applause.)

24 MR. GIORDANO: What I do think I have
25 expertise in is, what is the public saying or

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2 doing at any one point, because we have 14 phone
3 lines at the radio station, e-mail, faxes, and all
4 the rest of it, and people call in that disagree
5 on just about anything.

6 They don't call in and disagree on the
7 stadium. About the best that I hear is, we hear
8 people saying, we want to do the right thing by
9 the Phillies and Eagles, we want to be fair to
10 them, but we do not -- we do not want to sign a
11 blank check.

12 And I will tell you this. I have a
13 lawsuit that still is in the State Supreme Court
14 that will come down in September that may make
15 your job easier. We've got two jobs at the
16 Superior Court level to agree that the State
17 funding of the stadium is unconstitutional.

18 (Applause.)

19 MR. GIORDANO: Now, I realize --

20 COUNCIL PRESIDENT VERNA: Could you
21 elaborate on that lawsuit?

22 MR. GIORDANO: Yes. The lawsuit is
23 stating that the State can make a grant to of
24 money to Jeffrey Lurie, Bill Giles, and the people
25 up in the Pittsburgh, but they cannot give them a

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1 loan. A loan is unconstitutional. Judge Doris
2 Smith called it "a groan" in the papers. That's
3 basically what they've come up with.

4 And she also, Judge Doris Smith, I
5 believe, about the highest-ranking
6 African-American judge, one of the highest in the
7 state, that this is outrageous that we are paying
8 millionaire ball players, we're debating this,
9 we're holding up hearings on this while we have so
10 many other crying needs.

11 (Applause.)

12 MR. GIORDANO: The issue -- Council
13 President and Mr. Cohen, I'd be happy to provide
14 documents on this -- basically in a nutshell says,
15 what our legislature did was, they superceded the
16 law, they even said they had the power to make it
17 up. And they did this in the middle of the night.

18 So I believe that that is one area that
19 City Council ought to take a look at as we get
20 into these discussions and the intensity that is
21 on you to make a just decision. And this will
22 only increase because several state legislators
23 told me the pressure was more unrelenting than any
24 issue they've ever been involved in.
25

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2 And with that, I'd like to not take any
3 more time because I know there are plenty of
4 people here tonight. I am very heartened and will
5 report back tomorrow that this is a great moment
6 in Philadelphia, whatever happens, that people are
7 out here at 9 o'clock on a summer night with their
8 kids. You're taking the time to listen to people
9 like me coming in filthy from the ball field to
10 tell you what I think and what the public thinks
11 about this. And for that, I'm very, very happy.

12 Thank you.

13 COUNCIL PRESIDENT VERNA: Thank you.
14 Thank you very much for coming in and thank you
15 for your testimony.

16 Councilman Cohen?

17 COUNCILMAN COHEN: I hope you keep up
18 your good work in attempting to listen to
19 Philadelphia, have them call in, and voice their
20 opinions. It's extremely important that this be a
21 dialogue amongst all Philadelphians.

22 MR. GIORDANO: Well, I would send one
23 warning. I am very, very conservative. When
24 David L. Cohen, Angel Ortiz, and Dom Giordano are
25 on the same side of an issue, there's going to be

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hell to be paid if you go against that.

(Laughter.)

(Applause.)

MR. MCPHERSON: Michael Tran, Randy Kester, John Morley.

(Witness comes forward.).

COUNCIL PRESIDENT Verna: Good evening, Mr. Morley, how are you? Would you please -- would you be brief, please.

MR. MORLEY: I will. Thank you. And thank you, Councilman Cohen, for prompting the resolution to provide this hearing.

My name's John H. Morley, Jr., M-O-R-L-E-Y. I live in South Philadelphia.

I oppose the use of taxpayer money being used to construct sports stadiums.

On May 15, 2000, I attended the EPOP meeting at Kensington Church. At this meeting, a high school senior told Mayor Street that he is taking drafting classes, yet has never used a computer in school. If this is true, the School District of Philadelphia is failing to educate, and this Council should focus its energy on the School District, not a socialistic handout to

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sports franchises.

(Applause.)

MR. MORLEY: I took drafting classes in school, in high school, and was able to get a job after graduating from high school. But in 2000, if a high school student who wants to draw can't use CAD, he will not get a job.

In 1996, Standard & Poors did an industry study and determined that Americans spend only 1 percent of the money set aside for entertainment for a sporting event ticket.

I have conducted a Web site poll and an oral poll of my community and found that 98 percent of the people who took part in my polls opposed the use of taxpayer money being used to construct stadiums.

(Applause.)

MR. MORLEY: In addition to the pro baseball stadium in California being built privately, a pro football stadium was built privately in Maryland and Florida.

Groups have formed throughout the country in opposition to stadium taxes: Pittsburgh Against Stadiums Subsidies (PASS),

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Citizens Opposed to Stadium Taxes (COST), Voters
Against Stadium Taxes (VAST), and Grassroots
Against Government-Mandated Entertainment (GAGME).

This issue is an opportunity for
Council. This issue is an opportunity for Council
to change the population decline. It would be
headline news throughout the country if this
Council has the courage to prevent Philadelphia
tax money from being used to construct stadiums
and to return the \$170 million of Pennsylvania
taxpayer money committed by Harrisburg.

Many Philadelphia citizens considering
leaving would regain their faith and trust in
local government. Those fiscally conservative
people in other parts of country would be
encouraged to move here.

That's the end of my statement. Thank
you.

(Applause.)

MR. MCPHERSON: Marc DeBeary, Andrew
Terhune, Todd Schwartz.

(Witness comes forward.)

COUNCILMAN COHEN: The wave from next
speaker represents the fact that we know him

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1 well. His father was Councilman Herb DeBeary.
2 We're very glad to see you.

3 MR. DEBEARY: I appreciate it,
4 Councilman Cohen. First it's good for me to just
5 say that I'm very happy to see some hard-working
6 Councilpersons. It makes me start to believe that
7 when I cast my vote, I voted for individuals that
8 actually work, and so I'm glad to see that.

9 I have a brief statement here today.
10 What has brought me here -- I'm Marc DeBeary, for
11 the record. And what has brought me here is that
12 I'm a resident of the City of Philadelphia and
13 I've been so for the last 20 years or so. And
14 when I first heard about the City entertaining the
15 idea of constructing stadiums for these athletic
16 teams, I became very appalled, very appalled, to a
17 point where I had to write my Councilperson, and I
18 more or less took it out on her. I think that was
19 unfair.
20

21 I think that this hearing is really
22 appropriate because it allows me to bring forth
23 what I think the situation is and what this City
24 Council has to deal with.

25 About eight and a half years ago, this

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Council had a serious fiscal problem, a serious fiscal problem, where a lot of these individuals who are working in City Council had to make some hard decisions, some very hard decisions. A lot of people had to pay the price for that.

I, living in East Germantown, we had to pay the price there. We have a recreation center there that is deplorable, deplorable. When I say "deplorable," deplorable. For six years, that recreation center has been going under an enormous amount of conversations about how it was going to get fixed how and it was going to get repaired. Just recently, I hear that they're going to start the construction.

To give you another example of why I became very appalled. I have a swimming pool at the Awbury Recreation Center that has a tree literally growing off the sidewalks of it, a tree, literally off the sidewalks, it's growing. I became upset about that. So that's why I wrote the letter to my Councilperson, and she's doing what she can.

But I want this Council to realize that whatever decision you make is going to have an

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1 impact on all of us. Soon, if not yet now, and
2 you have some serious union contract
3 renegotiations going on. Everyone has a claim to
4 the surplus which exists in the City Treasury,
5 everybody has a claim. Even I have a claim to it.

6 So what I suggest is that we don't use
7 a nickel for the stadiums unless -- the key word
8 is "unless," because you have to make a decision
9 here. The City has to find ways to find more
10 sources of revenues. We have a burden of
11 problems.
12

13 As I did my research on this issue,
14 every city throughout the country has gone through
15 these kind of hearing processes and have the same
16 issues. Schools aren't working, schools need
17 funding, recreation centers are falling apart.
18 The same issues we have, other cities have them.

19 So I say here today to City Council,
20 entertain the idea, but don't spend a nickel
21 unless the City of Philadelphia reaps the
22 benefits, meaning the community first.

23 Nine and a half years, we didn't have
24 this Center City. Center City has taken all of
25 the benefits. Now it's time to concentrate on the

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1
2 communities.

3 (Applause.)

4 MR. DEBEARY: And I ask you, City
5 Council, I'm sure you'll do it, please, please
6 make the City of Philadelphia be first.

7 And I appreciate your time, and please
8 accept my written statement and make it as a part
9 of the record.

10 I thank you for your time. Thank you.

11 COUNCILMAN COHEN: Thank you very, very
12 much.

13 (Applause.)

14 MR. MCPHERSON: Todd Schwartz, Greg
15 Pastore, Tyrone Johnson, Ann Dixon.

16 (Witness comes forward.)

17 MS. DIXON: I'm Ann Dixon of West
18 Philadelphia. I am here to tell City Council and
19 Mayor Street to not approve the building of the
20 stadium at 12th and Vine Streets.

21 During the past ten years, many cities
22 have built stadiums. So fortunately for us, we
23 don't have the to make guesses about the result of
24 funding such expensive endeavors. Expensive new
25 stadiums are touted by some politicians as being

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economic boons, but their costs far outweigh any gain.

In his book *There's Nothing in the Middle of the Road but Yellow Stripes and Dead Armadillos*, Jim Hightower relates true-life stadium stories.

Dade County, Florida, built a \$53 million for basketball and hockey around 1988. The owners said there weren't enough sky boxes, so the county built a \$212 million hockey stadium and a \$210 million basketball stadium. Thus, local taxpayers were left owing \$38 million in bonds on the old arena.

Art Modell made a deal in 1995 to move the Cleveland Browns to Baltimore. Modell was promised a \$20 million new stadium built by the state and leased rent-free. He received millions for moving expenses and got many other perks. Governor Glendening and the legislature took money out of the state lottery revenues, imposed a new tax, and tapped other state funds. Some legislators thought the money would be better spent on schools. Art Modell said, and I quote, "I feel for the schools, but look at the positive

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2 of pro football on a community, the emotional
3 investment of people at large. You can't equate
4 that with fixing up the schools."
5 Well, here we are in Philadelphia,
6 facing the same issues. People of Chinatown have
7 made it clear that they will not benefit
8 economically or in any other way by the stadiums.
9 And our schools, of course, are in dire straits.
10 We can't afford to build at 12th and Vine, the
11 most expensive of the proposed sites.
12 Mayor Street and City Council can
13 listen to reason and decide not to build at 12th
14 and Vine. Thus, the Mayor will be known as "the
15 mayor who helped neighborhoods."
16 (Applause.)
17 COUNCIL PRESIDENT Verna: Karen Bygott,
18 Elvin Pedilla, Calvin Sun? Is Calvin Sun here?
19 (No response.)
20 COUNCIL PRESIDENT Verna: Sidney Lee?
21 (Witness comes forward.)
22 COUNCIL PRESIDENT Verna: Jessie
23 Gardner will be next.
24 Good evening, Mr. Lee.
25 MR. LEE: Good evening, Council

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1
2 President. I want to thank you again and other
3 members of Council for being patient and for
4 allowing everyone here to speak. I've prepared
5 letters for everybody. I'll try to keep my
6 comments as succinct as possible.

7 My name is Sidney Lee. I am here as a
8 lifelong resident of Chinatown. I reside with my
9 family on the 200 block of north Clifton Street,
10 which is one block south of the proposed site of
11 the stadium at 11th and Vine.

12 I'm opposed to the stadium for two
13 reasons: One, cost; and, secondly, location. Two
14 reasons, while separate, do enhance one another in
15 order to arrive at the same conclusion, that the
16 site chosen at 11th and Vine is a great mistake.

17 Firstly cost. Initial cost, as
18 outlined by the Stadium Committee, was
19 \$545 million. Yet, an analysis initiated by State
20 Senator Fumo and directed by State Senate budget
21 expert Randy Albright, the final cost will be
22 \$125 million more, or \$670 million.

23 Baseball season consists of about 80
24 games. If you divide it by the cost, a single
25 game would cost around \$8.3 million. To date,

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these are the only real figures about the stadium costs. And if accurate, this stadium will be the most expensive stadium built in the country.

Secondly, location. There have been mentions in the media pertaining to the stadium site and its location individuals involved in selecting the site have referred to it as the Vine Street and 12th and Vine sites as opposed to the Chinatown site. As been said, it's adjacent to Chinatown and not actually within Chinatown. Well, as someone who lives around the corner from that site, I can assure you that area is indeed a part of Chinatown. The site should be referred to as such, or perhaps as the 11th and Vine site, since that is where the eastern boundary of the stadium will begin.

The site in Chinatown has the potential to expand several times its present size, but it would be impossible if the stadium went up. The only direction left for the community to grow is northward, exactly where the site in question is.

There can be parallels drawn between the stadium and the Convention Center. The Convention Center was a civic project. It

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1 stretches from 11th to 13th Streets. The
2 Convention Center Committee claimed that it would
3 benefit the surrounding community. Blocks of
4 houses and businesses were razed to create this
5 giant edifice, the great white elephant. There
6 were no jobs created for the community, and I
7 personally have yet to notice how this center
8 benefitted Chinatown in any way whatsoever. The
9 Mayor's statement that Chinatown would benefit
10 financially (unintelligible) the Convention Center
11 essentially reduces it to nothing more than a
12 collection of restaurants. This was exactly the
13 same argument given when the word "Convention
14 Center" is exchanged with "baseball stadium."

15 One block east of 11th and Vine Street
16 is Holy Redeemer. It's a combination of church
17 and school that has been in existence for close to
18 60 years. The importance of this institution
19 cannot be understated. It is the center of
20 Chinatown. The surrounding community educates
21 their children there, attend Catholic mass, and
22 have weddings and funerals. Close proximity of
23 the stadium to Holy Redeemer is appalling. The
24 (unintelligible) created by a ballpark is not in
25

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any way conducive to teaching children or a house of worship, as would any type of entertainment complex.

Utter disregard for the school children and the church displayed in choosing the 11th and Vine site has yet to be addressed by the Stadium Committee. It's almost as if Holy Redeemer failed to register in the grand stadium equation.

Five weeks ago, I attended a funeral of a close family friend whose service. Whose service was held at Holy Redeemer. The funeral procession started around noon. As we drove along Vine Street past the stadium site, I was forced to visualize what our procession would be like if we were to contend with cars jamming up the expressway on game day. The dead would have to wait a little longer to arrive at their final resting place because of a traffic tie-up or accident.

I feel that I am being forced to justify my existence since I refuse to accept the stadium with open arms. There are not mathematical equations that can convince me as a voter that taking away my tax dollars to fund a

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1 stadium will help me or should be a top priority.
2 I should be able, as a resident, to hear the
3 justification given to spending public money on
4 stadium which only benefits private industry. Yet
5 I am here presenting my thoughts on the matter
6 while the Stadium Committee believes that it will
7 benefit the City as a whole. This belief has
8 convinced our mayor that it is the route to go.

9 The schools are falling apart, the gas
10 utility is in utter disarray, we have Local 33
11 going on strike due to insufficient funds, the
12 City will begin to stink in more ways than one. I
13 respect our mayor's stubbornness on issue, and in
14 turn, he should respect the community's
15 stubbornness by refusing to bend over for the
16 City's wishes. This feels like another empty
17 promise and (unintelligible). This stadium will
18 be the straw that broke the camel's back. Now
19 that this camel's back is broken, corrective
20 surgery will not be an option. The back will
21 remain broken. The only option left would be to
22 put the camel out of its misery.

23 Thank you.

24 COUNCIL PRESIDENT VERA: Thank you
25

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very much, Mr. Lee.

(Applause.).

COUNCIL PRESIDENT VERNA: Mitch Deighan, Jessie Gardner, and Lou Innocenzi, please approach the witness table.

(Witness comes forward.)

COUNCIL PRESIDENT VERNA: Good evening, sir.

MR. INNOCENZI: Good evening.

COUNCIL PRESIDENT VERNA: Kindly identify yourself for the record..

MR. INNOCENZI: My name is Louis J. Innocenzi, and I'm honored to speak for a civic action group, the Simon Agape Club. Several of our distinguished members who could probably present this better than I are here: Jesus Garsett (ph.), who was a man very involved with anti-violence; Ron Greenwald, who's a civil activist, very interested in Philadelphia; and, of course, Richard Meston (ph.), who is distinguished member of our group.

I'll be brief. I want to thank you, honorable and esteemed members of Council for allowing us to speak and to put the time in here.

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1
2 Neighborhood development is the deeper
3 issue we need to debate over stadiums. Is it not
4 about time to distribute City funds to all
5 sections of the City now that the major projects
6 of Center City restoration have been completed?
7 Did not past Mayor Rendell say that he wanted to
8 develop the rundown neighborhoods of the City but
9 was unable to get them? And has not Mayor Street
10 promised to try to obtain \$250 million to develop
11 the neighborhoods? Would it not be a good idea to
12 provide tour buses to the visiting delegates from
13 the National Convention to see with their own eyes
14 the squalor and rubble in vast areas of our great
15 city, to convince them, and maybe our ourselves,
16 that we cannot abandon vast areas of our city and
17 our country and large numbers of American
18 citizens, without dire consequences to our great
19 country?

20 Looking deeper, does not the
21 abandonment and neglect of our city's
22 neighborhoods constitute a violation of human
23 rights, even though there has been some success in
24 achieving civil rights?

25 What are the fundamental human rights?

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1 They are forever enshrined, of course -- not to
2 give you a lesson in kindergarten democracy, but
3 they are forever enshrined in the Declaration of
4 Independence and the Constitution as well as many
5 laws and court decisions throughout our great
6 history. But they must be implemented in each
7 generation with great vigilance and struggle.

8 The fundamental human rights are the
9 right to life, liberty, and the pursuit of
10 happiness. But in order to bring these ideals
11 into reality, economic and racial justice must be
12 achieved. All people have a right to a life that
13 provides the basic necessities such as food
14 clothing, shelter, education, health care, a safe
15 environment, and economic security.

16 You might say this is impossible. But
17 if you think that, then the America of Washington,
18 Jefferson, Lincoln, FDR, John Kennedy, and Dr.
19 Martin Luther King, and every American who has and
20 is making a contribution to this, our great
21 experiment in human dignity and free government,
22 then it is not possible.

23 To achieve these inalienable rights, we
24 all have to do our part, as we are attempting to
25

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2 do in this hearing today. In economic life, the
3 free market has a clear advantage, but government
4 has the important responsibility to keep it fair,
5 and this duty cannot be left to voluntary groups
6 which are also vital to the economy. The City
7 government as well as the State and federal
8 governments, have a moral obligation to help
9 assure opportunity for the people, meet basic
10 human needs, and pursue just in economic life.
11 COUNCIL PRESIDENT Verna: Excuse me
12 sir, do you care to summarize?
13 MR. INNOCENZI: Yes. I just have two
14 pages.
15 COUNCIL PRESIDENT Verna: Thank you.
16 MR. INNOCENZI: I don't have extra
17 copies. I will make them available, but I won't
18 read the last page, not to belabor --
19 COUNCIL PRESIDENT Verna: If you will,
20 sir, you can conclude. And if you'll give someone
21 a copy of your testimony --
22 MR. INNOCENZI: I need to make copies.
23 My computer broke down.
24 COUNCIL PRESIDENT Verna: We'll make
25 the copies for you.

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2 MR. INNOCENZI: I will send it to you
3 and the Council.

4 The sum up, there's a great deal of
5 human rights being violated in our city and in our
6 country, and there's a great deal of economic
7 injustice, and there's a great deal of the
8 remnants, I believe, of racism. And I hope that
9 we can all begin to go deeper yet, that some of
10 the causes and roots of the violence in our
11 society are because of these injustices.

12 And we will be hoping that all of you
13 -- you have such a tough job. We wish you well,
14 you have our support. Thank you for allowing us
15 to participate. And that's it.

16 COUNCIL PRESIDENT VERNA: Thank you.
17 Thank you for your patience.

18 (Applause.)

19 COUNCIL PRESIDENT VERNA: Ken Heard,
20 Marilyn Kirsch, Rebecca Ang.

21 (Witnesses come forward.)

22 COUNCIL PRESIDENT VERNA: Good
23 evening.

24 MS. KIRSCH: I'm Marilyn Kirsch and I'm
25 in your district.

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COUNCIL PRESIDENT VERNA: Very good.

Welcome.

MS. KIRSCH: Over the past few months, my husband has been recruiting people for six new positions opening up at Temple University. Of the many candidates interested in the position, not one has chosen to look for housing within the Philadelphia City limits. The one and only reason that they do not want to live here is the poor quality of the public schools. Not one candidate has expressed any interest whatsoever in the fact that Philadelphia has major sports teams, not one candidate has asked about the condition of our stadiums, or where the teams play.

(Applause.)

MS. KIRSCH: One candidate from Tampa did tell us that in Tampa, the publicly funded stadium has been a fiscal disaster and the city is still in debt because of it.

If these people were to move to Philadelphia instead of the suburbs, not only would they be paying more taxes here, but they would be shopping and making use of City businesses, and in many over ways, spending money

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2 in the City, thereby adding to the common wealth.
3 If the Mayor and the City Council made
4 the public schools of Philadelphia their priority
5 and spent our limited resources on the schools for
6 our children -- and I have no children, so I'm not
7 doing this selfishly -- who are our future, then
8 Philadelphia would truly experience the economic
9 boom that's so falsely promised by this short-
10 sighted idea of a publicly funded stadium for
11 privately owned wealth.
12 COUNCIL PRESIDENT VERNA: You've been
13 extremely patient and I want to thank you for your
14 testimony. Thank you so much.
15 (Applause.)
16 MR. MCPHERSON: Gary Lee, Richard Pan,
17 Lula Bell Hardman, Amy Hom-Burch, Tina Hom, Mae
18 Laster, Yay Yee Law, Brendan Kelly, Albert
19 Seawright. And that's it.
20 COUNCIL PRESIDENT VERNA: Is there
21 anyone else who would like to testify?
22 UNIDENTIFIED AUDIENCE MEMBER: Yes.
23 COUNCIL PRESIDENT VERNA: All right,
24 one at a time. The woman here in the first row
25 with the glasses.

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(Witnesses come forward.)

COUNCIL PRESIDENT VERNA: Good

evening. I'm sorry if your name wasn't called. There are different lists going, so your name may have been on one of the lists.

MR. ZWICK: Yeah, okay, 'cause I've been waiting all evening actually.

COUNCIL PRESIDENT VERNA: I'm sorry. Kindly identify yourself for the record.

MR. ZWICK: My name is Stephen Zwick. I'm a architect in Center City. I sit on the Urban Affairs Committee at the AIA, which is the American Institute of Architects. In prior positions, in earlier firms, I've designed most of the United Artists theaters in this area, including the original design of Riverview and the one up in Manayunk. I also designed the Maui Club and a number of other entertainment venues.

One of my current clients is Electric Factory concerts. I design all of their facilities and including what was going to be the expansion of their office at 1231 and 1233 Vine Street. Because of my relationship with the Electric Factory and my design work in that area,

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1
2 I have visited that area frequently, traveling
3 through a number of the little back streets in a
4 search for free parking, which, in essence, gives
5 me a little bit of familiarity with the specific
6 site.

7 But before I get into that, I wanted to
8 look at quite real quickly some of the issue that
9 is were raised by some of the earlier witnesses.
10 In regards to financing, I think there were some
11 particular good issues raised per the notion of
12 the City reaping some of the rewards if the
13 stadium and the team is sold, therefore realizing
14 some of the capital gains.

15 In terms of economic impact, I think
16 the economist who made his presentation, he
17 presents some (unintelligible) in such a way that
18 he uses whatever parameters support his
19 hypothesis. I think DiCicco made some good
20 counter-arguments in terms of the slice of the
21 leisure dollar, and I think some of his arguments
22 were hypothetical. And as he said himself, you
23 have to look at each stadium situationally.

24 I grew up in Chicago, north of Chicago,
25 and I grew up going to Wrigley Field, meaning that

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I enjoyed going to baseball, until I got to Philly. I've been to the Vet once and I will never go back.

In terms of -- therefore, in terms of the leisure dollar, with 80 percent of the people coming currently into the City for games in South Philadelphia, some of those same people, if they stayed after work, ate downtown, and went to a ball game, would not be taking their dollars back to South Jersey, back out to the Main Line or other communities, and would still continue to spend those leisure dollars here, rather than at bowling alleys outside the City. I don't know where there's a bowling alley in Center City, to be honest with you.

In terms of the first witness who spoke about the limited uses of garages, with the expansion of the Convention Center garage space will serve a daytime function for that expanding Convention Center and some of the hotel uses. And the way that you would be able to price parking -- if you priced parking in such a fashion -- for example, if you made with your ticket as validation at the 15th and Vine Street location,

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you can intercept traffic and charge a cheaper rate, which could, in turn -- the way in which garages operate, it could mitigate the traffic impact upon the area.

And, also, in regards to some of the issues in terms of additional infrastructure costs, if that area is to be developed, the trellises have to come down irrespective of whatever use is going to be there. The trestle of tunnels, particularly the one on Carlton Street right now is used as a dump. It's an unsafe condition, as are the conditions where it transforms into a metal structure that creates strange configurations. Without removing those, development in that region is severely limited. So in some ways, placement of a stadium at that location facilitates development rather than prevents development or inhibits development.

Now, Philadelphia has one notorious distinction, in that according to several studies, that it leads the nation in abandoned properties. Nearly 27,000 abandoned properties and 30,000 vacant lots. If you drive through that area along Callowhill, you'll find a fair number of those

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properties up in that region. Using a park as a catalyst could, with the relocation and changes done to the infrastructure, allow for development into the adjacent area, thus consolidating and eliminating some of those abandoned properties.

Now, in terms of what's the rage in architectural theory, there's a theory called "new urbanism," where you're trying to create a 24-hour city, allowing for a lot of different usages and opportunities and different venues, where other new cities are trying to recreate what the City of Philadelphia already has in terms of walking proximity to venues.

And so I have -- you know, so, I mean, there's a lot of -- there's a lot of reciprocity and synergy that's created by having it in proximity to the Convention Center and the existing hotel and neighborhoods.

Now, in regards to the point on Chinatown, which will be my last point, okay, 'cause I know there are still people who want to talk.

COUNCIL PRESIDENT VERNA: There are other people that want to be heard. You've gone

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2 beyond your three minutes, sir.
3 MR. ZWICK: Yeah. I looked -- you
4 know, I go to Chinatown, I appreciate Chinatown.
5 I was an Asian studies minor, so for whatever
6 that's worth.
7 (Audience jeers).
8 MR. ZWICK: I walked through -- I drove
9 through Chinatown at night, I walk through it
10 during the day, I looked at how Chinatown is --
11 what -- how Chinatown is currently developing.
12 Are there vacant lots, are there underutilized
13 properties, are there buildings that can be still
14 converted, can there be development within what is
15 perceived to be Chinatown to infill that allows
16 for growth without expansion or sprawl? I looked
17 --
18 (Audience jeers.)
19 COUNCIL PRESIDENT Verna: Please,
20 please.
21 MR. ZWICK: I'm saying stuff that's not
22 popular, but --
23 COUNCIL PRESIDENT Verna: That's fine,
24 you have the right to say what you feel. That's
25 what these hearings are for.

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2 MR. ZWICK: There were a number of
3 lots, I can cite a few of them, that are -- that
4 could be developed, there are a number of
5 buildings that could be developed for increased
6 residencies, increased density. It's in a urban
7 environment.

8 The property that is a very nice
9 expansion at Eighth Street is a quasi-suburban
10 development. It turns its back on the streets,
11 it's not of sufficient density. You could have
12 looked at different (unintelligible), and it's --
13 you know, there are a lot of ways in which we can
14 maximize what we have there and achieve many
15 different goals simultaneously.

16 And on that, I'll summarize. I
17 previously gave you a paper. I don't know if you
18 received it, I dropped it off at your office last
19 week.

20 COUNCIL PRESIDENT Verna: We probably
21 did. Yes, I do recall seeing that.

22 MR. ZWICK: Okay, thank you.

23 COUNCIL PRESIDENT Verna: Thank you so
24 much, and I'm sorry about the delay.

25 MR. ZWICK: Okay, not a problem.

(Witness comes forward and distributes

COUNCIL PRESIDENT VERA: Please

MS. VAN SCHAICK: My name is Elizabeth

Callowhill Street, the Beaux Arts Lofts.

is just to say that with this 12th and Vine

forcibly raze and rebuild in a populated area as a

he just brings all the pieces, they'll all fit

playing with Leggo blocks; he's playing with

I want to make sure that included

literal loss of homes and live development and the

that these pieces don't all fit together. A city

Mayor Street still insists i

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Well, it doesn't work for me, it doesn't work for my neighbors, and it doesn't work for Philadelphia.

I'm here today to make sure that you're aware of how this proposal impacts average people like me, who now find themselves literally within the demolition zone. I own a unit Beaux Arts Lofts on the corner of 13th and Callowhill Streets. I just settled on my condominium on April 15th, not knowing this corner had been considered as a stadium site, let alone that such a plan would become serious. I could easily have stayed in the suburb of Wayne, but I wanted to move into the City because I have friends here and because I wanted to take advantage of the attractions and the organizations that the City offers.

I believe the previous administration and the current administration wanted to attract more young people and young professionals and creative people to the City. I, and most of the people in my building, chose the Beaux Arts Lofts precisely because it is a refurbished warehouse loft building in this convenient location. I

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1 chose it because it's not an overpriced Society
2 Hill or Old City building and because I received
3 indications that this area would develop favorably
4 within the next few years, possibly along the
5 lines of a more affordable Old City or Soho.

6 I was very excited. But what was my
7 first experience in the City? I met my new
8 neighbors for the first time at the unfolding of
9 this crisis, and I was sucked into a campaign to
10 fight the destruction of my building. This means
11 that while this stadium escalates or resolves
12 itself, I cannot invest in the improvements I had
13 planned, so I can't even move in.

14 Is the City of Philadelphia telling us
15 that anywhere we choose, a warehouse or factory
16 building in a less polished neighborhood, we can
17 be bulldozed at any time for the next hot
18 installation?

19 In short, I object to the condemning
20 and razing of a thriving building and the
21 destruction of live plans for additional
22 residential development. That is a debris pile, a
23 storm of so-called progress I cannot accept. I
24 certainly have no interest in staying within the
25

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City if it means contributing any tax money to this plan.

(Applause.)

MS. VAN SCHAICK: I urge you to reject this proposal at your earliest opportunity so that neither the Council, nor the community, nor the Phillies, are forced to waste any more of our time and resources. We don't need to spend another four months debating the merit of this plan. We in the Callowhill Street area and Chinatown depend on you not to let this succeed as a one-man or one-special-interest crusade.

The country is watching us, and we are not looking like a place that is thinking. That doesn't work for our city. We need to look seriously at other alternatives, such as Liberty Yards and other places -- and fast. If Philadelphia does not get back to thinking of its neighborhoods, if we do not remember baseball as a neighborhood tradition and look for a plan for a stadium that fits in a neighborhood, we're going to look foolish. Now let's take our money and our energy and choose the right pieces and build something that makes sense.

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1
2 Thank you very much for the
3 opportunity.

4 COUNCIL PRESIDENT Verna: Thank you,
5 thank you very much.

6 (Applause.)

7 COUNCIL PRESIDENT Verna: There anyone
8 wishing to testify can approach the witness table,
9 please.

10 (Witnesses come forward.)

11 COUNCIL PRESIDENT Verna: Good
12 evening. Please identify yourself for the record
13 and proceed with your testimony.

14 MS. BIERCE: Good evening. I'm Pamela
15 Bierce, B-I-E-R-C-E.

16 Councilpeople, Anna Verna, David Cohen,
17 Jannie Blackwell, Angel Ortiz, Stan Shapiro, Tim
18 Kearney, Dom Giordano, Frank DiCicco, two clerks,
19 and your name, who I don't know, I super
20 appreciate that you all have made the commitment
21 to be here tonight. I question, where in the
22 world are the rest of the Councilmembers and our
23 mayor who is interested in exploring this plan?

24 (Applause.)

25 MS. BIERCE: As a resident of Park

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Town, over at 22nd Street and the Parkway, I speak for me, although I represent many over there.

I oppose the stadium funding. Like the people of Germantown, I do not want two stadiums. This would undo the Chinese community that has worked so hard to become who they are. If the stadium were to be built in the middle of a predominantly African-American community, such as 52nd and Market or Broad and Erie, I think the response would be the same.

We already have two stadiums in South Philadelphia that the City refuses to maintain or repair. Are we going to build new stadiums that will also be neglected? As a taxpayer, I get no benefit. Entry fees are prohibitive, food concessions are exorbitant. I refuse to spend my time around people who act like animals, with no respect for players, as they throw trash all over the field. I am not going to pay for something that does not benefit me.

Make all the funding come from the corporate sources, not the taxpayer. Let the companies whose foods are sold at concessions pay for the stadiums. Do not burden the taxpayer.

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The teams bring lots of crime and expense that we could better use for the education of our children. It makes no sense to seek funding for new stadiums when school buildings fall apart and children have no textbooks. Without the education of children, our city will build adults with no education who idolize sports and cannot read.

Let's dump the stadiums, dump the franchises.

(Applause.)

MS. BIERCE: Or keep the stadiums that can be fixed. Let's use the money where it is essential, in the repairs of school buildings and the provisions of textbooks for children in the School District of Philadelphia.

I do definitely oppose the funding for these stadiums.

Thank you very much.

COUNCIL PRESIDENT VERA: Thank you.

(Applause.).

MS. CHEUNG: Hi.

(Witness speaks in foreign tongue.)

MS. CHEUNG: I just said that I was

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Chinese and that I will not be silent.

My name is Lai Har Cheung. That's spelled L-A-I, capital H-A-R, C-H-E-U-N-G. I am with Asian Americans United and with the rest of Philadelphia and Pennsylvania saying no more public money into private business ventures, okay?

(Applause.)

MS. CHEUNG: I'm tired of the lies, I'm tired of being a worker and watching my family work for someone else's wealth and seeing our money go into private hands, okay? And I hope you're tired too, 'cause it's been a long time and they've been doing it on and on again. And it's just redistribution of wealth, and I am sick of it.

Public money is to be used for public good, as Councilman DiCicco rightly said, public good. The way I define public good is our children, our schools, our streets, our neighborhoods, not billionaires, millionaires, and wannabe billionaires that I see trying to get our public money, you know?

(Applause.)

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2 MS. CHEUNG: In walking through
3 Chinatown, I feel watched by the tourists. They
4 look at me like I'm on exhibit or something.
5 Look, Ooh, look at that girl, like, from
6 Chinatown. It's, like, the most awkward thing
7 that you could ever experience. Like, people in
8 trolleys are just looking at you. Like, we are
9 not a zoo; we are a city with creative, passionate
10 people. The fact that you guys are here tonight,
11 I mean, we're the same people, we are not
12 different. You know, I can look different to you
13 and stuff like that, but we are the same. We want
14 the best for our city, okay?
15 (Applause.)
16 MS. CHEUNG: I was watching working-
17 class people yesterday. I went to the Ballpark
18 Action Team Rally, and it was the saddest thing
19 because I saw these working-class people rooting
20 for their bosses, 'cause they have to root for
21 them, it's their boss. And what they were saying
22 was that -- they said their jobs were at stake and
23 that, like, in order to protect their jobs, they
24 needed a stadium.
25 And then what I was really thinking

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2 was, are you trying to protect your jobs or are
3 you trying to protect your boss' wants? Like, I
4 didn't really -- it just really hurt me 'cause I
5 saw a lot of beautiful people out there looking
6 for the same things that we are: decent jobs,,
7 decent housing, same things. But they're --
8 they're -- they're making their livelihoods at
9 stake. And when you do that to people, they turn
10 into really, like, narrow-minded people.

11 And what we're trying to do tonight,
12 and I'm really glad you guys are listening,
13 because this is what we're trying to do, we're
14 trying to open people's minds.

15 And I'm sick of being lied to and I
16 hope you guys are too. And I'm sick of accepting
17 it, okay? We're supposed to be afraid that we
18 won't have enough for our families, we're supposed
19 to be afraid. But when the truth -- the truth is
20 that there's more than enough for everyone.
21 There's more time for everyone's voices to be
22 heard, there's more money. And the money for the
23 stadium proves it. There's enough for all of us
24 to have in this country and all over the world,
25 there is enough, but there are people that want

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more than their share, and they're try to take it from people who don't have it, and that is a crying shame and that is greed and that is injustice.

And if we are to live in a society with sane people, we cannot let this insanity happen, okay? We can decide that Philadelphia can be a first-class city because our children, our children deserve a first-class education, and not a stadium. This is what makes a city first class -- not buildings. It's our children that makes us first class.

(Applause.)

MS. CHEUNG: Final thing. Public money for public good now.

That's it. Thank you, thank you so much.

COUNCIL PRESIDENT VERNA: Thank you.

(Applause.)

COUNCIL PRESIDENT VERNA: Please identify yourself for the record.

MS. MOYER: My name is Palma Moyer, and I'm one of your constituents, and I'm the one who got the 300 signatures from South Philadelphia

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2 opposing the stadium in Chinatown.
3 (Applause.)
4 MS. MOYER: I'll make it brief and to
5 the point.
6 My friends are Chinatown and I do not
7 want any of my taxpayers' money to go to oppose
8 them or to oppress or, for that matter, no
9 minority do I want my tax money spent to oppress
10 anyone. And I am a registered voter and a
11 taxpayer, and I would greatly urge Council to
12 consider and use justice and mercy when you're
13 making your decision, and I have all the
14 confidence that you will come up with the right
15 choice.
16 Thank you.
17 COUNCIL PRESIDENT VERNA: Thank you,
18 thank you very much.
19 (Applause.)
20 MR. VON RETTIG: I come today to speak
21 against stadiums.
22 COUNCIL PRESIDENT VERNA: Excuse me.
23 Please identify yourself for the record.
24 MR. VON RETTIG: Excuse me. My name is
25 Gilbert Von Rettig (ph.).

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2 All right, I'm against the stadium in
3 Chinatown, but I'm not against a stadium in
4 Philly. But don't make the same mistake you made
5 30 years ago by making it one all-purpose stadium
6 because those type of stadiums are obsolete. That
7 is a big waste of money.

8 My suggestion is to build a stadium in
9 one of the alternative places, other than in
10 Chinatown. I'm not from Philly, I just grew up in
11 Veterans Stadium and Franklin Field when I was a
12 child when my father used to take me to see the
13 Eagles all the time.

14 My suggestion is temporarily renovate
15 the old Franklin Field, not the Vet, and build a
16 new sports complex and you won't have to worry
17 about a stadium for centuries, okay? 'Cause the
18 Veterans Stadium is obsolete. And then, in any
19 one of the alternative places, other than
20 Chinatown, you can build the baseball park. And
21 then, it will be just like -- you know, the Jets
22 used to play at Shea Stadium, and Shea Stadium is
23 a baseball park and now they're in East
24 Rutherford, New Jersey, with the Giants. But
25 their problem has been quenched.

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2 Do it the right way. Don't waste money
3 on building an all-purpose stadium because in ten,
4 fifteen years, you're going to have the same
5 problem.
6 Thank you.
7 COUNCIL PRESIDENT Verna: Thank you
8 very much.
9 (Applause.)
10 COUNCIL PRESIDENT Verna: Would any and
11 all witnesses that want to testify, please
12 approach the witness table.
13 (Witness comes forward.)
14 COUNCIL PRESIDENT Verna: Good
15 evening. Kindly identify yourself for the
16 record.
17 COUNCILWOMAN MILLER: Hi. My name is
18 Gene Miller, I'm from Philadelphia.
19 COUNCIL PRESIDENT Verna: I'm sorry?
20 MR. MILLER: My name is Gene Miller,
21 I'm from Philadelphia, from the Fairmount
22 neighborhood.
23 COUNCIL PRESIDENT Verna: Please
24 proceed, Mr. Miller.
25 MR. MILLER: I'll be very brief. I

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1 want to thank you for conducting these hearings.
2 I know it's a strain, you've had a full day. And
3 I think this is, you know, a wonderful revival of
4 City Council after eight years of being locked
5 out. And I commend you on your chairmanship.
6

7 COUNCIL PRESIDENT VERA: Thank you.

8 MR. MILLER: I think one issue has to
9 be addressed -- that is that the debt service on
10 this bond to finance this is going to be hanging
11 over the City for the next ten years. And we lost
12 9 percent of our population since 1990, most of
13 that being middle-class taxpayers, our revenue
14 base, our tax base.

15 If we go into another recession, as we
16 saw in the early and mid-'90s, we may not be able
17 to make debt service. We may be in a position
18 that New York was in the '70s, when it had to cut
19 20 percent of its police, fire, and trash people.
20 They were laid off. New York is lucky that it
21 recovered. Philadelphia doesn't have the
22 infrastructure that New York City does. If we go
23 into a situation where we default on bonds, where
24 we have to finance them or refinance them at a
25 higher rate, that will be the straw that breaks

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2 the camel's back.

3 There are very articulate and better
4 educated economists that have looked at this, you
5 know, the matter of debt service and the volumes
6 of bonds, outstanding bonds that we have. And I
7 would urge you to appoint within Council your
8 research staff to really look into this. I don't
9 think Philadelphia can afford, by any standard --
10 Conservative, Liberal, whatever -- by strict
11 dollar standards to take this on.

12 If there is an effective development
13 strategy for the City, it should be to try to
14 develop an atmosphere where people want to live in
15 this city. Somebody cited that they had an
16 apartment or a condominium in the designated area,
17 that was going to be demolished. A better
18 development strategy, I suggest, is to try to
19 encourage, through tax incentive financing, the
20 construction of condominiums in that area. If you
21 bring in 4,000 new households, what does that
22 amount to? Oh, about 8 to \$10 million in new tax
23 revenue from that area, and you can get private
24 investment, because that's prime investment area,
25 that real estate right now.

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I promised I'd be brief. I just want to restate that briefly I'm opposed to any public funding on principle, and I feel that Council and the Mayor's commission have to examine the fact that we can't pay debt service on this bond issue to finance these stadiums. There's no way you can cook the books to make that work.

Thank you.

COUNCILWOMAN Verna: Thank you, Mr. Miller.

(Applause.)

COUNCIL PRESIDENT Verna: Good evening.

MS. NAGAKI: My name is Masami Nagaki (ph). I'm from Japan, actually. I'm not a citizen of the United States. I'm so nervous, I'm sorry.

I went to public school in Japan and that gave me the courage to come here and study. I went to college in Boston, I transferred, and now I go to the academy down the street. I have a lot of local friends and I believe that a lot of schools do need money, and I feel really bad. It seems like a lot of kids having an education

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2 problem. It just doesn't make sense. And I'm
3 wanting to have kids eventually with this guy, but
4 I don't want my kids to go to really, you know,
5 bad neighborhood, bad school, you know? It's just
6 -- I don't want my kids to have guns and stuff.
7 It just don't make sense.
8 And I'm sorry.
9 COUNCIL PRESIDENT VERNA: You're doing
10 fine. Just take your time.
11 MS. NAGAKI: Yeah. It's been a few
12 years that I've been here studying, but I have
13 enough knowledge to speak English fine, and just
14 public school gets you this much, you know,
15 knowledge. It's really important to put money
16 towards school, not the stadiums. It's just
17 really, you know, not making sense. That's why I
18 just wanted to support people who stand for the
19 justice.
20 Thanks.
21 COUNCIL PRESIDENT VERNA: Thank you.
22 (Applause.)
23 MR. HUEY: Hello. My name is Brian
24 Huey (ph.), and I live around 11th and Cherry,
25 right next to the Convention Center, where it's a

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2 big eyesore, for the most part.
3 But I moved here two years ago with
4 Masami from Boston, because in Boston, they used
5 to have a rent cap and it kept rent down. For the
6 most part, it was still really expensive, but
7 around the time that we left, they took off the
8 rent cap and all the rents went up in the area.
9 We wound up paying \$785 a month for a studio in
10 downtown Boston. Granted that it was downtown
11 city area fairly, it was expensive.
12 My grandmother lives in Chinatown. I
13 spoke with her and she helped us find an apartment
14 here in Philadelphia, so I moved back here. Since
15 I've been here, I have been pretty active in a lot
16 of anti-fascist action groups in the area, and I
17 can see a lot of problems with the way things have
18 been going with the stadiums, for instance. I
19 don't really want a stadium in my backyard. I
20 mean, I don't think anybody here does. And I'm
21 sure John Street wouldn't want one in his.
22 (Applause.)
23 MR. HUEY: But I see, like, kids
24 walking across the street. I work out in Malvern
25 and I used to work down in Bristol. When I worked

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2 down in Bristol, I used to drive down the Vine
3 Street Expressway to get to 95, and I used to see
4 kids in the morning crossing the street with the
5 crossing guard. And there's always one or two
6 people that decide they want to be a jerk and
7 drive really fast through those intersections.
8 And I've seen kids almost get hit. I've seen
9 problems where people just don't pay attention to
10 where they're driving there. And with a stadium
11 being built and coming back in the afternoon from
12 work and whatnot, it's going to be even more
13 dangerous. And I just see the congestion as being
14 a major problem.

15 I don't really have much else to say.

16 COUNCIL PRESIDENT VERNA: Thank you
17 very much.

18 (Applause.)

19 COUNCIL PRESIDENT VERNA: Good evening
20 please identify yourself for the record.

21 MR. DEVORE: Yes. My name is Alexander
22 Devore (ph). I was born in Philadelphia and I've
23 always lived in Philadelphia, including 30 years
24 at Front and Lombard, and I'm in Councilman
25 DiCicco's district, and I supported you and voted

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2 for you in the last election. I supported John
3 Street. I thought that John Street would have had
4 more consideration for the community.

5 I understand a lot of people would
6 rather you spend money for education and
7 neighborhoods and social services, but I also
8 understand that John Street and many members of
9 City Council want to build a stadium, I can
10 understand that, but at least be fiscally
11 responsible.

12 John Street said during the election
13 that he would go through the budget with a
14 fine-tooth comb. You have to be fiscally
15 responsible.

16 And not only that, it's going to
17 destroy Chinatown. I have a very strong sense of
18 justice. I mean, you've had so much testimony.
19 If you don't know by now that it's going to
20 destroy Chinatown, then, you know, you -- I can't
21 believe it.

22 (Applause.)

23 MR. DEVORE: The parking, the
24 congestion. Race Street is one of the most
25 congested streets in the City. Anyone who has

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1 driven around Chinatown knows that. And parking.
2 And Chinatown isn't just like a tourist -- I tell
3 people to visit Chinatown because it's very
4 interesting. It's an authentically Chinese
5 community. It's not just a bunch of restaurants.
6 It's -- it has character because it is a place
7 where people actually live. It's a real
8 community, and that needs to expand.

9 What you're really saying -- it's a
10 slap in the face to anyone who lives in Chinatown
11 to say a baseball stadium is a greater cultural
12 contribution to the City than Chinatown.

13 (Applause.)

14 MR. DEVORE: And not only that, you're
15 saying that you don't want more people from China
16 to come into the City. The City lost 17,000
17 people in the year 1998. That was a net loss of
18 people during the best of economic times.

19 Now, the way to stem that loss is to
20 encourage more people to come into the community.
21 And that is exactly what's happening right under
22 your nose. People want to come into the community
23 and they have to expand. So that that's their
24 eminent domain. It's like saying they have no
25

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right to come here. It's the same thing as Johnny Rocker, what he said, Oh, where the hell did all these people come from?

But you, as Councilmembers and as City government, you would be using an extra \$100 million of taxpayers' money to implement Johnny Rocker's belief system. And if you don't realize that voting for a stadium at 12th and Vine is political suicide, then you are more stupid than what Johnny Rocker said.

And another thing, I mean, if you're going to build it there, hey, you know, you might as well build it right here, at Broad and Market. Tear down City Hall, put the stadium here, because the government's function is to serve the community. And if the government does not serve the community, then it might as well not exist at all.

(Applause.)

COUNCIL PRESIDENT Verna: Good evening. Please identify yourself for the record.

MR. AVERSO: Good evening, Madam Chairman and committee members. My name is

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2 Richard Averso. I just moved here to the City. I
3 was brought in actually from some personnel that
4 was outside stating their cause.

5 I've been here for hours now, and the
6 reason I come in to City Hall was to find out what
7 they're fighting for. So before you set your
8 timer, could I ask you, what is the objective that
9 you they were supposed to be stating their case
10 for? 'Cause I haven't quite heard that. I've
11 heard people state why not to put a stadium there,
12 what's good for the City, what's bad for the City.
13 And before I address you on this issue, from what
14 I gather from all of these people, can you state
15 what the forum is that you're here for today?
16 'Cause I haven't heard it one time, I haven't
17 seen it in writing, but I've heard all of their
18 testimony, and I'd like to address it from what
19 I've heard today, and on the news.

20 COUNCILMAN COHEN: We're gathered here
21 this afternoon and tonight to hear from the people
22 of Philadelphia about their thoughts on public
23 financing of sports stadiums. That's a proposal
24 before the Mayor and before the City Council
25 involving hundreds millions of dollars, and the

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question is, should they be publicly financed, is it appropriate to consider use of public money? And if so, how much and on what terms?

MR. AVERSO: So today, you've been here all day to hear whether or not you should finance the stadium or not with taxpayers' money from the City, correct?

COUNCILMAN COHEN: That's right.

MR. AVERSO: Okay, I just wanted to make that clear so that before I address you, I don't waste none of my tie. So I appreciate you explaining that.

In my opinion, I've lived in Philadelphia as a child and I have been -- come back to the area to work in the area. From what I can tell from these gracious people and of your time, it's a very good cause, and whether or not I feel that you should use their money or not, I guess I'm not here long enough to state that. But if I lived here all my life and being from a small town that I am, I can give you a very small example and how you should be very careful how use their money or take their community and use it the way that you like, 'cause everybody counts. One,

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I've been taught that from living in a smaller town.

Two, I'll give you an example. In my town that I'm from, which I said I just moved up to the City to work here, the mayor down there wanted to enlarge a bridge. The town folk went for it because the mayor said, I want to enlarge this bridge. Well, the people said, If the mayor said do it, then we got to do it, he knows what's best for the town.

Well, the contractors came in and they enlarged the bridge, but what the mayor failed to tell the people my community was, by and large, he's going to damage a 100-year-old building that was very important to the town history. So this venture in which he went into cost \$80,000, hypothetically speaking.

By the time it was all said and done, because the mayor hid facts from the community, which is proven, it's on record, the construction engineer said, I told the mayor the day before we started the project, This is not good for our town because if we enlarge it, the traffic demands are not there, we don't need a larger bridge. And if

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we do, that building, which has been a part of our town history, will be damaged.

Well, sure enough, it sent a crack up the building that was over 100 years old. Not only did it \$80,000 to do because the mayor felt it was right and didn't go by all the facts that were presented to himself and the committee, it also cost our town people over a million dollars to keep that one building standing.

And all I'm saying is, before you make your decision, think about what these people said in this room today. There were a lot of facts about education, about the City and the problems, but we're all aware of that. I come to this City, I see all of that. But tonight our issue is whether or not the City of Philadelphia should appropriate money or funds or taxes for this venture into the stadium. And before you make that decision and hand it to the mayor, think of that building that I'm telling you about. We were told it would only cost \$80,000 for that bridge. Well, we still travel over the bridge. For no reason we got the bridge 'cause we didn't need it, but these facts were hidden, and that building

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2 cost a million dollars to keep standing. We still
3 got it, thank god. But just by him not informing
4 all of the facts and going by all of the facts, he
5 made a wrong decision cost, and it us over a
6 million dollars.
7 Don't cost their community their
8 community. Make sure you look out for their best
9 interests before you stamp a price tag on that
10 stadium.
11 That's all I'd like to say and I
12 appreciate your time.
13 COUNCIL PRESIDENT VERNA: Thank you.
14 (Applause.)
15 COUNCIL PRESIDENT VERNA: Do we have
16 anyone else that would like to testify?
17 (No response.)
18 COUNCIL PRESIDENT VERNA: I want to
19 thank you all for your patience and your time and
20 certainly your testimony. I think it has helped
21 all of us.
22 Thank you all very much.
23 (Applause.)
24 (Adjourned at 9:55 p.m.)
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C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Wednesday, June 20, 2000, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COUNCIL COMMITTEE OF THE WHOLE
RESOLUTION NO. 000325

_____,
DEBRA ANN WHITEHEAD,
Registered Professional Reporter

and

_____,
JOSEPHINE CARDILLO,
Registered Professional Reporter